

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF GO HUB CAPITAL BERHAD (“GOHUB” OR THE “COMPANY”) DATED 12 JUNE 2024 (“ELECTRONIC PROSPECTUS”)

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus dated 12 June 2024 shall apply throughout this notice)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at <https://www.bursamalaysia.com/> (“**Website**”).

Availability and Location of Paper/Printed Prospectus

Any applicant 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, UOB Kay Hian Securities (M) Sdn Bhd (“**UOBKH**”), or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus 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

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, UOBKH and GOHUB take no responsibility for the distribution of the Electronic Prospectus and/or the sale of ordinary shares in GOHUB (“**Share(s)**”) outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any Shares, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from 10.00 a.m. on 12 June 2024 and will close at 5.00 p.m. on 20 June 2024. If there are any changes to the timetable, GOHUB will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia newspaper within Malaysia, and make an announcement of such changes on Bursa Securities’ website accordingly.

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.



goHUB

GO HUB CAPITAL BERHAD
(Registration No.: 202201019895 (1465592-V))
(Incorporated in Malaysia)

GO HUB CAPITAL BERHAD

PROSPECTUS

P R O S P E C T U S

goHUB

GO HUB CAPITAL BERHAD

(Registration No.: 202201019895 (1465592-V))
(Incorporated in Malaysia)

INITIAL PUBLIC OFFERING (“**IPO**”) IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED ORDINARY SHARE CAPITAL OF GO HUB CAPITAL BERHAD (“**GOHUB**” OR THE “**COMPANY**”) ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“**BURSA SECURITIES**”) (“**ACE MARKET**”) COMPRISING A PUBLIC ISSUE OF 107,180,000 NEW ORDINARY SHARES IN GOHUB (“**IPO SHARE(S)**”) IN THE FOLLOWING MANNER:-

- (I) 20,000,000 IPO SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- (II) 12,000,000 IPO SHARES RESERVED FOR APPLICATION BY OUR ELIGIBLE DIRECTORS AND EMPLOYEES AS WELL AS PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP; AND
- (III) 75,180,000 IPO SHARES BY WAY OF PRIVATE PLACEMENT TO IDENTIFIED INSTITUTIONAL AND/OR SELECTED INVESTORS,

AT AN IPO PRICE OF RM0.35 PER IPO SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Underwriter and Placement Agent

UOB KayHian

UOB KAY HIAN SECURITIES (M) SDN BHD
(Registration No.: 199001003423 (194990-K))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

This Prospectus has been registered by Bursa Securities. The approval of the listing of and quotation for our entire enlarged issued share capital on the ACE Market and registration of this Prospectus should not be taken to indicate that Bursa Securities recommends the offering or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus. Bursa Securities has not, in any way, considered the merits of the securities being offered for investment.

Bursa Securities has approved the admission of our Company to the official list of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital on the ACE Market. Bursa Securities is not liable for any non-disclosure on the part of our Company and 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.

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 43.

THE ACE MARKET IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SECURITIES COMMISSION MALAYSIA UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

THIS PROSPECTUS IS DATED 12 JUNE 2024

RESPONSIBILITY STATEMENTS

OUR DIRECTORS AND PROMOTERS (AS DEFINED HEREIN) 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.

UOB KAY HIAN SECURITIES (M) SDN BHD (“**UOBKH**”), BEING OUR PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT IN RELATION TO OUR 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 CONCERNING OUR IPO.

STATEMENTS OF DISCLAIMER

APPROVAL HAS BEEN GRANTED BY BURSA SECURITIES FOR THE LISTING OF AND QUOTATION FOR OUR SHARES. 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.

BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND 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.

THIS PROSPECTUS, TOGETHER WITH THE APPLICATION FORMS (AS DEFINED HEREIN), HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES, WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

OTHER STATEMENTS

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT 2007 (“**CMSA**”) FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO GOHUB.

OUR SHARES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING OUR IPO, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, IS RESPONSIBLE.

OUR SHARES ARE CLASSIFIED AS SHARIAH COMPLIANT BY THE SHARIAH ADVISORY COUNCIL OF THE SECURITIES COMMISSION MALAYSIA (“**SAC**”). THIS CLASSIFICATION REMAINS VALID FROM THE DATE OF ISSUE OF THE PROSPECTUS UNTIL THE NEXT SHARIAH COMPLIANCE REVIEW UNDERTAKEN BY THE SAC. THE NEW STATUS IS RELEASED IN THE UPDATED LIST OF SHARIAH-COMPLIANT SECURITIES, ON THE LAST FRIDAY OF MAY AND NOVEMBER.

THIS PROSPECTUS HAS BEEN PREPARED IN THE CONTEXT OF AN IPO UNDER THE LAWS OF MALAYSIA, AND OUR IPO WILL NOT BE MADE IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA OR TO PERSONS WHO ARE SUBJECT TO THE LAWS OF ANY COUNTRY OR JURISDICTION OTHER THAN THE LAWS OF MALAYSIA. OUR IPO TO WHICH THIS PROSPECTUS RELATES IS ONLY AVAILABLE TO PERSONS RECEIVING THIS PROSPECTUS ELECTRONICALLY OR OTHERWISE WITHIN MALAYSIA. WE AND OUR PRINCIPAL ADVISER HAVE NOT AUTHORISED AND TAKE NO RESPONSIBILITY FOR THE DISTRIBUTION OF THIS PROSPECTUS (IN PRELIMINARY OR FINAL FORM) OUTSIDE MALAYSIA. 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 OR PURCHASE, ANY SECURITIES UNDER OUR IPO IN ANY JURISDICTION IN WHICH SUCH OFFER OR INVITATION IN ANY JURISDICTION OR IN ANY CIRCUMSTANCES 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 OFFER OF OUR IPO SHARES (AS DEFINED HEREIN) 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.

WE WILL NOT MAKE OR BE BOUND TO MAKE ANY ENQUIRY BEFORE ANY ACCEPTANCE IN RESPECT OF OUR IPO AS TO WHETHER YOU HAVE A REGISTERED ADDRESS IN MALAYSIA. WE WILL NOT ACCEPT ANY LIABILITY WHETHER OR NOT ANY ENQUIRY OR INVESTIGATION IS MADE IN CONNECTION WITH IT. IT IS YOUR SOLE RESPONSIBILITY TO CONSULT YOUR LEGAL AND/OR OTHER PROFESSIONAL ADVISERS AS TO WHETHER OUR IPO WOULD RESULT IN THE CONTRAVENTION OF ANY LAWS OR JURISDICTIONS OTHER THAN MALAYSIA TO WHICH YOU MAY BE SUBJECTED.

FURTHER, IT SHALL ALSO BE YOUR SOLE RESPONSIBILITY TO ENSURE THAT YOUR APPLICATION FOR OUR SHARES WOULD BE IN COMPLIANCE WITH THE TERMS OF OUR IPO AND WOULD NOT BE IN CONTRAVENTION OF ANY LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO WHICH YOU MAY BE SUBJECTED TO. WE WILL FURTHER ASSUME THAT YOU HAD ACCEPTED THIS IPO IN MALAYSIA AND WILL AT ALL APPLICABLE TIMES BE SUBJECTED ONLY TO THE LAWS OF MALAYSIA CONNECTED TO IT.

HOWEVER, WE RESERVE THE RIGHT, IN OUR ABSOLUTE DISCRETION, TO TREAT ANY ACCEPTANCE AS INVALID IF WE BELIEVE THAT SUCH ACCEPTANCE MAY VIOLATE ANY LAW OR APPLICABLE LEGAL OR REGULATORY REQUIREMENTS.

THIS PROSPECTUS IS PREPARED AND PUBLISHED SOLELY FOR OUR IPO IN MALAYSIA UNDER THE LAWS OF MALAYSIA. OUR SHARES ARE ISSUED IN MALAYSIA SOLELY BASED ON THE CONTENTS OF THIS PROSPECTUS. WE AND OUR PRINCIPAL ADVISER HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION, WHICH IS NOT CONTAINED IN THIS PROSPECTUS.

ELECTRONIC PROSPECTUS

THIS PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES' WEBSITE AT www.bursamalaysia.com. THE CONTENTS OF THE ELECTRONIC PROSPECTUS (AS DEFINED HEREIN) ARE AS PER THE CONTENTS OF THE PROSPECTUS REGISTERED WITH BURSA SECURITIES.

YOU ARE ADVISED THAT THE INTERNET IS NOT A FULLY SECURED MEDIUM AND THAT YOUR INTERNET SHARE APPLICATION (AS DEFINED HEREIN) IS SUBJECT TO THE RISKS OF PROBLEMS OCCURRING DURING 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 (AS DEFINED HEREIN). THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

IF YOU DOUBT THE VALIDITY OR THE INTEGRITY OF AN ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM US OR THE ISSUING HOUSE (AS DEFINED HEREIN), A PAPER/PRINTED COPY OF THIS PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS FOR ANY REASON WHATSOEVER, THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS WHICH ARE IDENTICAL TO THE COPY OF THIS PROSPECTUS REGISTERED WITH BURSA SECURITIES 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 AND OUR PRINCIPAL ADVISER DO NOT ENDORSE AND ARE NOT AFFILIATED IN ANY WAY TO THE THIRD-PARTY INTERNET SITES AND ARE NOT RESPONSIBLE FOR THE AVAILABILITY OF, OR THE CONTENT OR ANY DATA, INFORMATION, FILES OR OTHER MATERIAL PROVIDED ON THE THIRD-PARTY INTERNET SITES. YOU SHALL BEAR ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD-PARTY INTERNET SITES;
- II. WE AND OUR PRINCIPAL ADVISER ARE NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD-PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY OF THE TERMS OF YOUR AGREEMENTS WITH THE THIRD-PARTY INTERNET SITES. WE AND OUR PRINCIPAL ADVISER 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, INFORMATION, FILES OR OTHER MATERIAL PROVIDED BY SUCH PARTIES; AND
- III. ANY DATA, INFORMATION, FILES OR OTHER MATERIAL DOWNLOADED FROM THE THIRD-PARTY INTERNET SITES IS DONE AT YOUR OWN DISCRETION AND RISK. WE AND OUR PRINCIPAL ADVISER ARE NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO YOUR COMPUTER SYSTEM OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILES OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITES OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS, YOU ARE ADVISED THAT:-

- I. THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS ARE ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS, TO THE EXTENT OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS ON THE WEB SERVERS OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS WHICH MAY BE VIEWED VIA YOUR WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS ARE NOT RESPONSIBLE IN ANY WAY FOR THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS WHICH HAS BEEN DOWNLOADED OR OBTAINED FROM THE WEB SERVERS OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS 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 SECURED MEDIUM.

THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS ARE NOT LIABLE (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COST, 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 FAULTS WITH WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULTS ON YOUR OR ANY THIRD-PARTY'S PERSONAL COMPUTER, OPERATING SYSTEM OR OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORISED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITES OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS, 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.

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INDICATIVE TIMETABLE

The indicative timetable for our IPO is set out below:-

Events	Date
Opening of Applications	10.00 a.m., 12 June 2024
Closing of Applications	5.00 p.m., 20 June 2024
Balloting of Applications	24 June 2024
Allotment of our IPO Shares to successful applicants	1 July 2024
Listing	3 July 2024

If there are any changes to this timetable, we will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia newspaper within Malaysia, and make an announcement of such changes on Bursa Securities' website accordingly.

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DEFINITIONS

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

“ACE Market”	:	ACE Market of Bursa Securities
“Acquisition of NSS”	:	Acquisition by GOHUB of the entire issued share capital of NSS comprising 1,000,000 ordinary shares from the vendors, namely Tan Cherng Thong, Hong Boon Huon, Eng Chee Seng and Wong Yoke Hoe for a purchase consideration of RM13,152,836, which was entirely satisfied by the issuance of 13,152,836 GOHUB Shares at an issue price of RM1.00 per GOHUB Share. The Acquisition of NSS was completed on 21 December 2022
“Acquisition of Star Central Office Tower”	:	Acquisition by NSS of the entire block of 8 storey semi-detached corporate office, Corporate Park, Star Central @ Cyberjaya consisting of Parcel No. 11-G-01, 11-01-01, 11-02-01, 11-03-01, 11-04-01, 11-05-01, 11-06-01 and 11-07-01 from Joyful Star Sdn Bhd held under Master Title Geran 339485, Lot 111284, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor for a total area measuring approximately 18,960 sq ft together with the buildings and accessory parcels erected thereon bearing postal address of 11-G-01, 11-01-01, 11-02-01, 11-03-01, 11-04-01, 11-05-01, 11-06-01 and 11-07-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor for a total purchase consideration of approximately RM12.90 million
“Acquisition of TCT Apps”	:	Acquisition by GOHUB of the entire issued share capital of TCT Apps comprising 1,000,000 ordinary shares from the vendors, namely TCT International, Tan Cherng Thong, Hong Boon Huon and Eng Chee Seng for a purchase consideration of RM157,008, which was entirely satisfied by the issuance of 157,008 GOHUB Shares at an issue price of RM1.00 per GOHUB Share. The Acquisition of TCT Apps was completed on 22 December 2022
“Acquisitions”	:	Collectively, the Acquisition of NSS and the Acquisition of TCT Apps
“Act”	:	Companies Act 2016 of Malaysia
“ADA(s)”	:	Authorised Depository Agent(s)
“AGM”	:	Annual general meeting
“APAD”	:	Agensi Pengangkutan Awam Darat (previously known as SPAD). SPAD was dissolved in December 2018 and APAD was established in January 2019 under the Ministry of Transport Malaysia
“Application(s)”	:	The application(s) for the IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
“Application Form(s)”	:	Application form(s) for the application of the IPO Shares accompanying this Prospectus
“ATM(s)”	:	Automated teller machine(s)
“Authorised Financial Institution(s)”	:	Authorised financial institution(s) participating in the Internet Share Application in respect of the payments for the IPO Shares
“Board”	:	Board of Directors (including the independent directors) of GOHUB
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165570-W))
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))

DEFINITIONS (cont'd)

“CAGR”	:	Compound annual growth rate
“CCC”	:	Certificate of Completion and Compliance
“CDS”	:	Central Depository System
“CDS Account(s)”	:	Securities account(s) established by Bursa Depository for a depositor pursuant to the SICDA and the rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
“CEO”	:	Chief executive officer
“CF”	:	Certificate of Fitness for Occupation
“CMSA”	:	Capital Markets and Services Act 2007
“Constitution”	:	Constitution of our Company
“COVID-19”	:	Coronavirus disease, an infectious disease caused by the SARS-CoV-2 virus
“CTO”	:	Chief technology officer
“D&D”	:	Design and development
“Director(s)”	:	Directors of our Company and within the meaning given in Section 2(1) of the CMSA
“E-Transact”	:	E-Transact Technology Sdn Bhd (Registration No.: 200301027170 (629590-U))
“EBITDA”	:	Earnings before interest, taxation, depreciation and amortisation
“Electronic Prospectus”	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to compact disc read-only memory (CD-ROMs)
“Electronic Application(s) Share	:	Application(s) for the IPO Shares through a Participating Financial Institution’s ATM
“Eligible Person(s)”	:	Eligible Directors and employees of our Group as well as persons who have contributed to the success of our Group
“Entry of Pre-IPO Investors”	:	The acquisition of an aggregate of 1,996,500 GOHUB Shares by the Pre-IPO Investors (save for Wong Yoke Hoe) from Tan Cherng Thong for a total purchase consideration of RM12.00 million, all of which were completed on 24 March 2023
“EPF”	:	Employees Provident Fund
“EPS”	:	Earnings per Share
“Existing Specified Bus Terminals”	:	Collectively, Terminal Melaka Sentral, Terminal Klang Sentral and Kompleks Hentian Bas MBKT
“financial years under review”	:	Collectively, the FYE 2020, FYE 2021, FYE 2022 and FYE 2023
“FYE”	:	Financial year ended/ending 31 December, as the case may be
“GHSB”	:	Go Hub Sdn Bhd (Registration No.: 202201020142 (1465839-M))
“GOHUB” or our “Company”	:	Go Hub Capital Berhad (Registration No.: 202201019895 (1465592-V))
“GOHUB Group” or our “Group”	:	Collectively, GOHUB and its subsidiaries

DEFINITIONS (cont'd)

“GOHUB Share(s)” or “Share(s)”	: Ordinary share(s) in our Company
“GP”	: Gross profit
“IMR” or “Protégé”	: Protégé Associates Sdn Bhd (Registration No.: 200401037256 (675767-H)), the independent market researcher appointed for our IPO
“Industry Overview Report”	: Industry overview report of the enterprise IT services industry in Malaysia prepared by Protégé, as set out in Section 7 of this Prospectus
“Internet Participating Financial Institution(s)”	: Participating financial institution(s) for the Internet Share Application
“Internet Share Application”	: Application for the IPO Shares through an Internet Participating Financial Institution
“IPO”	: Initial public offering comprising the Public Issue
“IPO Price”	: The issue price of RM0.35 per IPO Share
“IPO Share(s)”	: 107,180,000 new GOHUB Shares to be issued pursuant to the Public Issue
“Issuing House”	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No.: 197101000970 (11324-H))
“KTMB”	: Keretapi Tanah Melayu Berhad (Registration No.: 199101015631 (225943-T))
“KVDT”	: Klang Valley Double Track
“Listing”	: Admission of our Company to the Official List and the listing of and quotation for the entire enlarged issued share capital of GOHUB comprising 400,000,000 Shares on the ACE Market
“Listing Requirements”	: ACE Market Listing Requirements of Bursa Securities
“LPD”	: 10 May 2024, being the latest practicable date prior to the registration of this Prospectus
“MAICSA”	: Malaysian Institute of Chartered Secretaries and Administrators
“Maju TMAS”	: Maju TMAS Sdn Bhd (Registration No.: 201001040467 (924392-T))
“Malaysian Public”	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
“Margan”	: Margan International Sdn Bhd (Registration No.: 201801016102 (1278118-T))
“Market Day(s)”	: A day(s) on which Bursa Securities is open for trading of securities, which may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
“MBKT”	: Majlis Bandaraya Kuala Terengganu
“MCO”	: Movement control order imposed by the Malaysian Government
“MDEC”	: Malaysia Digital Economy Corporation Sdn Bhd (Registration No.: 199601016995 (389346-D))
“MFRS”	: Malaysian Financial Reporting Standards
“MITI”	: Ministry of Investment, Trade and Industry, Malaysia

DEFINITIONS (cont'd)

“MOF”	:	Ministry of Finance Malaysia
“MSC”	:	Multimedia Super Corridor
“N/A”	:	Not applicable
“NA”	:	Net assets
“NBV”	:	Net book value
“Official List”	:	A list specifying all securities listed on Bursa Securities
“Participating Financial Institution(s)”	:	Participating financial institutions for the Electronic Share Application
“PAT”	:	Profit after tax
“PBT”	:	Profit before tax
“Pink Application Form(s)”	:	Application form(s) for the application of IPO Shares by our Eligible Person(s) accompanying this Prospectus
“Pink Form Allocations”	:	Allocation of 12,000,000 IPO Shares to our Eligible Persons, which forms part of our Public Issue
“Placement Agreement”	:	Placement agreement dated 15 May 2024 entered into between our Company and the Placement Agent in relation to the placement of 75,180,000 IPO Shares under the Public Issue as set out in Section 3.3.1(iii) of this Prospectus
“Pre-IPO Investor(s)”	:	Collectively or individually, Wong Yoke Hoe, Dato’ Sri Robin Tan Yeong Ching, Alief Iskandar Bin Mohd Zuhri, Ong Beng Hooi and Ong Beng Chong, all of whom are shareholders holding less than 5% of our enlarged issued share capital after our IPO
“Pre-IPO Restructuring and Transactions”	:	Collectively, the Acquisitions, Subscription of Shares, Entry of Pre-IPO Investors and Share Split. Further details of which are set out in Section 5.3 of this Prospectus
“Prescription Period”	:	1 day after the launching date of this Prospectus up to a period of 30 days
“Promoter(s)”	:	Collectively or individually, Tan Cheng Thong, Lee Li Yee, Hong Boon Huon and Eng Chee Seng
“Prospectus”	:	This prospectus dated 12 June 2024 issued by our Company in respect of our IPO
“Prospectus Guidelines”	:	Prospectus Guidelines issued by the SC
“Public Issue”	:	Public issue of 107,180,000 IPO Shares at the IPO Price, comprising the following:- <ul style="list-style-type: none"> (a) 20,000,000 IPO Shares made available for application by the Malaysian Public through a balloting process; (b) 12,000,000 IPO Shares reserved for application by our Eligible Persons; and (c) 75,180,000 IPO Shares by way of private placement to identified institutional and/or selected investors
“R&D”	:	Research and development
“ROC”	:	Registrar of Companies of Malaysia
“SAC”	:	Shariah Advisory Council of the SC
“SC”	:	Securities Commission Malaysia

DEFINITIONS (cont'd)

“Share Registrar”	: Securities Services (Holdings) Sdn Bhd (Registration No.: 197701005827 (36869-T))
“Share Split”	: Subdivision of every 1 existing Share into 22 subdivided Shares after the Acquisitions, Subscription of Shares and Entry of Pre-IPO Investors but prior to the Public Issue. The Share Split (which was part of the Pre-IPO Restructuring and Transactions) was completed on 9 August 2023. Please refer to Section 5.3.5 of this Prospectus for more details
“Shares Transfer”	: Transfer of 220,000,000 Shares held by Tan Cherng Thong, Hong Boon Huon, Eng Chee Seng and TCT International to GHSB during the Prescription Period
“SICDA”	: Securities Industry (Central Depositories) Act, 1991
“SOCSO”	: Social Security Organisation
“SPAD”	: Suruhanjaya Pengangkutan Awam Darat
“Specified Bus Terminal(s)”	: Bus terminal(s) where our Group acts as a system operator to operate TOS and provide terminal management services
“Specified Shareholder(s)”	: Collectively or individually, GHSB, Tan Cherng Thong, Kam Shee Na and Au Yong Chee Keong
“Subscription of Shares”	: The subscription of 56 new GOHUB Shares by Tan Cherng Thong. The subscription (which was part of the Pre-IPO Restructuring and Transactions) was completed on 16 March 2023
“TBS”	: Terminal Bersepadu Selatan
“TCT International”	: TCT International Sdn Bhd (Registration No.: 200401023821 (662327-W))
“Underwriting Agreement”	: Underwriting agreement dated 15 May 2024 between our Company and the Underwriter in relation to 20,000,000 IPO Shares under the Public Issue as set out in Section 3.3.1(i) of this Prospectus, and 12,000,000 IPO Shares under the Pink Form Allocations as set out in Section 3.3.1(ii) of this Prospectus
“UOBKH” or “Principal Adviser” or “Sponsor” or “Underwriter” or “Placement Agent”	: UOB Kay Hian Securities (M) Sdn Bhd (Registration No.: 199001003423 (194990-K))
“White Application Form(s)”	: Application form(s) for the application of the IPO Shares by the Malaysian Public accompanying this Prospectus

Currency and unit:-

“RM” and “sen”	: Ringgit Malaysia and sen
“sq ft”	: Square feet

Our subsidiaries:-

“NSS”	: NSS IT Solution Sdn Bhd (Registration No.: 201101036416 (964550-P))
“NSSPH”	: NSS IT Philippines Sdn Bhd (Registration No.: 201801002993 (1265006-D))
“TCT Apps”	: TCT Apps Solution Sdn Bhd (Registration No.: 201601034817 (1205758-D))

GLOSSARY TERMS

The following commonly used terms in our Group’s business and operations shall apply throughout this Prospectus unless the term is defined otherwise or the context otherwise requires:-

“ACG”	:	Access control gate is a physical barrier equipped with technology that regulates and monitors the entry or exit of individuals into and out of a controlled area
“AFC”	:	Automated Fare Collection system
“AI”	:	Artificial intelligence, a field of computer science and engineering that enable machines to perform functions that simulate human intelligence process
“API”	:	Application Programming Interface is a software intermediary that allows two applications to communicate with each other
“BOS”	:	Bus Operating System (current system that replaced MyBus Ticketing System)
“CCTV”	:	Closed-circuit television
“CTS”	:	Centralised Ticketing System
“ETS”	:	Electric Train Service
“fleet monitoring systems”	:	A system used to monitor a fleet of vehicles, by using technology to provide route tracking and location information
“GoGPS”	:	A cloud-based GPS location monitoring solution
“GoHub.com.my”	:	An online marketplace platform developed by our Group to cater for ticketing needs
“GoPartner”	:	An integrated cloud-based inventory and reservation management system developed by our Group for enterprises that require inventory and reservation management
“GPS”	:	Global positioning system
“handheld device(s)”	:	A portable electronic device(s)
“IAT”	:	Internal acceptance test, a series of tests conducted by internal members of the development team to evaluate a software’s functionality
“ICT”	:	Information communication technology
“IP”	:	Internet Protocol
“IT”	:	Information technology
“MyBus Ticketing System”	:	GPS-based ticketing solution developed for stage bus
“NFC”	:	Near field communication
“omni channel ticketing system”	:	An integrated ticketing system that allows users to purchase tickets seamlessly through various channels which include ticketing counter, TVMs, ticketing web platform and mobile applications
“ORAT”	:	Operational readiness and acceptance test, conducted to evaluate a system’s readiness to be deployed and go live
“OTA”	:	Online Ticketing Agent
“Outright Purchase”	:	A transaction in which the customer acquires full ownership and/or right of use of the solution by paying the entire purchase price upon completion of the customisation and installation

GLOSSARY TERMS (cont'd)

“POS”	:	Point Of Sale is a device that is used to process payment transactions
“QC”	:	Quality control
“QR Code”	:	Quick Response code, is a two-dimensional matrix barcode that can store a significant amount of information and can be read easily by a digital device
“QR Reader(s)”	:	QR reader is a type of barcode reader and/or camera that can identify and read a standard QR Code
“RFID”	:	Radio Frequency Identification
“RFID Reader(s)”	:	A device that uses radio-frequency electromagnetic fields to wirelessly communicate with RFID Tags
“RFID Tag(s)”	:	RFID tag(s) are a type of tracking system that uses radio frequency to search, identify, track and communicate with RFID Reader(s)
“Sanity test”	:	A series of test conducted during the development stage to evaluate a system’s basic functionality
“SAT”	:	Site acceptance test, a series of tests conducted on customers’ sites to ensure installed hardware and software operates within customers’ requirements
“Ticketing platform”	web	: An online website that allows users to purchase tickets for various modes of transportation
“TMS”	:	Traffic Management System
“TOS”	:	Terminal Operating System
“TVM”	:	A ticket vending machine is a self-service device that allows users to purchase various types of tickets or passes for services, and has cash and/or cashless payment modes
“UAT”	:	User acceptance test, a series of tests conducted with the user to evaluate a system’s ability to meet user specified requirement
“Zero Capex”	:	Zero upfront capital expenditure, whereby our Group owns the IT infrastructure and is responsible for managing and maintaining the system for an agreed fee (which may be a fixed charge or revenue sharing in nature)

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PRESENTATION OF INFORMATION

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include natural persons, firms, companies, body corporates and corporations.

References in this Prospectus to any provisions of statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as 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-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force. References to a time of day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

References to “our Company” or “the Company” or “GOHUB” in this Prospectus are made to Go Hub Capital Berhad (Registration No.: 202201019895 (1465592-V)), references to “our Group” or “the Group” or “GOHUB Group” are made to our Company and our subsidiaries and references to “we” or “us” or “our” or “ourselves” are made to our Company, and where the context requires, our Company and our subsidiaries. Unless the context otherwise requires, references to “management” are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our management.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industry 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 stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originated from us. In particular, certain information in this Prospectus is extracted or derived from report(s) provided by Protégé for inclusion in this Prospectus. We have appointed Protégé to provide an independent market and industry review relating to an overview of the economy and industry in which we operate in. In compiling their data for the review, Protégé relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate. However, neither we nor our advisers have independently verified these data. Neither we nor our advisers make any representation as to the correctness, accuracy or completeness of such data. Similarly, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We give no assurance that the projected figures will be achieved. You should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

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.

Any discrepancy in the tables between the amounts listed and the totals in this Prospectus are due to rounding.

FORWARD-LOOKING STATEMENTS

This Prospectus contains 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, plans and objectives of our management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, our performance or achievements, or industry results, to be materially different from any future results, 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 management's current view 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 "expect", "believe", "plan", "intend", "estimate", "anticipate", "aim", "forecast", "may", "will", "would", and "could" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:-

- i. demand for our services;
- ii. our business strategies and potential growth opportunities;
- iii. our management's plans and objectives for future operations;
- iv. our financial position;
- v. our future earnings, cash flows and liquidity; and
- vi. our ability to pay future dividends.

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

- i. the general economic, business, social, political and investment environment in Malaysia; and
- ii. government policy, legislation and regulation affecting us or the industry in which we operate.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to those discussed in **Section 4** of this Prospectus on risk factors and **Section 11.3** of this Prospectus on management's discussion and analysis of financial condition and results of operations. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. These forward-looking statements are based on information made available to us as at the LPD.

In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provision of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

TABLE OF CONTENTS

	Page
CORPORATE DIRECTORY	1
1. INTRODUCTION	5
1.1 Approvals and conditions.....	5
1.2 Moratorium on our Shares.....	7
2. PROSPECTUS SUMMARY	10
2.1 Principal details of our IPO	10
2.2 History and business.....	10
2.3 Competitive strengths	11
2.4 Future plans and business strategies	12
2.5 Risk factors	13
2.6 Our Directors and key senior management.....	15
2.7 Our Promoters and substantial shareholders	16
2.8 Use of proceeds	17
2.9 Financial and operational highlights.....	17
2.10 Dividend policy	19
2.11 Impact of COVID-19 on our Group	19
3. DETAILS OF OUR IPO	20
3.1 Opening and closing of applications	20
3.2 Indicative timetable	20
3.3 Details of our IPO.....	20
3.4 Basis of arriving at the price of our IPO Shares.....	25
3.5 Dilution	26
3.6 Use of proceeds	28
3.7 Brokerage, underwriting commission and placement fee	40
3.8 Underwriting arrangement.....	40
4. RISK FACTORS	43
4.1 Risks relating to our business operations	43
4.2 Risks relating to the industry in which we operate	52
4.3 Risks relating to investment in our Shares.....	53
4.4 Other risks.....	55
5. INFORMATION ON OUR GROUP	56
5.1 Our Company	56
5.2 Share capital	56
5.3 Pre-IPO Restructuring and Transactions	57
5.4 Our Group structure	59
5.5 Our subsidiaries	61
5.6 Public take-overs.....	70
5.7 Material investments and material divestitures	70

TABLE OF CONTENTS (cont'd)

	Page
6. BUSINESS OVERVIEW.....	71
6.1 History and background	71
6.2 Description of our business and solutions	75
6.3 Competitive strengths	100
6.4 Impact of COVID-19 on our Group	103
6.5 Operational process and facilities	105
6.6 Technology used.....	108
6.7 Our business segments and markets	109
6.8 Sales and marketing strategies.....	109
6.9 QC procedures and management.....	110
6.10 Seasonality.....	111
6.11 Employees	111
6.12 Major customers.....	112
6.13 Major suppliers.....	117
6.14 Types, sources and availability of supplies.....	119
6.15 Major licences and permits	120
6.16 Material trademarks and other intellectual property.....	128
6.17 Material properties, plant, machinery and equipment.....	130
6.18 Relevant laws, regulations, rules or requirements, and environment, social and governance practices	136
6.19 Dependency on contracts, agreements, documents or other arrangements.....	141
6.20 Productive capacity and extent of utilisation	141
6.21 D&D.....	141
6.22 Interruptions to business and operations	142
6.23 Environmental matters	142
6.24 Future plans and business strategies	142
7. INDUSTRY OVERVIEW.....	150

TABLE OF CONTENTS (cont'd)

	Page
8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT	162
8.1 Promoters and substantial shareholders	162
8.2 Directors	174
8.3 Board practice	200
8.4 Key senior management	206
8.5 Remuneration of Directors and key senior management.....	212
8.6 Involvement of our key senior management in other businesses and corporations outside our Group	215
8.7 Declaration from our Promoters, Directors and key senior management.....	217
8.8 Family relationships and/or associates	217
8.9 Service agreements	217
8.10 Management reporting structure.....	218
9. RELATED PARTY TRANSACTIONS	219
9.1 Related party transactions	219
9.2 Related party transactions that are unusual in their nature or conditions.....	225
9.3 Outstanding loans and/or financial assistance (including guarantees of any kind) made to or for the benefit of related parties or from related parties to our Group	226
9.4 Monitoring and oversight of related party transactions and conflicts of interest..	233
10. CONFLICT OF INTEREST	234
10.1 Interest in businesses which carry on similar trade as our Group or businesses of our customers or suppliers.....	234
10.2 Declaration by advisers for our IPO	234
11. FINANCIAL INFORMATION	235
11.1 Historical combined financial statements	235
11.2 Reporting Accountants' report on the pro forma consolidated statements of financial position.....	239
11.3 Management's discussion and analysis of financial condition and results of operations	253
11.4 Liquidity and capital resources.....	281
11.5 Trend information	296
11.6 Dividend policy	297
12. ACCOUNTANTS' REPORT	298

TABLE OF CONTENTS (cont'd)

	Page
13. STATUTORY AND OTHER GENERAL INFORMATION.....	378
13.1 Share capital	378
13.2 Extracts of our Constitution	379
13.3 Limitation on the rights to hold securities and/or exercise voting rights	383
13.4 Deposited securities and rights of Depositors	384
13.5 Material contracts	384
13.6 Material litigation	386
13.7 Repatriation of capital and remittance of profit	386
13.8 Letters of consent.....	386
13.9 Documents available for inspection	386
13.10 Responsibility statements	387
14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE	388
14.1 Opening and closing of Applications	388
14.2 Methods of Application.....	388
14.3 Eligibility	389
14.4 Application by way of Application Forms	390
14.5 Application by way of Electronic Share Application	390
14.6 Application by way of Internet Share Application.....	391
14.7 Authority of our Board and Issuing House	391
14.8 Over/under-subscription.....	391
14.9 Unsuccessful/partially successful applicants	392
14.10 Successful applicants.....	393
14.11 Enquiries	393

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CORPORATE DIRECTORY

DIRECTORS

Name/(Designation)	Gender	Address	Nationality
Zulkifly Bin Zakaria <i>(Independent Non-Executive Chairman)</i>	Male	No. 55, Medan Athinahapan Satu Taman Tun Dr. Ismail 60000 Kuala Lumpur Wilayah Persekutuan	Malaysian
Tan Cherng Thong <i>(Executive Director / CEO)</i>	Male	No. 6, Jalan Sri Tasik Barat 1D Summerglades Perdana Lakeview West 63000 Cyberjaya Selangor Darul Ehsan	Malaysian
Lee Li Yee <i>(Executive Director / Finance Director)</i>	Female	No. 6, Jalan Sri Tasik Barat 1D Summerglades Perdana Lakeview West 63000 Cyberjaya Selangor Darul Ehsan	Malaysian
Lee Yew Weng <i>(Independent Non-Executive Director)</i>	Male	No. 16, Jalan CH3 Taman Cheras Hartamas 43200 Batu 9 Cheras Selangor Darul Ehsan	Malaysian
Alwizah Al-Yafii Binti Ahmad Kamal <i>(Independent Non-Executive Director)</i>	Female	No. 9, Jalan Pantai 9/7 46000 Petaling Jaya Selangor Darul Ehsan	Malaysian
Poh Zuan Yin <i>(Independent Non-Executive Director)</i>	Female	B-22-07, Nidoz Residences No. 22A, Jalan 2/125 Desa Petaling 57100 Kuala Lumpur Wilayah Persekutuan	Malaysian

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CORPORATE DIRECTORY (cont'd)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Lee Yew Weng	Chairperson	Independent Non-Executive Director
Alwizah Al-Yafii Binti Ahmad Kamal	Member	Independent Non-Executive Director
Poh Zuan Yin	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Poh Zuan Yin	Chairperson	Independent Non-Executive Director
Alwizah Al-Yafii Binti Ahmad Kamal	Member	Independent Non-Executive Director
Lee Yew Weng	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Alwizah Al-Yafii Binti Ahmad Kamal	Chairperson	Independent Non-Executive Director
Lee Yew Weng	Member	Independent Non-Executive Director
Poh Zuan Yin	Member	Independent Non-Executive Director

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CORPORATE DIRECTORY (cont'd)

- COMPANY SECRETARIES** : **Chua Siew Chuan**
Professional qualification:
Chartered Secretary, MAICSA
(MAICSA No. 0777689)
(SSM Practicing Certificate No. 201908002648)
- Cheng Chia Ping**
Professional qualification:
Chartered Secretary, MAICSA
(MAICSA No. 1032514)
(SSM Practicing Certificate No. 202008000730)
- Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
- Tel : (03) 2084 9000
Fax : (03) 2094 9940 / (03) 2095 0292
- REGISTERED OFFICE** : Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
- Tel : (03) 2084 9000
Fax : (03) 2094 9940 / (03) 2095 0292
- HEAD OFFICE** : 08-G-01, 08-01-01, 08-02-01 & 08-05-01
Corporate Park, Star Central
Lingkar Cyber Point Timur, Cyber 12
63000 Cyberjaya
Selangor Darul Ehsan
- Tel : (03) 8322 7555
Fax : (03) 8322 7666
- Website : www.gohubcapital.com.my
Email : investorrelations@gohub.com.my
- AUDITORS AND REPORTING ACCOUNTANTS** : Baker Tilly Monteiro Heng PLT
(Registration No. 201906000600 (LLP0019411-LCA) & AF 0117)
- Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur, Malaysia
- Tel : (03) 2297 1000
Fax : (03) 2282 9980
- Partner in charge: Paul Tan Hong
Professional qualifications: Chartered Accountant of Malaysian Institute of Accountants and Fellow Member of the Association of Chartered Certified Accountants
(Approval No. 03459/11/2025 J)

CORPORATE DIRECTORY (cont'd)

- LEGAL ADVISER** : Cheang & Ariff
Loke Mansion
273A, Jalan Medan Tuanku
50300 Kuala Lumpur
Wilayah Persekutuan

Tel : (03) 2691 0803
Fax : (03) 2693 4475
- PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT** : UOB Kay Hian Securities (M) Sdn Bhd
Suite 19.03, 19th Floor
Menara Keck Seng
203 Jalan Bukit Bintang
55100 Kuala Lumpur
Wilayah Persekutuan

Tel : (03) 2147 1888
Fax : (03) 2147 1950
- INDEPENDENT MARKET RESEARCHER** : Protégé Associates Sdn Bhd
Suite C-09-12, Plaza Mont' Kiara
2, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Wilayah Persekutuan

Tel : (03) 6201 9301

Managing Director's name: Seow Cheow Seng
Professional qualification: Masters in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia
- ISSUING HOUSE** : Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan

Tel : (03) 2783 9299
Fax : (03) 2783 9222
- SHARE REGISTRAR** : Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

Tel : (03) 2084 9000
Fax : (03) 2094 9940 / (03) 2095 0292
Email : info@sshbsb.com.my
- LISTING SOUGHT** : ACE Market
- SHARIAH STATUS** : Approved by the SAC

1. INTRODUCTION

1.1 Approvals and conditions

We have obtained the approvals from the following authorities in relation to our Listing:-

(i) Bursa Securities

Bursa Securities had, vide its letter dated 5 February 2024, approved our admission to the Official List and listing of and quotation for our entire enlarged issued share capital comprising 400,000,000 Shares on the ACE Market ("**Bursa Securities' Approval**"). GOHUB and/or UOBKH are required to comply with the following conditions:-

Details of conditions imposed	Status of compliance
(i) Submit the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository:- <ul style="list-style-type: none"> - Name of shareholders; - Number of Shares; and - Date of expiry of the moratorium for each block of Shares; 	To be complied
(ii) Confirm that approvals from other relevant authorities have been obtained for implementation of the Listing proposal;	Complied
(iii) The Bumiputera equity requirements for public listed companies as approved/exempted by the SC including any conditions imposed thereon;	Complied
(iv) Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	To be complied
(v) Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of GOHUB on the first day of Listing;	To be complied
(vi) In relation to the public offering to be undertaken by GOHUB, to announce at least 2 Market Days prior to the Listing date, the result of the offering including the following:- <ul style="list-style-type: none"> - Level of subscription of public balloting and placement; - Basis of allotment/allocation; - A table showing the distribution for placement tranche as per the format in Appendix I of Bursa Securities' Approval; and - Disclosure of placees who become substantial shareholders of GOHUB arising from the public offering, if any. <p>The overall distribution of GOHUB's securities shall be properly carried out to mitigate any disorderly trading in the secondary market; and</p>	To be complied
(vii) GOHUB/UOBKH to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' Approval upon the admission of GOHUB to the Official List of the ACE Market.	To be complied

1. INTRODUCTION (cont'd)

(ii) SC

Our IPO is an exempt transaction under Section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 12 March 2024, taken note that our subsidiary, NSS was granted MSC Malaysia Status (now known as Malaysia Digital Status) by MDEC on 27 March 2017. Any listing of a MSC Malaysia Status corporation or a corporation with a subsidiary carrying MSC Malaysia status which contributes more than 50% to the group's PAT for the most recent audited financial year is exempted from complying with the Bumiputera equity requirement for public listed companies which require corporations seeking listing on Bursa Securities to allocate at least 12.50% of their enlarged issued shares to Bumiputera investors to be approved or recognised by the MITI ("**Bumiputera Equity Requirement**"). Accordingly, GOHUB (via our subsidiary, NSS) is hence exempted from complying with the Bumiputera Equity Requirement.

Nevertheless, if GOHUB undertakes subsequent proposals involving:-

- (a) a transfer of its listing status from the ACE Market to the Main Market of Bursa Securities; or
- (b) any acquisition which results in a significant change in its business direction or policy,

GOHUB must submit such applications to the SC under the Bumiputera Equity Requirement for a reassessment.

(iii) SAC

The SAC had vide its letter dated 17 May 2024, classified our securities as Shariah-compliant based on our audited financial statements for the FYE 2023.

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1. INTRODUCTION (cont'd)

1.2 Moratorium on our Shares

1.2.1 Promoters and Specified Shareholders

In accordance with Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Specified Shareholders as follows:-

- (i) the moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the Official List ("**First 6-Month Moratorium**");
- (ii) upon the expiry of the First 6-Month Moratorium, our Specified Shareholders' aggregate shareholdings amounting to at least 45% of the total number of issued Shares remain under moratorium for a further 6 months period ("**Second 6-Month Moratorium**"); and
- (iii) upon the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight-line basis) of our Shares held under moratorium ("**Subsequent Moratorium Period**").

The Promoters (namely Hong Boon Huon and Eng Chee Seng) had also undertaken to comply with the above moratorium conditions.

Details of our Promoters and Specified Shareholders and their Shares which will be subject to moratorium are as follows:-

	Year 1 after Listing		Year 2 after Listing		Year 3 after Listing	
	Shares under the First 6-Month Moratorium		Shares under the Second 6-Month Moratorium		Shares under the Subsequent Moratorium Period	
	No. of Shares ('000)	(¹)(%)	No. of Shares ('000)	(¹)(%)	No. of Shares ('000)	(¹)(%)
Promoter and Specified Shareholder						
Tan Cherng Thong	7,120	1.78	5,462	1.36	3,641	0.91
Promoters						
Hong Boon Huon	4,282	1.07	3,284	0.82	2,190	0.55
Eng Chee Seng	2,854	0.71	2,190	0.55	1,460	0.36
					1,821	0.46
					1,095	0.28
					730	0.18

1. INTRODUCTION (cont'd)

	Year 1 after Listing		Year 2 after Listing		Year 3 after Listing	
	Shares under the First 6-Month Moratorium		Shares under the Second 6-Month Moratorium		Shares under the Subsequent Moratorium Period	
	No. of Shares ('000)	(¹)(%)	No. of Shares ('000)	(¹)(%)	No. of Shares ('000)	(¹)(%)
Specified Shareholders						
GHSB ⁽²⁾	220,000	55.00	168,758	42.19	56,252	14.06
Kam Shee Na ⁽³⁾	200	0.05	153	0.04	51	0.01
Au Yong Chee Keong ⁽⁴⁾	200	0.05	153	0.04	51	0.01
Total	234,656	58.66	180,000	45.00	60,000	15.00

Notes:-

(1) Based on our enlarged issued share capital comprising 400,000,000 Shares after our IPO.

(2) Please refer to **Section 8.1.3** of this Prospectus for further details of GHSB.

(3) Classified as specified shareholder by virtue of her relationship with Tan Cherng Thong, being his stepsister.

(4) Classified as specified shareholder by virtue of his relationship with Tan Cherng Thong, being his brother-in-law.

In addition, our Promoters and Specified Shareholders have also provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the First 6-Month Moratorium, Second 6-Month Moratorium and Subsequent Moratorium Period.

In accordance with Rule 3.19(2) of the Listing Requirements, where the specified shareholder is an unlisted corporation, all direct and indirect shareholders of the unlisted corporation must give undertakings to Bursa Securities that they will not sell, transfer or assign their shares in the unlisted corporation for the moratorium period. Accordingly, the shareholders of GHSB upon the completion of our Listing, namely TCT International, Hong Boon Huon and Eng Chee Seng have also provided written undertakings that they will not sell, transfer or assign their shareholdings in GHSB during the First 6-Month Moratorium, Second 6-Month Moratorium and Subsequent Moratorium Period. Further, the shareholders of TCT International (being a controlling shareholder of GHSB), namely Tan Cherng Thong and Lee Li Yee, have also provided written undertakings that they will not sell, transfer or assign their shareholdings in TCT International during the First 6-Month Moratorium, Second 6-Month Moratorium and Subsequent Moratorium Period.

The above moratorium, which is fully acknowledged and accepted by our Promoters and Specified Shareholders and their respective shareholders, where applicable, will be specifically endorsed on the share certificates representing the entire shareholdings of our Promoters and Specified Shareholders to ensure that our Share Registrar does not register any transfer that contravenes the above moratorium restrictions.

1. INTRODUCTION (cont'd)

1.2.2 Pre-IPO Investors

In accordance with Rule 3.19A of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Pre-IPO Investors for a period for 6 months from the date of our admission on the ACE Market.

Details of the Pre-IPO Investors and their Shares which will be subject to moratorium are as follows:-

Pre-IPO Investors	Shares under the First 6-Month Moratorium	
	No. of Shares	⁽¹⁾ (%)
Wong Yoke Hoe	14,640,824	3.66
Dato' Sri Robin Tan Yeong Ching	14,641,000	3.66
Alief Iskandar Bin Mohd Zuhri	14,641,000	3.66
Ong Beng Hooi	7,320,500	1.83
Ong Beng Chong	7,320,500	1.83

Note:-

(1) Based on our enlarged issued share capital comprising 400,000,000 Shares after our IPO.

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2. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

2.1 Principal details of our IPO

Our IPO comprises the following:-

(a) Public Issue

107,180,000 IPO Shares at the IPO Price in the following manner:-

- (i) 20,000,000 IPO Shares made available for application by the Malaysian Public through a balloting process;
- (ii) 12,000,000 IPO Shares reserved for application by our Eligible Persons; and
- (iii) 75,180,000 IPO Shares by way of private placement to identified institutional and/or selected investors.

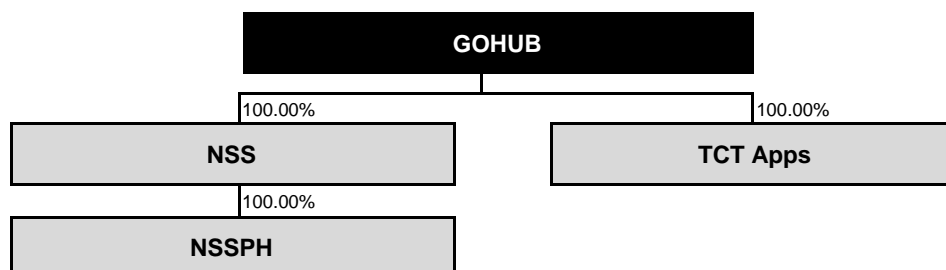
(b) Moratorium on our Shares

In accordance with Rules 3.19(1) and 3.19A of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Promoters, Specified Shareholders and Pre-IPO Investors. In accordance with Rule 3.19(2) of the Listing Requirements, where our Specified Shareholder is an unlisted corporation, all direct and indirect shareholders of the unlisted corporation must provide written undertakings that they will not sell, transfer or assign their shares in the unlisted corporation for the moratorium period. Further details on the moratorium are set out in **Section 1.2** of this Prospectus. Save for the moratorium imposed on Shares held by our Promoters, Specified Shareholders and Pre-IPO Investors, there is no other moratorium imposed on our Shares.

Please refer to **Section 3.3** of this Prospectus for further details on our IPO.

2.2 History and business

Our Company was incorporated in Malaysia on 3 June 2022 under the Act as a private limited company under the name of Go Hub Capital Sdn Bhd. On 15 September 2023, our Company was converted into a public limited company and assumed our present name. Our Group structure as at the LPD is set out below:-



Our principal activity is investment holding whilst our subsidiaries are principally involved in the provision of enterprise IT services, focusing on providing transportation IT solutions (including customised software development systems and integration of hardware and software systems) in the bus and rail segments. Our offerings also extend to include maintenance and support services as well as terminal management services for the IT solutions delivered.

Our principal market is Malaysia where we derived more than 98% of our total revenue for the financial years under review. Please refer to **Section 6** of this Prospectus for further details on our history and business.

2. PROSPECTUS SUMMARY (cont'd)

2.3 Competitive strengths

Our competitive strengths are summarised as follows:-

2.3.1 Diverse range of services and solutions catering to the public transportation sector

We specialise in providing diverse enterprise IT services to address the challenges faced by the public transportation sector in terms of terminal operating systems, ticketing systems, fare collection systems and fleet monitoring systems. Our approach involves developing and customising solutions aimed to simplify, enhance and improve the overall efficiency of our customers' operations.

As our Group offers a wide range of customisable public land transportation and software systems, our customers are able to enhance the convenience and cost-efficiency of their terminal operations by engaging us to provide end-to-end services.

2.3.2 Large customer base with a strong market presence in the public transportation sector and a growing recurring revenue in the financial years under review

We primarily provide our IT solutions to the bus and rail segments of the public transportation sector. As at the LPD, our key customers are bus terminal operators (6 bus terminals in Malaysia and 1 bus terminal in the Philippines), stage bus operators (497 stage buses in Peninsular Malaysia) and rail operator (KTMB, where our solutions cater more than 100 rail stations). We had also begun to venture into the sea transportation segment, reflecting the adaptability of our transportation IT solutions. Besides public transportation sector, we are also capable of developing customised software solutions for the tourism and hospitality sector. As at the LPD, we provide other IT solutions (via GoPartner and GoHub.com.my) to 118 customers, who are service providers in the tourism and hospitality sectors in Malaysia.

2.3.3 Proven track record in the public land transportation sector

We have established ourselves as a reliable transportation IT solutions provider in the bus and rail segments in Malaysia. As at the LPD, our solutions are utilised at the bus terminals and rail stations set out in **Section 6.2.1** of this Prospectus. We are contractually required to provide prompt technical support within an expedited and swift response time (which is typically not more than 45 minutes) to address and rectify any potential technical issues or disruptions arising from the IT solutions.

Our proven track record and support capabilities over the years have enabled us to retain long standing relationships with our customers and secure new customers and projects within the public transportation sector as the transportation infrastructure in the country develops.

2.3.4 Experienced and knowledgeable key senior management team

The experience and knowledge of our key senior management team have been the key to the success of our Group over the years. Since securing the award to implement TOS for TBS in 2011, our Promoter, Tan Cherng Thong, who joined us as CEO in 2014, has been instrumental in leading us to secure contracts for the provision of TOS at various bus terminals across Malaysia. Our Promoters and key senior management team with extensive experience across a range of business activities are in turn supported by a sizeable team of experienced and dedicated project consultants, software engineers and technicians of 158 personnel. The combined experience and knowledge of our talent pool is expected to contribute to the growth of our business in the future.

Please refer to **Section 6.3** of this Prospectus for further information on our competitive strengths.

2. PROSPECTUS SUMMARY (cont'd)

2.4 Future plans and business strategies

Our future plans and business strategies are summarised as follows:-

2.4.1 Expanding our geographical footprint in the domestic markets

Our principal market is currently Peninsular Malaysia. In line with our Group's strategic plans, we are actively pursuing opportunities to expand our presence within the country, focusing on identified domestic transportation-related initiatives with potential for collaboration and growth. Our business plans and strategies are as follows:-

Expansion of our market presence in the public land transportation sector

- (i) We have, on April 2018, secured a project for the installation of TOS (comprising TMS and CTS) at a bus terminal located in Sabah. We have completed the installation of TOS in November 2023 and the terminal commence operations in the same month. Our Group will continue to provide maintenance support for the TOS at the terminal for a period up to 12 months with the option to renew the maintenance contract on a yearly basis; and
- (ii) Notably, the soon-to-be-completed electrified double track route from Gemas, Negeri Sembilan to Johor Bahru which will include additional 9 stations (with the Segamat station expected to be operational in July 2024). This hence presents a promising avenue for our Group in view of our current market presence in the rail segment as our Group will be required by KTMB to install the related hardware (such as ACG and TVMs) and software at the 9 rail stations.

Explore potential market to capture wider customer base

- (i) We are currently working with the Sabah Port Authority to implement transportation IT solutions at 8 identified ferry terminals under the state's digitalisation initiative to improve the efficiency, security and safety of operations at the ferry terminals with the intention to fully implement our solutions by March 2025; and
- (ii) We intend to expand our online marketplace offering of GoHub.com.my to include reservations for campsites, homestays and sports centres to establish our market presence in tourism and hospitality sectors.

2.4.2 Expanding our workforce

In line with our planned business expansion, we intend to increase our workforce to bolster our human resource capabilities. We will focus on the recruitment of skilled professionals (such as software engineers, QC engineers, project consultants, helpdesk and customer service, technicians and D&D personnel) who possess the required technical skillset and expertise which are essential to our industry over the next 2 years. We intend to allocate RM10.10 million or 26.92% of our Public Issue proceeds towards the expansion of our workforce.

2.4.3 Marketing efforts to showcase our solutions and secure potential customers

We intend to participate in exhibitions worldwide focusing on transportation, traffic management as well as smart city infrastructure, which includes, amongst others, Rail Solutions Asia exhibition (attracting railway suppliers worldwide) and InnoTrans exhibition (which showcases the latest railway technology and infrastructure). In addition, we intend to implement a series of business development activities to increase our brand awareness in the industries that we serve. We intend to allocate RM1.00 million or 2.67% of our Public Issue proceeds for business development and participation in exhibitions.

2. PROSPECTUS SUMMARY (cont'd)

2.4.4 Acquisition of Star Central Office Tower and the set-up of new integrated centre

Our Group through NSS has entered into sale and purchase agreements with Joyful Star Sdn Bhd on 19 April 2024 on the Acquisition of Star Central Office Tower. We intend to relocate our operations (currently housed at the relevant office units in Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, Cyberjaya, Selangor as disclosed in **Sections 6.17.1** and **6.17.2** of this Prospectus) to the new premise (serving as our new headquarters) with sufficient floor given our intention to scale up our operations in the near term. We also intend to establish a new integrated centre in the Klang Valley that will serve as our new test laboratory, demonstration and training centre. This centre will encompass an area of approximately 2,000 sq ft, capable of accommodating up to 35 individuals. To facilitate this initiative, we have earmarked RM1.50 million or 4.00% of our Public Issue proceeds for setting up a new integrated centre.

2.4.5 D&D

We recognise the importance of D&D activities in our bid to remain competitive and provide customers with technological applications and solutions that optimises and streamlines operational process flows efficiently. Effective D&D shapes the features and functionality of our solutions and as such, we intend to allocate RM1.90 million or 5.06% of our Public Issue proceeds to undertake AI integration into our solutions.

2.4.6 Acquisitions of IT equipment, tools and software

In line with our business expansion strategies as disclosed above, we intend to allocate approximately RM6.50 million or 17.33% of our Public Issue proceeds for the acquisitions of IT equipment, tools and software required for our venture into the ferry segment and upgrading of our BOS.

Please refer to **Section 6.24** of this Prospectus for further information on our future plans and business strategies.

2.5 Risk factors

Before investing in our Shares, you should carefully consider, along with the other matters set out in this Prospectus, the risks and investment considerations. The following are some of the key risks affecting our business, operations and industry that we are currently facing or that may develop in the future.

2.5.1 Risks relating to our business operations

- **We are dependent on customers within the public land transportation sector**

We are dependent on customers within the bus and rail segments as these customers operate in a regulated industry. This group of customers from the public land transportation sector in aggregate accounted for approximately 99.60%, 95.59%, 96.61% and 98.43% of our total revenue for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively. Any material change in the policies or directions in the public land transportation sector could adversely affect our business, financial condition and financial performance.

- **We are dependent on our major customer, KTMB**

We are dependent on KTMB, a rail operator providing transportation and mobility services nationwide in Peninsular Malaysia. We have been providing transportation IT solutions to KTMB since 2019, accounting for 62.83%, 7.90%, 58.30% and 69.28% of our total revenue for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively. Although we have not encountered any material disputes with KTMB to-date, our current working relationship with them may deteriorate or we may be unable to continue to secure new projects from KTMB in the future upon completion of the existing projects or renew our maintenance and support services contract if our Group has major disputes with KTMB in the future.

2. PROSPECTUS SUMMARY (cont'd)

- **We are dependent on our ability to secure new projects**

Our profitability and financial performance are dependent on our ability to consistently secure and maintain contracts for the provision of enterprise IT services particularly from existing and new customers in the public transportation sector. The potential loss of customers, particularly major ones, or risk of facing difficulties in securing new customers or additional projects from existing customers in a timely manner, could adversely impact our business and financial performance.

- **Our IT solution projects may be subject to delays arising from the lack of infrastructure readiness at our customers' sites**

Our enterprise IT solution projects are subject to specific completion schedules and agreed budgets. The timely deliverables and cost of our projects are dependent on the infrastructure readiness at site. Such delays may be due to various factors, which are beyond our control, which includes but are not limited to, delay in the construction or upgrades in the terminals, suspension or deferment of construction and building works, poor project coordination and site issues which require rectification before we are able to undertake the IT installation works. Any adverse developments of these factors can lead to interruptions or delays in the progress of our projects and this may subsequently reduce our profit margin, delay the recognition of our revenue and incur additional costs, all of which could have a material impact on our financial performance.

- **Our business may be affected by outbreaks of any severe contagious or virulent diseases which restrict travel and use of public transportation**

The COVID-19 pandemic declared by the World Health Organisation on 11 March 2020, had materially affected our operations. In response to the pandemic, the Malaysian government had imposed a series of lockdown measures across different states nationwide and localities in the country at various points, beginning 18 March 2020. Such lockdown measures included movement restriction orders to mitigate the spread of the COVID-19 virus, which had effectively limited public travels and this led to a sharp decline in ridership and demand for both bus and rail services.

- **We are exposed to credit risk of our customers**

Our normal credit period granted to our customers ranges from 30 to 90 days. While we require our customers to make progress payments based on the stages of project completed, we may not be able to collect our trade receivables in a timely manner and/or some of our customers may delay payments. Should we experience any difficulty in collecting a substantial portion of our trade receivables from our customers, our cash flow and working capital may be affected.

- **We are dependent on our Executive Directors and key senior management**

Our success is dependent on the abilities, experience and continued efforts of our Executive Directors and key senior management. Our Executive Director / CEO, Tan Cherng Thong is an industry veteran in the provision of public transportation IT solutions with more than 20 years of working experience, primarily specialising in the conceptualisation, design and provision of an omni channel ticketing system, operational IT based solutions, AFC and seamless integration of front-end and back-end IT systems as well as managing bus terminals' operations.

2. PROSPECTUS SUMMARY (cont'd)

He is supported by our other Promoters and key senior management, namely Lee Li Yee (Executive Director / Finance Director), Hong Boon Huon (CTO), Eng Chee Seng (Chief Business Development Officer), Mohd Aidy Hisyam Bin Abdullah (Head of Operation (Terminal)), Noor Rashid Bin Omar (Head of Operation (BOS)), Sing Chee Yeong (Senior Manager of the IT Development Department) and Chew Boon Keat (Chief Financial Officer). As such, the loss of services from our Executive Directors and key senior management without suitable and timely replacement may adversely impact our business operation and financial performance.

2.5.2 Risks relating to the industry in which we operate

- **We may not be able to respond in a timely manner to changes in technology, customer requirements, industry standards and regulatory compliance requirements**

As our Group mainly serve customers in the public land transportation industry, we constantly undertake D&D to develop and enhance new and existing solutions to meet the changing requirement of our customers as well as industry. However, there is no assurance that we would be able to continue to react and meet the changing demand in a timely manner as we may not have sufficient resources and technical expertise and/or be responsive enough to react to new technologies and software developments.

- **We face competition within our industry**

Our competitors compete in terms of technology, range and quality of solutions, price and timeliness of project delivery. Our competitors may have longer operating histories, equipped with better resources and possess comparable software and technical expertise than us, thereby enabling them to offer better value proposition to our potential customers. As such, we may experience and expect to continue to face intense competition from local and international vendors or solution providers. Our Group may have to also compete with international IT solution providers that have greater name recognition in the market.

Please refer to **Section 4** of this Prospectus for further details on our risk factors.

2.6 Our Directors and key senior management

Our Directors and key senior management are set out as follows:-

Name	Designation
<u>Directors</u>	
Zulkifly Bin Zakaria	Independent Non-Executive Chairman
Tan Cherng Thong	Executive Director / CEO
Lee Li Yee	Executive Director / Finance Director
Lee Yew Weng	Independent Non-Executive Director
Alwizah Al-Yafii Binti Ahmad Kamal	Independent Non-Executive Director
Poh Zuan Yin	Independent Non-Executive Director
<u>Key senior management</u>	
Hong Boon Huon	CTO
Eng Chee Seng	Chief Business Development Officer
Mohd Aidy Hisyam Bin Abdullah	Head of Operation (Terminal)
Noor Rashid Bin Omar	Head of Operation (BOS)
Sing Chee Yeong	Senior Manager – IT Development Department
Chew Boon Keat	Chief Financial Officer

Please refer to **Sections 8.1.3, 8.2.2 and 8.4.2** of this Prospectus for further details of our Directors and key senior management.

2. PROSPECTUS SUMMARY (cont'd)

2.7 Our Promoters and substantial shareholders

Our Promoters and substantial shareholders, as well as their respective shareholdings in our Company, are set out as follows:-

Name	Nationality / Place of incorporation	Before the IPO and Shares Transfer		After the IPO and Shares Transfer					
		Direct No. of Shares	(1)(%)	Indirect No. of Shares	(1)(%)	Direct No. of Shares	(2)(%)	Indirect No. of Shares	(2)(%)
<u>Promoters and substantial shareholders</u>									
Tan Cherng Thong	Malaysian	169,702,104	57.95	(3)2,417,932	0.83	7,120,036	1.78	(3)220,000,000	55.00
Lee Li Yee	Malaysian	-	-	(3)2,417,932	0.83	-	-	(3)220,000,000	55.00
<u>Promoters</u>									
Hong Boon Huon	Malaysian	37,281,684	12.73	-	-	4,281,684	1.07	-	-
Eng Chee Seng	Malaysian	24,854,456	8.49	-	-	2,854,456	0.71	-	-
<u>Substantial shareholders</u>									
GHSB ⁽⁴⁾	Malaysia	-	-	-	-	220,000,000	55.00	-	-
TCT International ⁽⁴⁾	Malaysia	2,417,932	0.83	-	-	-	-	(5)220,000,000	55.00

Notes:-

- (1) Based on our issued share capital comprising 292,820,000 Shares after the Pre-IPO Restructuring and Transactions but before the IPO and Shares Transfer.
- (2) Based on our enlarged issued share capital comprising 400,000,000 Shares after the IPO and Shares Transfer.
- (3) Deemed interested by virtue of his/her shareholdings in TCT International pursuant to Section 8(4) of the Act.
- (4) Please refer to **Section 8.1.3** of this Prospectus for further details of GHSB and TCT International.
- (5) Deemed interested by virtue of its shareholdings in GHSB pursuant to Section 8(4) of the Act.

Please refer to **Section 8.1.3** of this Prospectus for further details of our Promoters and substantial shareholders.

2. PROSPECTUS SUMMARY (cont'd)

2.8 Use of proceeds

The total gross proceeds from the Public Issue amounting to approximately RM37.51 million based on the IPO Price of RM0.35 per IPO Share are expected to be utilised by our Group in the following manner:-

Details of use	Estimated timeframe for use upon Listing	RM'000	Percentage of gross proceeds (%)
(i) Business expansion			
• Expansion of our workforce	Within 24 months	10,100	26.92
• Capital expenditure on equipment and tools	Within 36 months	6,500	17.33
• Acquisition of Star Central Office Tower	Within 6 months	3,715	9.90
• D&D	Within 36 months	1,900	5.06
• Set-up of new integrated centre	Within 36 months	1,500	4.00
• Business development and marketing	Within 24 months	1,000	2.67
		24,715	65.88
(ii) Repayment of bank borrowings	Within 6 months	4,000	10.66
(iii) Working capital	Within 12 months	4,798	12.80
(iv) Estimated listing expenses	Within 1 month	4,000	10.66
Total		37,513	100.00

Please refer to **Section 3.6** of this Prospectus for further details on the use of proceeds from the Public Issue.

2.9 Financial and operational highlights

The historical financial information presented below should be read in conjunction with the management's discussion and analysis of financial condition and results of operations as set out in **Section 11.3** of this Prospectus and the Accountants' Report, together with the accompanying notes, assumptions and bases as set out in **Section 12** of this Prospectus. There were no audit qualifications on our audited financial statements for the financial years under review.

Historical combined statements of comprehensive income

The following table sets out a summary of the audited combined statements of comprehensive income for the financial years under review.

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<u>Profit or loss</u>				
Revenue	18,973	20,314	26,549	43,946
Other income	588	769	646	162
PBT	2,962	1,975	8,003	10,028
PAT attributable to the owners of our Group	2,265	2,405	6,057	7,086
EBITDA ⁽¹⁾	6,031	5,741	11,966	14,379
<u>Other selected financial information</u>				
EBITDA margin (%) ⁽²⁾	31.79	28.26	45.07	32.72
PBT margin (%) ⁽³⁾	15.61	9.72	30.14	22.82
PAT margin (%) ⁽⁴⁾	11.91	11.82	22.81	16.12
Basic and diluted EPS (sen) ⁽⁵⁾	0.57	0.60	1.51	1.77
Total assets	26,114	30,824	34,986	45,848
Total liabilities	21,361	23,670	24,275	28,051
Total borrowings ⁽⁶⁾	11,472	13,520	11,361	8,613
Shareholders' equity	4,761	7,154	10,711	17,797
Current ratio (times)	1.24	1.47	1.76	1.98
Gearing ratio (times)	2.41	1.89	1.06	0.48
Trade receivables turnover period (days)	109	145	114	90
Trade payables turnover period (days)	36	39	56	27

2. PROSPECTUS SUMMARY (cont'd)

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Inventory turnover period (days)	18	20	17	9
Cash flows				
Net cash (used in)/from operating activities	(2,137)	2,106	13,943	4,467
Net cash from/(used in) investing activities	221	(2,210)	(463)	(3,389)
Net cash from/(used in) financing activities	2,202	515	(6,643)	(5,328)

Notes:-

(1) The table below sets out the reconciliation of our PBT to EBITDA:-

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
PBT	2,962	1,975	8,003	10,028
Adjusted for:-				
Finance costs	1,185	1,326	1,145	1,185
Depreciation	1,886	2,242	2,505	2,853
Amortisation	135	284	362	337
Finance income	(137)	(86)	(49)	(24)
EBITDA	6,031	5,741	11,966	14,379

(2) EBITDA margin is computed based on the EBITDA over revenue of our Group.

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

(4) PAT margin is computed based on the PAT over revenue of our Group.

(5) Basic and diluted EPS is computed based on PAT attributable to the owners of our Group divided by the number of issued Shares of 400,000,000 after our IPO. There are no dilutive instruments as at the end of the respective financial years.

(6) Excluding lease liabilities recognised under MFRS 16.

Pro forma consolidated statements of financial position

We have prepared the pro forma consolidated statements of financial position below for illustrative purposes only, to show the effects of the IPO on the NA and gearing of our Group assuming that the IPO had been effected on 31 December 2023.

The pro forma consolidated statements of financial position should be read in conjunction with the Reporting Accountants' letter on the pro forma consolidated statements of financial position as at 31 December 2023 and the notes thereon as set out in **Section 11.2** of this Prospectus.

The pro forma effects of the IPO on the NA and gearing of our Group are set out below:-

	Audited as at 31 December 2023 (RM'000)	Pro forma I After the Public Issue (RM'000)	Pro forma II After pro forma I, IPO and utilisation of proceeds of proceeds (RM'000)
Share capital	13,310	50,823	⁽⁴⁾ 49,751
Reorganisation reserve	(11,310)	(11,310)	(11,310)
Retained earnings	15,797	15,797	⁽⁴⁾ 14,034
Total equity	17,797	55,310	52,475
No. of Shares in issue ('000)	292,820	400,000	400,000
NA per Share (RM)⁽¹⁾	0.06	0.14	0.13
Total borrowings ⁽²⁾ (RM'000)	16,462	16,462	⁽⁵⁾ 21,649
Gearing (times)⁽³⁾	0.92	0.30	0.41

Notes:-

(1) Computed based on our NA attributable to owners of our Group divided by total number of issued Shares.

(2) Includes lease liabilities recognised under MFRS 16.

2. PROSPECTUS SUMMARY (cont'd)

- (3) Computed based on our total borrowings divided by total equity as at 31 December 2023.
- (4) Out of the total estimated listing expenses of RM4.00 million, a total of RM1.07 million is assumed to be directly attributable to the Public Issue and will be debited against share capital, whilst the remaining RM2.93 million will be charged to the profit and loss statement of our Group.
- (5) Our Group has entered into sale and purchase agreements dated 19 April 2024 with Joyful Star Sdn Bhd in relation to the Acquisition of Star Central Office Tower for a total purchase consideration of approximately RM12.90 million. Further details of the Acquisition of Star Central Office Tower are set out in **Section 3.6.1(iii)** of this Prospectus. The Acquisition of Star Central Office Tower will be part financed by the utilisation of proceeds from the Public Issue of RM3.72 million and the balance of RM9.18 million is assumed to be financed by bank borrowing.

Please refer to **Sections 11.1** and **11.2** of this Prospectus for further information on our financial information and the Reporting Accountants' letter on the pro forma consolidated statements of financial position as at 31 December 2023.

2.10 Dividend policy

The dividends declared and paid for the financial years under review are set out as follows:-

	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Dividend declared and paid in respect of each FYE (RM'000)	-	-	2,500	-
Dividend payout ⁽¹⁾ (%)	-	-	41.27	-

Note:-

- (1) Calculated based on the dividend declared divided by our Group's PAT.

Our Board does not intend to declare any further dividends prior to our Listing. At this juncture, our Board has not adopted a formal dividend payout policy. Any dividend declared will be subject to the recommendation of our Board, taking into consideration our Group's capital structure and ensuring sufficient funds for future growth. Any final dividends declared will be subject to the approval of our shareholders at our AGM. Please refer to **Section 11.6** of this Prospectus for further details on our dividend policy.

2.11 Impact of COVID-19 on our Group

During the MCO which began on 18 March 2020, the Government imposed movement restriction order, where the public is restricted from travelling. We are categorised under the essential service and were allowed to operate during that period albeit lower capacity of 50% workforce. The restrictions imposed during the MCO have resulted in lower ridership and demand for both bus and rail services. The declined ridership and demand had a direct impact to our Group. In particular, our CTS maintenance solutions (in respect of the ETS, Intercity and Shuttle Tebrau Routes - which are tied to ridership), and our terminal management services where we function as system operators (which are dependent on bus terminal utilisation), our Group experienced a notably sharp decline in revenue stream arising from the lockdown measures. Our revenue from our terminal management services at the Existing Specified Bus Terminals recorded a similar trend over the same financial years under review.

During the different stages of lockdown imposed, our employees work remotely and subsequently resume operations in May 2020 after obtaining the necessary permission and letters from MITI and resume operation with full workforce in October 2021.

During the various stages of imposed lockdowns, we did not experience material adverse impact on our supply chain. We were able to source for hardware from our suppliers located both locally and overseas for our operations during the lockdown period by working closely to determine the timeline for the delivery of required hardware.

On 1 April 2021, the Government announced that Malaysia would transit from National Recovery Plan into the "transition to endemic" phase where restrictions were further relaxed. This includes abolishing limits on workforce capacity, allowing interstate travel for all as well as abolishing restrictions on business operating hours. We have continued to operate in accordance with the regulations set out by the Government. Please refer to **Section 6.4** of this Prospectus for further details on the impact of COVID-19 on our Group.

3. DETAILS OF OUR IPO

3.1 Opening and closing of applications

Application for our IPO Shares will open at 10.00 a.m. on 12 June 2024 and will remain open until 5.00 p.m. on 20 June 2024. **Late applications will not be accepted.**

3.2 Indicative timetable

The indicative timetable for our IPO is set out below:-

Events	Date
Opening of Applications	10.00 a.m., 12 June 2024
Closing of Applications	5.00 p.m., 20 June 2024
Balloting of Applications	24 June 2024
Allotment of our IPO Shares to successful applicants	1 July 2024
Listing	3 July 2024

If there are any changes to this timetable, we will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia newspaper within Malaysia, and make an announcement of such changes on Bursa Securities' website accordingly.

3.3 Details 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 the clawback and reallocation provisions as set out in **Section 3.3.2** of this Prospectus:-

	No. of IPO Shares	⁽²⁾ Percentage of our enlarged issued share capital (%)
Public Issue		
(i) Malaysian Public ⁽¹⁾	20,000,000	5.00
(ii) Eligible Persons	12,000,000	3.00
(iii) Private placement to identified institutional and/or selected investors	75,180,000	18.80
Total	107,180,000	26.80

Notes:-

(1) Out of the 20,000,000 IPO Shares, 10,000,000 IPO Shares will be set aside for Bumiputera investors.

(2) Based on our enlarged issued share capital of 400,000,000 Shares after the IPO.

3. DETAILS OF OUR IPO (cont'd)

3.3.1 Public Issue

We are offering 107,180,000 IPO Shares at an IPO Price of RM0.35 payable in full on application, representing approximately 26.80% of our enlarged issued share capital after our IPO, in the following manner:-

(i) Malaysian Public

20,000,000 IPO Shares, representing 5.00% of the enlarged issued share capital of our Company, are available for application by the Malaysian Public through a balloting process, of which 10,000,000 IPO Shares, representing 2.50% of the enlarged issued share capital of our Company, are set aside for Bumiputera investors. Any IPO Shares not subscribed by such Bumiputera investors will be made available for application by other Malaysian Public.

(ii) Eligible Persons

12,000,000 IPO Shares, representing 3.00% of the enlarged issued share capital of our Company (“**Pink Form Shares**”), have been reserved and set aside for the Eligible Persons under the Pink Form Allocations.

The details of the number of Pink Form Shares set aside for the Eligible Persons are as follows:-

Eligible Persons	No. of Eligible Persons	Aggregate no. of Pink Form Shares allocated
Directors of our Company ⁽¹⁾	4	1,400,000
Eligible employees of our Group ⁽²⁾	77	7,500,000
Persons who have contributed to our success ⁽³⁾	25	3,100,000
Total	106	12,000,000

Notes:-

- (1) *The basis and criteria for allocation to our Directors are based on, amongst others, their respective roles and responsibilities in our Group as well as their contribution to our Group. The number of Pink Form Shares to be allocated to our Directors are set out as follows:-*

Name	Designation	No. of Pink Form Shares to be allocated
Zulkifly Bin Zakaria	Independent Non-Executive Chairman	500,000
Lee Yew Weng	Independent Non-Executive Director	300,000
Alwizah Al-Yafii Binti Ahmad Kamal	Independent Non-Executive Director	300,000
Poh Zuan Yin	Independent Non-Executive Director	300,000
Total		1,400,000

For information purposes, Zulkifly Bin Zakaria's higher number of Pink Form Shares was allocated based on his seniority and position as our Independent Non-Executive Chairman.

3. DETAILS OF OUR IPO (cont'd)

- (2) *The basis and criteria for allocation of the Pink Form Shares to the eligible employees of our Group, as approved by our Board, are based on, amongst others, the following factors:-*
- (i) *the eligible employee must be a full-time confirmed employee of at least 18 years of age and be on the payroll of our Group; and*
 - (ii) *the number of Pink Form Shares allocated to the eligible employees is based on their staff grade, length of service, past performance and level of contributions made to our Group, including any other factors considered relevant to our Board.*

The allocation to our eligible employees includes the allocation to the following key senior management:-

Name	Designation	No. of Pink Form Shares to be allocated
Mohd Aidy Hisyam Bin Abdullah	Head of Operation (Terminal)	300,000
Noor Rashid Bin Omar	Head of Operation (BOS)	300,000
Sing Chee Yeong	Senior Manager – IT Development Department	300,000
Chew Boon Keat	Chief Financial Officer	300,000
Total		1,200,000

For information purposes, the number of Pink Form Shares to the key senior management above were allocated based on the length of service, past performance and level of contribution to our Group.

- (3) *The allocation to persons who have contributed to our success, as approved by our Board, is determined based on amongst others, the length of business relationship with our Group, their current and past contributions and support to our business. The persons who have contributed to our success may include our customers, suppliers and business associates. For avoidance of doubt, these persons who have contributed to our success are not related to our Promoters, substantial shareholders and Directors.*

(iii) Private placement to identified institutional and/or selected investors

75,180,000 IPO Shares, representing approximately 18.80% of the enlarged issued share capital of our Company, will be allocated by way of private placement to identified institutional and/or selected investors.

Any IPO Shares not taken up by the Malaysian Public or Eligible Persons under the Pink Form Allocations will be subject to the clawback and reallocation as set out in Section 3.3.2 of this Prospectus, and the balance thereof will be underwritten. Please refer to Section 3.8 of this Prospectus for further details of our underwriting arrangement. Applicants who subscribe for the Pink Form Shares under **Section 3.3.1(ii)** above may also apply for the IPO Shares available under the Malaysian Public portion.

Save for the allocation made available for application by Eligible Persons as disclosed in **Section 3.3.1(ii)** above, to the extent known to our Company, none of our substantial shareholders, Directors or key senior management have the intention to apply for the IPO Shares allocated under the Malaysian Public portion.

Meanwhile, the 75,180,000 IPO Shares under **Section 3.3.1(iii)** above will be placed out to institutional and/or selected investors identified by our Placement Agent. These IPO Shares will be subject to irrevocable undertakings to be procured from such investors.

3. DETAILS OF OUR IPO (cont'd)

To the best of our knowledge and belief, there is no person who intends to subscribe for more than 5.00% of our IPO Shares.

3.3.2 Clawback and reallocation

Our IPO Shares shall be subject to the following clawback and reallocation provisions:-

- (i) in the event there are IPO Shares not subscribed by the Malaysian Public and the Eligible Persons, the remaining portion will be made available for application by way of private placement to identified institutional and/or selected investors under **Section 3.3.1(iii)** of this Prospectus; and
- (ii) in the event of over-subscription by the Malaysian Public and a corresponding undersubscription under **Sections 3.3.1(ii)** and **3.3.1(iii)** of this Prospectus, the remaining portion will be clawed-back and be reallocated to the Malaysian Public, where:-
 - (a) remaining portion of unsubscribed IPO Shares under **Sections 3.3.1(ii)** and **3.3.1(iii)** of this Prospectus shall be reallocated to the Malaysian Public, whereby 50% of the remaining portion will be reallocated on best effort basis to Bumiputera investors under **Section 3.3.1(i)** of this Prospectus and the balance 50% thereof will be made available for application by other Malaysian Public via balloting under **Section 3.3.1(i)** of this Prospectus. For avoidance of doubt, any reallocated IPO Shares not subscribed by such Bumiputera investors will be made available for application by other Malaysian Public; and
 - (b) notwithstanding the over-subscription by the Malaysian Public under **Section 3.3.1(i)** of this Prospectus, at least 10,000,000 IPO Shares (representing 2.50% of the enlarged issued share capital of our Company) under **Section 3.3.1(i)** of this Prospectus shall be set aside for Bumiputera investors as part of the balloting process.

The clawback and reallocation shall not apply in the event of over-subscription under **Sections 3.3.1(i)**, **3.3.1(ii)** and **3.3.1(iii)** of this Prospectus. Any balance unsubscribed IPO Shares under **Section 3.3.1(i)** of this Prospectus (arising after the reallocation to the identified institutional and/or selected investors) will not be subject to any further clawback and reallocation. Such IPO Shares will hence be fully underwritten by the Underwriter.

The basis of allocating the IPO Shares shall take into account the desirability of distributing the IPO Shares to a reasonable number of applicants with a view of broadening our shareholding base, to meet the public spread requirements of Bursa Securities as well as to establish a liquid and adequate market for our Shares. The applicants will be selected in a fair and equitable manner to be determined by our Board.

3.3.3 Shares Transfer

During the Prescription Period, our Promoters, namely, Tan Cherng Thong, Hong Boon Huon and Eng Chee Seng, and our substantial shareholder, namely TCT International will transfer their respective shareholdings in conjunction with our IPO, amounting to 220,000,000 Shares to GHSB for a purchase consideration of RM77.00 million.

The purpose of the Shares Transfer is to consolidate 55.00% of equity interest in GOHUB to be held by Tan Cherng Thong (through TCT International), Hong Boon Huon and Eng Chee Seng under a single investment company, namely GHSB. Please refer to **Section 8.1.3** of this Prospectus for further details of GHSB.

3. DETAILS OF OUR IPO (cont'd)

Further details of the Shares Transfer are set out below:-

Shareholders	No. of Shares held before the Shares Transfer	(1)%	No. of Shares to be transferred to GHSB	No. of Shares held after the Shares Transfer	(1)%
Tan Cherng Thong	169,702,104	42.43	162,582,068	7,120,036	1.78
Hong Boon Huon	37,281,684	9.32	33,000,000	4,281,684	1.07
Eng Chee Seng	24,854,456	6.21	22,000,000	2,854,456	0.71
TCT International	2,417,932	0.60	2,417,932	-	-
GHSB	-	-	-	220,000,000	55.00
Total	234,256,176	58.56	220,000,000	234,256,176	58.56

Note:-

(1) Based on our enlarged issued share capital of 400,000,000 Shares after the IPO.

The Shares Transfer will be completed upon the relevant Shares being credited into the CDS Account of GHSB prior to our Listing.

3.3.4 Share capital

Upon completion of our IPO, our share capital will be as follows:-

	No. of Shares	RM
Issued share capital before our IPO	292,820,000	13,310,280
New Shares to be issued under the Public Issue	107,180,000	(1)37,513,000
Enlarged issued share capital upon Listing and prior to utilisation of IPO proceeds	400,000,000	50,823,280
Less: Estimated listing expenses	-	(2)(1,071,800)
Enlarged issued share capital upon Listing and after utilisation of IPO proceeds	400,000,000	49,751,480
IPO Price per Share (RM)	-	0.35
Market capitalisation upon Listing (based on the IPO Price and enlarged number of issued Shares after our IPO) (RM)	-	140,000,000
Pro forma NA per Share (based on the pro forma consolidated statements of financial position as at 31 December 2023 after our IPO and utilisation of IPO proceeds) (RM)	-	0.13

Notes:-

(1) Calculated based on the IPO Price.

(2) Out of the total estimated listing expenses of RM4.00 million, a total of RM1.07 million is assumed to be directly attributable to the Public Issue and will be debited against share capital, whilst the remaining RM2.93 million will be charged to the profit and loss statement of our Group.

3.3.5 Price stabilisation mechanism

We will not be employing any price stabilisation mechanism (which is in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008) for our IPO.

3. DETAILS OF OUR IPO (cont'd)

3.3.6 Classes of shares and ranking

There is only 1 class of shares in our Company, namely ordinary shares.

Our IPO Shares will, upon allotment and issue, rank equally in all respects with our other existing issued Shares, including voting rights, and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of allotment of the IPO Shares, subject to any applicable rules of Bursa Depository.

Subject to any special rights (amongst others, taking priority over our Shares in terms of the distribution of dividends or other profits) attaching to any Shares which we may issue in the future, our shareholders are, in proportion to the amount paid on the Shares held by them, be entitled to share in the profits paid out by us in the form of dividends or other distributions. Similarly, if our Company is liquidated, our shareholders are entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

Any resolution set out in the notice of any general meeting, or in any notice of resolution, is to be voted on by poll. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held or represented. A proxy may but need not be a member of our Company. On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote.

3.3.7 Minimum level of subscription

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

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares held by at least 200 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the aforesaid public shareholding spread requirement is not met, our Company may not be permitted to proceed with the Listing. Please refer to **Section 4.3.2** of this Prospectus for the details in the event there is a delay in or cancellation of our Listing.

3.4 Basis of arriving at the price of our IPO Shares

3.4.1 IPO Price

Our IPO Price of RM0.35 per IPO Share was determined and agreed upon between our Directors and our Principal Adviser, after taking into consideration the following factors:-

- (i) our Group's pro forma EPS of 1.77 sen for the FYE 2023 is based on our Group's PAT attributable to owners of our Group of RM7.09 million and our enlarged issued share capital comprising 400,000,000 Shares, which translates into a price-to-earnings multiple of 19.77 times. After adjusting for listing expenses incurred in the FYE 2023 (being one-off and non-recurring in nature) of approximately RM1.17 million, our PAT would be approximately RM8.26 million which would translate into a price-to-earnings multiple of approximately 16.95 times;

3. DETAILS OF OUR IPO (cont'd)

- (ii) our financial performance and operating history as described in **Sections 11 and 12** of this Prospectus;
- (iii) the pro forma consolidated NA as at 31 December 2023 attributable to owners of our Group, after our IPO and subsequent to the utilisation of proceeds from our Public Issue of approximately RM0.13 per Share based on our enlarged issued share capital upon Listing comprising 400,000,000 Shares;
- (iv) our competitive strengths as outlined in **Section 6.3** of this Prospectus;
- (v) our future plans and business strategies as outlined in **Section 6.24** of this Prospectus;
- (vi) the overview and future outlook of the industry which we operate in, as described in the Industry Overview Report in **Section 7** of this Prospectus; and
- (vii) the prevailing market conditions which include the current market trends and investors' sentiment.

Applicants should also note that the market price of our Shares upon Listing is subject to the vagaries of market forces and other uncertainties which may affect the trading volatility of our Shares.

3.4.2 Market capitalisation upon Listing

Based on our IPO Price of RM0.35 per IPO Share and our enlarged issued share capital comprising 400,000,000 Shares, our market capitalisation upon Listing is RM140.00 million.

3.5 Dilution

Dilution is the amount by which the price paid by the investors of our IPO Shares exceeds our pro forma consolidated NA per Share after our IPO.

The following table illustrates the dilution on a per Share basis:-

	Details	RM
IPO Price	(A)	0.35
Audited consolidated NA per Share as at 31 December 2023, before adjusting for the IPO	(B)	0.06
Pro forma consolidated NA per Share as at 31 December 2023, after giving effect to the IPO (after the IPO and subsequent to the utilisation of proceeds from our Public Issue)	(C)	0.13
Increase in the pro forma consolidated NA per Share to existing shareholders	(C - B)	0.07
Dilution in the pro forma consolidated NA per Share to new public investors	(A - C)	0.22
Dilution in the pro forma consolidated NA per Share to new public investors as a percentage of the IPO Price (%)	(A - C)/(A)	62.86

3. DETAILS OF OUR IPO (cont'd)

Save for the Pre-IPO Restructuring and Transactions and as disclosed below, there has been no direct acquisition and/or subscription of any existing Shares in our Company by our Promoters, Directors, key senior management, substantial shareholders or persons connected with them (assuming full subscription under the Pink Form Allocations), or in which they have the right to acquire since the incorporation of our Company up to the date of this Prospectus:-

	No. of Shares before our IPO	⁽¹⁾ No. of Shares from IPO	Total consideration (RM)	Average effective cash contribution per Share (RM)
<u>Promoters, substantial shareholders, Directors and key senior management</u>				
Tan Cherng Thong	169,702,104	-	7,713,732	0.045
Lee Li Yee	-	-	-	-
<u>Promoters and key senior management</u>				
Hong Boon Huon	37,281,684	-	1,694,622	0.045
Eng Chee Seng	24,854,456	-	1,129,748	0.045
<u>Substantial Shareholders</u>				
GHSB	-	-	-	-
TCT International	2,417,932	-	109,906	0.045
<u>Directors</u>				
Zulkifly Bin Zakaria	-	500,000	175,000	0.350
Lee Yew Weng	-	300,000	105,000	0.350
Alwizah Al-Yafii Binti Ahmad Kamal	-	300,000	105,000	0.350
Poh Zuan Yin	-	300,000	105,000	0.350
<u>Key senior management</u>				
Mohd Aidy Hisyam Bin Abdullah	-	300,000	105,000	0.350
Noor Rashid Bin Omar	-	300,000	105,000	0.350
Sing Chee Yeong	-	300,000	105,000	0.350
Chew Boon Keat	-	300,000	105,000	0.350
<u>Persons connected to Promoters, substantial shareholders, Directors and key senior management</u>				
Kam Shee Na ⁽²⁾	-	200,000	70,000	0.350
Au Yong Chee Keong ⁽³⁾	-	200,000	70,000	0.350

Notes:-

- (1) Assuming full subscription of our IPO Shares allocated to our Directors, key senior management and persons connected with them under the Pink Form Allocations.
- (2) She is our General Manager (Business Development), stepsister of Tan Cherng Thong and stepsister-in-law of Lee Li Yee.
- (3) He is our Supply Chain & Operation Manager and brother-in-law of Tan Cherng Thong and Lee Li Yee.

3. DETAILS OF OUR IPO (cont'd)

3.6 Use of proceeds

The total gross proceeds from the Public Issue amounting to approximately RM37.51 million will be utilised by our Group in the following manner:-

Details of use	Estimated timeframe for use upon Listing	RM'000	Percentage of gross proceeds (%)
(i) Business expansion			
• Expansion of our workforce	Within 24 months	10,100	26.92
• Capital expenditure on equipment and tools	Within 36 months	6,500	17.33
• Acquisition of Star Central Office Tower	Within 6 months	3,715	9.90
• D&D	Within 36 months	1,900	5.06
• Set-up of new integrated centre	Within 36 months	1,500	4.00
• Business development and marketing	Within 24 months	1,000	2.67
		24,715	65.88
(ii) Repayment of bank borrowings	Within 6 months	4,000	10.66
(iii) Working capital	Within 12 months	4,798	12.80
(iv) Estimated listing expenses	Within 1 month	4,000	10.66
Total		37,513	100.00

Details of our use of gross proceeds from our IPO are as follows:-

3.6.1 Business expansion

We intend to scale up our operations to support our business expansion plans in the next 3 years, which includes the following:-

- (i) leveraging on our market presence and established track record to expand our Group's footprint in the bus and rail segments to locations where we currently do not have any presence in;
- (ii) widening our Group's transportation IT solutions to include ferry segment; and
- (iii) strengthening our operational capabilities, which includes expansion of our workforce, the Acquisition of Star Central Office Tower, setting up a D&D department and enhancing our customer support and maintenance services,

further details of which are set out in **Section 6.24** of this Prospectus.

To achieve the above, we have therefore earmarked RM24.72 million or 65.88% of our total Public Issue proceeds towards our business expansion plans as set out below:-

(i) Expansion of our workforce

We intend to strengthen our human resources capabilities through the recruitment of the right professionals with the relevant technical skillset and/or know-how in the next 2 years. The details of our recruitment plan to hire the following personnel in the next 2 years are set out as follows:-

Workforce*	No. of new hires (up to)
Software engineers	10
QC engineers	4
Project consultants	6
Helpdesk and customer service	8

3. DETAILS OF OUR IPO (cont'd)

Workforce*	No. of new hires (up to)
Technicians	15
D&D personnel	6
Total	49

Note:-

* Further details on the functions and roles of our workforce are set out in **Section 6.24.2** of this Prospectus.

We have therefore earmarked RM10.10 million or 26.92% of our total Public Issue proceeds towards the expansion of our workforce, which stood at 184 employees as at the LPD. We believe that our new recruits will enhance our capacity to service the growing number of new contracts.

The breakdown of utilisation is envisaged as follows:-

Details	RM'000
Staff salaries and benefits of new recruits	(1)9,600
Relevant training and certification costs to enhance the technical skill and competence of the new recruits	500
Total	10,100

Note:-

(1) Based on our staff salary records and salary estimates for up to 49 employees for an estimated period of 24 months.

For avoidance of doubt, the initial recruitment costs associated to the recruitment of the above mentioned personnel will be fully funded via internally generated funds.

(ii) Capital expenditure on equipment and tools

We intend to utilise RM6.50 million or 17.33% of our total Public Issue proceeds to purchase new IT equipment, tools and software tools for the following ventures with the aim to expand our presence within the transportation IT solutions provider sector:-

- (a) our venture into the ferry segment; and

We are currently working with the Sabah Port Authority to implement our transportation IT solutions at 8 identified ferry terminals under the state's digitalisation initiative with the aim to monitor ferry passenger arrivals and departures at these terminals, streamlining ferry terminal operations and enhancing overall efficiency.

We intend to undertake our venture into the ferry segment in stages with the aim to complete 4 ferry terminals by October 2024 and the balance 4 ferry terminals by March 2025. The indicative timeframe to implement our transportation IT solutions is subject to the negotiations between our Group and the respective ferry terminal owners on, amongst others, the technical specification, implementation timeframe and expected operational date.

3. DETAILS OF OUR IPO (cont'd)

The implementation of transportation IT solutions for the ferry terminals will encompass the following stages:-

Stage(s)	Key event(s)	Estimated timeframe
1.	<ul style="list-style-type: none"> Conduct site visits to the identified ferry terminals and undertake preliminary feasibility assessments as well as on-boarding and requirement analysis to determine the project requirements and alignment between proposed technology solutions and the intended outcomes Commence negotiations with the ferry terminal owners on the contract terms for the projects Signing of the contracts for the projects with the ferry terminal owners 	2 months
2.	<ul style="list-style-type: none"> Formation of project management team to develop the detailed project plans with the aim to ensure a structured approach to implement the projects Project management team to design the framework and identify the system modules and technologies that are required to be developed and customised to fulfil the requirements of the ferry terminal owners Commence customisation and design of the system infrastructure for the ferry terminals 	2 months
3.	<ul style="list-style-type: none"> Procurement and installation of related hardware components such as ACG, TVMs and Passenger Information Display systems Commence on-site installation of related hardware components and software solutions (including integration with the existing IT system of the ferry terminals) 	2 months
4.	<ul style="list-style-type: none"> Perform the required testing and assessment to identify and rectify any issues to ensure the quality, reliability and the overall performance of our solutions for the ferry terminals as well as to ensure the operational aspects of our solutions are in order Project handover and the completion of the projects The ferry terminal system go live 	1 month

The successful implementation of our IT solutions hinges upon the finalisation of negotiations with the ferry terminal operators. If these negotiations proceed as planned and our solutions are implemented, this venture will mark our inaugural ferry terminals project, poised to serve as a flagship endeavor for expanding our market presence in the East Malaysia for the ferry segment.

(b) upgrading of our current BOS

BOS is our GPS monitoring enabled ticketing solution for stage bus operations, which was adopted by 497 stage buses as at the LPD. Our current solution capabilities as at the LPD comprise real-time bus tracking, "cashless" payment, data analysis and reporting functions as well as fare integration feature that allows integration with other modes of public transportations to provide passengers with an interconnected travel experience.

3. DETAILS OF OUR IPO (cont'd)

Out of 497 stage buses, only 308 stage buses have adopted our BOS with payment terminal devices with the “cashless” key feature as at the LPD, which enables the passengers to make payment for the bus fares when the passengers board the stage buses. It is pertinent to note that our Group had installed the payment terminal devices with the “cashless” key feature (which is an additional device) at the respective 308 stage buses. It should be noted that the balance 189 stage buses only have the BOS (which comprise only the installed GPS monitoring and tracking device and Electronic Ticketing Machine (ETM) for the issuance of physical bus tickets).

Hence, as part of our continuous D&D efforts, we intend to:-

- upgrade our current BOS by installing new payment terminal devices (with the “cashless” key feature) for the balance existing 189 stage buses as at the LPD; and
- to also potentially upgrade up to 100 stage buses from our existing and potential customers with the integration of the payment terminal devices;

to enable all our system to offer the “cashless” or “open payment” key feature and function. The upgrade is poised to ensure all our BOS is enhanced (as opposed to the current scenario where only 308 stage buses are able to offer “cashless” feature under our BOS) and also attract other stage bus operators to adopt our BOS with such feature as well as provide an increased revenue stream to our Group as the subscription fees chargeable to stage bus operators leasing our BOS will be revised due to the upgrades.

The details of the new IT equipment, tools and software tools for our venture into the ferry segment and the upgrading of our current BOS are set out below:-

Details	RM'000
The key hardware for our TOS to be installed for the ferry terminals in Sabah (“ TOS Hardware ”) with the intention to operate on Zero Capex model are as follows:-	
• TVMs	1,600
• ACG	1,200
• CCTV and security related system	350
• Handheld devices and POS facilities (which includes computers and payment terminals)	350
• Passenger Information Display System	150
• Others (which includes electrical and engineering components)	1,350
Subtotal	(1)5,000
Upgrading of cashless or open payment system for BOS (includes the payment terminal devices)	(1)1,500
Total	6,500

Note:-

- (1) Based on our management's estimates of the prices of the identified equipment after taking into consideration, amongst others, the indicative quotes of certain equipment and our management's research on the prices of the said equipment and components.

3. DETAILS OF OUR IPO (cont'd)

In the event that our Group is unable to secure any orders and/or contracts to install TOS for the ferry segment, the above earmarked Public Issue proceeds for the TOS hardware will then be channelled towards the working capital of our Group, primarily to fund the working capital required for new projects to be undertaken by our Group (where such proceeds will be utilised to purchase the relevant hardware and/or software components for the projects).

(iii) Acquisition of Star Central Office Tower

We intend to utilise RM3.72 million or 9.90% of our total Public Issue proceeds to part fund the Acquisition of Star Central Office Tower.

Our Group through NSS has entered into sale and purchase agreements with Joyful Star Sdn Bhd on 19 April 2024 to acquire the entire block of 8 storey semi-detached corporate office, Corporate Park, Star Central @ Cyberjaya consisting of Parcel No. 11-G-01, 11-01-01, 11-02-01, 11-03-01, 11-04-01, 11-05-01, 11-06-01 and 11-07-01 from Joyful Star Sdn Bhd held under Master Title Geran 339485, Lot 111284, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor (“**Office Building SPAs**”) for a total built-up area measuring approximately 18,960 sq ft together with the buildings and accessory parcels erected thereon bearing postal address of 11-G-01, 11-01-01, 11-02-01, 11-03-01, 11-04-01, 11-05-01, 11-06-01 and 11-07-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor (collectively referred to as “**New Office Building**”) for a total purchase consideration of approximately RM12.90 million⁽¹⁾ (“**Purchase Consideration**”). The balance of the Purchase Consideration of RM9.18 million will be funded through internally generated funds and bank borrowings to be obtained by our Group.

Note:-

- (1) *The Purchase Consideration of RM12.90 million solely relates to the purchase price of the New Office Building. The related expenses in respect of the Acquisition of Star Central Office Tower (such as legal fees and stamping fees) (“**Associated Costs**”) do not form part of the Purchase Consideration. The Associated Costs will be fully funded through our internally generated funds.*

The terms on the payment of the Purchase Consideration are summarised as follows:-

Payment terms	Timing of settlement	Purchase Consideration (RM)
10.0% of the Purchase Consideration (which was paid on 19 April 2024) ⁽¹⁾	Immediately upon signing of the Office Building SPAs	1,290,182
90.0% of the Purchase Consideration (“ Balance Purchase Consideration ”)	The Balance Purchase Consideration shall be paid by NSS within 90 days from the date of the Office Building SPAs with an extension period of 30 days subject to NSS paying interest at a rate of 10% per annum (calculated on daily rest) over the outstanding Balance Purchase Consideration	11,611,638
Total		12,901,820

Note:-

- (1) *Funded through our internally generated funds.*

3. DETAILS OF OUR IPO (cont'd)

Save for the payment of the Balance Purchase Consideration, there are no other material conditions set out in the Office Building SPAs that will affect the completion of the Acquisition of Star Central Office Tower. The Acquisition of Star Central Office Tower is envisaged to be completed within 3 months from the date of the signing of the Office Building SPAs.

The New Office Building will serve as our new headquarters as we intend to relocate our operations (currently housed at the following units (“**Current Office**”), which is within the same development of the New Office Building):-

No.	Property address	Purpose	Period of tenancy	Built-up area (sq ft)
1.	08-G-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Description: Ground floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for IT and technical operation	2 years commencing from 1 January 2024 and expiring on 31 December 2025	1,946
2.	08-01-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Description: 1 st floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for administrative and technical operation	Not applicable ⁽¹⁾	2,158
3.	08-02-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Description: 2 nd floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for administrative operation	1 year commencing from 16 March 2024 and expiring on 15 March 2025	2,158
4.	08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Description: 5 th floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for administrative and technical operation	Not applicable ⁽¹⁾	2,635
Total built-up area				8,897

Note:-

(1) Owned by our Group. The properties have freehold tenure.

Further details on the Current Office are set out in **Sections 6.17.1 and 6.17.2** of this Prospectus.

3. DETAILS OF OUR IPO (cont'd)

Given our intention to scale up our operations in the near term, the Acquisition of Star Central Office Tower will provide our Group with floor space of 18,960 sq ft, details of the breakdown in terms of floor size and levels are set out below:-

Block 11 of Corporate Park, Star Central, Lingkar Cyber Point Timur, Cyberjaya	Built-up area (sq ft)
Level 7	2,635
Level 6	2,635
Level 5	2,635
Level 4	2,635
Level 3	2,158
Level 2	2,158
Level 1	2,158
Ground Floor	1,946
Total built-up area	18,960

The New Office Building will provide additional floor space of 10,063 sq ft (as compared to the aggregated floor space of the Current Office of 8,897 sq ft) and will enable our Group to:-

- have a larger number of workstations to accommodate the expansion of our workforce, in particular, our technical operations, as we continue to grow our operations in the next 5 years;
- establish a dedicated floor at the New Office Building (with a size of 2,158 sq ft and envisaged to accommodate up to 100 individuals) for our Group to conduct training for both our employees and customers; and
- have at least 4 meeting rooms at the corporate office at the New Office Building for our project consultants, software engineers and technicians to hold meetings with existing and potential customers. Currently, due to floor space constraints, our Current Office only has 2 meeting rooms available for meetings. The new corporate office will also serve to enhance our corporate image amongst our customers, employees and stakeholders.

As at the LPD, we have not affirmed the detailed layout plans of the New Office Building as our Group intends to appoint consultants to undertake feasibility studies on the renovation of the New Office Building, in particular, on the design and layout of the floor plans as well as ascertain the indicative costs of renovation. Hence, as at this juncture, we are unable to provide the indicative costs of renovation for the New Office Building. Nevertheless, we intend to fund the cost of the feasibility studies and renovation through our internally generated funds.

3. DETAILS OF OUR IPO (cont'd)

We anticipate that the process to acquire and renovate the New Office Building will be carried out in stages over a period of up to 12 months, and the indicative timeframe for such process is set out as follows:-

Stage(s)	Event(s)	Indicative timeframe
1.	<ul style="list-style-type: none"> Execution of the Office Building SPAs and/or financing agreements (if required) for the Acquisition of Star Central Office Tower 	19 April 2024
2.	<ul style="list-style-type: none"> Completion of the Acquisition of Star Central Office Tower Completion of feasibility studies and renovation layout plans (with renovation costs) 	July 2024
3.	<ul style="list-style-type: none"> Commencement of renovation of the New Office Building 	August 2024
4.	<ul style="list-style-type: none"> Completion of renovation of the New Office Building 	May 2025
5.	<ul style="list-style-type: none"> Full relocation of our operations from the Current Office to the New Office Building 	July 2025

Upon relocation of our operations to the New Office Building and subject to the prevailing property market conditions, our Group will evaluate on the options whether to dispose the office units currently owned by our Group at Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyberjaya or lease out the units for investment purposes.

In the unlikely event that the Office Building SPAs are terminated, the above earmarked Public Issue proceeds will be reallocated to our working capital and earmarked to fund the staff salaries and benefits as well as general overheads (which include payment of administration and operational expenses such as for the upkeep of offices and office utilities) as disclosed in **Section 3.6.3** of this Prospectus.

(iv) D&D

We recognise the increasing demand for technology application and infrastructure solutions, and importance of D&D activities in our bid to remain competitive, and provide our customers with technological applications and solutions that optimises and streamlines operations process flows efficiently.

We believe that an effective D&D shapes the features and functionality of our solutions. We have therefore earmarked RM1.90 million or 5.06% of our total Public Issue proceeds to undertake the following D&D activities to maintain our competitiveness and market presence:-

Details	RM'000
Integrating AI into our solutions which includes the purchase of AI chatbot engine (which is a core component to the AI transportation booking system and subscription to database and application servers to support the AI chatbot engine in terms of storage of data analytics and complex data)	(1)1,900
Total	1,900

Note:-

- (1) Based on our management's estimates of the prices of the identified equipment after taking into consideration, amongst others, the indicative quotes of certain equipment and our management's research on the prices of the said equipment and components.

3. DETAILS OF OUR IPO (cont'd)

We expect to implement our D&D plans to integrate AI into our solutions within 36 months from our Listing. The indicative timeline is set out below:-

Stage(s)	Key event(s)	Estimated timeframe
1.	<ul style="list-style-type: none"> Undertake research and feasibility studies to identify suitable AI chatbot engine which is modular and adaptable for customisation and integration to our solutions Engagement with the identified vendor on the technical specifications for the AI chatbot engine Acquisition of the AI chatbot engine 	7 months
2.	<ul style="list-style-type: none"> Customisation and integration of AI chatbot with CTS for rail segment and the Specified Bus Terminals 	*12 months
3.	<ul style="list-style-type: none"> UAT of the newly integrated and customised AI chatbot for CTS for rail segment and the Specified Bus Terminals 	4 months
4.	<ul style="list-style-type: none"> Successful integration of the AI chatbot with helpdesk functions catering to CTS for rail segment and Specified Bus Terminals 	1 month
5.	<ul style="list-style-type: none"> Customisation and integration of AI chatbot with the AFC 	*3 months
6.	<ul style="list-style-type: none"> UAT of the newly integrated and customised AI chatbot for AFC 	2 months
7.	<ul style="list-style-type: none"> Successful integration of the AI chatbot with helpdesk functions catering to AFC 	1 month
8.	<ul style="list-style-type: none"> Customisation and integration of AI chatbot with GoPartner and GoHub.com.my 	*3 months
9.	<ul style="list-style-type: none"> UAT of the newly integrated and customised AI chatbot for GoPartner and GoHub.com.my 	2 months
10.	<ul style="list-style-type: none"> Successful integration of the AI chatbot with helpdesk functions catering to GoPartner and GoHub.com.my 	1 month
Total		36 months

Note:-

* The difference in the timeframe to customise and integrate the system is due to the level of technical complexity.

(v) Set-up of new integrated centre

We intend to set-up a new integrated centre, which enables our Group to undertake the following:-

- (a) a sizeable test laboratory and demonstration area ("**Test Lab**") measuring approximately 2,000 sq ft to enable us to enhance our testing capacity (where our Group conducts testing on our solutions or products from our suppliers) and showcase our solutions to our customers. We currently lease an office in Kuala Lumpur with a floor space of approximately 421 sq ft and the size of the floor space had limited our ability to conduct extensive testing activities (which requires a larger floor space); and
- (b) a training area to cater for our training requirements and needs as the centre will be equipped a sizeable Test Lab (with a selection of our solutions for the training instructors to incorporate in the training sessions). The training area will be designed to accommodate a smaller group compared to the training area at the New Office Building, with a capacity envisioned to cater to up to 100 individuals. We currently conduct our trainings at our customers' office or hotels function rooms.

3. DETAILS OF OUR IPO (cont'd)

To facilitate this strategic initiative, we have earmarked RM1.50 million or 4.00% of our total Public Issue proceeds towards the setting up of the new integrated facility centre. We intend to lease an office area of approximately 2,000 sq ft located in the Klang Valley (envisaged to accommodate up to 35 individuals) to cater for our integrated centre requirements. The earmarked proceeds from the Public Issue will be utilised in the following manner:-

Details	RM'000
Rental of the office space for 36 months and renovation costs	(2)1,040
Computers, IT equipment and tools ⁽¹⁾	(3)460
Total	1,500

Notes:-

- (1) Comprise, amongst others, ACG, TVM, handheld devices and payment terminals.
- (2) Based on our management's estimates of the average property market rental rate of commercial properties of RM7.50 per sq ft, after taking into consideration the market value of similar commercial properties located in our preferred locations.
- (3) Based on our management's estimates of the prices of the identified equipment and software after taking into consideration, amongst others, the indicative quotes of certain equipment and our management's research on the prices of the said equipment.

(vi) Business development and marketing

We intend to allocate RM1.00 million or 2.67% of our total Public Issue proceeds for business development and participation in exhibitions, details of the breakdown are set out below:-

Details	RM'000
Participation in trade exhibitions as set out in Section 6.24.3 of this Prospectus (which includes the participation fees, booths rental and set-up costs, logistics and travelling costs)	400
Business development activities (which includes brand awareness through online channels and media advertisements to promote our applications and the "GOHUB" brand)	600
Total	1,000

Any shortfall in the actual costs of our business expansion compared to our budget allocations will be financed through our internally generated funds and/or bank borrowings. Conversely, in the event the actual proceeds utilised to fund our business expansion plans are lower than the allocations set out above, the excess will be channelled towards working capital purposes.

3.6.2 Repayment of bank borrowings

Our bank borrowings stood at approximately RM6.73 million as at the LPD, of which RM2.02 million are long term borrowings and RM4.71 million are short term borrowings. Our borrowings comprise of term loans, lease liabilities under hire purchase agreement and revolving credit facilities.

3. DETAILS OF OUR IPO (cont'd)

Our Group has earmarked approximately RM4.00 million or 10.66% of our total Public Issue proceeds for the full and/or partial repayment of our existing facilities in the manner set out below:-

Facility	Bank	Total amount outstanding as at the LPD (RM'000)	Proposed repayment (RM'000)	Interest rate (% per annum)	Maturity date	Purpose of borrowing
Commodity Murabahah Term Financing-i	Maybank Islamic Berhad	1,139	1,139	Base Financing Rate - 2.30%	November 2044	To finance the purchase of 08-01-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan
Commodity Murabahah Term Financing-i	Maybank Islamic Berhad	960	960	Base Financing Rate - 2.20%	June 2037	To finance the purchase of 08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan
Term loan	Malayan Banking Berhad	112	112	Base Lending Rate + 3.50%	January 2025	To finance working capital of our Group
Murabahah Tawarruq (revolving)	PMB Tijari Berhad	842	842	*-	December 2024	To finance the purchase of IT related hardware
Commodity Murabahah Term Financing-i	Maybank Islamic Berhad	206	206	Base Financing Rate + 3.50% (66 months) Base Financing Rate + 2.50% (>66 months)	March 2026	To finance working capital of our Group
Term Financing-i	CIMB Islamic Bank Berhad	234	234	Base Lending Rate + 3.00%	November 2024	To finance working capital of our Group
SME Quick Biz - BizJamin Term Loan	CIMB Bank Berhad	272	272	Base Lending Rate + 1.75%	September 2026	To finance working capital of our Group
Fixed Loan / BNM SRF (BizJamin) Facility	Public Bank Berhad	245	235	Flat Lending Rate - 3.50%	July 2026	To finance working capital of our Group
	Total	4,010	4,000			

3. DETAILS OF OUR IPO (cont'd)

Note:-

- * *PMB Tijari Berhad has granted an interest-free arrangement to our Group from 20 May 2022 until 31 December 2024 on the basis that interest rate for the revolving credit loan is 1.50% per month from 3 July 2020 to 19 May 2022.*

For illustrative purposes, the repayment of the term loans and revolving credits set out in the table above amounting to RM4.00 million is expected to result in interest savings of approximately RM0.51 million over the remaining maturity of the respective facilities, assuming an interest rate of 3.50% to 9.90% per annum. Based on the terms of the financing, our Group is expected to only incur a penalty charges of less than RM6,000 in respect of the early repayment of one of our bank borrowings.

3.6.3 Working capital

We also expect our working capital requirements to increase in tandem with the expected growth in scale of operations.

Hence, we intend to utilise approximately RM4.80 million or 12.80% of the total Public Issue proceeds towards working capital requirements, which include the following:-

Details	RM'000
Staff salaries and benefits	2,500
General overheads, which include payment of administration and operational expenses such as for the upkeep of offices and office utilities	2,298
Total	4,798

3.6.4 Estimated listing expenses

The estimated expenses and fees incidental to our Listing amounting to RM4.00 million shall be borne by our Company, the details of which are as follows:-

Expenses	RM'000
Professional fees ⁽¹⁾	2,650
Brokerage, placement fees and underwriting commission	800
Regulatory fees	70
Other fees and expenses such as printing, advertising, travelling and roadshow expenses incurred in connection with our IPO	180
Contingencies and other incidental expenses in connection with our IPO such as translation fees, public or investor relation consultant, service tax and funds reserved for contingency purposes	300
Total	4,000

Note:-

- (1) *Includes advisory and professional fees for, amongst others, our Principal Adviser, legal adviser, auditors and reporting accountants and IMR.*

If the actual listing expenses are higher than the estimated amount as set out above, the deficit will be funded out of the portion from the IPO proceeds allocated for working capital. Conversely, if the actual listing expenses are lower than the estimated amount, the excess will be utilised for the general working capital requirements of our Group.

We intend to place the Public Issue proceeds (including accrued interest, if any) or the balance thereof as deposits with licensed financial institutions or short-term money market instruments prior to the use of the proceeds from the Public Issue for the above intended purposes.

3. DETAILS OF OUR IPO (cont'd)

3.7 Brokerage, underwriting commission and placement fee

(i) Brokerage fee

We will pay brokerage fees in respect of the IPO Shares allocated to the Malaysian Public, at the rate of 1.00% (exclusive of applicable tax) of the IPO Price in respect of all successful applications, which bear the stamp of the 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.

(ii) Underwriting commission

As stipulated in the Underwriting Agreement, we will pay the underwriting commission at the rate of 2.25% (exclusive of applicable tax) of the total value of the underwritten Shares based on the IPO Price.

(iii) Placement fee

Pursuant to the Placement Agreement, we and our Placement Agent, UOBKH, have agreed to place out 75,180,000 IPO Shares to be offered to the identified institutional and/or selected investors as set out in **Section 3.3.1(iii)** of this Prospectus. We will pay our Placement Agent a placement fee at the rate of 2.25% of the total value of the 75,180,000 IPO Shares placed out to investors at the IPO Price. We and the Placement Agent are required to provide various representations, warranties and undertakings as set out in the Placement Agreement. The Placement Agent may terminate its services under the Placement Agreement with immediate effect in the event of termination arising from, amongst others, breach of terms of the Placement Agreement by either parties or circumstances exist or arise which, in Placement Agent's reasonable opinion, materially and adversely affect the performance of, or the ability of the Placement Agent to perform its duties and obligations.

3.8 Underwriting arrangement

We have entered into the Underwriting Agreement with the Underwriter to underwrite 20,000,000 IPO Shares under the Malaysian Public portion as set out in **Section 3.3.1(i)** of this Prospectus and 12,000,000 Pink Form Shares under the Pink Form Allocations as set out in **Section 3.3.1(ii)** of this Prospectus, both of which are subject to the clawback and reallocation provisions as set out in **Section 3.3.2** of this Prospectus.

(The capitalised terms used in this section shall have the respective meanings as ascribed in the Underwriting Agreement or as defined in this Prospectus unless the context otherwise requires)

"Closing Date" means the last day and time for the acceptance of and payment for the retail offering in accordance with this Prospectus and the Application Forms or any such date as may be extended from time to time by our Company with the agreement of the Underwriter in writing

3. DETAILS OF OUR IPO (cont'd)

“Material Effect”	Adverse	means a material adverse effect on:-
		(a) the condition (financial or otherwise), earnings, business or operations of our Company or our Group, taken as a whole; or
		(b) the ability of our Company to perform in any material respect its respective obligations under the Underwriting Agreement or the Placement Agreement
“Offer Documents”		means this Prospectus and the Application Forms and where the context permits, can be either one of these documents

Pursuant to the Underwriting Agreement, the Underwriter may at any time before the listing date by notice in writing to our Company terminate the Underwriting Agreement upon the occurrence of any of the following:-

- (i) the IPO is stopped or delayed by our Company for any reason whatsoever (unless such delay has been approved by the Underwriter);
- (ii) there occurs any misrepresentation or breach of warranties or failure to perform the undertakings by our Company set out in the Underwriting Agreement in any material respect;
- (iii) the Placement Agreement shall have been terminated in accordance with the terms or our Company shall have failed to perform our obligations under the Placement Agreement;
- (iv) Bursa Securities suspends or revokes any approval for the IPO or makes any ruling (or revokes any ruling previously made), the effect of which is to prevent the IPO and the Listing;
- (v) trading of all securities on Bursa Securities has been suspended or materially limited on, or by Bursa Securities, as the case may be;
- (vi) any new law or regulation or change in law, directive, policy or ruling in Malaysia which in the reasonable opinion of the Underwriter (after having consulted our Company) may prejudice the success of the Listing or which would have or the effect of making it impracticable to enforce contracts to allot the Shares or making any obligation under the Underwriting Agreement incapable of performance in accordance with its terms;
- (vii) there shall have been any other material adverse change in national monetary, financial (including stock market, foreign exchange market, inter-bank market or interest rates or money market or currency exchange rates or foreign exchange controls) conditions which in the reasonable opinion of the Underwriter (after having consulted our Company) is likely to have a Material Adverse Effect. For the avoidance of doubt, if the FTSE Bursa Malaysia Kuala Lumpur Composite Index (“**Index**”) is, at the close of normal trading on Bursa Securities, on any Market Day:-
 - (a) on or after the date of the Underwriting Agreement; and
 - (b) prior to the Closing Date,

lower than 85% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Underwriting Agreement and remain 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;

3. DETAILS OF OUR IPO (cont'd)

- (viii) our Company withholds any material information from the Underwriter which, in the reasonable opinion of the Underwriter (after having consulted our Company), is likely to have a Material Adverse Effect;
- (ix) there shall have occurred any outbreak or escalation of hostilities, epidemic, acts of terrorism, acts of God, accidents or interruptions, or any calamity or crisis or other event or series of events in the nature of force majeure that, in the reasonable opinion of the Underwriter (after having consulted our Company), makes it impracticable or inadvisable to proceed with the offer, sale or delivery of the IPO Shares on the terms and in the manner contemplated in each Offer Documents;
- (x) any government requisition or other occurrence of any nature whatsoever in the reasonable opinion of the Underwriter (after having consulted our Company), is likely to have a Material Adverse Effect; or
- (xi) the Listing does not take place within 3 months from the date of the Underwriting Agreement or such other extended date as may be agreed by the Underwriter.

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4. RISK FACTORS

YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING KEY RISK FACTORS WHICH MAY HAVE A MATERIAL ADVERSE IMPACT ON OUR BUSINESS OPERATIONS, FINANCIAL POSITION AND THE FUTURE PERFORMANCE OF OUR GROUP, IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE INVESTING IN OUR COMPANY.

4.1 Risks relating to our business operations

4.1.1 We are dependent on customers within the public land transportation sector

We are dependent on customers within the bus and rail segments as these customers operate in a regulated industry. This group of customers from the public land transportation sector in aggregate accounted for approximately 99.60%, 95.59%, 96.61% and 98.43% of our total revenue for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively, further details of which are set out as follows:-

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Transportation IT solutions								
- Rail	11,920	62.82	1,601	7.88	15,477	58.30	31,366	71.37
- Bus	6,978	36.78	17,817	87.71	10,171	38.31	11,891	27.06
Total	18,898	99.60	19,418	95.59	25,648	96.61	43,257	98.43

Any material change in the policies or directions in the public land transportation sector could adversely affect our business, financial condition and financial performance. Although we provide maintenance and support services (which provides recurring revenue stream to our Group), expenditure on technology by such customers may reduce based on such material changes in policies or directions affecting the public land transportation sector, which may take into consideration economic conditions and other factors, such as decisions to reduce or restructure technology spending (which are geared towards optimisation of operational efficiency) in an attempt to improve profitability. Further, in the event of the introduction of any new or amendments to regulatory requirements by the relevant regulators, we may be required to adapt our solution offerings to meet such requirements and failure to do so at all or in a timely manner could adversely affect our business and financial performance.

We will strive to enhance our technical capabilities by keeping abreast with the latest technology developments in order to maintain our competitive edge and position in the sector. Nevertheless, in the interim, any changes in the public land transportation sector could cause the market for our solutions to decline and as a result, our business, financial condition and financial performance could be affected.

4.1.2 We are dependent on our major customer, KTMB

We are dependent on KTMB, a rail operator providing transportation and mobility services nationwide in Peninsular Malaysia. We have been providing transportation IT solutions to KTMB since 2019, accounting for 62.83%, 7.90%, 58.30% and 69.28% of our total revenue for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively.

4. RISK FACTORS (cont'd)

We are currently providing maintenance and support services for CTS for Komuter Utara, ETS, Intercity and Shuttle Tebrau Routes (where the contract period is 90 months commencing from 1 April 2019 to 30 September 2026) as well as undertaking installation works in respect of AFC for KTMB via our KTMB contracts (where the contract period is 18 months commencing from 1 October 2022 to ⁽¹⁾31 March 2024 and a variation order for delivery and installation of additional hardware to be completed by 31 May 2024 to ease traffic congestion at the relevant stations) depending on project specifications, where we derived both non-recurring income (for projects) and recurring income (from maintenance and support services where we charge in the form of fixed fee and revenue sharing in nature). We anticipate that both non-recurring and recurring income from KTMB will contribute significantly to our future financial performance as the rail network undergoes continuous development and upgrades, coupled with a growth in ridership. Out of the total revenue from KTMB from 1 January 2024 up to 31 March 2024, the non-recurring income from KTMB accounted for approximately 20.00% with the balance of 80.00% attributed to recurring income.

Note:-

- (1) *For information purposes, although the contract tenure for the installation of AFC spanned from 1 October 2022 to 31 March 2024, it should be noted that GOHUB had successfully completed the installation of the AFC at the identified rail stations of KTMB by December 2023 (ahead of the intended completion date, 31 March 2024). The installation stages of AFC comprised of 3 stages, with the first stage being completed in June 2023, second stage in September 2023 and final stage in December 2023.*

The ridership of the ETS, Intercity and Shuttle Tebrau services during the pre COVID-19 pandemic period (i.e. the FYE 2017, FYE 2018 and FYE 2019) and during the financial years under review are set out below:-

	Pre COVID-19 pandemic period			COVID-19 pandemic period			Post COVID-19 pandemic period
	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Rail ridership ('000)	11,289	12,799	14,028	#4,948	2,056	10,271	16,687

(Source: KTMB)

Note:-

- # *For information purposes, our Group had only commenced our CTS maintenance services in August 2020 and the fees derived from the revenue sharing model was based on total ticket sales of 0.50 million from 17 August 2020 up to 31 December 2020.*

It is hence pertinent to note that the ridership levels for the ETS, Intercity and Shuttle Tebrau services during the COVID-19 pandemic period were relatively low, in particular, in the FYE 2020 and the FYE 2021, resulting in lower recurring revenue for our Group as the revenue sharing charges under our CTS maintenance services for KTMB were based on number of ticket sales (i.e. ridership). Hence, it should be noted that prior to CTS going live, our Group was unable to charge any fees for our CTS maintenance during the 16-month gap between April 2019 (commencement of the CTS contract) and August 2020 (commencement of CTS maintenance services).

Although we have not encountered any material disputes with KTMB to-date, our current working relationship with them may deteriorate or we may be unable to continue to secure new projects from KTMB in the future upon completion of the existing projects or renew our maintenance and support services contract if our Group has major disputes with KTMB in the future. Our Group's sustainability, revenue and financial performance will in turn be materially and adversely affected if there is any termination of our business relationship with KTMB and we are unable to secure any new contracts of similar or greater value to replace the loss of business.

4. RISK FACTORS (cont'd)

4.1.3 We are dependent on our ability to secure new projects

Our profitability and financial performance are dependent on our ability to consistently secure and maintain contracts for the provision of enterprise IT services particularly from existing and new customers in the public transportation sector. Our contracts with customers vary in length and scope of services depending on the nature of the project, technical specification, business engagements (i.e. Outright Purchase or Zero Capex) and other customer requirements. Consequently, our revenue streams are subject to fluctuations based on the size and number of active contracts and their respective durations. The duration of contracts within the Zero Capex model would typically span a minimum period of 3 years. This timeframe is necessary for our Group to realise the anticipated return on investment. Meanwhile, the duration of the contracts in respect of Outright Purchase would typically entail a period of up to 2 years.

The potential loss of customers, particularly major ones, or risk of facing difficulties in securing new customers or additional projects from existing customers in a timely manner, could adversely impact our business and financial performance. Further, the volume and size of contracts, as well as the revenue generated from them, can be affected by several factors which include, but are not limited to, economic downturns, industry-specific slowdowns and customers' financial constraints. As a result thereof, our revenue may experience significant fluctuations across different financial years. This is evidenced by the revenue contributions from the non-recurring income (for projects) and recurring income (from maintenance and support services) during the financial years under review, which is set out as follows:-

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Recurring	5,739	30.25	7,136	35.14	16,929	64.87	21,125	48.70
Non-recurring	13,232	69.75	13,173	64.86	9,169	35.13	22,255	51.30
Total income derived from projects*	18,971	100.00	20,309	100.00	26,098	100.00	43,380	100.00

Note:-

* Excludes the income derived from our Group's other solutions (namely GoHub.com.my and GoPartner), both of which are classified as non-projects activities by our Group.

The success of our bids and tender proposals is influenced by various factors, including pricing and tendering strategy and the level of competition. Hence, we may be unable to secure a tender every time we participate in the tender bid process. Depending on market conditions and the competitive landscape, we may need to adjust our pricing or tendering strategy to remain competitive. If we fail to secure new contracts with comparable values, sizes or margins to existing ones, our business and financial performance could be materially and adversely affected.

Our ability to secure new projects are also dependent on the negotiated terms of our contracts and the business engagements that we offer to our customers. It should be noted that under the Zero Capex model, our customers are accorded with the option to avoid significant upfront investments in our solutions whilst enabling the preservation of our customers' cash flow, given that no payments are required to be made for the development, customisation and installation of the systems (comprising hardware and/or software). However, this model will affect our revenue and cash flow given that we will incur upfront costs for the hardware involved, before recognising revenues when the solution is live.

4. RISK FACTORS (cont'd)

After the successful completion of our projects, our customers typically engage us for maintenance and support services for the solutions delivered. Our maintenance and support services will adhere to a pre-scheduled timeline, where such activities include general maintenance or updates of software and hardware, routine part changes and general system testing. Maintenance and support services are available on a contract basis, which typically ranges between 1 to 5 years (with the option to extend) depending on the requirements of our customers' operational needs. There is no assurance that our customers will continue to engage us for maintenance and support services after completion of a project and that our maintenance and support services will be renewed upon its expiry.

4.1.4 Our IT solution projects may be subject to delays arising from the lack of infrastructure readiness at our customers' sites

Our enterprise IT solution projects are subject to specific completion schedules and agreed budgets. The timely deliverables and cost of our projects are dependent on the infrastructure readiness at site. Such delays may be due to various factors, which are beyond our control, which includes but are not limited to, delay in the construction or upgrades in the terminals, suspension or deferment of construction and building works, poor project coordination and site issues which require rectification before we are able to undertake the IT installation works. Any adverse developments of these factors can lead to interruptions or delays in the progress of our projects and this may subsequently reduce our profit margin, delay the recognition of our revenue and incur additional costs, all of which could have a material impact on our financial performance.

During the financial years under review, we have experienced delay in the following projects due to lack of infrastructure readiness at our customers' sites:-

- (i) integrated terminal hub located in Gombak; and

The integrated terminal hub located in Gombak had faced delays and subsequent suspension of construction and building progress works which led to deferment of the terminal's operational launch date. As a direct consequence, we were unable:-

- (a) to fulfil our IT service obligations and fully deliver our scope of solutions within the prescribed timeframe as set out in the contract (where we were initially required to fully deliver our solutions by first quarter of 2021). This had led to our Group being unable to issue billings for the balance contract value of RM2.01 million relating to the project within the financial years under review; and
- (b) to collect on the outstanding billings of RM3.96 million due to the project being delayed and subsequently suspended. This had led our Group to incur an impairment of trade receivables of RM0.38 million in the FYE 2022.

The integrated terminal hub located in Gombak is expected to be operational by June 2024 as the service providers have been directed to complete the relevant installation of solutions and facilities at the terminal.

- (ii) bus terminal located in Sabah

The lack of site readiness at the bus terminal located in Sabah had resulted in our Group being unable to undertake our IT service obligations and fully deliver our scope of solutions within the prescribed timeframe. This resulted in a loss of revenue totalling to RM1.12 million, which our Group could have recognised during the financial years under review. We subsequently completed the installation of our solutions at the terminal in November 2023.

4. RISK FACTORS (cont'd)

We may hence encounter such delays in the future due to the lack of infrastructure readiness at our customers' sites, all of which are factors beyond our control.

4.1.5 Our business may be affected by outbreaks of any severe contagious or virulent diseases which restrict travel and use of public transportation

The COVID-19 pandemic declared by the World Health Organisation on 11 March 2020, had materially affected our operations. In response to the pandemic, the Malaysian government had imposed a series of lockdown measures across different states nationwide and localities in the country at various points, beginning 18 March 2020. Such lockdown measures included movement restriction orders to mitigate the spread of the COVID-19 virus, which had effectively limited public travels and this led to a sharp decline in ridership and demand for both bus and rail services.

This decline in ridership and demand had a direct impact to our Group. For our CTS maintenance solutions (in particular, the ETS, Intercity and Shuttle Tebrau Routes - which are tied to ridership), and our terminal management services where we function as system operators (which are dependent on bus terminal utilisation), our Group experienced a notably sharp decline in revenue stream arising from the lockdown measures.

The revenue contribution from the CTS maintenance solution for the rail segment (which was primarily revenue sharing in nature) were significantly lower as we had only recognised revenue of RM0.16 million in the FYE 2020 and RM0.56 million in the FYE 2021, as compared to the revenue recognised in the FYE 2022 of RM3.99 million. Our revenue from our terminal management services at the Existing Specified Bus Terminals recorded a similar trend over the same financial years under review.

Further, we had encountered difficulties in trade receivables management of our Group. Our average trade receivables turnover period had increased from 109 days for the FYE 2020 to 145 days for the FYE 2021. This was primarily due to slow collection of trade receivables, which was a direct consequence of the demanding business operating environment during both financial years, materially impacted by the ongoing COVID-19 pandemic. The pandemic had severely limited travel and the ability of our customers to provide mobility services, impacting our customers' ability to meet payment obligations. In addition, during the FYE 2021, a major customer had to temporarily suspend the construction of the integrated terminal hub project in Gombak (in view of the COVID-19 pandemic and the rising construction costs) and the subsequent deferment in the operational launch of the terminal (which was previously targeted to launch in first quarter of 2021).

Please refer to **Section 6.4** of this Prospectus for further details on the impact of COVID-19 on our Group.

In the event of any prolonged outbreak of any severe contagious or virulent diseases, this may result in material disruptions to our business operations which may adversely affect our business operations and financial performance.

4.1.6 We are exposed to credit risk of our customers

Our normal credit period granted to our customers ranges from 30 to 90 days. Other credit terms to customers are assessed and approved by our management on a case-by-case basis taking into consideration factors such as our relationship with the customers, their financial position and payment track record as well as their creditworthiness.

4. RISK FACTORS (cont'd)

While we require our customers to make progress payments based on the stages of project completed, we may not be able to collect our trade receivables in a timely manner and/or some of our customers may delay payments. Should we experience any difficulty in collecting a substantial portion of our trade receivables from our customers, our cash flow and working capital may be affected. This was evident in our average trade receivables turnover period from 109 days for the FYE 2020 to 145 days for the FYE 2021, which was primarily attributable to the challenging business environment arising from the effects of the ongoing COVID-19 pandemic.

We are also exposed to credit risks arising from our trade receivables which may arise from unanticipated events and circumstances beyond our control. Such was the case in respect of our average trade receivables turnover period of 114 days in the FYE 2022. The prolonged trade receivables turnover period mainly relates to a major customer's ability to meet payment obligations, stemming from the temporary suspension of the construction of the integrated terminal hub project in Gombak and the subsequent deferment in the operational launch of the terminal.

Our Group will assess the collectability of trade receivables on an individual and collective customer basis and impairment will be made accordingly for customers where recoverability is uncertain, after taking into consideration, amongst others, the payment track record of our customers, their creditworthiness and financial position as well as the current and forward-looking economic conditions.

Further, for any trade receivables which have exceeded the credit period, we will follow up with our customers on the outstanding receivables, and where appropriate, provide for specific impairment on those trade receivables where recoverability is uncertain based on our Group's dealings with these customers.

Our Group has not recorded bad debts for the FYE 2020, FYE 2021 and FYE 2023. We had, however, subsequently wrote off RM0.55 million in the FYE 2022 after our credit assessment on an existing customer, Setara Jaya Sdn Bhd who was placed under winding up proceedings via petition filed on 4 July 2022 and was subsequently wound up on 22 February 2023 and with no reasonable expectations on the full recovery of the outstanding debts. Further, we had also recorded an impairment on trade receivables totalling RM0.44 million in the FYE 2022 owed from 2 major customers.

Our stringent credit control practices have led to the improvement in the collection of our trade receivables, which is evidenced by the average trade receivables turnover period of 90 days in the FYE 2023 that is within our normal credit period. However, there can be no assurance that our customers will be able to fulfil their payment obligations in a timely manner or we are able to fully collect the trade receivables which exceed credit terms in the future.

4. RISK FACTORS (cont'd)

4.1.7 We are dependent on our Executive Directors and key senior management

Our success is dependent on the abilities, experience and continued efforts of our Executive Directors and key senior management. Our Executive Director / CEO, Tan Cherng Thong is an industry veteran in the provision of public transportation IT solutions with more than 20 years of working experience, primarily specialising in the conceptualisation, design and provision of an omni channel ticketing system, operational IT based solutions, AFC and seamless integration of front-end and back-end IT systems as well as managing bus terminals' operations. Since joining as CEO of NSS in August 2015, he has been instrumental in spearheading the overall business strategy and direction of our Group. He is supported by our other Promoters and key senior management, namely Lee Li Yee (Executive Director / Finance Director), Hong Boon Huon (CTO), Eng Chee Seng (Chief Business Development Officer), Mohd Aidy Hisyam Bin Abdullah (Head of Operation (Terminal)), Noor Rashid Bin Omar (Head of Operation (BOS)), Sing Chee Yeong (Senior Manager of the IT Development Department) and Chew Boon Keat (Chief Financial Officer). Please refer to **Sections 8.1.3** and **8.4.2** of this Prospectus for details of the profiles of our Executive Directors and key senior management.

As such, the loss of services from our Executive Directors and key senior management without suitable and timely replacement may adversely impact our business operation and financial performance. It is pertinent to note that our CTO is part of a designated group (comprising our CEO and IT managers) holding the key source codes for our software (which are pivotal to the functionality of our solutions). By limiting the number of key individuals having access to the source code, our Group will be able to a certain extent, mitigate the risks of such source codes being easily accessed or obtained by any third parties. We believe that such safeguard measure is in line with industry norms.

Although the loss of his service does not affect our safeguard measures for our intellectual property rights, it may however materially affect our IT operations (in particular, overseeing the development and installation of our customised software and solutions) as our Group will be required to embark on a recruitment process to recruit new personnel with the requisite technical skill sets to assume the role of our CTO.

As part of our strategy to retain our employees, we offer competitive remuneration packages to our key senior management and provide training and career development opportunities to our employees. Further, in conjunction with our Listing, we have allocated a portion of our IPO Shares to our Eligible Persons which includes our directors and employees, as set out in **Section 3.3.1(ii)** of this Prospectus. We believe that our Listing will enhance our profile and will facilitate talent retention and recruitment.

For the financial years under review and up to the LPD, we have not experienced any loss of our key senior management that has materially impacted our business. However, there is no assurance that we are able to retain and attract key senior management based on the measures mentioned above.

4.1.8 We are dependent on our ability to attract, train, motivate and retain IT personnel

Our future growth and success depend, to a certain extent, on the continued service of our skilled and experienced IT personnel. The expertise of our IT employees who are equipped with IT knowledge and skill are crucial in delivering our services, from consultation to implementation of the respective enterprise IT solutions. They also play major roles in our operations, maintenance and support services.

Our ability to operate and compete could be adversely affected if we are unable to attract, train, motivate and retain qualified individuals. This, in turn, could negatively impact our business and financial results.

4. RISK FACTORS (cont'd)

We could also lose IT personnel to our customers or other participants in the IT sector and it may be difficult for us to find suitable and timely replacement(s) given the talent shortage. A high turnover and/or any reduction in numbers to our headcount of IT personnel may be disruptive to our business and may result in loss of crucial and confidential knowledge about our customers which, in turn, could lead to the loss of our customers.

4.1.9 Failure to protect our intellectual property rights could adversely affect our business

Our established track record within the public land transportation sector is a testament to our expertise in delivering effective solutions (including TOS, BOS and AFC) tailored to meet and cater to the operational and technical requirements of our customers. It is pertinent to note that our customers are entitled to the right of use for the software solutions whilst we retain the intellectual property rights of the software, subject to the terms and conditions of the contracts with our customers.

The core strength of our solutions lies in our software architecture, which is known for its modular design and ability to integrate with our customers' existing IT systems. Such features help to ensure an efficient implementation process. Hence, the key source codes for our software, which are pivotal to the functionality of our solutions, are accessible only to a designated group including our CTO. This limited access is critical to safeguard our intellectual property rights, including software designs and source codes. We also rely on the confidentiality and invention assignment stated in the employment handbook and/or contracts with our employees and contracts entered with our suppliers and customers to protect our intellectual property rights.

There is no assurance that our intellectual property rights relating to our software will not be infringed by any parties arising from the breach of confidentiality pursuant to contractual obligations which could have a material adverse effect on our business operations and financial conditions. Further, while we have put in place the relevant security measures to safeguard our source codes, there is also no assurance that such security measures are able to safeguard us from security breaches in light of the changing cybersecurity landscape. As at the LPD, we have not encountered any security breaches to our system and operations.

4.1.10 Our reputation may be affected if the security of confidential information or personal information of our customers is breached or otherwise subject to unauthorised access or disclosure

In the course of offering our solutions and with the consent of our customers, we will have access to confidential information of our customers including information on our customers' operations, IT policies and IT systems.

Our Group has established stringent policies and protocols, which are designed to protect the security, integrity and confidentiality of the information that we handle and/or store. These stringent policies and protocols include installation of firewall systems, enforcement of authentication and user access restriction at workstations through the use of password protection on devices and access cards and/or biometrics scanning to access areas in the office, regular examination of security logs and installation of CCTV within our office. We also impose strict confidentiality obligations on all our employees and any contravention will result in disciplinary action and/or legal actions.

4. RISK FACTORS (cont'd)

As at the LPD, we have not experienced any security breaches to our systems and information to date, whether arising from internal sources (such as technical malfunctions, employee error or misconduct) or external sources (such as malware, hacking, espionage and cyber intrusion). However, despite our stringent efforts, there is no guarantee that inadvertent disclosure (which may arise from software bugs or other technical malfunctions, employee error or misconduct, or other factors) or unauthorised disclosure or loss of personal or confidential information will not occur or that third parties will not gain unauthorised access to such information.

4.1.11 Our contracts may be subject to early termination or non-renewal

Our contracts from customers are secured on a project-by-project basis via contracts and/or purchase orders, where it may contain clauses which could give rise to a right of early termination by our customers, other than the standard termination clauses where our customers may terminate our services in the event of our failure to execute the services in accordance with the terms of the purchase orders and/or contracts or persistently neglects to carry out our obligations under the purchase orders and/or contracts or if we or our employees are involved in corruption or unlawful activities or in situation of insolvency faced by us, amongst others. We also face the prospect of non-renewal of existing contracts upon expiry of the agreed project duration.

In the event we experience any early termination or non-renewal of our contracts, the loss of revenue incurred arising from such early termination may have an adverse impact on the financial condition and prospects of our Group if we are unable to secure any new contracts of similar or greater value to replace such loss of business. If our Group is at fault, we may also be subject to the risks of legal claims, liabilities and compensation to our customers which could have a negative impact on our business and financial condition.

During the financial years under review, we have ceased to provide CTS to a bus terminal located in Sepang, Selangor following the early termination of the CTS contract in October 2022 due to a change in the terminal operator (where the terminal owner appointed a new terminal operator who in turn preferred a new solutions provider). The said early termination of the CTS contract did not result in any penalty charges or any other financial costs to be borne by our Group.

Our Group had also experienced non-renewal of our contract in respect of our CTS at Terminal Larkin Sentral in Johor following the expiry of our 5 years contract period (which ended in August 2023) with the terminal operator. The reason for the non-renewal of our CTS contract was due to the terminal operator's commercial decision to appoint a new solutions provider. This in turn has resulted in a loss of potential revenue of RM3.03 million on the assumption that our CTS contract was renewed for additional 5 years contract period.

Save for the contracts mentioned above, we have not experienced any early termination or non-renewal of our contracts in the past 5 financial years up to the LPD which could have a material adverse effect on our business operations and financial conditions.

4.1.12 We may face cost overruns in our enterprise IT solution projects

As an enterprise IT solutions provider, we are required to accurately estimate the time and costs associated with the implementation of enterprise IT solution projects. There may be various factors affecting the actual cost incurred in implementing these projects, including amongst others, technical difficulties, integration with third-party software or hardware, procurement of additional hardware and other unforeseeable problems and circumstances. Any one of these factors may lead to delay in the completion of project or cost overruns, which would adversely affect our business and financial performance.

4. RISK FACTORS (cont'd)

For the financial years under review and up to the LPD, we have not experienced any material project cost overruns. However, there is no assurance that we would not encounter cost overruns in our current and future enterprise IT solution projects.

4.2 Risks relating to the industry in which we operate**4.2.1 We may not be able to respond in a timely manner to changes in technology, customer requirements, industry standards and regulatory compliance requirements**

The enterprise IT services industry requires responsiveness to technological advancements, customer requirements, evolving industry standards and regulatory compliance requirements as well as the changing IT operating environment. To remain competitive, it is crucial for our Group to adapt promptly to the advancements in technology and continuously enhancing the features and new functionalities of our enterprise IT software solutions.

As our Group mainly serves customers in the public land transportation industry, we constantly undertake D&D to develop and enhance new and existing solutions to meet the changing requirement of our customers as well as industry. However, there is no assurance that we would be able to continue to react and meet the changing demand in a timely manner as we may not have sufficient resources and technical expertise and/or be responsive enough to react to new technologies and software developments.

If we are unable to anticipate and adapt to such changes in technology and/or unable to adequately upgrade our capabilities to develop new and innovative enterprise IT solution in a timely manner, our business and financial performance may be adversely impacted.

4.2.2 We face competition within our industry

Our competitors compete in terms of technology, range and quality of solutions, price and timeliness of project delivery. Our competitors may have longer operating histories, equipped with better resources and possess comparable software and technical expertise than us, thereby enabling them to offer better value proposition to our potential customers. As such, we may experience and expect to continue to face intense competition from local and international vendors or solution providers. Our Group may have to also compete with international IT solution providers that have greater name recognition in the market.

Further, we may also compete with existing and new entrants who adopt aggressive pricing strategies and offer more attractive sales terms. In such scenario, we may lose potential sales or forced to offer our enterprise IT solutions at a lower price to maintain or expand our market share. Our business and financial condition may be affected should our competitors successfully develop or offer solutions and services at a better price and quality.

4.2.3 We are subject to the changes in political, economic and regulatory environment in Malaysia

We presently operate in Malaysia and our customers' projects are also based in Malaysia. As such, the financial performance and business prospects of our Group will depend on the political, economic and regulatory conditions in Malaysia. Changes in the political, economic and regulatory conditions could arise from, amongst others, unfavourable changes in political leadership, interest rates, changes in government policies and regulations, import duties and tariffs, methods of taxations and inflation could adversely affect our business operations, which may in turn lead to an adverse effect on our profit margin and future growth.

4. RISK FACTORS (cont'd)

Notwithstanding thereof, we have not experienced any adverse political, economic and regulatory changes which have materially adversely affected our operations and financial performance. However, there can be no assurance that any adverse political, economic and regulatory changes, which are beyond our control, will not unfavourably affect our future financial performance.

4.3 Risks relating to investment in our Shares

4.3.1 There has been no prior market for our Shares

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 market will be sustainable. There is 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 selling prices at which holders would be able to obtain for our Shares.

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

4.3.2 Delay in or cancellation of our Listing

Our Listing could be delayed or terminated due to the possible occurrence of certain events, which include the following:-

- (i) the Underwriter exercising its rights pursuant to the Underwriting Agreement to discharge itself from its obligations under such agreement;
- (ii) our inability to meet the minimum public spread requirement under the Listing Requirements of having at least 25% of the total number of our Shares for which our Listing is sought being in the hands of at least 200 public shareholders holding at least 100 Shares each at the point of our Listing; or
- (iii) the revocation of approvals from relevant authorities prior to our Listing or admission to the Official List for whatever reason.

Where prior to the issuance and allotment of our IPO Shares:-

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled, and our Company or such other person who received the monies shall repay all monies paid in respect of the applications for our IPO Shares within 14 days of the stop order, failing which the Company shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our Listing is aborted, investors will not receive any of our IPO Shares and all monies paid in respect of all applications for our IPO Shares will be refunded free of interest.

Where subsequent to the issuance and allotment of our IPO Shares:-

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, the Company shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or

4. RISK FACTORS (cont'd)

- (ii) our Listing is aborted other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by the sanction of our shareholders by special resolution in a general meeting and supported by either:-
 - (a) consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or
 - (b) a solvency statement from our Directors.

4.3.3 Volatility of our Share price and trading volume

The market price and trading volume of our Shares may fluctuate as a result of variations in the liquidity of the market for our Shares, differences between our actual financial operating results and those expected by investors and analysts, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations.

The performance of Bursa Securities is also affected by external factors such as the performance of regional and world bourses, inflow or outflow of foreign funds, economic and political conditions of the country as well as growth potential of various sectors of the economy. Other factors that may negatively affect investor sentiment generally include natural disasters, health epidemics and outbreak of contagious diseases. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our Shares.

4.3.4 Our ability to pay dividends

Our Group's ability to distribute dividends or make other distributions to our shareholders is subject to various factors, such as profits recorded, and excess of funds not required to be retained for working capital of our business.

It should be highlighted that as we are a holding company, our Company's income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions that we receive from our subsidiaries. Our subsidiaries have entered into facility agreements which contain negative and financial covenants and hence, the inability of our subsidiaries to comply with any of these covenants may affect our ability to pay dividends. Furthermore, if we were to obtain new borrowings subsequent to our Listing, we may be subject to additional covenants restricting our ability to pay dividends.

There can be no assurance that dividends will be paid out in the future or on timing of any dividends that are to be paid in the future. If we do not pay dividends or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected.

Please refer to **Section 11.6** of this Prospectus for further information on our dividend policy.

4. RISK FACTORS (cont'd)

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

As disclosed in **Section 8.1** of this Prospectus, our Promoters will directly or indirectly collectively hold in aggregate approximately 58.56% of our enlarged issued share capital upon Listing. As a result, our Promoters will collectively be able to, in the foreseeable future, effectively control the business direction and management of our Group including the election of our Directors, the timing and payment of dividends as well as having majority voting control over our Group and as such, will likely influence the outcome of 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 always will be aligned with those of our other shareholders.

4.4 Other risks

4.4.1 Forward-looking statements in this Prospectus are subject to uncertainties and contingencies

Certain statements or expectations or forecasts in this Prospectus are based on historical data which may not be reflective of future results. Forward-looking statements in this Prospectus are based on assumptions and subject to uncertainties and contingencies.

Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure you that such expectations will subsequently materialise.

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5. INFORMATION ON OUR GROUP

5.1 Our Company

Our Company, Go Hub Capital Berhad (Registration No.: 202201019895 (1465592-V)) was incorporated in Malaysia on 3 June 2022 under the Act as a private limited company under the name of Go Hub Capital Sdn Bhd. On 15 September 2023, our Company was converted into a public limited company under the name of Go Hub Capital Berhad. Prior to our Listing, our Company was involved in the Pre-IPO Restructuring and Transactions, details of which are set out in **Section 5.3** of this Prospectus.

The principal activity of our Company is investment holding whilst our subsidiaries are principally involved in the provision of enterprise IT services, focusing on providing transportation IT solutions (including customised software development systems and integration of hardware and software systems) in the bus and rail segments. Our offerings also extend to include maintenance and support services as well as terminal management services for the IT solutions delivered.

Further details on our Group's history and business activities are set out in **Sections 6.1** and **6.2** of this Prospectus, respectively.

5.2 Share capital

As at the LPD, our Company's issued share capital is RM13,310,280 comprising 292,820,000 Shares. The changes in our Company's issued share capital since incorporation up to the LPD are as follows:-

Date of allotment	No. of Shares allotted	Nature of transaction	Consideration	Cumulative issued share capital	
				RM	No. of Shares
3 June 2022	100	Subscriber's shares	Cash	100	100
21 December 2022	13,152,836	Acquisition of NSS	Otherwise than cash ⁽¹⁾	13,152,936	13,152,936
22 December 2022	157,008	Acquisition of TCT Apps	Otherwise than cash ⁽²⁾	13,309,944	13,309,944
16 March 2023	56	Subscription of Shares	Cash	13,310,280	13,310,000
9 August 2023	-	Share Split	N/A	13,310,280	292,820,000

Notes:-

- (1) Issuance of new Shares to satisfy the purchase consideration set out in the internal reorganisation agreement dated 8 December 2022 entered into between the vendors (namely Tan Cherng Thong, Hong Boon Huon, Eng Chee Seng and Wong Yoke Hoe) and the purchaser, GOHUB, in respect of the Acquisition of NSS. Please refer to **Section 5.3.1** of this Prospectus for further details of the Acquisition of NSS.
- (2) Issuance of new Shares to satisfy the purchase consideration set out in the internal reorganisation agreement dated 8 December 2022 entered into between the vendors (namely TCT International, Tan Cherng Thong, Hong Boon Huon and Eng Chee Seng) and the purchaser, GOHUB, in respect of the Acquisition of TCT Apps. Please refer to **Section 5.3.2** of this Prospectus for further details of the Acquisition of TCT Apps.

As at the LPD, we do not have any outstanding warrants, options, convertible securities or uncalled capital in respect of the Shares in our Company. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of consideration for the above allotments.

Upon completion of our IPO and after utilisation of IPO proceeds, our enlarged share capital will increase to RM49,751,480, comprising 400,000,000 Shares.

5. INFORMATION ON OUR GROUP (cont'd)

5.3 Pre-IPO Restructuring and Transactions

The internal restructuring exercises and transactions undertaken in respect of our Company prior to our Listing involves the following:-

5.3.1 Acquisition of NSS

On 8 December 2022, our Company had entered into an internal reorganisation agreement to acquire the entire issued share capital of NSS comprising 1,000,000 ordinary shares for a purchase consideration of RM13,152,836, which was fully satisfied through the issuance of 13,152,836 new Shares at RM1.00 each to the vendors of NSS in the following manner:-

Vendors	No. of NSS shares	%	No. of Shares issued
Tan Cherng Thong	737,056	73.71	9,694,375
Hong Boon Huon	128,244	12.82	1,686,772
Eng Chee Seng	84,103	8.41	1,106,197
Wong Yoke Hoe	50,597	5.06	665,492
Total	1,000,000	100.00	13,152,836

The purchase consideration was based on a “willing-buyer willing-seller” basis after taking into consideration, the audited consolidated NA of NSS group of companies as at 31 December 2021 of RM13,152,835. The Acquisition of NSS was completed on 21 December 2022.

5.3.2 Acquisition of TCT Apps

On 8 December 2022, our Company had entered into an internal reorganisation agreement to acquire the entire issued share capital of TCT Apps comprising 1,000,000 ordinary shares for a purchase consideration of RM157,008, which was fully satisfied through the issuance of 157,008 new Shares at RM1.00 each to the vendors of TCT Apps as follows:-

Vendors	No. of TCT Apps shares	%	No. of Shares issued
TCT International	700,000	70.00	109,906
Eng Chee Seng	150,000	15.00	23,551
Tan Cherng Thong	100,000	10.00	15,701
Hong Boon Huon	50,000	5.00	7,850
Total	1,000,000	100.00	157,008

The purchase consideration was based on a “willing-buyer willing-seller” basis after taking into consideration, the audited NA of TCT Apps as at 31 December 2021 of RM157,008. The Acquisition of TCT Apps was completed on 22 December 2022.

5.3.3 Subscription of Shares

Tan Cherng Thong, our Promoter, substantial shareholder and Executive Director / CEO had, on 16 March 2023, subscribed for 56 new Shares at an issue price of RM6.00 each, representing approximately 0.0004% of the enlarged issued share capital of GOHUB at that point of time of 13,310,000 Shares. The issue price of RM6.00 per GOHUB Share was determined based on, amongst others, the intention to increase the issued share capital of GOHUB to RM13,310,280 comprising 13,310,000 GOHUB Shares for the purposes of our Listing.

5. INFORMATION ON OUR GROUP (cont'd)**5.3.4 Entry of Pre-IPO Investors**

On 21 March 2023, Tan Cherng Thong had entered into shares sale agreements with the Pre-IPO Investors (save for Wong Yoke Hoe) to dispose an aggregate of 1,996,500 GOHUB Shares, representing approximately 15.00% of the total issued share capital of GOHUB at that point of time of 13,310,000 Shares to the Pre-IPO Investors (save for Wong Yoke Hoe) for a total cash consideration of RM12,000,000. The total cash consideration of RM12,000,000 was determined based on a “willing-buyer willing-seller” basis, taking into account, amongst others, the valuation of GOHUB of RM80,000,000 based on our management’s pro forma consolidated PAT of our Group of approximately RM6.22 million for the FYE 2022 which represents a price-earnings-multiple of approximately 12.86 times.

5.3.5 Share Split

Subsequent to the Entry of Pre-IPO Investors, our Company had, on 9 August 2023, undertaken a subdivision of all the existing GOHUB Shares in issue comprising 13,310,000 GOHUB Shares into 292,820,000 GOHUB Shares (i.e. subdivision of every 1 existing Share into 22 subdivided Shares). The purpose of the Share Split is to enlarge the share base of our Company prior to our IPO. Upon completion of the Share Split, our issued share capital will increase from 13,310,000 Shares to 292,820,000 Shares.

Our shareholders’ shareholding before and after the Share Split are as follows:-

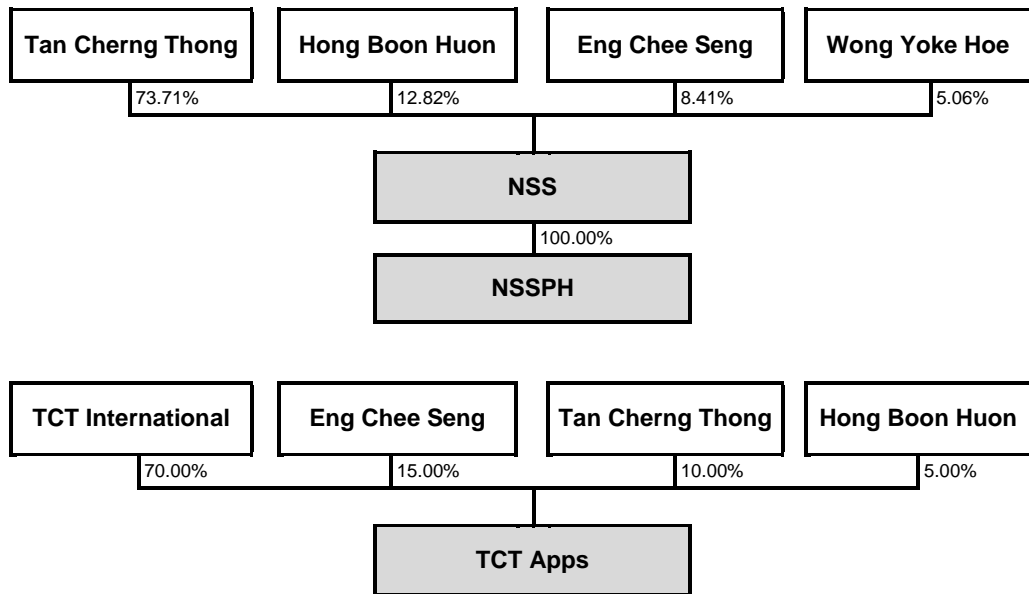
Shareholders	Before the Share Split		After the Share Split	
	No. of Shares	%	No. of Shares	%
Tan Cherng Thong	7,713,732	57.95	169,702,104	57.95
TCT International	109,906	0.83	2,417,932	0.83
Hong Boon Huon	1,694,622	12.73	37,281,684	12.73
Eng Chee Seng	1,129,748	8.49	24,854,456	8.49
Wong Yoke Hoe	665,492	5.00	14,640,824	5.00
Dato’ Sri Robin Tan Yeong Ching	665,500	5.00	14,641,000	5.00
Alief Iskandar Bin Mohd Zuhri	665,500	5.00	14,641,000	5.00
Ong Beng Hooi	332,750	2.50	7,320,500	2.50
Ong Beng Chong	332,750	2.50	7,320,500	2.50
Total	13,310,000	100.00	292,820,000	100.00

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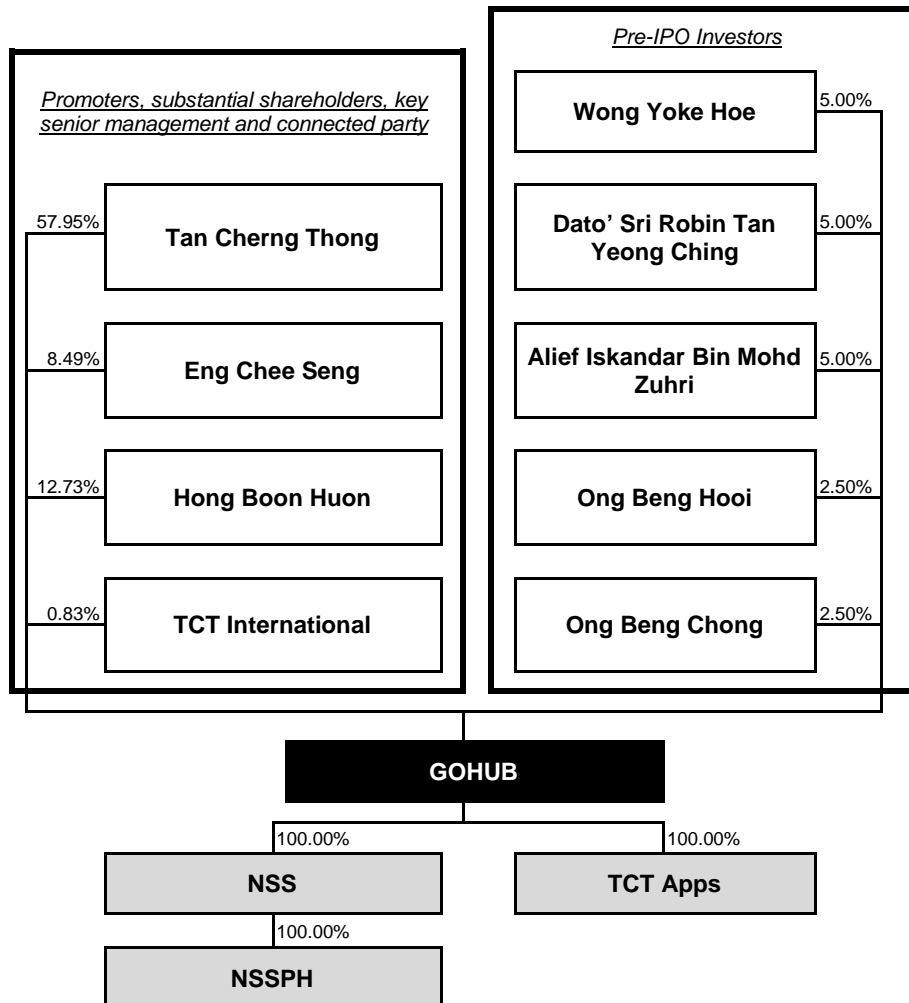
5. INFORMATION ON OUR GROUP (cont'd)

5.4 Our Group structure

Before the Pre-IPO Restructuring and Transactions

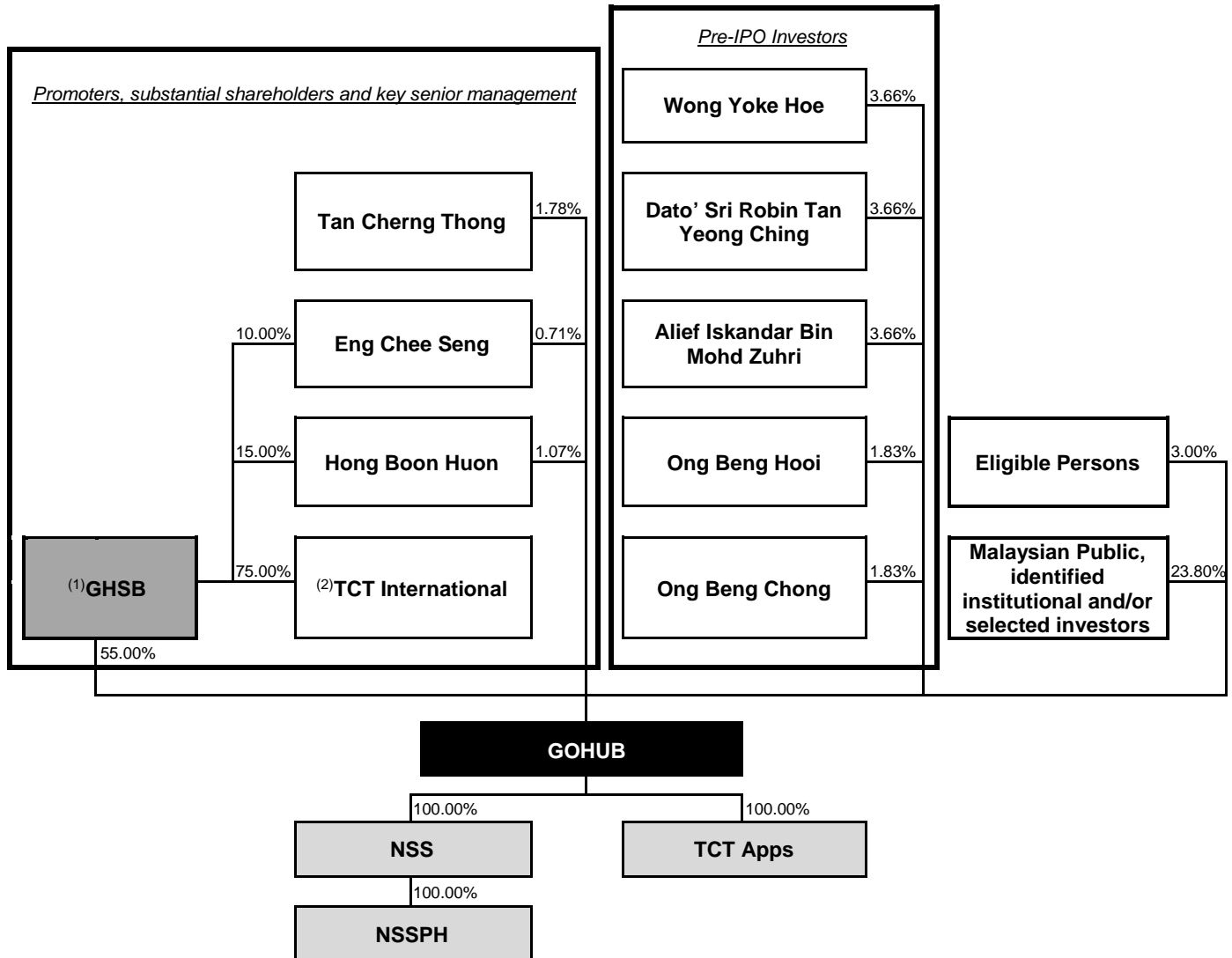


After the Pre-IPO Restructuring and Transactions and as at the LPD



5. INFORMATION ON OUR GROUP (cont'd)

After the IPO and Shares Transfer



Notes:-

- (1) During the Prescription Period, Tan Cherng Thong, Eng Chee Seng, Hong Boon Huon and TCT International will transfer a total of 220,000,000 Shares to GHSB (an investment holding company to consolidate and hold their equity interest in our Company). Please refer to **Section 8.1.3** of this Prospectus for further details of GHSB.
- (2) TCT International will own 75.00% equity interest in GHSB, which in turn, holds 55% of the equity interest of our Company after the IPO and Shares Transfer. The shareholders of TCT International as at the LPD are Tan Cherng Thong (66.67%) and Lee Li Yee (33.33%). The shareholders and their respective shareholdings in TCT International will remain the same after the IPO and Shares Transfer. Please refer to **Section 8.1.3** of this Prospectus for further details of TCT International.

5. INFORMATION ON OUR GROUP (cont'd)**5.5 Our subsidiaries**

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

Company/ Registration No.	Date/ Place of incorporation	Principal place of business	Issued share capital (RM)	Effective equity interest (%)	Principal activities
Held by GOHUB					
NSS 201101036416 (964550-P)	17-10-2011 (Malaysia)	Malaysia	1,000,000	100.00	Provision of IT solutions and related services
TCT Apps 201601034817 (1205758-D)	18-10-2016 (Malaysia)	Malaysia	1,000,000	100.00	Provision of software publishing for business and other applications and related services
Held by NSS					
NSSPH 201801002993 (1265006-D)	19-01-2018 (Malaysia)	Malaysia	100	100.00	Provision of IT solutions and related services

(i) Information on NSS

NSS was incorporated on 17 October 2011 in Malaysia under the Companies Act, 1965 and deemed registered under the Act as a private limited company under its present name. The principal place of business of NSS is at 08-01-01 & 08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan.

Since its incorporation, NSS was principally involved as an IT hardware provider to small and medium businesses. It subsequently transitioned into the provision of enterprise IT solutions in 2013 when it developed its MyBus Ticketing System. Please refer to **Section 6.1.2** of this Prospectus for further details of NSS' key milestones throughout the years.

The issued share capital of NSS is RM1,000,000 comprising 1,000,000 ordinary shares as at the LPD. There has been no change in the issued share capital of NSS for the past 3 years preceding the LPD. NSS is our wholly-owned subsidiary.

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5. INFORMATION ON OUR GROUP (cont'd)

Since incorporation of NSS on 17 October 2011, NSS has undergone a series of shareholding restructuring up to the LPD, details of which are as follows:-

Nature of restructuring / issuance	Date of allotment / transfer	Transferor	Transferee / Allottee	No. of shares allotted / transferred by transferor	Cash consideration (RM)	Eventual no. of shares held by transferee / allottee	%
Since incorporation of NSS up to the entry of our Promoter, substantial shareholder and Executive Director / CEO, Tan Chering Thong as the major shareholder of NSS on 17 August 2015							
Transfer ⁽¹⁾	23 September 2013	Noor Rashid Bin Omar	Mohd Aidy Hisyam Bin Abdullah Syahrul Asri Bin Omar Total	5 - 5	5 - 5	5 5 10	50.0 50.0 100.0
Allotment ⁽¹⁾	4 October 2013	-	Mohd Aidy Hisyam Bin Abdullah Syahrul Asri Bin Omar Total	45 45 90	45 45 90	50 50 100	50.0 50.0 100.0
Allotment ⁽¹⁾	7 February 2014 & 30 May 2014	- -	Mohd Aidy Hisyam Bin Abdullah Syahrul Asri Bin Omar Total	99,950 99,950 199,900	*99,950 *99,950 199,900	100,000 100,000 200,000	50.0 50.0 100.0
Transfer ⁽¹⁾	8 September 2014	Mohd Aidy Hisyam Bin Abdullah Mohd Aidy Hisyam Bin Abdullah - -	Ahmad Suhaimi Bin Mohamad Sebtuah Binti Abang Jais Mohd Aidy Hisyam Bin Abdullah Syahrul Asri Bin Omar Total	10,000 10,000 - - 20,000	10,000 10,000 - - 20,000	10,000 10,000 80,000 100,000 200,000	5.0 5.0 40.0 50.0 100.0
Entry of our Promoter, substantial shareholder and Executive Director / CEO, Tan Chering Thong as the major shareholder of NSS							
Transfer ⁽²⁾	17 August 2015	Syahrul Asri Bin Omar Syahrul Asri Bin Omar - - -	Noor Rashid Bin Omar Tan Chering Thong Ahmad Suhaimi Bin Mohamad Sebtuah Binti Abang Jais Mohd Aidy Hisyam Bin Abdullah Total	20,000 80,000 - - - 100,000	20,000 80,000 - - - 100,000	20,000 80,000 10,000 10,000 80,000 200,000	10.0 40.0 5.0 5.0 40.0 100.0

5. INFORMATION ON OUR GROUP (cont'd)

Nature of restructuring / issuance	Date of allotment / transfer	Transferor	Transferee / Allottee	No. of shares allotted / transferred by transferor	Cash consideration (RM)	Eventual no. of shares held by transferee / allottee	%
Transfer ⁽²⁾	18 March 2016	Noor Rashid Bin Omar	Sing Chee Yeong	10,000	10,000	10,000	5.0
			Noor Rashid Bin Omar	-	-	10,000	5.0
			Tan Chering Thong	-	-	80,000	40.0
			Ahmad Suhaimi Bin Mohamad	-	-	10,000	5.0
			Sebtuiah Binti Abang Jais	-	-	10,000	5.0
			Mohd Aidy Hisyam Bin Abdullah	-	-	80,000	40.0
Total			10,000		10,000	200,000	100.0
Transfer ⁽²⁾	1 November 2016	Ahmad Suhaimi Bin Mohamad	Azmi Bin Mohd Ali	10,000	10,000	10,000	5.0
			Sing Chee Yeong	-	-	10,000	5.0
			Noor Rashid Bin Omar	-	-	10,000	5.0
			Tan Chering Thong	-	-	80,000	40.0
			Sebtuiah Binti Abang Jais	-	-	10,000	5.0
			Mohd Aidy Hisyam Bin Abdullah	-	-	80,000	40.0
Total			10,000		10,000	200,000	100.0
Transfer ⁽²⁾	18 December 2017	Tan Chering Thong Tan Chering Thong	Hong Boon Huon	20,000	20,000	20,000	10.0
			Eng Chee Seng	10,000	10,000	10,000	5.0
			Azmi Bin Mohd Ali	-	-	10,000	5.0
			Sing Chee Yeong	-	-	10,000	5.0
			Noor Rashid Bin Omar	-	-	10,000	5.0
			Tan Chering Thong	-	-	50,000	25.0
Sebtuiah Binti Abang Jais	-	-	10,000	5.0			
Mohd Aidy Hisyam Bin Abdullah	-	-	80,000	40.0			
Total			30,000		30,000	200,000	100.0

5. INFORMATION ON OUR GROUP (cont'd)

Nature of restructuring / issuance	Date of allotment / transfer	Transferor	Transferee / Allottee	No. of shares allotted / transferred by transferor	Cash consideration (RM)	Eventual no. of shares held by transferee / allottee	%
Transfer ⁽²⁾	20 March 2019	Eng Chee Seng	Tan Cherng Thong Hong Boon Huon Azmi Bin Mohd Ali Sing Chee Yeong Noor Rashid Bin Omar Sebtuiah Binti Abang Jais Mohd Aidy Hisyam Bin Abdullah Total	10,000	10,000	60,000 20,000 10,000 10,000 10,000 10,000 80,000 200,000	30.0 10.0 5.0 5.0 5.0 5.0 40.0 100.0
Allotment ⁽²⁾	7 November 2019	-	Tan Cherng Thong Hong Boon Huon Azmi Bin Mohd Ali Sing Chee Yeong Noor Rashid Bin Omar Sebtuiah Binti Abang Jais Mohd Aidy Hisyam Bin Abdullah Total	240,000 80,000 40,000 40,000 40,000 40,000 320,000 800,000	240,000 80,000 40,000 40,000 40,000 40,000 320,000 800,000	30.0 10.0 5.0 5.0 5.0 5.0 40.0 100.0	
Our Promoter, substantial shareholder and Executive Director / CEO, Tan Cherng Thong became the controlling shareholder of NSS and up to the Acquisition of NSS							
Transfer ⁽³⁾	31 December 2020	Mohd Aidy Hisyam Bin Abdullah Mohd Aidy Hisyam Bin Abdullah	Tan Cherng Thong Eng Chee Seng Hong Boon Huon Azmi Bin Mohd Ali Sing Chee Yeong Noor Rashid Bin Omar Sebtuiah Binti Abang Jais Mohd Aidy Hisyam Bin Abdullah Total	300,000 50,000	300,000 50,000	600,000 50,000 100,000 50,000 50,000 50,000 50,000 50,000 1,000,000	60.0 5.0 10.0 5.0 5.0 5.0 5.0 5.0 100.0

5. INFORMATION ON OUR GROUP (cont'd)

Nature of restructuring / issuance	Date of allotment / transfer	Transferor	Transferee / Allottee	No. of shares allotted / transferred by transferor	Cash consideration (RM)	Eventual no. of shares held by transferee / allottee	%
Transfer ⁽³⁾	14 November 2022	Sing Chee Yeong Azmi Bin Mohd Ali Sing Chee Yeong Azmi Bin Mohd Ali Noor Rashid Bin Omar Sebtuah Binti Abang Jais Mohd Aidy Hisyam Bin Abdullah	Eng Chee Seng Eng Chee Seng Hong Boon Huon Tan Chermg Thong Tan Chermg Thong Tan Chermg Thong Tan Chermg Thong Total	21,756 12,347 28,244 37,653 50,000 50,000 50,000 250,000	286,154 162,401 371,488 495,240 657,642 657,642 657,642 3,288,209	84,103 - 128,244 787,653 - - - 1,000,000	8.4 - 12.8 78.8 - - - 100.0
Transfer ⁽⁴⁾	30 November 2022	Tan Chermg Thong	Wong Yoke Hoe Eng Chee Seng Hong Boon Huon Tan Chermg Thong Total	50,597 - - - 50,597	665,492 - - - 665,492	50,597 84,103 128,244 737,056 1,000,000	5.1 8.4 12.8 73.7 100.0
Transfer	21 December 2022	Wong Yoke Hoe Eng Chee Seng Hong Boon Huon Tan Chermg Thong	GOHUB GOHUB GOHUB GOHUB Total	50,597 84,103 128,244 737,056 1,000,000	665,492 1,106,197 1,686,772 9,694,375 ⁽⁵⁾ 13,152,836	50,597 84,103 128,244 737,056 1,000,000	5.1 8.4 12.8 73.7 100.0

Notes:-

* These shares were allotted for a consideration other than cash in satisfaction of the amounts owing to the directors.

(1) Noor Rashid Bin Omar, an employee of TCT International at that point in time, and Syahrul Asri Bin Omar had incorporated NSS on 17 October 2011 to venture into the business of IT hardware provider to small and medium size businesses. NSS subsequently underwent a series of shareholding restructuring, which includes the following:-

(i) the exit of Noor Rashid Bin Omar as a shareholder of NSS due to financial reasons and the entry of Mohd Aidy Hisyam Bin Abdullah as a new shareholder of NSS to spearhead the business; and

(ii) the subsequent entry of new business partners with the aim to grow the IT business of NSS.

NSS recorded a revenue of RM0.01 million, RM0.07 million and RM1.17 million in the FYE 2012, FYE 2013 and FYE 2014 respectively.

5. INFORMATION ON OUR GROUP (cont'd)

- (2) Mohd Aidy Hisyam Bin Abdullah subsequently negotiated with Noor Rashid Bin Omar and our Promoter, substantial shareholder and Executive Director / CEO, Tan Cherrng Thong to be business partners and major shareholders of NSS with the aim to grow its business by leveraging on the business acumen and contacts of Tan Cherrng Thong, and technical expertise of Noor Rashid Bin Omar. The entry of these major shareholders was facilitated via the acquisition of Syahrul Asri Bin Omar's entire equity interest in NSS following his intention to exit the business due to personal reasons. NSS underwent a series of restructuring exercises from 18 March 2016 to 7 November 2019, which includes amongst others, the entry of our Promoters (namely, Hong Boon Huon and Eng Chee Seng), and our key senior management (namely, Sing Chee Yeong) as the existing shareholders of NSS intends to leverage on the business acumen and technical expertise of the new shareholders with the aim to grow the IT business of NSS.
- NSS recorded a revenue of RM1.63 million and RM5.17 million in the FYE 2015 and FYE 2016 respectively.
- (3) Due to financial reasons (including taking into consideration, amongst others, the financial commitments required to further expand the business and his personal financial obligations arising from the COVID-19 pandemic), Mohd Aidy Hisyam Bin Abdullah had, on 31 December 2020, substantially disposed his equity interest in NSS to the other business partners, Tan Cherrng Thong and Eng Chee Seng with the aim to only hold 5% equity interest in NSS following the completion of the said partial disposal of his shares in NSS. The disposal of his substantial equity interest in NSS to Tan Cherrng Thong (i.e. 300,000 ordinary shares in NSS) also takes into consideration, his intention for our Promoter, substantial shareholder and Executive Director / CEO, Tan Cherrng Thong to further expand the business of NSS and strengthen its footprint as a leading public land transportation IT solutions provider. As a result of the disposal, Tan Cherrng Thong became the controlling shareholder of NSS. In December 2020, after having obtained a controlling interest in NSS, Tan Cherrng Thong proceeded to streamline and consolidate his businesses in TCT International into NSS, and ceased the business operations of TCT International.
- (4) NSS subsequently underwent a series of restructuring exercises from 14 November 2022 to 30 November 2022, which includes amongst others, the entry of a strategic partner, Wong Yoke Hoe with the intention to leverage on his business contacts.
- NSS recorded a revenue of RM18.97 million, RM20.31 million and RM26.55 million in the FYE 2020, FYE 2021 and FYE 2022 respectively.
- (5) The Acquisition of NSS was fully satisfied through the issuance of 13,152,836 new Shares at RM1.00 each to the vendors of NSS, details of which are set out in **Section 5.3.1** of this Prospectus.

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5. INFORMATION ON OUR GROUP (cont'd)

As at the LPD, NSS only has a wholly-owned subsidiary, NSSPH.

As at the LPD, NSS does not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotments above.

(ii) Information on NSSPH

NSSPH was incorporated on 19 January 2018 in Malaysia under the Act as a private limited company under its present name. NSSPH is principally involved in the provision of IT solutions and related services. The principal place of business of NSSPH is at 08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan.

The issued share capital of NSSPH is RM100 comprising 100 ordinary shares as at the LPD. There has been no change in the issued share capital of NSSPH for the past 3 years preceding the LPD. NSSPH is a wholly-owned subsidiary of NSS.

As at the LPD, NSSPH does not have any subsidiaries or associates.

As at the LPD, NSSPH does not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotments above.

(iii) Information on TCT Apps

TCT Apps was incorporated on 18 October 2016 in Malaysia under the Companies Act, 1965 and deemed registered under the Act as a private limited company under its present name. TCT Apps is principally involved in the provision of software publishing for business and other applications and related services. The principal place of business of TCT Apps is at 08-G-01 & 08-02-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan.

The issued share capital of TCT Apps is RM1,000,000 comprising 1,000,000 ordinary shares as at the LPD. Save as disclosed below, there has been no change in the issued share capital of TCT Apps for the past 3 years preceding the LPD:-

Date of allotment	No. of shares allotted	Nature of transaction	Consideration	Cumulative issued share capital	
				RM	No. of shares
22 December 2020	750,000	Allotment of shares	Cash	1,000,000	1,000,000

TCT Apps is our wholly-owned subsidiary.

5. INFORMATION ON OUR GROUP (cont'd)

Since the incorporation of TCT Apps on 18 October 2016, TCT Apps has undergone a series of shareholding restructuring up to the LPD, details of which are as follows:-

Nature of restructuring / issuance	Date of allotment / transfer	Transferor	Transferee / Allottee	No. of shares allotted / transferred by transferor	Cash consideration (RM)	Eventual no. of shares held by transferee / allottee	%
Allotment	29 June 2018	-	Tan Cherg Thong	174,930	174,930	175,000	70.0
		-	Eng Chee Seng	74,970	74,970	75,000	30.0
			Total	249,900	249,900	250,000	100.0
Transfer	30 July 2020	Tan Cherg Thong	TCT International	175,000	175,000	175,000	70.0
		-	Eng Chee Seng	-	-	75,000	30.0
			Total	175,000	175,000	250,000	100.0
Allotment	22 December 2020	-	TCT International	675,000	675,000	850,000	85.0
		-	Eng Chee Seng	75,000	75,000	150,000	15.0
			Total	750,000	750,000	1,000,000	100.0
Transfer	31 December 2020	TCT International	Hong Boon Huon	50,000	1	50,000	5.0
		TCT International	Kam Shee Na	50,000	1	50,000	5.0
		TCT International	Wong Pau Tung	50,000	1	50,000	5.0
		-	TCT International	-	-	700,000	70.0
		-	Eng Chee Seng	-	-	150,000	15.0
			Total	150,000	3	1,000,000	100.0
Transfer	20 October 2022	Kam Shee Na	Tan Cherg Thong	50,000	7,850	50,000	5.0
		Wong Pau Tung	Tan Cherg Thong	50,000	7,850	50,000	5.0
		-	TCT International	-	-	700,000	70.0
		-	Eng Chee Seng	-	-	150,000	15.0
		-	Hong Boon Huon	-	-	50,000	5.0
			Total	100,000	15,700	1,000,000	100.0

5. INFORMATION ON OUR GROUP (cont'd)

Nature of restructuring / issuance	Date of allotment / transfer	Transferor	Transferee / Allottee	No. of shares allotted / transferred by transferor	Cash consideration (RM)	Eventual no. of shares held by transferee / allottee	%
Transfer	21 December 2022	Eng Chee Seng Hong Boon Huon Tan Cherng Thong TCT International	GOHUB GOHUB GOHUB GOHUB Total	150,000 50,000 100,000 700,000 1,000,000	23,551 7,850 15,701 109,906 (1)157,008	150,000 50,000 100,000 700,000 1,000,000	15.0 5.0 10.0 70.0 100.0

Note:-

(1) The Acquisition of TCT Apps was fully satisfied through the issuance of 157,008 new Shares at RM1.00 each to the vendors of TCT Apps, details of which are set out in **Section 5.3.2** of this Prospectus.

As at the LPD, TCT Apps does not have any subsidiaries or associates.

As at the LPD, TCT Apps does not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotments above.

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5. INFORMATION ON OUR GROUP (cont'd)

5.6 Public take-overs

From the beginning of the FYE 2023 up to the LPD, there were no:-

- (i) public take-over offers by third parties in respect of our Shares; and
- (ii) public take-over offers by us in respect of other companies' shares.

5.7 Material investments and material divestitures

(i) Material investments

There have not been any material investments undertaken by our Group for the financial years under review.

As at the LPD, save as disclosed in **Section 3.6.1(iii)** of this Prospectus, we do not have any material investments in progress, within or outside Malaysia.

(ii) Material divestitures

There have not been any material divestitures undertaken by our Group for the financial years under review.

As at the LPD, we do not have any material divestitures in progress, within or outside Malaysia.

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6. BUSINESS OVERVIEW

6.1 History and background

6.1.1 History of our business

We are principally involved in the provision of enterprise IT services, focusing on providing transportation IT solutions (including customised software development systems and integration of hardware and software systems) with an established track record in the bus and rail segments. Our offerings also extend to include maintenance and support services as well as terminal management services for the IT solutions that we deliver to our customers.

Our history began when our Promoter, substantial shareholder and Executive Director / CEO, Tan Cherng Thong conceptualised a blueprint for TOS (comprising TMS and CTS) catering for the bus segment in 2009. The idea was developed after he observed inherent operational flaws and inefficiencies of bus terminals' operations, including overbooking of bus tickets, incidences of ticket touting, overcrowding at bus bays and traffic congestion at the arrival and departure gates arising from the lack of an IT system for supervision and dispersal of traffic at bus terminals particularly during peak hours. He ventured into the D&D of TOS in 2009 via his company, TCT International after having seen the necessity and anticipated benefits to be derived through the computerisation and integration of the bus terminals' operations processes. His pursuit in the development of a reliable TOS had led to TCT International securing the contract from Maju TMS, the operator of TBS, in 2011 to customise and install TOS for TBS.

NSS was incorporated in 2011 and commenced operations as an IT hardware and accessories provider in 2012.

Tan Cherng Thong subsequently undertook a business advisory role and assumed project management functions in NSS between May 2013 and April 2014. Under his guidance, NSS successfully developed MyBus (now known as BOS), a ticketing system for stage bus services and subsequently secured its first contract with Mara Liner Sdn Bhd in 2013. Having seen the potential and business prospects of NSS in providing IT hardware solutions catering to bus operations, he joined NSS as the CEO in May 2014 and became a director and major shareholder of NSS (with a 40% equity stake) in August 2015.

NSS subsequently set up a wholly-owned subsidiary, NSSPH in 2018 with the aim to expand its operations to the Philippines. Thereafter, NSSPH successfully secured a contract in the same year to implement and install TOS for Parañaque Integrated Terminal Exchange in Manila, the Philippines.

In December 2020, after having obtained a controlling interest in NSS (with a 60% equity stake), he proceeded to streamline and consolidate his businesses in TCT International into NSS in December 2021. This led to TCT International ceasing its business operations in December 2021. The details of his shareholdings in NSS up to the Pre-IPO Restructuring and Transactions are set out in **Section 5.5(i)** of this Prospectus.

Since his appointment as the Director and CEO of NSS, NSS has grown and successfully expanded its footprint to be a reliable provider of transportation IT solutions, primarily serving the bus and rail segments.

Please refer to **Section 6.2** of this Prospectus for the description of our business and solutions.

6. BUSINESS OVERVIEW (cont'd)

6.1.2 Milestones and achievements

The key milestones of our Group and development of our business since incorporation up to the LPD are set out as follows:-

Year	Key milestones of our Group
2011	<ul style="list-style-type: none"> NSS was incorporated as a private limited company on 17 October 2011.
2012	<ul style="list-style-type: none"> NSS commenced operations as a provider of IT hardware and accessories.
2013	<ul style="list-style-type: none"> Tan Cherng Thong undertook an advisory role in NSS to provide business advisory and project management functions. NSS began to embark on the D&D to develop a digital ticketing solution for stage bus services pursuant to the business advisory guidance from Tan Cherng Thong. NSS successfully developed MyBus (presently known as BOS) catering for stage bus services, which streamlines the ticket sales between bus operators and passengers. MyBus also includes other ancillary modules such as fleet management, driver tracking system, performance management and sales tracking system. NSS subsequently secured its first contract with Mara Liner Sdn Bhd to launch MyBus in Malaysia. As at the LPD, Mara Liner Sdn Bhd remains as our customer for BOS since 2013.
2014/ 2015	<ul style="list-style-type: none"> Tan Cherng Thong joined NSS as the CEO in May 2014 and became a director and major shareholder of NSS in August 2015. Prior to joining our Group, Tan Cherng Thong, our Promoter, had through his private vehicle TCT International secured the first TOS project in 2011 from Maju TMAS for TBS, an integrated bus terminal that serves all southern, eastern and northern-bound destinations in Peninsular Malaysia. TCT International worked with Maju TMAS to provide our solutions to transform the operations and management of the terminal. TCT International's business was subsequently streamlined and consolidated into NSS in 2021 ("Consolidation of Business"). MyBus expanded into the SPAD's Stage Bus Service Transformation Programme. SPAD was subsequently dissolved in 2018. Thereafter, APAD was established in January 2019 under the Ministry of Transport Malaysia, where APAD assumed the role (previously held by SPAD) to oversee the Stage Bus Service Transformation Programme.
2016	<ul style="list-style-type: none"> TCT Apps was incorporated as a private limited company on 18 October 2016 to venture into software development business.
2017	<ul style="list-style-type: none"> NSS completed the implementation of TOS (comprising the TMS and CTS) for a bus terminal located in Pahang. NSS expanded its TOS (comprising CTS only) for Terminal Larkin Sentral in Johor, where we conducted test runs in 2017 prior to the CTS going-live at the terminal in 2018.
2018	<ul style="list-style-type: none"> NSSPH was incorporated as a private limited company on 19 January 2018 by NSS to expand our operations to the Philippines. NSSPH secured a contract to implement and install TOS (comprising TMS and CTS) for Parañaque Integrated Terminal Exchange, located in Manila, the Philippines.
2019	<ul style="list-style-type: none"> NSS implemented TOS (comprising TMS and CTS) at Terminal Melaka Sentral and provided terminal management services (where NSS's primary function is to assume the role of a system operator to operate the TOS at the terminal). NSS developed the KTMB Integrated Ticketing System ("KITS"), a ticketing solutions platform for KTMB serving Shuttle Tebrau, Komuter Utara, ETS and Intercity passenger routes. The KITS integrates management and operational system software with hardware which includes ACGs and TVMs at KTMB's stations.
2020	<ul style="list-style-type: none"> TCT Apps developed GoPartner. NSS secured the contract to provide TOS (comprising TMS and CTS) at Terminal Bersepadu Gombak, an integrated bus terminal that has been earmarked to service the East Coast region of Peninsular Malaysia upon completion of the construction of the terminal and commencement of operations scheduled in the 2nd quarter of 2024.

6. BUSINESS OVERVIEW (cont'd)

Year	Key milestones of our Group
2021	<ul style="list-style-type: none"> ▪ NSS expanded its TOS (comprising TMS and CTS) and terminal management services for Terminal Klang Sentral and Kompleks Hentian Bas MBKT. ▪ NSS expanded its TOS (comprising CTS only) for a bus terminal located in Sepang, Selangor. ▪ TCT Apps developed GoHub.com.my.
2022	<ul style="list-style-type: none"> ▪ TCT Apps launched GoGPS. ▪ TCT Apps expanded GoPartner's solution offerings to cater to customers who require inventory and reservation management system to manage their bookings for sports, accommodations and cultural performance. ▪ NSS secured the contract to provide and implement AFC for KTMB.
2023	<ul style="list-style-type: none"> ▪ Completion of the customisation and installation of the AFC at the identified rail stations.
2024	<ul style="list-style-type: none"> ▪ TCT Apps further expanded GoHub.com.my website's offerings with the soft launch of booking modules for ferry rides, campsites, homestays and sports centres operators.

We have received a number of awards and recognition from both public and private agencies as set out below:-

Year	Key achievements of our Group
2015	<ul style="list-style-type: none"> ▪ Appointed as a Panel Vendor of the Electronic Ticketing Machine implementation under SPAD for the Stage Bus Service Transformation Programme. SPAD was dissolved in December 2018 and APAD was established in January 2019 under the Ministry of Transport Malaysia.
2017	<ul style="list-style-type: none"> ▪ NSS was certified as MSC Status company.
2021	<ul style="list-style-type: none"> ▪ Our quality management systems at Terminal Melaka Sentral were assessed and accredited with ISO 9001:2015 certification under the scope 'provision of terminal system to public transport industry'.
2022	<ul style="list-style-type: none"> ▪ NSS received the Certificate of Excellence under the Best SME IT Solution Provider category during the SME Entrepreneur Business Award ("SEBA") 2022 awarded by Yayasan Usahawan Malaysia. The award assessment was based on the business solutions and services of the candidates, where the jury of SEBA will take into consideration, amongst others, the media exposure and client testimonials of the candidates on the solutions and quality of services, business and governance review as well as financial assessment rating on the candidates (which is assessed by an auditor). The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in depth assessment and peer comparisons amongst the candidates. Nomination fee: RM1,000 per entry for nomination of the award No. of winners: 1 winner per category ▪ NSS received the Unifi Business Digital Transformation Excellence Award 2022 during the Sin Chew Business Excellence Award 2022 awarded by Sin Chew Daily. The award assessment was based on the candidates operating in the technology sector that offers digital transformation strategies that resulted in business growth and/or improve operational efficiencies of its customers. The jury of Sin Chew Daily will take into consideration, amongst others, the financial performance of the candidates for the past 3 financial years (in particular, revenue, profit and profit growth) and market outlook of the candidates as well as the strategies undertaken for branding and business growth and sustainability. The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in-depth assessment and peer comparisons amongst the candidates. Processing fee: RM5,300 per category No. of winners: 7 winners per category

6. BUSINESS OVERVIEW (cont'd)

Year	Key achievements of our Group
2023	<ul style="list-style-type: none"> <li data-bbox="400 277 1378 331">▪ Our Group received 2 awards during the Star Outstanding Business Awards 2022 edition organised by Star Media Group, which comprise the following categories:- <ul style="list-style-type: none"> <li data-bbox="448 367 1378 636">(i) Platinum Award under the Best Innovation category. The award assessment was based on the candidate's innovation in terms of ideas, processes, products and/or services that contributed to the success of the candidates' business, where the jury will take into consideration, amongst others, the innovation adopted and associated benefits as well as the impact of such innovation (which may include technology) to the business in terms of financial performance for the past 3 financial years. The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in depth assessment and peer comparisons amongst the candidates; and <li data-bbox="448 658 1378 927">(ii) Meritorious award under the Best Use of Technology category. The award assessment was based on the candidates' technological development and adoption which led to the enhancement of the candidates' product and/or service offerings, where the jury will take into consideration, amongst others, the type of technology, the tangible results arising from such technology and impact to the business in terms of financial performance for the past 3 financial years following the adoption of the technology. The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in-depth assessment and peer comparisons amongst the candidates. <p data-bbox="448 965 847 992">Submission fee: RM300 per category</p> <p data-bbox="448 994 858 1021">No. of winners: 4 winners per category</p>

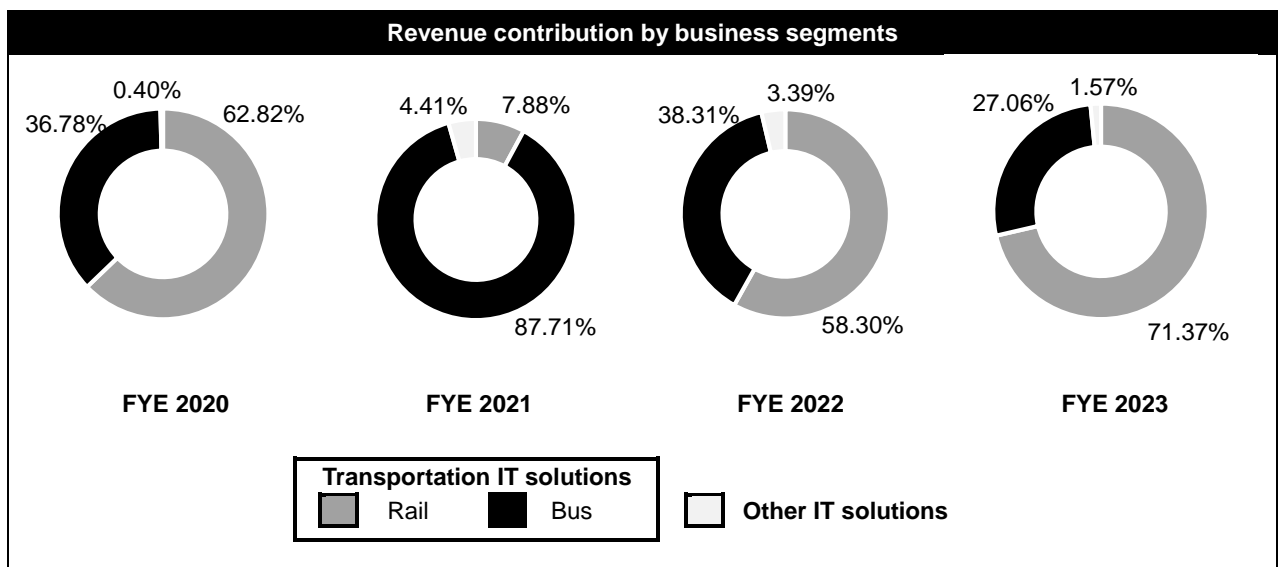
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6. BUSINESS OVERVIEW (cont'd)

6.2 Description of our business and solutions

Our Group's principal activities and business model are summarised in the diagram below:-

Principal activities	<ul style="list-style-type: none"> • Provision of enterprise IT services, focusing on providing transportation IT solutions (including customised software development systems and integration of hardware and software systems). • Our offerings also extend to include maintenance and support services as well as terminal management services. 			
Primary solutions	Transportation IT solutions	Other IT solutions		
Principal segments that our Group serves	<ul style="list-style-type: none"> • TOS (comprising TMS and CTS) • BOS • AFC • Maintenance and support services as well as terminal management services 	GoPartner (an integrated cloud-based inventory and reservation management system)	GoHub.com.my (an online marketplace catering for ticketing needs)	
Business engagements	<ul style="list-style-type: none"> • Zero Capex • Outright Purchase 	Transaction fees		
Geographical markets	<ul style="list-style-type: none"> • Principally in Malaysia • Overseas sales – the Philippines (less than 2% of our total revenue for the financial years under review) 			
Principal segments that our Group serves	<u>Rail segment</u> <ul style="list-style-type: none"> • Rail operator 	Enterprises that require inventory and reservation management systems such as:- <ul style="list-style-type: none"> • Bus operators • Campsite operators • Homestay operators • Sports centres operators 	<ul style="list-style-type: none"> • Online marketplace customers of GoHub.com.my • Merchants such as customers of GoPartner 	
Business engagements	<u>Bus segment</u> <ul style="list-style-type: none"> • Bus terminal operators • Stage and express bus operators 			Various industries that primarily require reservations, booking and management solutions
Geographical markets	Others*			
Business engagements	Outright Purchase		Transaction fees	



6. BUSINESS OVERVIEW (cont'd)

Note:-

* Refers to other segments within the transportation sector (apart from bus and rail segments) as our solutions are adaptable and can be applied to other segments within the transportation sector which includes sea segment (i.e. ferry terminals, a segment which our Group is presently venturing into as disclosed in **Section 6.24.1** of this Prospectus).

We pride ourselves as a key transportation IT solutions provider in Malaysia with an established track record in the bus and rail segments. We provide customised solutions to our customers, which are catered primarily towards the optimisation and efficient management of operational process flows that are critical to the operations and requires real time monitoring, resource allocation and utilisation, automated scheduling and data analytics reporting.

The advancement of technologies and the necessity for transportation service providers and operators to adopt enterprise IT services to automate and streamline its operational process flow (resource allocation and utilisation as well as ticketing and traffic management) and elevating customer travelling experiences has led to an increase in the need and demand for our solutions. Although our solutions predominantly cater to the bus and rail segments, our solutions are adaptable and can be applied to other segments within the transportation sector (which includes sea and air transportation segments) and non-transportation sectors which require optimisation of critical process flow management functions such as warehousing and distribution centres, manufacturing facilities and healthcare.

Our business engagements with our customers are set out as below:-

No.	Business engagements	Description
(a)	Outright Purchase	<ul style="list-style-type: none"> • Payments are based on project milestones set out in the purchase orders and/or contracts, with the billing for the last project milestone to be issued upon completion of the project. • Our customers will typically obtain full ownership of the solutions (comprising hardware and/or software system, the latter provided under a one-time fee for software right of use) upon completion of the project. • There are no payment obligations (beyond the outright project purchase price for the solutions). • We typically enter into maintenance and support contracts with our customers subsequent to the Outright Purchase of our solutions.
(b)	Zero Capex	<ul style="list-style-type: none"> • This model accords our customers with the option to avoid significant upfront investments in our solutions whilst enabling the preservation of our customers' cash flow, given that no payments are required to be made for the development, customisation and installation of the systems (comprising hardware and/or software). However, the model will affect our revenue and cash flow given that we will incur upfront costs for the hardware involved, before recognising revenues when the solution is live. Further, under this model, we are also required to undertake maintenance on our solution and/or act as the system operator on behalf of our customer to operate our solutions. • In exchange thereof, our Group will charge subscription fees to our customers based on a pay-per-use payment model (where our customers are charged based on, amongst others, the usage of our solutions in terms of per passenger over the contract period). • Our Group retains the ownership of the solutions and maintain the hardware and/or software systems at our own cost. • In the event that our customers do not renew the contracts after its expiry, we will undertake the following:- <ul style="list-style-type: none"> (i) hardware and equipment – our Group will decommission all the hardware and equipment installed at our customers' sites under this model (such as ACG and TVMs) pursuant to the terms of the contracts. The costs of such decommission works will be fully borne by our Group; and/or

6. BUSINESS OVERVIEW (cont'd)

No.	Business engagements	Description
		<p>(ii) software systems – our Group will disable the software access to the solutions, resulting in the discontinuation of our customers' access to the usage of our solutions. The relevant historical data that are vital to our customers will be stored in a data storage device and will be handed over to our customers.</p> <p>Further, the non-renewal of our contracts relating to the Specified Bus Terminals will result in the reallocation of our affected Specified Bus Terminals staff to other Specified Bus Terminals and/or other operational units.</p>
(c)	Transaction fees	<ul style="list-style-type: none"> • Fees charged to our customers or end users based on the following:- <ul style="list-style-type: none"> (i) percentage fee based model - involves charging a percentage of each transaction value. This model typically relates to the fees charged to our customers (which are bus, campsite, homestay and sports centres operators). In terms of bus tickets purchased or bookings/reservations for campsite, homestay and sports centres, a fee is charged based on a percentage of each bus ticket value sold or bookings/reservation of campsite, homestay and sports centres at the marketplace; and (ii) fixed fee model - involves charging a predetermined amount for each transaction, regardless of the transaction value. This model typically relates to fees charged to end users. A fixed fee is charged to the end-users of GoHub.com.my (regardless of the ticket value) for the processing of the purchase of online ticketing.

Further details of the business engagements are set out in **Section 11.3** of this Prospectus.

6.2.1 Transportation IT solutions

Our Group specialises in the development, customisation and implementation of IT solutions, catering to the transportation service providers and operators. Our solutions are designed to improve, streamline and optimise our customers' operational process flows, which primarily comprise the following:-

- (i) POS functions (involving ticket issuance and fare collection);
- (ii) resource management and allocation (involving platform and bay allocation and assignments to maximise terminal capacity and minimise traffic congestions);
- (iii) scheduling functions (involving the scheduling of arrivals, departures and turnaround times of the various types of public transportation vehicles);
- (iv) real time tracking and monitoring functions (involving the tracking of the public transportation vehicles and ticket sales); and
- (v) management of data (involving passengers' information and data analytics and reporting on key metrics such as ridership, on-time performance of the public transportation operators and terminal utilisation rate).

Our solutions typically comprise customised software development and integration of software systems with essential hardware components which include ACG, TVM, POS, RFID Readers, QR Readers and payment terminals. Our solutions can be integrated with third party software which include amongst others, OTA and bus operators' ticketing system. In the implementation of such solutions, our Group may be required to appoint subcontractors to perform specific works which may be necessary for the solutions, such as mechanical and engineering works and installation of certain IT hardware. As at the LPD, we have integrated our solutions with more than 100 express bus operators.

6. BUSINESS OVERVIEW (cont'd)

Our scope of responsibilities, subject to the requirements of our customers, may also extend to the installation of required hardware which include ACGs, TVMs and POS to facilitate our solutions. In the implementation of such solutions, we may be required to appoint subcontractors to perform specific works which may be necessary for our solutions, such as mechanical and engineering works and installation of certain IT hardware.

Our geographical footprint of IT solutions utilised at the bus terminals and rail stations in Malaysia are as illustrated below:-

Bus terminals



No.	Terminals	TOS	State	Grade*	Year of commencement/ Status as at the LPD	Current contract tenure for maintenance and/or system operator services
1.	TBS	CTS	Kuala Lumpur	A	2011/ In operation	1 September 2023 to 31 August 2028 (with option to renew for additional 5 years)
2.	A bus terminal located in Pahang ⁽¹⁾	TMS and CTS	Pahang	A	2017/ In operation	1 month (with option to renew on a monthly basis via purchase orders) ⁽²⁾
3.	Terminal Larkin Sentral	CTS	Johor	A	2018/ Contract expired in 2023 ⁽³⁾	-
4.	Terminal Melaka Sentral [^]	TMS and CTS	Melaka	B	2019/ In operation	1 January 2022 to 21 December 2026 (no renewal option)
5.	Terminal Klang Sentral [^]	TMS and CTS	Selangor	B	2021/ In operation	1 December 2023 to 30 November 2026 (with option to renew for additional 3 years)
6.	Kompleks Hentian Bas MBKT [^]	TMS and CTS	Terengganu	A	2021/ In operation	1 July 2020 to 31 January 2036 (no renewal option)
7.	A bus terminal located in Sepang ⁽¹⁾	CTS	Selangor	A	2021/ Early termination of contract in 2022 ⁽⁴⁾	-
8.	A bus terminal located in Sabah ⁽¹⁾	TMS and CTS	Sabah	A	2023/ In operation	21 November 2023 to 20 May 2025 (no renewal option)
9.	Terminal Bersepadu Gombak	TMS and CTS	Selangor	A	Ongoing work in progress (installation of hardware stage)	-

6. BUSINESS OVERVIEW (cont'd)

Notes:-

* The Terminal Grade Rating as defined by APAD is determined through an evaluation based on two main criteria as set out below:-

Criteria	Description
Passenger facilities, ticketing and safety and security facilities	<ul style="list-style-type: none"> ▪ Ticketing and information systems (include centralised ticketing system via mobile application, passenger information display system, public announcement system, boarding counter, information counter and queue management system) ▪ Safety (includes use of IP cameras, security control room, security personnel and pedestrian walkway) ▪ Terminal convenience (includes arrival and departure platforms, amenities for the disabled and passenger waiting areas) ▪ Facilities and user convenience (include customer service counter, dedicated counter for authorities, passenger pick-up and drop-off area, prayer facility and commercial areas for refreshment and food and beverages)
Bus operators' facilities	<ul style="list-style-type: none"> ▪ TOS (includes open parking system, card and RFID access, digital platform information display, entry and exit boom gates and control room for boom gates) ▪ Safety (includes use of IP cameras, queue officers and traffic controllers) ▪ Drivers' convenience (includes designated platforms for arrival and departure, holding bay, rest area, covered bus platform and platform information display)

Grade A is awarded to terminals that fulfil all of the abovementioned criteria, while Grade B is awarded to terminals that meet the majority of the set criteria, with exceptions including amongst others, mobile application ticketing, arrival and departure platforms, customer service counter, dedicated counter for authorities and passenger pick-up and drop-off area.

^ Existing Specified Bus Terminals.

- (1) Our Group is bound by certain confidentiality clauses relating to the disclosure of the names of the said bus terminals. In this regard, our Group had on 23 June 2023 and 22 September 2023, respectively sought consents from the bus terminal operators for the bus terminals located in Pahang and Sabah for disclosure of their names but the requests were declined by them on 11 September 2023 and 26 September 2023 respectively. For the bus terminal located in Sepang, no consent was sought from the said bus terminal operator as we had ceased to provide CTS following the early termination of the CTS contract in 2022 and there is no ongoing dealing with the said bus terminal operator as at the LPD.
- (2) Our Group has been servicing the customer since 2017, where all our engagements between our Group and the customer for our services were through purchase orders.
- (3) Expiry of the contract due to the non-renewal of our CTS contract with Terminal Larkin Sentral in Johor following the expiry of our 5 years contract period (which ended in August 2023) with the terminal operator. The reason for the non-renewal of our CTS contract was due to the terminal operator's commercial decision to appoint a new solutions provider.
- (4) Ceased to provide CTS following the early termination of the CTS contract due to a change in the terminal operator in Sepang (where the terminal owner appointed a new terminal operator who in turn preferred a new solutions provider).

In addition to the above, we have also installed and implemented our TOS in Parañaque Integrated Terminal Exchange (which was on an Outright Purchase model), located in Manila, the Philippines in 2018. Given that the implementation of TOS projects overseas on Zero Capex model would necessitate the reallocation of our workforce overseas to supervise and manage the project, the Zero Capex model is hence exclusively tailored towards the local market. Our Group does not currently have any intention of offering the Zero Capex model for our overseas ventures.

6. BUSINESS OVERVIEW (cont'd)

Rail stations

No.	Rail routes	Type of services offered by our Group as at the LPD	Year of commencement/ Status as at the LPD	Current contract tenure for maintenance services
1.	Intercity	CTS	2019/ In operation	1 April 2019 to 30 September 2026 (no renewal option)
2.	ETS			
3.	Komuter Utara			
4.	Shuttle Tebrau			
5.	KVDT	AFC	2022/ In operation (with work in progress based on the variation order to deliver and install additional hardware to be completed by 31 May 2024)	1 October 2023 to 30 September 2026 (with option to renew for additional 2 years)

Intercity Routes



No.	Station	State	No.	Station	State
1.	JB Sentral	Johor	12.	Gua Musang	Kelantan
2.	Kempas Baru	Johor	13.	Limau Kasturi	Kelantan
3.	Kulai	Johor	14.	Bertam Baru	Kelantan
4.	Kluang	Johor	15.	Kemubu	Kelantan
5.	Segamat	Johor	16.	Dabong	Kelantan
6.	Gemas	Negeri Sembilan	17.	Kuala Krai	Kelantan
7.	Bahau	Negeri Sembilan	18.	Tanah Merah	Kelantan
8.	Mentakab	Pahang	19.	Pasir Mas	Kelantan
9.	Jerantut	Pahang	20.	Wakaf Baru	Kelantan
10.	Kuala Lipis	Pahang	21.	Tumpat	Kelantan
11.	Merapoh	Kelantan			

ETS Routes



No.	Station	State	No.	Station	State
1.	Gemas	Negeri Sembilan	19.	Ipoh	Perak
2.	Batang Melaka	Melaka	20.	Sungai Siput	Perak
3.	Pulau Sebang/Tampin	Melaka	21.	Kuala Kangsar	Perak
4.	Seremban	Negeri Sembilan	22.	Padang Rengas	Perak
5.	Kajang	Selangor	23.	Taiping	Perak
6.	Bandar Tasik Selatan	Kuala Lumpur	24.	Bagan Serai	Perak
7.	KL Sentral	Kuala Lumpur	25.	Parit Buntar	Perak
8.	Kuala Lumpur	Kuala Lumpur	26.	Nibong Tebal	Penang
9.	Kepong Sentral	Kuala Lumpur	27.	Butterworth	Penang
10.	Sungai Buloh	Selangor	28.	Bukit Mertajam	Penang
11.	Rawang	Selangor	29.	Tasik Gelugor	Penang
12.	Batang Kali	Selangor	30.	Sungai Petani	Kedah
13.	Kuala Kubu Bharu	Selangor	31.	Gurun	Kedah
14.	Tanjung Malim	Perak	32.	Alor Setar	Kedah
15.	Slim River	Perak	33.	Anak Bukit	Kedah
16.	Sungkai	Perak	34.	Arau	Perlis
17.	Kampar	Perak	35.	Padang Besar	Perlis
18.	Batu Gajah	Perak			

6. BUSINESS OVERVIEW (cont'd)

Komuter Utara Routes



No.	Station	State	No.	Station	State
1.	Ipoh	Perak	13.	Butterworth	Penang
2.	Sungai Siput	Perak	14.	Tasik Gelugor	Penang
3.	Kuala Kangsar	Perak	15.	Sungai Petani	Kedah
4.	Padang Rengas	Perak	16.	Gurun	Kedah
5.	Taiping	Perak	17.	Kobah	Kedah
6.	Kamunting	Perak	18.	Alor Setar	Kedah
7.	Bagan Serai	Perak	19.	Anak Bukit	Kedah
8.	Parit Buntar	Perak	20.	Kodiang	Kedah
9.	Nibong Tebal	Penang	21.	Arau	Perlis
10.	Simpang Ampat	Penang	22.	Bukit Ketri	Perlis
11.	Bukit Mertajam	Penang	23.	Padang Besar	Perlis
12.	Bukit Tengah	Penang			

Komuter KVDT Routes – Batu Caves to Tampin line



No.	Station	State	No.	Station	State
1.	Batu Caves	Selangor	14.	Serdang	Selangor
2.	Taman Wahyu	Kuala Lumpur	15.	Kajang	Selangor
3.	Kampung Batu	Kuala Lumpur	16.	UKM	Selangor
4.	Batu Kentonmen	Kuala Lumpur	17.	Bangi	Selangor
5.	Sentul	Kuala Lumpur	18.	Batang Benar	Negeri Sembilan
6.	Putra	Kuala Lumpur	19.	Nilai	Negeri Sembilan
7.	Bank Negara	Kuala Lumpur	20.	Labu	Negeri Sembilan
8.	Kuala Lumpur	Kuala Lumpur	21.	Tiroi	Negeri Sembilan
9.	KL Sentral	Kuala Lumpur	22.	Seremban	Negeri Sembilan
10.	Mid Valley	Kuala Lumpur	23.	Senawang	Negeri Sembilan
11.	Seputeh	Kuala Lumpur	24.	Sungai Gadut	Negeri Sembilan
12.	Salak Selatan	Kuala Lumpur	25.	Rembau	Negeri Sembilan
13.	Bandar Tasik Selatan	Kuala Lumpur	26.	Tampin / Pulau Sebang	Negeri Sembilan / Melaka

6. BUSINESS OVERVIEW (cont'd)

Komuter KVDT Routes - Tanjung Malim to Pelabuhan Klang line



No.	Station	State	No.	Station	State
1.	Tanjung Malim	Perak	18.	Pantai Dalam	Kuala Lumpur
2.	Kuala Kubu Bharu	Selangor	19.	Petaling	Selangor
3.	Rasa	Selangor	20.	Jalan Templer	Selangor
4.	Batang Kali	Selangor	21.	Kg. Dato Harun	Selangor
5.	Serendah	Selangor	22.	Seri Setia	Selangor
6.	Rawang	Selangor	23.	Setia Jaya	Selangor
7.	Kuang	Selangor	24.	Subang Jaya	Selangor
8.	Sungai Buloh	Selangor	25.	Batu Tiga	Selangor
9.	Kepong Sentral	Selangor	26.	Shah Alam	Selangor
10.	Kepong	Kuala Lumpur	27.	Padang Jawa	Selangor
11.	Segambut	Kuala Lumpur	28.	Bukit Badak	Selangor
12.	Putra	Kuala Lumpur	29.	Klang	Selangor
13.	Bank Negara	Kuala Lumpur	30.	Teluk Pulai	Selangor
14.	Kuala Lumpur	Kuala Lumpur	31.	Teluk Gadong	Selangor
15.	KL Sentral	Kuala Lumpur	32.	Kg. Raja Uda	Selangor
16.	Abdullah Hukum	Kuala Lumpur	33.	Jalan Kastam	Selangor
17.	Angkasapuri	Kuala Lumpur	34.	Pelabuhan Klang	Selangor

In addition to the above, we also serve the Shuttle Tebrau routes which includes the Johor Bahru and Woodlands stations.

Notwithstanding our established footprint in the bus and rail segments, our solutions are also adaptable and can be applied in other segments within the transportation sector. We are also currently venturing into the sea transportation segment, in particular, the ferry terminals in Sabah under an initiative to digitalise 8 identified ferry terminals in the state. We intend to undertake our venture into the ferry segment in stages with the aim to complete 4 ferry terminals by October 2024 and the balance 4 ferry terminals by March 2025 subject to our negotiations and agreements with the respective ferry terminal owners on, amongst others, the technical specification, the implementation timeframe and the expected operational date. Please refer to **Section 3.6.1(ii)(a)** of this Prospectus for further details on the implementation stages of our transportation IT solution for the ferry terminals in Sabah.

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6. BUSINESS OVERVIEW (cont'd)

1. TOS

Our TOS comprise the following modules:-

TOS	(A) TMS	Developed to optimise and streamline the traffic processes of bus terminals to improve operational efficiency.
	(B) CTS	Developed to complement TMS as a real-time centralised ticketing system connecting passengers and operators across multiple channels, including ticketing counters, TVMs, ticketing web platforms and mobile applications.

(A) TMS








TMS is generally applied to terminal based operations as the system infrastructure optimises the utilisation of platform bays, and management and control of the arrival and departure gates. Our TMS is currently adopted by 5 bus terminals in Malaysia as at the LPD, namely Terminal Melaka Sentral, Terminal Klang Sentral, Kompleks Hentian Bas MBKT, bus terminal located in Pahang and Sabah. Our TMS will also be adopted by Terminal Bersepadu Gombak upon commencement of its operations (which is envisaged to be by 2nd quarter of 2024).

TMS operates from a command centre in terminals, serving as a centralised hub for managing the arrival and departure of buses, passengers' traffic, safety and security, and other key aspects of terminal operations. With TMS, the administrator can oversee the entire terminal operations from a single location via IP cameras that are placed throughout the terminal.



6. BUSINESS OVERVIEW (cont'd)

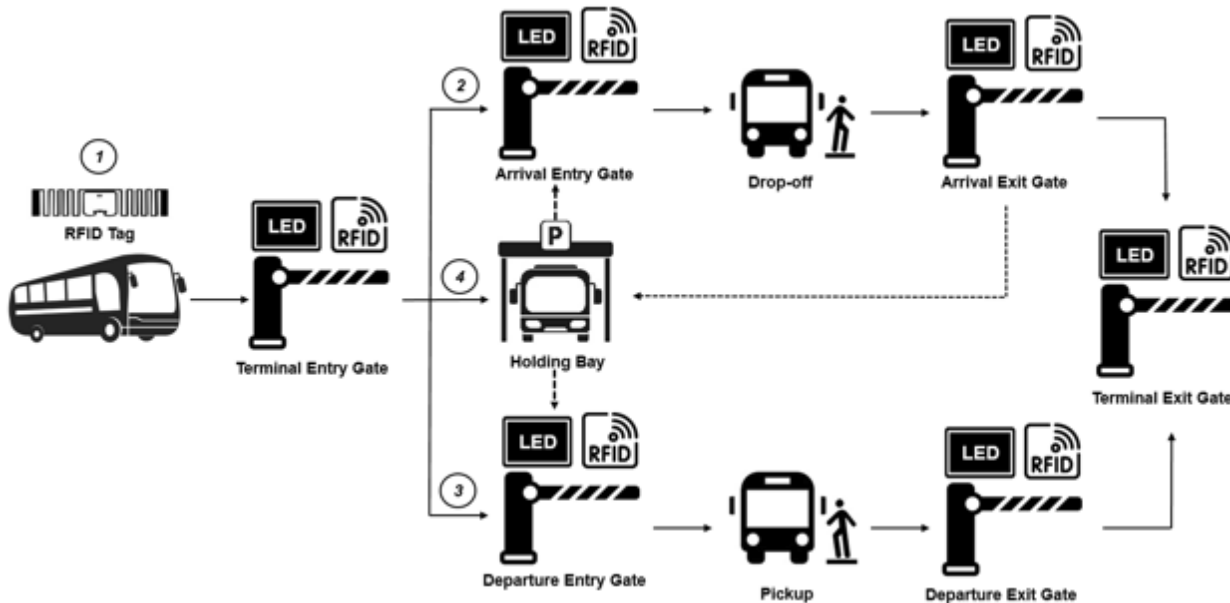
The key features of TMS include:-

 <p>TMS</p>	<p>Dynamic bay allocation</p> 	<p>This feature allocates limited bus bays based on a first-come-first-served basis and is subject to bus operators having APAD licences. It prevents bus bay hogging and helps to reduce idle time and congestion at the terminal with the aim to achieve smoother operations.</p>
	<p>Real-time information management</p> 	<p>TMS provides real-time information about bus schedules, destinations, delays and bay allocations. This information is communicated to bus operators, terminal staff and passengers through digital signage, mobile applications and online website.</p>
	<p>Traffic management</p> 	<p>TMS monitors and controls the movement of buses within the terminal using RFID and IP cameras to identify buses and manages bus arrivals and departures automatically. It helps in managing traffic flow, minimising bottlenecks and preventing accidents.</p>
	<p>Passenger information system</p> 	<p>TMS provides passengers with timely information with regard to bus schedules, bay locations and delays, amongst others and communicated through mobile applications and/or digital signage at the terminal.</p>
	<p>Integration with other systems</p> 	<p>TMS is integrated with other systems such as CTS, customer service platforms as well as surveillance systems to manage terminal operations comprehensively.</p>
	<p>Data analysis and reporting</p> 	<p>TMS collects and analyses data on various aspects of terminal operations, such as bus services, passenger traffic and bay utilisation which can be used to generate reports, make informed decisions and improve services.</p>

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6. BUSINESS OVERVIEW (cont'd)

TMS involves integration with various levels of hardware, including but not limited to ACG, IP cameras and RFID tags, to facilitate its implementation. The diagram below illustrates a general operational flow of TMS:-



- (1) All buses entering the terminal are required to complete a registration process. This involves the installation of an RFID Tag on the windscreen of each bus for identification and security purposes.
- (2) At the arrival gate, buses will be scanned and identified whereby the arrival information will be promptly updated on the Passenger Information Display System. Meanwhile, bus drivers will be directed to the designated arrival bay for passenger drop-off.
- (3) For departure, departing bus will proceed to the departure gate. TMS then scans the bus' identity via RFID, and thereafter, bus drivers will be directed to the designated bay for passenger pick up. Once the bus arrives at the departure bay, TMS will scan the bus' RFID again to ensure that the bus enters the assigned bay. Once its identity is verified, TMS will update the trip status to "Boarding" and reflect this information on the Passenger Information Display System accordingly. A countdown timer will be initiated to prevent the bus from overstaying.
- (4) Buses that arrive before its scheduled time are directed to the holding bay while waiting for the scheduled departure time. In the event of a bus breakdown or delays in boarding of passengers which may render the currently occupied bay unavailable to other buses, TMS will redirect incoming buses to the nearest available bay.

6. BUSINESS OVERVIEW (cont'd)

(B) CTS

CTS is a centralised ticketing system, serving as a unified and integrated platform that manages the issuance, distribution and processing of tickets across multiple channels, including ticketing web platforms, mobile applications, ticketing counters and self-service TVMs. It also consolidates ticket-related operations into a single system, which streamlines and simplifies the processes of ticket sales, issuance and management. The pictures below show some examples of ticket sales via ticketing counters and self-service TVMs available at the terminals.

Ticketing counters



Self-service TVMs



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6. BUSINESS OVERVIEW (cont'd)

We have customised and developed CTS for our bus and rail segments:-

(i) CTS (Express Bus)

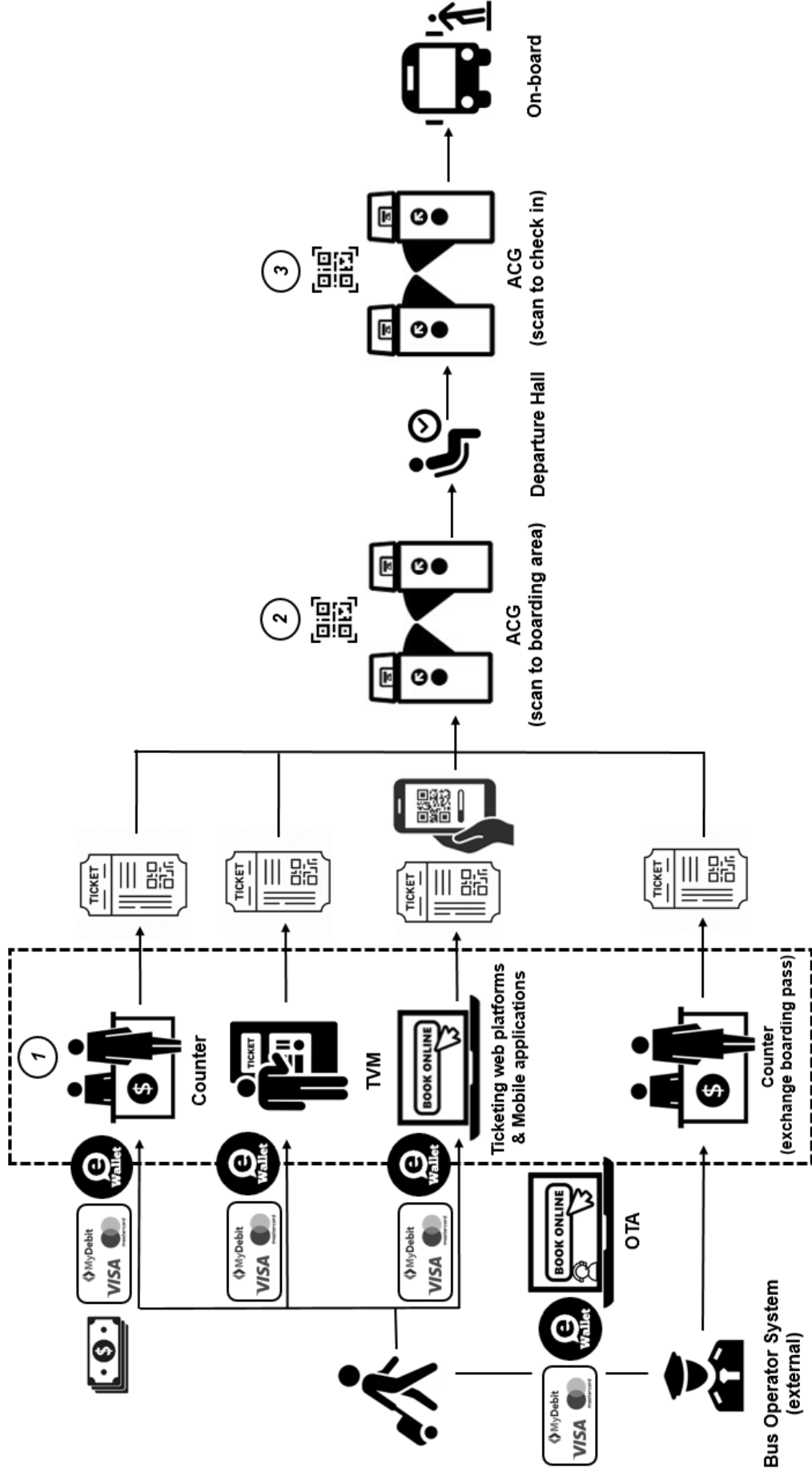
CTS (Express Bus) is a platform to unify ticketing operations in terminals for express bus operators. It supports multiple operators, sales channels and ticketing systems where information is integrated and synchronised.

The key features of CTS (Express Bus) include:-

<p style="text-align: center;">CTS (Express Bus)</p> 	<p>Ticketing interface</p> 	<p>An intuitive user interface which allows users to select their desired destinations, travel dates and seating preferences. The interface is accessible via various channels, such as the ticketing counters and self-service TVMs at bus terminals, ticketing web platforms and mobile applications.</p>
	<p>Booking management</p> 	<p>A back-end system for handling ticket bookings, cancellations and amendments. This system also handles real-time seat inventory management via API integration, reflecting the availability of seats based on bookings and cancellations.</p>
	<p>Payment gateway</p> 	<p>A secure module for handling/processing payments. It is integrated with various payment methods, including credit/debit cards, e-wallets and online bank transfers.</p>
	<p>Data analysis and reporting</p> 	<p>A module for generating detailed reports and analytics to understand the trends in, amongst others, ticket sales, popular destinations and peak travel times. This data aids in strategic decision-making for both bus and terminal operators.</p>
	<p>API integration</p> 	<p>CTS (Express Bus) is equipped with APIs that allow integration with external systems such as, amongst others, bus operators' ticketing system, accounting system and Passenger Information Display system.</p>

6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates a general operational flow of CTS (Express Bus):-



6. BUSINESS OVERVIEW (cont'd)

- (1) Passengers can purchase tickets from the following channels:-
- (a) ticketing counters;
 - (b) TVMs;
 - (c) ticketing web platforms or mobile applications; and
 - (d) third-party OTAs (For OTA tickets, passengers are required to check in at the boarding counter to retrieve their boarding passes).
- (2) Passengers with bus tickets/boarding passes can proceed to the departure hall by scanning the QR Code on their ticket/boarding pass at the ACG. If the QR Code is valid, the gate will open and allow passengers to pass through the ACG. If the QR Code fails to be validated by the ACG (e.g. passengers entering the wrong departure hall or possess an invalid ticket), the gate will remain closed and the passengers will be guided by the ground crew for the next step.
- (3) Passengers are required to scan their tickets/boarding passes before boarding to ensure that the passengers board the correct bus and helps to avoid any inadvertent errors in boarding.








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6. BUSINESS OVERVIEW (cont'd)

(ii) CTS (Rail)

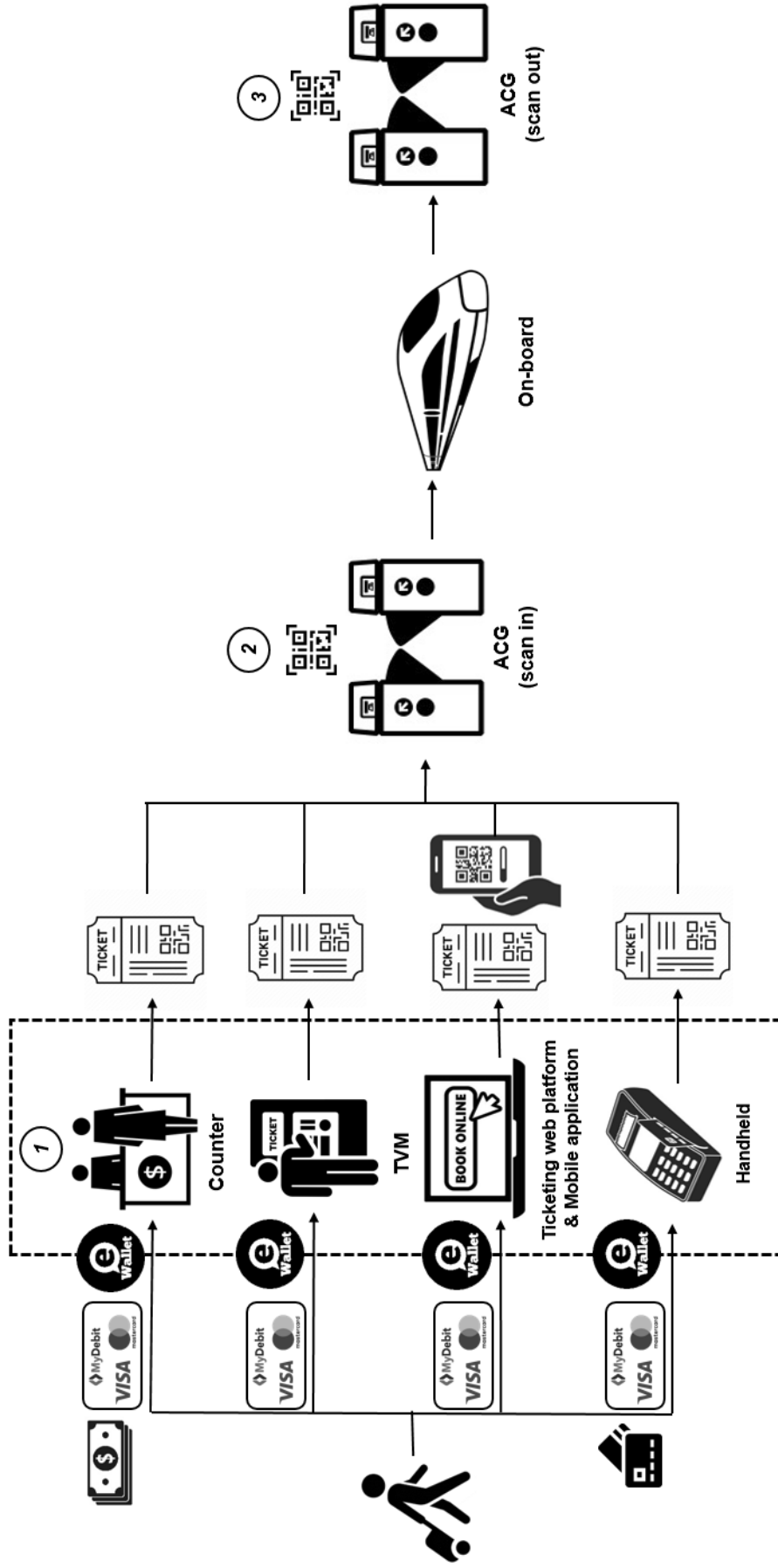
CTS (Rail) is designed to cater for railway infrastructure that enables users to purchase tickets seamlessly while providing rail operators efficient tools to manage the ticketing process.

The key features of CTS (Rail) include:-

<p style="text-align: center;">CTS (Rail)</p> 	<p>Cashless ticket purchasing</p> 	<p>CTS (Rail) allows passengers to purchase tickets (including regular tickets, seasonal passes and promotional tickets) via ticketing web platforms, mobile applications or through self-service TVM and ticketing counters, with payment made through various digital means.</p>
	<p>Real-time information management</p> 	<p>CTS (Rail) provides commuters with real-time information about train schedules, seat availability as well as delays, amongst others, which is accessible from various devices and platforms, increasing convenience for passengers.</p>
	<p>Customer profile management</p> 	<p>With a user account, commuters can manage their bookings, refunds request, cancellations and personal information. Commuters who meet the eligibility criteria can also register for concession tickets on the ticketing web platforms or mobile applications. They can also track their travel history and receive personalised suggestions or special offers.</p>
	<p>Data analysis and reporting</p> 	<p>CTS (Rail) provides comprehensive data management tools, allowing the railway authorities to track all transactions, ridership statistics, revenue, and etc, enabling efficient reporting and strategic planning.</p>
	<p>Security and fraud detection</p> 	<p>CTS (Rail) employs security protocols and encryption to safeguard both transactions and personal data. Additionally, it may utilise machine learning algorithms to identify and prevent fraudulent transactions.</p>
	<p>Integration with other systems</p> 	<p>CTS (Rail) can be integrated with other systems such as rail operation management, human resource system, crew planning system, customer relationship management (CRM) and financial systems. This integration provides a comprehensive and holistic approach to railway management.</p>

6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates a general operational flow of CTS (Rail):-



6. BUSINESS OVERVIEW (cont'd)

(1) Passengers can purchase tickets from the following channels:-

- (a) ticketing counters;
- (b) TVMs;
- (c) ticketing web platforms or mobile applications; and
- (d) handheld devices.

(2) Passengers with tickets can proceed to the departure platform by scanning the QR Code on their tickets at the ACG. If the QR Code is valid, the gate will open and allow passengers to pass through the ACG. If the QR Code fails to be validated by the ACG, the gate will remain closed and passengers will be guided by the ground crew for the next step.

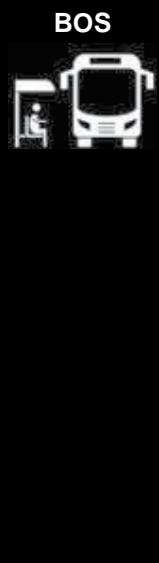




(3) Passengers are required to scan their tickets prior to exiting the arrival platform.

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6. BUSINESS OVERVIEW (cont'd)

2. BOS

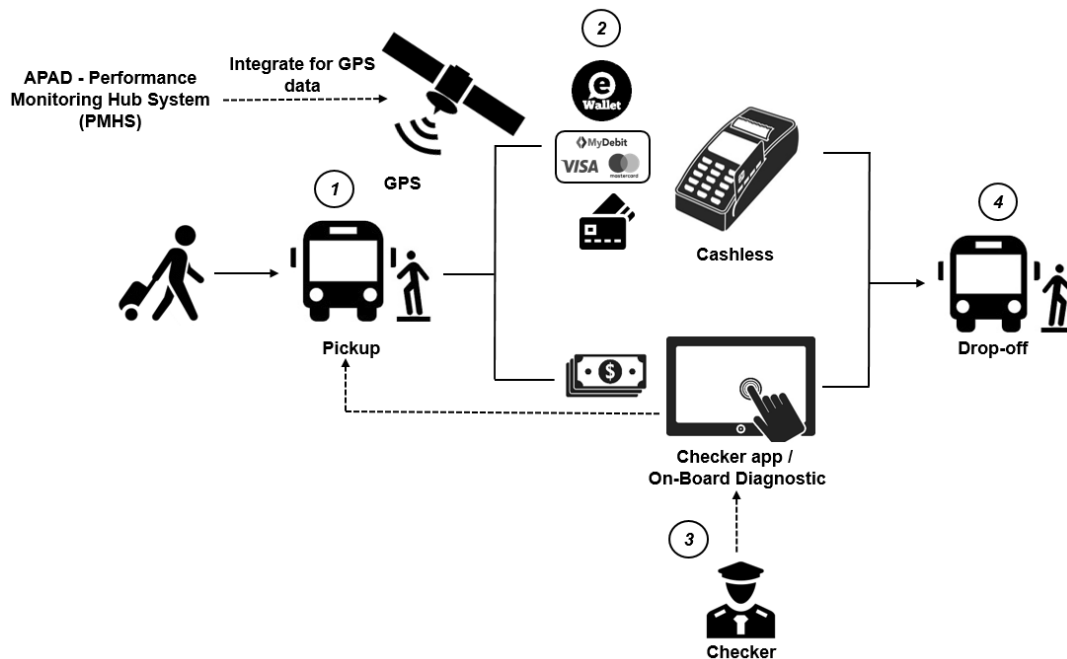
BOS is our GPS monitoring enabled ticketing solution designed for stage bus operations. The key features of BOS include:-

	<p>Real time bus tracking</p> 	<p>Integration of GPS technology to provide real-time bus tracking to provide passengers the access to accurate information with regard to bus locations, estimated arrival time, and route deviations through dedicated ticketing web platforms and mobile applications. This empowers passengers to plan their journeys better, minimising waiting time and reduce uncertainties.</p>
	<p>Cashless payment</p> 	<p>BOS allows passengers to make fare payments through various cashless methods, such as contactless cards, e-wallets or stored value cards. This eliminates the need for physical cash transactions, resulting in a faster, more secure, and less prone to errors or pilferage.</p>
	<p>Data analysis and reporting</p> 	<p>BOS generates valuable data related to passenger flow, bus optimisation and travel patterns. It enables APAD to leverage the available data to enhance fleet management, optimise routes, update schedules and ultimately elevate the overall service efficiency. This data-driven approach ensures that resources are allocated where they are most needed, resulting in cost savings and enhanced customer satisfaction.</p>
	<p>Fare integration</p> 	<p>BOS may also be seamlessly integrated with other modes of public transportation, such as trains, to provide passengers with an interconnected travel experience.</p>

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6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates the application of BOS in a general commuting process:-



- (1) The bus picks up passengers during its route.
- (2) When passengers board the bus, passengers have the option to make payment using either cash or cashless payment method. For cashless payment, passengers can use either their e-wallet, debit/credit card or stored-value card. For passengers using debit/credit card or stored-value card, passengers are required to tap in when boarding the bus and tap out during disembarkation. The fare will be calculated based on either distance, zone or flat rates. Meanwhile, for cash payments, the bus driver will select the desired destination and issue a ticket. A ticket will be printed after the payment is made.
- (3) Bus operators despatch ticket checkers at random to conduct audit ticket sales audit using a handheld ticket validator.
- (4) When passengers arrive at their destination, the bus driver will make a drop-off.

As at the LPD, we serve 26 stage bus operators, where our BOS is adopted by 497 stage buses.

We have also developed GoGPS, a cloud-based remote monitoring solution designed specifically for commercial vehicles such as buses, to optimise operational efficiency and ensure safety. GoGPS is equipped with GPS devices that are connected to the internet, enabling the collection of vehicle data, analysing their performance, real-time location tracking, and identifying any potential issues that may require attention. The collected data is subsequently transmitted back to the server via the device. GoGPS offers a range of features, including web and mobile applications accessibility, internet connectivity, administrative tools, automated billing and payment capabilities and custom-built APIs.

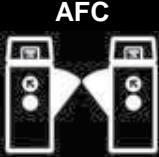






Our Group offers GoGPS as a built-in option under the BOS. It should also be noted that GoGPS can also be a standalone solution to be adopted by our customers who intend to remotely track and monitor the location of their commercial vehicles.

6. BUSINESS OVERVIEW (cont'd)

3. AFC

AFC system is a fare collection system that supports both cash and cashless payment method. AFC accepts various forms of payment, including but not limited to credit/debit cards (via transit mode), stored value cards, QR-based e-wallets, mobile payment applications (via NFC or QR code) as well as wearable devices.

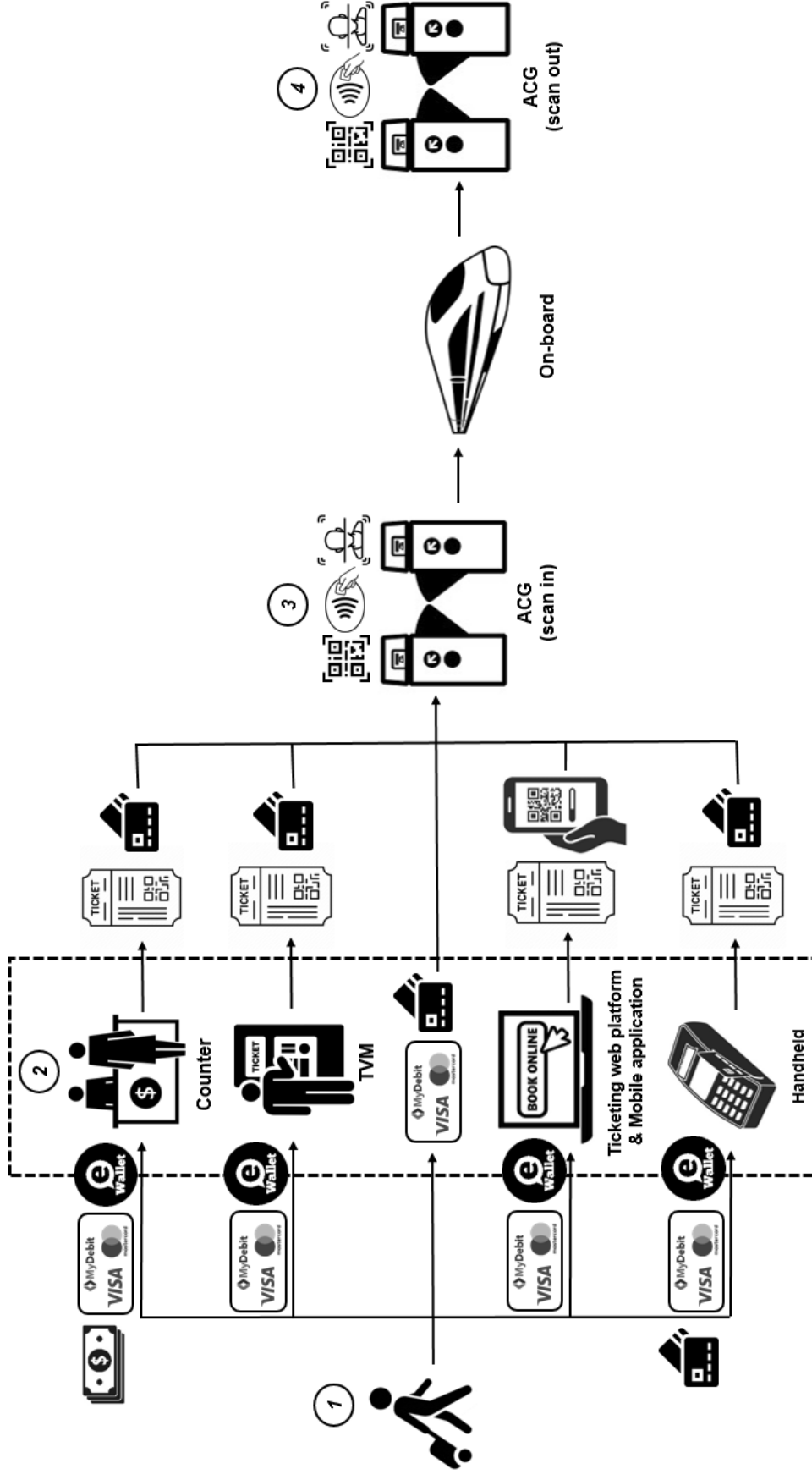
The key features of the AFC system include:-

		<p>Cashless payment</p> <p>Passengers are able to pay fares using electronic payment methods with a simple tap or wave at the ACG or TVM by reducing boarding time while enhancing the overall efficiency. The elimination of cash transactions also minimise the risk of theft and pilferage, enhancing overall financial security.</p>
		<p>Multi-model integration</p> <p>AFC offers a seamless and interconnected travel experience by integrating diverse public transportation such as trains. Passengers can conveniently use a unified payment method across different transportation systems, ensuring a seamless journey.</p>
		<p>Real-time fare collection</p> <p>AFC calculates fares in real-time, taking into account factors which include the distance travelled, the number of transfers made and any applicable discounts or promotions. This approach enables accurate fare charges for passengers' journeys, promoting fairness and transparency in the ticketing process.</p>
		<p>Fare capping</p> <p>AFC promotes frequent use of public transportation by incorporating fare-capping mechanisms. Under this feature, once a specific fare limit is reached within a given period (e.g. a day or a week), the system offers additional trips taken during that period at a discounted rate.</p>
		<p>Data analysis and reporting</p> <p>An essential aspect of an advanced AFC is the comprehensive data analytics it provides. Transportation authorities such as APAD can access valuable insights into passenger trends, peak travel times, popular routes and overall ridership. This data-driven approach assists in optimising operations, allocating resource efficiently and planning services effectively.</p>
		<p>Enhanced security and fraud prevention</p> <p>AFC incorporates robust security measures to protect against fraudulent activities, ensuring that only valid transactions are processed.</p>

As at the LPD, the AFC has been only implemented within the rail sector in Peninsular Malaysia through our contract with KTMB, catering to the KVDT route. AFC is an adaptable solution, poised for seamless extension not only to additional routes within the KTMB rail network but also across other transportation segments, including bus and ferry segments.

6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates a general operational flow of utilising the AFC:-



6. BUSINESS OVERVIEW (cont'd)

- (1) Passengers who have purchased tickets through ticketing web platforms or mobile applications or via TVM, stored value card, debit/credit card and handheld devices can head straight to the ACG.
- (2) Passengers can purchase ticket as well as top-up their stored value card at the ticketing counters. When purchasing tickets at the counter, passengers can opt to pay with cash, e-wallet or debit/credit card.
- (3) Passengers can enter the departure platform either by scanning their physical/digital QR Code or tap their stored-value/debit/credit card at the ACG. In the event the QR Code and other payment methods fail to be validated by the ACG, the gate will remain closed and passengers will be guided by the ground crew for the next step.
- (4) Passengers are required to either scan the physical/digital QR Code or tap their stored-value/debit/credit card at the ACG before exiting the arrival platform.

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6. BUSINESS OVERVIEW (cont'd)

Passengers at the terminal have the option to purchase their tickets via multiple sales channels that accepts both cash and cashless payment methods. The table below summarises the types of sales channels, ticket mediums and payment methods supported by AFC:-

Sales channel	Payment mode						
	QR Code	NFC	Debit/ credit (retail mode)	Debit/ credit (transmit mode)	Stored value card	E-wallet	Cash*
Ticketing counters			•		•	•	Optional
Self-service TVMs			•		•	•	Optional
ACG	•	•		•	•	•	
Handheld devices	•	•	•	•	•	•	Optional
Ticketing web platforms and mobile applications		•	•			•	

Note:-

* The cash payment method is an optional feature offered with the aim to provide flexibility to our customers who intend to offer cash options to its passengers at the terminal. This feature enables the passengers to make cash payments at the ticketing counters, handheld devices and TVMs (which has cash-note acceptor and dispense devices installed and integrated with the TVMs).

4. Maintenance and support services as well as terminal management services

As part of our contracts with our customers, our scope of work also includes maintenance and support services as well as terminal management services. The maintenance of the systems will be conducted according to a pre-scheduled timeline, which encompasses tasks such as general maintenance or updates of software and hardware, routine components/part replacement and general tests.

We also station our technicians at designated terminals and stations to provide on-site support and facilitate prompt maintenance and response time given that our customers are mainly involved in the public transportation sector where any downtime or disruption are expected to be minimal. As at the LPD, our technicians are stationed at the following states:-

States	No. of technicians
Cyberjaya (Headquarters)	2
Perlis	2
Kedah	3
Penang	1
Perak	6
Selangor	1
Wilayah Persekutuan Kuala Lumpur	13
Negeri Sembilan	4
Johor	5
Pahang	1
Kelantan	1
Terengganu	1
Total	40

Additionally, we also provide technical support services to our customers via e-mail and live chat features which allow customers to contact us should they have technical issues. Our technicians will troubleshoot and resolve the issues immediately. Maintenance and support services are available on contract basis which generally spanning from 1 to 5 years (with the option to extend), depending on the requirements of our customers' operational needs.

6. BUSINESS OVERVIEW (cont'd)

We provide training to our customers' employees who are responsible for operating, managing and maintaining the implemented solutions. These training services are designed to ensure that our customers' employees possess the necessary skills and knowledge to effectively utilise the system, thereby ensuring seamless operation of the bus and rail transportation systems.

Furthermore, upon the request from our customers, we also undertake the function of a system operator to manage and operate our solutions (i.e. TMS and/or CTS) at the bus terminals on behalf of our customers as well as perform terminal management services at the bus terminals, which includes, amongst others, managing terminal ticketing counters, scheduling and coordinating terminal routes, conducting maintenance and repair as well as ensuring the operational safety and security. For avoidance of doubt, our terminal management services do not encompass the management of the retail spaces within the Existing Specified Bus Terminals. The floor space managed by our Group at the Existing Specified Bus Terminals are solely confined to the ticketing counters and TVM area, waiting area, departure and arrival areas.

As at the LPD, we have been tasked to operate TOS and provide terminal management services for the Existing Specified Bus Terminals.

6.2.2 Other IT solutions

Our Group have also developed and customised software systems for various other end-user applications which are described as follows:-

Software systems	Description
GoPartner	<p>An integrated cloud-based inventory and reservation management system which comprises the following:-</p> <ul style="list-style-type: none"> (i) Global Distribution System (“GDS”) - a computerised reservation network that acts as a conduit between consumers and service providers (i.e. merchants) across various segments where live rates and availability are sent from a merchant’s CRS (as defined below) directly to the GDS and online booking websites via API or channel manager; and (ii) Central Reservation System (“CRS”) - a computerised system that facilitates the management and real-time distribution of our partners’ (i.e. merchants’) inventories, availabilities, pricing/rates and reservations from a centralised platform. It connects inventory management, diverse distribution channels and communications within a single platform. <p>GoPartner is a business-to-business (B2B) system that enables our customers to integrate their inventory via GDS and CRS with OTA. Currently, our customers include bus, campsite, homestay and sports centres operators.</p>
GoHub.com.my	<p>An online marketplace developed by us to cater for:-</p> <ul style="list-style-type: none"> (i) ticketing needs. GoHub.com.my currently serves as ticketing web platform for express buses as well as ferries. As at the LPD, the online marketplace offers bus ticket sales from 117 bus operators and ferry ticket sales from 13 ferry operators; and (ii) booking and reservations for campsite, homestay and sports centres reservations. As at the LPD, the online marketplace has 55 registered campsite and homestay operators as well as 5 sports centres. <p>The online marketplace is a business-to-consumer (B2C) system that serves as a bridge to facilitate the users (who are the general public) to purchase bus tickets and/or make reservations for campsites, homestay and sports centres from enterprises (comprising of bus, campsites, homestay and sports centres operators).</p>

6. BUSINESS OVERVIEW (cont'd)

6.3 Competitive strengths

6.3.1 We have a diverse range of services and solutions catering to the public transportation sector

We specialise in providing diverse enterprise IT services to address the challenges faced by the public transportation sector in terms of terminal operating systems, ticketing systems, fare collection systems and fleet monitoring systems. Our approach involves developing and customising solutions aimed to simplify, enhance and improve the overall efficiency of our customers' operations.

As our Group offers a wide range of customisable public land transportation software systems, our customers are able to enhance the convenience and cost-efficiency of their terminal operations by engaging us to provide end-to-end services. Some key features of our solutions include the following:-

Features	Description
Ticketing interface	An intuitive user interface where users can select their desired destinations, travel dates and seat preferences. This interface is accessible via various channels, such as the ticketing counters, self-service TVMs, ticketing web platforms and mobile applications.
API integration	Allows integration with external systems such as, amongst others, bus operators' ticketing system, accounting system and Passenger Information Display system.
Real-time information management	Provides users with real time information of, amongst others, travel schedules and seat availability that are accessible via various modes.
Passenger Information Display system	A display system that provides passengers with timely information with regard to, amongst others, schedules, bay allocations and delays.
Data analysis and reporting	The ability to collect and analyse data on various aspects of terminal operations, such as bus services, passenger traffic and bay utilisation. This data-driven approach assists in optimising operation, decision making and planning.
Payment gateway	Our solutions allow passengers to pay for their fares through various payment methods, which include, amongst others, debit/credit cards, e-wallets and stored value cards.

Our diverse range of solutions also provide potential for cross-selling and further integration of other systems for additional functions, as and when required by our customers. Our distinguishing feature includes our ability to integrate with customers' management system which ensures a seamless workflow while reducing operational barriers.

Our commitment extends beyond deployment and includes maintenance and support services as well as providing terminal management services upon request. The adoption of our solutions in our customers' operations, attributed by our user-friendly interfaces, intuitive design, streamlined processes and ongoing support, contributes to the stickiness of our solutions over time.

6. BUSINESS OVERVIEW (cont'd)

6.3.2 We serve a large customer base with a strong market presence in the public transportation sector and a growing recurring revenue in the financial years under review

We primarily provide our IT solutions to the bus and rail segments of the public transportation sector, and our key customers are:-

- (i) bus terminal operators: As at the LPD, we provide our TOS (comprising TMS and CTS) to 6 bus terminals in Malaysia and 1 bus terminal in the Philippines;
- (ii) stage bus operators: Our BOS caters to 497 stage buses in Peninsular Malaysia as at the LPD; and
- (iii) rail operator: Our solutions extends to the rail segment, where we service KTMB, a rail operator with more than 100 rail stations across Peninsular Malaysia, covering the ETS, Intercity, Komuter Utara, Shuttle Tebrau and KVDT.

In addition to the above, we had also begun to venture into the sea transportation segment, reflecting the adaptability of our transportation IT solutions and highlighting our strategic growth approach. We are currently working with the Sabah Port Authority to implement transportation IT solutions at 8 identified ferry terminals in stages (anticipated to be completed by March 2025) subject to our negotiations and agreements with the respective ferry terminal owners and based on the implementation stages set out in **Section 3.6.1(ii)(a)** of this Prospectus. The aforementioned venture aligns with the state's digitalisation initiative to improve the efficiency, security and safety of operations of the ferry terminals. It will be our first ferry terminal venture and is poised to serve as a showcase project to expand our market presence in the ferry segment and East Malaysia.

Besides public transportation sector, we are also capable of developing customised software solutions for the tourism and hospitality sector (such as those involved in the provision of accommodation). As at the LPD, we provide other IT solutions (via GoPartner and GoHub.com.my) to 118 customers, who are service providers (comprising, amongst others, campsite and homestay operators) in the tourism and hospitality sectors in Malaysia. We also undertake customised IT solutions on ad hoc basis, catering to any enterprises in need of inventory and reservation management services.

Our solutions are procured through Outright Purchase, or with the option of Zero Capex which we believe fosters both stickiness and traction of our solutions within our customers' operations. Further, the Zero Capex engagement adopted by a selected subset of our customers, not only extends the contractual length of our services with these customers but also establishes a reliable recurring revenue stream throughout the duration of the contracts. Our recurring revenue contributed 30.26%, 35.15%, 65.46% and 49.36% of our total revenue for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively.

6.3.3 We have a proven track record in the public land transportation sector

We have established ourselves as a reliable transportation IT solutions provider in the bus and rail segments in Malaysia and we believe that our services and solutions are fairly entrenched. As at the LPD, our solutions are utilised at the bus terminals and rail stations set out in **Section 6.2.1** of this Prospectus. We intend to leverage on our track record to further expand our geographical footprint into locations where we have no presence or limited presence.

6. BUSINESS OVERVIEW (cont'd)

Given that most of our major customers (such as KTMB and bus terminal operators) are involve in the provision of mobility and transportation services to the general public, the Ministry of Transport and other government agencies have high expectations towards these major customers in ensuring the delivery of quality mobility services (in particular, schedule adherence and reliability in service with minimal disruptions/breakdowns, emergency preparedness and response time). Such high expectations in service levels are, in turn, imposed on our Group, where we are contractually required to provide prompt technical support within an expedited and swift response time (which is typically not more than 45 minutes) to address and rectify any potential technical issues or disruptions arising from the IT solutions.

Our proven track record and support capabilities over the years have enabled us to retain long standing relationships with our customers and secure new customers and projects within the public transportation sector as the transportation infrastructure in the country develops.

6.3.4 We have an experienced and knowledgeable key senior management team

The experience and knowledge of our key senior management team have been the key to the success of our Group over the years. Since securing the award to implement TOS for TBS in 2011, our Promoter, Tan Cherng Thong, who joined us as CEO in 2014, has been instrumental in leading us to secure contracts for the provision of TOS at various bus terminals across Malaysia. Our CEO together with the management team was also instrumental in securing KTMB as our major customer in 2019. Tan Cherng Thong is supported by our other Promoters and key senior management, namely:-

- (i) Lee Li Yee, our Executive Director / Finance Director, who has more than 20 years of working experience in the field of finance;
- (ii) Hong Boon Huon, our CTO, who has more than 20 years of working experience in the field of IT;
- (iii) Eng Chee Seng, our Chief Business Development Officer, who has more than 20 years of working experience in the field of business development and project management;
- (iv) Mohd Aidy Hisyam Bin Abdullah, our Head of Operation (Terminal), who has approximately 16 years of working experience in the operations of bus terminals and maintenance of IT infrastructure systems;
- (v) Noor Rashid Bin Omar, our Head of Operation (BOS), who has approximately 18 years of working experience in IT project management for bus operations;
- (vi) Sing Chee Yeong, our Senior Manager of the IT Development Department, who has more than 20 years of working experience in the field of IT enterprise solutions, specialising in web application and database structure; and
- (vii) Chew Boon Keat, our Chief Financial Officer, who has approximately 9 years of experience in the field of auditing.

Our Promoters and key senior management team with extensive experience across a range of business activities are in turn supported by a sizeable team of experienced and dedicated project consultants, software engineers and technicians of 158 personnel. The combined experience and knowledge of our talent pool is expected to contribute to the growth of our business in the future.

6. BUSINESS OVERVIEW (cont'd)

6.4 Impact of COVID-19 on our Group

Impact of COVID-19 on our operations

The COVID-19 was declared a pandemic by the World Health Organisation on 11 March 2020. As a result of the COVID-19 pandemic, the Government had announced various stages of lockdown measures across different states or localities in the country at different point in time since 18 March 2020 to 1 April 2021. The stages of lockdown imposed include MCO, conditional MCO, recovery MCO, enhanced MCO (“**EMCO**”), full lockdown MCO (“**FMCO**”) as well as the National Recovery Plan (“**NRP**”).

During the MCO which began on 18 March 2020, the Government imposed movement restriction order, where the general public is restricted from travelling. We are categorised under the essential service and were allowed to operate during that period albeit lower capacity of 50% workforce. The restrictions imposed during the MCO have resulted in lower ridership and demand for both bus and rail services. In addition, the movement restriction had slowed development activities, as well as experiencing lower operating capacity for terminals as a result of rotating of staff for social distancing. During the different stages of lockdown imposed, our employees were able to work remotely and we subsequently resume operations in May 2020 after obtaining the necessary permission and letters from MITI and resume operation with full workforce in October 2021.

Measures to commence and continue our business operations

As part of the requirements to resume operations, we adopted new standard operating procedures as set out by the MITI. The following sets out the standard operating procedures adopted by our Group:-

- (i) operating at workforce capacity of 50% and adopt remote working arrangements for personnel that are not involved in operating activities;
- (ii) measuring and recording temperature of our employees and visitors daily;
- (iii) ensuring all employees and visitors wear face masks at all times, regularly sanitise their hands and practice social distancing; and
- (iv) regular sanitising of our offices and the Existing Specified Bus Terminals.

Impact of COVID-19 on our financial position and financial performance

The imposed lockdown measures (included movement restriction orders to mitigate the spread of the COVID-19 virus) had effectively limited public travels. This had led to a sharp decline in ridership and demand for both bus and rail services. This is evidenced by the ridership data for rail services (in respect of the ETS, Intercity and Shuttle Tebrau Routes) as set out below:-

	Pre COVID-19 pandemic period			COVID-19 pandemic period			Post COVID-19 pandemic period
	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Rail ridership ('000)	11,289	12,799	14,028	#4,948	2,056	10,271	16,687

(Source: KTMB)

Note:-

For information purposes, our Group had only commenced our CTS maintenance services in August 2020 and the fees derived from the revenue sharing model was based on total ticket sales of 0.50 million from 17 August 2020 up to 31 December 2020.

6. BUSINESS OVERVIEW (cont'd)

The ridership for bus services at Terminal Melaka Sentral had also declined substantially during the COVID-19 pandemic period, evidenced by its terminal passengers' ridership data* as set out below:-

	Pre COVID-19 pandemic period	COVID-19 pandemic period			Post COVID-19 pandemic period
	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Terminal passengers ('000)	*1,154	*427	153	647	815

Note:-

* Only terminal passengers' ridership data in respect of Terminal Melaka Sentral was disclosed in the above table as the terminal has such data prior to the COVID-19 pandemic and during the COVID-19 pandemic given that the terminal had commenced its operations in the FYE 2019. It is pertinent to note that both Terminal Klang Sentral and Kompleks Hentian Bas MBKT had only commenced operations in the FYE 2021.

The declined ridership and demand had a direct impact to our Group. In particular, our CTS maintenance solutions (in respect of the ETS, Intercity and Shuttle Tebrau Routes - which are tied to ridership), and our terminal management services where we function as system operators (which are dependent on bus terminal utilisation), our Group experienced a notably sharp decline in revenue stream arising from the lockdown measures. Our revenue from our terminal management services at the Existing Specified Bus Terminals recorded a similar trend over the same financial years under review. We also experienced delays in the installation of our solutions, in particular, our TOS solution at an integrated terminal located in Gombak.

In addition, during the pandemic period, we had also encountered difficulties in trade receivables management of our Group. Our average trade receivables turnover period had increased from 109 days for the FYE 2020 to 145 days for the FYE 2021. This was primarily due to slow collection of trade receivables, which was a direct consequence of the demanding business operating environment during both financial years, materially impacted by the ongoing COVID-19 pandemic. Further details on the impact of COVID-19 pandemic on our financial performance and financial position are set out in **Section 4.1.5** of this Prospectus.

Impact of COVID-19 on our supply chain

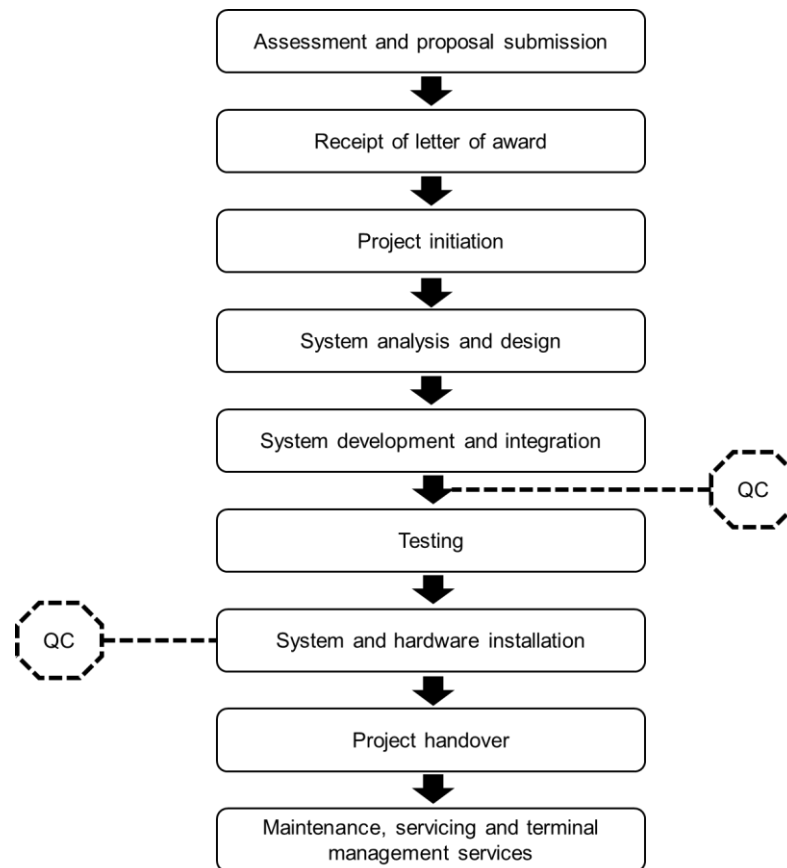
During the various stages of imposed lockdowns, we did not experience material adverse impact on our supply chain. We were able to source for hardware from our suppliers located both locally and overseas for our operations during the lockdown period by working closely to determine the timeline for the delivery of required hardware.

Transition to endemic phase

On 1 April 2021, the Government announced that Malaysia would transit from NRP into the "transition to endemic" phase where restrictions were further relaxed. This includes abolishing limits on workforce capacity, allowing interstate travel for all as well as abolishing restrictions on business operating hours. We have continued to operate in accordance with the regulations set out by the Government.

6. BUSINESS OVERVIEW (cont'd)

6.5 Operational process and facilities



(i) Assessment and proposal submission

For projects, we generally participate in tenders after receiving invitations to tender or through tender portals. A brief description on the project’s requirements and specifications will be listed in the tender documents or obtained from our potential customers, which allow our business development team to evaluate the feasibility of the project.

If the project is feasible, our business development team and our project consultants will prepare a proposal specifying the services to be provided by our Group, manpower estimation, work approach, and hardware and software requirements before providing an estimated cost for the said proposal. Subsequently, the said proposal will be submitted for internal review and approval. Upon obtaining internal approval for the proposal, our business development personnel will perform physical/ online submission of all tender documents before the tender closing date.

We also acquire new projects through direct engagement and/or referrals from our existing customers. For direct engagement and/or referrals projects, we may arrange a proposal presentation meeting with the potential customers to assess their requirements before working out the deliverables, manpower and cost prior submitting to the potential customers. A follow-up will be initiated by our business development team and project consultants following the submission of the proposal.

(ii) Receipt of letter of award

Upon the successful tender or acceptance of our proposal by our customers, a letter of award which contains details such as the scope of project, project timeline, the payment schedule and other terms and conditions will be issued to us, formalising our appointment for the project.

6. BUSINESS OVERVIEW (cont'd)

In some cases, depending on the project, we may be required to provide a certain amount of performance bond in the form of bank guarantee or contract deposit which serves as a security sum to ensure our due performance throughout the contract term.

(iii) Project initiation

We will form a project management team (comprising project manager, project consultants, IT development team and business development team) to oversee the implementation of the project and organise a project kick-off meeting. The composition and size of the project management team varies depending on the project complexity, required technical skill and project scale.

Our project management team is primarily responsible for the project planning, monitoring of the progress, budget management and in constant contact with customers to clarify any unclear aspect as well as ensuring timely completion of the project.

We will also prepare a detailed project charter that outlines, amongst others, the project's objectives, scopes, deliverables, key stakeholders and the project timeline.

(iv) System analysis and design

During this stage, our project management team will gather detailed information to better understand the customer's business operations and workflow. Interviews are conducted to collect further information on the use of the proposed system and how it will be employed in the customer's organisation.

Based on all the information collected from our customer, our project management team will then identify the framework, system modules and technologies that required to be developed to fulfil the requirements of our customers. Thereafter, our project management team will develop the corresponding solution architecture and present it to the customer for confirmation prior to commencing system development and integration.

(v) System development and integration

Our project management team will develop the system according to the system design specifications. Our project management team will then assemble different constituent parts of the system, develop the control procedures and conduct internal review of the solutions (i.e. conduct programme unit testing).

The system development and integration process may take approximately 6 months to 12 months, depending on the complexity of the project.

(vi) Testing

Upon finalising the development and integration of the system, we will perform several tests that can be segregated into internal and external tests. Internal tests include sanity test and IAT, while external tests include but not limited to UAT and ORAT. Internal tests are carried out to identify and rectify issues before software is released to external users, thereby play a crucial role in ensuring the quality, reliability and overall performance of the software.

Following our internal testing, we will conduct UAT to ensure the solutions fulfil the requirements of our customer followed by ORAT to ensure operational aspects are in place for deployment and ongoing management of the software. We monitor the performance and functions of the system during the testing period to ensure it works according to our contractual requirements. During the testing period, any errors and/or bugs that are discovered will be rectified accordingly.

6. BUSINESS OVERVIEW (cont'd)

(vii) System and hardware installation

The accepted systems will be installed and integrated with our customer's IT infrastructure. We will conduct user training to train our customers on the features and function of the enterprise IT service, particularly TOS as well as our customised software systems and their associated modules.

Upon the completion of the system installation, our procurement personnel will proceed with the procurement and installation of hardware components such as barrier gates, platforms, POS, ACG, TVMs and Passenger Information Display system.

Once we received the hardware components from our suppliers, our technicians and/or procurement personnel will conduct inspection to ensure that the hardware components received matches the delivery orders and specifications. Any items that do not meet the order specifications will be returned to the vendors.

We will then proceed with the on-site installation of physical hardware components and SAT will be conducted, which involves testing the functionality and performance of the installed system and hardware at customer's site to ensure that it operates in accordance with the project requirements.

(viii) Project handover

Prior to project handover, a final joint inspection will be carried out together with our customer to evaluate the overall completeness, workmanship, adherence to specifications and system functionality. Thereafter, our customer will sign off on the inspection report and project handover document, signifying the completion of the project. The IT solutions will then be launched organisation-wide and our Group will undertake the following processes:-

Outright Purchase	Zero Capex model	
	With system operator requirement	Without system operator requirement
<p>Hand over the solutions to our customers where their operations team will operate the solutions.</p> <p>Our customers will have the option to engage our Group to provide maintenance and support services post completion of the projects.</p>	<p>Operate the solutions on behalf of our customers.</p>	<p>Hand over the solutions to our customers and thereafter, perform maintenance on the hardware and/or software as well as support services over the tenure of the contracts.</p>

(ix) Maintenance and support services as well as terminal management services

Upon the completion of project handover, our customers are entitled to our technical support via helpdesk, in accordance with the agreed terms in the contract. They are also provided with on-site maintenance support with technicians stationed at the terminals, receiving direct support through our helpdesk. Please refer to **Section 6.2.1** of this Prospectus for further information on our stationed technicians.

Our maintenance and support services will follow a pre-scheduled timeline while unscheduled maintenance will be carried out promptly with technical support to ensure minimal downtime. The response time from our team to commence troubleshooting or provide services as per the mean-time-to-respond agreed in the service level agreement, which typically within 45 minutes during the operational hours, starting from the customer's call or notification to the helpdesk.

6. BUSINESS OVERVIEW (cont'd)

We also offer terminal management services (where we act as system operator) upon our customers' requests (based on the terms of the service agreements), and are tasked to manage the day-to-day terminal system operations and management, including but not limited to terminal ticketing counters, scheduling and coordinating terminal routes, maintenance and repair, and ensuring operational safety and security.

6.6 Technology used

Over the course of our business, we employ a series of hardware devices and use software programs to design, develop and deploy our solutions throughout various terminals nationwide. The following tables set out the types of hardware and software used in the provision of our solutions:-

Hardware	Description	Units
BOS tablets	Accessing back-end BOS	358
Handheld devices	Portable electronic devices for system development and testing purposes	236
ACGs	Control gates that automatically verifies tickets by scanning the printed QR code, debit/ credit cards and stored-value cards	22
TVMs	Vending machines that produces paper or electronic tickets	41
POS machines	Debit and credit card readers for accepting payments	16
Barrier gates	Barrier gates used to verify access automatically by scanning the RFID tags	9

Software	Description
Development software	
Adobe Lightroom and Photoshop	Application for creating, editing and managing images and graphics
Android Studio	Development tools for Android applications
Another Redis Desktop Manager	To access Remote Dictionary Server in Microsoft Azure Cloud
Microsoft Visual Studio	Development tools for system or website
SF Symbols	Development tools for iOS applications
SQL management studio	Development tools for Structured Query Language servers
XCode	Development tool for iOS applications
Operational software	
AnyDesk	Remote control for server deployment
Figma	Web application for interface design
Microsoft Project	Project management software
Postman	Testing and debugging for API
Team foundation server and GitHub	Source code control

6. BUSINESS OVERVIEW (cont'd)

6.7 Our business segments and markets

6.7.1 Revenue by business segments

Our revenue by business segments is as follows:-

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Transportation IT solutions								
- Rail	11,920	62.82	1,601	7.88	15,477	58.30	31,366	71.37
- Bus	6,978	36.78	17,817	87.71	10,171	38.31	11,891	27.06
	18,898	99.60	19,418	95.59	25,648	96.61	43,257	98.43
Others	75	0.40	896	4.41	901	3.39	689	1.57
Total revenue	18,973	100.00	20,314	100.00	26,549	100.00	43,946	100.00

Our revenue for the financial years under review was mainly derived from the transportation IT solutions segment, which accounted for more than 95% of our Group's total revenue for the financial years under review.

6.7.2 Revenue by geographical location

Our revenue by geographical location is as follows:-

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Malaysia	18,953	99.89	19,979	98.35	26,519	99.89	43,824	99.72
Overseas	20	0.11	335	1.65	30	0.11	122	0.28
Total revenue	18,973	100.00	20,314	100.00	26,549	100.00	43,946	100.00

Our revenue for the financial years under review was mainly derived from Peninsular Malaysia (being the primary market in which our Group operates), which accounted for more than 98% of our Group's total revenue for the financial years under review.

Our Group's overseas revenue solely relates to the TOS for Parañaque Integrated Terminal Exchange, located in Manila, the Philippines (which caters for the bus segment).

6.8 Sales and marketing strategies

Our sales and marketing strategies aim to address the growing needs of transportation services provider to optimise and streamline their operations. We focus our sales and marketing efforts on public transportation authorities and operators in Malaysia, given the increasing national demand for digitised, real-time and integrated transport management systems. Our sales and marketing strategies are as follows:-

(i) Strategic partnerships

We seek opportunities to partner with established entities in the public transportation sectors to provide an avenue for expansion and reach wider target audience. These partners range from bus and rail operators to public transportation authorities. This allows both parties to share expertise and resources as well as knowledge and deeper insights into the public transportation sector to provide tailored solutions that are aimed at improving public transportation services.

6. BUSINESS OVERVIEW (cont'd)

(ii) Customers' referral

We work closely with bus, rail and terminal operators to optimise their operations through tailored solutions. Our previous and existing customers (who have first-hand experience) typically refer our Group and solutions to potential customers due to the optimisation of operational matters as a result from the performance of our system. We also take an active approach in approaching customers directly to work with them to refer our solutions to other transportation services provider.

(iii) Direct approach

We also approach potential customers directly via cold calls, offering demonstrations of our solutions to highlight our Group's experience and technical capabilities in developing and customising solutions that are tailored to their unique challenges.

(iv) Participation in tenders

We also participate in open and invitation to tenders from the private and public sector to offer our solutions to the public transportation sector. We believe that our participation in tenders allows us to showcase our abilities and innovative solutions to address unique challenges and demand from the industry. For information purposes, we have tendered for 6 projects as at the LPD, totalling an aggregate value of RM35.64 million, for which the outcome is still pending. We have also been invited to perform various preliminary studies and proof of concept for other projects for which the project value cannot be ascertain at this juncture.

6.9 QC procedures and management

Our Group places emphasis on the quality of our solutions, with our operation adhering to stringent quality management standards.

Subsidiary	Standard	Scope	Issuing party	Validity period
NSS	ISO 9001:2015	Provision of terminal system to public transport industry in Terminal Melaka Sentral	SIRIM QAS International Sdn Bhd	27 December 2021 – 26 December 2024

Having complied with the abovementioned standard, we have also undertaken QC procedures throughout various project stages. Upon receipt of the hardware components from our suppliers, our technician and/or procurement personnel will conduct visual inspection on the hardware components to ensure that they are in good condition and meet the specifications and quantity ordered.

In relation to our enterprise IT services projects, once a project has commenced, our project management team (led by a project manager) will monitor the progress of the project in all respects to ensure that it satisfies our customers' requirements and can be delivered to our customers within the agreed timeframe.

Our Group also engages third party professionals to conduct penetration testing and other relevant cybersecurity related testing to ensure the integrity and safeguard the sanctity of our solutions.

Our project consultants currently assume the QC function whereby they are responsible for the QC of the projects and conduct in-process inspections including factory acceptance test, UAT, IAT, SAT and ORAT. Our project management team will have regular meetings with the project manager to monitor the progress of the project and whenever issues arise, our project management team will report such issues immediately to the project consultants. Corrective actions will be taken to eliminate the cause of non-conformities in order to prevent recurrence of the identified issues. As at the LPD, we have designated 2 project consultants to undertake QC functions of our Group.

6. BUSINESS OVERVIEW (cont'd)**6.10 Seasonality**

We do not experience any material seasonality or cyclical effects in our business.

6.11 Employees

As at the LPD, we have a workforce of 184 employees, of which 183 are local and 1 foreign employee. Further, out of the 184 employees, 145 are permanent employees (including the only foreign employee) and 39 are contractual employees. The breakdown of our employees as at 31 December 2023 and the LPD is as follows:-

Category	As at 31 December 2023	As at the LPD
<u>Permanent employees</u>		
Directors	6	6
Key senior management	6	6
Administrative/ Accounts/ Human Resources	12	14
System support	45	43
IT development	39	40
Project and support	14	16
Business development	8*	7*
Specified Bus Terminal staff	14	13
<u>Contractual employees</u>		
Specified Bus Terminal staff	37	39
Total	181	184

Note:-

* Includes 1 foreign employee, who holds a valid working permit as at the LPD. His employment is not an expatriate remuneration package (where housing allowances or accommodations are typically provided for).

Category	As at 31 December 2023	As at the LPD
Local	180	183
Foreign	1	1
Total	181	184

None of our employees, whether permanent or contractual, belong to any unions and for the financial years under review, there have been no material disputes between our management and our employees.

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6. BUSINESS OVERVIEW (cont'd)

6.12 Major customers

We primarily serve customers operating in the bus and rail segments, with our top 5 major customers contributing 81.44%, 78.61%, 73.77% and 80.77% to our total revenue for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively.

The table below list the top 5 major customers of our Group for the financial years under review:-

Customers	Customer's principal activities	Type of services provided by the Group	Business engagement	Length of business relationship up to the LPD (years)	FYE 2023		FYE 2022		FYE 2021		FYE 2020	
					(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
KTMB®	Railway transportation and related services	CTS for Komuter Utara, ETS and Intercity	Outright Purchase (hardware) and Zero Capex (software)	5	30,443	69.28	15,477	58.30	1,605	7.90	11,920	62.83
		AFC	Outright Purchase (hardware and software)									
Maju Group of Companies	Facilities management and other services	-	-	-	1,900	4.32	1,400	5.27	866	4.27	**	**
• Maju TMAS#	Management and operation of bus terminal	CTS for TBS	Outright Purchase (hardware and software)	12	1,900	4.32	1,382	5.20	243	1.20	**	**
• Maju Healthcare Sdn Bhd#	General medical services	Mobile and online booking for drive thru screening and testing centre	Outright Purchase (hardware and software)	3	-	-	18	0.07	623	3.07	-	-

6. BUSINESS OVERVIEW (cont'd)

Customers	Customer's principal activities	Type of services provided by the Group	Business engagement	Length of business relationship up to the LPD (years)	FYE 2023		FYE 2022		FYE 2021		FYE 2020	
					(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Customer A^	Municipal council in Sabah, Malaysia	TMS and CTS for a bus terminal located in Sabah	Outright Purchase (hardware and software)	6	1,077	2.45	-	-	-	-	-	-
Cityliner Sdn Bhd ⁶	Operation of stage buses and providing bus rental services	BOS	Zero Capex (hardware and software)	9	1,053	2.40	**	**	**	**	**	**
Syarikat Pengangkutan Maju Berhad Group Companies	Bus transportation and related services	-	-	-	1,021	2.32	1,786	6.73	1,339	6.59	1,295	6.82
• Penawar Express Line Berhad*	Business of general carriers	CTS for Terminal Larkin Sentral	Outright Purchase (hardware and software)	6	901	2.05	1,590	5.99	1,157	5.69	1,156	6.09
• Syarikat Pengangkutan Maju Berhad	Bus transportation and related services	BOS	Zero Capex (hardware and software)	10	120	0.27	196	0.74	182	0.90	139	0.73

6. BUSINESS OVERVIEW (cont'd)

Customers	Customer's principal activities	Type of services provided by the Group	Business engagement	Length of business relationship up to the LPD (years)	FYE 2023		FYE 2022		FYE 2021		FYE 2020	
					(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Customer B [^]	Hospitality and tourism	TMS and CTS for a bus terminal located in Pahang	Outright Purchase (hardware and software)	8	**	**	471	1.77	**	**	644	3.40
Mara Liner Sdn Bhd	Bus transportation and related services	BOS	Zero Capex (hardware and software)	11	**	**	451	1.70	3.42	3.42	693	3.65
Reign Network Sdn Bhd	IT services	TMS and CTS for Terminal Bersepadu Gombak	Outright Purchase (hardware and software)	2	&-	&-	**	**	56.43	56.43	900	4.74
Total					35,494	80.77	19,585	73.77	15,968	78.61	15,452	81.44
Total revenue of our Group					43,946	100.00	26,549	100.00	20,314	100.00	18,973	100.00

Notes:-

@ For avoidance of doubt, we have only provided the following solutions and/or services to KTMB throughout the financial years under review:-

(i) AFC and CTS (serving Komuter Utara, ETS and Intercity routes) in the FYE 2020, FYE 2021, FYE 2022 and FYE 2023; and

(ii) SMS ticketing notification services to KTMB in the FYE 2021.

** A customer of our Group during the respective financial year but was not one of the top 5 major customers in the respective financial year.

Both Maju Healthcare Sdn Bhd and Maju TMS are subsidiaries of Maju Holdings Sdn Bhd.

- Not a customer in the respective financial year.

[^] Our Group is bound by certain confidentiality clauses relating to the disclosure of the names of Customer A and Customer B. In this regard, our Group had on 22 September 2023 and 23 June 2023 respectively sought consent from Customer A and Customer B for disclosure of their names but the request was declined on 26 September 2023 and 11 September 2023 respectively. Customer B is a public company listed on the Main Market of Bursa Securities with its principal markets being Malaysia, United Kingdom and United States of America.

6. BUSINESS OVERVIEW (cont'd)

§ *Cityliner Sdn Bhd is a subsidiary of Epicon Berhad (formerly known as Konsortium Transnasional Berhad), a public company listed on the Main Market of Bursa Securities.*

* *Penawar Express Line Berhad is a subsidiary of Syarikat Pengangkutan Maju Berhad.*

& *Although we have completed the customisation and installation works in the FYE 2022, our Group had undertook testing and commissioning works at Terminal Bersepadu Gombak in the FYE 2023. However, no issuance of billings and recognition of revenue was made during the FYE 2023 as the specified milestones for the testing and commissioning have not been achieved and certified during the FYE 2023.*

The nature of our Group's business is that the revenue for a particular customer could be lumpy for that financial year if we successfully secure the initial contract for the provision of transportation IT solutions (comprising TOS, BOS and/or AFC) or maintenance and support services or terminal management services. Depending on the nature of the contract with our customer and the business engagement option chosen, we are able to recognise recurring income from the provision of transportation IT solutions to the selected customer based on the maintenance schedule or contracts under the Zero Capex option. In this regard, the composition of the top 5 major customers and their individual percentage contribution will fluctuate from year to year and stabilise after the initial installation period of the transportation IT solutions.

Dependency on major customers

- Rail Segment

Our Group is dependent on KTMB for the rail segment given that they are the only nationwide railway transportation service provider in Peninsular Malaysia and has contributed RM11.92 million, RM1.61 million, RM15.48 million and RM30.44 million to our revenue on an individual basis for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023, respectively. The decrease in revenue from RM11.92 million in the FYE 2020 to RM1.61 million in the FYE 2021, representing a decrease of RM10.31 million or 86.49% was mainly due to the completion of the installation of our CTS for KTMB in the FYE 2020. As at the LPD, our ongoing projects with KTMB are CTS maintenance (where our maintenance fee is based on revenue sharing model) and our AFC maintenance and support services with monthly maintenance fee beginning from October 2023 to the third quarter of 2026 (which may be further renewed by KTMB for an additional 2 years until third quarter of 2028).

Notwithstanding our Group's dependency on KTMB, we remain confident that KTMB will continue to support local IT service providers which can demonstrate their reliability and capacity to deliver consistent and timely support services.

Our Group's effectiveness in delivering prompt CTS maintenance and support services is integral to minimise disruptions and breakdowns of our solutions and for KTMB to run its operations efficiently. Given that our Group has been the primary IT solutions provider for the CTS from the outset, KTMB is likely to continue engaging our Group for upcoming enhancements to the CTS, as well as for the expansion of KTMB's routes throughout Peninsular Malaysia. We strive to maintain a high level of service given our strategic relationship in supporting KTMB's IT infrastructure system.

We have completed the customisation and installation of our AFC at the relevant identified stations, and are currently providing maintenance and support services for the AFC with KTMB.

6. BUSINESS OVERVIEW (cont'd)

Our management takes cognisance on our reliance on KTMB and intends to mitigate such reliance by undertaking strategic business expansions, which includes our venture into the ferry segment (with the aim to provide TOS to the 8 identified ferry terminals) and pursue strategic ventures to extend our CTS and AFC to other customers operating in the public land transportation sector if such opportunities arise.

Further details on our risk in respect of our dependency with KTMB are set out **Section 4.1.2** of this Prospectus.

- Bus Segment

We believe that we are not dependent on any particular bus terminal operator as each terminal in different states typically operates under a different operator.

In addition, we intend to diversify into ferry segment and other IT solutions to cater for non-transportation related sectors. These diversification efforts are gradually showing results and are expected to reduce our Group's reliance on any single customer over the long run.

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6. BUSINESS OVERVIEW (cont'd)

6.13 Major suppliers

The table below list the top 5 major suppliers of our Group for the financial years under review:-

Suppliers	Supplier's principal activities	Type of products/ services provided to the Group	Length of business relationship as at the LPD (years)	FYE 2023		FYE 2022		FYE 2021		FYE 2020	
				(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Pristine Gateway Sdn Bhd	Provision of electrical, electrical engineering and general contractor services	Site setup and installation of TOS equipment	7	4,966	23.11	839	9.01	**	**	1,197	12.18
Revenue Harvest Sdn Bhd ⁽¹⁾	Provision of electronic data capture terminals and electronic transaction processing services	AFC hardware and technical support services	1	3,014	14.03	-	-	-	-	-	-
Posiflex Business Machines Sdn Bhd ⁽²⁾	Provision of computer and IT products	TOS kiosks and POS systems	8	1,815	8.45	**	**	494	4.20	1,008	10.26
Supplier A [^]	Computer hardware and software provider	Software services and related support services	6	769	3.58	544	5.84	**	**	**	**
Supplier B ^{^(3)}	Banking and financial services provider	Merchant service transactions	3	676	3.15	696	7.47	**	**	**	**
Malayan Banking Berhad ⁽³⁾	Banking and financial services provider	Merchant service transactions	5	**	**	435	4.67	**	**	**	**
CTC Global Sdn Bhd ⁽⁴⁾	IT systems integration and field services support	Server system and Cloud hosting services	5	**	**	409	4.39	**	**	384	3.91

6. BUSINESS OVERVIEW (cont'd)

Suppliers	Supplier's principal activities	Type of products/ services provided to the Group	Length of business relationship as at the LPD (years)	FYE 2023		FYE 2022		FYE 2021		FYE 2020	
				(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Johanah Sdn Bhd	Civil engineering	Installation of network cabling system	3	-	-	-	-	5,074	43.12	-	-
Willowglen (Malaysia) Sdn Bhd ⁽⁶⁾	Provision, implementation and maintenance of computer-based control systems	CCTV and database server configuration	5	-	-	-	-	1,120	9.52	-	-
Turboo Technology Co Ltd	Manufacturing, sales and servicing of gate automation products	ACG	5	-	-	-	-	617	5.24	1,458	14.84
Ikris Bina Sdn Bhd	Provision of building, civil, mechanical and electrical engineering work	Structural works	4	-	-	-	-	290	2.46	**	**
Supplier C [^]	Provision of cash processing and handling systems and solutions	Cash-Note acceptor and dispenser	5	**	**	**	**	-	-	492	5.01
Total				11,240	52.32	2,923	31.38	7,595	64.54	4,539	46.19
Total cost of sales of our Group				21,483	100.00	9,315	100.00	11,767	100.00	9,826	100.00

Notes:-

- ** A supplier of our Group during the respective financial year but was not one of the top 5 major suppliers in the respective financial year.
- [^] Our Group is bound by certain confidentiality clauses relating to the disclosure of the name of Supplier A, Supplier B and Supplier C. In this regard, our Group had on 23 June 2023, 26 June 2023 and 23 June 2023, respectively sought consent from Supplier A, Supplier B and Supplier C for disclosure of their names but the requests were declined by them on 28 June 2023, 27 June 2023 and 5 July 2023, respectively. Supplier A and Supplier B's principal markets are in Malaysia, while Supplier C is a Hong Kong-based company with its principal markets being Hong Kong and China.
- Not a supplier in the respective financial year.
- (1) Revenue Harvest Sdn Bhd is a subsidiary of Revenue Group Berhad, a public company listed on the Main Market of Bursa Securities.

6. BUSINESS OVERVIEW (cont'd)

- (2) *Posiflex Business Machines Sdn Bhd is a subsidiary of Posiflex Technology, Inc, a public company listed on Taipei Exchange and Taiwan Stock Exchange Corporation.*
- (3) *A public company listed on Bursa Securities.*
- (4) *CTC Global Sdn Bhd is a subsidiary of ITOCHU Techno-Solutions Corporation, which is a 59.40%-owned subsidiary of ITOCHU Corporation. ITOCHU Corporation is listed on the Tokyo Stock Exchange.*
- (5) *Willowglen (Malaysia) Sdn Bhd is a wholly-owned subsidiary of Willowglen MSC Berhad, a public company listed on Bursa Securities.*

The top 5 major suppliers contributed 46.19%, 64.54%, 31.38% and 52.32% of our Group's total cost of sales for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively. We maintain good working relationship with our major suppliers and there have been no material disputes with our major suppliers or disruption in supplies to-date.

Nevertheless, our Group is not dependent on any of the major suppliers as we are able to source for other suppliers who are capable of furnishing comparable hardware, software or solutions. Our Group has 64, 62, 102 and 82 suppliers for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively. As such, our Group is not subject to any inherent risk arising from dependency on these major suppliers.

6.14 Types, sources and availability of supplies

Our main supplies consist of hardware equipment and third-party solutions. These supplies are sourced locally and overseas according to specifications required. The hardware equipment we purchase include payment terminals, TVMs and ACGs while solutions relate to subscription of cloud hosting and data plans. The table below details our purchases of our main supplies for the financial years under review:-

Types of purchases	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Hardware	5,816	92.48	7,953	95.84	1,496	61.06	11,135	91.91
Solutions	473	7.52	345	4.16	954	38.94	980	8.09
Total	6,289	100.00	8,298	100.00	2,450	100.00	12,115	100.00

6. BUSINESS OVERVIEW (cont'd)

6.15 Major licences and permits

Details of the approvals, major licences and permit obtained by our Group for the operation of our business are set out as follows:-

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
1.	NSS	MDEC	Certificate for MSC Malaysia status	Certificate No.: 4203 MDEC's reference: CS/3/8867(6a) & CS/3/8867(6b)	Effective date: 27 March 2017 Date of expiry: Valid until revoked	(a) NSS shall comply with the location requirements and conditions as set out below:- (i) NSS shall locate the implementation and operation of the MSC Malaysia Qualifying Activities within six months from the date of the grant of MSC Malaysia Status and thereafter continue to locate at all times at an address to be notified to the Government through MDEC with a minimum office space specified in item (ii) below in a Designated Premises within a MSC Malaysia Cybercity / Cybercentre, a list of which is available on the MSC Malaysia website as may be updated from time to time. Any change to the said address shall be subject to the prior written consent of the Government which request for approval shall be submitted through MDEC. (ii) NSS accepts that the extent and range of amenities, facilities, services and business environment at the various Designated Premises and MSC Malaysia Cybercities and Cybercentres can and will differ. (iii) Minimum office space: 2,000 sq ft.	Complied

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
2.	NSS	MOF	<p>Certificate of Registration with MOF for the provision of among others the following:</p> <p>(a) transportation, components and accessories/ vehicles, motorized and non-motorized/ bus;</p> <p>(b) ICT / computer equipment and fittings, component and hardware / hardware (low-end and high-end technology);</p>	<p>Registration No.: 357-02218724</p> <p>Certificate No.: K6594940824360 8890</p>	24 August 2023 / 23 August 2026	<p>(b) NSS shall ensure that at all times at least 15% of the total number of employees (excluding support staff) of NSS are "knowledge workers" who 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 NSS and the Government and/or MDEC shall not be held responsible for any liability arising from such recruitment, employment and/or appointment.</p> <p>(c) NSS shall notify the Government through MDEC of any change in the equity/shareholding structure of the Company, or such other changes that may affect the direction or operation of the Company.</p>	Complied
						<p>(a) Any changes to the information of NSS must be updated online at www.eperolehan.gov.my within 21 days of such change in information. The MOF may suspend or cancel the registration of NSS in the event of failure to comply with this condition, and the directors of NSS may be subject to disciplinary action including being blacklisted without notice if the information provided by NSS is incorrect;</p> <p>(b) NSS must submit all information as may be requested by the MOF within such prescribed period. The MOF may suspend or cancel the registration of NSS in the event of failure to comply with this condition, and the directors of NSS may be subject to disciplinary action including being blacklisted without notice if the information provided by NSS is incorrect;</p>	Complied

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
			(c) ICT / computer equipment and fittings, component and hardware / computer software, operating system, database, off the shelf packages including maintenance;			(c) NSS shall ensure that the fields listed in this certificate do not overlap with the fields that have been approved for any other companies having the same owner or board of directors of NSS or that operate on the same licenced premises;	Complied
			(d) ICT / computer equipment and fittings, component and hardware / software / system development / customisation and maintenance;			(d) The MOF reserves the right to conduct an audit or inspection at any time without prior notice at NSS's premises. The MOF may suspend or cancel the registration of NSS in the event of failure to comply with the registration requirements imposed by the MOF, and the directors of NSS may be subject to disciplinary action including being blacklisted without notice if the information provided by NSS is incorrect;	Noted
			(e) ICT / computer equipment and fittings, component and hardware / telecommunication / networking-product, infrastructure, services including maintenance;			(e) NSS shall not change its owner(s) or board of directors for a period of 6 months from the date of registration of this certificate;	Complied
						(f) Failure to renew this certificate after a period of 1 year after the expiry date may result in the cancellation and automatic removal of NSS's registration with the MOF, upon which NSS shall be required to make a new application accordingly;	Noted

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
			<p>(f) ICT / computer equipment and fittings, component and hardware / ICT security and firewall, encryption, PKI and anti-virus;</p> <p>(g) ICT / computer equipment and fittings, component and hardware / multimedia products, services and maintenance;</p> <p>(h) ICT / computer equipment and fittings, component and hardware / hardware and software leasing/renting; and</p> <p>(i) Services / employment / training services, teaching staff and moderators / negotiator.</p>			<p>(g) NSS's registration shall be suspended or cancelled in the event of any of the following:-</p> <p>(i) NSS or its owners or directors or any member of its management commits a crime and is found guilty by a local or foreign court, or has suffered civil liability;</p> <p>(ii) NSS fails to perform the obligations of any contracts that it has entered into with the Government of Malaysia;</p> <p>(iii) NSS is found to have amended this certificate with fraudulent or other similar purposes;</p> <p>(iv) NSS allows this certificate to be misused by other individuals or companies; or</p> <p>(v) NSS is discovered to be collaborating with other companies on price when entering into government tenders or subcontracts without the prior consent of the relevant government agencies.</p> <p>(h) Application for renewal must be made at least 3 months prior to its expiry.</p>	<p>Noted</p> <p>Noted</p>

Registration No.: 202201019895 (1465592-V)

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
3.	TCT Apps	Majlis Perbandaran Sepang ("MPS")	Office licence at 08-G-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account No.: 331201028982	Date of expiry: 31 December 2024	Nil	N/A
4.	NSS	MPS	Office licence at 08-01-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account No.: 331201026938	Date of expiry: 31 December 2024	Nil	N/A
5.	NSS	MPS	Office licence (information communication technology) at Unit 08-02-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account No.: 331201033131	Date of expiry: 31 December 2024	Nil	N/A
6.	NSS	MPS	Office licence at Unit 08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account No.: 331201022207	Date of expiry: 31 December 2024	Nil	N/A

Registration No.: 202201019895 (1465592-V)

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
7.	NSS	Dewan Bandaraya Kuala Lumpur ("DBKL")	Office licence at Unit L4-14, 4 th Floor, Terminal Bersepadu Selatan, Jalan Terminal Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	File No.: DBKL.JPPP/0019 7/12/2022/KM01	10 December 2023 / 9 December 2024	Workers at the premises shall be 50% citizens and 50% non-citizens with valid work permits. ⁽¹⁾	Complied
8.	NSS	DBKL	Warehouse/ storage (without chairs and tables) licence at Unit L4-7A & B, 4 th Floor, Terminal Bersepadu Selatan, Jalan Terminal Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	File No.: DBKL.JPPP/0029 3/10/2022/KM01	7 October 2023 / 6 October 2024	Workers at the premises shall be 50% citizens and 50% non-citizens with valid work permits. ⁽¹⁾	Complied
9.	NSS	DBKL	Office licence at No. 8B, Aras 2, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur	File No.: DBKL.JPPP/0282 1/04/2023/KM01	28 April 2024 / 27 April 2025	Workers at the premises shall be 50% citizens and 50% non-citizens with valid work permits. ⁽¹⁾	Complied
10.	NSS	Majlis Bandaraya Melaka Bersejarah	Business office – ticket sales licence at Jalan Tun Razak, Plaza Melaka Sentral, 75400 Melaka	File No.: 221041119172021 /L2.11917	Date of expiry: 8 April 2025	Nil	N/A

Registration No.: 202201019895 (1465592-V)

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
11.	NSS	MBKT	Ticket sales or payment counter licence at Kaunter Sistem Tiket Berpusat Kompleks Hentian Bas MBKT, 20100 Kuala Terengganu, Terengganu	Business account No.: 131904/KHB KSTB	Date of expiry: 31 December 2024	Nil	N/A
12.	NSS	MBKT	Management office and bag/ baggage storage services licence at Sistem Operasi Terminal Kompleks Hentian Bas MBKT, 20100 Kuala Terengganu, Terengganu	Business account No.: 131904/KHB SOT	Date of expiry: 31 December 2024	Nil	N/A
13.	NSS	Majlis Perbandaran Klang	Bus ticket sales counter and signage licence at Terminal Bas & Teksi (A&B) Klang Sentral Persiaran Klang Sentral, Jalan Meru 41050 Klang, Selangor	Licence account No.: LL1015720448572 0227	Date of expiry: 31 December 2024	Nil	N/A
14.	NSS	Majlis Bandaraya Johor Bahru	Business office licence at Lot No. 5C-91, First Floor Terminal Building, Larkin Sentral, 80350 Johor Bahru, Johor	License account No.: L2022L105579	Date of expiry: 31 December 2024 ⁽²⁾	Nil	N/A

Registration No.: 202201019895 (1465592-V)

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference No.	Date of issuance / Date of expiry	Major conditions imposed	Status of compliance
15.	NSS	Majlis Bandaraya Ipoh	Management office (information technology services) licence at B-3-2 IP 2, Lebuhr Medan Bandar Baru, Medan Ipoh, 31400 Ipoh, Perak	Business account No.: L0133781-01	23 May 2023 / 22 May 2024	Nil	N/A
16.	NSS	Mayor Bandaraya Kota Kinabalu	Trading licence (information communication technology services, internet and telecommunication contractor) at Level 7, Parcel No. D-02-07, Block D, Aeropod Commercial Square, Jalan Aeropod, Off Jalan Kepayan, 88200 Kota Kinabalu, Sabah	Account No.: 0000188310 T	4 December 2023 / 31 December 2024	Nil	N/A

Notes:-

- (1) For information purposes, the said condition was translated verbatim from the licences issued by DBKL. Our legal adviser had sought confirmation from the DBKL officer that the condition is deemed complied on the basis that only less than 50% of foreign workers with valid work permits are permitted to work at the said premises. In respect thereof, our Group is in compliance with the said condition as our Group has only 1 foreign employee with valid working permit (who is based at our head office) as at the LPD.
- (2) Although our CTS contract for Terminal Larkin Sentral has expired in August 2023, our Group had renewed the business office licence at Terminal Building, Larkin Sentral, Johor given that our tenancy for the office unit only expires in July 2024 and the office continues to serve as a work base for our technicians who are stationed in Johor to service stage bus operators adopting BOS in Johor.


6. BUSINESS OVERVIEW (cont'd)

6.16 Material trademarks and other intellectual property

Save for the trademark registration below, our Group does not have any other trademarks registrations and intellectual property rights which are material to our Group:-

No.	Trademark	Issuing authority	Registered owner / Applicant	Application or registration No.	Description	Validity Period	Status
1.		Intellectual Property Corporation of Malaysia ("MyIPO")	NSS	TM2021019977	<p>7 – Ticket vending machine</p> <p>9 – Ticket validation mechanisms for automatic gates; portable computers; handheld computers; handheld scanners; computer software for controlling self-service terminals; electronic payment terminals; interactive touch screen terminals; point-of-sale terminals.</p> <p>39 – Booking of tickets for travel; issuing of tickets for travel; online information and booking services in the field of business travel; provision of information about booking business travel, via the internet; provision of information about transport services; provision of information relating to railway transport; provision of information relating to the planning and booking of travel and transportation via electronic means.</p> <p>42 – Computer software design, development and programming services; computer software installation and maintenance; design of computer software for controlling self-service terminals; designing computer software for controlling self-service terminals; design and development of computer software for logistics, supply chain management and e-business portals; leasing of computer software relating to travel.</p>	21 July 2021 – 21 July 2031	Registered

6. BUSINESS OVERVIEW (cont'd)

No.	Trademark	Issuing authority	Registered owner / Applicant	Application or registration No.	Description	Validity Period	Status
2.		MyIPO	TCT Apps	TM2023007371	<p>39 - Logistics services consisting of the storage, transport and delivery of goods; logistics services consisting of the transportation and warehousing of goods; transportation logistics; booking of seats for coach travel; coach transport; coach transport services; transport by coach; booking of tickets for travel; issuing of tickets for travel; travel and travel tour ticket reservation services; travel tours and ticket reservation services; arranging and booking of eco-travel via a web site; arranging and booking of sightseeing travel tours; arranging and booking of travel; arranging and booking of travel for package holidays; arranging of eco-travel via a website; arranging of holiday travel; arranging of sightseeing travel tours; arranging of travel for study, language and educational trips; arranging travel for package holidays; booking of eco-travel via a website; booking of sightseeing travel tours; booking of travel; computerized reservation services; conducting of travel tours; conducting sightseeing travel tours by bus; consultancy in the field of business travel provided by telephone call centers and hotlines; escorting of travel tours; escorting of travelers; on-line information and booking services in the field of business travel; on-line information and booking services in the field of tourist travel; on-line trip and travel reservation services; operating and organizing of travel tours; organisation of holiday travel.</p>	-	Application was provisionally refused on 27 September 2023 and appeal has been submitted on 3 November 2023 ⁽¹⁾

6. BUSINESS OVERVIEW (cont'd)

Note:-

- (1) Our Group has submitted the application on 15 March 2023 and the application has been provisionally refused for registration by MyIPO on 27 September 2023 pursuant to Sections 23(1)(b), 23(1)(c) and 24(2)(b) of the Trademarks Act 2019 based on the following grounds:-
- (a) trademarks which are devoid of any distinctive character;
 - (b) trademarks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, other characteristics of goods or services or the time of production of goods or of rendering of services; and
 - (c) trademark is similar to an earlier trademark and is to be registered for goods or services identical with or similar to the earlier trademark.

Our Company had on 3 November 2023 submitted a written appeal in response to the provisional appeal and currently awaiting for the response from the MyIPO on the appeal. As at the LPD, our Company has not received any response from MyIPO on our written appeal. We will closely follow up with MyIPO on the outcome for the written appeal.

Our Group's business and profitability are not materially dependent on the abovementioned trademark. Hence, any non-registration of such trademark would not have a material impact to our Group.

6.17 Material properties, plant, machinery and equipment

6.17.1 Properties owned by our Group

A summary of the material properties owned by our Group as at the LPD are as follows:-

No.	Title details / Property address	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Purchase price (RM'000)	Legal/beneficial owner	Land area/ Built-up area (sq ft)	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at December 2023 (RM'000)
1.	Master Title Geran 339485, Lot 111284, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor bearing postal address of 08-01-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor ⁽¹⁾	Description: 1 st floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for administrative and technical operation Tenure: Freehold Category of land use: Building	1,467	NSS	2,158	18 December 2018 / 17 November 2017	Assigned to Maybank Islamic Berhad with power of attorney to transfer or otherwise deal with the property, pending issuance of strata title upon which charge is to be created	1,169

6. BUSINESS OVERVIEW (cont'd)

No.	Title details / Property address	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Purchase price (RM'000)	Legal/beneficial owner	Land area/ Built-up area (sq ft)	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 (RM'000)
2.	Master Title Geran 339485, Lot 111284, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor bearing postal address of 08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor ⁽¹⁾	Description: 5 th floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for administrative and technical operation Tenure: Freehold Category of land use: Building	1,528	NSS	2,635	3 August 2016/ 17 November 2017	Assigned to Maybank Islamic Berhad with power of attorney to transfer or otherwise deal with the property, pending issuance of strata title upon which charge is to be created	1,314

Note:-

(1) Pending issuance of strata title.

As at the LPD, the properties owned by our Group are not in breach of any land use conditions, current statutory requirements, land codes, building regulations or by-laws, which will have material adverse impact on our operations.

6. BUSINESS OVERVIEW (cont'd)

6.17.2 Properties rented by our Group

A summary of the material properties rented by our Group as at the LPD are as follows:-

No.	Property Address	Landlord/ Tenant	Description/ Existing use	Floor area (sq ft)	Period of tenancy
1.	08-G-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Landlord: TCT International Tenant: TCT Apps	Description: Ground floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for IT and technical operation	1,946	2 years commencing from 1 January 2024 and expiring on 31 December 2025
2.	08-02-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Landlord: Hazlinda Binti Mohamed Zain Tenant: NSS	Description: Second floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for administrative operation	2,158	1 year commencing from 16 March 2024 and expiring on 15 March 2025
3.	Unit L4-14, Fourth Floor, Terminal Bersepadu Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	Landlord: Maju TMAS Sdn Bhd Tenant: NSS	Description: Terminal and office building Existing use: Office	957	3 years commencing from 1 December 2021 and expiring on 30 November 2024 ⁽¹⁾
4.	Unit L4-7A&B, Fourth Floor, Terminal Bersepadu Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	Landlord: Maju TMAS Sdn Bhd Tenant: NSS	Description: Terminal and office building Existing use: Hardware storage	256	3 years commencing from 1 October 2021 and expiring on 30 September 2024 ⁽¹⁾

6. BUSINESS OVERVIEW (cont'd)

No.	Property Address	Landlord/ Tenant	Description/ Existing use	Floor area (sq ft)	Period of tenancy
5.	No. 8B, Aras 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur	Landlord: Keretapi Tanah Melayu Berhad Tenant: NSS	Description: Transit hub Existing use: Office	421	3 years commencing from 1 April 2024 and expiring on 31 March 2027
6.	Waiting Area, Terminal A, Klang Sentral, Persiaran Klang Sentral 1/KU5, Klang Sentral, 42200 Klang, Selangor	Landlord: NPO Management Sdn Bhd Tenant: NSS	Description: Bus terminal Existing use: Bus ticketing counters and online system within the waiting area	10,000	3 years commencing on 1 December 2023 and expiring on 30 November 2026
7.	Plaza Melaka Sentral, Jalan Tun Razak, 75400 Melaka	Landlord: Melaka Sentral Sdn Bhd Tenant: NSS	Description: Bus terminal Existing use: Bus ticketing counter, office and waiting area	16,200	5 years commencing from 1 January 2022 and expiring on 21 December 2026
8.	No. KHB B16, B17, B18, B19, B20, B21, B22, B23, B24, B25, B95, B96, B97, B98, B99, B100, B101, B102, B103, B104, B105, B106, K4, K5, K6, K7, K8, K9 dan K10, (ticket counters) Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu ⁽²⁾	Landlord: Majlis Bandaraya Kuala Terengganu Tenant: NSS	Description: Bus terminal Existing use: Ticketing counter, office, meeting room, pantry and surau	892	15 years 6 months commencing on 1 July 2020 and expiring on 31 January 2036

6. BUSINESS OVERVIEW (cont'd)

No.	Property Address	Landlord/ Tenant	Description/ Existing use	Floor area (sq ft)	Period of tenancy
9.	Waiting Area, Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu held under PN 4767, Lot 4545, Bandar Kuala Terengganu, 20100 Terengganu ⁽²⁾	Landlord: Majlis Bandaraya Kuala Terengganu Tenant: NSS	Description: Bus terminal Existing use: Waiting & Boarding Area	4,659	15 years 6 months commencing on 1 July 2020 and expiring on 31 January 2036
10.	Lot No. 5C-91, Ground Floor, Terminal Building, Larkin Sentral, 80350 Johor Bahru, Johor	Landlord: Larkin Sentral Property Berhad Tenant: NSS	Description: Bus terminal Existing use: Office	270	2 years commencing from 1 August 2022 and expiring on 31 July 2024 ⁽³⁾
11.	B-3-2, 3 rd Floor, Intan Business Centre 2, Lebuhr Persiaran Medan Ipoh, Bandar Baru Medan Ipoh, 31400 Ipoh, Perak	Landlord: Incubator4U Sdn Bhd Tenant: NSS	Description: Office building Existing use: Office	202	1 year commencing from 1 April 2024 and expiring on 31 March 2025
12.	Parcel No. D-02-07, Level 7, Block D, Aeropod Commercial Square, Jalan Aeropod, Off Jalan Kepayan, 88200 Kota Kinabalu, Sabah	Landlord: Amechanus Holdings Sdn Bhd Tenant: NSS	Description: Level 7 of an eight-storey retail office Existing use: Office	1,594	3 years commencing from 15 March 2023 and expiring on 14 March 2026

6. BUSINESS OVERVIEW (cont'd)

Notes:-

- (1) Our Group will undertake the renewal process for the respective tenancies within 2 months from the respective expiry dates.
- (2) In Peninsular Malaysia, any occupation or granting of permission to occupy any building or part thereof without a CF or 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.

MBKT, being the state authority and owner of the bus terminal had, on 4 July 2023 confirmed that no CF/CCC was issued for these premises. Given that NSS, being the tenant of the bus terminal, NSS may hence be subject to penalties as mentioned above for occupying the bus terminal without a CF or CCC. As at the LPD, our Group has not received any notices, penalties or compounds from MBKT in respect of such non-compliance. Further, our management is of the view that the likelihood of penalty for the non-compliance being imposed by MBKT is remote as MBKT is the owner of the terminal.
- (3) Our Group does not intend to renew the tenancy given that our CTS contract for Terminal Larkin Sentral has expired in August 2023. Our Group is currently in the midst of identifying a new location to house our technicians who are stationed in Johor to service stage bus operators adopting BOS in Johor.

Save as disclosed above, as at the LPD, the properties rented by our Group are not in breach of any land use conditions, current statutory requirements, land codes, building regulations or by-laws, which will have material adverse impact on our operations.

6.17.3 Material machinery and equipment

Our Group does not have any material machinery and equipment as at the LPD.

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6. BUSINESS OVERVIEW (cont'd)

6.18 Relevant Laws, regulations, rules or requirements, and environmental, social and governance practices

6.18.1 Governing laws and regulations

(i) Land Public Transport Act 2010 (“LPTA”)

Pursuant to Section 6 of the LPTA, no person shall operate any terminal unless he holds a licence issued by the Director General of Land Public Transport. A person who operates a terminal without a valid licence commits an offence and shall, on conviction, be liable to a fine not exceeding RM1 million or to imprisonment for a term not exceeding 5 years or to both.

In accordance with Section 12A of the LPTA, no person shall operate or provide an intermediation business unless he holds a licence issued by the Director General of Land Public Transport. The LPTA has defined “intermediation business” as the business of facilitating arrangements, bookings or transactions for the provision of land public transport services for public service vehicle service whether for any valuable consideration or money’s worth or otherwise. A person who operates or provides an intermediation business without a valid licence shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 3 years or to both.

As at the LPD, NSS provides terminal management services for the Existing Specified Bus Terminals. Further, NSS also develops and implements TOS (comprising TMS and CTS) for the transportation service providers and operators. Regulation 4 of the Land Public Transport (Terminal Licensing) (Station and Transport Hub) Regulations 2024 (“**Terminal Licensing Regulations 2024**”) provides that an application for a terminal licence by any person who intends to carry on the terminal operation shall be made to the Director General of Land Public Transport in such manner as may be determined by the Director General of Land Public Transport.

“Terminal operation” under the Terminal Licensing Regulations 2024 means the embarkation and disembarkation of passengers, business activity, the entry and exit of people activity in the terminal and other activities in the terminal area including:-

- (a) collection of terminal charge;
- (b) management and regulation of terminal operation;
- (c) cleaning and maintenance; and
- (d) safety and security system.

Before the application is approved under Regulation 4 of the Terminal Licensing Regulations 2024, any land public transport officer appointed and duly authorised by the Director General of Land Public Transport, shall at any time, conduct an inspection at the terminal. The terminal licensee shall provide full access to enter the terminal to any land public transport officer to carry out the inspection. After completing the inspection, the Director General of Land Public Transport shall determine the type of category and grade for the terminal.

For the purpose of determining a terminal grade, the Director General of Land Public Transport shall take into account the level of facilities set out as follows:-

- (a) ticketing and information system;
- (b) traffic flow management system for vehicle and terminal user;

6. BUSINESS OVERVIEW (cont'd)

- (c) security system; and
- (d) terminal user comfort.

As system operators, we operate the central ticketing system and the terminal management system in accordance with the various agreements entered into with the respective terminal owners. It is pertinent to note that we are not the terminal owner operating the terminal nor are we in charge of the whole terminal operations as stated above. As such, NSS is only required to obtain the licence under Section 12A of the LPTA in respect for carrying on intermediation business.

However, as at the LPD, the relevant regulations governing the licensing applications under Section 12A of the LPTA have yet to be gazetted and NSS was advised by APAD that the application for relevant licences can only be submitted to APAD after the effective date of the relevant regulation. Our Group will undertake the necessary steps to meet the prescribed criteria under the LPTA (which will only be made known to our Group upon the Section 12A of the LPTA are gazetted) given that such licenses will be critical to our operations. As at this juncture, we are currently monitoring the updates on the LPTA and will promptly make the relevant application to APAD after the regulation comes into effect. Since our inception and up to the LPD, our Group has not been issued any penalties under the LPTA.

(ii) Local Government Act 1976

Pursuant to Section 102 of the Local Government Act 1976, local authorities are empowered to make, amend and revoke by-laws. Presently, our Group's business activities are carried out in Cyberjaya, Klang, Selangor, Kuala Lumpur, Melaka, Kuala Terengganu, Terengganu, Johor Bahru, Johor, Ipoh, Perak and Kota Kinabalu, Sabah and as such, we come under the jurisdiction of Majlis Perbandaran Sepang, Dewan Bandaraya Kuala Lumpur, Majlis Bandaraya Melaka Bersejarah, MBKT, Majlis Perbandaran Klang, Majlis Bandaraya Johor Bahru, Majlis Bandaraya Ipoh and Mayor Bandaraya Kota Kinabalu.

No person shall operate any activity of trade, business and industry or use any place or premises for any activity of trade, business and industry without a licence issued pursuant to the relevant by-laws.

The penalties imposed by the relevant local authorities where the Group operates are set out below:-

- (a) Licensing of Trades, Businesses and Industries (Sepang Municipal Council) By-laws 2007 provides that any person who contravenes any provision of the by-laws, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction;
- (b) Licensing of Trades, Businesses and Industries (Federal Territory of Kuala Lumpur) By-laws 2016 provides that any person who contravenes any provision of the by-laws, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction;
- (c) Licensing of Trades (Malacca Historic City Council) By-laws 2010 provides that any person who contravenes any provision of the by-laws, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or to both;

6. BUSINESS OVERVIEW (cont'd)

- (d) Licensing of Trades, Businesses and Industries (Kuala Terengganu Municipal Council) By-laws 1990 provides that any person who contravenes any provision of the by-laws, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or to both, and to a further fine not exceeding RM200 for every day during which the offence is continued after conviction;
- (e) Licensing of Trades, Businesses and Industries (Klang Municipal Council) By-laws 2007 provides that any person who contravenes any provision of the by-laws, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or to both;
- (f) Licensing of Trades, Businesses, and Industries (Johor Bahru City Council) By-Laws 2016 provides that any person who contravenes any provision of the by-laws, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or to both;
- (g) Licensing of Trades, Businesses and Industries (Ipoh City Council) By-laws 2017 provides that any person who contravenes any provision of the by-laws, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction; and
- (h) Trades Licensing Ordinance, 1948 provides that any person carries on business without a valid trading licence, shall be liable for each offence to a fine of four times the amount of the licence fee and to a further fine of RM10 for each day or part of a day subsequent to a conviction during which the contravention continues.

As at the LPD, our Group has obtained valid licences issued by the relevant local authorities for our business premises, further details of which are set out in **Section 6.15** of this Prospectus.

Since our inception and up to the LPD, our Group has not been issued with any material penalties pursuant to the Local Government Act 1976, Trades Licensing Ordinance, 1948 and the applicable by-laws. As at the LPD, our Group has observed and will continue to ensure that we comply with the provisions of the Local Government Act 1976, Trades Licensing Ordinance, 1948 and the applicable by-laws.

(iii) Personal Data Protection Act 2010

The Personal Data Protection Act 2010 regulates the processing of personal data in commercial transactions in Malaysia. Personal data relates directly or indirectly to a data subject, who is identified or identifiable from that information or from that and other information in the possession of a data user, including any sensitive personal data and expression of opinion about the data subject. The processing of personal data by a data user must comply with the Personal Data Protection Principles as provided under the Personal Data Protection Act 2010. A data user who fails to comply with the Personal Data Protection Principles commits an offence and shall, on conviction, be liable to a fine not exceeding RM300,000 or to imprisonment for a term not exceeding two years or to both.

6. BUSINESS OVERVIEW (cont'd)

Our Group collects personal data of the passengers when passengers purchase tickets via our online ticketing platform. Since our inception and up to the LPD, our Group has not been issued with any penalties pursuant to the Personal Data Protection Act 2010. As at the LPD, our Group will continue to comply with the Personal Data Protection Principles as provided under the Personal Data Protection Act 2010.

(iv) Street, Drainage and Building Act 1974 and Sabah Uniform Buildings By-Laws 2022

In Peninsular Malaysia, any occupation or granting of permission to occupy any building or part thereof without a CF or 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 Sabah, any occupation or granting of permission to occupy any building or any part thereof without a CCC, will render the registered proprietor or occupier liable to an offence under the Sabah Uniform Buildings By-laws 2022 and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both and in the case of a continuing offence, to a further fine not exceeding RM5,000 for every day during which the offence continues after conviction.

As at the LPD, all of our Group's owned and rented properties have their respective CF/CCCs save for 2 rented properties located on the same premises, the details of which are as follows:-

- (a) No. KHB B16, B17, B18, B19, B20, B21, B22, B23, B24, B25, B95, B96, B97, B98, B99, B100, B101, B102, B103, B104, B105, B106, K4, K5, K6, K7, K8, K9 dan K10, (ticketing counters) Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu; and
- (b) Waiting Area, Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu held under PN 4767, Lot 4545, Bandar Kuala Terengganu, 20100 Terengganu.

MBKT, being the state authority and terminal owner has on 4 July 2023 confirmed that no CF/CCC was issued for the abovementioned premises. Since our inception and up to the LPD, our Group has not received any notices, penalties or compounds from MBKT in respect of such non-compliance. As such, our Group is of the view that the likelihood of penalty being imposed by MBKT is remote as MBKT is the owner of the terminal.

6.18.2 Environmental, social and governance practices

We recognise the importance of adopting Environment, Social and Governance ("ESG") practices such as ensuring environmentally responsible operations, providing conducive workplaces for employees and a high standard of corporate governance for sustainable valuation creation and maintaining the confidence of our shareholders and stakeholders. As such, we will focus on the following 3 broad categories:-

(i) Environmental sustainability

We endeavour to adhere to environmentally friendly practices in our management of resources and pollution generated from our business activities. In managing environmental sustainability matters, we will focus on, amongst others, the following:-

6. BUSINESS OVERVIEW (cont'd)

- (a) practising ERRR (Eliminate, Reduce, Re-use, Recycle) and lean resources management approach which includes, amongst others, reducing the use of paper in our operations and utilising digital documents where possible and practical, encouraging all employees to collect recyclable waste in the office and minimising electricity wastage to reduce carbon footprint;
- (b) adhere to all relevant environmental regulatory and legal requirements; and
- (c) raise awareness of the Sustainability Policy among our Group and stakeholders to promote sustainability and ensure that our employees are aware of our commitment to protect the environment.

(ii) Social Sustainability

We place a strong emphasis on the safety and health of our employees, driving towards mitigating any associated safety and health risks at our workplace, creating a safe environment for our employees to enhance productivity and performance as well as providing equal opportunities for all. In managing social sustainability matters, we will focus on, amongst others, the following:-

- (a) ensure a safe, healthy and conducive work environment for our employees;
- (b) eliminate improper conduct and practices, including but not limited to workplace bullying, discrimination against individual differences, discriminatory and sexual harassment, intimidation and victimisation;
- (c) ensure equal access to opportunities regardless of one's age, gender, ethnicity, religion, national origin, sexual orientation, disability or any other relevant characteristics;
- (d) respect and uphold the fundamental workers' rights through the elimination of child labour and forced labour of all forms;
- (e) empower our workforce by supporting their personal and professional growth;
- (f) cultivate a diverse and inclusive culture that recognises and values individuality; and
- (g) contribute to the well-being and development of the surrounding community through corporate social responsibility programmes and donation.

(iii) Governance

Our Group is committed to conduct our business ethically and in compliance with all relevant laws, regulations, rules and requirements as disclosed in **Section 6.18.1** above. In maintaining high standards of corporate governance, our Board has progressively adopted all the applicable principles and practices as promulgated in the Malaysian Code on Corporate Governance in particularly on embracing board gender diversity.

In addition, our Group has adopted the Anti-Bribery and Anti-Corruption policy towards bribery where we have put in place the policies and procedures to ensure strict compliance with the Malaysian Anti-Corruption Commission Act 2009. In relation to our risk management, our Group has put in place a risk management framework to monitor closely on the risk associated with our business as well as the Whistleblowing Policy and Personal Data Protection Policy to ensure and promote fairness in business dealings.

6. BUSINESS OVERVIEW (cont'd)

6.19 Dependency on contracts, agreements, documents or other arrangements

As at the LPD, we are not dependent on any contracts, agreements, documents or other arrangements for our business operations.

6.20 Productive capacity and extent of utilisation

A general metric to measure productive and/or operational capacity is working hours of the employees. However, due to the nature of our operations, our Group believes that such metric may not be a relevant and accurate representation as:-

- (i) our Group’s solutions are customised and developed according to our customers’ request and requirements; and
- (ii) the projects secured by our Group vary in terms of, amongst others, technical complexity, tenure of the contract and project as well as our customers’ site readiness.

6.21 D&D

D&D is an on-going process in our bid to continuously update all of our existing solutions to provide users with enhanced features. The table below lists our current on-going D&D efforts:-

Current

D&D plans	Targeted solutions	Description	Commencement of development/ Expected time to complete development and introduce feature
Facial recognition	CTS and AFC	Facial recognition is a technology to identify and verify individuals based on their unique facial features to improve the security and prevent fraud.	August 2023 / December 2024
Electronic Know-Your-Customer (“E-KYC”)	CTS, BOS and AFC	E-KYC is a digital method employed to verify and authenticate the identity of users which adheres to requirements from financial institutions.	September 2023 / July 2024
Onboard surveillance	BOS	We intend to integrate onboard surveillance for buses as a means of improving safety and increase security measures. It can also be used to improve drivers monitoring and used to investigate accidents.	August 2023 / July 2024
Licence plate recognition	TMS	Using character recognition technology, we intend to develop licence plate recognition feature to track the movement of vehicles in terminals. The information can be used to improve traffic management and increase crime prevention.	August 2023 / December 2024

6. BUSINESS OVERVIEW (cont'd)**Future**

D&D plans	Targeted solutions	Description	Expected commencement of development/ Expected time to complete development and introduce feature
AI transportation booking	CTS, AFC, GoPartner and GoHub.com.my	We intend to incorporate AI into transportation booking system to enhance the booking process. It can be used to automate the allocation of resources (such as Chatbot and planning) and also enables personalised transportation booking experience according to inputs and requirements from each user. The estimated costs to acquire the AI chatbot engine (being the core component for the development of the AI transportation booking system) is approximately RM1.20 million, and such costs will be funded through our Public Issue proceeds. For avoidance of doubt, our software engineers will undertake the development of the AI transportation booking system (which includes the integration for the AI chatbot engine).	January 2024/ December 2026

As at the LPD, our Group does not have dedicated D&D staff or department which undertakes D&D activities. These efforts are carried out by members of our IT development department, where staff are assigned on an ad hoc basis, and generally consist of a team made up of project manager, programmers and project consultants.

We incurred D&D expenses of approximately RM0.03 million, RM0.02 million, RM0.04 million and RM0.02 million in the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively, representing 0.13%, 0.12%, 0.15% and 0.05%, over our total revenue respectively.

6.22 Interruptions to business and operations

We have not experienced any other interruption that has a significant effect on our business and operations during the past 12 months preceding the LPD. However, it should be noted that COVID-19 pandemic which had resulted in the restriction of travel has caused a significant effect on our Group's business and operations in the FYE 2020 and the FYE 2021. Please refer to **Sections 4.1.5** and **6.4** of this Prospectus for further details on the impact of COVID-19 on our business and operations.

6.23 Environmental matters

As at the LPD, there are no environmental matters that may materially affect our Group's business operations.

6.24 Future plans and business strategies

We intend to expand our business in the next 3 years, which include:-

- (i) leveraging on our market presence and established track record to expand our Group's footprint in the bus and rail segments to areas where we currently do not have any presence in;

6. BUSINESS OVERVIEW (cont'd)

- (ii) widening our public transportation IT solutions to include ferry terminals; and
- (iii) strengthening our operational capabilities that involve expansion of our workforce, the Acquisition of Star Central Office Tower, setting up a D&D department and enhancing our customer support and maintenance services.

6.24.1 Expanding our geographical footprint in the domestic markets

Our principal market is currently Peninsular Malaysia. In line with our Group's strategic plans, we are actively pursuing opportunities to expand our presence within the country, focusing on identified domestic transportation-related initiatives with potential for collaboration and growth. Our business plans and strategies are as follows:-

Expansion of our market presence in the public land transportation sector

- (i) We have, on April 2018, secured a project for the installation of TOS (comprising TMS and CTS) at a bus terminal located in Sabah. We have completed the installation of TOS in November 2023 and the terminal commenced operations in the same month. Our Group will continue to provide maintenance support for the TOS at the terminal for a period of up to 12 months with the option to renew the maintenance contract on a yearly basis. We are confident that we are able to expand our market presence in the public land transportation sector in East Malaysia by leveraging on our track record in Peninsular Malaysia and the recent completion of our TOS project for the bus terminal located in Sabah; and
- (ii) Notably, the soon-to-be-completed electrified double track route from Gemas, Negeri Sembilan to Johor Bahru which will include additional 9 stations (with the Segamat station expected to be operational in July 2024). This hence presents a promising avenue for our Group in view of our current market presence in the rail segment as our Group will be required by KTMB to install the related hardware (such as ACG and TVMs) and software at the 9 rail stations ("**New Rail Project**"). The installation of the related hardware will be on an Outright Purchase basis whilst the installation of the software will be based on Zero Capex model (where our Group will be required to provide maintenance and support services and charge such maintenance and support services in the form of revenue sharing). It should be noted that the New Rail Project will be undertaken by our Group as part of the extension of our existing CTS installation contract and CTS maintenance contract with KTMB.

Explore potential market to capture wider customer base

- (i) We are currently working with the Sabah Port Authority to implement transportation IT solutions at 8 identified ferry terminals under the state's digitalisation initiative to improve the efficiency, security and safety of operations at the ferry terminals with the intention to fully implement our solutions by March 2025. Please refer to **Section 3.6.1(ii)(a)** of this Prospectus for further details on the implementation stages of our transportation IT solutions for the ferry terminals in Sabah; and

6. BUSINESS OVERVIEW (cont'd)

- (ii) We intend to expand our online marketplace offering of GoHub.com.my to include reservations for campsites, homestays and sports centres to establish our market presence in tourism and hospitality sectors. Such expansion will be implemented in-house and will be funded through the “Malaysia Digital Catalyst” grant from MDEC (which was obtained in October 2023) with funding of up to RM1.0 million and internally generated funds. The indicative timeframe to launch such online marketplace offering is set out below:-

Stage(s)	Key event(s)	Indicative timeline
1.	<ul style="list-style-type: none"> Design and development of the modules for GoHub.com.my website for desktop and mobile platform for end-users as well as the user administration modules for the enterprises (who are campsites, homestays and sports centres operators) to organise and manage bookings Finalisation on the design layout of the website for desktop and mobile platform 	Up to 31 December 2023
2.	<ul style="list-style-type: none"> Implementation of the modules on GoHub.com.my website and undertake integration of GoPartner modules with GoHub.com.my GoHub.com.my website's booking database management/infrastructure module in place Soft launch of GoHub.com.my website's offerings of booking modules for ferry rides, campsites, homestays and sports centres operators 	Up to 31 March 2024
3.	<ul style="list-style-type: none"> Successful integration of the GoPartner modules with GoHub.com.my website (which will enable end-users to access the database of GoPartner's customers (who are, amongst others, campsite and homestay operators) UAT on GoHub.com.my (for the booking modules for campsites, homestays and sports centres operators) 	Up to 30 June 2024
4.	<ul style="list-style-type: none"> Official launch of GoHub.com.my website and mobile application (booking modules for campsites, homestays and sports centres operators) 	Up to 30 September 2024

6.24.2 Expanding our workforce

In line with our planned business expansion, we intend to increase our workforce to bolster our human resource capabilities. We will focus on the recruitment of skilled professionals who possess the required technical skillset and expertise which are essential to our industry. The following table sets out the details of our recruitment plan for the next 2 years:-

Details		No. of new hires (Up to)
1.	<p>Software engineers</p> <p>We intend to augment our software development capabilities by recruiting up to 10 software engineers. Our software engineering division currently consists of 24 software engineers, all of whom are integral to the programming and designing of our IT solutions.</p> <p>This recruitment initiative is geared towards enabling our Group to diversify our project portfolio without encroaching upon the resources allocated for our existing projects.</p>	10

6. BUSINESS OVERVIEW (cont'd)

Details		No. of new hires (Up to)
2.	<p>QC engineers</p> <p>As part of our strategic business expansion, we are poised to establish a dedicated QC department, which will comprise up to 4 experienced professionals with background in software engineering. The QC function which was previously managed by our project consultants, and relieving them of this function will enable our project consultants to focus their efforts solely towards enhancing our solutions.</p> <p>The new QC engineers will be tasked to meticulously oversee all QC aspects across our projects. Their responsibilities entail the review of software codes to ensure that the outcome of the software system is aligned with our customer requirements, which were previously articulated during the on-boarding process.</p>	4
3.	<p>Project consultants</p> <p>We plan to recruit up to 6 computer engineers to fulfil the position of project consultants. Our project consultants are pivotal to our business operations as they undertake the following key roles:-</p> <ul style="list-style-type: none"> (a) on-boarding and requirement analysis functions - engaging in close collaboration with our customers to gain better understanding of their business and project requirements, to ensure seamless alignment between proposed technology solutions and the intended outcomes; (b) project management function - developing detailed project plans that set out the tasks, timelines, resource allocation and all significant milestones with the aim to ensure a structured approach to the execution of projects; (c) software system training function - providing training sessions and documentation to our customers to facilitate the adoption and application of our IT solutions; (d) customer support function - coordinating and assisting our customers to troubleshoot any unforeseen technical challenges and intricacies that may emerge after project completion; and (e) customer account management function - maintaining consistent communication with our customers throughout the project lifecycle, providing updates on progress, addressing concerns and managing expectations. <p>As at the LPD, we have a team of 8 project consultants managing our ongoing projects and customer relationships.</p>	6
4.	<p>Helpdesk and customer service</p> <p>We intend to strengthen our support services by hiring additional 4 new personnel (with computer science and technology experience) for our helpdesk operations. We currently operate a helpdesk centre (which acts as the centralised support hub to respond to our customers) with 6 personnel. Our helpdesk coverage commences from 5.00 a.m. to 9.00 p.m. daily.</p> <p>In addition, our Group intends to set up a user support desk to provide customer service support to users of GOHUB's online marketplace application and website on software/application troubleshooting and user experience feedback collection. We will hire up to 4 personnel with IT helpdesk experience to manage and operate the user support desk.</p>	8

6. BUSINESS OVERVIEW (cont'd)

Details		No. of new hires (Up to)																												
5.	<p>Technicians</p> <p>We intend to hire up to 15 technicians (with computer science and technology experience) to complement our existing team and support our new projects which include:-</p> <p>(a) allocation of up to 7 technicians to support 9 rail stations as KTMB extends its ETS routes to the South of Peninsular Malaysia; and</p> <p>(b) our venture into the ferry segment where we intend to allocate up to 8 technicians at 8 ferry terminals in Sabah.</p> <p>As our major customers are involved in the provision of mobility and transportation services to the general public, we are required to provide prompt onsite technical support and maintenance as well as expedited response in the case of any emergency or disruptions arising from our TOS. A high level of service is critical to our customers as they are expected by the Ministry of Transport/ government agencies and the general public to operate with minimal disruptions/ breakdowns and equipped with emergency preparedness and response time, should the need arise.</p> <p>Having recognised the need to provide swift support to our customers, we have stationed our technicians at the key rail stations and bus terminals on a permanent basis to perform periodic maintenance on TOS and onsite support (based on the directive of our helpdesk), where required. As at the LPD, our technicians are stationed in the following states:-</p> <table border="1"> <thead> <tr> <th>States</th> <th>No. of technicians</th> </tr> </thead> <tbody> <tr> <td>Cyberjaya (Headquarters)</td> <td>2</td> </tr> <tr> <td>Perlis</td> <td>2</td> </tr> <tr> <td>Kedah</td> <td>3</td> </tr> <tr> <td>Penang</td> <td>1</td> </tr> <tr> <td>Perak</td> <td>6</td> </tr> <tr> <td>Selangor</td> <td>1</td> </tr> <tr> <td>Wilayah Persekutuan Kuala Lumpur</td> <td>13</td> </tr> <tr> <td>Negeri Sembilan</td> <td>4</td> </tr> <tr> <td>Johor</td> <td>5</td> </tr> <tr> <td>Pahang</td> <td>1</td> </tr> <tr> <td>Kelantan</td> <td>1</td> </tr> <tr> <td>Terengganu</td> <td>1</td> </tr> <tr> <td>Total</td> <td>40</td> </tr> </tbody> </table>	States	No. of technicians	Cyberjaya (Headquarters)	2	Perlis	2	Kedah	3	Penang	1	Perak	6	Selangor	1	Wilayah Persekutuan Kuala Lumpur	13	Negeri Sembilan	4	Johor	5	Pahang	1	Kelantan	1	Terengganu	1	Total	40	15
States	No. of technicians																													
Cyberjaya (Headquarters)	2																													
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Wilayah Persekutuan Kuala Lumpur	13																													
Negeri Sembilan	4																													
Johor	5																													
Pahang	1																													
Kelantan	1																													
Terengganu	1																													
Total	40																													
6.	<p>D&D personnel</p> <p>We do not have dedicated D&D staff or department which undertakes D&D activities. These efforts are carried out by members of our IT Development department, where staff are assigned on an ad hoc basis, and generally consist of a team made up of project manager, programmers and project consultants.</p> <p>To support our future endeavours in our D&D activities, we intend to expand our workforce in the department.</p>	6																												
Total		49																												

We intend to allocate RM10.10 million or 26.92% of our Public Issue proceeds towards the expansion of our workforce within 24 months from our Listing, of which RM9.60 million will be utilised towards the payment of staff salaries and benefits of new recruits for up to 49 employees for an estimated period of 24 months (based on our staff salary records and salary estimates).

6. BUSINESS OVERVIEW (cont'd)

For avoidance of doubt, the initial recruitment costs associated to the recruitment of the above mentioned personnel will be fully funded via internally generated funds. We believe that that expansion will enhance our capacity to service the growing number of new purchase orders and contracts.

6.24.3 Marketing efforts to showcase our solutions and secure potential customers

Our immediate marketing plans involves participating in exhibitions worldwide focusing on transportation, traffic management as well as smart city infrastructure. We have outlined several exhibitions which we intend to participate:-

Exhibition	Description
Rail Solutions Asia	Rail Solutions Asia is an exhibition and comprehensive conference programme centred on rail solutions. It also holds the Annual Congress of the Asian Railway Operators Association, and the exhibition covers all aspects of railway activities.
Asia Pacific Rail	Asia Pacific Rail is a railway exhibition for the Asia Pacific region and brought together players from around the world for industry speeches, conference and networking opportunities.
American Transportation Association (“ APTA EXPO ”)	Held once every three years, APTA EXPO is an event that covers advanced mobility systems and showcase of latest technologies, products and services related to the transportation segment.
InnoTrans	InnoTrans is an international trade fair for transport technology and takes place every two years in Berlin. The event is sub-divided into various segment which include railway technology, railway infrastructure, public transport and interiors and tunnel construction.

In addition, we intend to implement a series of business development activities to increase our brand awareness in the industries that we serve. These activities include brand awareness through online channels and media advertisements to promote our applications and the “GOHUB” brand.

We intend to allocate RM1.00 million or 2.67% of our Public Issue proceeds for business development and participation in exhibitions. The business development activities and participation in exhibitions will be allocated RM0.60 million and RM0.40 million, respectively and both are expected to be implemented within 24 months from our Listing.

6.24.4 Acquisition of Star Central Office Tower and set-up of new integrated centre

Our Group through NSS has entered into sale and purchase agreements with Joyful Star Sdn Bhd on 19 April 2024 for the Acquisition of Star Central Office Tower (bearing postal address of 11-G-01, 11-01-01, 11-02-01, 11-03-01, 11-04-01, 11-05-01, 11-06-01 and 11-07-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor) for a total purchase consideration of approximately RM12.90 million. The purchase consideration will be part funded through the utilisation of proceeds earmarked for the Acquisition of Star Central Office Tower of RM3.72 million and the balance of RM9.18 million will be funded through internally generated funds and bank borrowings to be obtained.

6. BUSINESS OVERVIEW (cont'd)

Our Group intends to relocate our operations (currently housed at the relevant office units in Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, Cyberjaya, Selangor as disclosed in **Sections 6.17.1** and **6.17.2** of this Prospectus) to the new premise (serving as our new headquarters). The Acquisition of Star Central Office Tower will provide our Group with floor space of 18,960 sq ft, enabling our Group to:-

- (i) have a larger number of workstations to accommodate the expansion of our workforce, in particular, our technical operations, as we continue to grow our operations in the next 5 years;
- (ii) establish a dedicated floor at the New Office Building (with a size of 2,158 sq ft and envisaged to accommodate up to 100 individuals) for our Group to conduct training for both our employees and customers. We currently conduct our trainings at our customers' office or hotels function rooms; and
- (iii) have at least 4 meeting rooms at the corporate office at the New Office Building for our project consultants, software engineers and technicians to hold meetings with existing and potential customers.

Further details on the Acquisition of Star Central Office Tower are set out in **Section 3.6.1(iii)** of this Prospectus.

We also intend to establish a new integrated centre in the Klang Valley that will serve as our new test laboratory, demonstration and training centre. This centre will encompass an area of approximately 2,000 sq ft, capable of accommodating up to 35 individuals.

We currently operate a rented testing centre measuring approximately 421 sq ft in Kuala Lumpur. Space constraint in the current testing centre discourages our Group from conducting demonstrations and trainings at our facility, with these activities taking place at customer's site or hotel function rooms. The existing testing centre is equipped with hardware such as POS, TVMs and ACG, which we use to test and demonstrate our solutions to our customers. We are only able to accommodate up to 10 individuals at a time at our current centre given the limited floor space.

To facilitate this initiative, we have earmarked RM1.50 million or 4.00% of our Public Issue proceeds to lease an office located in the Klang Valley, where it will be utilised for the rental of the office space for 36 months and related renovation costs. The allocated funds also include the purchase of required computers, IT equipment and tools (which include amongst others, ACG, TVM, handheld devices and payment terminals). The plan is expected to be completed within 36 months from our Listing.

6.24.5 D&D

We recognise the importance of D&D activities in our bid to remain competitive and provide customers with the newest technological applications and solutions that optimises and streamlines operational process flows efficiently.

Effective D&D shapes the features and functionality of our solutions. We intend to incorporate AI in our solutions via the acquisition of an AI engine. AI engine is a component in an AI system and is responsible for making decisions, providing responses and generating outputs based on input data and predefined rules or models.

6. BUSINESS OVERVIEW (cont'd)

We intend to acquire an AI chatbot engine to provide customers with simple helpdesk and troubleshooting functions and will subscribe to new additional database and application servers to support the AI chatbot engine in terms of storage of analytics and complex data. The AI chatbot engine is a core component to the AI transportation booking system (which will be developed in-house by our software engineers). We have therefore earmarked RM1.90 million or 5.06% from our Public Issue proceeds for the acquisition of the AI chatbot engine and to fund the subscription costs for the supporting database and application servers. We expect to implement the plan within 36 months from our Listing. Further details of the estimated implementation timeframe are set out in **Section 3.6.1(iv)** of this Prospectus.

6.24.6 Acquisitions of IT equipment, tools and software

In line with our business expansion strategies as disclosed above, we intend to allocate approximately RM6.50 million or 17.33% of our Public Issue proceeds for this purpose. The acquisitions will include the purchase of IT equipment, tools and software tools required to support the strategies, and future potential projects, in particular, for our venture into the ferry segment and the upgrading of our BOS, details of which are summarised as follows:-

Details	RM'000
The key TOS* hardware to be installed for the ferry terminals in Sabah (under the Zero Capex model), which includes TVMs, ACG, CCTV and security related system, handheld devices and POS facilities, Passenger Information Display System as well as related electrical and engineering components. Further details of our venture to ferry terminals and the estimated timeframe are set out in Section 3.6.1(ii)(a) of this Prospectus.	5,000
Upgrading of cashless or open payment system for BOS (includes the payment terminal devices). Further details of the upgrading of our BOS are set out in Section 3.6.1(ii)(b) of this Prospectus.	1,500
Total	6,500

Note:-

* For avoidance of doubt, the TOS software will be developed and customised in-house by our software engineers. The costs associated with the development of the TOS software will be recognised as intangible assets in accordance with the recognition criteria set out in the MFRS 138 Intangible Assets.

We expect to carry out the above within 36 months from our Listing.

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7. INDUSTRY OVERVIEW

PROTEGE ASSOCIATES SDN BHD (101046167226-0275767-BN)
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Protégé
ASSOCIATES

BRAND | FINANCE | MARKET

The information in this Section 7 is based on the market research conducted by Protégé Associates commissioned by GOHUB for the purpose of the IPO.

Date: 15 May 2024

The Board of Directors
Go Hub Capital Berhad
08-G-01, 08-01-01, 08-02-01 & 08-05-01
Corporate Park, Star Central
Lingkar Cyber Point Timur, Cyber 12
63000 Cyberjaya
Selangor

Dear Sirs/Madams,

Independent Market Research Report on the Enterprise Information Technology Services Industry in Malaysia ("IMR Report")

Protégé Associates Sdn Bhd ("Protégé Associates") has prepared this IMR Report for inclusion in the prospectus of Go Hub Capital Berhad ("GOHUB" or the "Company") in relation to its listing on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

We have been engaged to provide an independent market research of the abovementioned industry in which GOHUB and its subsidiaries ("GOHUB Group" or the "Group") operate in. The market research process undertaken involved secondary research as well as detailed primary research when required, which involves interviews with the relevant stakeholders of the industry to discuss the state of the industry. Quantitative market information could be sourced from such interviews and therefore, the information is subject to fluctuations due to changes in business, industry and economic conditions.

We have prepared this IMR Report in an independent and objective manner and have taken adequate care to ensure the accuracy and completeness of this IMR Report. We believe that this IMR Report presents a balanced view of the industry within the boundaries and limitations of secondary statistics, primary research and continued industry movements. Our research has been conducted to present an overall view of the industry and may not necessarily reflect the performance of individual companies in this industry. Protégé Associates is not responsible for the decisions and/ or actions of the readers of this IMR Report. This IMR 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 IMR Report.

Thank you.

Yours sincerely,



Seow Cheow Seng

Managing Director

About Protégé Associates Sdn Bhd

Protégé Associates is an independent market research and business consulting company. Our market research reports provide an in-depth industry and business assessment for companies raising capital and funding in the financial markets; covering their respective market dynamics such as market size, key competitive landscape, demand and supply conditions, government regulations, industry trends and the outlook of the industry.

Profile of signing partner, Seow Cheow Seng

Seow Cheow Seng is the Managing Director of Protégé Associates. He has 24 years of experience in market research, having started his career at Frost & Sullivan where he spent 7 years. He has a Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia.

7. INDUSTRY OVERVIEW (cont'd)



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Any part of this IMR Report used in third party publications, where the publication is based on the content, in whole or in part, of this IMR Report, or where the content of this IMR Report is combined with any other material, must be cited and sourced to Protégé Associates.

The research for this IMR Report was completed on May 2024.

For further information, please contact:

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2 Jalan Kiara, Mont' Kiara,
50480 Kuala Lumpur, Malaysia.
Tel: 603 6201 9201

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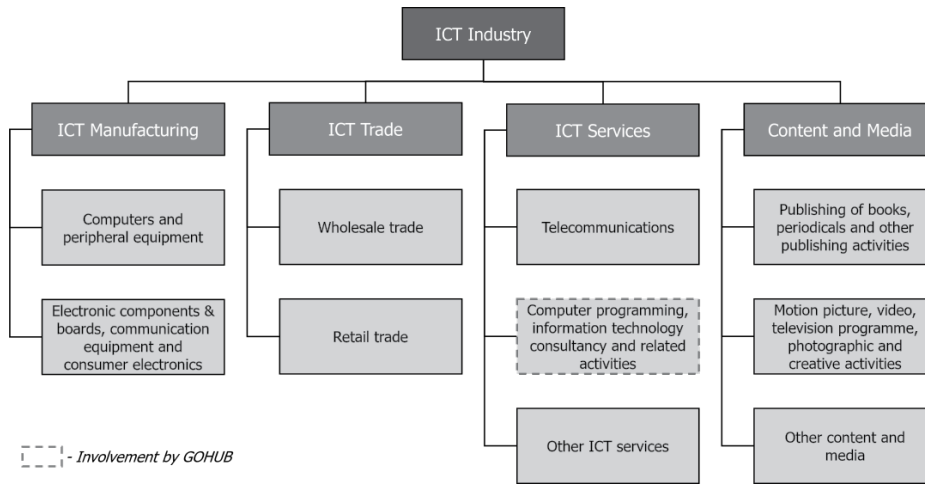
7. INDUSTRY OVERVIEW (cont'd)

1.0 Introduction to the ICT Services Industry in Malaysia

The information and communication technology ("ICT") industry revolves around the provision of technologies and services that enable information to be accessed, stored, processed, transformed, manipulated, and disseminated, including the transmission or communication of voice, image and/or data over a variety of transmission media. The ICT industry plays a pivotal role in improving efficiency and effectiveness of product and/or service delivery, continuously reshaping how individuals work, play, and learn. The ICT industry has evolved beyond being a mere collection of technological tools, and instead has become a key driver of business transformation as well as socio-economic enabler.

The ICT industry in Malaysia consists of the industries that manufacture or provide ICT products and services. According to Department of Statistics Malaysia ("DOSM"), the main categories of the ICT industry are ICT manufacturing, ICT trade, ICT services, as well as content and media.

Figure 1: ICT Industry Segmentation

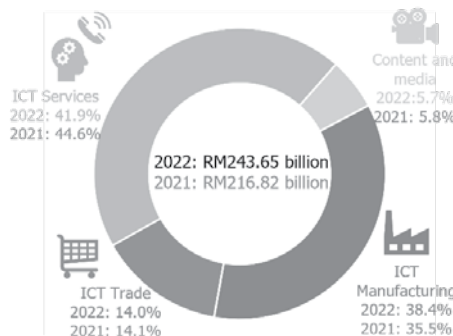


Source: DOSM

Based on the Information and Communication Technology Satellite Account 2022 published by DOSM, the ICT industry registered RM243.65 billion (in terms of gross value added) or 13.6% to Malaysia's gross domestic product in 2022. This represents a growth of 12.4% over the previous year of RM216.82 billion. In 2022, as illustrated in Figure 2 below, the ICT services industry dominated with a share of 41.9%, followed by ICT manufacturing at 38.4%, ICT trade at 14.0% and content and media at 5.7%.

During the year, the ICT services industry grew by 5.6% to reach a value of RM102.14 billion, up from RM96.69 billion in 2021. Meanwhile, ICT manufacturing industry grew 21.3% to RM93.53 billion, mainly supported by electronic components and boards, communication equipment and consumer electronics. The ICT trade industry grew by 12.0% in 2022, whereby growth was mainly driven by retail trade of ICT products and services. At the same time, the content and media industry expanded by 10.2% mainly due to higher activity in motion picture, video, television programme, photographic and creative activities.

Figure 2: Value of the Malaysian ICT Industry



Source: DOSM

The main categories of the ICT services industry and its key features are set out below:-

Figure 3: Main Categories of the ICT Services Industry

Subsectors of ICT services	Key features
Telecommunications services	Operating, maintaining, and providing access to telecommunications infrastructure for transmission of voice, data, text, video and etc.

7. INDUSTRY OVERVIEW (cont'd)



Computer programming, IT consultancy and related activities	<ul style="list-style-type: none"> ▪ Planning and designing of IT systems to gather requirements from stakeholders. This includes consultancy services as part of designing a complete system architecture and/or solution for customers ▪ Designing the architecture, interface, structure and content of computer code of and/or writing the computer code needed to develop and implement system software and applications (including subsequent updates and patches), databases and webpages ▪ Testing and deployment of software systems and applications so that it is functional within the customers' systems environment ▪ Provision of onsite management and operation of customers' IT systems (including system security and disaster recovery) and/or data processing facilities and related support services
Other ICT services	Web search portal and streaming services, data processing and hosting activities (including payment services), business and productivity software and licensing services, leasing or rental services for ICT equipment as well as other information service activities of supplying information

Source: Protégé Associates

1.1 Enterprise IT Services Industry

The enterprise IT services industry is considered a sub-sector of the ICT services industry. In general, enterprise IT services consists of a wide range of IT services that serve to aid businesses or organisations in achieving or improving operational efficiency. These include IT consulting services that involve the designing, planning, as well as implementing IT systems and infrastructure for company operations with the use of technology such as artificial intelligence ("AI") and Internet of Things ("IoT") along with a combination of computer hardware and software. Enterprise IT services also includes maintenance and support services such as IT management, application and hosting services, as well as system integration, software and/or hardware installation and support, and IT education and training services as well as system operator for the solutions. The industry also encompasses business outsourcing services that involves the outsourcing of IT-based business processes such as human resources, finance, accounting, and customer services to a third-party service provider. These enterprise IT services enable better operational efficiency by integrating multiple parts of a business through an IT system architecture, enabling seamless transmission of information and data from various areas, systems or departments, streamline data management, automate business processes and/or resource management.

Given the growing digitisation trend worldwide and also in Malaysia, a wide pool of end-user markets (both in the private and public sectors), which the enterprise IT services industry serves, are embracing and/or adopting new advanced technologies and IT solutions to enhance their operational efficiencies. Examples of these end-user market for enterprise IT services include but are not limited to banking and finance, insurance, technology, telecommunications, consumer products, education, healthcare, manufacturing, retail, hospitality and leisure, automotive, aviation, logistics and transportation.

GOHUB is principally involved in the provision of enterprise IT services, focusing on providing transportation IT solutions (including customised software development systems and integration of hardware and software systems) for stage bus, express bus and rail industry. Its services also extend to include maintenance and support services as well as terminal management services.

As such, Protégé Associates has provided an overview of the stage bus, express bus and rail industry in Malaysia given that the major end-user of GOHUB's enterprise IT services is in the transportation sector.

2.0 Overview of the Stage Bus and Express Bus Industry in Malaysia

According to the Agensi Pengangkutan Awam Darat ("APAD"), there are 8 types of bus categories in Malaysia comprising stage bus, express bus, feeder bus, school bus, mini bus, employee bus, charter bus and excursion bus. Stage buses are buses that commute along predetermined routes (which are interdistrict and/or intrastate) on a scheduled timetable and undertake pick-ups and drop offs at bus stops along the route. Express buses also commute along a predetermined route (which are interstate) with scheduled timetables. However, express buses generally require their passengers to make a reservation and purchase a ticket prior to boarding the express bus, unlike stage buses where passengers can purchase tickets on board the stage bus.

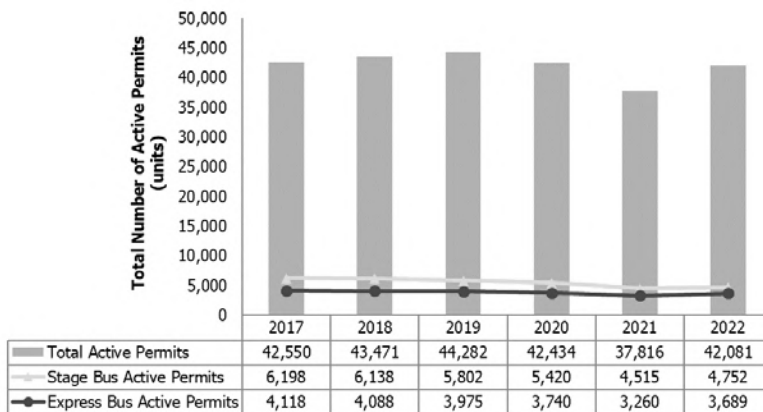
The stage bus and express bus industry in Malaysia are overseen by government agencies such as the Road Transport Department and the APAD, whereby the bus operators are required to be licenced by the APAD in order to operate. Currently, there are approximately 100 stage bus operators (including Ipoh Omnibus Co Sdn Bhd, Konsortium Transnasional Berhad ("KTB") and Mara Liner Sdn Bhd), as well as 180 express bus operators in Peninsular Malaysia (including Airebus Sdn Bhd, KKKL Sdn Bhd and KTB). A number of operators such as CKS Bumi Sdn Bhd, Konsortium Bas Ekspres Semenanjung (M) Sdn Bhd, KTB and Sanwa Tours (M) Sdn Bhd operate both stage bus and express bus operations throughout Peninsular Malaysia. Notable stage and express bus brands include Aeroline, Cityliner, Delima Express, KKKL Express, Nice, Plusliner, RapidKL, Sri Maju, and Transnasional.

7. INDUSTRY OVERVIEW (cont'd)



In 2022, there were a total of 42,081 buses with active permits in Malaysia. In particular, employee buses represent the largest usage at 35.3% (14,859 active permits), followed by school buses at 32.1% (13,517 active permits) and stage buses at 11.3% (4,752 active permits), express buses at 8.8% (3,689 active permits) and other buses (namely feeder buses, mini buses, charter buses and excursion buses) at 12.5% (5,264 active permits).

Figure 4: Number of Buses with Active Permits, 2017-2022



Source: Ministry of Transport Malaysia

The number of buses with active permits averaged around 43,000 from 2017 to 2020 before decreasing to 37,816 in 2021. In 2022, the total number of buses with active permits rebounded to 42,081, representing an increase of 11.3% over 2021. In terms of the number of active permits for stage bus, it increased by 5.2% from 4,515 in 2021 to 4,752 in 2022 while the number of active permits for express bus increased by 13.2% from 3,260 in 2021 to 3,689 in 2022. The number of active permits for stage buses and express buses has shown a declining trend since before the pandemic due to the challenging operating environment caused by rising operating cost and stagnant fares. The COVID-19 and resulting lockdown measures such as work-from-home policies and prohibition of interstate travel had further affected the demand for both stage and express bus services. Bus operators faced a significant decrease in ridership due to travel restrictions, while grappling to pay operational costs such as wages, petrol, and maintenance associated to keep their services running. Consequently, this predicament compelled numerous stage bus and express bus operators to forego permit renewals as a measure to limit their financial losses. The transition of the coronavirus disease ("COVID-19") into endemic phase in 2022 resulted in a slight rebound in number of active permits for both stage and express buses.

At the same time, according to APAD, as of April 2024 there are 169 bus terminals scattered across Peninsular Malaysia. For East Malaysia, it is estimated that there are approximately 40 bus terminals. Some of these terminals have been categorised into A, B or C grade by APAD based on various criteria such as ticketing and information system, operations management, security, as well as convenience and comfort. As terminals upgrade from a lower grade to a higher grade, they would incorporate better IT systems such as ticketing and information system, improve their operations management and security thus needing the expertise for enterprise IT service providers, such as GOHUB. In particular, Johor had the highest number of bus terminals, followed by Perak and Pahang, with the second and third highest number of bus terminals in Malaysia. In Kuala Lumpur, the major bus terminals include the Terminal Bersepadu Selatan and the Kuala Lumpur Sentral Bus Station. Along the current digitisation trend across the globe and in Malaysia, it is expected that an increasing number of bus terminals will adopt IT systems such as terminal operation systems ("TOS") and centralised ticketing systems ("CTS") into their operations to remain competitive and efficient.

3.0 Overview of the Rail Transportation Services Industry in Malaysia

Rail transport (also known as train transport) refers to the means of transport that transfers passengers and goods on wheeled vehicles running on rails, which are incorporated in tracks. Unlike road transportation, where vehicles operate on a levelled and prepared surface, rail vehicles, also known as rolling stock, are guided along a specific path by the tracks on which they travel. These tracks are typically composed of steel rails.

Currently, there are 3 major train operators that provide rail transportation services in Malaysia, namely Keretapi Tanah Melayu Berhad ("KTMB"), Rapid Rail Sdn Bhd ("Rapid Rail"), and the Express Rail Link Sdn Bhd ("ERL"). KTMB operates, amongst others, the main inter-city lines from the North to the South of Peninsular Malaysia and the commuter for intra-city networks serving both passenger and cargo transportation services. Rapid Rail's core business covers not only the passenger rail service but also public buses. For rail service, the company operates namely the Ampang Line light rail transit ("LRT"), the Kelana Jaya Line LRT, the Klang Valley Mass Rapid Transit ("MRT") and the Monorail Line. The ERL is a private rail operator that operates the KLIA Express and KLIA Transit services from Kuala Lumpur Sentral to Kuala

7. INDUSTRY OVERVIEW (cont'd)



Lumpur International Airport 1 and 2. There are other rail operators such as the Sabah State Railways and the Melaka Monorails under River & Coastal Development Corporation Malacca.

In terms of passenger traffic, the rail transportation ridership (which includes the LRT Kelana Jaya Line, LRT Ampang Line, MRT Sungai Buloh-Kajang Line, MRT Putrajaya Line (from 2022 onwards), KL Monorail, KLIA Express and KLIA Transit) in the Klang Valley increased from 191.0 million passengers in 2017 to 245.2 million passengers in 2019. Subsequently, the rail transportation ridership in the Klang Valley declined by 49.9% to 122.9 million passengers in 2020 due to the COVID-19 pandemic. Ridership in the Klang Valley further declined by 41.7% to 71.6 million in 2021 as the population avoided the use of public transport during the pandemic. In 2022, ridership rebounded to 163.3 million in line with Malaysia's transition to endemic phase. Ridership further recovered in 2023 to 245.1 million as daily activities continue to normalise to the pre-pandemic era.

4.0 Historical Market Performance and Growth Forecast

Protégé Associates has provided the following historical performance and growth forecast of the enterprise IT services industry in Malaysia based on a combination of resources including the data obtained from DOSM, Malaysia Digital Economy Corporation (MDEC), the Malaysian Communications and Multimedia Commission (MCMC) and the Malaysia Investment Development Agency ("MIDA"). Data has also been gathered from further secondary and primary research works conducted. Searches on private limited cybersecurity market players have also been conducted with the Companies Commission of Malaysia ("CCM") while financial information from public listed enterprise IT services industry players has been extracted from the website of Bursa Securities to gather more information on their business performance. Primary research works have been conducted with stakeholders in the local enterprise IT services industry in order to gather their insights on the industry. All the findings have been collated, analysed and/or computed to ascertain the outlook of the enterprise IT services industry in Malaysia. **As the Enterprise IT services industry revolves mainly in providing IT consultancy services and supporting activities, the gross value added of "computer programming, IT consultancy and related activities" has been used as a proxy for the size of the enterprise IT services industry in Malaysia. This excludes revenue derived from telecommunications and other ICT services (including repair of electrical equipment, installation of industrial machinery and equipment, and publishing of ready-made (non-customised) software) under the ICT services industry as set out in Figure 3 above.**

Figure 5: Historical Market Size (Revenue) and Growth Forecast for the Enterprise IT Services Industry in Malaysia, 2021-2028

Year	Market Size (Revenue) (RM billion)	Growth Rate (%)
2021	19.98	-
2022	21.30	6.6
2023e	22.36	5.0
2024f	23.48	5.0
2025f	24.77	5.5
2026f	26.14	5.5
2027f	27.70	6.0
2028f	29.51	6.5

CAGR (2024-2028) (base year of 2023): 5.7%
e denotes estimate; f denotes forecast

Sources: DOSM and Protégé Associates

The size of the enterprise IT services industry in Malaysia was estimated at RM21.30 billion in 2022, which was an increase of 6.6% from RM19.98 billion registered in 2021. There had been an increase in demand for enterprise IT services especially for digitisation of business operations over the recent years. This trend was accelerated during the COVID-19 pandemic period whereby social distancing measures created a high demand and necessity for adoption of technology to address work-from-home practices, managing changes in demand and supply chains. During the pandemic, companies relied on technology such as remote access and factory automation control to sustain their business operation. The advent of new digital technologies such as 5th generation ("5G") and the emergence of various technology-led industries such as financial technology had also contributed to the rise in demand for enterprise IT service offerings. The Malaysian Government announced the transition of COVID-19 into an endemic phase in 2022, signalling a normalisation of economic activities in the country. This led to an increase in demand for enterprise IT services during the year.

The growth of the local enterprise IT services industry slowed down in 2023 due to uncertainties in the global economy, with the market size of the enterprise IT services industry in Malaysia estimated to grow to RM22.36 billion in 2023. Going forward, the enterprise IT services industry in Malaysia is projected to grow from RM23.48 billion in 2024 and reach RM29.51 billion in 2028, registering a CAGR of 5.7% for the forecast period as the local economy continues its digital transformation journey. In particular, the growth prospects of local enterprise IT services industry serving the public land transportation sector is further supported by the Malaysian government's continued effort and ambition (as outlined in the National Transport Policy 2019-2030) to embrace and adopt digitalisation with the aim to improve (in terms of operating efficiency and achieving higher utilisation/ridership) public transportation infrastructure and systems in Malaysia.

7. INDUSTRY OVERVIEW (cont'd)



4.1 Competitive Landscape

The enterprise IT services industry in Malaysia is fragmented with players providing a wide range of services from IT consulting services, ICT planning, designing and implementation, ICT systems integration and management, ICT management and support services as well as data processing and web hosting services. It is estimated that there are around 9,500 establishments involved in the provision of services relating to computer programming, IT consultancy and other related services activities in 2023.

Industry players within the local enterprise IT services industry compete among each other based on a series of factors, including the following:

- **Industry reputation** – the reputation of a company comes from providing satisfactory IT services to customers and is gradually build over time. Enterprise IT service providers with well-known reputations and established track record are generally seen to be able to deliver high quality services and possess the technical expertise and capabilities to undertake large and complex ICT services projects. New entrants that normally do not have such reputation would likely face difficulty in securing business opportunities and capture market share from established service providers.
- **Business relationship with other IT product and service suppliers and vendors** – Enterprise ICT service providers generally are often required to integrate various types of IT hardware and software into a functional operating system. They tend to source and procure these IT products and software from various suppliers and vendors. By establishing long term and reliable business relationships, the enterprise ICT service providers will hence be able to obtain favourable pricing, terms of credit and customer support from the suppliers and vendors. This may form an entry barrier to new entrants.
- **Ability to attract and retain skilled IT professionals** – In general, experienced and skilled IT professionals prefer to work in large established IT companies given the attractive salary and remuneration packages as well as having the satisfaction of executing large and complex IT projects. As a result thereof, new entrants may find it challenging to attract, hire and retain experienced and skilled IT professionals.

4.1.1 Selected Market Players

GOHUB is principally an enterprise IT solution provider, primarily focusing on ticketing solutions for the public land transportation sector, where the company is involved in the conceptualisation, design, integration and implementation of IT system infrastructure, as well as operation and maintenance of IT systems. For the financial year ended ("FYE") 31 December 2023, GOHUB recorded a revenue of RM43.95 million from its operations.

Protégé Associates has selected the following industry players that are comparable to GOHUB, based on the following criteria:

- A company registered in Malaysia participating in the enterprise IT services industry in Malaysia;
- A company involved in the provision of IT consulting and implementation services, operations, maintenance, and other support services for the land transportation sector (bus and rail segments only), including accommodation, activities and events, transportation, and online travel agency services; and
- Have revenue of more than RM5 million based on latest publicly available financial information.

It is estimated that there are less than 30 industry players that focus on the provision of enterprise IT services to the local land transportation sector (bus and rail segments only). It needs to be highlighted that the list of market players is not exhaustive, and only serves as a reference.

7. INDUSTRY OVERVIEW (cont'd)



Figure 6: Comparison between GOHUB and Selected Industry Players

Industry player	Principal Activity	Type of customer/sector served	Latest available FYE	Revenue (RM'000)	Gross Profit (RM'000)	Profit before Tax (RM'000)	Profit after Tax (RM'000)	Gross Profit Margin ^(a) (%)	Profit before Tax Margin ^(b) (%)	Profit after Tax Margin ^(c) (%)
GOHUB	The company is principally involved in the provision of enterprise IT services, focusing on providing transportation IT solutions (including customised software development systems and integration of hardware and software systems).	Bus, Bus Terminals and Rail	31-12-2023	43,946.0	22,463.0	10,028	7,086.0	51.12	22.82	16.12
BSMART System Solutions Sdn Bhd	The company is principally engaged in business of software development for electronic cargo tracking systems, performance monitoring hubs, theft prevention remote asset monitoring systems and insurance telematics.	Bus and Commercial Vehicles (Cargo),	31-12-2022	6,219.0	2,553.6	102.2	2.4	41.1	1.6	0.04
Concentric Solutions Sdn Bhd	The company is principally involved in the business of providing automatic vehicle tracking and monitoring system services.	Bus and Public Vehicles (Taxi and Rental Cars)	30-09-2023	10,697.6	4,147.2	666.8	528.8	38.8	6.2	4.9
Conduent Business Services Malaysia Sdn Bhd ⁽¹⁾	The company is principally engaged in the provision of commercial, government and transportation solutions to a wide range of end user industries.	Bus and Rail	31-12-2022	45,441.0	n/a	1,537.3	1,007.8	n/a	3.4	2.2
Easybook (M) Sdn Bhd ⁽²⁾	The company is principally an Internet and online reseller for coach services and also provides software consultancy, Internet advertising services and e-business solutions.	Bus, Rail, Ferry and Rental Cars	31-12-2022	118,096.9	20,761.0	3,082.9	3,082.9	17.6	2.6	2.6
Energetic Point Sdn Bhd ⁽³⁾	The company is principally involved in the business of providing, developing and servicing computer software and application for e-ticketing selling bus tickets and conduct related training courses.	Bus and Bus Terminals	31-12-2022	18,872.7	7,267.1	592.2	160.8	38.5	3.1	0.9
Indra Technology Solutions Malaysia Sdn Bhd ⁽⁴⁾	The company is principally engaged in the design, development, production, integration, operation, maintenance, marketing, distribution and repair of information systems, solutions and related products or components.	Bus, Rail and Airport Terminals	31-12-2022	8,329.2	2,186.1	41.1	41.1	26.2	0.5	0.5
LG CNS Malaysia Sdn Bhd ⁽⁵⁾	The company is principally engaged in engineering, procure, construction, testing and commissioning of telecommunication system.	Bus	31-12-2022	24,489.6	4,855.0	3,065.0	2,131.6	19.8	12.5	8.7
Longbow Solutions Sdn Bhd	The company is principally engaged in the provision of information technologies services, project management and	Bus, Rail and Ferry	31-12-2022	7,789.1	4,570.8	-19.2	-19.2	58.7	-0.2	-0.2

7. INDUSTRY OVERVIEW (cont'd)



Industry player	Principal Activity	Type of customer/sector served	Latest available FYE	Revenue (RM'000)	Gross Profit (RM'000)	Profit before Tax (RM'000)	Profit after Tax (RM'000)	Gross Profit Margin ^(a) (%)	Profit before Tax Margin ^(b) (%)	Profit after Tax Margin ^(c) (%)
Solis (M) Sdn Bhd ⁽⁶⁾	consultancy, and to supply hardware equipment, maintenance and asset management. The company is principally engaged in the provision of computer hardware, network services, and contact centre.	Bus	31-12-2022	19,408.1	1,283.3	-3,914.1	-3,914.1	6.6	-20.2	-20.2
Tech-store Malaysia Sdn Bhd	The company is principally engaged in the distribution and provision of professional project contracting services relating to software and hardware for security and ICT products.	Rail	31-12-2022	42,239.2	10,965.4	9,374.9	7,212.2	26.0	22.2	17.1

Notes:

The above figures only provide an indication and are not considered directly comparable to GOHUB as not all companies:

- (a) have the same FYE;
 - (b) carry out activities which are completely similar to GOHUB and each other, as well as serve directly, the same end-user markets; and
 - (c) operate in the same geographical area.
- (1) Conduent Business Services Malaysia Sdn Bhd is a subsidiary of Conduent Incorporated, which is incorporated in the United States of America
- (2) Easybook (M) Sdn Bhd is a subsidiary of Easybook.com Pte Ltd, which is incorporated in Singapore
- (3) Revenue from Energetic Point Sdn Bhd includes contribution from its subsidiary, E-Transact Technology Sdn Bhd, a company involved in similar business focusing on the bus sector.
- (4) Indra Technology Solutions Malaysia Sdn Bhd is a subsidiary of Indra Sistemas S.A., which is incorporated in Spain and listed on the Madrid Stock Exchange
- (5) LG CNS Malaysia Sdn Bhd is a subsidiary of LG Corp., which is incorporated in Korea and listed on the Korea Exchange
- (6) Solis (M) Sdn Bhd is a subsidiary of Dataprep Holdings Bhd, which is listed on the Main Market of Bursa Securities
- (a) Gross Profit Margin = Gross Profit/ Revenue
- (b) Profit before Tax Margin = Profit before Tax/ Revenue
- (c) Profit after Tax Margin = Profit after Tax/ Revenue

Sources: GOHUB, CCM, and Protégé Associates

4.1.2 Estimated Market Share

For the FYE 31 December 2023, GOHUB generated revenue of RM43.95 million, equivalent to 0.20% share of the enterprise IT services industry in Malaysia of RM22.36 billion in 2023. Further, GOHUB currently serves 6 bus terminals for their TOS and CTS, and account for 3.6% of the total terminals across Peninsular Malaysia (premised on that there are currently around 169 bus terminals across Peninsular Malaysia).

5.1 Demand and Supply Conditions

5.1.1 Demand Conditions

Figure 7: Demand Conditions Affecting the Enterprise IT Services Industry in Malaysia, 2024-2028

Impact	Demand Conditions	Short-Term 2024-2025			Medium-Term 2026-2027			Long-Term 2028		
		High	Medium	Low	High	Medium	Low	High	Medium	Low
+	Digital Transformation Economy	High	High	High	High	High	High	High	High	High
+	High Broadband Penetration Rate	High	High	High	High	High	High	High	High	High
+	Continued Relevance of the Local Land Transportation Sector	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium

Source: Protégé Associates

7. INDUSTRY OVERVIEW (cont'd)



Digital Transformation Economy

As the world grows increasingly connected and transforms towards a digital economy, technologies such as 5G, AI, cloud computing, robotics, IoT and big data analytics ("BDA") have been increasingly adopted into business models for firms to remain competitive. In particular, cloud computing enables users to access various digital services such as server, storage as well as applications and services over a network. Due to the convenience and scalability while using cloud computing, the technology is increasingly being adopted in a growing number of industries including communications, healthcare, education, government affairs, finance, and e-commerce, as well as in sectors that in the past were not perceived as heavy users of technology (such as the transportation and agriculture sectors). For example, an increasing number of transportation terminals have been incorporating IT components into its systems such as centralised ticketing systems, self-service ticket vending machines as well as digital information kiosks. This is expected to lead to higher operational efficiency, improved monitoring and supervision, as well as bringing convenience to passengers. The necessity and demand for the public land transportation sector to shift to digitisation is further emphasised and outlined in the National Transport Policy 2019-2030.

The IoT refers to a network of physical objects that are linked together to a system that serves to collect and exchange data. These objects transmit data through various information sensing devices such as QR code scanners, radio frequency identification ("RFID"), infrared sensors and global positioning systems ("GPS") to enable intelligent identification, location tracking and monitoring, and management. The public land transportation sector has been adopting IoT devices into their system infrastructure to provide ease and convenience for passengers (in terms of ticketing and payment), as well as improving traffic flows at the bus terminals. Further, when adopting IoT, businesses connect their physical infrastructure to the Internet to allow the exchange of data and/or information across various devices or platforms to ensure interoperability and connectivity. This would require consultancy, planning, development and deployment of ICT infrastructures and related support services.

At the same time, there has also been increasing usage of digital technologies such as robotics, AI, BDA and IoT in the healthcare and manufacturing sectors. For example, in the healthcare sector, medical robotic technology and robot-assisted surgical procedures are now connected to computer systems and networks while patient records are digitised. These developments in digital businesses are expected to spur the demand for enterprise IT service offerings. Similarly, the use of smart manufacturing processes, which involve robotics connected to manufacturing systems, and inventory systems that automatically replenish low stock, are also likely to drive demand for enterprise IT services. There has also been increasing applications of AI being used in travel and transport, whereby travellers are using the Internet to compare prices and purchase ticket, as well as using chatbots for online customer services. Malaysia recorded a total of RM329.5 billion worth of approved investments in the manufacturing, services, and primary sectors for 2023. The services sector was the largest contributor of approved investments in 2023, accounting for 51.1% (RM168.4 billion) of total approved investments. The main contributors for the sector include the information and communications sub-sector with 338 projects worth RM63.7 billion approved during the year. The manufacturing sector came in second during the year, recording RM152 billion (46.1%), followed by the primary sector at RM9.1 billion (2.8%). The manufacturing sector has benefited from the use of automation and smart manufacturing technologies related to the Fourth Industrial Revolution ("4IR") such as the IoT, AI, machine learning and big data analytics, which helps to increase efficiency and reduce reliance on foreign labour. The investments and adoption of IT systems into the services, manufacturing as well as other industries is expected to bode well for the local enterprise IT services industry by providing the latter with a large pool of potential customers and end-user markets.

High Broadband Penetration Rate

The broadband penetration rate in Malaysia is considered relatively high. From 2017 to 2022, the mobile-broadband penetration rate per 100 inhabitants in Malaysia stood at above 100%. (Note: A penetration rate over 100% can occur because of multiple subscriptions). The mobile-broadband penetration rate in Malaysia has been increasing since the third quarter of 2020 and returned to the pre-pandemic levels in the third quarter of 2021. This trend is expected to continue to rise as the country increasingly shift daily activities online. At the end of 2023, all the states in Malaysia registered more than 100% in mobile-broadband penetration rate per 100 inhabitants save for Wilayah Persekutuan Labuan (98.2%) and Sabah (98.9%). Meanwhile, the penetration rate for fixed broadband per 100 premises increased from 37.2% in the end of 2020 to 50.6% in the end of 2023. The enterprise IT services industry in Malaysia is hence a beneficiary of this trend given that its offerings can serve the need of businesses seeking for IT enterprise services to improve their efficiency. The implementation of the national digital infrastructure plan known as the Jalinan Digital Negara (including the future deployment of the 5G technology standard for broadband cellular networks) is also expected to further drive the usage of broadband. The overall digital advancement in Malaysia is expected to lead to more industries adopting IT systems into their operations, including in the transportation sector. This in turn augurs well for the growth in the local enterprise IT services industry.

Continued Relevance of the Local Land Transportation Sector

While the local bus industry has been facing challenging operating conditions in recent years due to higher operating costs and stagnant fares over the years, buses still play a major role in the public transport of Malaysia, as well as for private usage (domestic or outbound tours). The industry was subsequently burdened with further challenges due to the COVID-19 pandemic and lockdown measures imposed to curb the spread of the virus, which resulted in travelling restrictions materially affecting the bus industry. As the virus gradually came under control following the high vaccination rates in the country, the Malaysian Government began to ease restrictions and allow the resumption of interstate travel from 11 October 2021 onwards and a return of social activities including interstate travelling. The

7. INDUSTRY OVERVIEW (cont'd)



Malaysian Government subsequently announced the “transition to endemic” phase starting 1 April 2022, accelerating the normalisation of economic activities.

Going forward, the continued recovery in economic activities in Malaysia is likely to contribute to the gradual recovery of the stage bus and express bus industry. In the longer term, demand for stage buses and express buses may be driven by a growing population and growing rate of urbanisation, which hinges upon continued Government support to drive the usage of public transportation. A larger population represents a larger base of potential users while growing rates of urbanisation would spur the demand for stage buses given the need for efficient public transportation. The Government is expected to continue to provide support to the stage bus and express bus industry through the National Transport Plan 2019-2030 with a growing focus on strengthening public transport infrastructure. The Government continues to implement the Interim Stage Bus Support Fund (“ISBSF”), whereby subsidy payments are provided to aid stage bus operators to cover their operating costs when plying unprofitable but necessary routes to serve the public, and the Stage Bus Services Transformation (“SBST”) programme, whereby bus operators are appointed as contractors to provide bus services for the public. Under Budget 2024, an allocation of RM150 million was made for the expansion of the SBST programme to Kota Bharu, Kuantan and Kota Setar. A total of RM96 million was also allocated under the Stage Bus Support Fund to help cover the daily operating costs of stage bus operators providing bus services in rural areas along low-passenger routes. Further, the continuation of the monthly My50 pass will benefit over 180,000 residents in the Klang Valley who rely of PRASARANA’s bus and rail services for daily commute.

Similarly, rail services are also frequently used in Malaysia, especially in the Klang Valley. Rail passenger ridership in Peninsular Malaysia has been increasing over the years, with passengers increasing from 228.1 million in 2017 to 275.6 million in 2019. While the local rail transportation industry faced a setback during the COVID-19 pandemic, ridership has rebounded in 2022 and recovered to pre-pandemic levels in 2023. In the short term, growth of the rail transportation services industry in Malaysia is expected to be bolstered by the return in ridership after the pandemic. In the medium to long term, the local rail transportation services industry is anticipated to be fuelled by factor such as economic recovery boosting demand for goods, climate change, urbanisation and an increasing population that will stimulate rail passenger and freight traffic. This would lead to a need to expand existing rail infrastructure and networks. Some of the mega rail infrastructure due to be completed in the coming years include the Light Rail Transit 3 (expected to be operational in the first quarter of 2024), the East Coast Rail Link (expected to be operational in the fourth quarter of 2026) and the Rapid Transit System Link (expected to be operational in the fourth quarter of 2026). PRASARANA also has plans to implement an open payment system for Rapid bus and rail services within the Klang Valley. At present, bus services only accept Touch ‘n Go cards as payment methods, whereas rail stations offer alternatives such as tokens. The transition to an open payment system will allow the use of credit cards, debit cards and other payment methods, which is expected to benefit both locals and tourists while using these services, and in turn increase ridership.

Greenhouse gas emission has been a growing concern worldwide as it is one of the major contributors towards global warming. Trains are moving towards electrification, and some are even using hybrid engines to reduce carbon emissions. The Malaysian population is estimated at 33.4 million in 2023 and is projected to grow at a CAGR of 1.3% to reach 41.5 million in 2040. In addition, urbanisation rate in Malaysia rose from 70.9% to 75.1% during the period from 2010 to 2020. The DOSM has forecasted that this rate will reach 88.0% by 2050. The rising population and the urbanisation in Malaysia demand an effective means to transport a huge number of people especially during peak working hours. This is expected to drive demand for rail transportation services going forward.

The continued development of the land transportation sector namely the bus and rail industries in Malaysia is expected to bode well for the local enterprise IT services industry. The expansion of bus and rail terminals is expected to spur the adoption of IT systems in these terminals.

5.1.2 Supply Conditions

Figure 8: Supply Conditions Affecting the Enterprise IT Services Industry in Malaysia, 2024-2028

Impact	Supply Conditions	Short-Term	Medium-Term	Long-Term
		2024-2025	2026-2027	2028
+	Strong Government Support to Drive the Adoption of Digital Technology	High	High	High
+	Availability of Skilled IT Professionals	Medium	Medium	Medium

Source: Protégé Associates

Strong Government Support to Drive the Adoption of Digital Technology

- National Policy Framework for the 4IR and Digital Economy Blueprint

The Industry4WRD that was launched on 31 October 2018 initially focused on the manufacturing sector and manufacturing-related services sector. Subsequently, the National 4IR Policy (2021-2030) was launched in 2021 as an overarching national policy to facilitate socioeconomic development of the country through the use of 4IR technologies. The policy serves as a guiding principle for ministries and agencies to set up appropriate policies and regulatory frameworks for businesses and society to have access to opportunities and socioeconomic benefits of the 4IR. Resources will be focused on building technological capabilities in five 4IR technologies namely, artificial intelligence, IoT, blockchain, cloud computing and BDA as well as advanced materials and technologies. Deployment of 4IR technologies will be focused on 10 key sectors along with 6 supporting sectors, to create new socioeconomic growth opportunities for the economy. These key sectors are manufacturing, transportation and logistics, healthcare, education, agriculture, utilities, finance and insurance, professional, scientific and technical services, wholesale and

7. INDUSTRY OVERVIEW (cont'd)



retail trade, and tourism; supporting sectors are construction, arts, entertainment and recreation services, real estate, mining and quarrying, information and communication services, and administrative and support services.

The National 4IR Policy is complemented by the Digital Economy Blueprint (2021-2030) known as the MyDigital, which was developed in response to how digital technology advancement and the growth of high-speed internet connectivity have changed the way goods and services are created, distributed, and consumed, and how people interact. MyDigital outlines 22 strategies that aim to build enabling digital infrastructures and talents to drive digital transformation in public and private sectors.

- Incentives offered to encourage adoption of digitalisation

Seeing the importance of digital adoption, the MIDA introduced the Industry4WRD Intervention Fund, the Automation Capital Allowance and the Smart Automation Grant to drive automation and digitalisation of small and medium enterprises in the manufacturing and services related sectors. Under the Budget 2022, tax incentives for activities under the Digital Ecosystem Acceleration Scheme are provided for companies under Multimedia Super Corridor (MSC) and are proposed to be extended to digital technology provider and digital infrastructure companies as well.

Under the National Transport Policy (2019-2030), the Malaysian Government is also committed in developing IoT in the transport sector by adopting automation and digitisation. In addition, the Malaysian Government is promoting and encouraging open data platform for greater data integration across all transport sectors and introduce single entry pass/payment method for seamless journeys.

Availability of Skilled IT Professionals

The availability of qualified and experienced manpower is a critical success factor for enterprise IT service providers to remain competitive in the industry. It is essential that an enterprise IT service provider can attract, hire, and retain talented employees. It was estimated that there were approximately 132,000 high-skilled workers (includes managers, professionals, and technicians) employed in the ICT services industry in 2017. The number of high-skilled workers employed in the ICT services industry increased to approximately 134,000 in 2021. Generally, there is no shortage of skilled talents in the ICT services industry. The science, mathematics and computer field of studies has produced an average of more than 30,000 fresh graduates from 2018 to 2022. To further retain talent, the ICT services industry in Malaysia has also raised the compensation rate in the industry, with advertised salaries for ICT job positions increasing by 2.6% and 13.9% in 2022 and 2023 respectively. PIKOM has forecasted a 4.1% salary growth in 2024, followed by a CAGR of 6.45% in ICT job salaries over the next 10 years.

Meanwhile, the public and private sector have undertaken initiatives in recent years to plug the skills gap of fresh graduates in the ICT industry. In 2017, MDEC introduced the Premier Digital Tech Institutions ("PDTI") concept that confers PDTI status to universities that provide digital tech education that are aligned with skills demanded by the industry. This is achieved through close collaboration with the industry that reflects in the education courses. Currently, there are 16 locally renowned universities that are recognised as PDTIs. PIKOM begun organising internship programs in collaboration with institutes of higher learning in 2023 leveraging on its 1,000 strong members who controls 80% of the domestic ICT industry. A general increase in compensation and closer collaboration between the corporate and education sector are expected to alleviate the talent shortage going forward.

6.0 Prospects and Outlook of the Enterprise IT Services Industry

The outlook and prospects of the enterprise IT services industry in Malaysia are expected to be positive during the forecast period. The COVID-19 pandemic and subsequent lockdown measures imposed have accelerated the usage of the Internet and the adoption of digital medium which together lay a clear path for further potential demand for enterprise IT services offerings. This had led to vast opportunities for the local IT enterprise services to expand its scope of businesses.

Factors priming growth within the enterprise IT services industry include the continuing digital transformation of the economy and the growing demand from cloud computing and IoT technologies. In addition to the manufacturing and services sectors, even sectors that in the past were not perceived as heavy technology users such as the transportation and agriculture sectors have been adopting IT components into their systems. In particular, the transportation sector, an increasing number of transportation terminals have been incorporating IT components such as centralised ticketing systems, self-service ticket vending machines, digital information kiosks as well as security systems. Besides that, the relatively high broadband penetration rate augur well for the growth in the local enterprise IT services industry. At the same time, while only a handful of terminals have adopted IT components into their systems, the continued relevance of the local transportation sector bodes well for the local enterprise IT services industry as these terminals adopt IT components along with digitisation. On the supply side, the local enterprise IT services industry can expect to continue receiving strong support from the Malaysian Government as well as availability of skilled IT professionals.

The enterprise IT services industry was valued at an estimated RM22.36 billion in 2023. Moving forward, the local enterprise IT services industry is projected to reach RM23.48 billion in 2024 and expand at a CAGR of 5.7% to reach RM29.51 billion in 2028.