

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF ES SUNLOGY BERHAD (“ES SUNLOGY” OR THE “COMPANY”) DATED 27 JANUARY 2025 (“ELECTRONIC PROSPECTUS”)

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

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at 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, M & A Securities Sdn Bhd (“**M&A Securities**”), 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 Form is 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, M&A Securities and ES Sunlogy take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units 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 units, 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 27 January 2025 and will close at 5.00 p.m. on 5 February 2025.

In the event the Closing Date is extended, ES Sunlogy will advertise the notice of the extension in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia prior to the original Closing Date, and make an announcement on Bursa Securities’ website.

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.

PROSPECTUS



ES SUNLOGY BERHAD
(202301046467 (1540381-T))
(Incorporated in Malaysia)

INITIAL PUBLIC OFFERING IN CONJUNCTION WITH OUR LISTING ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) COMPRISING:

- (I) **PUBLIC ISSUE OF 140,000,000 NEW ORDINARY SHARES IN OUR COMPANY (“SHARES”) IN THE FOLLOWING MANNER:**
- 35,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
 - 17,500,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP;
 - 87,500,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY; AND
- (II) **OFFER FOR SALE OF 70,000,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS**

AT AN ISSUE/ OFFER PRICE OF RM0.30 PER SHARE, PAYABLE IN FULL UPON APPLICATION

Adviser, Sponsor, Underwriter and Placement Agent



M & A SECURITIES SDN BHD
(197301001503 (15017-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Bursa Securities has approved our admission to the Official List of the ACE Market of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities. 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 of Bursa Securities 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 is not liable for any non-disclosure on the part of the company and takes no responsibility for the contents of this document, 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.

YOU 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 211.

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 27 JANUARY 2025

PROSPECTUS



ES SUNLOGY BERHAD
(202301046467 (1540381-T))
(Incorporated in Malaysia)



ES SUNLOGY BERHAD
(202301046467 (1540381-T))
(Incorporated in Malaysia)

Our Directors, Promoters and Selling Shareholders (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 there is no false or misleading statement or other facts which if omitted, would make any statement in the Prospectus false or misleading.

M&A Securities, being our Adviser, Sponsor, Underwriter and Placement Agent to our IPO (as defined herein), 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.

This Prospectus, together with the Application Form (as defined herein), has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

Investors should note that they may seek recourse under Sections 248, 249 and 357 of the CMSA (as defined herein) for breaches of securities laws including any statement in the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to our Group (as defined herein).

Securities listed on Bursa Securities 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.

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 7 November 2024. Our admission to the Official List of ACE Market of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. Bursa Securities shall not be liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

The SC (as defined herein) has on 8 November 2024 approved the resultant equity structure of our Company under the Bumiputera equity requirements for public listed companies pursuant to our Listing (as defined herein).

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of the offering, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

It shall be your sole responsibility if you are or may be subject to the laws of countries or jurisdictions other than Malaysia, to consult your legal and/ or other professional advisers as to whether our IPO would result in the contravention of any law of such countries or jurisdictions.

Further, it shall also be your sole responsibility to ensure that your application for our IPO Shares would be in compliance with the terms of our IPO as stated in our Prospectus and the Application Form and would not be in contravention of any law of countries or jurisdictions other than Malaysia to which you may be subjected. We will further assume that you had accepted our IPO in Malaysia and will be subjected only to the laws of Malaysia in connection therewith.

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.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be your sole responsibility to consult your legal and/ or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither us nor our Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS

This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus registered with Bursa Securities are the same.

You are advised that the internet is not a fully secured medium, and that your Internet Share Application (as defined herein) may be subject to the risks of problems occurring during the 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 or Participating Securities Firms (as defined herein). These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, the Adviser or Issuing House (as defined herein), a paper printed copy of this Prospectus.

In the event of any discrepancies arising between the contents of the electronic 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 the 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:

- (a) We and our Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents 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;
- (b) We and our Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, for fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Adviser are also not responsible for any loss or damage or costs 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 of any data, information, files or other material provided by such parties; and
- (c) Any data, information, files or other material downloaded from Third Party Internet Sites is done at your own discretion and risk. We and our 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 website of the Internet Participating Financial Institutions or Participating Securities Firms, you are advised that:

- (a) The Internet Participating Financial Institutions or Participating Securities Firms 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 situated on the web server of the Internet Participating Financial Institutions or Participating Securities Firms which may be viewed through web browser or other relevant software. The Internet Participating Financial Institutions or Participating Securities Firms shall not be responsible for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms, and subsequently communicated or disseminated in any manner to you or other parties; and
- (b) 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 as the internet is not a fully secured medium.

The Internet Participating Financial Institutions or Participating Securities Firms shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or 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 website of the Internet Participating Financial Institutions or Participating Securities Firms, 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

All terms used are defined under "Definitions" commencing from page vii.

The indicative timing of events leading to our Listing is set out below:

| Events | Indicative date |
|--|------------------------|
| Issuance of this Prospectus/ Opening of Application | 27 January 2025 |
| Closing Date/ Closing of Application | 5 February 2025 |
| Balloting of Application | 10 February 2025 |
| Allotment/ Transfer of IPO Shares to successful applicants | 18 February 2025 |
| Date of Listing | 20 February 2025 |

In the event there is any change to the timetable, we will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia, and make an announcement on Bursa Securities' website.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All terms used in this section are defined under "Definitions" commencing from page vii.

All references to "**ES Sunlogy**" or "**Company**" in this Prospectus are references to ES Sunlogy Berhad (202301046467 (1540381-T)). Unless otherwise stated, references to "**Group**" are to our Company and our subsidiaries taken as a whole; and references to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company, and, save where the context otherwise requires 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.

The word "**approximately**" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or million or one decimal place (for percentages) and two sen (for currency). Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

Certain abbreviations, acronyms and technical terms used are defined in the "**Definitions**" and "**Technical Glossary**" appearing after this section. Words denoting singular shall include plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include companies and corporations.

All reference to dates and times are references to dates and times in Malaysia.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

This Prospectus includes statistical data provided by our management and various third-parties and cites third-party projections regarding growth and performance of the industry in which our Group operates. 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. Where no source is stated, such information can be assumed to originate from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the Independent Market Researcher. 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.

The information on our website, or any website directly or indirectly linked to such websites do not form part of this Prospectus.

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FORWARD-LOOKING STATEMENTS

All terms used are defined under "Definitions" commencing from page vii.

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 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 "**may**", "**will**", "**would**", "**could**", "**believe**", "**expect**", "**anticipate**", "**intend**", "**estimate**", "**aim**", "**plan**", "**forecast**", "**project**" or similar expressions and include all statements that are not historical facts.

Such forward-looking statements include, without limitations, statements relating to:

- (a) demand for our services;
- (b) our business strategies;
- (c) our future plans;
- (d) our future earnings, cash flows and liquidity; and
- (e) our ability to pay future dividends.

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

- (a) the economic, political and investment environment in Malaysia; and
- (b) Government policy, legislation or regulation.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 – "Risk Factors" and Section 12 – "Financial Information". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus.

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

DEFINITIONS

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

COMPANIES WITHIN OUR GROUP:

| | | |
|-------------------------------|---|--|
| "Energy ES" | : | Energy ES Sdn Bhd (202101012981 (1413280-K)) |
| "ES Sunlogy" or "Company" | : | ES Sunlogy Berhad (202301046467 (1540381-T)) |
| "ES Sunlogy Group" or "Group" | : | ES Sunlogy and its subsidiaries, collectively |
| "Savelite" | : | Savelite Engineering Sdn Bhd (201001019389 (903099-M)) |
| "Selarong Pertama" | : | Selarong Pertama Energy Sdn Bhd (202401004538 (1550388-H)) |

GENERAL:

| | | |
|--|---|---|
| "ACE Market" | : | ACE Market of Bursa Securities |
| "Acquisition" | : | Acquisition by ES Sunlogy of the entire equity interest of Savelite for a purchase consideration of RM50.34 million which was wholly satisfied by the issuance of 559,999,997 new Shares at an issue price of RM0.0899 per Share, which was completed on 17 December 2024 |
| "Act" | : | Companies Act 2016 |
| "ADA" | : | Authorised Depository Agent |
| "Adviser" or "Sponsor" or "Placement Agent" or "Underwriter" | : | M&A Securities |
| "AGM" | : | Annual general meeting |
| "Application(s)" | : | Application for our Issue Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s) |
| "Application Form(s)" | : | Printed application form(s) for the application of Issue Shares accompanying this Prospectus |
| "Askey" | : | Askey Media Technology (M) Sdn Bhd (201001039132 (923056-D)) |
| "Atlantic Blue" | : | Atlantic Blue Sdn Bhd (200501009092 (686139-X)), a wholly-owned subsidiary of Solarvest Holdings Berhad (listed on Main Market) |
| "ATM" | : | Automated teller machine |
| "Blazing Solar" | : | Blazing Solar Sdn Bhd (202201041274 (1486971-X)), a wholly-owned subsidiary of Solarvest Holdings Berhad (listed on Main Market) |
| "BNM" | : | Bank Negara Malaysia |

DEFINITIONS (Cont'd)

| | | |
|---------------------------------------|---|--|
| "Board" | : | Board of Directors of ES Sunlogy |
| "Bursa Depository" or "Depository" | : | Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W)) |
| "Bursa Securities" | : | Bursa Malaysia Securities Berhad (200301033577 (635998-W)) |
| "CAGR" | : | Compound annual growth rate |
| "CCC" | : | Certificate of completion and compliance |
| "CDS" | : | Central Depository System |
| "CDS Account" | : | Account established by Bursa Depository for a depositor for the recording and dealing in securities by the depositor |
| "Cena Power" | : | Cena Power Sdn Bhd (201601022587 (1193526-K)) |
| "Central Depositories Act" or "SICDA" | : | Securities Industry (Central Depositories) Act 1991 |
| "CF" | : | Certificate of fitness for occupation |
| "CGPA" | : | Corporate Green Power Agreement dated 16 February 2024 between Selarong Pertama and Client M |
| "CIDB" | : | Construction Industry Development Board of Malaysia |
| "CIDB Act" | : | Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 |
| "Client M" | : | A private limited company incorporated in Malaysia, which is principally involved in designing, developing and manufacturing of memory and storage products and semiconductors devices such as diodes and transistors. |

Client M is a subsidiary of a USA-based corporation listed on the NASDAQ Global Select Market, which is principally involved in investment holding in subsidiaries involved in designing, developing, manufacturing of memory and storage products.

We are unable to disclose the identity of Client M due to contractual obligations to keep all information confidential under the CGPA executed with Client M

DEFINITIONS (Cont'd)

- "Client S" : A private limited company incorporated in Malaysia, which is principally involved in manufacturing and supplying computer, peripheral equipment and electrical products, as well as assembling and supplying solid state storage systems and other electronic storage systems associated with the semiconductor industry.
- Client S is an indirect subsidiary of a USA-based corporation listed on the NASDAQ Global Select Market, which is principally involved in investment holding in subsidiaries involved in developing, manufacturing and providing data storage devices and solutions such as solid-state drives, digital audio players, memory cards and readers.
- We are unable to disclose the identity of Client S due to contractual obligations to keep all information confidential under the agreements executed with Client S
- "Client ST" : A private limited company incorporated in Malaysia, which is principally involved in civil and structural construction works and registered as a G7 contractor with CIDB.
- We are unable to disclose the identity of Client ST as they do not consent to the disclosure of any information relating to them, in line with their policy with their customers and suppliers
- "Client W" : A private limited company incorporated in Malaysia, which is principally involved in the manufacturing and supplying of thin film magnetic disks which provides (i) high-capacity storage medium for digital data in computers and appliances; (ii) services focusing on data management, specifically in collecting, managing, and using digital information; and (iii) produces hard drives that keep users' data.
- Client W is an indirect subsidiary of a USA-based corporation listed on the NASDAQ Global Select Market, which is principally involved in investment holding in subsidiaries involved in developing, manufacturing and providing data storage devices and solutions such as solid-state drives, digital audio players, memory cards and readers.
- We are unable to disclose the identity of Client W due to contractual obligations to keep all information confidential under the agreements executed with Client W
- "Client Z" : A private limited company incorporated in Malaysia, which is principally involved in diversified construction works such as civil, structural, mechanical, electrical engineering works; and property development of high-rise residential projects.
- We are unable to disclose the identity of Client Z as they do not consent to the disclosure of any information relating to them, in line with their policy with their customers and suppliers
- "Closing Date" : Date adopted in this Prospectus as the last date for acceptance and receipt of the Application

DEFINITIONS (Cont'd)

| | | |
|-----------------------------------|---|---|
| "CMSA" | : | Capital Markets and Services Act 2007 |
| "Company E" | : | <p>Company E is a private limited company incorporated in Malaysia, which is principally involved in trading and provision of installation services of solar energy products and system.</p> <p>Company E is a subsidiary of a public listed company on ACE Market, which is principally involved in investment holding in subsidiaries involved in manufacturing, trading and sales of doors, door and window frames, trading of ironmongery, electronics and electrical systems and accessories.</p> <p>We are unable to disclose the identity of Company E due to contractual obligations to keep all information confidential under the agreement executed with Company E</p> |
| "Constitution" | : | Our constitution |
| "COVID-19" | : | Coronavirus disease 2019, an infectious disease which affects the respiratory system, and it is a global pandemic |
| "Depository Rules" | : | Rules of Bursa Depository and any appendices thereto |
| "Director(s)" | : | An executive director or a non-executive director of our Company within the meaning of Section 2 of the Act |
| "EC" | : | Energy Commission Malaysia |
| "EBIT" | : | Earnings before interest and tax |
| "EBITDA" | : | Earnings before interest, tax, depreciation and amortisation |
| "Electronic Prospectus" | : | Copy of this Prospectus that is issued, circulated or disseminated via the internet and/ or an electronic storage medium |
| "Electronic Share Application(s)" | : | Application(s) for our Issue Shares through a Participating Financial Institution's ATM |
| "Eligible Person(s)" | : | Eligible Director(s), employee(s) of our Group, and person(s) who have contributed to the success of our Group who are eligible to participate in the Pink Form Allocations, collectively |
| "EPS" | : | Earnings per share |
| "ERP" | : | Enterprise resource planning |
| "Frasers Construction" | : | Frasers Construction (M) Sdn Bhd (201701031156 (1245326-M)) |
| "FYE" | : | Financial year(s) ended/ ending 31 July, as the case may be |
| "Government" | : | Government of Malaysia |
| "GP" | : | Gross profit |

DEFINITIONS (Cont'd)

| | | |
|---|---|--|
| “Headquarters” | : | Our head office, which is a 3-storey super link terraced light industrial factory located at 2A, Jalan Industri Tangkas 2, Taman Industri Tangkas, 14000 Bukit Mertajam, Seberang Perai Tengah, Pulau Pinang |
| “IFRS” | : | International Financial Reporting Standards |
| “IMR” or “Providence” | : | Providence Strategic Partners Sdn Bhd (201701024744 (1238910-A)), our independent market researcher |
| “IMR Report” | : | Independent Market Research Report titled “Outlook of the Mechanical and Electrical Engineering Industry and Solar Photovoltaic Industry in Malaysia” dated 7 January 2025 |
| “Initial Public Offering” or “IPO” | : | Our initial public offering comprising the Public Issue and Offer for Sale |
| “Internet Participating Financial Institution(s)” or “Participating Securities Firm(s)” | : | Participating financial institution(s) or Participating Securities Firm(s) for Internet Share Application as listed in Section 16.6 |
| “Internet Share Application(s)” | : | Application for our IPO Share(s) through an online share application service provided by Internet Participating Financial Institution(s) or Participating Securities Firm(s) |
| “IPO Price” | : | Issue price/ offer price of RM0.30 per Share under our Public Issue and Offer for Sale |
| “IPO Share(s)” | : | Issue Share(s) and Offer Share(s), collectively |
| “IRB” | : | Inland Revenue Board of Malaysia |
| “Issue Share(s)” | : | New Share(s) to be issued under our Public Issue |
| “Issuing House” | : | Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H)) |
| “ISO” | : | International Organisation for Standardisation |
| “IT” | : | Information technology |
| “Itramas” | : | Itramas Technology Sdn Bhd (199901022177 (497077-A)) |
| “Junjong Consortium” | : | Savelite, Frasers Construction and Moderntent Development, collectively |

DEFINITIONS (Cont'd)

| | |
|------------------------|---|
| "Junjong Land" | : 4 pieces of freehold lands as described below: |
| | (a) Geran Mukim 503, Lot No. 228, Tempat Penyangga, Mukim Junjong, Daerah Kulim, Kedah |
| | (b) Geran Mukim 165, Lot No. 1568, Tempat Charok Sidan, Mukim Junjong, Daerah Kulim, Kedah |
| | (c) Geran Mukim 37, Lot No. 446, Tempat Balai Dan, Pekan Junjong, Daerah Kulim, Kedah |
| | (d) Geran 94252, Lot No. 1074, Tempat Balai Dan, Pekan Junjong, Daerah Kulim, Kedah |
| "Junjong LSSPV Plant" | : A 20.76MWac LSSPV plant which is owned, operated and maintained by Energy ES and located at Junjong Land |
| "Listing" | : Listing of and quotation for our entire enlarged share capital of RM92.34 million comprising 700,000,000 Shares on the ACE Market |
| "Listing Requirements" | : ACE Market Listing Requirements of Bursa Securities |
| "Listing Scheme" | : Comprising the Public Issue, Offer for Sale and Listing, collectively |
| "LPD" | : 24 December 2024, being the latest practicable date for ascertaining certain information contained in this Prospectus |
| "M&A Securities" | : M & A Securities Sdn Bhd (197301001503 (15017-H)) |
| "Main Market" | : Main Market of Bursa Securities |
| "Malaysian Public" | : Malaysian citizens and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia |
| "Market Day" | : A day on which the stock market of Bursa Securities is open for trading in 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 |
| "MCCG" | : Malaysian Code on Corporate Governance |
| "MCO" | : The nationwide Movement Control Order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 |
| "Members" | : Any person(s) whose name(s) is/ are entered in our Company's register of members including depositors whose names appear on the Record of Depositors except Bursa Depository and/ or its nominee company in its capacity as a bare trustee |
| "MFRS" | : Malaysian Financial Reporting Standards |
| "MIA" | : Malaysian Institute of Accountants |
| "MITI" | : Ministry of Investment, Trade and Industry |

DEFINITIONS (Cont'd)

| | | |
|--|---|---|
| "Moderntent Development" | : | Moderntent Development Sdn Bhd (200001023777 (526385-M)) |
| "MOF" | : | Ministry of Finance |
| "NA" | : | Net assets |
| "NBV" | : | Net book value |
| "Offer for Sale" | : | Offer for sale of 70,000,000 Offer Shares by our Selling Shareholders at our IPO Price |
| "Offer Share(s)" | : | Existing Share(s) to be offered under our Offer for Sale |
| "Official List" | : | A list specifying all securities which have been admitted for listing on Bursa Securities |
| "OSHA" | : | Occupational Safety and Health Act 1994 |
| "Participating Financial Institution(s)" | : | Participating financial institution(s) for Electronic Share Application as listed in Section 16.5 |
| "PAT" | : | Profit after taxation |
| "PBT" | : | Profit before taxation |
| "PE Multiple" | : | Price-to-earnings multiple |
| "PETRA" | : | Ministry of Energy Transition and Water Transformation |
| "Pink Form Allocations" | : | Allocation of 17,500,000 Issue Shares to our Eligible Persons, which forms part of our Public Issue |
| "Promoter(s)" | : | Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng, collectively |
| "Prospectus" | : | This prospectus dated 27 January 2025 in relation to our IPO |
| "Public Issue" | : | Public issue of 140,000,000 Issue Shares at our IPO Price |
| "Record of Depositors" | : | A record of securities holders established by Bursa Depository under the Depository Rules |
| "ROC" | : | Registrar of Companies |
| "SC" | : | Securities Commission Malaysia |
| "SEDA" | : | Sustainable Energy Development Authority |
| "Selarong Land" | : | 2 pieces of freehold lands as described below: <ul style="list-style-type: none"> (a) Hakmilik No. Geran 35020, Lot No. 42, Mukim Padang China, Daerah Kulim, Kedah (b) Hakmilik No. HSD 4106, Lot No. PT 442, Mukim Padang Meha, Daerah Kulim, Kedah |

DEFINITIONS (Cont'd)

| | | |
|-------------------------------------|---|---|
| "Selarong LSSPV Plant" | : | A 29.99MW LSSPV plant which is developed, constructed and operated by Selarong Pertama and located at Selarong Land |
| "Selling Shareholder(s)" | : | Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng, who are undertaking the Offer for Sale, collectively |
| "Share(s)" or "ES Sunlogy Share(s)" | : | Ordinary share(s) in ES Sunlogy |
| "SOP(s)" | : | Standard operating procedure(s) |
| "Specified Shareholder(s)" | : | Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng, collectively |
| "Supplier W" | : | <p>A private limited company incorporated in Malaysia, which is principally involved in the trading of electrical machinery and components such as lighting, cable, wire, cable tray and related products across Malaysia, Thailand and China.</p> <p>We are unable to disclose the identity of Supplier W as they do not consent to the disclosure of any information relating to them, in line with their policy with their customers and suppliers</p> |
| "TNB" | : | Tenaga Nasional Berhad (199001009294 (200866-W)) |
| "TRe" | : | TNB Renewables Sdn Bhd (201801003171 (1265184-A)), a wholly-owned subsidiary of TNB |
| "UK" | : | United Kingdom |
| "Underwriting Agreement" | : | Underwriting agreement dated 19 December 2024 entered into between ES Sunlogy and M&A Securities for the purpose of our IPO |
| "USA" | : | United States of America |
| "U-Teknik KL" | : | U-Teknik Trading (KL) Sdn Bhd (201501014895 (1140227-K)) |
| "U-Teknik Trading" | : | U-Teknik Trading Sdn Bhd (200401014194 (652697-H)) |
| "W Group" | : | Client S and Client W, collectively |
| "Yansnest" | : | Yansnest Sdn Bhd (202001002466 (1359786-U)) |

DEFINITIONS (Cont'd)

CURRENCY AND UNITS:

| | | |
|---------------|---|---------------------------------------|
| "km" | : | Kilometre |
| "kV" | : | Kilovolt |
| "MW" | : | Megawatts |
| "MWac" | : | Megawatt alternating current |
| "MWh" | : | Megawatt hour |
| "RM" or "sen" | : | Ringgit Malaysia and sen respectively |
| "sq ft" | : | Square feet |

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TECHINICAL GLOSSARY

This glossary contains an explanation of certain terms used throughout this Prospectus in connection with our Group's business. The terminologies and their meanings may not correspond to the standard industry usage of these terms:

| | | |
|-------------------------|---|--|
| "AC" | : | Alternating current, an electrical current that periodically reverses direction and changes its magnitude continuously with time |
| "ACMV" | : | Air-conditioning and mechanical ventilation, the technology of indoor environmental comfort to provide thermal comfort and acceptable indoor air quality |
| "Busbar" | : | Metal bars used to carry electrical current |
| "CGPP" | : | Corporate Green Power Programme, a programme which allows eligible corporate consumers to enter into virtual power purchase agreement with solar power producers for the purchase of renewable energy virtually based on an agreed price instead of via direct delivery of the physical energy |
| "Chargeman" | : | A certified individual responsible for supervising and overseeing electrical installations, maintenance, and operations within a designated area or project site. In Malaysia, a chargeman is required to hold valid certifications issued by the EC which specify their competency levels and authorise them to perform electrical works up to certain voltage levels. A chargeman typically ensures that electrical installations comply with safety regulations, industry standards and project specifications |
| "CMGD" | : | Certificate of making good defects |
| "CPC" | : | Certificate of practical completion |
| "DC" | : | Direct current, an electrical current that flows in one direction |
| "Distribution licencee" | : | TNB in Peninsular Malaysia and Sabah Electricity Sdn Bhd in Sabah, being the holders of the licence to distribute electricity issued by the EC under Section 9 of the Electricity Supply Act 1990 [Act 447] |
| "DLP" | : | Defect liability period, a warranty period where a contractor is required to repair or make good defects in the work performed at their own costs |
| "Earthing systems" | : | A grounding system that connects specific parts of an electrical and electronic system to the earth's conductive surface for safety and functional purposes |
| "Electrical faults" | : | An abnormal condition in a power system or equipment that occurs when the current flowing through a circuit is partially or completely interrupted. Faults can occur for various reasons, including equipment failure, environmental conditions and human error |

TECHNICAL GLOSSARY (Cont'd)

| | | |
|----------------------------|---|--|
| "Electricity" | : | A secondary energy source derived from electromagnetism, one of the natural forces. As a secondary energy source, the generation of electricity relies on primary energy sources such as solar, wind, fossil fuels, hydropower and radioactive materials. In the context of this Prospectus, it is used synonymously with "power", unless indicated otherwise |
| "ELV" | : | Extra low voltage, a voltage less or equal to 50 volts |
| "EPCC" | : | Engineering, procurement, construction and commissioning, a form of contract to undertake construction contracts where the contractor is responsible for the design, procurement, construction, commissioning and handover of a project |
| "EUC" | : | Electricity utility company, being TNB in Peninsular Malaysia |
| "Fault current" | : | Electrical current which flows through a circuit during electrical faults |
| "Fire protection system" | : | Consist of various components that work together to provide early warning, suppress fires and ensure the safe evacuation of occupants. These systems are crucial for preventing fire-related injuries, minimising property damage, and maintaining a safe environment |
| "HV" | : | High voltage, a voltage more than 50kV but less or equal to 230kV |
| "Interconnection" | : | Refers to a point at which a solar PV system at a facility is connected to the utility grid, commonly within the premises of the facility. For solar PV power plants designed for export to the utility grid, the interconnection includes power cables connecting the solar PV power plant to a substation of the utility grid |
| "Inverter" | : | A device or circuitry that converts DC generated by solar panels into AC prior to transmission to the utility grid |
| "LAD" | : | Liquidated ascertained damages, damages payable to a client when a contractor fails to deliver the completed work within the stipulated period in the contract. Such damages payable is calculated at a rate stated in the contract |
| "LED" | : | Light-emitting diode, a semiconductor device that emits light when current flows through it |
| "Levelised cost of energy" | : | Price at which the generated electricity should be sold for the system to break even at the end of its lifetime |
| "LSS" | : | Large scale solar, a competitive bidding programme to drive down the levelised cost of energy for the development of LSSPV plants and EC is the implementing agency for this scheme |
| "LSSPV plant" | : | Large scale solar PV plant |
| "LV" | : | Low voltage, a voltage more than 50 volts but less or equal to 1kV |
| "M&E engineering" | : | Mechanical and electrical engineering |

TECHNICAL GLOSSARY (Cont'd)

| | | |
|-----------------------------------|---|---|
| "MV" | : | Medium voltage, a voltage of more than 1kV but less or equal to 50kV |
| "NEDA" | : | New Enhanced Dispatch Arrangement, a programme which allows non-power purchase agreement/ service level agreement generators such as co-generators, renewable energy generators/ producers, embedded generators and expired power purchase agreement/ service level agreement generators to operate as merchant generators to sell energy to the Single Buyer. NEDA allows these power generators to bid their variable costs (fuel cost and O&M cost) compared to those stated in the power purchase agreements and service level agreements. NEDA is designed to enhance competition and cost efficiency of the Single Buyer market |
| "O&M" | : | Operations and maintenance |
| "PV" | : | Photovoltaic, refers to the conversion of light into electricity using semiconducting materials |
| "REC" | : | Renewable energy certificate, market-based instruments that represents the generation of renewable energy from renewable sources such as solar |
| "Renewable energy" | : | Energy from renewable resources that are naturally replenished such as solar, wind, hydro, current, wave and geothermal heat |
| "REPPA" | : | Renewable energy power purchase agreement |
| "Single Buyer" | : | Entity authorised by PETRA pursuant to the Electricity Supply Act (ESA) 1990 to conduct electricity planning and manage electricity procurement services for Peninsular Malaysia. The Single Buyer's main responsibility is to procure electricity from independent power producers and TNB |
| "SMP" | : | System marginal price, the price of the most expensive marginal generator scheduled/ dispatched to meet demand in the applicable half hourly period |
| "Solar PV panel(s)" | : | A device that converts sunlight into electricity by using PV cells |
| "Solar PV system(s)" | : | Comprises one or more solar PV panels combined with an inverter and other electrical and mechanical hardware that converts sunlight into electricity |
| "Utility grid" or "Power grid" | : | An interconnected network for electricity delivery from producers to consumers. Electrical grids consist of power stations (often located near source of energy and away from heavily populated areas), electrical substations to step voltage up or down, electric power transmission to carry power long distances, and lastly electric power distribution to individual clients, where voltage is stepped down again to the required service voltage(s) |
| "Wireman" | : | A skilled technician specialising in the installation, maintenance and repair of electrical wiring systems, components and equipment. |

In Malaysia, a wireman may hold different grades of certification issued by the EC, indicating their competency levels and authorisation to work on electrical systems of varying complexity and voltage ratings

PROJECTS

This following is a brief description of some of the projects undertaken by our Group:

Ongoing projects

- "Bangsar Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of a block of serviced apartments together with car parking bays, related amenities and facilities located at Bangsar, Kuala Lumpur
- "Bukit Jalil Apartments Project" : Provision of M&E engineering services comprising electrical installation works for the development of 2 blocks of serviced apartments together with car parking bays, related amenities and facilities located at Bukit Jalil, Kuala Lumpur
- "Bukit Jalil Hospital Project" : Provision of M&E engineering services comprising electrical installation works for the development of a private hospital together with car parking bays, related amenities and facilities located at Bukit Jalil, Kuala Lumpur
- "Bukit Jalil Project" : Provision of M&E engineering services comprising electrical installation works for the development of a mixed development comprising residential units and commercial space located at Bukit Jalil, Kuala Lumpur
- "Gemas Project (Phase I)" : Provision of M&E engineering services comprising electrical and ELV installation works for the development of livestock barns located at Gemas, Negeri Sembilan
- "Gemas Project (Phase II)" : Provision of M&E engineering services comprising electrical and ELV installation works for the development of a dairy factory located at Gemas, Negeri Sembilan
- "Jalan Mas Project" : Provision of M&E engineering services comprising electrical installation works and distribution systems for the development of a block of serviced apartments together with car parking bays, related amenities and facilities located at Jalan Mas, Kuala Lumpur
- "Jalan Raja Chulan Project" : Provision of M&E engineering services comprising electrical installation works for the development of a block of hotel suites together with car parking bays, related amenities and facilities located at Jalan Raja Chulan, Kuala Lumpur
- "Kajang Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of 4 blocks of serviced apartments together with car parking bays, related amenities and facilities located at Kajang, Selangor
- "Kulim Project" : Provision of M&E engineering services comprising electricity supply distribution systems for LV main switchboard, sub-switchboard, distribution board and motor control centre panel of a semiconductor manufacturing facility located at Kulim, Kedah

PROJECTS (Cont'd)

- "Old Klang Road Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of a mixed development project comprising 2 blocks of serviced apartments and a block of affordable homes located at Old Klang Road, Kuala Lumpur
- "Segambut Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of 2 blocks of serviced apartments together with car park podiums and related amenities and facilities located at Segambut, Selangor
- "Seputeh Project" : Provision of M&E engineering services comprising electrical, lightning protection and earthing works for the development of 3 blocks of serviced suites and villas located at Taman Seputeh, Kuala Lumpur
- "Seri Kembangan Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of 2 blocks of serviced apartments, car park podiums, shop lot units together related amenities and facilities located at Seri Kembangan, Selangor
- "Seri Tanjung Pinang Project" : Provision of M&E engineering services comprising electrical installation works for the development of 2 blocks of serviced apartments together with car park podiums, related amenities and facilities located at Seri Tanjung Pinang, Pulau Pinang
- "Setapak Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of 1 block of serviced apartments and villas located at Setapak, Kuala Lumpur
- "Subang Project" : Provision of M&E engineering services comprising electrical installation works and ELV systems for the development of 2 blocks of hotel suites located at Subang Jaya, Selangor
- "Sungai Buloh Project" : Provision of M&E engineering services comprising electrical installation works for the development of 1 block of serviced apartments together with related amenities and facilities located at Sungai Buloh, Selangor

Completed projects

- "Alor Setar Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the construction of a medical specialist centre located at Alor Setar, Kedah
- "Batu Ferringhi Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of a block of apartments located at Batu Ferringhi, Pulau Pinang
- "Batu Kawan Project" : Provision of M&E engineering services comprising electricity supply distribution systems for LV main switchboard, sub-switchboard, distribution board and motor control centre panel for the expansion and renovation for an industrial complex located at Batu Kawan, Pulau Pinang

PROJECTS (Cont'd)

- "Cyberjaya Project" : Provision of M&E engineering services comprising electricity supply distribution systems for an existing solar PV panel manufacturing facility located at Cyberjaya, Selangor
- "George Town Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the construction of a showroom unit and service centre together with related facilities located at George Town, Pulau Pinang
- "Junjong LSSPV Plant Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of Junjong LSSPV Plant
- "Kinta Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the construction of a rubber glove factory and machinery platform cum packing area located at Kinta, Perak
- "Kulim 1 Project" : Provision of M&E engineering services comprising electricity supply distribution systems for transformers and LV main switchboard, sub-switchboard, distribution board and related electrical accessories/ facilities for the expansion of a semiconductor manufacturing facility located at Kulim, Kedah
- "Langkawi Apartments Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of a block of serviced apartments located at Langkawi, Kedah
- "Langkawi Hotel Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of hotel and villas located at Langkawi, Kedah
- "Pasir Gudang Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the expansion and renovation project relating to an existing industrial complex located at Pasir Gudang, Johor
- "Petaling Jaya Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of a block of serviced apartments located at Petaling Jaya, Selangor
- "Retirement Village Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of 2 blocks of commercial buildings as retirement village complex located at Seremban, Negeri Sembilan
- "Seberang Perai Selatan Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the renovation and extension works for an industrial complex located at Seberang Perai Selatan, Pulau Pinang
- "Seremban Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the construction of an electronics manufacturing facility located at Seremban, Negeri Sembilan
- "Seri Iskandar Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the solar PV systems of a higher education learning centre located at Seri Iskandar, Perak

PROJECTS (Cont'd)

- "Shah Alam Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of landed residential properties located at Shah Alam, Selangor
- "Sitiawan Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of a LSSPV plant located at Sitiawan, Perak
- "Sri Petaling Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of 2 blocks of serviced apartments located at Sri Petaling, Kuala Lumpur
- "Tanjung Pinang Project" : Provision of M&E engineering services comprising electricity supply distribution systems for the development of a block of serviced apartments together with commercial units, car parking bays, related amenities and facilities located at Bandar Tanjung Pinang, Pulau Pinang

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

| Name | Designation | Residential address | Nationality/ Profession | Gender |
|--|------------------------------------|--|------------------------------------|---------------|
| Loh Kwang Yean | Independent Non-Executive Chairman | 2A-8-5, Regency Heights Cangkat Kenari, Sungai Ara 11900 Bayan Lepas Pulau Pinang | Malaysian/ Director | Male |
| Khor Chuan Meng | Managing Director | 12A, Lorong Tambun Indah 9 Taman Tambun Indah 14100 Simpang Ampat Pulau Pinang | Malaysian/ Director | Male |
| Chu Kerd Yee | Executive Director | 26, Lorong Tambun Indah 9 Taman Tambun Indah 14100 Simpang Ampat Pulau Pinang | Malaysian/ Director | Male |
| Dato' Magaret Ting Thien Hung | Independent Non-Executive Director | 3-3A-10, Amaya Saujana Persiaran Golf Seksyen U2 40150 Shah Alam Selangor | Malaysian/ Director | Female |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Independent Non-Executive Director | 7, Jalan P14B 1/7 Presint 14 62050 Putrajaya | Malaysian/ Director | Female |
| Lim Kwee Yong | Independent Non-Executive Director | 3, Jalan Pekaka 8/16A Kota Damansara 47810 Petaling Jaya Selangor | Malaysian/ Director | Female |

AUDIT AND RISK MANAGEMENT COMMITTEE

| Name | Designation | Directorship |
|--|--------------------|------------------------------------|
| Lim Kwee Yong | Chairperson | Independent Non-Executive Director |
| Dato' Magaret Ting Thien Hung | Member | Independent Non-Executive Director |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Member | Independent Non-Executive Director |

1. CORPORATE DIRECTORY *(Cont'd)*

NOMINATION COMMITTEE

| Name | Designation | Directorship |
|--|--------------------|------------------------------------|
| Datuk Hajah Nor Zamani binti Abdol Hamid | Chairperson | Independent Non-Executive Director |
| Dato' Magaret Ting Thien Hung | Member | Independent Non-Executive Director |
| Lim Kwee Yong | Member | Independent Non-Executive Director |

REMUNERATION COMMITTEE

| Name | Designation | Directorship |
|--|--------------------|------------------------------------|
| Dato' Magaret Ting Thien Hung | Chairperson | Independent Non-Executive Director |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Member | Independent Non-Executive Director |
| Lim Kwee Yong | Member | Independent Non-Executive Director |

COMPANY SECRETARIES

: Chua Siew Chuan (SSM PC No. 201908002648)
(MAICSA 0777689) (Practitioner)
(Chartered Secretary and Chartered Governance Professional, Fellow of the Malaysian Institute of Chartered Secretaries and Administrators)

Cheng Chia Ping (SSM PC No. 202008000730)
(MAICSA 1032514) (Practitioner)
(Chartered Secretary and Chartered Governance Professional, Associate of the Malaysian Institute of Chartered Secretaries and Administrators)

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

Telephone: 03-2084 9000

REGISTERED OFFICE

: Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

Telephone: 03-2084 9000

HEAD OFFICE

: 2A, Jalan Industri Tangkas 2
Taman Industri Tangkas
14000 Bukit Mertajam
Seberang Perai Tengah
Pulau Pinang

Telephone: 04-508 8272

EMAIL ADDRESS AND WEBSITE

: Website: www.essunlogy.com
Email address: info@essunlogy.com

1. CORPORATE DIRECTORY (*Cont'd*)

- AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING** : **PKF PLT**
(202206000012 (LLP0030836-LCA)) & (AF 0911)

67, Jalan Seang Tek
10400 George Town
Pulau Pinang

Partner-in-charge: Ng Chew Pei
(Chartered Accountant, Fellow of the Association of Chartered Certified Accountants and Member of the MIA)

Approved number: 03373/06/2026 J

Telephone: 04-218 9653
- SOLICITORS FOR OUR LISTING** : **Ong and Manecksha**

200, Victoria Street
10300 George Town
Pulau Pinang

Telephone: 04-250 5811
- ISSUING HOUSE** : **Tricor Investor & Issuing House Services Sdn Bhd**
(197101000970 (11324-H))

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone: 03-2783 9299
- SHARE REGISTRAR** : **Securities Services (Holdings) Sdn Bhd**
(197701005827 (36869-T))

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

Telephone: 03-2084 9000
- INDEPENDENT MARKET RESEARCHER** : **Providence Strategic Partners Sdn Bhd**
(201701024744 (1238910-A))

67-1, Block D, Jaya One
Jalan Prof Diraja Ungku Aziz
46200 Petaling Jaya
Selangor

Person-in-charge: Elizabeth Dhoss
(Bachelor of Business Administration from the University of Malaya)

Telephone: 03-7625 1769

1. CORPORATE DIRECTORY (Cont'd)

**ADVISER, SPONSOR,
UNDERWRITER AND
PLACEMENT AGENT** : **M & A Securities Sdn Bhd**
(197301001503 (15017-H))

45 & 47, Levels 3 and 7
The Boulevard
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Telephone: 03-2284 2911

LISTING SOUGHT : ACE Market

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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 IPO

The following details relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with that text.

| | |
|---|--------------------|
| No. of Shares to be issued under Public Issue | 140,000,000 |
| - For application by the Malaysian Public | 35,000,000 |
| - For Pink Form Allocations | 17,500,000 |
| - For private placement to Bumiputera investors approved by MITI | 87,500,000 |
| No. of Shares to be offered under Offer for Sale | 70,000,000 |
| - For private placement to selected investors | 70,000,000 |
| Enlarged no. of Shares upon Listing | 700,000,000 |
| IPO Price per Share (RM) | 0.30 |
| Market capitalisation (RM) (calculated based on our IPO Price and enlarged number of Shares upon Listing) | 210,000,000 |

Further details of our IPO are set out in Section 4.

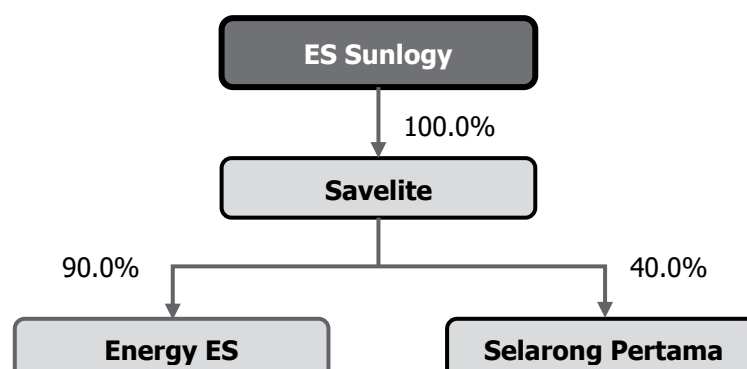
Our Specified Shareholders' entire shareholdings after our IPO will be held under moratorium for 6 months from the date of our admission to the ACE Market. Thereafter, their shareholdings amounting to 45.0% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight-line basis) of their shares held under moratorium upon expiry of the second 6 month period.

Further details on the moratorium on our Shares are set out in Section 3.2.

2.2 GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS

Our Company was incorporated in Malaysia under the Act on 23 November 2023 as a public limited company under the name of ES Sunlogy Berhad.

Our Group structure as at LPD is as follows:



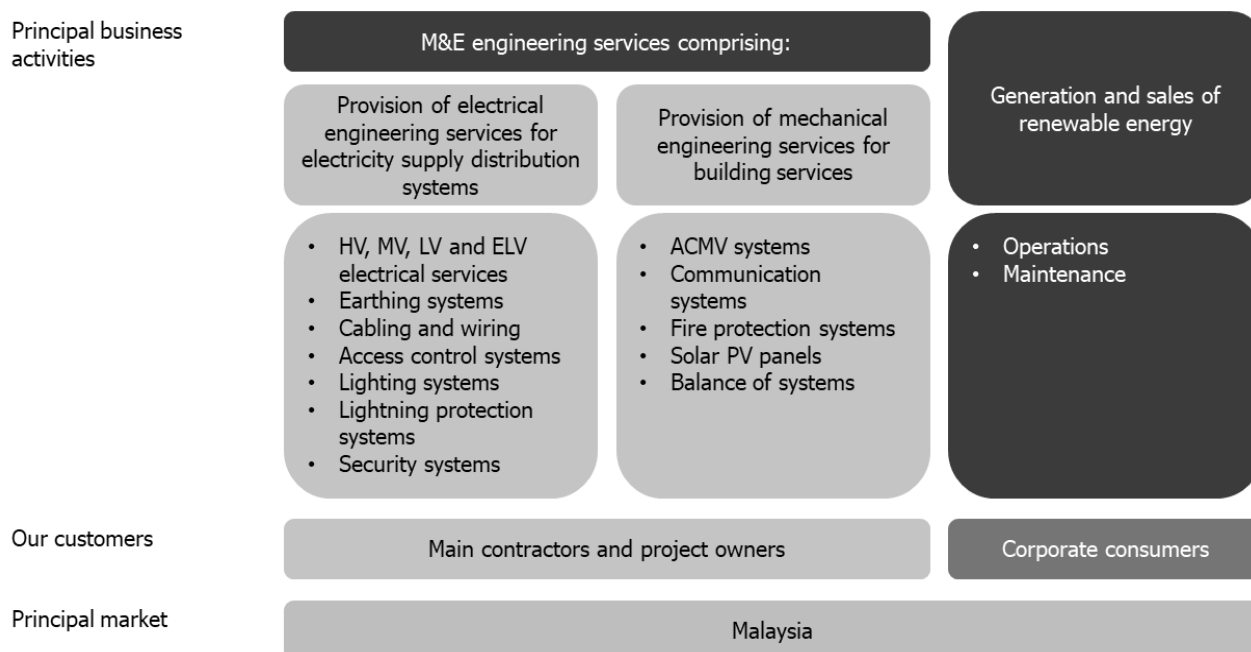
Further details of our Group structure are set out in Section 6.3.

2. PROSPECTUS SUMMARY (Cont'd)

Our Group provides M&E engineering services for various types of properties such as industrial, commercial and residential as well as solar facilities. Our Group is principally involved in the following:

- (a) provision of electrical engineering services for electricity supply distribution systems;
- (b) provision of mechanical engineering services for building services; and
- (c) generation and sales of renewable energy.

Our Group's business model is as follows:



Further details of our Group and our business model are set out in Sections 6 and 7.

Our principal market is Malaysia as we generate all our revenue locally for FYE 2021 to 2024. During FYE 2021 to 2024, our Group's revenue was mainly derived from provision of M&E engineering services, which contributed approximately 88.4% to 96.1% of our Group's total revenue, whereas the remaining revenue was generated from the trading of electrical components as well as generation and sales of renewable energy.

Further details on the breakdown of our revenue are set out in Section 12.2.2.

2.3 INTERRUPTIONS IN BUSINESS

Save for the interruptions to our business operations arising from the COVID-19, we did not experience any other interruptions to our operations which had a significant effect on our business and operations during the financial years under review up to LPD.

2. PROSPECTUS SUMMARY (Cont'd)

Our business and onsite operations were affected by the various phases of MCOs, which resulted in the temporary suspension and slowdown of M&E engineering services performed during these periods and we have sought extensions of time from our clients for several of our projects.

As a result of the temporary suspension of our operations, our financial performance was adversely affected due to the temporary halt of our projects causing a delay in recognition of revenue which is based on percentage completion. In FYE 2020, we encountered a temporary suspension of our onsite operations for certain projects between March 2020 and May 2020. In FYE 2021, we were able to commence work at our various project sites, but with restrictions resulting in lower workforce capacity. This resulted in slower progress of works completed for the first half of 2021. In FYE 2022, our Group was primarily working on ongoing projects carried forward from prior years and secured lesser new projects which commenced works in FYE 2022. As such, we recorded a lower revenue of RM50.82 million in FYE 2022 as compared to RM54.89 million in FYE 2021. As our economy and business went back to normalcy after the endemic phase, we recorded a higher revenue of RM136.73 million for FYE 2023 which was primarily attributed to the increased revenue from the provision of M&E engineering services. In FYE 2024, our Group's revenue further increased to RM191.09 million, driven by stronger sales from the provision of M&E engineering services, as well as higher revenue from our trading segment.

Further details on the impact of COVID-19 on our operations are set out in Section 7.17.

2.4 COMPETITIVE STRENGTHS

Our Directors believe that our business sustainability and future growth is built on the following competitive strengths:

- (a) our Group's wide range of M&E engineering services has enabled us to establish our presence in the M&E engineering industry in Malaysia. We are able to cater to various building types namely industrial, commercial and residential properties as well as solar facilities;
- (b) our Group has an established track record in undertaking M&E engineering projects. We have been operating in the M&E engineering industry in Malaysia for approximately 13 years. During FYE 2021 to 2024 and up to LPD, our Group has completed 49 M&E engineering projects with a total contract sum of RM230.76 million;
- (c) our Group's experience and track record has enabled us to diversify into the generation and sales of renewable energy. Since 2017, our Group has been involved in M&E engineering services for solar PV plants where our Group carries out the installation, testing and commissioning of solar PV panels and balance of systems. Since our Junjong LSSPV Plant was commercialised on 24 July 2023, we commenced generating revenue from the generation of renewable energy, which our Group sells to TNB. In January 2024, Savelite via a joint venture in Selarong Pertama intends to jointly collaborate for the development, construction and operations of the Selarong LSSPV Plant; and
- (d) our Group has a qualified and experienced management team headed by our Managing Director, Khor Chuan Meng, who has contributed to our growth and development. He is supported by our Executive Director, Chu Kerd Yee as well as key senior management who have relevant experience in their respective fields covering M&E engineering, finance, project tendering, project management and implementation, contract matters, procurement and human resource management.

2. PROSPECTUS SUMMARY (Cont'd)

Further details of our competitive strengths are set out in Section 7.9.

2.5 BUSINESS STRATEGIES

Our business objectives are to maintain sustainable growth in our business and create long term shareholder value. To achieve our business objectives, we will implement the following business strategies over the period of 24 months from the date of our Listing:

- (a) we intend to develop our Selarong LSSPV Plant. The Selarong LSSPV Plant shall be constructed on the Selarong Land with a capacity to export 29.99MW to the utility grid. The capital expenditure and operating expenditure for the Selarong LSSPV Plant is RM131.50 million and RM3.23 million respectively, to be funded via capital contribution by the respective shareholders of Selarong Pertama (27.0%) and bank borrowing (73.0%). As at LPD, Savelite, TRe and Blazing Solar holds 40.0%, 30.0% and 30.0% shareholdings respectively in Selarong Pertama. As such, our share of the capital contribution is 40.0% or RM14.19 million. Out of this RM14.19 million, RM14.10 million will be funded from the proceeds of the Public Issue, with the remaining RM0.09 million to be funded via our Group's internally generated funds. We intend to commence operations at our Selarong LSSPV Plant in December 2025;
- (b) we intend to secure more solar projects to further grow our revenue from the renewable energy segment. During FYE 2021 to 2024, revenue from solar projects contributed to 23.8%, 11.7%, 33.2% and 6.6% of our Group's revenue respectively. Being a registered PV service provider with SEDA, we intend to increase our revenue from the solar segment by securing more M&E engineering works for solar facilities through tenders and direct client negotiations in both the private and public sectors;
- (c) we intend to increase our market share within the M&E engineering industry in Malaysia by tendering for more projects with larger contract sums. Since 1 August 2023 up to LPD, we have also submitted 103 tenders with a total tender sum of RM1.04 billion which are still pending decision from clients. Moving forward, we will continue to replenish and grow our order book from the M&E engineering services segment which will further enhance our revenue and increase our market share in the industry;
- (d) we intend to strengthen our internal workforce through the recruitment of qualified employees, to support the growth of our existing business operations and the expected growth in our business. This will also allow us to better manage and control the progress of various M&E engineering projects undertaken by our Group. We plan to allocate RM1.50 million from the Public Issue to recruit 7 additional employees over 24 months from the date of our Listing; and
- (e) we intend to participate in the LSS5 programme to generate recurrent revenue. The LSS5 programme is an initiative by EC to accelerate the development of LSSPV projects in the country. In July 2024, our Group has submitted our proposal for LSS5. We expect the results of the shortlisted bidders to be announced by first half of 2025. Our Group has not finalised the construction cost and related development plans for the LSS5 project. Our Group intends to fund the capital expenditure relating to the LSS5 project via a combination internally generated funds and/or bank borrowings, the breakdown of which has not been determined at this juncture.

Further details of our business strategies are set out in Section 7.18.

2. PROSPECTUS SUMMARY (Cont'd)

2.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in Section 9. Some of the more important risk factors are summarised below:

- (a) we rely on certain registration, approvals, licences and permits to continue our core business operations. Any revocation and/ or failure to obtain renewals for such registrations, approvals, licences and permits which are required for us to continue business activities, will have a material impact on our ability to continue business operations;
- (b) our M&E engineering projects are non-recurring in nature and all of our projects were awarded on a project-by-project basis. It is therefore critical that we continuously and consistently secure new projects of similar value and volume. If we cannot maintain the number of contracts at a similar level or obtain new projects of similar or larger contract sums, our business, financial performance and business prospects may be materially and adversely affected;
- (c) failure to complete our projects in a timely manner could materially affect our reputation. The contracts with our clients generally contain a LAD clause under which we are liable to pay LAD to our clients if we are unable to deliver or perform the contractual works within the time specified in or in accordance with the contract;
- (d) any significant cost overruns may materially and adversely affect our business operations. Our contracts were generally determined on a fixed-price basis upon execution of the contract. The estimated contract sum quoted in our tender is determined on a case-by-case basis having regard to various factors prevailing at the time of tender. There is no assurance that our actual costs incurred will not exceed the estimated costs, due to under-estimation of costs, excessive wastages, inefficiencies, damages or unforeseen additional costs incurred during the course of the contract;
- (e) we are subject to the risk of defects liability claims from our clients, where we are liable for any repair works, reconstruction or rectification of any defects which may surface or be identified during the DLP at our own cost. There can be no assurance that in the future we will not be subject to material defects liability claims, which may have an adverse impact on our business operations, profitability, reputation and financial performance;
- (f) we derive our revenue from the generation and sales of renewable energy from our Junjong LSSPV Plant by supplying electricity to TNB. The ability and/ or availability of our Junjong LSSPV Plant to generate and transmit power to the utility grid can be disrupted by a number of events, which may have a material adverse effect on our business and financial performance;
- (g) we have 1 corporate client, namely Client M, in relation to CGPP. In the event we are unable to develop, construct and commercialise Selarong LSSPV Plant or Client M ceases to be our corporate client for Selarong LSSPV Plant, our Group's financial performance may be affected; and
- (h) we are dependent on our Executive Directors and key senior management for the continued success of our business. Due to their in-depth knowledge of our operations and experience in the industry, they are critical to the overall management and operations of our business, work culture and strategic direction.

Further details of our risk factors are set out in Section 9.

2. PROSPECTUS SUMMARY (Cont'd)

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

| Name | Designation |
|--|------------------------------------|
| Directors | |
| Loh Kwang Yean | Independent Non-Executive Chairman |
| Khor Chuan Meng | Managing Director |
| Chu Kerd Yee | Executive Director |
| Dato' Magaret Ting Thien Hung | Independent Non-Executive Director |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Independent Non-Executive Director |
| Lim Kwee Yong | Independent Non-Executive Director |
| Key senior management | |
| Teo Chee Teong | Chief Executive Officer |
| Fong Weng Keong | Chief Financial Officer |
| Khoor Sok Yin | Head of Business Division |
| Lai Kwang Huan | Head of Operations Division |

Further details of our Directors and key senior management are set out in Sections 5.2 and 5.3.

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2. PROSPECTUS SUMMARY *(Cont'd)*

2.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The shareholdings of our Promoters and substantial shareholders in our Company before and after IPO are set out below:

| Name | Nationality | ⁽¹⁾ Before IPO | | | | ⁽²⁾⁽³⁾ After IPO | | | |
|----------------------|-------------|---------------------------|------|---------------|---|-----------------------------|------|---------------|---|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Khor Chuan Meng | Malaysian | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Chu Kerd Yee | Malaysian | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Datuk Keh Chuan Seng | Malaysian | 224,000,000 | 40.0 | - | - | 196,000,000 | 28.0 | - | - |

Notes:

- (1) Based on the share capital of 560,000,000 Shares before IPO.
- (2) Based on the enlarged share capital of 700,000,000 Shares after IPO.
- (3) After Public Issue and Offer for Sale.

Further details of our Promoters and substantial shareholders are set out in Section 5.1.

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2. PROSPECTUS SUMMARY (Cont'd)**2.9 UTILISATION OF PROCEEDS**

The gross proceeds to be raised by our Company from the Public Issue of RM42.00 million shall be utilised in the following manner:

| Utilisation of proceeds | RM'000 | % | ⁽¹⁾Estimated timeframe for utilisation |
|--|---------------|--------------|--|
| Development and construction of Selarong LSSPV Plant | 14,100 | 33.6 | Within 12 months |
| Repayment of borrowings | 14,000 | 33.3 | Within 6 months |
| General working capital | 9,180 | 21.9 | Within 24 months |
| Purchase of ERP system | 720 | 1.7 | Within 24 months |
| Estimated listing expenses | 4,000 | 9.5 | Within 1 month |
| | 42,000 | 100.0 | |

Note:

(1) From the date of listing of our Shares.

There is no minimum subscription to be raised from IPO.

Detailed information on our utilisation of proceeds is set out in Section 4.9.

The gross proceeds from the Offer for Sale of approximately RM21.00 million shall accrue entirely to the Selling Shareholders.

2.10 FINANCIAL HIGHLIGHTS**2.10.1 Combined statements of profit or loss and other comprehensive income**

The following table sets out the financial highlights based on our combined statements of profit or loss and other comprehensive income for FYE 2021 to 2024:

| | Audited | | | |
|---|-----------------|-----------------|-----------------|-----------------|
| | FYE 2021 | FYE 2022 | FYE 2023 | FYE 2024 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 54,887 | 50,822 | 136,727 | 191,091 |
| GP | 6,323 | 8,372 | 22,033 | 30,939 |
| Other income | 184 | 145 | 977 | 289 |
| PAT attributable to owners of our Company | 383 | 2,330 | 11,835 | 13,541 |
| GP margin (%) ⁽¹⁾ | 11.5 | 16.5 | 16.1 | 16.2 |
| PAT margin (%) ⁽²⁾ | 0.7 | 4.6 | 8.6 | 7.1 |
| Basic EPS (sen) ⁽³⁾ | 0.07 | 0.42 | 2.11 | 2.42 |
| Diluted EPS (sen) ⁽⁴⁾ | 0.05 | 0.33 | 1.69 | 1.93 |

Further details on the financial information are set out in Sections 12 and 13.

Notes:

(1) Calculated based on GP over revenue.

(2) Calculated based on PAT over revenue.

2. PROSPECTUS SUMMARY (Cont'd)

(3) Calculated based on PAT attributable to owners of our Company over enlarged share capital of 560,000,000 Shares before IPO.

(4) Calculated based on PAT attributable to owners of our Company over enlarged share capital of 700,000,000 Shares after IPO.

There were no exceptional items during the financial years under review. Our audited combined financial statements for the past financial years under review were not subject to any audit qualifications. Further details on the financial information are set out in Sections 12 and 13.

2.10.2 Pro forma combined statements of financial position

The following table sets out a summary of the pro forma statements of financial position of our Group based on our audited combined financial statements as at 31 July 2024 to show the effects of the Acquisition, Public Issue and utilisation of proceeds. It is presented for illustrative purposes only and should be read together with the pro forma combined statements of financial position as set out in Section 14.

| | Audited | I | II | III |
|--|-------------------------------|------------------------------|-------------------------------------|---|
| | As at 31 July 2024 | After Acquisition | After I and Public Issue | After II and utilisation of proceeds |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | | |
| Total non-current assets | 104,852 | 104,852 | 104,852 | 119,672 |
| Total current assets | 102,115 | 102,115 | 144,115 | 111,295 |
| TOTAL ASSETS | 206,967 | 206,967 | 248,967 | 230,967 |
| Share capital | (1)- | 50,344 | 92,344 | 90,696 |
| Invested equity | 21,310 | - | - | - |
| Merger deficit ⁽²⁾ | - | (29,034) | (29,034) | (29,034) |
| Retained earnings | 35,633 | 35,633 | 35,633 | 33,281 |
| | 56,943 | 56,943 | 98,943 | 94,943 |
| Non-controlling interests | 142 | 142 | 142 | 142 |
| TOTAL EQUITY | 57,085 | 57,085 | 99,085 | 95,085 |
| Total non-current liabilities | 66,786 | 66,786 | 66,786 | 52,786 |
| Total current liabilities | 83,096 | 83,096 | 83,096 | 83,096 |
| TOTAL LIABILITIES | 149,882 | 149,882 | 149,882 | 135,882 |
| TOTAL EQUITY AND LIABILITIES | 206,967 | 206,967 | 248,967 | 230,967 |
| No. of Shares in issue | 3 | 560,000,000 | 700,000,000 | 700,000,000 |
| NA per Share (RM) | 19,028,410 | 0.10 | 0.14 | 0.14 |
| Borrowings (excluding lease liabilities) | 77,473,091 | 77,473,091 | 77,473,091 | 63,473,091 |
| Gearing (times) | 1.36 | 1.36 | 0.78 | 0.67 |

Notes:

(1) Represents RM3.00.

2. PROSPECTUS SUMMARY (Cont'd)

- (2) Merger accounting was used to prepare the pro forma combined statements of financial position as at 31 July 2024 as ES Sunlogy and Savelite were under the common control of Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng. The purchase consideration of RM50.34 million (which was satisfied by the issuance of 559,999,997 new Shares to Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng) for the Acquisition exceeds the share capital of Savelite of RM21.31 million, resulting in a merger deficit of RM29.03 million.

2.11 DIVIDEND POLICY

Our Company presently does not have any formal dividend policy. It is our intention to pay dividends to shareholders in the future, however, such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board.

For FYE 2021 to 2024 and up to LPD, we did not declare and pay any dividends. Further, we do not intend to declare and pay any dividends from LPD up to our Listing.

Further details of our dividend policy are set out in Section 12.16.

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3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities approval

Bursa Securities had, vide its letter dated 7 November 2024, approved our admission to the Official List of the ACE Market, the listing of and quotation for our entire enlarged issued share capital on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

| No. | Details of conditions imposed | Status of compliance |
|------------|---|-----------------------------|
| (1) | Submit the following information in respect of the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: <ul style="list-style-type: none"> (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares. | Complied |
| (2) | Confirmation that approvals from other relevant authorities have been obtained for implementation of the Listing; | Complied |
| (3) | The Bumiputera equity requirements for public listed companies as approved/ exempted by the SC including any conditions imposed thereon; | Complied |
| (4) | Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Note 15 of Listing Requirements; | To be complied |
| (5) | 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 ES Sunlogy on the first day of Listing; | To be complied |
| (6) | In relation to the Public Issue to be undertaken by ES Sunlogy, 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"> (i) Level of subscription of public balloting and placement; (ii) Basis of allotment/ allocation; (iii) A table showing the distribution for placement tranche; and (iv) Disclosure of places who become substantial shareholders of ES Sunlogy arising from the Public Issue, if any; and | To be complied |
| (7) | ES Sunlogy/ M&A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of ES Sunlogy to the Official List of the ACE Market. | To be complied |

3. APPROVALS AND CONDITIONS (Cont'd)

3.1.2 SC approval

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 8 November 2024, approved our resultant equity structure pursuant to our Listing under the Bumiputera equity requirement for public listed companies. The approval from the SC is subject to the following conditions:

| No. | Details of conditions imposed | Status of compliance |
|------------|--|-----------------------------|
| (a) | ES Sunlogy is to allocate Shares equivalent to 12.5% of its enlarged number of issued shares to Bumiputera investors to be approved by the MITI in conjunction with the Listing; and | Complied |
| (b) | ES Sunlogy is to make available at least 50.0% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors. | Complied |

The effects of our Listing on our equity structure are as follows:

| Category of shareholders | As at incorporation | | After Listing | |
|---|----------------------------|--------------|---------------------------|--------------|
| | No. of Shares | % | No. of Shares | % |
| Bumiputera | | | | |
| - Bumiputera investors to be approved by MITI | - | - | ⁽¹⁾ 87,500,000 | 12.5 |
| - Bumiputera public investors via balloting | - | - | ⁽¹⁾ 17,500,000 | 2.5 |
| Total Bumiputera | - | - | 105,000,000 | 15.0 |
| Non-Bumiputera | 3 | 100.0 | 595,000,000 | 85.0 |
| Malaysians | 3 | 100.0 | 700,000,000 | 100.0 |
| Foreigners | - | - | - | - |
| | 3 | 100.0 | 700,000,000 | 100.0 |

Note:

⁽¹⁾ Based on the assumption that Shares offered to Bumiputera investors to be approved by MITI and Bumiputera public investors via balloting shall be fully subscribed.

3.1.3 MITI approval

The MITI had, vide its letter dated 26 September 2024, taken note and has no objection to our Listing.

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3. APPROVALS AND CONDITIONS (Cont'd)

3.2 MORATORIUM ON OUR SHARES

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

- (a) 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 ACE Market ("**First 6-Month Moratorium**");
- (b) Upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.0% of the total number of issued ordinary shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and
- (c) On 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 those Shares held under moratorium.

Details of our Specified Shareholders and their Shares which will be subject to the abovementioned moratorium, are set out below:

| Specified Shareholders | Year 1 | | | | Year 2 | | Year 3 | |
|------------------------|---|------------------|--|------------------|------------------------------|------------------|------------------------------|------------------|
| | Moratorium shares during the First 6-Month Moratorium | | Moratorium shares during the Second 6-Month Moratorium | | Moratorium shares | | Moratorium shares | |
| | ⁽¹⁾ No. of Shares | ⁽²⁾ % | ⁽¹⁾ No. of Shares | ⁽²⁾ % | ⁽¹⁾ No. of Shares | ⁽²⁾ % | ⁽¹⁾ No. of Shares | ⁽²⁾ % |
| Khor Chuan Meng | 147,000,000 | 21.0 | 94,500,000 | 13.5 | 63,000,000 | 9.0 | 31,500,000 | 4.5 |
| Chu Kerd Yee | 147,000,000 | 21.0 | 94,500,000 | 13.5 | 63,000,000 | 9.0 | 31,500,000 | 4.5 |
| Datuk Keh Chuan Seng | 196,000,000 | 28.0 | 126,000,000 | 18.0 | 84,000,000 | 12.0 | 42,000,000 | 6.0 |
| | 490,000,000 | 70.0 | 315,000,000 | 45.0 | 210,000,000 | 30.0 | 105,000,000 | 15.0 |

Notes:

- (1) After Offer for Sale.
- (2) Based on the enlarged share capital of 700,000,000 Shares after IPO.

3. APPROVALS AND CONDITIONS (Cont'd)

The moratorium has been fully accepted by our Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the moratorium period.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by our Specified Shareholders to ensure that our Share Registrar does not register any transfer that contravenes with such restrictions.

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4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 27 January 2025 and will remain open until 5.00 p.m. on 5 February 2025. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

| Events | Indicative date |
|--|------------------------|
| Issuance of this Prospectus/ Opening of Application | 27 January 2025 |
| Closing Date/ Closing of Application | 5 February 2025 |
| Balloting of Application | 10 February 2025 |
| Allotment/ Transfer of IPO Shares to successful applicants | 18 February 2025 |
| Date of Listing | 20 February 2025 |

In the event there is any change to the timetable, we will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia, and make an announcement on Bursa Securities' website.

4.3 DETAILS OF OUR IPO

4.3.1 Listing scheme

(a) Public Issue

A total of 140,000,000 Issue Shares, representing approximately 20.0% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

35,000,000 Shares, representing approximately 5.0% of our enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

- (aa) 17,500,000 Shares, representing 2.5% of our enlarged share capital, made available to public investors; and
- (bb) 17,500,000 Shares, representing 2.5% of our enlarged share capital, made available to Bumiputera public investors.

(ii) Eligible Persons

17,500,000 Shares, representing approximately 2.5% of our enlarged share capital, are reserved for our Eligible Persons under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.3.2.

(iii) Private placement to Bumiputera investors approved by MITI

87,500,000 Shares, representing approximately 12.5% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

4. DETAILS OF OUR IPO (Cont'd)

The basis of allocation of the Issue Shares shall take into account our Board's intention to distribute the Issue Shares to a reasonable number of applicants to broaden our Company's shareholding base to meet the public spread requirements, and to establish a liquid and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Directors.

Upon completion of our Public Issue, our share capital will increase from RM50.34 million comprising 560,000,000 Shares to RM92.34 million comprising 700,000,000 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

Our Public Issue is subject to the terms and conditions of this Prospectus.

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4. DETAILS OF OUR IPO (Cont'd)

(b) Offer for Sale

A total of 70,000,000 Offer Shares, representing 10.0% of our enlarged share capital, are offered by our Selling Shareholders to selected investors by way of private placement at our IPO Price. Our Offer for Sale is subject to the terms and conditions of this Prospectus. The details of our Selling Shareholders and their relationship with our Group are as follows:

| Name/ Residential address | Relationship with our Group | ⁽¹⁾ As at LPD/ Before IPO | | Offer Shares offered | | | After IPO | |
|---|--|--------------------------------------|--------------------|----------------------|--------------------|--------------------|------------------|--------------------|
| | | No. of Shares | ⁽²⁾ o/o | No. of Shares | ⁽²⁾ o/o | ⁽³⁾ o/o | No. of Shares | ⁽³⁾ o/o |
| Khor Chuan Meng/ 12A, Lorong Tambun Indah 9 Taman Tambun Indah 14100 Simpang Ampat Pulau Pinang | Promoter, substantial shareholder and Managing Director | 168,000,000 | 30.0 | 21,000,000 | 3.8 | 3.0 | 147,000,000 | 21.0 |
| Chu Kerd Yee/ 26, Lorong Tambun Indah 9 Taman Tambun Indah 14100 Simpang Ampat Pulau Pinang | Promoter, substantial shareholder and Executive Director | 168,000,000 | 30.0 | 21,000,000 | 3.8 | 3.0 | 147,000,000 | 21.0 |
| Datuk Keh Chuan Seng/ 31, Taman Johan Fasa 2 Jalan Kuala Kedah 05400 Alor Setar Kedah | Promoter and substantial shareholder | 224,000,000 | 40.0 | 28,000,000 | 5.0 | 4.0 | 196,000,000 | 28.0 |

Notes:

- (1) After completion of Acquisition but prior to Public Issue.
- (2) Based on the share capital of 560,000,000 Shares before IPO.
- (3) Based on the enlarged share capital of 700,000,000 Shares after IPO.

4. DETAILS OF OUR IPO (Cont'd)

Further details of our Selling Shareholders, who are also our Promoters, substantial shareholders and Directors can be found in Sections 5.1 and 5.2.

(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM92.34 million comprising 700,000,000 Shares shall be listed on the ACE Market.

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4. DETAILS OF OUR IPO (Cont'd)**4.3.2 Pink Form Allocations**

We have allocated 17,500,000 Issue Shares under the Pink Form Allocations to our Eligible Persons as follows:

| Category | No. of Eligible Persons | Aggregate no. of Issue Shares allocated |
|--|--------------------------------|--|
| Eligible Directors | 2 | 1,000,000 |
| Eligible employees | 27 | 6,585,700 |
| Persons who have contributed to the success of our Group | 58 | 9,914,300 |
| | 87 | 17,500,000 |

Pink Form Allocations which are not accepted by certain Eligible Persons will be re-allocated among the Eligible Persons in a sequence and priority at the discretion of our Board. After said reallocation, any balance portion of Issue Shares under the Pink Form Allocations will be allocated to the Malaysian Public. Further details are set out in Section 4.3.3.

(a) Allocation to eligible Directors

The criteria for allocation to our eligible Directors are based on, amongst others, their anticipated contributions to our Group. Khor Chuan Meng (our Managing Director) and Chu Kerd Yee (our Executive Director) have opted not to participate in the Pink Form Allocations as they are already our substantial shareholders. Datuk Hajah Nor Zamani binti Abdol Hamid and Lim Kwee Yong, our Independent Non-Executive Directors, have opted not to participate in our Pink Form Allocations.

Details of the proposed allocation to our other Directors are as follows:

| Name | Designation | No. of Issue Shares allocated |
|-------------------------------|------------------------------------|--------------------------------------|
| Loh Kwang Yean | Independent Non-Executive Chairman | 500,000 |
| Dato' Magaret Ting Thien Hung | Independent Non-Executive Director | 500,000 |
| | | 1,000,000 |

(b) Allocation to our eligible employees

The criteria of allocation to our eligible employees (as approved by our Board) are based on, inter-alia, the following factors:

- (i) Our employees must be an eligible and confirmed employee and on the payroll of our Group;
- (ii) The number of Issue Shares allocated to our eligible employees are based on their seniority, position, their length of service and their respective contribution made to our Group as well as other factors deemed relevant to our Board; and
- (iii) Full time employee of at least 18 years of age.

4. DETAILS OF OUR IPO (Cont'd)

Included in the allocation to our eligible employees are the proposed allocations to our key senior management:

| Name | Designation | No. of Issue Shares allocated |
|-----------------|-----------------------------|--------------------------------------|
| Teo Chee Teong | Chief Executive Officer | 3,000,000 |
| Fong Weng Keong | Chief Financial Officer | 200,000 |
| Khoor Sok Yin | Head of Business Division | 200,000 |
| Lai Kwang Huan | Head of Operations Division | 133,400 |
| | | 3,533,400 |

(c) Allocation to persons who have contributed to the success of our Group

Persons who have contributed to the success of our Group include business associates, clients, subcontractors and suppliers.

The number of Issue Shares to be allotted to those persons who have contributed to the success of our Group are based on amongst others, the nature and terms of their business relationship, length of their relationship and the level of contribution and support to our Group.

4.3.3 Placement and underwriting arrangement

Our Underwriter will underwrite 52,500,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 87,500,000 Issue Shares and 70,000,000 Offer Shares available for application by Bumiputera investors approved by MITI and selected investors will be placed out by our Placement Agent and will not be underwritten.

Any of our Issue Shares not subscribed by the Malaysian Public or Pink Form Allocations shall be subject to the following clawback and reallocation provisions:

- If any Issue Shares allocated to the Malaysian Public are undersubscribed, the balance portion will be allocated for excess application by Eligible Persons, subject to public spread requirements being met. Likewise, any Issue Shares not taken up under the Pink Form Allocations, will be allocated to the Malaysian Public in the event of an oversubscription.
- After (a) above, the remaining portion will be made available for application by way of private placement to selected investors to be identified.
- Thereafter, any remaining Issue Shares that are not subscribed for will be subscribed by our Underwriter based on the terms of the Underwriting Agreement.

The allocation of Issue Shares to identified Bumiputera investors shall be subject to the allocation as approved by MITI. Such Issue Shares shall be subject to the following clawback and reallocation provisions:

- Any unsubscribed Issue Shares allocated by MITI shall firstly be reallocated to Bumiputera public investors via public balloting. If after the above reallocation, there are still Issue Shares not taken up, the said unsubscribed Issue Shares shall then be offered to Malaysian institutional investors.

4. DETAILS OF OUR IPO (Cont'd)

- (b) After (a) above, the remaining portion will be made available for:
- (i) Malaysian Public, in the event of an oversubscription; or
 - (ii) application by way of private placement to selected investors to be identified, the proportion of which will be determined by our Board and the Placement Agent.

The clawback and reallocation shall not apply in the event of over-application of the Issue Shares allocated to the Malaysian Public, Pink Form Allocations and private placement to Bumiputera investors approved by MITI. Our Board will ensure that any excess IPO Shares will be allocated in a fair and equitable manner.

4.3.4 Minimum and over-subscription

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

In the event of an over-subscription, acceptance of Applications by the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Board. Our Board will ensure that any excess Issue Shares will be allocated on a fair and equitable manner.

Under the Listing Requirements, at least 25.0% of our enlarged share capital for which listing is sought must be in the hands of a minimum of 200 public shareholders, each holding not less than 100 Shares upon our admission to the ACE Market. We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market. In such an event, we will return in full, without interest, all monies paid in respect of all applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly, whereby in addition to our liability to repay such monies, our officers (i.e. our Directors, secretary or executive officer) shall be jointly and severally liable to repay such money with interest at the rate of 10.0% per annum or at such other rate as may be prescribed by the SC from the expiration of that period.

As at LPD, save for the Pink Form Allocations as disclosed in Section 4.3.2, to the extent known to our Company:

- (a) there are no substantial shareholder(s), Directors or key senior management of our Company who have indicated to our Company that they intend to subscribe for the IPO Shares; and
- (b) there are no person(s) who have indicated to our Company that they intend to subscribe for more than 5.0% of the IPO Shares.

4. DETAILS OF OUR IPO (Cont'd)

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS

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

| Details | No. of Shares | RM |
|--|--------------------|-------------------|
| Share capital | | |
| As at date of incorporation | 3 | 3 |
| Issued pursuant to the Acquisition | 559,999,997 | 50,344,000 |
| As at date of this Prospectus | 560,000,000 | 50,344,003 |
| To be issued under our Public Issue | 140,000,000 | 42,000,000 |
| Enlarged share capital upon our Listing | 700,000,000 | 92,344,003 |

Our Offer for Sale will not have effect on our share capital.

As at the date of this Prospectus, we have only one class of shares, being ordinary shares, all of which rank equally amongst one another.

Our Issue Shares will, upon allotment and issuance, rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and other distributions that may be declared subsequent to the date of allotment of our Issue Shares.

Our Offer Shares rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares.

Subject to any special rights attaching to any Shares which may be issued by us in the future, our shareholders shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions and any surplus if our Company is liquidated in accordance with our Constitution.

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. Every shareholder present in person or by proxy or other duly authorised representative shall have one vote for each Share held.

4.5 PURPOSES OF OUR IPO

The purposes of our IPO are as follows:

- (a) To enable our Group to raise funds for the purposes specified in Section 4.9 herein;
- (b) To gain recognition through our listing status to enhance our reputation when tendering for new M&E engineering services projects and to retain and attract new, skilled employees from the M&E engineering and solar PV industries in Malaysia;
- (c) To provide an opportunity for the Malaysian Public, including our Eligible Persons to participate in our equity; and
- (d) To enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise.

4. DETAILS OF OUR IPO (Cont'd)

4.6 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price was determined and agreed upon by us and M&A Securities, as our Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following factors:

- (a) Our pro forma NA per Share as at 31 July 2024 after Acquisition, IPO and utilisation of proceeds of RM0.14, calculated based on our pro forma NA after Acquisition, Public Issue and utilisation of proceeds as at 31 July 2024 of approximately RM95.09 million and enlarged share capital of 700,000,000 Shares upon our Listing;
- (b) The PE Multiple of our IPO Price of approximately 15.5 times based on our EPS of approximately 1.93 sen for FYE 2024, calculated based on our PAT attributable to owners of our Company for FYE 2024 of RM13.54 million and enlarged share capital of 700,000,000 Shares upon our Listing;
- (c) Our historical financial track record as follows:

| | Audited | | | |
|---|-----------------|-----------------|-----------------|-----------------|
| | FYE 2021 | FYE 2022 | FYE 2023 | FYE 2024 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 54,887 | 50,822 | 136,727 | 191,091 |
| GP | 6,323 | 8,372 | 22,033 | 30,939 |
| PAT attributable to the owners of our Company | 383 | 2,330 | 11,835 | 13,541 |

- (d) Our competitive strengths, as set out in Section 7.9;
- (e) Our business strategies, as set out in Section 7.18; and
- (f) Our unbilled order book of RM269.12 million as at LPD, as set out in Section 12.13.

You should note that our market price upon our Listing is subject to the vagaries of market forces and other uncertainties that may affect the price of our Shares. You should form your own views on the valuation of our IPO Shares before deciding to invest in them. You are reminded to carefully consider the risk factors as set out in Section 9 before deciding to invest in our Shares.

4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and enlarged share capital of 700,000,000 Shares upon Listing, our total market capitalisation will be RM210.00 million.

4. DETAILS OF OUR IPO (Cont'd)**4.8 DILUTION**

Dilution is the amount by which our IPO Price exceeds our pro forma NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

| | RM |
|---|-----------|
| IPO Price | 0.30 |
| Pro forma NA per Share as at 31 July 2024 after Acquisition and before Public Issue | 0.10 |
| Pro forma NA per Share as at 31 July 2024 after Acquisition, Public Issue and utilisation of proceeds | 0.14 |
| Increase in pro forma NA per Share attributable to existing shareholders | 0.04 |
| Dilution in pro forma NA per Share to our new public investors | 0.16 |
| Dilution in pro forma NA per Share as a percentage of our IPO Price | 53.3% |

Further details of our pro forma NA per Share as at 31 July 2024 is set out in Section 14.

The following table shows the average effective cost per Share paid by our existing shareholders for our Shares since our incorporation up to the date of this Prospectus:

| Shareholders | (1)No. of Shares received | (2)Total consideration RM'000 | Average effective cost per Share RM |
|----------------------|--------------------------------------|--|--|
| Khor Chuan Meng | 168,000,000 | 15,103 | 0.0064 |
| Chu Kerd Yee | 168,000,000 | 15,103 | 0.0064 |
| Datuk Keh Chuan Seng | 224,000,000 | 20,138 | 0.0439 |
| | 560,000,000 | 50,344 | |

Notes:

- (1) Issued under the Acquisition and including the issuance of 1 subscriber share each in ES Sunlogy to Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng.
- (2) Being the consideration for the Acquisition and including the issuance of 1 subscriber share each in ES Sunlogy to Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng.

Save as disclosed above and the Pink Form Allocations to our Eligible Persons, there has been no acquisitions or subscription of any of our Shares by our Directors or key senior management, substantial shareholders or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our existing Shares, in the past 3 years up to LPD.

4. DETAILS OF OUR IPO (Cont'd)**4.9 UTILISATION OF PROCEEDS****4.9.1 Public Issue**

The estimated gross proceeds from our Public Issue of RM42.00 million will accrue entirely to us and are planned to be utilised in the following manner:

| Utilisation of proceeds | Notes | RM'000 | % | ⁽¹⁾Estimated timeframe for utilisation |
|--|--------------|---------------|--------------|--|
| Development and construction of Selarong LSSPV Plant | (a) | 14,100 | 33.6 | Within 12 months |
| Repayment of borrowings | (b) | 14,000 | 33.3 | Within 6 months |
| General working capital | (c) | 9,180 | 21.9 | Within 24 months |
| Purchase of ERP system | (d) | 720 | 1.7 | Within 24 months |
| Estimated listing expenses | (e) | 4,000 | 9.5 | Within 1 month |
| Total | | 42,000 | 100.0 | |

Note:

⁽¹⁾ From the date of our Listing.

Pending the deployment of the proceeds raised from our Public Issue as aforementioned, the funds will be placed in short-term deposits with financial institutions.

(a) Development and construction of our Selarong LSSPV Plant

We intend to expand our generation and sales of renewable energy business segment, by developing Selarong LSSPV Plant. On 9 May 2023, Savelite, TRe and Blazing Solar ("**Consortium**") have jointly submitted a tender application for the development, construction and operation of a 29.99MW LSSPV plant located at Selarong Land under the CGPP.

The CGPP is a renewable energy initiative launched by the Government in November 2022, to provide opportunities for business entities to participate in the promotion and use of renewable energy in their business operation. The CGPP also allows corporate consumers to virtually purchase solar energy from solar power producers through the use of virtual power purchase agreements or corporate green power agreements. CGPP is essentially a mechanism of virtual power purchase agreement, which is implemented using the existing NEDA framework. Further details on the CGPP are set out in Section 7.2.1.3.

On 7 August 2023, the Consortium received a notification letter from the EC that the Consortium has met the required criteria under the CGPP (for Selarong LSSPV Plant) with export capacity of 29.99MW, of which the Consortium has acknowledged the terms stated in the notification letter from the EC on 18 August 2023.

On 17 January 2024, Savelite entered into a joint venture and shareholder agreement with TRe and Blazing Solar to jointly collaborate for the development, construction and operations of our Selarong LSSPV Plant. Pursuant to the said joint venture and shareholder agreement, Selarong Pertama was incorporated on 31 January 2024 as the joint venture company to undertake the development, construction and operations of Selarong LSSPV Plant, with Savelite, TRe and Blazing Solar holding 40.0%, 30.0% and 30.0% of the shareholdings in Selarong Pertama, respectively. The Directors of Selarong Pertama are represented by the following: (i) representatives of Savelite: Khor Chuan Meng and Teo Chee Teong; (ii) representatives of Blazing Solar: Lim Chin Siu and Tan Qi Jie; and (iii) representatives of TRe: Hanif bin Siraf and Mohd Yusrizal bin Mohd Yusof.

4. DETAILS OF OUR IPO (Cont'd)

We have allocated RM14.10 million or 33.6% of our proceeds from the Public Issue to part finance the development and construction of our Selarong LSSPV Plant with built-up area of approximately 5,880,600 sq ft, on the Selarong Land. Further details on the tenancy of Selarong Land is set out in Section 6.9.2(d). Further details of our Selarong LSSPV Plant are set out in Section 7.2.1.3.

The capital expenditures and operating expenditures for the development, construction and operation of our Selarong LSSPV Plant are as follows:

(i) Capital expenditures

| No. | Description | Total estimated cost | |
|------------|-------------------------------|-----------------------------|--------------|
| | | RM'000 | % |
| (a) | EPCC works ⁽¹⁾ | 120,042 | 93.0 |
| (b) | Land cost ⁽²⁾ | 1,138 | 0.9 |
| (c) | Financing cost ⁽³⁾ | 7,950 | 6.1 |
| | | 129,130 | 100.0 |

Notes:

(1) The breakdown of the EPCC works are as follows:

| Description | Total estimated cost | |
|--|-----------------------------|--------------|
| | RM'000 | % |
| Purchases of solar PV system (i.e. solar PV modules, inverters, transformers and mounting structures) | 42,095 | 35.1 |
| Site clearance | 900 | 0.7 |
| Earthworks and infrastructure works | 4,180 | 3.5 |
| Solar power producer interconnectors and interconnection facility | 27,896 | 23.2 |
| Onshore works (i.e. design, engineering and procurement services, preliminaries, construction mobilisation and logistic charges, charges for major machineries and equipment usage for the development and construction) | 31,718 | 26.4 |
| Project insurances | 155 | 0.1 |
| Contingencies | 2,354 | 2.0 |
| TNB bay setup and extension | 9,000 | 7.5 |
| Logistics | 1,744 | 1.5 |
| | 120,042 | 100.0 |

(2) Comprising one-off payment from Selarong Pertama to SD Guthrie Berhad (formerly known as Sime Darby Plantation Berhad) as compensation for the loss of income from the harvest of oil palm trees previously planted by SD Guthrie Berhad on Selarong Land, security deposit for our Selarong Land and land rental during construction period (from February 2024 to December 2025).

(3) The breakdown of the financing cost are as follows:

| Description | Total estimated cost | |
|--|-----------------------------|----------|
| | RM'000 | % |
| Bank guarantee commission, legal cost and stamp duty for financing | 1,648 | 20.7 |
| Loan interest during the development and construction period (from February 2025 to December 2025) | 2,473 | 31.1 |

4. DETAILS OF OUR IPO (Cont'd)

| Description | Total estimated cost | |
|--|-----------------------------|--------------|
| | RM'000 | % |
| Upfront instalment payment of 6 months as security deposit | 3,829 | 48.2 |
| | 7,950 | 100.0 |

The capital expenditures to be incurred for the development and construction of our Selarong LSSPV Plant shall be funded via the following:

| Sources | RM'000 | % |
|---|----------------|--------------|
| Capital contribution from the respective shareholders of Selarong Pertama | (1)43,630 | 33.8 |
| Bank borrowings | (2)85,500 | 66.2 |
| Total | 129,130 | 100.0 |

Notes:

- (1) Pursuant to the terms of the joint venture and shareholder agreement, each of the shareholders of Selarong Pertama shall contribute the initial capital amount for the capital injection of the development and construction of our Selarong LSSPV Plant based on their respective shareholdings held in Selarong Pertama. Savelite's portion of the capital contribution is RM17.45 million, representing 40.0% of the shareholdings held by Savelite in Selarong Pertama, which we intend to utilise from the IPO proceeds to be raised (i.e. RM14.10 million). The remaining RM3.35 million will be funded via our Group's internally generated funds. Such internally generated funds are currently being utilised for EPCC works, site preparation, clearing and earthworks for Selarong LSSPV Plant as such works have commenced since December 2024.
- (2) As at LPD, Selarong Pertama has yet to secure any bank borrowings to fund the development and construction of the Selarong LSSPV Plant and is in discussion with financial institutions to finance up to approximately 66.2% of the estimated development and construction costs of Selarong LSSPV Plant. We expect to secure such bank borrowings by February 2025. As Selarong Pertama is our associated company, our gearing level will not be affected by the borrowings to be obtained. The repayment of these bank borrowings will be funded via our Group's internally generated funds.

After evaluations of tenders and bids received from various EPCC contractors, Atlantic Blue Sdn Bhd has been identified as the EPCC main contractor for the development and construction of Selarong LSSPV Plant, as approved by the directors of Selarong Consortium in a board meeting in August 2024. On 13 September 2024, Selarong Pertama awarded the EPCC works for our Group's Selarong LSSPV Plant to Atlantic Blue, for a total contract sum of RM117.69 million, to act as main contractor for the project.

4. DETAILS OF OUR IPO (Cont'd)

The indicative timeline of development and construction for our Selarong LSSPV Plant is as follows:

| Timeframe | Milestones |
|------------------|--|
| October 2024 | <ul style="list-style-type: none"> Submitted the development order/ planning permission, earthworks, building plans and other relevant regulatory applications to local councils and authorities for the development, construction and operations of Selarong LSSPV Plant |
| November 2024 | <ul style="list-style-type: none"> Executed NEDA agreement Obtained approvals for building plans and other relevant approvals from local councils and authorities for the commencement of EPCC works on Selarong LSSPV Plant |
| December 2024 | <ul style="list-style-type: none"> Commenced EPCC works, site preparation, clearing and earthworks for Selarong LSSPV Plant |
| August 2025 | <ul style="list-style-type: none"> Pre-application submitted to the EC for the issuance of generation licence for Selarong LSSPV Plant |
| November 2025 | <ul style="list-style-type: none"> Completion of EPCC works for Selarong LSSPV Plant Testing and commissioning works of Selarong LSSPV Plant Notification submitted to the EC for the commencement date of Selarong LSSPV Plant |
| December 2025 | <ul style="list-style-type: none"> Commencement of operations |

The development and construction cost of our Selarong LSSPV Plant was estimated based on quotations received. In the event there are any excess available from the above development and construction cost, such excess of proceeds will be allocated for our general working capital requirements. Conversely, if the allocated proceeds are insufficient for the development and construction cost, such shortfall will be funded via internally generated funds. We have allocated 12 months from our Listing to utilise the allocated proceeds. In the event that we are unable to complete the development and construction of Selarong LSSPV Plant within the specified timeline, we may consider extending the timeframe or reallocate the proceeds for other purposes, and in such an event, we will seek shareholders' approval, if required under the Listing Requirements, for such variation.

(ii) Operating expenditures (per annum basis)

Following the commencement of operations of Selarong LSSPV Plant, we expect to incur the following operating expenditure annually, which will be funded via our Group's internally generated funds (contributions will be based on the respective shareholdings of shareholders, with our Group contributing 40.0%):

4. DETAILS OF OUR IPO (Cont'd)

| No. | Description | Total estimated cost | |
|-----|--|----------------------|--------------|
| | | RM'000 | % |
| (a) | O&M, other technical service fees as well as annual land rental ⁽¹⁾ | 1,148 | 16.6 |
| (b) | Insurance | 517 | 7.5 |
| (c) | Staff costs | 540 | 7.8 |
| (d) | Licence fee | 74 | 1.1 |
| (e) | Administration and management fee | 77 | 1.1 |
| (f) | Renewable energy certification fee | 78 | 1.1 |
| (g) | Financing cost ⁽²⁾ | 4,472 | 64.8 |
| | | 6,906 | 100.0 |

Notes:

- (1) Refers to land rental for a year, after the commercialisation of Selarong LSSPV Plant.
- (2) Being annual financing cost forecasted, with a gradual decrease in subsequent years due to annual repayment of principal.

(b) Repayment of borrowings

We intend to allocate RM14.00 million or 33.3% from our Public Issue proceeds to partially repay our borrowings, details of which are as follows:

| Financiers/ Type of facilities | Purposes | ⁽³⁾ Maturity date | ⁽¹⁾ Effective interest rate % | ⁽²⁾ Balance as at LPD RM'000 | Amount to be repaid from IPO proceeds RM'000 |
|--|--|-------------------------------------|--|---|---|
| AmBank (M) Berhad/ Trade financing | Working capital requirements | January 2025 to December 2025 | 5.13 – 5.30 | 6,897 | 5,000 |
| CIMB Islamic Bank Berhad/ Trade financing | Project financing for our M&E engineering projects and working capital requirements | January 2025 to October 2025 | 5.43 – 5.47 | 11,555 | 7,000 |
| Affin Bank Berhad/ Trade financing | Working capital requirements | December 2024 to July 2025 | 5.28 | 4,873 | 2,000 |
| | | | | 23,325 | 14,000 |

Notes:

- (1) The interest rates are based on floating interest rate.
- (2) Representing principal outstanding sums and excludes the applicable interest sums payable.
- (3) For maturity dates which precede the date of our Listing, we intend to roll-over such trade financing.

The selection on the type of financing facilities to be repaid via utilisation of IPO proceeds was determined after taking into account the following factors:

- (a) interest cost of such financing facilities; and

4. DETAILS OF OUR IPO (Cont'd)

(b) outstanding loan amount.

As at LPD, our outstanding total borrowings stood at RM97.51 million. The proposed repayment of borrowings above will reduce our overall gearing level from 1.36 times as at 31 July 2024 to a pro forma gearing level of 0.67 times after our IPO and utilisation of proceeds. This will result in an expected total interest savings of approximately RM0.74 million based on the interest rate of 5.13% to 5.47% per annum as tabulated above. However, the actual interest savings may vary depending on the then applicable interest rates. In addition, our Group will not incur any early settlement fees and/ or penalties for the early repayment of the above bank borrowings.

In the event there are any excess available from the above repayment of borrowings, such excess of proceeds will be allocated for our general working capital requirements.

(c) General working capital

A total of RM9.18 million or 21.9% of our Public Issue proceeds will be used to finance our general working capital requirements in tandem with the expected growth in our business and operations. The following is a breakdown of the utilisation of proceeds for our working capital requirements:

| Details | RM'000 |
|--|---------------|
| Expansion of workforce ⁽¹⁾ | 1,500 |
| Payment to suppliers for purchase of materials (such as power cables and wires, distribution board boxes, busbars, switchgears, transformers, generator sets and other electrical components) ⁽²⁾ | 7,680 |
| | 9,180 |

Notes:

(1) We plan to expand our project department by recruiting additional personnel to support the growth of our existing business operations and the expected growth in our business. Our Group expects to utilise approximately RM1.50 million of our Public Issue proceeds for the payment of salaries of additional personnel to be recruited, estimated based on our Group's current payroll. In this respect, we intend to hire the following additional personnel:

| Positions | No. of employees | Estimated cost RM'000 | Functions |
|-------------------------|-------------------------|----------------------------------|--|
| Project managers | 1 | 360 | Overseeing the implementation of M&E engineering projects at various sites |
| Project/ Site engineers | 3 | 570 | Managing works of subcontractors and quality control at various sites |
| Quantity surveyors | 1 | 160 | Overseeing overall budgeting, costing and project timeline implementation |
| Site supervisors | 2 | 410 | Supporting project managers in implementation of M&E engineering projects at various sites |
| | 7 | 1,500 | |

4. DETAILS OF OUR IPO (Cont'd)

Such amount is expected to be utilised over a period of 24 months and the payments of salaries of additional personnel will subsequently be funded through internally generated funds.

- (2) RM7.68 million of the Public Issue proceeds are earmarked for the purchase of materials required for both our ongoing and future projects, as it is our largest cost of sales items, contributing between 51.1% and 67.3% in FYE 2021 to 2024.

The allocation of proceeds for our general working capital requirements will reduce our dependency on external financing and allow us to undertake more projects for M&E engineering services concurrently.

(d) Purchase of ERP system

We intend to utilise approximately RM0.72 million or 1.7% of the Public Issue proceeds to purchase an ERP system known as "Speedbrick", a cloud-based construction cost management software, which is able to integrate with our existing AutoCount accounting system and purchasing system. The integrated ERP system namely, Speedbrick will support our Group in the following:

- (i) **Streamlining our Group's business operations** - integrates our Group's purchasing process on a single platform, automatically linking project site and office team activities. It automates manual tasks, reduces tedious work, removes manual entry, and ensures smooth integrated operations with real-time data synchronisation. For clarification, our existing workflow involves manual 3-way documents matching of our purchase orders, goods receipt notes and purchase invoices.

However, Speedbrick automatically performs a 3-way documents matching of our purchase orders, goods receipt notes and purchase invoices of products and/or services procured across both our accounting and purchasing systems. This automation eliminates the need of manual entry leading to cost- and time-savings and subsequently enhances the accuracy of our financial information in a timely manner;

- (ii) **Empowering data-driven decision-making** - delivers the right data to the right people at the right time, enabling our Group to make informed, data-driven decisions. This capability improves resource allocation, financial management and enhances our Group's ability to deliver projects on time and within budget; and
- (iii) **Enhancing business analytics** - offers advanced business analytics capabilities, where it automatically builds our Group's costing database, tracks material price trends, predicts future purchases, generates up to date real-time project-level costs and profit forecast and generates valuable insights for improved and confident decision-making. These features aid in identifying trends, forecasting needs, and improving overall business performance.

By integrating with Speedbrick, our Group aims to enhance our operational efficiency, make better-informed decisions, leverage advanced analytics, and improve financial management for our continuous business growth.

The ERP system cost was estimated based on quotations received. Such amount is expected to be utilised over a period of 24 months. Out of the RM0.72 million allocated, RM0.50 million will be utilised for the acquisition of the ERP and the first year implementation cost, the breakdown of which are as follows:

4. DETAILS OF OUR IPO (Cont'd)

| Details | RM'000 |
|---|---------------|
| Integration with accounting system (includes first year maintenance fees) | 59 |
| Implementation of ERP system ⁽¹⁾ | 298 |
| Licence fee, maintenance fee, hosting and storage of data fees for the first year | 147 |
| | 504 |

Note:

- (1) Includes training for employees, data cleaning and migration to the new ERP system.

The remaining RM0.22 million will be utilised for the licences, services and maintenance cost for the following year.

If the actual cost of purchasing the ERP system exceeds the amount allocated, the deficit will be funded from our internally generated funds and/ or bank borrowings. Conversely, if there are excess available from the purchase of the abovementioned ERP system, such excess will be reallocated for our general working capital.

(e) Estimated listing expenses

An amount of RM4.00 million or 9.5% is allocated to meet the estimated expenses of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

| Details | RM'000 |
|---|---------------|
| Professional fees ⁽¹⁾ | 2,100 |
| Fees payable to the authorities | 85 |
| Underwriting, placement and brokerage fees | 1,060 |
| Printing, advertising fees and contingencies ⁽²⁾ | 755 |
| | 4,000 |

Notes:

- (1) Includes advisory/ professional fees for, amongst others, our Adviser, Solicitors, Reporting Accountants and IMR.
- (2) Other incidental or related expenses in connection with our IPO.

In the event the allocated proceeds are insufficient for our Listing expenses, any shortfall will be funded from the amount allocated for our general working capital requirements. Conversely, if our actual Listing expenses are lower than the amount budgeted, the excess will be utilised for our general working capital requirements.

Pending deployment of the proceeds raised from our Public Issue as aforementioned, the funds will be placed in short-term deposits with financial institutions as our Directors may deem appropriate. The financial impact of the utilisation of proceeds from the Public Issue on our pro forma combined statement of financial position is set out in Section 14.

4.9.2 Offer for Sale

The Offer for Sale will raise gross proceeds of approximately RM21.00 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

4. DETAILS OF OUR IPO (*Cont'd*)

The Selling Shareholders shall bear all of the expenses relating to the Offer Shares, the aggregate of which is estimated to be approximately RM0.53 million.

4.10 BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION

4.10.1 Brokerage fees

Brokerage is payable in respect of the Issue Shares at the rate of 1.0% of our IPO Price in respect of successful applicants which bear the stamp of member companies of Bursa Securities, member of the Association of Banks in Malaysia, members of the Malaysia Investment Banking Association in Malaysia or Issuing House.

4.10.2 Placement fees

Our Placement Agent will place out a total of 87,500,000 Issue Shares and 70,000,000 Offer Shares to Bumiputera investors approved by MITI and selected investors.

We will pay our Placement Agent a placement fee of 2.5% of our IPO Price multiplied by the number of Issue Shares placed out by our Placement Agent.

The placement fee of 2.5% of the value of those Offer Shares placed out by our Placement Agent will be borne entirely by the Selling Shareholders.

4.10.3 Underwriting commission

Our Underwriter has agreed to underwrite 52,500,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission of 3.0% of our IPO Price multiplied by the number of Shares underwritten.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M&A Securities, to underwrite 52,500,000 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.3.

The salient terms in the Underwriting Agreement are as follows:

- 1.1 The obligations of our Underwriter under the Underwriting Agreement shall further be conditional upon *inter alia* the following ("**Conditions Precedent**"):
 - (a) our Underwriter being provided with such reports or confirmation and being satisfied on the Closing Date that:
 - (i) no material adverse change or any development likely to result in a material adverse change in the financial position, business operations or conditions (financial or otherwise) of our Group from the date of the Underwriting Agreement; or
 - (ii) there has not occurred any event or the discovery of any facts or circumstances which would render any representations, warranties or undertakings by our Company materially untrue or inaccurate or result in a material breach of the Underwriting Agreement by our Company;

4. DETAILS OF OUR IPO (Cont'd)

- (b) our Underwriter receiving a certificate in the form or substantially in the form dated the Closing Date signed by the duly authorised officers of our Company stating *inter alia* that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in the Underwriting Agreement;
- (c) our Underwriter receiving copies certified by a Director of our Company or the secretary of our Company to be a true and accurate copy and in full force and effect of a resolution of the Directors and the shareholders of our Company in general meeting:
 - (i) approving the Prospectus and the application forms, the Public Issue, Offer for Sale, the Listing, the Underwriting Agreement and the transactions contemplated by it;
 - (ii) authorising a person to sign and deliver the Underwriting Agreement on behalf of our Company and the issuance of the Prospectus;
- (d) the issuance and subscription of the Issue Shares are not being prohibited or impeded by any statute, order, rule, directive, guideline (whether or not having a force of law) or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia or any condition imposed by the regulators in approving the IPO Shares and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with the Public Issue, Offer for Sale and our Listing have been obtained and are in force on the Closing Date or the Underwriter being reasonably satisfied that the same will be in force on the Closing Date;
- (e) our Underwriter being satisfied that our Company has complied with and that the issuance and subscription of the Issue Shares are in compliance with the policies, guidelines and requirements of the SC and Bursa Securities and all revisions, amendments and/ or supplements to it;
- (f) the offering of the Issue Shares having been approved by Bursa Securities and any other appropriate authorities and remaining in full force and effect and that all conditions precedent to the approvals, to the extent possible have been complied with;
- (g) the listing of and quotation for the Issue Shares/ our entire enlarged issued share capital on the ACE Market having been unconditionally approved-in-principle by Bursa Securities or subject only to conditions which are acceptable to our Underwriter and such approval is not withdrawn;
- (h) the approvals from relevant authorities for our Listing as set out in Section 3.1 remaining valid, unwithdrawn, unrevoked, unsuspended or unchanged and all the conditions imposed therein which have to be complied by us prior to our Listing, have been complied by us;
- (i) all other necessary approvals and consents required in relation to our IPO and our Listing having been obtained and are in full force and effect as at our Listing date and that all conditions of the approvals (except for any which can only be complied with after our IPO has been completed) have been complied with;
- (j) the launching of Prospectus taking place within 3 months from the date of the Underwriting Agreement or such other later date as our Underwriter and our Company may from time to time agree in writing;

4. DETAILS OF OUR IPO (Cont'd)

- (k) this Prospectus having been lodged with the Companies Commission of Malaysia and registered with Bursa Securities together with all the required documents in accordance with the CMSA, the Act and the relevant laws and regulations;
 - (l) our Underwriting Agreement being duly signed by all parties and stamped;
 - (m) our Listing is within 1 month from the Closing Date or any later date as may be approved by the relevant authorities and agreed in writing by our Underwriter; and
 - (n) the Underwriting Agreement having become unconditional in all respects (save for any condition requiring the Underwriting Agreement to be unconditional) and not having been terminated or rescinded pursuant to the provisions of the Underwriting Agreement and upon our Underwriter's (in this regard, in its capacity as our Placement Agent for the shares to be placed out by our Placement Agent) receipt of the full subscription monies for the shares to be placed out by our Placement Agent on or before the last date for payment of the same.
- 1.2 If after the Conditions Precedent have been complied with and our Company decides not to proceed with the IPO, our Underwriter may treat itself as so released or discharged from its obligations and the Underwriting Agreement shall be terminated and be of no further force or effect provided that our Company shall remain liable for the payment of the sum as set out in the Underwriting Agreement and all other costs and expenses incurred by the Underwriter in connection with the underwriting of the Underwritten Shares (including late interest payment, if applicable).
- 1.3 Our Underwriter may waive all or any of the Conditions Precedent except for any required by a mandatory rule of law or a mandatory requirement of governmental, public or regulatory authorities in connection with the Underwriting Agreement and such waiver or modification shall not prejudice the Underwriter's rights under the Underwriting Agreement. Any Conditions Precedent so waived by our Underwriter in writing shall be deemed to have been satisfied in relation to it.
- 1.4 Notwithstanding anything contained in the Underwriting Agreement, our Underwriter may in its discretion and without liability on its part, by giving notice in writing to us at any time on or before the Closing Date, terminate its obligations under the Underwriting Agreement if:
- (a) any of the Conditions Precedent under the Underwriting Agreement is not duly satisfied by the Closing Date; or
 - (b) there is any material breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the reasonable satisfaction of the Underwriter within 10 Market Days from the date our Company is notified by the Underwriter of such breach; or
 - (c) there is withholding of material information by our Company which, in the reasonable opinion of our Underwriter, would have or can reasonably be expected to have a material adverse effect on the business or operations of our Group, the success of the IPO, or the distribution or sale of the Issue Shares; or
 - (d) approval of Bursa Securities in respect of the IPO or the approval-in-principle of Bursa Securities for the listing and quotation of its entire enlarged issued share capital on the ACE Market is withdrawn; or

4. DETAILS OF OUR IPO (Cont'd)

- (e) there shall have occurred, or happened any material and adverse change in the business or financial condition of our Company or our Group; or
- (f) our Company or any of our subsidiaries becomes insolvent or is unable to pay our debts or admits in writing our inability to pay our debts as they fall due or enters into any composition or arrangement with our creditors or makes a general assignment for the benefit of our creditors; or
- (g) our IPO is stopped or delayed by us, Bursa Securities, the SC or any appropriate authority for any reason whatsoever (unless such delay has been approved by our Underwriter); or
- (h) there shall have occurred, or happened any of the force majeure event including, but not limited to:
 - (i) any government requisition or other occurrence of any nature whatsoever which in the opinion of our Underwriter seriously affects or will seriously affect the business and/ or financial position of our Group; or
 - (ii) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions or exchange control or currency exchange rates (including but not limited to conditions on the stock market in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or the occurrence of any combination of any of the foregoing which, would have or can reasonably be expected to have, in the reasonable opinion of the Underwriter, a material adverse effect on, and/ or materially prejudice the business or the operations of our Company or our Group as a whole, the success of the IPO, or the distribution or sale of the Issue Shares, or which has or is reasonably likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
 - (iii) any new law or regulation or any change in existing laws or regulations, directive, policy or ruling in any jurisdiction or any change in the interpretation or application thereof by any court or other competent authority, which in the opinion of our Underwriter has or is likely to have a material adverse effect on the condition (financial or otherwise) or the earnings, business affairs or business prospects (whether or not arising in the ordinary course of business) of our Group; or
 - (iv) the imposition of any moratorium, suspension or material restriction on trading in securities generally on ACE Market due to exceptional financial circumstances or otherwise; or
 - (v) there having been on or prior to the Closing Date and in the reasonable opinion of our Underwriter, any adverse and material change or development reasonably likely to involve a prospective adverse and material change in the financial or business condition of our Group from that set out in this Prospectus which is material in the context of the offering of the Issue Shares and/ or Offer Shares thereunder or any occurrence of any event rendering untrue or incorrect or misleading or not complied with to an extent which is material as aforesaid, any of the warranties and representations of our Company under the Underwriting Agreement as though given or made on such date; or

4. DETAILS OF OUR IPO (Cont'd)

- (vi) any event or series of events beyond the reasonable control of our Underwriter (including without limitation, acts of government, national disorder, declaration of a state of national emergency, pandemics, acts of terrorism, strikes, lockouts, fire, explosion, earthquake, flooding, civil commotion, acts of war, sabotage, acts of God or accidents) which would have, or can reasonably be expected to have, in the reasonable opinion of our Underwriter, a material adverse effect on, and/ or materially prejudice the business or the operations of our Company or our Group as a whole, the success of the IPO, or the distribution or sale of the Issue Shares, or which has or is reasonably likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
 - (vii) if the FTSE Bursa Malaysia Kuala Lumpur Composite Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day on or after the date of the Underwriting Agreement and prior to the allotment of the Issue Shares, lower than 80.0% of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 Market Days; or
 - (viii) there is any failure on the part of our Company to perform any of our material obligations under the Underwriting Agreement.
- 1.5 In the event that the Underwriting Agreement is terminated pursuant to item 1.4 above, our Underwriter and our Company may confer with a view to deferring the Public Issue by amending the terms of the Underwriting Agreement and may enter into a new underwriting agreement accordingly, but neither our Underwriter nor our Company shall be under any obligation to enter into a fresh agreement.
- 1.6 If our Underwriter terminates its obligation pursuant to item 1.4 above, the parties shall be released and discharged from their respective obligations under the Underwriting Agreement, save for our Underwriter's rights to the following:
- (a) the payment of the sum of RM10,000, where termination occurs prior to issuance of the Prospectus or the underwriting commission, where the termination occurs subsequent thereto;
 - (b) costs and expenses incurred by our Underwriter in connection with the underwriting of the Underwritten Shares (including late interest payment, if applicable); and
 - (c) right to be indemnified by our Company.

4. DETAILS OF OUR IPO (Cont'd)

4.12 TRADING AND SETTLEMENT IN SECONDARY MARKET

Our Shares will be admitted to the Official List of the ACE Market and an official quotation will commence after, among others, the receipt of confirmation from Bursa Depository that all of our IPO Shares have been duly credited into the respective CDS Accounts of the successful applicants and the notices of allotment have been issued and despatched to all the successful applicants.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited into the CDS. Following this, we will deposit our Shares directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the SICDA and Depository Rules. We will not issue any share certificates to successful applicants.

Upon our Listing, transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS Account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired.

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

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

The shareholdings of our Promoters and substantial shareholders in our Company before and after IPO are set out below:

| Name | Nationality | ⁽¹⁾ Before IPO | | | | ⁽²⁾⁽³⁾ After IPO | | | |
|----------------------|-------------|---------------------------|------|---------------|---|-----------------------------|------|---------------|---|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Khor Chuan Meng | Malaysian | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Chu Kerd Yee | Malaysian | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Datuk Keh Chuan Seng | Malaysian | 224,000,000 | 40.0 | - | - | 196,000,000 | 28.0 | - | - |

Notes:

- (1) After completion of Acquisition but before Public Issue and Offer for Sale, based on share capital of 560,000,000 Shares.
- (2) After Public Issue and Offer for Sale.
- (3) Based on enlarged share capital of 700,000,000 Shares after IPO.

Our Promoters and substantial shareholders do not have different voting rights from other shareholders of our Group.

5.1.2 Profiles of Promoters and/ or substantial shareholders

Save for the profiles of Khor Chuan Meng and Chu Kerd Yee who are also our Directors are set out in Section 5.2.2, the profile of our other Promoter is as follows:

- (a) **Datuk Keh Chuan Seng**, a Malaysian male aged 53, is our Promoter. On 18 January 2025, he resigned as our Non-Independent Non-Executive Director.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

In 1989, he completed his Sijil Rendah Pelajaran ("**SRP**") at Sin Min (Private) High School, Alor Setar, Kedah. Upon completion of SRP, he left for Singapore and undertook part-time jobs involving the maintenance and repair of ships. In 1991, he decided to venture to Japan where he stayed until November 2005, during which he was involved in real estate development on a personal basis where he was responsible for identifying and sourcing for potential investors.

In December 2005, he was appointed as Director of Shanghai JM Development Sdn Bhd, where he ventured into property development business in Kedah and Sadao, a district in Songkhla Province, Thailand. Shanghai JM Development Sdn Bhd is principally involved in property investment holding, general trading of bird nest and swiftlet bird nest farming. He still presently assumes this position where he is responsible for identifying and sourcing for potential investment properties.

In 2016, he founded Frazel Group Sdn Bhd and was appointed as the Executive Chairman, a position he presently assumes, where he is responsible for the strategic planning of residential and commercial building construction projects.

In 2020, he was appointed as Non-Independent Non-Executive Chairman of EG Industries Berhad (listed on Main Market), an investment holding company with subsidiaries involved in printed board assembly, where he provides advice on corporate strategy. He subsequently resigned in May 2023.

In 2021, he was appointed as Non-Independent Non-Executive Director and Chairman of HB Global Limited (listed on Main Market) and was subsequently redesignated as Executive Chairman in the same year, where he provides advice for the group's business operations focusing on strategic matters such as major investments. HB Global Limited is a Singapore investment holding company with subsidiaries involved in telecommunication services, food manufacturing and processing as well as research and development in wellness technology. He subsequently resigned from his role as Executive Chairman in February 2024.

He was appointed as Executive Chairman of K. Seng Seng Corporation Berhad (listed on Main Market), an investment holding company with subsidiaries involved in the manufacturing and processing of secondary stainless steel products as well as the trading of industrial hardware including marine hardware and consumables in January 2023 and Tex Cycle Technology (M) Berhad (listed on ACE Market), an investment holding company with its subsidiaries primarily engaged in the waste management business, the supply of specialised products for the defence industry, the supply of further endow chemical products for related industries, as well as the undertaking of renewable energy projects in May 2023, where he is responsible for managing both the companies and providing strategic guidance to their board of directors.

On 6 June 2023, he was also appointed as Executive Director of Ge-Shen Corporation Berhad (listed on Main Market), which is involved in the provision of management services as well as investment holding with subsidiaries involved in various sectors including automotive, medical devices & consumables, industrial applications, consumer electronics, office automation, home appliances and aerospace. He was subsequently redesignated as Executive Chairman on 8 June 2023, where he is responsible for the development and implementation of strategic initiatives.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In August 2023, he was appointed as Non-Independent Non-Executive Deputy Chairman of Agricore CS Holdings Berhad (listed on ACE Market), an investment holding company with subsidiaries involved in provision of sourcing and distribution solutions for plant-based agricultural food ingredients and production and sale of food additives and fried shallots. He currently still assumes the aforementioned positions in K. Seng Seng Corporation Berhad, Tex Cycle Technology (M) Berhad, Ge-Shen Corporation Berhad and Agricore CS Holdings Berhad.

5.1.3 Changes in Promoters' and substantial shareholders' shareholdings

The changes in our Promoters and substantial shareholders' respective shareholdings since our incorporation on 23 November 2023 up to the date of this Prospectus are as follows:

| Name | As at incorporation | | | | ⁽¹⁾ After Acquisition | | | | ⁽²⁾⁽³⁾ After IPO | | | |
|----------------------|---------------------|------|---------------|---|----------------------------------|------|---------------|---|-----------------------------|------|---------------|---|
| | Direct | | Indirect | | Direct | | Indirect | | Direct | | Indirect | |
| | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Khor Chuan Meng | 1 | 33.3 | - | - | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Chu Kerd Yee | 1 | 33.3 | - | - | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Datuk Keh Chuan Seng | 1 | 33.4 | - | - | 224,000,000 | 40.0 | - | - | 196,000,000 | 28.0 | - | - |

Notes:

- (1) After completion of Acquisition but before Public Issue and Offer for Sale, based on share capital of 560,000,000 Shares.
- (2) After Public Issue and Offer for Sale.
- (3) Based on enlarged share capital of 700,000,000 Shares after IPO.

5.1.4 Persons exercising control over the corporation

Save for our Promoters as set out in Section 5.1.1, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at LPD, there is no arrangement between our Company, our Promoters and our substantial shareholders, with any other third party of which may, at a subsequent date, result in a change in control of our Company, at a date subsequent to our IPO and our Listing.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.5 Amounts or benefits paid or intended to be paid or given to our Promoters and substantial shareholders

Save for the issuance of our Shares as consideration for the Acquisition, aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities and capitalisation/ repayment of advances as disclosed in Sections 5.2.4, 5.3.5 and 10.1 respectively there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2 DIRECTORS

5.2.1 Directors' shareholdings

The shareholdings of our Directors in our Company before and after IPO assuming that our Directors will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

| Name | Designation/ Nationality | ⁽¹⁾ As at LPD/ Before IPO | | | | ⁽²⁾⁽³⁾ After IPO | | | |
|---|---|--------------------------------------|------|------------------|---|-----------------------------|------|------------------|---|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Loh Kwang Yean | Independent Non-Executive Chairman/ Malaysian | - | - | - | - | 500,000 | <0.1 | - | - |
| Khor Chuan Meng | Managing Director/ Malaysian | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Chu Kerd Yee | Executive Director/ Malaysian | 168,000,000 | 30.0 | - | - | 147,000,000 | 21.0 | - | - |
| Dato' Magaret Ting Thien Hung | Independent Non-Executive Director/ Malaysian | - | - | - | - | 500,000 | <0.1 | - | - |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Independent Non-Executive Director/ Malaysian | - | - | - | - | - | - | - | - |
| Lim Kwee Yong | Independent Non-Executive Director/ Malaysian | - | - | - | - | - | - | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Notes:

- (1) After completion of Acquisition but before Public Issue and Offer for Sale, based on share capital of 560,000,000 Shares.
- (2) After Public Issue and Offer for Sale.
- (3) Based on enlarged share capital of 700,000,000 Shares after IPO and assuming that our Directors will fully subscribe for their respective entitlements under the Pink Form Allocations.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.2.2 Profiles of Directors

The profiles of our Directors are as follows:

Loh Kwang Yean, a Malaysian male aged 48, is our Independent Non-Executive Chairman. He was appointed to our Board on 1 June 2024. He graduated with a Bachelor of Accountancy from Universiti Utara Malaysia in 1999. He became a member of MIA in March 2003.

Upon graduation, he began his career as an Audit Assistant with Deloitte KassimChan in 1999. In 2000, he was promoted to Audit Senior II, and subsequently, to Audit Senior I in 2001, where he was involved in the assurance and statutory audit assignments for various clients in various industries.

In 2002, he left Deloitte KassimChan and joined P.I.E. Industrial Berhad (listed on Main Market) as its Project Officer in the corporate finance department, where his duties involved preparing consolidation reports and compliance with the reporting requirements of various regulatory authorities, post-IPO compliances, detailing corporate finance strategies as well as developing an investor relationship programme for the company.

Subsequently in 2004, he left P.I.E. Industrial Berhad and joined Dufu Technology Corp. Berhad (listed on Main Market) as its Group Accountant. During his tenure in Dufu Technology Corp. Berhad, he assisted the company in its listing exercise and was also responsible to participate in due diligence meetings as well as assisting in the company's road shows. In 2008, he was promoted to Finance Manager, where his role involved detailing corporate finance strategies and managing the accounting, corporate finance, treasury, and bank relations functions. In the same year, he also headed the due diligence team in a cross-border acquisition of a manufacturing plant in China owned by a company in Hong Kong, namely Futron Technology Limited, which is principally involved in metal precision manufacturing and processing parts.

In 2011, he left Dufu Technology Corp. Berhad and founded Northern Bridge Advisory Sdn Bhd, an independent advisory company providing advisory services in the areas of finance and accounting services, where he also served as Executive Director until 2015.

Between 2012 and 2014, he joined LNG Resources Berhad (now known as YBS International Berhad) (listed on ACE Market) as its Executive Director where he was involved in the management of corporate finance strategy and outlining management policies.

Subsequently in 2015, he joined Perak Transit Berhad (listed on Main Market) as its Chief Financial Officer, where he was responsible for the company's overall finance, accounting and reporting functions.

In 2019, he left Perak Transit Berhad and co-founded and was appointed as a Director of Wise Rock Sdn Bhd, a company involved in the provision of accounting and business services, a position that he continues to hold to date, where he is responsible for overseeing the daily operations and business of the company. In 2021, he was re-appointed as a Director of Northern Bridge Advisory Sdn Bhd.

Kindly refer to Section 5.2.3(a) for his involvement in other business activities outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Khor Chuan Meng, a Malaysian male aged 42, is our Managing Director. He was appointed to our Board on 23 November 2023. As our Managing Director, he is responsible for charting our Group's business direction, managing our strategic development and tendering, determining pricing and securing contracts as well as maintaining good rapport with our clients, suppliers and subcontractors.

In 2000, he completed his Sijil Pelajaran Malaysia at Sekolah Menengah Jenis Kebangsaan Kerian, Parit Buntar, Perak. In 2006, he was certified as a competent wireman (level PW4) under the Suruhanjaya Tenaga Akta Bekalan Elektrik 1990. In 2022, he received a Certificate of Qualified Person for completing the training programme requirements for the course on Grid-Connected Photovoltaic Systems for Wireman and Chargeman at TNB Integrated Learning Solution Sdn Bhd (ILSAS).

In 2001, Khor Chuan Meng started his career as a Technician Trainee with Kurihara Kogyo Co. Ltd., a Singapore-based electrical engineering contractor, where he participated in construction projects undertaken by the company. He resigned from the same position in 2002.

In 2003, he joined Kwee Hong Letrik Sdn Bhd as a Senior Technician and Project Coordinator, where he was responsible for project supervision, coordination and management. During his tenure in the company, he was also assigned to various electrical engineering projects based in the United Arab Emirates. He resigned from Kwee Hong Letrik Sdn Bhd in 2010.

In March 2011, he joined Savelite as Managing Director, a position that he holds until today.

Kindly refer to Section 5.2.3(b) for his involvement in other business activities outside our Group.

Chu Kerd Yee, a Malaysian male aged 51, is our Executive Director. He was appointed to our Board on 23 November 2023. He is responsible for managing and implementing our Group's business development plans and strategies as well as sales and marketing activities.

He obtained his Sijil Pelajaran Malaysia from Sekolah Menengah Jenis Kebangsaan Chung Ling Butterworth, Pulau Pinang in 1991. He was certified as a competent chargeman (level AO) in 1997 and competent wireman (level PW4) in 2001 under the Suruhanjaya Tenaga Akta Bekalan Elektrik 1990.

In 1992, he joined UTEC Trading Sdn Bhd, a manufacturer of switchboards, as a Supervisor overseeing the operations of the metal works department and wiring department. In 1996, he was promoted to the position of Manager and was responsible for the sales and marketing functions in the company. In 2002, he resigned from UTEC Trading Sdn Bhd.

In 2001, he became a shareholder and was appointed as a director of Kejuteraan U-Teknik Sdn Bhd, a manufacturer of main switchboards, sub-switchboards and distribution boards, where he was primarily responsible for the overall operations and business of the company. He held this position until 2004 when the business of Kejuteraan U-Teknik Sdn Bhd was sold to U-Teknik Trading, where the latter was also co-founded by him and he was responsible for the sales and marketing of U-Teknik Trading's products, namely its main switchboards, sub-switchboards and distribution boards.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In April 2015, he joined our Group as Business Development Advisor where he supports Khor Chuan Meng in developing business strategies and setting the direction of the company. Upon joining our Group, he handed over his previous role relating to sales and marketing at U-Teknik Trading to the other shareholders and sales team at U-Teknik Trading. In March 2017, he was promoted to the position of Business Development and Strategies Director, where he was responsible for implementing our Group's business development strategies. Subsequently, he was promoted to Executive Director of Savelite in January 2020.

Kindly refer to Section 5.2.3(c) for his involvement in other business activities outside our Group.

Dato' Magaret Ting Thien Hung, a Malaysian female aged 43, is our Independent Non-Executive Director. She was appointed to our Board on 1 June 2024. She is the Chairman of our Remuneration Committee, and member of our Audit and Risk Management Committee as well as our Nomination Committee.

She graduated with a Bachelor of Laws degree from the University of the West of England, Bristol, UK in 2001. In 2002, she obtained her Certificate in Legal Practice from the Legal Profession Qualifying Board, Malaysia.

In 2002, she started her career by joining SC Lim & Partners as a pupil. Upon completion of her pupillage in 2003, she was admitted as an Advocate and Solicitor of the High Court of Malaya. After leaving SC Lim & Partners in 2004, she joined Bong & Co Advocates in Sarawak as a pupil. Upon completion of her pupillage in 2005, she was admitted as an Advocate and Solicitor of the High Court of Sabah and Sarawak and commenced legal practice in Sarawak.

In 2006, she left Bong & Co Advocates and established a legal firm known as Ting & Ting and she has since been its Managing Partner. She is primarily involved in conveyancing, litigation and corporate legal work, where she leads her team of associates in conveyancing works as well as managing the firm's business including branding marketing, client relationship management, securing mandates and overseeing matters relating to general administration of the firm.

In 2018, she was appointed as Independent Non-Executive Director of Sycal Ventures Berhad (listed on Main Market), involved in construction and property development. She currently still holds the position. From 2021 until 2023, she served as Independent Non-Executive Director of Orgabio Holdings Berhad (listed on ACE Market), involved in the manufacturing and provision of instant beverage premixes and food supplement premixes for private labels. In 2021, she was appointed as Independent Non-Executive Director of Pappajack Berhad (listed on ACE Market), involved in pawnbroking services and subsequently retired in June 2024.

Kindly refer to Section 5.2.3(d) for her involvement in other business activities outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Datuk Hajah Nor Zamani binti Abdol Hamid, a Malaysian female aged 62, is our Independent Non-Executive Director. She was appointed to our Board on 1 June 2024. She is the Chairman of our Nomination Committee and member of our Audit and Risk Management Committee as well as our Remuneration Committee.

She graduated with a Bachelor Degree with Honours in Sociology and Anthropology from University of Malaya in 1985. She further obtained a Masters in Education from University of Malaya in 2005.

In 1986, she started her career in education as Head of the A-Levels department at Kolej Tunku Kurshiah, Seremban, where she was responsible for overseeing the daily operations of the department including the quality of teaching and learning as well as monitoring student progress. In 1989, she was appointed as the Head of the History Department where she was responsible for overseeing the daily operations of the department and the curriculum for history studies.

She left the college in 1999 to join the Curriculum Development Centre (Pusat Perkembangan Kurikulum) under the Ministry of Education, Malaysia ("**MOE**") as an Assistant Director responsible for History and Places, and Social Science units. In 2006, she was promoted to the position of Senior Assistant Director. Subsequently in 2012, she was appointed to the Office of Director General of Education Malaysia and held the position of Special Officer to the Director General, where she was responsible for assisting the Director General in taking charge of all his monthly and daily schedules. Over the years in MOE, she rose the ranks and was appointed to various divisions where her responsibilities spans different functions within MOE. Her last held position in MOE was as Director General of Education, a position she held from 2021 until her retirement in 2022.

Datuk Hajah Nor Zamani binti Abdol Hamid was awarded the Excellent Service Award during her tenure in MOE.

Kindly refer to Section 5.2.3(e) for her involvement in other business activities outside our Group.

Lim Kwee Yong, a Malaysian female aged 53, is our Independent Non-Executive Director. She was appointed to our Board on 1 June 2024. She is the Chairman of our Audit and Risk Management Committee and member of our Remuneration Committee as well as member of our Nomination Committee.

Lim Kwee Yong graduated from Royal Melbourne Institute of Technology, Australia with a Bachelor of Business majoring in Accountancy in 1995. She has been a member of MIA since October 1999.

In 1995, she started her career as an Audit Associate with PricewaterhouseCoopers in Kuala Lumpur, where she participated in various audit assignments of the firm. She was then promoted to Senior Associate in 1997, where she was responsible for supervising audit assignments of the firm. Subsequently, she was promoted to Assistant Manager in 1999, where she took on the additional task of managing clients assigned to her portfolio. She was then promoted to Manager in 2001 and Senior Manager in 2003, before her resignation from the firm in 2008.

She then joined Wasco Coatings Malaysia Sdn Bhd, a subsidiary of Wah Seong Corporation Berhad (now known as Wasco Berhad, listed on Main Market), involved in the coating of pipes for the oil and gas industry, as Head of Finance where she was responsible for the company's financial management and reporting as well as investment activities.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

In 2014, she left the company and joined Cenviro Sdn Bhd, a company involved in waste management services, as its Chief Financial Officer. During her tenure in the company, she was responsible for the company's financial and treasury management, risk management, procurement and management information system.

In 2018, she left Cenviro Sdn Bhd and joined Econas Sdn Bhd, a company engaged in the provision of consultancy services in waste management, environmental and renewable energy services as Executive Director and Chief Financial Officer, both positions she still holds to-date. She is responsible for all financial strategies and management; internal control and corporate governance matters in the company.

From 2020 until 2023, she served as an Independent Non-Executive Director of APB Resources Berhad (listed on Main Market), an investment holding company principally involved in the fabrication of process equipment for the oleo-chemical, oil and gas, energy and petrochemical industries. In 2020, she was also appointed as an Independent Non-Executive Director of SMRT Holdings Berhad (listed on ACE Market), which is involved in information and communications technology, human resource solutions, provision of education services and property management services, a position she still holds to-date.

Kindly refer to Section 5.2.3(f) for her involvement in other business activities outside our Group.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.3 Principal business performed outside our Group

Save as disclosed below, none of our Directors has any other principal directorship and/ or principal business activities performed outside our Group in the past 5 years up to LPD:

(a) Loh Kwang Yean

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|----------------------------------|--|-----------------------|---------------------|---------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Present involvement | | | | | | |
| Wise Rock Sdn Bhd | Provision of accounting and business advisory services | Director/ Shareholder | 14 February 2019 | - | 50.0 | - |
| Northern Bridge Advisory Sdn Bhd | Provision of management and consultancy services | Director/ Shareholder | 15 November 2021 | - | 100.0 | - |
| Thirupathi Millennium Sdn Bhd | Property investment | Shareholder | - | - | 83.3 | - |
| Diet Angel Sdn Bhd | Distribution and wholesale of food ingredients | Director/ Shareholder | 30 December 2019 | - | 20.0 | - |
| Siliconmax Arvr Sdn Bhd | Research and design development (software and hardware), IT related training and consultancy | Shareholder | - | - | 25.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|---|---|--|---------------------|----------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Thirupathi TSJ Sdn Bhd | Investment holding company with subsidiary principally involved in property investment | Director/ Shareholder | 21 November 2024 | - | 20.0 | - |
| Past involvement | | | | | | |
| Nationgate Holdings Berhad (listed on Main Market) | Investment holding company with subsidiaries principally involved in electronic manufacturing services provider | Independent Non- Executive Director/ Shareholder | 18 May 2021 | 7 February 2022 | 0.2 | - |
| Thirupathi Properties Sdn Bhd | Renting and operating of real estate properties | Director/ Shareholder | 27 May 2020 | 30 September 2024 | 5.0 | - |

(b) Khor Chuan Meng

| Company | Principal activities | Position held | Date of appointment | Date of resignation/ cessation | % of shareholdings held | |
|-------------------------------------|----------------------|--------------------------|---------------------|-----------------------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Present involvement | | | | | | |
| Frasers Construction (M) Sdn Bhd | Property investment | Director/ Shareholder | 13 July 2020 | - | 50.0 | - |
| CKT Nature Sdn Bhd | Property investment | Director/ Shareholder | 24 October 2017 | - | 33.3 | - |
| KCK Realty Sdn Bhd | Property investment | Director/ Shareholder | 13 July 2020 | - | 30.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of resignation/cessation | % of shareholdings held | |
|---------------------------------|--|--------------------------|---------------------|-------------------------------------|-------------------------|----------------------|
| | | | | | Direct | Indirect |
| Eco Standard Berhad | Dormant, with no intended future principal activities | Director/ Shareholder | 24 December 2020 | - | 33.3 | - |
| Qian Yik Enterprise (M) Sdn Bhd | Import of wood and manufacturing of wood pallet | Shareholder | 20 December 2017 | Resigned as director on 7 June 2019 | - | ⁽¹⁾ 50.0 |
| <u>Past involvement</u> | | | | | | |
| Cena Power | Trading of main switchboards, sub-switchboards and distribution boards | Director | 1 July 2016 | 2 February 2023 | - | - |
| Ace Automatic Car Wash | Car wash services | Sole Proprietor | 13 August 2014 | 1 November 2022 | - | - |
| Exprezza Worldwide Sdn Bhd | Dissolved on 11 July 2022 and previously involved in retail of coffee beans and coffee capsules | Director/ Shareholder | 20 April 2017 | 11 July 2022 | 33.3 | - |
| ES Kinetic Sdn Bhd | Property investment | Director/ Shareholder | 20 September 2022 | 9 December 2023 | - | ⁽²⁾ 100.0 |
| Renergy Elite Sdn Bhd | Dormant, with no intended future principal activities | Director/ Shareholder | 8 March 2023 | 25 March 2024 | - | ⁽³⁾ 51.0 |
| Savelite Vortex Sdn Bhd | Dissolved on 9 September 2024 and previously established to pursue business opportunities in the solar PV industry | Director/ Shareholder | 20 January 2023 | 9 September 2024 | - | ⁽⁴⁾ 85.0 |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Notes:

- (1) Deemed interested by virtue of his shareholdings in CKT Nature Sdn Bhd pursuant to Section 8 of the Act. As at LPD, CKT Nature Sdn Bhd is a 50.0% shareholder of Qian Yik Enterprise (M) Sdn Bhd.
- (2) Deemed interested by virtue of his shareholdings in Savelite pursuant to Section 8 of the Act. ES Kinetic Sdn Bhd was a wholly-owned subsidiary of Savelite and Savelite has disposed all its shareholdings on 27 July 2023 to Lim Cheang Teik (non-related party) for RM2, based on cost of investment.
- (3) Deemed interested by virtue of his shareholdings in Savelite pursuant to Section 8 of the Act. Savelite disposed all its 51.0% shareholdings of Renergy Elite Sdn Bhd on 7 December 2023 to Sim Zhen Zhee and Loo Jer Shen, both non-related parties and existing shareholders and directors of Renergy Elite Sdn Bhd for RM510, based on cost of investment.
- (4) Deemed interested by virtue of his shareholdings in Savelite pursuant to Section 8 of the Act. Savelite Vortex Sdn Bhd has been struck off from the ROC on 9 September 2024.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(c) Chu Kerd Yee

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|--------------------------------------|--|--------------------------|----------------------------|----------------------------|--------------------------------|-----------------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Frasers Construction (M) Sdn Bhd | Property investment | Director/ Shareholder | 13 July 2020 | - | 50.0 | - |
| Cah Power Sdn Bhd | Manufacturing and trading of distribution boards and sub-switchboards | Director/ Shareholder | 13 September 2019 | - | 33.3 | - |
| U-Teknik Switchgear Sdn Bhd | Licence holder of a switchboard manufacturer | Director/ Shareholder | 28 January 2016 | - | 50.0 | - |
| Prestij Mega Development Sdn Bhd | Property investment | Director/ Shareholder | 14 November 2012 | - | 50.0 | - |
| Ken Link Capital Development Sdn Bhd | Property investment | Director/ Shareholder | 4 October 2016 | - | 40.0 | - |
| Millennium Megalink Sdn Bhd | Property investment | Director/ Shareholder | 15 January 2014 | - | 100.0 | - |
| U Design Hotel Sdn Bhd | Operator of boutique hotel | Director/ Shareholder | 28 December 2013 | - | 37.5 | - |
| CKT Nature Sdn Bhd | Property investment | Shareholder | - | - | 33.3 | - |
| U-Teknik Trading | Manufacturing and trading of main switchboards, sub-switchboards and distribution boards | Director/ Shareholder | 18 May 2004 | - | 93.3 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|------------------------------------|---|--------------------------|---------------------|---------------------|-------------------------|----------------------|
| | | | | | Direct | Indirect |
| U-Teknik KL | Trading of main switchboards, sub-switchboards and distribution boards | Director/ Shareholder | 14 April 2015 | - | 60.0 | - |
| KCK Realty Sdn Bhd | Property investment | Director/ Shareholder | 13 July 2020 | - | 30.0 | - |
| Eco Standard Berhad | Dormant, with no intended future principal activities | Director/ Shareholder | 24 December 2020 | - | 33.3 | - |
| ES Kinetic Sdn Bhd ⁽¹⁾ | Property investment | Director/ Shareholder | 10 August 2021 | - | 65.0 | - |
| Cena Power | Trading of main switchboards, sub-switchboards and distribution boards | Shareholder | - | - | - | ⁽¹⁾ 80.0 |
| Qian Yik Enterprise (M) Sdn Bhd | Import of wood and manufacturing of wood pallet | Shareholder | - | - | - | ⁽²⁾ 50.0 |
| Past involvement | | | | | | |
| PECC Sdn Bhd | Convention hall management for events and food and beverages business | Director | 14 March 2017 | 15 October 2020 | - | - |
| Kisaku Japanese Restaurant Sdn Bhd | Dissolved on 12 October 2022 and previously involved in operation of a food and beverage restaurant | Shareholder | - | - | 33.3 | - |
| ES Kinetic Sdn Bhd | Property investment | Shareholder | - | - | - | ⁽³⁾ 100.0 |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|-------------------------|--|---------------|---------------------|---------------------|-------------------------|---------------------|
| | | | | | Direct | Indirect |
| Renergy Elite Sdn Bhd | Dormant, with no intended future principal activities | Shareholder | - | - | - | ⁽⁴⁾ 51.0 |
| Savelite Vortex Sdn Bhd | Dissolved on 9 September 2024 and previously established to pursue business opportunities in the solar PV industry | Shareholder | - | - | - | ⁽⁵⁾ 85.0 |

Notes:

- (1) Deemed interested by virtue of the shareholdings of Chu Ai Sehh (sister of Chu Kerd Yee) pursuant to Section 8 of the Act. Chu Ai Sehh is also a director of Cena Power since its incorporation date on 1 July 2016.
- (2) Deemed interested by virtue of his shareholdings in CKT Nature Sdn Bhd pursuant to Section 8 of the Act. As at LPD, CKT Nature Sdn Bhd is a 50.0% shareholder of Qian Yik Enterprise (M) Sdn Bhd.
- (3) Deemed interested by virtue of his shareholdings in ES Kinetic Sdn Bhd pursuant to Section 8 of the Act. ES Kinetic Sdn Bhd was a wholly-owned subsidiary of Savelite and Savelite has disposed all its shareholdings on 27 July 2023 to Lim Cheang Teik (non-related party) for RM2, based on cost of investment.
- Subsequently, Lim Cheang Teik disposed the entire shareholdings to Chu Kerd Yee on 26 November 2023. Subsequently based on a share allotment on 27 December 2023, Chu Kerd Yee's current shareholdings was diluted to 65.0%.
- (4) Deemed interested by virtue of his shareholdings held in Savelite pursuant to Section 8 of the Act. Savelite disposed all its 51.0% shareholdings in Renergy Elite Sdn Bhd on 7 December 2023 to Sim Zhen Zhee and Loo Jer Shen, both non-related parties and existing shareholders and directors of Renergy Elite Sdn Bhd for RM510, based on cost of investment.
- (5) Deemed interested by virtue of his shareholdings held in Savelite pursuant to Section 8 of the Act. Savelite Vortex Sdn Bhd has been struck-off from the ROC, on 9 September 2024.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(d) Dato' Magaret Ting Thien Hung

| Company | Principal activities | Position held | Date of appointment | Date of resignation/cessation | % of shareholdings held | |
|--|---|------------------------------------|---------------------|-------------------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Ting & Ting | Legal firm involved in various areas such as conveyancing, litigation and corporate matters | Partner | 6 October 2006 | - | - | - |
| Sycal Ventures Berhad (listed on Main Market) | Investment holding company primarily engaged in the construction and property development industries with subsidiaries involved in (i) construction; (ii) property development; and (iii) manufacturing and trading of hardware, plumbing and hearing equipment | Independent Non-Executive Director | 26 September 2018 | - | - | - |
| Binotech Pave Sdn Bhd | Property investment | Director/ Shareholder | 1 July 2014 | - | 40.0 | - |
| Ria Education Group Sdn Bhd | Operator of a private pre-primary education/ kindergarten | Shareholder | - | - | 20.0 | - |
| Pancaran 10 Sdn Bhd | Property investment | Director/ Shareholder | 14 March 2023 | - | 25.0 | - |
| Income Path Sdn Bhd | Property investment | Director/ Shareholder | 28 February 2018 | - | 20.0 | - |
| Pancaran Sebelas Sdn Bhd | Property investment | Director/ Shareholder | 15 August 2018 | - | 100.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of resignation/cessation | % of shareholdings held | |
|--|--|------------------------------------|---------------------|-------------------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Billion Dynasty Realty Sdn Bhd | Property investment | Director/Shareholder | 25 March 2024 | - | 20.0 | - |
| Nation Fleet Sdn Bhd | Property investment | Shareholder | - | - | 22.0 | - |
| Past involvement | | | | | | |
| Pappajack Berhad (listed on ACE Market) | Investment holding company primarily involved in pawnbroking services, with subsidiaries also principally involved in the provision of pawnbroking services | Independent Non-Executive Director | 3 May 2021 | 14 June 2024 | - | - |
| Orgabio Holdings Berhad (listed on ACE Market) | Investment holding company primarily involved in instant beverage premix production, with subsidiaries also principally involved in instant beverage premix manufacturing, sales and marketing of house brand instant premixes | Independent Non-Executive Director | 15 March 2021 | 29 November 2023 | - | - |
| Garden Fortress Sdn Bhd | Dissolved on 27 July 2023 and previously was an investment holding company | Director | 12 May 2022 | 27 July 2023 | - | - |
| Phytosnest Sdn Bhd | Investment holding of shares in company and supply of seedlings of paulownia tree | Director | 1 April 2019 | 26 April 2021 | - | - |
| Amber Dynasty Sdn Bhd | Dissolved on 7 April 2022 and previously was a property investment company | Director | 24 July 2019 | 22 June 2021 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(e) Datuk Hajah Nor Zamani binti Abdol Hamid

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|-----------------------------------|--|---------------|---------------------|---------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Nil | | | | | | |
| <u>Past involvement</u> | | | | | | |
| Padu Corporation | Facilitating, supporting, and delivering MOE's vision in transforming Malaysia's education system through the success of the Malaysia Education Blueprint for 2013 to 2025 | Director | 12 October 2021 | 1 August 2022 | - | - |

(f) Lim Kwee Yong

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|--|---|------------------------------------|---------------------|---------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| SMRT Holdings Berhad (listed on ACE Market) | Investment holding with subsidiaries involved in (i) IT solutions related to telecommunication; (ii) development and marketing software of human resources; (iii) provision of education services; (iv) provision of human resource development solutions covering training, consulting, outsourcing, events, learning resources and advisory support services; and (v) provision of property management services | Independent Non-Executive Director | 10 March 2020 | - | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|---|---|------------------------------------|----------------------------|----------------------------|--------------------------------|----------------------|
| | | | | | Direct | Indirect |
| Bee San Lim Sdn Bhd | Investment holding and cultivation of oil palm | Shareholder | - | - | 3.66 | - |
| Econas Sdn Bhd | Investment holding in Econas Energy Sdn Bhd | Director/ Shareholder | 23 October 2018 | - | 20.0 | - |
| Maha Sawit Holdings Berhad | Investment holding with subsidiaries mainly involved in manufacturing and trading or organic fertiliser and planting medium and wholesale of palm oil | Independent Non-Executive Director | 18 July 2022 | - | - | - |
| Merit Advisory Sdn Bhd | Taxation and accounting services | Shareholder | - | - | 50.0 | - |
| Econas Energy Sdn Bhd | Provision of project management, operation and maintenance services such as hazardous waste transfer station operation, non-hazardous waste treatment | Director | 23 October 2018 | - | - | ⁽¹⁾ 100.0 |
| Econas Resource To Energy Sdn Bhd | Investment holding and provision of waste management services | Shareholder | - | - | - | ⁽²⁾ 10.0 |
| <u>Past involvement</u> | | | | | | |
| APB Resources Berhad (listed on Main Market) | Investment holding company principally involved in fabrication of process equipment for the oleo-chemical, oil and gas, energy and petrochemical industries | Independent Non-Executive Director | 27 February 2020 | 14 June 2023 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|-----------------------------------|---|---|-------------------------------|--|-------------------------|----------|
| | | | | | Direct | Indirect |
| Econas Resource To Energy Sdn Bhd | Investment holding and provision of waste management services | Director/ Alternate Director to an Executive Director | 12 June 2019/ 14 July 2020 | Resigned as director on 14 July 2020/ Resigned as alternate director to an executive director on 29 March 2024 | - | - |

Notes:

- (1) Deemed interested by virtue of her shareholdings in Econas Sdn Bhd pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of her indirect shareholdings in Econas Energy Sdn Bhd pursuant to Section 8 of the Act.

The involvement of our Directors as disclosed above excludes shares in public listed companies which are held by them as minority shareholders (less than 5.0% of the total number of issued shares of a public listed company), and for which they do not hold any directorship. Such shares are held by them only for trading and personal investment purposes.

As at LPD, the directorships of our Directors in other companies are in compliance with the Listing Requirements.

Save as disclosed in Section 11, the involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business as such other companies that our Directors are involved in does not carry on a similar or related trade as our Group's business nor are they our clients, suppliers or subcontractors. Further, the involvement of our Executive Directors in other businesses or corporations does not preclude them from committing their time and effort to our Group as they do not hold any executive position in the other businesses and are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve. Such businesses do not require their involvement on a daily basis as these businesses are managed by their respective management. Our Executive Directors are of the view that although they are involved in other businesses as set out above, they are able to devote sufficient time and attention to the affairs of our Group to carry out their respective duties. The involvement of our Independent Non-Executive Directors in other directorships or business activities outside our Group are not expected to affect their contribution to our Group as they are not involved in our Group's day-to-day operations.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.4 Directors remuneration and benefits

The remuneration of our Executive Directors including fees, salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board. The Director's fees and any benefits payable to Directors shall be subject to annual approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution. Please refer to Section 15.3 for further details.

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2023 to 2025 are as follows:

| Directors | Directors' fees | Salaries | Bonuses | Other emolument | Benefits-in-kind | Total |
|--|-----------------|----------|---------|-----------------|------------------|------------|
| | RM'000 | | | | | |
| FYE 2023 (Paid) | | | | | | |
| Khor Chuan Meng | - | 430 | 105 | 70 | 60 | 665 |
| Chu Kerd Yee | - | 420 | 105 | 69 | 60 | 654 |
| Datuk Keh Chuan Seng | - | - | - | - | - | - |
| FYE 2024 (Paid) | | | | | | |
| Khor Chuan Meng | - | 490 | 120 | 74 | 60 | 744 |
| Chu Kerd Yee | - | 430 | 105 | 70 | 60 | 665 |
| Datuk Keh Chuan Seng | - | - | - | - | - | - |
| FYE 2025 (Proposed) | | | | | | |
| Loh Kwang Yean | (1)24 | - | - | 4 | 3 | 31 |
| Khor Chuan Meng | - | 549 | (2)- | 83 | 60 | 692 |
| Chu Kerd Yee | - | 488 | (2)- | 74 | 60 | 622 |
| Dato' Magaret Ting Thien Hung | (1)24 | - | - | 4 | 3 | 31 |
| Datuk Hajah Nor Zamani binti Abdol Hamid | (1)24 | - | - | 4 | 3 | 31 |
| Lim Kwee Yong | (1)24 | - | - | 4 | 3 | 31 |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Notes:

- (1) The Directors are only entitled to their fees upon the date of our Listing. Such Directors' fees will be subject to shareholders' approval at a general meeting pursuant to Section 230 of the Act.
- (2) The bonuses for FYE 2025 are not included. Such bonuses, if any, will be determined at a later date based on our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.

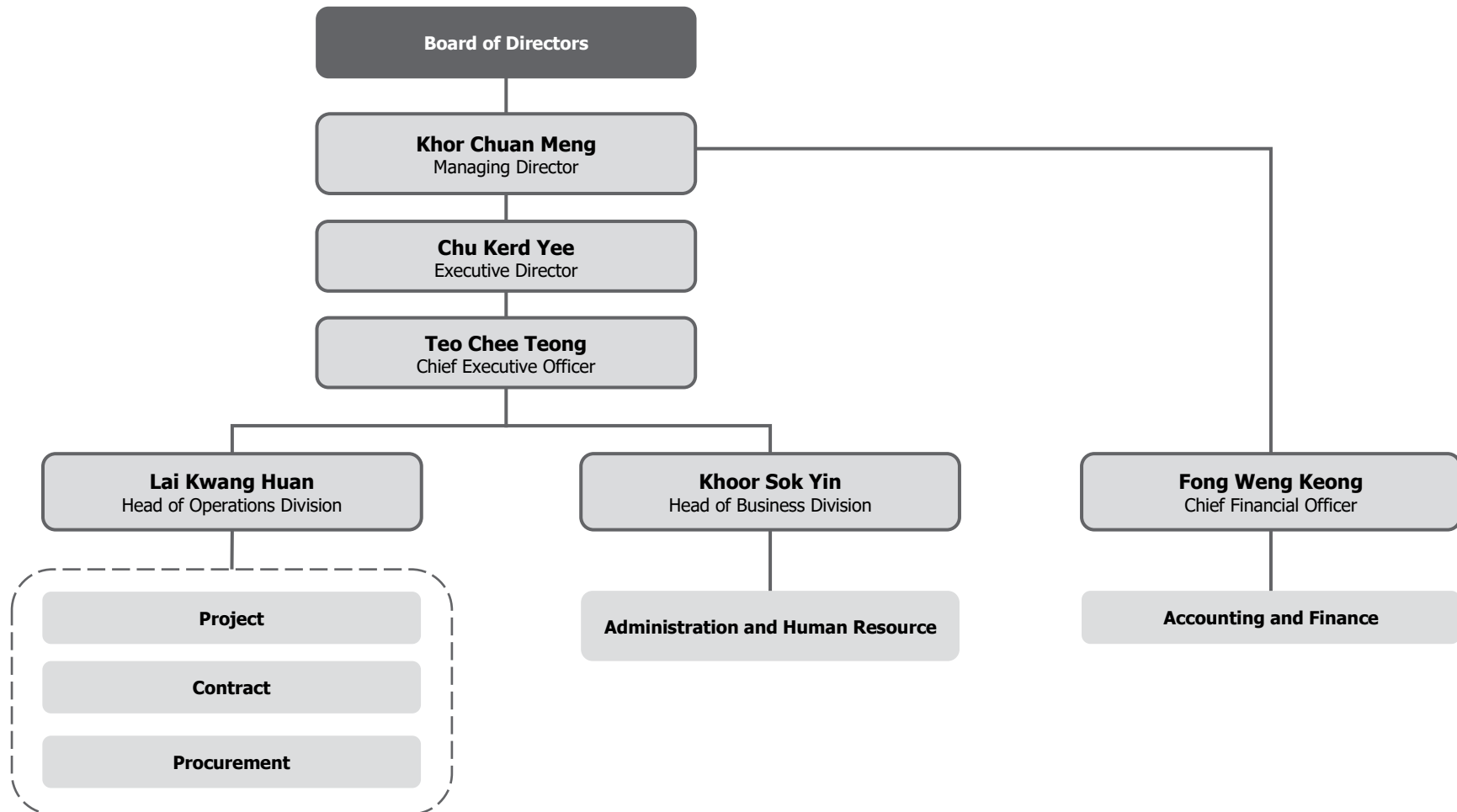
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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management structure

The management reporting structure of our Group is as follows:



5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Company (who are all Malaysians) before and after IPO assuming that they will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

| Name | Designation/ Nationality | ⁽¹⁾ As at LPD/ Before IPO | | | | ⁽²⁾⁽³⁾ After IPO | | | |
|-----------------|---|--------------------------------------|---|---------------|---|-----------------------------|------|---------------|---|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Teo Chee Teong | Chief Executive Officer/ Malaysian | - | - | - | - | 3,000,000 | 0.4 | - | - |
| Fong Weng Keong | Chief Financial Officer/ Malaysian | - | - | - | - | 200,000 | <0.1 | - | - |
| Khour Sok Yin | Head of Business Division/ Malaysian | - | - | - | - | 200,000 | <0.1 | - | - |
| Lai Kwang Huan | Head of Operations Division/ Malaysian | - | - | - | - | 133,400 | <0.1 | - | - |

Notes:

- (1) After completion of Acquisition but before Public Issue and Offer for Sale, based on share capital of 560,000,000 Shares.
- (2) After Public Issue and Offer for Sale.
- (3) Based on enlarged share capital of 700,000,000 Shares after IPO.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.3.3 Profiles of key senior management

Save for the profiles of Khor Chuan Meng and Chu Kerd Yee, which are set out in Section 5.2.2, the profiles of the other key senior management of our Group are as follows:

Teo Chee Teong, a Malaysian male aged 48, is our Chief Executive Officer. He is primarily responsible for managing and overseeing our Group's daily operations as well as implementing the strategic plans for the growth of our Group.

He graduated with a Bachelor of Arts (Honours) in Business Administration from the University of Abertay Dundee, Scotland in 2002.

In January 2002, he began his career with Yan Jin (M) Sdn Bhd, a metal stamping company, as a Sales Officer where he was responsible for the sales and marketing of the company.

In July 2002, he resigned from Yan Jin (M) Sdn Bhd and joined Galantprise Sdn Bhd, which is principally involved in trading of building materials as an Assistant Marketing and Operations Manager overseeing the business development and marketing functions of the company. He resigned from Galantprise Sdn Bhd in 2003.

In 2004, he joined Kurnia Insurans (M) Bhd as a Marketing Executive and was involved in the business development and marketing of the company's insurance products.

In 2006, he left Kurnia Insurans (M) Bhd and joined American Home Assurance (now known as AIG Malaysia Insurance Berhad) as its Sales Manager in Ipoh where he was responsible for sales and marketing activities of its branch office. Subsequently, in 2012, he was transferred to its branch office in Bukit Mertajam, Pulau Pinang and assumed the position as its Branch Manager, where he was responsible for managing and overseeing the operations and business development for the company's branch office. He was promoted to Regional Manager – Assistant Vice President in 2016 where he was responsible for managing and overseeing all the company's branches in the northern region of Peninsular Malaysia.

In 2018, he resigned from AIG Malaysia Insurance Berhad and incorporated Qian Yik Enterprise (M) Sdn Bhd, a manufacturer of wooden pine pallet, packaging cases, crates, where he also served as General Manager cum Business Division Director. He was responsible for overseeing the daily business operations, developing strategies and charting the direction for the company. He ceased active involvement in the company in 2020 but remains as its shareholder.

In March 2020, he joined Savelite as our General Manager, where he was responsible for overseeing the daily operations of Savelite. In June 2022, he was promoted to his current position.

Please refer to Section 5.3.4(a) for further details of his involvement in other business activities outside our Group.

Fong Weng Keong, a Malaysian male aged 69, is our Chief Financial Officer. He is primarily responsible for overseeing our Group's overall accounting and finance functions.

He graduated with a Bachelor of Science in Chemistry, Botany and Zoology from the University of Udaipur, India in 1978. Subsequently, he obtained The Institute of Chartered Accountants of India certification as Chartered Accountant in 1985. He has been a member of MIA since 1987.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In 1985, Fong Weng Keong started his career with Coopers & Lybrand as a Senior Audit Supervisor where he was involved in various audit engagements and led an audit team. He resigned from Coopers & Lybrand in 1989.

In 1990, he joined Olinco (M) Sdn Bhd (part of the Cargill's Group of Companies), which was previously involved in the palm oil refinery activities, as its Accountant, where his responsibilities were to oversee the finance, accounts, taxation and audit matters of the company.

In 1994, he left Olinco (M) Sdn Bhd and joined Latexx Partners Berhad, a company involved in the manufacturing of rubber gloves, as its Senior Group Accountant. During his stint there, he was responsible for the company's overall finance, accounts, taxation and audit matters.

In 1996, he left Latexx Partners Berhad and joined Taiping Super Berhad (now known as G Capital Berhad, listed on Main Market), which was previously involved in the fabrication of coaches for buses as its Financial Controller. During his tenure in the company, he was responsible to supervise and oversee the preparation of financial reports of the company, including the treasury and cash flow management of the company. He resigned from the company in 1998.

In 1999, he joined Prostyle Management Services as Managing Partner where he managed the daily operations of the firm in the provision of accounting and taxation services. He resigned from Prostyle Management Services in 2004.

In 2005, he joined KBES Berhad (now known as One Glove Group Berhad, listed on Main Market), which was previously involved in the provision of bus services, as its Chief Financial Officer and Executive Director where he was responsible for managing the group's financial operations. He resigned from the position in 2015.

In 2016, he joined MTK Steel Sdn Bhd, a manufacturer of steel pipes, as its Financial Controller where he was responsible for the company's financial reporting, compliance audits and overseeing the finance and accounting departments.

In March 2022, he left MTK Steel Sdn Bhd and joined our Group in his current position in April 2022.

Please refer to Section 5.3.4(b) for further details of his involvement in other business activities outside our Group.

Khoor Sok Yin, a Malaysian female aged 42, is our Head of Business Division. She is primarily responsible for planning and managing human resource and administrative matters (including IT matters) of our Group.

She graduated with a Internal Diploma in Applied Information Technology from the Institute of Perkim-Goon, Pulau Pinang in 2002. She subsequently obtained a Technical Diploma in Information Processing from The City and Guilds of London Institute in 2003 and a Diploma in Accounting from the London Chamber of Commerce and Industry International Qualifications Pearson Education Limited in 2023.

Upon graduation, she started her career in 2003 with EM Furniture Sdn Bhd, a manufacturer of furniture products, as a Graphic Clerk where her responsibility was to design furniture products and develop instruction manuals for the self-assembly of furniture products of the company.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

In 2006, she resigned from EM Furniture Sdn Bhd and joined Mint Advance Management Sdn Bhd as an Account Assistant, where she managed the preparation of financial reports, accounting data, corporate taxation and payroll matters.

In August 2011, she resigned from Mint Advance Management Sdn Bhd, a company secretarial services firm, and joined Savelite in September 2011 as Account Clerk where she was responsible for handling the company's accounts, human resource and administrative matters. In June 2022, she was promoted to her current position.

Please refer to Section 5.3.4(c) for further details of her involvement in other business activities outside our Group.

Lai Kwang Huan, a Malaysian male aged 48, is our Head of Operations. He is primarily responsible for managing the tendering, project management and implementation of our Group's projects.

Lai Kwang Huan graduated with a Bachelor of Engineering (Honours) majoring in Electrical Engineering from the University of Hertfordshire, UK, in 2000.

Upon graduation, he started his career in 2000 as a Project Engineer with Conaire Engineering Sdn Bhd, a mechanical engineering contracting firm, where he gained experience in electrical engineering works. He was also responsible for designing air-conditioning systems for factories and hotels for the engineering projects undertaken by the company. He resigned from the position in 2021.

In January 2022, he joined Savelite as a Senior Project Manager where he was responsible for overseeing and managing M&E engineering projects, including resource planning and quality control. In April 2022, he was promoted to his current position.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.3.4 Principal business performed outside our Group

Save as disclosed in Section 5.2.3 and below, none of our key senior management has any other principal directorship and/ or principal business activities performed outside our Group as at LPD:

(a) Teo Chee Teong

| Company | Principal activities | Position held | Date of appointment | Date of resignation/cessation | % of shareholdings held | |
|-----------------------------------|---|-----------------------|---------------------|-------------------------------|-------------------------|---------------------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Qian Yik Enterprise (M) Sdn Bhd | Import of wood and manufacturing of wood pallets | Director/ Shareholder | 7 June 2019 | - | - | ⁽¹⁾ 50.0 |
| CKT Nature Sdn Bhd | Property investment | Director/ Shareholder | 3 July 2018 | - | 33.3 | - |
| Qian Yik Enterprise | Export and import of wood products and wood pallets | Partner | 3 July 2019 | - | - | - |
| <u>Past involvement</u> | | | | | | |
| Yuraku Tei Japanese Cuisine | Dormant, previously involved in operation of food and beverage restaurant, with no intended future principal activities | Partner | 25 July 2019 | 24 July 2023 | - | - |

Note:

- ⁽¹⁾ Deemed interested by virtue of his shareholdings in CKT Nature Sdn Bhd pursuant to Section 8 of the Act. As at LPD, CKT Nature Sdn Bhd is a 50.0% shareholder of Qian Yik Enterprise (M) Sdn Bhd.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(b) Fong Weng Keong

| Company | Principal activities | Position held | Date of appointment | Date of resignation | % of shareholdings held | |
|-----------------------------------|---|---------------|---------------------|--|-------------------------|----------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Raintown Consultancy Sdn Bhd | Business management consultancy services in relation to taxation, accounting and secretarial services | Shareholder | 26 January 2018 | Resigned as director on 29 February 2024 | 1.0 | - |

Past involvement

Nil

(c) Khor Sok Yin

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------------|--------------------------------|---------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Nil | | | | | | |
| <u>Past involvement</u> | | | | | | |
| Smart Cycle House | Repairing and selling bicycles | Partner | 11 November 2016 | 12 November 2022 | - | - |

The involvement of our key senior management in those business activities outside our Group does not give rise to any conflict of interest situation with our business as such other companies that our key senior management are involved in does not carry on a similar or related trade as our Group's business nor are they our clients, suppliers or subcontractors. They are not directly involved in the management and day-to-day operations of these business activities which are managed by other shareholders. As such, their involvement in other directorship or business activities outside our Group are not expected to affect their contribution to our Group and does not affect their ability to perform their role and responsibilities to our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.3.5 Key senior management remuneration and benefits

The remuneration of our key senior management including salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board.

The aggregate remuneration and material benefits-in-kind (in bands of RM50,000) paid and proposed to be paid to our key senior management (save for our Managing Director and Executive Director which are disclosed in Section 5.2.4) for services rendered in all capacities to our Group for FYE 2023 to 2025 are as follows:

| | (1)Remuneration band | | |
|-----------------|----------------------|-----------------|------------------------|
| | FYE 2023 (Paid) | FYE 2024 (Paid) | (2)FYE 2025 (Proposed) |
| | RM'000 | | |
| Teo Chee Teong | 300 - 350 | 350 - 400 | 350 – 400 |
| Fong Weng Keong | 50 - 100 | 50 - 100 | 100 – 150 |
| Khoor Sok Yin | 100 - 150 | 100 - 150 | 150 – 200 |
| Lai Kwang Huan | 100 - 150 | 150 - 200 | 250 – 300 |

Notes:

- (1) The remuneration for key senior management includes salaries, bonuses, allowances and other emoluments.
- (2) The bonuses for FYE 2025 are not included. Such bonuses, if any, will be determined at a later date based on our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.

5.4 BOARD PRACTICE

5.4.1 Board

Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively. Our Company has adopted the recommendations under the MCGG that:

- (a) at least half of our Board comprises Independent Non-Executive Directors;
- (b) chairman of our Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee; and
- (c) to have at least 30% women directors on our Board.

Our Board has adopted the following responsibilities for effective discharge of its functions:

- (a) our Board should objectively discharge their fiduciary duties and responsibilities at all times in the interests of our Company. Our Board must act with integrity, led by example, keep abreast of his/ her responsibilities and of the conduct, business activities and development of our Company. The duties and responsibilities of our Board are as follows:

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (i) our Board is charged with leading and managing our Group in an effective and responsible manner. Each Director has a legal duty to act in the best interests of our Company. Our Directors, collectively and individually, are aware of their responsibilities to the shareholders and stakeholders for the manner in which the affairs of our Group are managed. Our Board sets our Group's values and standards and ensures that its obligations to the shareholders and stakeholders are understood and met;
 - (ii) our Board understands that the responsibility for good corporate governance rests with them and therefore strives to follow the principles and best practices stated in the MCCG. Post Listing our Board will provide an overview in our Group's annual report the application of the principles and best practices set out in the MCCG pursuant to Rule 15.25 of the Listing Requirements;
 - (iii) our Board's duties include establishing the corporate vision and mission, as well as the philosophy of our Company, setting the aims of our Executive Directors and key senior management and monitoring their performance;
- (b) in overseeing the conduct of our Group's businesses, our Board shall ensure that an appropriate financial planning, operations and reporting framework as well as an embedded risk management framework is established. Elements under this combined framework include the strategic business plan and budget, financial statements, performance review reports and risk management reports; and
- (c) our Board as well as any Director may seek independent professional advice relating to the affairs of our Group or his/ her responsibilities as a Director, at our Company's expense. If a Director considers such advice as necessary, for the benefit of our Company, such Director shall first discuss it with our Managing Director and having done so, shall be free to proceed, where appropriate. Our Director must also ensure that it is practicable and the cost is reasonable.

In accordance with our Constitution, an election of Directors shall take place each year at the AGM of our Company. At the first AGM of our Company, all the Directors shall retire from office, and at the AGM in every subsequent year, 1/3 of our Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office. This is provided always that all Directors including Managing Director shall retire from office once at least in each 3 years and shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Our Directors shall have power at any time, and from time to time, to appoint any person to be a Director either to fill a casual vacancy or as an addition to our Board provided that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with our Constitution. Any Director so appointed shall hold office only until the next AGM and shall then be eligible for re-election but shall not be taken into account in determining the retirement of Directors by rotation at such meeting.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

The members of our Board, date of expiration of their current term of office and period that they have served in that office as at LPD are as follows:

| Name | Designation | Date of appointment as Director | Date of expiration of the current term of office | No. of months in office up to LPD |
|--|------------------------------------|--|---|--|
| Loh Kwang Yean | Independent Non-Executive Chairman | 1 June 2024 | Subject to retirement at the AGM in 2025 | 6 |
| Khor Chuan Meng | Managing Director | 23 November 2023 | Subject to retirement at the AGM in 2025 | 13 |
| Chu Kerd Yee | Executive Director | 23 November 2023 | Subject to retirement at the AGM in 2025 | 13 |
| Dato' Magaret Ting Thien Hung | Independent Non-Executive Director | 1 June 2024 | Subject to retirement at the AGM in 2025 | 6 |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Independent Non-Executive Director | 1 June 2024 | Subject to retirement at the AGM in 2025 | 6 |
| Lim Kwee Yong | Independent Non-Executive Director | 1 June 2024 | Subject to retirement at the AGM in 2025 | 6 |

Further details of the members of our Board are set out in Section 5.2.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.4.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established by our Board on 1 June 2024. The current members of our Audit and Risk Management Committee consist of the following:

| Name | Designation | Directorship |
|--|--------------------|------------------------------------|
| Lim Kwee Yong | Chairperson | Independent Non-Executive Director |
| Dato' Magaret Ting Thien Hung | Member | Independent Non-Executive Director |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Member | Independent Non-Executive Director |

The recommendations of our Audit and Risk Management Committee are subject to the approval of our Board.

The principal objectives of our Audit and Risk Management Committee is to assist our Board in discharging its statutory and fiduciary duties and responsibilities relating to accounting and reporting practices as well as risk management policies and strategies of our Group.

In addition, our Audit and Risk Management Committee shall:

- (a) evaluate the quality of the audits performed by the internal and external auditors;
- (b) provide assurance that the financial information presented by management is relevant, reliable and timely;
- (c) oversee compliance with laws and regulations and observance of a proper code of conduct;
- (d) determine the quality, adequacy and effectiveness of our Company's control environment;
- (e) ensure financial statements comply with applicable financial reporting standards; and
- (f) fulfil its corporate governance, risk management and statutory responsibilities in order to manage the overall risk exposure.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.4.3 Remuneration Committee

Our Remuneration Committee was established by our Board on 1 June 2024. The current members of our Remuneration Committee consist of the following:

| Name | Designation | Directorship |
|--|--------------------|------------------------------------|
| Dato' Magaret Ting Thien Hung | Chairperson | Independent Non-Executive Director |
| Datuk Hajah Nor Zamani binti Abdol Hamid | Member | Independent Non-Executive Director |
| Lim Kwee Yong | Member | Independent Non-Executive Director |

The duties and responsibilities of our Remuneration Committee are as follows:

- (a) to formulate and recommend a framework of remuneration for our Managing Director, Executive Directors and key senior management for our Board's approval. There should be a balance in determining the remuneration package, which takes into account the demands, complexities and performance of our Group as well as skills and experience required; and which should be sufficient to attract and retain Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefit-in-kind;
- (b) to review and assess the remuneration package of our Executive Directors and key senior management in all forms, with or without other independent professional advice or other external advice. The remuneration packages shall be determined on the basis of our Directors' and key senior management's merits, qualifications and competencies, while having regard to our Group's operating results, individual performance and comparable market statistics, which are aligned with the business strategy and long-term objectives of our Group. In addition, the performance of our Group in managing material sustainability risks and opportunities should also be considered;
- (c) to ensure the level of remuneration is sufficiently attractive and able to retain and reward our Directors and key senior management in order to operate our Group's business successfully;
- (d) to ensure the level of remuneration or fee should reflect the experience and level of responsibilities undertaken by any particular Director;
- (e) to recommend to our Board the remuneration package of our Executive Directors and fees and other benefits for our Non-Executive Directors;
- (f) to ensure that the remuneration and incentives for our Independent Directors do not conflict with their obligations to being objective and provide independent judgement to our Board;
- (g) to recommend matters relating to the remuneration of our Directors and key senior management for our Board's consideration and decision;
- (h) to act in line with the directions of our Board and to consider and examine such other matters as our Remuneration Committee considers appropriate; and
- (i) to consider any other relevant matters as delegated by our Board.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.4.4 Nomination Committee

Our Nomination Committee was established by our Board on 1 June 2024. The current members of our Nomination Committee consist of the following:

| Name | Designation | Directorship |
|--|--------------------|------------------------------------|
| Datuk Hajah Nor Zamani binti Abdol Hamid | Chairperson | Independent Non-Executive Director |
| Dato' Magaret Ting Thien Hung | Member | Independent Non-Executive Director |
| Lim Kwee Yong | Member | Independent Non-Executive Director |

The principal objective of our Nomination Committee is to assist our Board in their responsibilities in appointing new nominees to our Board and Board Committees and ensure that their compositions meet the needs of our Group. Our Nomination Committee shall also assess the performance of our Board, Board Committees and the individual directors of our Company on an on-going basis.

The duties and responsibilities of our Nomination Committee are as follows:

- (a) to formulate and review the policy on Board composition having regard to the mix of skills, independence and diversity (including gender diversity) required to meet the needs of our Company, strengthen Board leadership and oversight of sustainability issues;
- (b) to source, identify, review and recommend candidates for appointment to our Board and Board Committees, which is led by the Chairperson of the Nomination Committee, taking into consideration the optimum and effective size of our Board and the candidates experiences, expertise and contributions to our Board;
- (c) to consider, in making its recommendations, candidates for directorships and, within the bounds of practicability, by any other senior executive or any Director or major shareholder and to take steps to ensure that gender, ethnicity and age group diversity are sought as part of its recruitment exercise;
- (d) to review the tenure of each Director on our Board;
- (e) to recommend the re-election of Directors who are due to retire in accordance with our Company's Constitution;
- (f) to assess the independence of our Independent Directors annually;
- (g) to establish and review the performance criteria to evaluate the performance of our Board, Board Committees and each individual Director;
- (h) to recommend to our Board the nominees to fill the seats on Board Committees;
- (i) to review on an annual basis, the required mix of skills, experience, gender diversity and other qualities, including core competencies which Non-Executive and Executive Directors should have;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

- (j) to assess on an annual basis, the effectiveness of our Board and the Committees of our Board as a whole and each individual Director of our Board including a review of the performance of our Board in addressing our Company's material sustainability risks and opportunities. All assessments and evaluations carried out by our Nomination Committee in the discharge of all its functions would be properly documented;
- (k) to review on an annual basis, the terms of office and performance of our Audit and Risk Management Committee and each of its members to determine whether our Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference;
- (l) to assist our Board in assessing and evaluating circumstances where a Director's involvement outside our Group may give rise to a potential conflict of interest with our Group's businesses, upon receiving declaration of the same from the Director and thereafter, to inform our Audit and Risk Management Committee of the same. After deliberation with our Audit and Risk Management Committee, to recommend to our Board the necessary actions to be taken in circumstances where there is a conflict of interest;
- (m) to ensure that orientation and education programmes are provided for new members of our Board;
- (n) to ensure that all Directors receive appropriate continuous training programmes in order to broaden their perspectives and to keep abreast with developments in the marketplace, changes in new statutory and regulatory requirements and understand the sustainability issues relevant to our Company and its business, including climate-related risks and opportunities;
- (o) to formulate and review the nomination, selection and succession policies and plans for members of our Board, Board Committees and key senior management;
- (p) to act in line with the directions of our Board;
- (q) to consider and examine such other matters as the Nomination Committee considers appropriate; and
- (r) to consider any other relevant matters as delegated by our Board.

5.5 RELATIONSHIPS AND/ OR ASSOCIATIONS

There are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and key senior management as at LPD.

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at LPD, there are no existing or proposed service agreements entered into between our Company with any Directors; or between any companies within our Group with any key senior management.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.7 DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at LPD, none of our Promoters, Directors or key senior management is or has been involved in any of the following events (whether within or outside Malaysia):

- (a) in the last 10 years, a petition under any bankruptcy or insolvency law filed (and not struck out) against him or any partnership in which he was a partner or any corporation of which he was a Director or a member of key senior management;
- (b) disqualified from acting as a Director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (c) in the last 10 years, charged and/ or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (d) in the last 10 years, any judgment that was entered against him, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (e) in the last 10 years, was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;
- (f) being the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity;
- (g) in the last 10 years, has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; or
- (h) has any unsatisfied judgment against him.

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6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated under our present name in Malaysia on 23 November 2023 as a public limited company by shares under the Act.

Our Group provides M&E engineering services for various types of properties such as industrial, commercial and residential as well as solar facilities. We are principally involved in the following:

- (a) provision of electrical engineering services for electricity supply distribution systems;
- (b) provision of mechanical engineering services for building services; and
- (c) generation and sales of renewable energy.

Save for our diversification into the generation and sales of renewable energy in July 2023 via the Junjong LSSPV Plant, there has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD. Please refer to Section 7.1 for detailed information of our Group's history.

As at LPD, our share capital is RM50.34 million comprising 560,000,000 Shares, all of which have been issued and fully paid-up. The movements in our share capital since the date of our incorporation are set out below:

| Date of allotment | No. of Shares allotted | Consideration/ Types of issue | Cumulative share capital RM |
|--------------------------|-------------------------------|--|--|
| 23 November 2023 | 3 | RM3/ Subscribers' shares | 3 |
| 10 December 2024 | 559,999,997 | RM50,344,000/ Consideration for the Acquisition | 50,344,003 |

As at LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

Upon completion of our IPO, our enlarged share capital will increase to RM92.34 million comprising 700,000,000 Shares.

6.2 DETAILS OF OUR ACQUISITION

In preparation for our Listing, we have undertaken the Acquisition. On 25 July 2024, we entered into a conditional share sale agreement with Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng to acquire the entire equity interest in Savelite comprising 3,562,500 ordinary shares for a purchase consideration of RM50.34 million which was satisfied by the issuance of 559,999,997 new Shares to the vendors of Savelite at an issue price of RM0.0899 each.

6. INFORMATION ON OUR GROUP (Cont'd)

Details of the vendors of Savelite and the number of Shares issued to them under the Acquisition are as follows:

| Savelite vendors | Shareholdings in Savelite | | Purchase consideration | No. of Shares issued |
|-------------------------|----------------------------------|---------------------------|-------------------------------|-----------------------------|
| | No. of shares acquired | % of share capital | | |
| | | | RM | |
| Khor Chuan Meng | 1,068,750 | 30.0 | 15,103,200 | 167,999,999 |
| Chu Kerd Yee | 1,068,750 | 30.0 | 15,103,200 | 167,999,999 |
| Datuk Keh Chuan Seng | 1,425,000 | 40.0 | 20,137,600 | 223,999,999 |
| | 3,562,500 | 100.0 | 50,344,000 | 559,999,997 |

The purchase consideration for the Acquisition of RM50.34 million was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of Savelite as at 31 January 2024 of RM50.36 million.

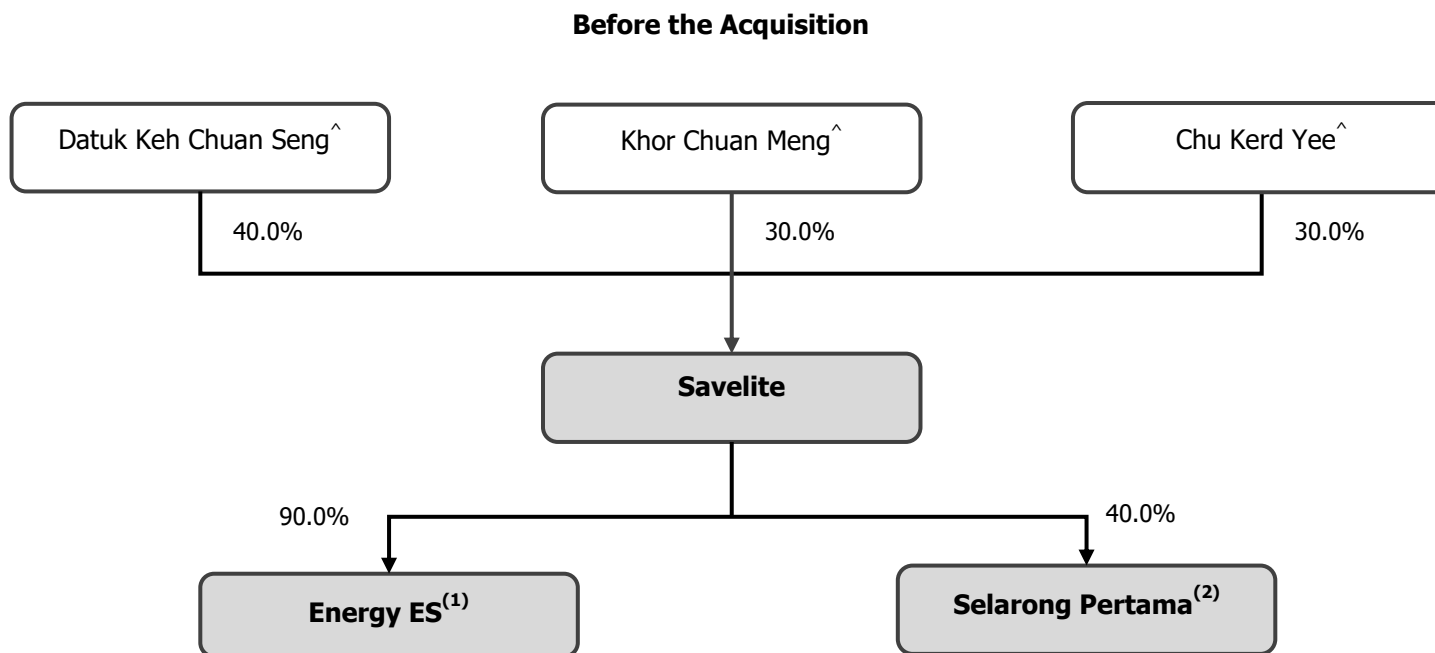
The Acquisition was completed on 17 December 2024. Thereafter, Savelite became our wholly-owned direct subsidiary.

The new Shares issued under the Acquisition rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and/ or other distributions, the entitlement date of which is subsequent to the date of issuance of the new Shares.

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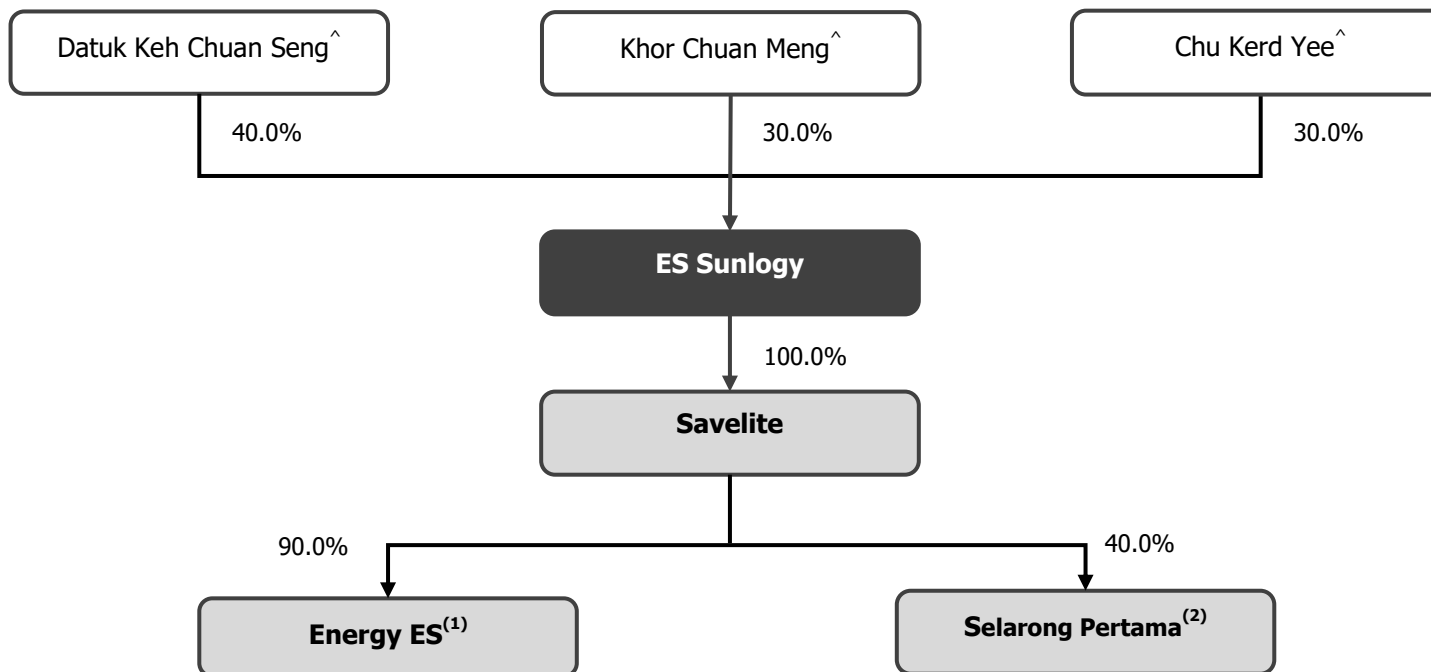
6. INFORMATION ON OUR GROUP (Cont'd)

6.3 GROUP STRUCTURE

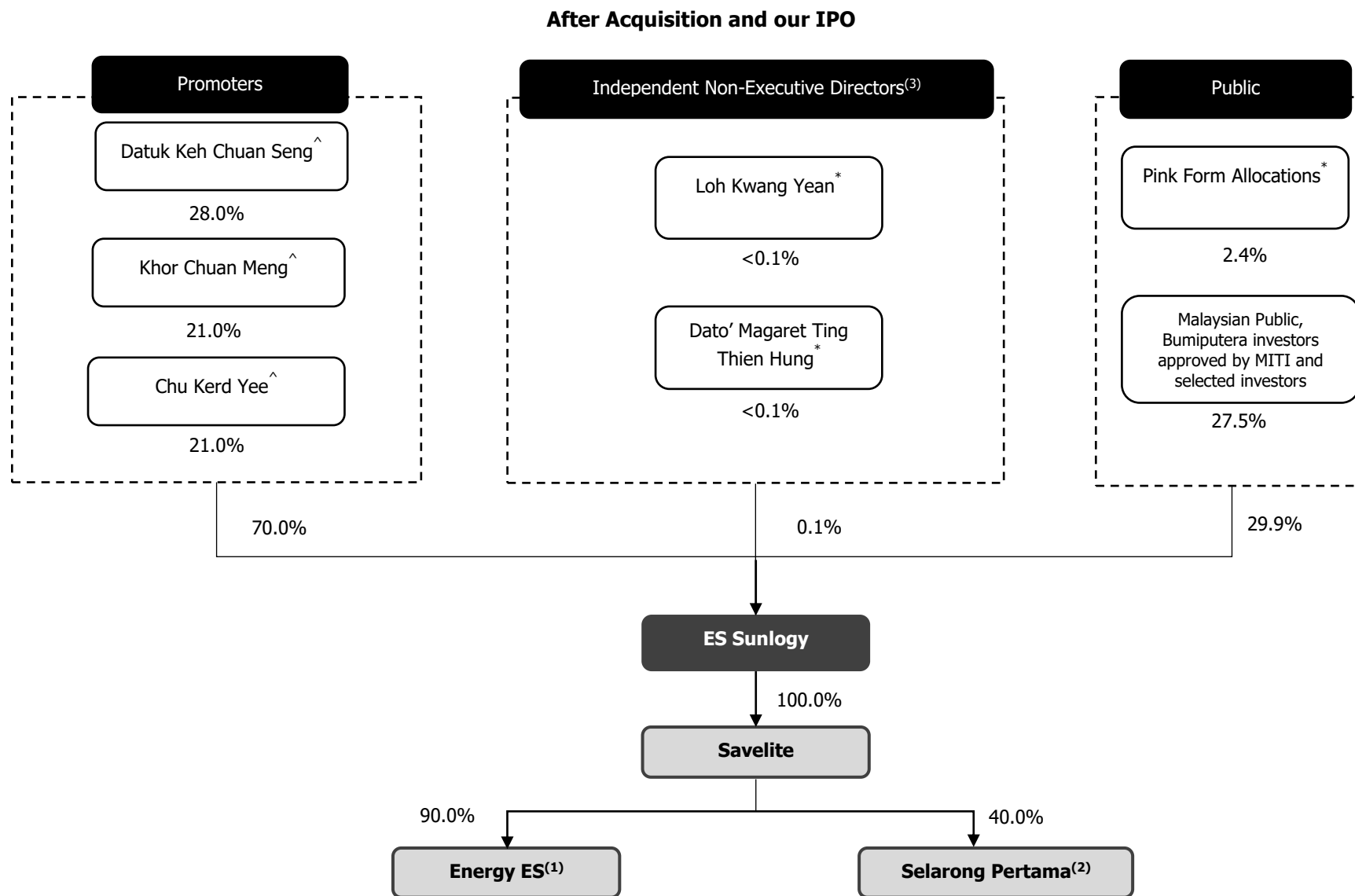


6. INFORMATION ON OUR GROUP (Cont'd)

After Acquisition but before our IPO



6. INFORMATION ON OUR GROUP (Cont'd)



6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) The remaining shares are held by Frasers Construction (5.0%) and Moderntent Development (5.0%). Frasers Construction's directors and shareholders are Chu Kerd Yee (50.0%) and Khor Chuan Meng (50.0%) whereas Moderntent Development's directors and shareholders are Hamdan bin Khalid (40.0%), Suhaimi bin Hanapiah (30.0%) and Mohd Shahril Adli bin Sulaiman (30.0%).
- (2) The remaining shares are held by Blazing Solar (30.0%) and TRe (30.0%). Blazing Solar is a wholly-owned subsidiary of Solarvest Holdings Berhad (100.0%). Similarly, TRe is a wholly-owned subsidiary of TNB (100.0%). Blazing Solar's directors are Chong Chun Shiong and Tan Chyi Boon; whereas TRe's directors are Ir. Mohd Yusrizal bin Mohd Yusof, Mohd Zarihi bin Mohd Hashim, Mohd Thushan bin Abdul Majid, Zainudin Sabai bin Mohd Salleh Sabai, Shahrir bin Haji Abdul Latiff and Nazmi bin Othman.
- (3) Datuk Hajah Nor Zamani binti Abdol Hamid and Lim Kwee Yong, our Independent Non-Executive Directors, have opted not to participate in the Pink Form Allocations.
- ^ Promoters of our Group.
- * Assuming that all the Eligible Persons will subscribe for their entitlements under the Pink Form Allocations.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.4 SUBSIDIARIES AND ASSOCIATED COMPANY

Details of our subsidiaries and associated company are summarised as follows:

| Company | Date/ Place of incorporation | Principal place of business | Issued share capital RM | Effective equity interest % | Principal activities |
|-------------------------------------|---|--|--|--|---|
| Savelite | 2 June 2010/ Malaysia | Malaysia | 21,310,230 | 100.0 | Provision of M&E engineering services |
| <u>Held through Savelite</u> | | | | | |
| Energy ES | 8 April 2021/ Malaysia | Malaysia | 1,750,000 | 90.0 | Generation and sales of renewable energy ⁽¹⁾ |
| Selarong Pertama | 31 January 2024/ Malaysia | Malaysia | 100 | 40.0 | Generation and sales of renewable energy ⁽²⁾ |

Notes:

(1) Relates to Junjong LSSPV Plant.

(2) Relates to Selarong LSSPV Plant.

Details of the share capital of our subsidiaries and associated company are set out in Section 15.2.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.5 MATERIAL CONTRACTS**

Save as disclosed below, there were no other material contracts which are or may be material (not being contracts entered into in the ordinary course of business) entered into by our Group for FYE 2021 to FYE 2024 and up to LPD:

- (a) consortium agreement dated 1 August 2020 between Savelite, Frasers Construction and Moderntent Development wherein the parties are joint bidders to participate in the Junjong LSSPV Project;
- (b) sale and purchase agreement dated 18 December 2020 entered into between Tangkas Properties Sdn Bhd (non-related party) and Savelite for the acquisition of our Headquarters for a purchase consideration of RM3,700,000.00, which was completed on 22 July 2021;
- (c) sale and purchase agreement dated 15 February 2021 entered into between Savelite with Ooi Swee Hau and Lim Yen Nee (both non-related parties) for the disposal of a 3-storey terrace house at 32, Jalan Nuri 10, Mk 12, Setia Pulau Mutiara, 11900 Bayan Lepas, Pulau Pinang, for a disposal consideration of RM970,000.00, which was completed on 8 May 2021;
- (d) sale and purchase agreement dated 31 March 2021 entered into between Platinum Eminent Sdn Bhd (non-related party) and Savelite for the acquisition of a single storey shop lot located at Lot 01-08, Blok A, Aera Servis Residensi, Jalan PJS 5/28A, 46300 Petaling Jaya, Selangor, for a purchase consideration of RM611,168.00, which was completed on 18 November 2021;
- (e) sale and purchase agreement dated 26 February 2022 entered into between Savelite and Ong Bee Keo (spouse of Chu Kerd Yee) for the disposal of a 1½ storey terrace light industrial factory at 78, Jalan IKS Bukit Tengah, Taman IKS Bukit Tengah, 14000 Bukit Mertajam, Pulau Pinang, for a disposal consideration of RM850,000.00, which was completed on 2 February 2023;
- (f) sale and purchase agreement dated 26 February 2022 entered into between Savelite, Khor Chuan Meng and Tan Hooi Joo (spouse of Khor Chuan Meng) for the disposal of a 1½ storey intermediate terrace light industrial factory at 16, Jalan IKS Bukit Tengah, Taman IKS Bukit Tengah, 14000 Bukit Mertajam, Pulau Pinang, for a disposal consideration of RM850,000.00, which was completed on 2 February 2023;
- (g) sale and purchase agreement dated 29 November 2022 between Savelite and Ong Bee Keo (spouse of Chu Kerd Yee) for the disposal of a parcel of condominium at 28B-20-2, Jalan Desiran Tanjung 4, Marinox Sky Villas, 10470 Tanjung Tokong, Pulau Pinang, for a disposal consideration of RM780,000.00, which was completed on 30 July 2024;
- (h) collaboration agreement dated 8 May 2023 entered into between Savelite, TRe and Blazing Solar in relation to the joint development, construction and operation of Selarong LSSPV Plant under CGPP. Pursuant to the terms and conditions of this collaboration agreement and joint venture and shareholder agreement (stated as Section 6.5(i) below), Selarong Pertama (acting as the parties' consortium) has been incorporated to jointly collaborate for the development, construction and operation of the Selarong LSSPV Plant;
- (i) joint venture and shareholder agreement dated 17 January 2024 entered into between Savelite, TRe and Blazing Solar to regulate their relationship as shareholders of Selarong Pertama;

6. INFORMATION ON OUR GROUP (Cont'd)

- (j) conditional share sale agreement dated 25 July 2024 between our Company, Khor Chuan Meng, Chu Kerd Yee and Datuk Keh Chuan Seng for the Acquisition, which was completed on 17 December 2024; and
- (k) underwriting agreement dated 19 December 2024 between our Company and M&A Securities for the underwriting of 52,500,000 Issue Shares for an underwriting commission of 3.0% of the IPO Price multiplied by the number of Issue Shares underwritten.

6.6 PUBLIC TAKE-OVERS

During the last financial year and the current financial year up to LPD, there were:

- (a) No public take-over offers by third parties in respect of our Shares; and
- (b) No public take-over offers by our Company in respect of other companies' shares.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.7 MAJOR APPROVALS, LICENCES AND PERMITS

As at LPD, there are no other major approvals, major licences and major permits issued to our Group in order for us to carry out our operations other than those disclosed below:

| <u>No.</u> | <u>Licencee</u> | <u>Issuing authority</u> | <u>Date of issue or commencement/ Date of expiry</u> | <u>Nature of Approvals/ Licences/ Permits</u> | <u>Equity and/ or major conditions imposed</u> | <u>Compliance status</u> |
|------------|-----------------|--------------------------|--|---|---|--|
| (a) | Savelite | EC | 21 September 2022/ 20 September 2025 | <u>Registration No.</u> ST (UBT)PP/C/KE/01177/2015 <u>Nature of Approval/ Licences</u> Certificate of Registration as an Electrical Contractor No. 2022/ 04569 under Class A where Savelite is capable of carrying out electrical work above RM1.00 million in value. | (i) Savelite has employed on a full-time basis at least 3 wiremen with three phase restriction. (ii) Savelite has employed on a full-time basis at least 1 wireman with three phase restriction authorised to test an installation. (iii) Savelite has employed on a full-time basis at least 2 wiremen with single phase restriction. | Complied Complied Complied |
| (b) | Savelite | CIDB | 27 February 2024/ 26 March 2026 | <u>Registration No.</u> No. 0120110328-PP133419 <u>Nature of Approval/ Licences</u> Certificate of Registration as Contractor in respect of Grade 7 with no limit on grade and limit of tender/ value of work and for undertaking the services of building construction, civil engineering construction, mechanical and electrical engineering construction. | (i) The certificate is not transferrable. (ii) Savelite shall not participate in any tender or perform any construction work after the expiry of this certificate until it is renewed. (iii) Savelite shall not undertake to build any construction project that exceeds the value of the construction works specified under the relevant registration grade and shall not carry out any construction project which is outside the registered category. | Noted Noted Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------|---|--------------------------|--|--|---|--------------------------|-----|-------------------------------------|------|--------------------------------|-----|--------------|-----|----------------------------------|-----|----------------------------|-----|--------------------------------------|-----|-------------------------|-----|-------------------------------|-----|-------------------------------|-----|-----------------------------------|-----|-------------------------|-----|------------------------------------|-----|----------------------|-----|----------------------------------|-----|--------------------------------|-----|---|-----|---|-----|---|-----|---------------------------|---|-------|
| | | | | The certificate allows Savelite to carry out the following scope of works: | (iv) Savelite shall submit information on any construction work or contract within 14 days after the award or before commencing work, whichever is earlier. | Noted | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | <table border="1"> <thead> <tr> <th>Code</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>B04</td> <td>General building construction works</td> </tr> <tr> <td>CE21</td> <td>Civil engineering construction</td> </tr> <tr> <td>E01</td> <td>Sound system</td> </tr> <tr> <td>E02</td> <td>Surveillance and security system</td> </tr> <tr> <td>E03</td> <td>Building automation system</td> </tr> <tr> <td>E05</td> <td>High voltage installation up to 11kV</td> </tr> <tr> <td>E06</td> <td>Special lighting system</td> </tr> <tr> <td>E07</td> <td>Internal communication system</td> </tr> <tr> <td>E08</td> <td>External communication system</td> </tr> <tr> <td>E10</td> <td>Uninterrupted power supply system</td> </tr> <tr> <td>E11</td> <td>General electrical work</td> </tr> <tr> <td>E13</td> <td>Rail service communication service</td> </tr> <tr> <td>E15</td> <td>Airport runway light</td> </tr> <tr> <td>E16</td> <td>Street lights and traffic lights</td> </tr> <tr> <td>E17</td> <td>Low voltage underground cables</td> </tr> <tr> <td>E18</td> <td>High voltage underground cable up to 11KV</td> </tr> <tr> <td>E19</td> <td>High voltage underground cable above 11kV to 33kV</td> </tr> <tr> <td>E20</td> <td>High voltage underground cable above 33kV</td> </tr> <tr> <td>E21</td> <td>Low voltage overhead line</td> </tr> </tbody> </table> | Code | Details | B04 | General building construction works | CE21 | Civil engineering construction | E01 | Sound system | E02 | Surveillance and security system | E03 | Building automation system | E05 | High voltage installation up to 11kV | E06 | Special lighting system | E07 | Internal communication system | E08 | External communication system | E10 | Uninterrupted power supply system | E11 | General electrical work | E13 | Rail service communication service | E15 | Airport runway light | E16 | Street lights and traffic lights | E17 | Low voltage underground cables | E18 | High voltage underground cable up to 11KV | E19 | High voltage underground cable above 11kV to 33kV | E20 | High voltage underground cable above 33kV | E21 | Low voltage overhead line | (v) Savelite shall apply for renewal of the certificate within 60 days prior to the expiry date as stated in the certificate. | Noted |
| Code | Details | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B04 | General building construction works | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CE21 | Civil engineering construction | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E01 | Sound system | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E02 | Surveillance and security system | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E03 | Building automation system | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E05 | High voltage installation up to 11kV | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E06 | Special lighting system | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E07 | Internal communication system | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E08 | External communication system | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E10 | Uninterrupted power supply system | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E11 | General electrical work | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E13 | Rail service communication service | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E15 | Airport runway light | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E16 | Street lights and traffic lights | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E17 | Low voltage underground cables | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E18 | High voltage underground cable up to 11KV | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E19 | High voltage underground cable above 11kV to 33kV | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E20 | High voltage underground cable above 33kV | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E21 | Low voltage overhead line | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | (vi) Savelite shall appoint skilled construction workers and site supervisors who are accredited and certified by CIDB. | Complied | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | (vii) All the workers at the construction site shall possess a valid CIDB Green Card. | Complied | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | | Equity and/ or major conditions imposed | Compliance status |
|-----|----------|-------------------|--|---|--|---|-------------------|
| | | | | Code | Details | | |
| | | | | E22 | High voltage overhead line cable up to 33kV | | |
| | | | | E23 | High voltage overhead line cable above 33kV | | |
| | | | | E24 | High voltage installation above 11kV up to 33kV | | |
| | | | | E25 | High voltage installation above 33kV | | |
| | | | | E32 | Low voltage power | | |
| | | | | E33 | High voltage power up to 33kV | | |
| | | | | E34 | Solar PV system connected to the grid with a capacity of up to 72kW | | |
| | | | | M01 | Air conditioning and ventilation system | | |
| | | | | M15 | Installation, testing and commissioning of various mechanical system | | |
| (c) | Savelite | MOF | 29 May 2024/ 29 July 2027 | <p>Registration No. Acknowledgement of Registration Certificate No. K63628708163862964</p> <p>Nature of Approval/ Licences Supplying electrical and electronic engineering equipment/ cables, electric wires and accessories under the following codes:</p> | | (i) Savelite must ensure that the business field that have been registered in this certificate do not overlap with the business field that have been approved for any company having the same owner, board of directors/ directors, management and employees, or operating at the same premise. | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | | Equity and/ or major conditions imposed | Compliance status |
|-----|----------|-------------------|--|--|---|--|-------------------|
| | | | | Code | Details | | |
| | | | | 140301 | Electrical and electronic engineering equipment/cables, electric wires and accessories/ electric cables and accessory | (ii) Failure of Savelite to apply for renewal of registration after 1 year from the date of expiry of the registration period may result in Savelite's registration with MOF being cancelled and removed automatically from the eProcurement system. Savelite will have to make a new application. | Noted |
| | | | | 140302 | Electrical and electronic engineering equipment/cables, electric wires and accessories/ electric cables and accessory | | |
| (d) | Savelite | Telekom Malaysia | 19 June 2024/ 18 June 2026 | <p><u>Registration No.</u> No. 1028820843</p> <p><u>Nature of Approval/ Licences</u> Certificate of Registration as Telekom Malaysia Group Registered Supplier with the categories of generator installation, solar panel and batteries installation, cable accessories, electrical equipment and parts, rectifier installation, ups installation, electric switch board, power terminal box, auto-reset switch, lightning and earthing protection, electrical hardware, air conditioning installation, tools and test gear, Local Area Network and Wide Area Network equipment,</p> | | (i) Savelite is under an obligation to ensure that the product category that has been registered for and specified in the Certificate of Registration shall not be the same as or redundant to the product category that has been approved for another company of similar owner/ board of director that has already been registered as Telekom Malaysia Group Registered Supplier. | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status | | | | | | | | | | | | |
|--------------|-----------------|--|--|---|--|--------------------------|-----------------------|----|---|-----|--|----|------|--|----|--|---|-------|
| | | | | audio and video system, surveillance equipment, security access system, detection/ CCTV system, fire protection installation, firefighting equipment, air conditioner maintenance, electrical and lighting services, genset maintenance, batteries maintenance, voice and data wiring, data services, calibration services, guard/ patrol services as well as security system services. | (ii) Savelite shall make an application to renew its registration within 3 months before the expiry date specified in the Certificate of Registration. (iii) Any application received after the expiry date shall be considered as a new application. | Noted Noted | | | | | | | | | | | | |
| (e) | Savelite | TNB | 24 April 2024/ 26 March 2026 | <p>Registration No. TNB Registration No. 3058402 (CIDB Certificate of Registration No. 0120110328-PP133419)</p> <p>Nature of Approval/ Licences Appointment as contractor for following categories:</p> <table border="1"> <thead> <tr> <th>Grade</th> <th>Category</th> <th>Specialisation</th> </tr> </thead> <tbody> <tr> <td>G7</td> <td>B</td> <td>B04</td> </tr> <tr> <td></td> <td>CE</td> <td>CE21</td> </tr> <tr> <td></td> <td>ME</td> <td>E01, E02, E03, E05, E06, E07, E08, E10, E11, E13, E15, E16, E17, E18, E19, E20, E21, E22, E23, E24, E25, E32, E33, E34, M01, M15</td> </tr> </tbody> </table> | Grade | Category | Specialisation | G7 | B | B04 | | CE | CE21 | | ME | E01, E02, E03, E05, E06, E07, E08, E10, E11, E13, E15, E16, E17, E18, E19, E20, E21, E22, E23, E24, E25, E32, E33, E34, M01, M15 | The validity of the registration is subject to the validity period of the registration certificates issued by the MOF, CIDB and other relevant professional bodies. | Noted |
| Grade | Category | Specialisation | | | | | | | | | | | | | | | | |
| G7 | B | B04 | | | | | | | | | | | | | | | | |
| | CE | CE21 | | | | | | | | | | | | | | | | |
| | ME | E01, E02, E03, E05, E06, E07, E08, E10, E11, E13, E15, E16, E17, E18, E19, E20, E21, E22, E23, E24, E25, E32, E33, E34, M01, M15 | | | | | | | | | | | | | | | | |

Registration No.: 202301046467 (1540381-T)

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status | | | | | | |
|-------------|--|--------------------------|--|---|--|--------------------------|--------|--|--------|--|--|-------|
| (f) | Savelite | TNB | 6 June 2024/ 29 July 2027 | <p>The details of the scope of works in relation to the specialisation above can be referred to in Section 6.7(b) above.</p> <p>Registration No. TNB Registration No. 3058402 (MOF Certificate No. K63628708163862964)</p> <p>Nature of Approval/ Licences Appointment as service provider and contractor for categories <i>140301 and 140302</i></p> <table border="1"> <thead> <tr> <th>Code</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>140301</td> <td>Electrical and electronic engineering equipment/ cables, electric wires and accessories/ electric cables and accessory</td> </tr> <tr> <td>140302</td> <td>Electrical and electronic engineering equipment/ cables, electric wires and accessories/ electric cables and accessory</td> </tr> </tbody> </table> | Code | Details | 140301 | Electrical and electronic engineering equipment/ cables, electric wires and accessories/ electric cables and accessory | 140302 | Electrical and electronic engineering equipment/ cables, electric wires and accessories/ electric cables and accessory | The validity of this registration is subject to the validity period of the registration certificates issued by the MOF, CIDB and other relevant professional bodies. | Noted |
| Code | Details | | | | | | | | | | | |
| 140301 | Electrical and electronic engineering equipment/ cables, electric wires and accessories/ electric cables and accessory | | | | | | | | | | | |
| 140302 | Electrical and electronic engineering equipment/ cables, electric wires and accessories/ electric cables and accessory | | | | | | | | | | | |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|---------------------------------|--|--|--|--------------------------|
| (g) | Savelite | Majlis Bandaraya Seberang Perai | 20 November 2024/ 31 December 2025 | <p>Registration No. Business Licence No. PRI/01/20220518/7448</p> <p>Nature of Approval/ Licences Licence for carrying out the business as electrical contractor at our Headquarters</p> | Nil | Not applicable |
| (h) | Energy ES | Majlis Bandaraya Seberang Perai | 20 November 2024/ 31 December 2025 | <p>Registration No. Business Licence No. PRI/01/20211110/2385</p> <p>Nature of Approval/ Licences Licence to use the premise as office at our Headquarters</p> | Nil | Not applicable |
| (i) | Savelite | Majlis Bandaraya Petaling Jaya | 17 September 2024/ 31 December 2025 | <p>Registration No. Business Licence No. L2780000674757</p> <p>Nature of Approval/ Licences Licence to use B-03-40, Persiaran Surian, Seksyen 3, Taman Sains Selangor, Kota Damansara, 47810 Petaling Jaya, Selangor as office</p> | Nil | Not applicable |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------------|--|--|---|---------------------------------|
| (j) | Savelite | Majlis Bandaraya Petaling Jaya | 17 September 2024/ 31 December 2025 | <p>Registration No. Business Licence No. L2780000675664</p> <p>Nature of Approval/ Licences Licence to use B-03-39, Persiaran Surian, Seksyen 3, Taman Sains Selangor, Kota Damansara, 47810 Petaling Jaya, Selangor as store</p> | Nil | Not applicable |
| (k) | Energy ES | EC | 12 June 2023/ 11 June 2044 | <p>Registration No. Licence No. LSS 12/1/11/62 (PV)</p> <p>Nature of Approval/ Licences</p> <ul style="list-style-type: none"> • Public Installation Granted pursuant to Section 9 of the Electricity Supply Act 1990 to carry out the following licence activities: <ul style="list-style-type: none"> (i) use, work or operate a generating station and its associated installation; and (ii) supply electricity from a generating station and its associated installation to the grid under the REPPA dated 18 August 2021, disclosed in Section 7.2.1.3. | <p>(i) Energy ES is to finance, construct, complete, own, operate and maintain a solar PV system and any associated facilities with a maximum licenced capacity of 28.3725MW at the Junjong Land, in order to supply electricity through the electricity distribution network to TNB under the REPPA dated 18 August 2021, or any other arrangement as approved by the EC.</p> <p>(ii) Energy ES shall ensure that all the times during the period of this licence, its sole activity shall be the generation and supply of electricity. Energy ES shall not undertake any other activities without the prior written approval of the EC.</p> | <p>Complied</p> <p>Complied</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|--|--|--|--------------------------|
| | | | | <ul style="list-style-type: none"> Generating Station Type: Solar PV System Licensed Capacity: 28.3725MW⁽¹⁾ | <p>(iii) For the electricity supply under the REPPA, Energy ES shall submit to the EC on monthly interval, information on the maximum daily load, electricity sold per month, overall plant efficiency and performance, quantity and type of fuel used per month, accidents, breakdown of major plants or equipment, forced and mandatory outages and schedule of maintenance and overhaul programme. Energy ES shall submit to the EC the following information:</p> <p>(aa) within 3 months after this licence enters into force, a copy of the REPPA and site agreement (if any) and any subsequent amendment, modification, rectification or novation of the said agreement; and</p> | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|--|---|--|--------------------------|
| | | | | | (bb) within 6 months after this licence enters into force, details of financial arrangements and construction programmes of the generating station and subsequently submission of reports at regular intervals on the status and progress of the said generating station during its stages of construction. | |
| | | | | | (iv) Energy ES shall at all times take cognisance of the Government's policies in particular Bumiputera equity participation, the transfer of technology and expertise to Malaysian, the employment of local or foreign personnel, contractors and services and the use of local or imported materials and products. | Noted |
| | | | | | (v) Energy ES shall deliver to the EC a copy of the accounts and audited reports as soon as reasonably practicable, and in any event not later than 3 months after the end of each financial year. | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|--|---|--|--------------------------|
| | | | | | (vi) In carrying out its licensed activities, Energy ES shall establish a safety management programme (means the safety, reliability, maintenance and technical management programme in respect of electricity supply infrastructure) pursuant to the requirement under the Electricity Supply Act 1990 to ensure effective measurement and continual improvement to protect any person and electrical infrastructure from injury and damage that may be caused by the Energy ES's installations, and practices or operation of Energy ES. | Complied |
| | | | | | (vii) Energy ES undertakes to the Government that the present shareholders and shareholding structure remains the same throughout the period of the licence. Any changes to the shareholders and the shareholding structure shall be subject to the prior written approval of PETRA, including the indirect shift in control of Energy ES due to substantial changes of shareholders of Savelite even though there is no direct change of equity structure of Energy ES. | Complied ⁽²⁾ |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|--|---|---|--------------------------|
| | | | | | (viii) Notwithstanding the condition (vii) above and subject to the prior written approval of PETRA, and the approval of all relevant authorities, Energy ES may apply for the shares of ES Sunlogy to be listed and quoted on the official list of the Bursa Securities. | Complied ⁽²⁾ |
| | | | | | (ix) Energy ES shall not assign, transfer, sublet or otherwise dispose of its rights, duties, liabilities, obligations and privileges or part thereof under the terms and conditions of this licence except with the prior written consent of PETRA. | Noted |
| | | | | | (x) This licence shall not be charged, pledged or otherwise encumbered without the prior written consent of PETRA. | Noted |
| | | | | | (xi) The creation of any charge, mortgage, pledge, lien or other security over Selarong Land used for the generating station is prohibited unless with the written consent of PETRA. | Noted |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|--|---|---|--------------------------|
| | | | | | (xii) Energy ES shall, throughout the period of this licence, reasonably insure or keep insured the generating station against any possible risks and to pay the premiums necessary for that purpose and whenever required by the EC, to produce on demand a true copy of the policy of insurance and requisite evidence of payment of the premiums and other fees and duties for the said policy. | Complied |
| | | | | | (xiii) Energy ES shall set up its own quality control and quality assurance team consisting of suitably qualified personnel to ensure that the design, materials used, equipment and plants installed, technology, methods and procedures adopted for fabrication, installation, construction, testing and commissioning of the installation are in accordance to good engineering practices and of quality and standard as stipulated in the plan and specification. | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|---------------------------------------|--|--|--|---|
| | | | | | (xiv) Energy ES shall comply with and implement all measures, conditions and requirements imposed by the Director General of Environmental and/ or other relevant authorities, in accordance to the approved environmental impact assessment report (EIA Report), for the construction and operation of the generating station, and for the protection of the environment throughout the period of this licence. | Noted |
| | | | | | (xv) EC may suspend this licence if Energy ES has failed to comply with any of the terms or conditions of this licence, any regulations, codes, guidelines or directions made by the EC. | Noted |
| (l) | Energy ES | Pejabat Daerah dan Tanah Kulim, Kedah | 1 January 2025/ 31 December 2025 | <p>Registration No. Permit No. 15/2023 to Use Agricultural Land for Other Purposes Temporarily in Schedule VIII issued in favour of Energy ES pursuant to subrule 34(8) of the Kedah Land Rules 2018⁽³⁾</p> <p>Nature of Approval/ Licences Permitted Purpose: Solar farm (Junjong LSSPV Plant)</p> | <p>(i) The approved lands cannot be used for purposes other than Junjong LSSPV Plant.</p> <p>(ii) The permit will be void if the premises or structure or building erected on the Junjong LSSPV Plant violates any other written laws.</p> <p>(iii) The application to renew the said permit shall be made 2 months before the expiry date pursuant to subrule 34(11) of the Kedah Land Rules 2018.</p> | <p>Complied</p> <p>Noted</p> <p>Noted</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|---|--|--|--|--|
| (m) | Savelite | Jabatan Tenaga Kerja Semenanjung Malaysia Kementerian Sumber Manusia | 3 July 2024/ 3 July 2027 | <p>Registration No. Certificate for Accommodation No. AC/10700/2024/0171</p> <p>Nature of Approval/ Licences Accommodation address of 1892, 1st Floor, Jalan Bukit Minyak, Taman Pulasan, 14100 Simpang Ampat, Pulau Pinang</p> | <p>(i) No more than 15 individuals be allowed to occupy at the said accommodation.</p> <p>(ii) To adhere to the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralised Accommodation) Regulations 2020.</p> <p>(iii) Free rent or charges for the said accommodation for every employee.</p> <p>(iv) To report on the occupation of the employees at the said accommodation within 30 days from the date of occupancy.</p> <p>(v) To report on the closure of operations of the said accommodation at least 30 days before the date of closure.</p> <p>(vi) To exhibit the said certificate on the exterior wall of the said accommodation that is suitable and conspicuous to the public.</p> | <p>Complied</p> <p>Noted</p> <p>Complied</p> <p>Noted</p> <p>Noted</p> <p>Complied</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue or commencement/ Date of expiry | Nature of Approvals/ Licences/ Permits | Equity and/ or major conditions imposed | Compliance status |
|------------|-----------------|---|--|---|--|--|
| (n) | Savelite | Jabatan Tenaga Kerja Semenanjung Malaysia Kementerian Sumber Manusia | 11 July 2024/ 11 July 2027 | <p>Registration No. Certificate for Accommodation No. AC/10700/2024/0181</p> <p>Nature of Approval/ Licences Accommodation address: 1st and 2nd floor of No. 1982, Jalan Bukit Minyak, Kawasan Industri Ringan Asasjaya, Mukim 14, 14000 Bukit Mertajam, Pulau Pinang</p> | <p>(i) No more than 60 individuals be allowed to occupy at the said accommodation.</p> <p>(ii) To adhere to the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralised Accommodation) Regulations 2020.</p> <p>(iii) Free rent or charges for the said accommodation for every employee.</p> <p>(iv) To report on the occupation of the employees at the said accommodation within 30 days from the date of occupancy.</p> <p>(v) To report on the closure of operations of the said accommodation at least 30 days before the date of closure.</p> <p>(vi) To exhibit the said certificate on the exterior wall of the said accommodation that is suitable and conspicuous to the public.</p> | <p>Complied</p> <p>Noted</p> <p>Complied</p> <p>Noted</p> <p>Noted</p> <p>Complied</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) EC granted Energy ES with a maximum licensed capacity of 28.3725MW, however, TNB has agreed to purchase a capacity of only 20.76MW (which is equivalent to 48,991 MWh) from Energy ES, pursuant to the terms of the REPPA dated 18 August 2021. For clarity, our Junjong LSSPV Plant was designed and installed with a contracted capacity of 20.76MW, allowing it to generate a maximum net energy output of up to 48,991MWh annually. However, depending on the sunlight and weather conditions, the actual energy output may be more or less than 48,991MWh. Any excess capacity of electricity generated from Junjong LSSPV Plant (i.e. above 48,991 MWh) may be purchased by TNB at a lower energy rate. From 1 August 2023 to 31 July 2024, our Junjong LSSPV Plant has generated an actual energy output of 38,072MWh.
- (2) We had on 26 July 2024 obtained approval from EC for the changes in the shareholders and shareholding structure of Savelite upon our Listing pursuant to the terms of the REPPA dated 18 August 2021. On 29 July 2024, EC notified us that PETRA has delegated the power to grant such consents to EC.
- (3) Presently, the Junjong Land is under the "agriculture" category, with an express condition for the cultivation of rubber and/or orchard. According to Rule 34 of the Kedah Land Rules 2018, the Kedah State Authority (which has delegated the powers to execute such duties to Pejabat Daerah dan Tanah Kulim, Kedah) may permit the agriculture land to be used for other purposes which it deems fit, temporarily, for a period which shall expire at the end of the calendar year in which it commences.

For the Junjong LSSPV Plant, the Pejabat Daerah dan Tanah Kulim, Kedah had vide a letter dated 16 July 2023 addressed to Yansnest, provided its consent to use Junjong Land for the operations of Junjong LSSPV Plant only. The consent is valid for 25 years, throughout the term of the lease agreement dated 1 July 2021. However, Energy ES shall apply for renewal of such licence 2 months prior to its expiry annually, as part of the procedural requirements pursuant to subrule 34(11) the Kedah Land Rules 2018.

Under the National Land Code, there are only 3 categories of land use to be endorsed on the document of title to any land as determined by the State Authority at the time when the land is approved for alienation, to be known respectively as "agriculture", "building" and "industry". For any land intended to use as LSSPV plant, an application is to be made to the State Authority for its temporary permit to use the land for solar installation subject to such conditions of the permit as may be imposed by the State Authority.

A similar permit will be required for Selarong Land since such land is located within Kedah and is also governed by the Kedah Land Rules 2018.

Our Group has not faced any issues in relation to renewal of our licences or any breach of the conditions imposed in the approvals, licences or permits, which will have material adverse impact on our operations as at LPD.

6. INFORMATION ON OUR GROUP (Cont'd)

6.8 TRADEMARKS

As at LPD, our Group does not own any trademarks.

6.9 PROPERTY, PLANT AND EQUIPMENT

6.9.1 Properties owned by our Group

The summary of the material properties owned by our Group as at LPD are set out below:

| No. | Postal address/ Title details | Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)/ Express conditions/ Restriction-in-interest | Registered owner | Land area/ Built-up area sq ft | Date of purchase/ Date of CCC | Encumbrance | Audited NBV as at 31 July 2024 RM'000 |
|-----|--|--|---------------------|---|-------------------------------------|--|--|
| (a) | <p>Postal address 12, Vila Elemen, Elemen 2 Jalan Kelab Golf Sultan Abdul Aziz Shah 13/6 Seksyen 13 40100 Shah Alam Selangor</p> <p>Strata title details Leasehold land held under PN 11894, No. Petak L23, No. Lot 740, Seksyen 13 Bandar Shah Alam Daerah Petaling Negeri Selangor</p> | <p>Description of property 3-storey semi-detached house</p> <p>Existing use Vacant and is intended for rent or sale</p> <p>Expiry of lease 99 years leasehold expiring on 29 May 2102</p> <p>Category of land use Building</p> <p>Express conditions Residential building</p> | Savelite | 3,196.88/ 4,192 | 14 May 2018/ 2 November 2020 | Charged to Hong Leong Islamic Bank Berhad | 2,684 |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Postal address/ Title details | Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)/ Express conditions/ Restriction-in-interest | Registered owner | Land area/ Built-up area sq ft | Date of purchase/ Date of CCC | Encumbrance | Audited NBV as at 31 July 2024 RM'000 |
|-----|--|--|---------------------|---|---|------------------------------------|--|
| | | <p><u>Restriction-in-interest</u> The land cannot be transferred, leased or charged without the prior written consent of the Selangor State Authority.</p> | | | | | |
| (b) | <p><u>Postal address</u> 2A, Jalan Industri Tangkas 2 Taman Industri Tangkas 14000 Bukit Mertajam Seberang Perai Tengah Pulau Pinang</p> <p><u>Title details</u> Geran Mukim 9715 Lot 31602, Mukim 14 Daerah Seberang Perai Tengah Negeri Pulau Pinang</p> | <p><u>Description of property</u> 3-storey super link terraced light industrial factory</p> <p><u>Existing use</u> Our Headquarters</p> <p><u>Expiry of lease</u> Freehold</p> <p><u>Category of land use</u> None</p> <p><u>Express conditions</u> (i) the compensation on the Penang State Authority's right of access or use of the Land/ State officer's right of way is not limited by the National Land Code;</p> | Savelite | 5,995.5/ 12,868 | 18 December 2020/ 27 November 2023 | Charged to Ambank (M) Berhad | 3,384 |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Postal address/ Title details | Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)/ Express conditions/ Restriction-in-interest | Registered owner | Land area/ Built-up area sq ft | Date of purchase/ Date of CCC | Encumbrance | Audited NBV as at 31 July 2024 RM'000 |
|------------|--|---|-----------------------------|---|--|--|--|
| | | (ii) the land if abandoned for more than 3 years, the Penang State Authority can re-enter, and if the proprietor dies without heirs, the land will revert to the Penang State Authority; and the proprietor has absolute right to all forest produce and all natural deposits found on or below the land. <u>Restriction-in-interest</u> None | | | | | |
| (c) | <u>Postal address</u> Lot 01-08, Blok A, Aera Servis Residensi Jalan PJS 5/28A 46300 Petaling Jaya Selangor <u>Strata title details</u> Pajakan Negeri 119259, No. Bangunan M1 No. Tingkat 1, No. Petak 1 No. Lot 76116 Bandar Petaling Jaya Selatan | <u>Description of property</u> Single storey shop lot <u>Existing use</u> Rented to Moderntent Development for use as office <u>Expiry of lease</u> 99 years lease expiring on 12 July 2119 <u>Category of land use</u> Building | Savelite | Not applicable/ 764 | 31 March 2021/ 20 May 2022 | Assigned to United Overseas Bank (Malaysia) Bhd ⁽¹⁾ | 580 |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Postal address/ Title details | Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)/ Express conditions/ Restriction-in-interest | Registered owner | Land area/ Built-up area sq ft | Date of purchase/ Date of CCC | Encumbrance | Audited NBV as at 31 July 2024 RM'000 |
|-----|---|---|---------------------|---|-------------------------------------|-------------|--|
| | Daerah Petaling Negeri Selangor together with Petak Aksesory No. A6 | <u>Express conditions</u> Commercial building <u>Restriction-in-interest</u> The land cannot be transferred, leased or charged without the prior written consent of the Selangor State Authority. | | | | | <u>6,648</u> |

Note:

- (1) As at LPD, Savelite has yet to perfect the transfer and charge in favour of United Overseas Bank (Malaysia) Bhd (the financier of Savelite as security for bank facilities granted to Savelite) as the developer is in the midst of obtaining the approval of blanket consent for the transfer and charge the title at Pejabat Tanah & Galian Negeri Selangor.

The properties owned by our Group are not in breach of any land use conditions and/ or are in non-compliance with current statutory requirements, land rules or building regulations/ by-laws, which will have material adverse impact on our operations as at LPD.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9.2 Properties rented by our Group

The summary of the material properties rented by our Group as at LPD are set out below:

| No. | Postal address/ Title details | Landlord/ Lessor and Tenant/ Lessee ⁽¹⁾ | Description/ Existing use | Land area/ Built-up area sq ft | Date of CPC/ CCC/ CF | Period of tenancy or lease/ Lease or rental per annum (RM)/ Option to renew |
|-----|--|--|---|--------------------------------|----------------------|--|
| (a) | Junjong Land | Yansnest/ Energy ES | 4 pieces of agricultural lands ⁽²⁾ / Operation of our Junjong LSSPV Plant | 3,198,259.17/ 1,620,649.8 | 25 September 2023 | 25 years commencing from 24 July 2023 to 23 July 2048/ RM264,000.00/ Option to renew for a further term of 5 years |
| (b) | Kompleks Perindustrian Emhub B-03-39, Persiaran Surian Seksyen 3, Taman Sains Selangor Kota Damansara 47810 Petaling Jaya Selangor | Chu Kerd Yee/ Savelite | 1 ¹ / ₂ storey factory cum warehouse unit/ Store | Not applicable/ 2,833.0 | 20 July 2023 | 2 years commencing from 1 September 2023 to 31 August 2025/ RM84,000.00/ No option to renew |
| (c) | Kompleks Perindustrian Emhub B-03-40, Persiaran Surian Seksyen 3, Taman Sains Selangor Kota Damansara 47810 Petaling Jaya Selangor | Khor Chuan Meng/ Savelite | 1 ¹ / ₂ storey factory cum warehouse unit/ Office | Not applicable/ 2,833.0 | 20 July 2023 | 2 years commencing from 1 September 2023 to 31 August 2025/ RM84,000.00/ No option to renew |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Postal address/ Title details | Landlord/ Lessor and Tenant/ Lessee⁽¹⁾ | Description/ Existing use | Land area/ Built-up area sq ft | Date of CPC/ CCC/ CF | Period of tenancy or lease/ Lease or rental per annum (RM)/ Option to renew |
|------------|---|--|---|---------------------------------------|--|---|
| (d) | Selarong Land | SD Guthrie Berhad (formerly known as Sime Darby Plantation Berhad)/ Selarong Pertama | 2 pieces of agricultural lands ⁽²⁾ / Operation of our Selarong LSSPV Plant | 4,791,600/ Not applicable | To apply upon the completion of development and construction of Selarong LSSPV Plant | 3 years commencing on the date where Selarong Pertama is permitted to commence execution works in Selarong LSSPV Plant/ ⁽³⁾ -/ Automatic renewal for further successive terms of 3 years each, not exceeding 24 years |
| (e) | PMT 1596, Jalan Perusahaan Valdor Kawasan Perindustrian Valdor 14200 Sungai Jawi Pulau Pinang | Passion Paradise Sdn Bhd/ Savelite | 4 units of lodging at a centralised labour quarter/ Accommodation for 32 foreign employees | Not applicable/ 1,665.0 | 11 May 2021 | 1 year commencing from 15 June 2024 to 14 June 2025/ RM107,520.00/ A further term of 1 year subject to mutual agreement |
| (f) | 1 st Floor of 1892, Jalan Bukit Minyak Taman Pulasan 14100 Simpang Ampat Pulau Pinang | Marilyn Khoo Mei Lin/ Savelite | A double storey shoplot/ Accommodation for 15 foreign employees | 1,733/ 726.1 | 29 January 1994 | 1 year commencing from 16 April 2024 to 15 April 2025/ RM13,200.00/ No option to renew |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Postal address/ Title details | Landlord/ Lessor and Tenant/ Lessee⁽¹⁾ | Description/ Existing use | Land area/ Built-up area sq ft | Date of CPC/ CCC/ CF | Period of tenancy or lease/ Lease or rental per annum (RM)/ Option to renew |
|------------|--|--|--|---|-----------------------------|---|
| (g) | 1 st and 2 nd floor of No. 1982, Jalan Bukit Minyak Kawasan Industri Ringan Asasjaya Mukim 14, 14000 Bukit Mertajam Pulau Pinang | Sam Iconic Hostel Management/ Savelite | 3-storey shoplot/ Accommodation for 36 foreign employees | 1,539.2/ 1,463.2 | 9 February 1998 | 1 year commencing from 1 February 2024 to 31 January 2025/ RM48,000.00/ A further term of 1 year |
| (h) | 5, Jalan Industri USJ 1/8 Taman Perindustrian USJ 1 47600 Subang Jaya Selangor | Cagaran Ria Sdn Bhd/ Savelite | A double storey light industrial terrace factory/ Sub-let to Threadventure Sdn Bhd, principally involved in the business of e-commerce operations and operating a network operations centre ⁽⁴⁾ | 2,000/ 3,815 | 13 July 2005 | 2 years commencing from 10 September 2023 to expiring on 9 September 2025 RM60,000.00/ No option to renew |

Notes:

- (1) "Lessor/ Lessee" refers to Junjong Land as it is under a lease agreement, whereas "Landlord/ Tenant" refers to the rest of the properties rented by our Group as the rentals are under tenancy agreements.

6. INFORMATION ON OUR GROUP (Cont'd)

- (2) Presently, the Junjong Land and Selarong Land are under the "agriculture" category, with an express condition for the cultivation of rubber and/ or orchard. For the Junjong LSSPV Plant, the Pejabat Daerah dan Tanah Kulim, Kedah had vide a letter dated 16 July 2023 addressed to Yansnest, provided its consent to use Junjong Land for the operations of Junjong LSSPV Plant only. The consent is valid for 25 years, throughout the term of the lease agreement dated 1 July 2021. A similar permit will be required for Selarong Land since such land is located within Kedah and is also governed by the Kedah Land Rules 2018. Further details are set out in Note (5) of Section 6.7.
- (3) SD Guthrie Berhad had rejected our request for consent on the disclosure of rental amount.
- (4) Our Group has since 10 September 2021 rented and used this property as a store. However, arising from several floodings of the property, we intended to terminate the rental arrangement. However, the landlord refused our request for early termination and agreed for us to sub-let the property instead. We have since November 2023 relocated our inventories to the property stated in Section 6.9.2(b). We do not intend to renew the tenancy upon its expiry on 9 September 2025.

The properties rented by our Group are not in breach of any land use conditions and/ or are in non-compliance with current statutory requirements, land rules or building regulations/ by-laws, which will have material adverse impact on our operations as at LPD.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.9.3 Acquisition of properties

Save as disclosed below, we have not entered into any agreements to acquire any properties during FYE 2021 to 2024 and up to LPD:

| No. | Date of purchase | Postal address/ Title details | Purchase value |
|------------|-------------------------|--|-----------------------|
| | | | RM'000 |
| (a) | 18 December 2020 | <p>Postal address 2A, Jalan Industri Tangkas 2 Taman Industri Tangkas 14000 Bukit Mertajam Seberang Perai Tengah Pulau Pinang</p> <p>Title details Geran Mukim 9715 No. Lot 31602 Mukim 14 Daerah Seberang Perai Tengah Negeri Pulau Pinang</p> | (1)3,600 |
| (b) | 31 March 2021 | <p>Postal address Lot 01-08, Blok A, Aera Servis Residensi Jalan PJS 5/28A 46300 Petaling Jaya Selangor</p> <p>Strata Title details Pajakan Negeri 119259, No. Bangunan M1 No. Tingkat 1, No. Petak 1, No. Lot 76116 Bandar Petaling Jaya Selatan Daerah Petaling Negeri Selangor together with Petak Aksesory No. A6</p> | 611 |
| | | | 4,311 |

6. INFORMATION ON OUR GROUP (Cont'd)**Note:**

- (1) After deducting RM0.10 million discount from the vendor subsequent to executing the sale and purchase agreement with purchase consideration of RM3.70 million.

Please refer to Sections 6.9.1(b) and (c) for details of these properties.

6.9.4 Material capital expenditures and divestitures**(a) Material capital expenditures**

Save for the expenditures disclosed below, there were no other capital expenditures made by us for FYE 2021 to 2024 and up to LPD:

| Capital expenditures | At cost | | | | 1 August |
|---|---------------|---------------|---------------|--------------|----------------|
| | FYE 2021 | FYE 2022 | FYE 2023 | FYE 2024 | 2024 up to LPD |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Property, plant and equipment | | | | | |
| Land and buildings ⁽¹⁾ | 4,470 | 581 | 30 | - | - |
| Solar farm (Junjong LSSPV Plant) ⁽²⁾ | 6,165 | 20,795 | 68,470 | (7)646 | - |
| Container | 7 | - | - | - | - |
| Office equipment | 8 | 147 | 24 | 43 | 2 |
| Furniture and fittings | 4 | 159 | 8 | 57 | 6 |
| Renovation | - | (3)307 | 56 | (8)294 | - |
| Motor vehicles | (4)220 | 48 | 7 | - | 2 |
| Computer and software | 64 | 54 | 88 | 132 | 47 |
| | 10,938 | 22,091 | 68,683 | 1,172 | 57 |
| Right-of-use assets | | | | | |
| Land | - | (5)4,146 | 67 | - | - |
| Motor vehicles | (6)211 | (6)511 | 3 | (6)528 | (6)499 |
| | 211 | 4,657 | 70 | 528 | 499 |
| | 11,149 | 26,748 | 68,753 | 1,700 | 556 |

The above capital expenditures were primarily financed by a combination of bank borrowings and internally generated funds. Our capital expenditures are mainly driven by the development of our Junjong LSSPV Project, as well as purchase of land and buildings for own use and investment holdings.

Notes:

- (1) Relates to the acquisition of the following properties by our Group:
- (aa) During FYE 2021, we acquired our Headquarters for RM3.60 million. Further details are disclosed in Sections 6.9.3(a).
- (bb) During FYE 2022, Savelite acquired a single-story shoptlot unit located at Petaling Jaya, Selangor for RM0.61 million. Further details are disclosed in Section 6.9.3(b).

6. INFORMATION ON OUR GROUP (Cont'd)

- (2) Relates to the capital expenditure incurred for the development and construction of our Junjong LSSPV Plant. Our Junjong LSSPV Plant was classified under capital work-in-progress in FYE 2021 and 2022 until its completion and commencement of operations on 24 July 2023.
- (3) Being the renovation cost incurred for our Headquarters.
- (4) Relates to the purchase of a motor vehicle during FYE 2021.
- (5) Relates to the lease of Junjong Land from Yansnest for the development and construction of the Junjong LSSPV Plant. Further details are disclosed in Section 6.9.2(a).
- (6) Being the purchase of motor vehicles for our Group, as follows:
- (aa) In FYE 2021, our Group purchased 2 units of trucks for business use;
- (bb) In FYE 2022, our Group purchased 2 units of trucks for business use; and 1 unit of passenger vehicle for use by our Directors;
- (cc) In FYE 2024, our Group purchased 2 units of truck for business use; and
- (dd) Subsequent FYE 2024, our Group purchased 1 unit of passenger vehicle for use by our Directors.
- (7) Relates to the final accounts issued by Atlantic Blue to Energy ES, being part of the capital expenditure incurred for the development and construction of our Junjong LSSPV Plant.
- (8) Being the renovation cost incurred mainly for our existing store and office located at Kota Damansara, Selangor as well as our Headquarters.

(b) Material capital divestitures

Save for the divestitures disclosed below, there were no other capital divestitures made by us for FYE 2021 to 2024 and up to LPD:

| Capital divestitures | At cost | | | | |
|---|-----------------------|-----------------------|--------------------|---------------------|---|
| | FYE 2021 RM'000 | FYE 2022 RM'000 | FYE 2023 RM'000 | FYE 2024 RM'000 | 1 August 2024 up to LPD RM'000 |
| <u>Property, plant and equipment</u> | | | | | |
| <u>Disposal</u> | | | | | |
| Land and buildings | (¹)1,250 | - | - | - | - |
| Motor vehicles | - | - | 100 | (⁴)351 | (⁴)231 |
| <u>Write off</u> | | | | | |
| Office equipment | - | 18 | 2 | 15 | 2 |
| Renovation | - | - | - | 105 | - |
| <u>Assets held for sale</u> | | | | | |
| <u>Disposal</u> | | | | | |
| Properties | - | (²)1,073 | - | - | - |

6. INFORMATION ON OUR GROUP (Cont'd)

| Capital divestitures | At cost | | | | 1 August 2024 up to LPD |
|----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|
| | FYE 2021 RM'000 | FYE 2022 RM'000 | FYE 2023 RM'000 | FYE 2024 RM'000 | RM'000 |
| Right-of-use assets | | | | | |
| Disposal | | | | | |
| Leasehold building | - | - | - | (3)1,051 | - |
| | 1,250 | 1,091 | 102 | 1,522 | 233 |

Notes:

- (1) Relates to the disposal of a 3-storey terrace house located at Bayan Lepas, Pulau Pinang. Further details are disclosed in Section 6.5(c).
- (2) Relates to the disposal of 2 units of 1½ storey terrace light industrial factory at Bukit Mertajam, Pulau Pinang. Further details are disclosed in Sections 6.5(e), 6.5(f) and 10.1.
- (3) Relates to the disposal of a parcel of condominium located at Tanjung Tokong, Pulau Pinang. Further details are disclosed in Sections 6.5(g) and 10.1.
- (4) Relates to the disposal of 2 units of passenger vehicles for business use in FYE 2024 and up to LPD respectively.

The above 4 properties disclosed in Notes (1) to (3) above, were not sold at a discount and were disposed at market value.

Save for the disposal of land and buildings which were not used for our business operations, the above capital divestitures were carried out in the ordinary course of business as part of our periodic review of our fixed asset register to identify and eliminate those assets which have been fully depreciated or no longer in use or obsolete or surpassed their useful life.

Moving forward, other than the proposed utilisation of proceeds from our Public Issue for our capital expenditure as disclosed in Section 4.9.1, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

6.9.5 Material plans to construct, expand or improve our facilities

Save for the proposed utilisation of proceeds from our IPO vis-à-vis our proposed capital expenditure as set out in Section 4.9.1, our Group does not have any other immediate plans to construct, expand and improve our facilities as at LPD.

6.9.6 Material equipment and machinery

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

6. INFORMATION ON OUR GROUP (Cont'd)

6.10 RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS

Save as disclosed below, as at LPD, there are no other laws, regulations, rules or requirements governing the conduct of our business and environmental issues which may materially affect our Group's business or operations.

(a) Local Government Act 1976 ("LGA 1976")

The LGA 1976 was enacted to revise and consolidate the laws relating to local government in Peninsular Malaysia for the purpose only of ensuring uniformity of law and policy to make a law with respect to local government.

Pursuant to Section 107(2) of the LGA 1976, every licence or permit granted by the local authority of any trade, occupation or premises shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefore.

Pursuant to Section 107(6) of the LGA 1976, a person who fails to exhibit or produce his licence in some prominent place on the licenced premises shall be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or to both such fine and imprisonment.

Our Group's business falls under the jurisdiction of the Seberang Perai City Council ("**MBSP**"). The relevant by-laws governing the conduct of our Group's business would be the Licensing Payment (Seberang Perai City Council) By-Laws 1980 ("**By-Laws 1980**") and the Licensing of Advertisements (Seberang Perai City Council) By-Laws 2001 ("**By-Laws 2001**").

By-Laws 1980 provides that it is an offence for a person to operate any business activity falling under Schedule 1 without a valid licence issued by MBSP. Any person who contravenes any provision of the By-Laws 1980 commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000.00 or to a term of imprisonment not exceeding 1 year or to both such fine and imprisonment.

By-Laws 2001 establishes that no person shall exhibit or cause or permit to be exhibited any advertisement without a license issued by the MBSP. Any person who contravenes any of the provision of the By-Laws 2001 shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding RM2,000.00 or to a term of imprisonment not exceeding 1 year or to both such fine and imprisonment.

Our Group's business also falls under the jurisdiction of Petaling Jaya City Council ("**PJCC**"). The relevant by-laws governing the conduct of our Group's business in Petaling Jaya would be the Licensing of Trades, Businesses and Industries (Petaling Jaya City Council) By-Laws 2007 ("**By-Laws 2007**").

By-Laws 2007 provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of PJCC for any activity of trade, business and industry without a licence issued by the licensing authority of PJCC. A contravention of the By-Laws 2007 would result in an offence, which upon conviction, would result in a fine not exceeding RM2,000.00 or to imprisonment for a term not exceeding 1 year or to both and in the case of a continuing offence to a fine not exceeding RM200.00 for each day during which such offence is continued after conviction.

As at LPD, our Group holds and maintains valid business licences issued by the respective local authorities.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) CIDB Act and Registration of Contractors (Construction Industry) Regulations 1995 ("Regulations 1995")

CIDB Act established a body corporate, CIDB, together with the regulations made thereunder provide for its functions relating to the construction industry and for matters connected therewith. CIDB Act involves 3 main areas namely:

- (i) improvement of construction quality through registration of contractors, construction personnel, certification of skills and competence;
- (ii) quality assurance of construction materials through setting and compliance with standards; and
- (iii) placement of responsibility for managing and ensuring the safety of buildings and construction work during or after construction work on contractors and site managers.

Compliance with the terms and conditions imposed under the certificate of registration issued by CIDB

Section 25(1) of the CIDB Act prescribes a contractor shall register with CIDB and holds a valid certificate of registration issued by CIDB in order to carry out or complete, undertake to carry out or complete any construction works or hold himself as a contractor. Any person who contravenes subsection 25(1) shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000.00 but not more than RM100,000.00.

Regulation 8 of the Regulations 1995 provides that every registered contractor shall be capable of carrying out construction works according to the grade of registration specified in the certificate of registration which determines the value of construction works which a registered contractor is capable of undertaking and/ or carrying out construction works:

| Grade | Capability of undertaking and/ or carrying out construction works |
|--------------|--|
| G1 | To a value not exceeding RM0.2 million |
| G2 | To a value not exceeding RM0.5 million |
| G3 | To a value not exceeding RM1.0 million |
| G4 | To a value not exceeding RM3.0 million |
| G5 | To a value not exceeding RM5.0 million |
| G6 | To a value not exceeding RM10.0 million |
| G7 | No limit |

CIDB may cancel, suspend or revoke the registration of the contractor if it contravenes or fails to comply with any provision of the CIDB Act or its regulations, the conditions of registration specified in the certificate of registration as a contractor issued by CIDB. During such period of cancellation, suspension or revocation by CIDB, the contractor shall not commence or proceed with any construction works.

Savelite was incorporated on 2 June 2010 and was registered with CIDB as a G3 contractor on 28 March 2011, G5 contractor on 19 April 2013 and subsequently G7 contractor on 12 May 2015.

6. INFORMATION ON OUR GROUP (Cont'd)

As a G3 contractor, Savelite may only tender for projects with a total contract limit of RM1.00 million. Between the period when Savelite was a G3 contractor up to the date it obtained the G5 contractor status (i.e. 28 March 2011 to 18 April 2013), Savelite successfully tendered and was awarded among others, 4 projects that exceeded the allowable tender limit of RM1.00 million, ranging from RM1.01 million to RM3.82 million, that individually breached the tender limit. These projects commenced and completed at various dates, with the earliest commencement being February 2012 and latest completion being February 2015.

Between the period when Savelite was a G5 contractor up to the date it obtained the G7 contractor status (i.e. 19 April 2013 to 11 May 2015), Savelite successfully tendered and was awarded among others, 1 project with contract value of RM8.13 million, that exceeds the allowable tender limit of RM5.00 million. This project commenced in November 2013 and completed in November 2014.

Since 12 May 2015 and as at LPD, Savelite holds valid Grade 7 certificate of registration as a registered contractor issued by CIDB pursuant to Regulation 3 of the Regulations 1995, which allows Savelite to undertake and/ or carry out unlimited value of construction works. Our Group has not been fined and/ or issued with any notice of such non-compliance from CIDB and/ or faced any cancellation, suspension or revocation by CIDB of its certificate of registration as a contractor for our prior breaches of the tender limit as prescribed under the CIDB certificate of registration. Our Board is of the view that it is unlikely for CIDB to take action against Savelite for the prior non-compliance given that CPC or final accounts for the 5 projects awarded to Savelite had already been issued, and that Savelite is now a registered G7 contractor with CIDB. Therefore, the above non-compliances have not resulted in any material impact to our business operations or financial performances.

Requirement to possess CIDB Green Card(s)

Section 33(1) of the CIDB Act stipulates that a person shall not be involved or engaged or undertake to be involved or engaged as a construction personnel unless he is registered with CIDB and holds a valid certificate of registration issued by the CIDB, commonly known as "**CIDB Green Card(s)**". Any person who contravenes subsection 33(1) shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000.

Savelite's CIDB certificate of registration was temporarily suspended for 3 months from 9 December 2016 to 7 March 2017 as 17 of its construction site workers did not possess valid CIDB Green Cards to enter and work at a construction site. During the temporary suspension period, Savelite was unable to continue its construction operations. Nonetheless, there was no delay in its project deliverables as a result of the temporary suspension.

As at the date of this Prospectus, all our construction personnel comprising 69 local and 83 foreign employees have undergone the CIDB Green Card Safety and Health Course ("**SICW**") and obtained valid CIDB Green Cards to enter and work at the construction site.

As such, our Board is of the view that such non-compliances have not resulted in a material impact to our Group's business operations or financial performance, after taking the consideration the following:

- (i) our clients did not terminate their M&E engineering works contracts with our Group and we were able to continue providing M&E engineering works at our clients' sites after the re-registration with CIDB; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (ii) our Group has been able to renew our CIDB certificate of registration as a contractor and has not faced any difficulty or additional conditions imposed on our Group during such renewal process.

Conclusion

The non-compliances were mainly due to an oversight by our Group, which occurred as we were focused on pursuing new M&E engineering contracts and expanding our operational staff at that point in time.

Other than the 3-month temporary suspension as stated above for failure by our construction site workers to hold valid CIDB Green Card and notwithstanding the above non-compliances, Savelite has not failed to renew its CIDB certificate of registration as a contractor since it became a member of CIDB on 28 March 2011 until LPD.

Our Group has taken steps to address and rectify the above non-compliances. We have implemented stringent internal control procedures to prevent the reoccurrence of the above non-compliances:

- (i) our 17 construction site workers have attended the SICW in 2016, which is an awareness course that aims to educate construction personnel on the importance of occupational safety and health aspects of the construction site environment. The total cost for the attendance of 17 construction site workers for SICW was RM1,260.00;
- (ii) our employees have attended regular briefings and reminders to ensure that they have valid CIDB Green Cards at all times. This is also monitored by our human resource and administrative department; and
- (iii) we have set up a dedicated team to regularly monitor the compliance status of all our registrations, approvals, licences and permits and applicable laws, rules and regulations that may impact our Group's operation and compliance, at a cost of approximately RM0.03 million per annum.

Notification of changes of ownership upon completion of the Acquisition

Regulation (13)(1) of the Regulations 1995 further requires a person registered under the CIDB Act to notify CIDB from time to time, whenever there is any change in the capital, particulars relating to experience and/ or qualifications of employees, employment, ownership, or the board of directors or management, of the firm or company within 30 days for the change. Our Group undertakes to inform CIDB within 30 days for the changes of ownership to ES Sunlogy upon completion of the Acquisition.

6. INFORMATION ON OUR GROUP (Cont'd)

(c) Electricity Supply Act 1990 ("ESA")

The ESA governs the electricity supply industry and regulates the supply of electricity at reasonable prices. The ESA provides for the licencing of any electrical installation and governs the control of any electrical installation, plant and equipment with respect to matters relating to the safety of persons and the efficient use of electricity and for purposes connected therewith.

Section 9(1) of the ESA provides that no person, other than a supply authority, shall (i) use, work or operate or permit to be used, worked or operated any installation; or (ii) supply to or for the use of any other person electricity from any installation, except under and in accordance with the terms and conditions of a licence as may be prescribed authorising the supply or use, as the case may be. Section 9(6) of the ESA provides that any licence for a public installation shall set out the area of supply; the declared voltage and the variations permitted; the maximum charges payable by consumers; and such other matters as the EC may consider necessary.

Pursuant to Sections 18(2) and 37(5) of the ESA, in the event the licensee fails to comply with any terms or conditions of the licence or the provisions of the ESA, its licence may be suspended or revoked and/ or the licensee may be liable to a fine of not more than RM100,000.00, and a further fine of not more than RM1,000.00 for every day or part of a day the offence continues after conviction.

As at LPD, Savelite holds a valid certificate of registration as an electrical contractor for Class A, which allows Savelite to carry out electrical works above RM1.00 million in value and Energy ES holds a valid licence for public installation, which allows Energy ES to use, work or operate a generating station and its associated installation as well as supply electricity from a generating station and its associated installation to the grid under the REPPA dated 18 August 2021, where both are issued by the EC.

(d) Electricity Regulations 1994 ("ER")

The ER governs the installation, operation and maintenance of electrical equipment.

Regulation 45 of the ER states that any electrical services engineer, competent electrical engineer, electrical supervisor, charginan, wireman or cable jointer shall possess a valid certificate of competency appropriate to such category.

A person, whose certificate of competency issued under these ER has been suspended or revoked, shall not, during the period of the suspension, or in the case of revocation, after the date of revocation, do any work, act or thing which under these ER a person is allowed to do as a holder of such certificate of competency.

A person who contravenes or fails to comply with any of the provisions of the ER shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000.00 or to imprisonment of directors for a term not exceeding 1 year or both.

As at LPD, our charginen and wiremen hold and maintain valid certificates of competency issued by the EC.

6. INFORMATION ON OUR GROUP (Cont'd)

(e) Renewable Energy Act 2011 ("REA")

The REA provides for the establishment and implementation of a special tariff system to catalyse the generation of renewable energy.

PETRA is responsible for the enforcement of REA and making of related regulations. PETRA may authorise in writing, any officer of the EC or SEDA to exercise the powers of enforcement under REA or its subsidiary legislation. Sustainable Energy Development Authority Act 2011 is an act to provide for the establishment of SEDA and to provide for its functions and powers and for related matters in relation to sustainable energy laws. SEDA may issue directions and make related rules under REA as well as to monitor all significant matters relating to the implementation and performance of the feed-in tariff system.

A feed-in tariff system was established to provide the connection to supply line connection points for the distribution of renewable energy generated by the renewable energy installations.

An eligible producer that proposes to generate renewable energy from a renewable energy installation having an installed capacity of not more than 30MW or such higher installed capacity as may be approved by PETRA, may apply for the feed-in approval to the SEDA established under the Sustainable Energy Development Authority Act 2011. The grant of a feed-in approval shall be personal to the feed-in approval holder⁽ⁱ⁾ and the feed-in approval shall not be assigned or transferred to any other person except with the prior written approval of SEDA.

Pursuant to Section 8 of the REA, a feed-in approval holder⁽ⁱ⁾ shall comply with the prescribed standard conditions and any special conditions of the feed-in approval imposed by SEDA, failing which the feed-in approval commits an offence, and 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.

Prior to Energy ES being shortlisted by EC to undertake Junjong LSSPV Plant Project, our Group has performed M&E engineering services for various solar projects across northern region of Peninsular Malaysia since 2017. Our scope of M&E engineering services performed does not fall within the purview of REA, therefore, does not require the necessary approvals under REA to perform such M&E engineering services for our clients.

As at LPD, Savelite is certified by SEDA as registered PV service provider⁽ⁱⁱ⁾ and be eligible to participate in "Feed-in-Tariff" programme, "Net-Energy Metering" programme.

Notes:

- (i) A feed-in approval holder means an individual or company who holds a feed-in approval certificate issued by SEDA. The feed-in approval holder is eligible to sell the electricity generated by its PV system back to the grid under the feed-in tariff program launched by SEDA.
- (ii) A registered PV service provider is eligible to participate in "Feed-In Tariff" programme and "Net-Energy Metering" programme or such other programme administered by SEDA under REA. The concept of Net-Energy Metering is that the energy produced from the solar PV installation will be consumed first, and any excess will be exported to TNB at the prevailing displaced cost.

6. INFORMATION ON OUR GROUP (Cont'd)

(f) Income Tax Act 1967 ("ITA")

ITA was enacted for the imposition of income tax on the chargeable income for each year of assessment upon the income of any person accruing in or derived from Malaysia or received in Malaysia from outside Malaysia at the appropriate rate as stipulated in Section 6 of the ITA.

Section 77A(1) of the ITA provides that every company shall for each year of assessment furnish to IRB a return in the prescribed form within 7 months from the date following the close of the accounting period which constitutes the basis period for the year of assessment. Section 112(3)(a) of the ITA provides that where in relation to a year of assessment a person makes default in furnishing a return in accordance with subsection 77A(1) of the ITA, IRB may require that person to pay a penalty equal to triple the amount of the tax which, before any set-off, repayment or relief under ITA, is payable for that year.

In FYE 2020, Savelite converted its accounting standards from Malaysian Private Entities Reporting Standards ("**MPERS**") to MFRS and changed its auditor, which resulted in additional time required to finalise the audited financial statements for FYE 2020, resulting in delay in its tax filing. Savelite paid the penalty of RM0.12 million to IRB on 6 September 2022. Moving forward, our Group's accounting and finance team will communicate on timely manner with our tax agent to avoid the reoccurrence of delay in its tax filing.

As at LPD, the Group has submitted its up-to-date tax returns to IRB in accordance with the ITA. IRB implemented a Special Voluntary Disclosure Program 2.0 ("**SVDP 2.0**") from 6 June 2023 until 31 May 2024 which provides taxpayers with the opportunity to come forward voluntarily to report their income and tax computations that are accurate and orderly in line with the IRB rulings that are in force as well as encouraging taxpayers to pay taxes within the stipulated period.

On 6 February 2024, LWK Tax Services Sdn Bhd ("**LTSSB**"), the appointed tax agent of Savelite, has submitted to the IRB the amended tax computation from FYE 2017 to 2022 for consideration under the SVDP 2.0.

IRB vide its letter dated 3 April 2024 confirmed the receipt of LTSSB's letter and via a Borang JA issued by the IRB stated that Savelite has an outstanding tax payable balance of RM2.10 million for FYE 2017 to 2020. On 29 April 2024, LTSSB on behalf of Savelite submitted an application to IRB, with a 10% initial payment of RM0.21 million and requested for the remaining additional tax payment of RM1.89 million to be made via instalment. IRB has vide its letter dated 6 May 2024 agreed to the payment of the outstanding tax of RM1.89 million by way of instalments and such payments have been made according to the agreed payment schedule. As at LPD, Savelite has fully settled all the outstanding tax of RM1.89 million by way of 7 instalments in accordance with the agreed payment schedule from IRB.

The abovementioned amended tax computation from FYE 2017 to 2022 was due to prior year adjustments in respect of over/ under recognition of revenue arising from the discrepancies in the classification of certain project codes resulting in variances between the initially recognised revenue and the restated revenue. Savelite has undertaken an internal review of its operating procedures to ensure that the same would not occur again. Based on the review, it was concluded that:

- (i) such under/ over-recognition of revenue was undetected in the prior years as Savelite had only calculated the percentage of completion of each project at the end of each financial year; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (ii) there was lack of coordination between the contract/ procurement team and accounting and finance team when creating projects codes in the accounting system.

Savelite has since taken corrective actions and improved its internal control procedures and implemented additional checks to prevent incorrect classification of project codes in the future:

- (i) to update the project's percentage of completion workings including reviewing each project's budget, on monthly basis. Such regular monitoring will ensure that any ambiguity related to project codes and project status are detected early on;
- (ii) to further segregate the project codes in their accounting system by revenue recognised "at the point in time" or revenue recognised "over time", to ensure correct revenue recognition; and
- (iii) to strengthen the accounting and finance team with the recruitment of employees with background in accounting.

Save for the tax penalty and additional payments arising from the amended tax computation to IRB, there were no other impact to the business operations or financial condition of our Group.

(g) Construction Industry Payment and Adjudication Act 2012 ("CIPAA")

CIPAA provides speedy, timely and cost-effective dispute resolution mechanism through adjudication for payment disputes in the construction industry.

CIPAA clearly sets out the applicability and non-applicability of payment disputes for adjudication. It applies to every construction contract made in writing relating to construction work carried out wholly or partly within the territory of Malaysia including a construction contract entered into by the Government except a construction contract entered into by a natural person in respect of any building which is less than 4 storeys high and which is wholly intended for his occupation.

Our Group may rely on CIPAA to claim for payment for work done or services rendered under the terms of a written construction contract.

(h) OSHA

OSHA was enacted to ensure the safety, health, and welfare of persons at work, to protect others against risks to safety or health arising out of the person's activities at work, to establish the National Council for Occupational Safety and Health, and for matters related thereto.

Our Group is required to comply with all requirements of legislation related to health and safety as provided under the OSHA, as well as approved regulations and codes of practice.

6. INFORMATION ON OUR GROUP (Cont'd)

Section 15 of the OSHA provides that it shall be the duty of every employer (which include the construction industry) to ensure, so far as is practicable, the safety, health and welfare at work of all his employees and to formulate occupational safety and health policy with respect to the safety and health at work of his employees pursuant to Section 16 of the OSHA. Any failure to comply with the general duties of employers as prescribed under the OSHA constitutes an offence and the employer may be liable to a fine not exceeding RM50,000.00 or to imprisonment for a term not exceeding 2 years or to both.

Section 30 of the OSHA stipulated that the employer shall also establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work. An occupier of a place of work is also required to employ a competent person to act as a safety and health officer at the place of work. A person who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000.00 or to imprisonment for a term not exceeding 6 months or to both.

As at LPD, we have less than 40 employees within our Headquarters, therefore we are not required to establish a safety and health committee at our Headquarters. However, we will employ safety and health officer at construction site if required by our main contractor pursuant to the letter of award.

A Summon No. 87-01401-06/18 dated 27 June 2018 was served by the Bukit Mertajam Magistrate Court on Savelite to appear before the Magistrate Court on 31 July 2018. Savelite was charged for committing an offence under Section 15(1) of the OSHA for failure to perform its duty as an employer to ensure the safety, health and welfare of its employees at work resulting in the death of an employee. Although our late employee was wearing the necessary safety gear, he was electrocuted while trying to connect the wire from fireman switch to the main switchboard. On 31 July 2018, Savelite pleaded guilty and a fine of RM20,000.00 was imposed against Savelite. The fine was fully settled by Savelite on 31 July 2018. As such, the non-compliance has not resulted in a material impact on our Group's business operations or financial performance.

The following measures were implemented and practiced by our Group prior to the said incident. However, in response to the incident, we have enforced these measures more stringently to prevent any reoccurrence:

- (i) tightening the monitoring measures for safety, health and welfare of our employees at the respective work sites. This includes ensuring that they are equipped with the required safety personal protective equipment and tools;
- (ii) our employees have undergone regular safety training and briefing sessions/ courses conducted by CIDB and safety officers from time to time;
- (iii) our site engineers and site supervisors are required to inspect the works performed by our employees at all times; and
- (iv) we have purchased the necessary workmen's compensation insurance for all employees to ensure that they are adequately covered.

As at LPD, our Group is in compliance with the relevant provisions under the OSHA.

6. INFORMATION ON OUR GROUP (Cont'd)**(i) Employment (Restriction) Act 1968 ("Act 796") and Immigration Act 1959/63 ("Act 155") and all regulations made thereunder**

Act 796 expressly prohibits a person from employing a non-citizen of Malaysia unless there has been issued in respect of such non-citizen a valid employment permit. Failure to obtain the valid employment permit shall be an offence which on conviction is punishable by a fine not exceeding RM5,000.00 or imprisonment for a term not exceeding 1 year or both.

The employment of foreign workers in Malaysia shall also be subject to Act 155 that regulates the immigration matters in Malaysia. Act 155 provides that no person other than a citizen shall enter Malaysia unless he is in possession of a valid entry permit, his name is endorsed upon the said valid entry permit and he is in the company of the holder of the said entry permit or he is in possession of a valid pass lawfully issued to him to enter Malaysia or exemption is granted to him pursuant to Act 155.

Section 55B(1) of Act 155 provides that a person who employs one or more persons, other than a citizen or a holder of an entry permit, who is not in possession of a valid pass shall be guilty of an offence, and shall on conviction, be liable to a fine of not less than RM10,000.00 but not more than RM50,000.00 or to a term of imprisonment not exceeding 12 months or to both for each such employee. Section 55B(3) of Act 155 provides that in the case of an offence under Section 55B(1) of Act 155, if it is proved to the satisfaction of the court that the person has at the same time employed more than 5 such employees that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes. In addition, Section 55B(5) of Act 155 further provides that in case of an offence under Section 55B(1) of Act 155 has been committed by a body corporate, any person who at the time of the commission of the offence was a member of the board of directors, a manager, a secretary or a person holding an office or a position similar to that of a manager or secretary of the body corporate shall be guilty of that offence and shall be liable to the same punishment to which the body corporate is liable under subsection (1) or (3) of Act 155.

As at LPD, all of our 83 foreign employees have duly obtained the Visit Pass (Temporary Employment) issued by the Immigration Department of Malaysia pursuant to Regulation 11(1) of the Immigration Regulations 1963. These foreign employees are permitted to enter and remain in West Malaysia to work as construction workers up to the expiry of their Visit Pass (Temporary Employment).

The Visit Pass (Temporary Employment) is valid for a period of 12 months, our Group takes cognisance that the application for extension can be applied 3 months before the expiry date, failing which the foreign employees will be repatriated to his country of origin upon completion of works, or when the Visit Pass (Temporary Employment) has expired.

In addition, our Group has not in the past, breached any regulatory requirements imposed under Act 796 and Act 155.

6. INFORMATION ON OUR GROUP (*Cont'd*)

(j) **Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSHAA")**

The EMSHAA prescribes the minimum standards of housing for employees and centralised accommodations, requirement for employers to provide health, hospital, medical, social amenities and other matters incidental thereto to their employees.

Pursuant to Section 24D(1) of the EMSHAA, no accommodation shall be provided to an employee unless the accommodation is certified with a Certificate for Accommodation ("**COA**"). The EMSHAA provides that an employer who contravenes this provision commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.00.

Our Group obtained (i) COA dated 3 July 2024 and expiring on 3 July 2027 accommodating 15 foreign employees at a commercial shophot unit located at 1st floor of No. 1892, Jalan Bukit Minyak, Taman Pulasan, 14100 Simpang Ampat, Pulau Pinang ("**Taman Pulasan Units**"); and (ii) COA dated 11 July 2024 and expiring on 11 July 2027 accommodating 60 foreign employees at one unit of 3-storey shophot located at 1st floor and 2nd floor of No. 1982, Jalan Bukit Minyak, Kawasan Industri Ringan Asasjaya, Mukim 14, Bukit Mertajam, Seberang Perai Tengah, Pulau Pinang ("**Asasjaya Units**").

Our Group had on 21 May 2024 entered into a tenancy agreement for an accommodation for Savelite's foreign employees at a centralised accommodation located at PMT 1596, Jalan Perusahaan Valdor, Kawasan Perindustrian Valdor, 14200 Sungai Jawi, Pulau Pinang ("**Valdor CLQ**", Section 6.9.2(e) above) (which has the necessary COA) for 32 foreign employees commencing from 15 June 2024 to 14 June 2025 (with an option to renew for further 1 year period) from Passion Paradise Sdn Bhd.

On 1 February 2023, the Ministry of Human Resources had approved Savelite's application to recruit 105 foreign employees. In March 2024, the Ministry of Home Affairs announced that the unused quotas to hire foreign workers will be cancelled, effective from 1 June 2024. Our Group has not utilised our remaining quota of 22 foreign employees and is in the midst of applying for the refund of levy paid for the unused quotas.

Moving forward, we will always ensure the accommodation provided to all our newly employed foreign employees is certified with COA issued to us or to engage a third-party centralised accommodation provider, who provides and manages a centralised accommodation and complied with the minimum standards and adequate amenities required under EMSHAA or any regulations made thereunder. We have also set up a dedicated team to regularly monitor the compliance status of all our COA and applicable laws, rules and regulations that may impact our Group's operation and compliance, at a cost of approximately RM0.03 million per annum.

As at LPD, our Group has fully complied with the regulatory requirements under the EMSHAA, whereby 15 of these foreign employees are currently staying at Taman Pulasan Units, 36 foreign employees are currently residing at the Asasjaya Units, whilst the remaining 32 of these foreign employees are currently staying at Valdor CLQ. In addition, as at LPD, no notices and/ or penalties have been issued by the Department of Labour, Peninsular Malaysia.

6. INFORMATION ON OUR GROUP (Cont'd)

(k) Street, Drainage And Building Act 1974 ("SDBA") and Uniform Building By-Laws 1984 ("UBBL")

The SDBA provides uniformity of law and policy to make laws with regards to local government matters relating to street, drainage and building in Peninsular Malaysia.

The UBBL prescribes by-laws which directs and influences one's building design in order to protect the life, health and safety of the individuals who will later inhabit the building or structure once it is completed.

Section 70(27)(f) of the SDBA provides that no person shall occupy or permits to be occupied any building or any part thereof without a CCC. 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.

Section 70(1) of the SDBA provides that no person shall erect any building (the definition also includes the construction of an additional storey or storeys) without the prior written permission of the local authority. Section 70(13)(c) of the SDBA provides that any person who erects a building in contravention of SDBA shall be liable on conviction to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 3 years or to both and shall also be liable to a further fine of RM1,000 for every day during which the offence is continued after conviction.

We acquired our Headquarters on 18 December 2020 with a valid CCC dated 18 March 2020. Upon obtaining the written approval of Majlis Bandaraya Seberang Perai ("**MBSP**") on 23 June 2022, in respect of the building plan of the Headquarters, Savelite erected a mezzanine floor within our Headquarters and obtained a revised CCC dated 27 November 2023.

Section 79(1) of the SDBA provides that no person shall erect or cause or permit to be erected in any building any partition, compartment, gallery, loft, roof, ceiling or other structure without having the prior written permission of the local authority. Section 79(4) of the SDBA provides that any person who contravenes subsection 79(1) shall be liable on conviction to a fine not exceeding RM500 and shall also be liable to a further fine not exceeding RM100 for every day during which the offence is continued after conviction.

By-law 18(1) of the UBBL provides that sketch plans may be submitted for minor erections, minor alterations and additions in lieu of approved plans and permits may be issued as authority to carry out such works if they comply with the requirements of UBBL, provided that if in the opinion of the local authority the works involved require the submission of normal building plans, such plans shall be submitted in accordance with UBBL.

We erected an awning at the entrance of and a partition room within our Headquarters without the written permission of the MBSP. After erecting the awning and partition room, we subsequently applied for the revised building plan in March 2024. On 23 April 2024, MBSP approved the revised building plan through a permit pursuant to by-law 18 of the UBBL. As at LPD, Savelite has not been fined or issued with any notice of non-compliance from the MBSP. As such, the non-compliance did not have any impact to the business operations or financial condition of our Group.

6. INFORMATION ON OUR GROUP (Cont'd)

Moving forward, we will ensure all relevant written permission of the local authority are met to ensure full compliance with the UBBL. We have set up a dedicated team to regularly monitor the compliance status of all our registrations, approvals, licences and permits and applicable laws, rules and regulations that may impact our Group's operation and compliance, at a cost of approximately RM0.03 million per annum.

As at LPD, the buildings used or occupied by our Group which are material for the conduct of our Group's business or operations have duly complied with the UBBL.

6.11 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") PRACTICES

Our Group acknowledges the importance of having a good ESG framework and its significance to our Group's future development. Our Group has implemented, and is in the midst of implementing, the following practices:

(a) Environmental

Our Group believes in preserving and caring for the environment by adopting sustainable practices in our business activities. The measures that we have taken or plan to take (as the case may be) include the following:

- (i) as part of the efforts to manage and facilitate climate resilience and energy efficiency, our Group has installed solar PV system through Junjong LSSPV Plant Project. We estimate 22,451 tonnes of carbon emission reduction per year based on a maximum annual capacity delivery of 48,991MWh from our Junjong LSSPV Plant;
- (ii) installation of a solar PV system on our Headquarters' rooftop with installed solar energy capacity of 35.4 kilowatt peak, with approximately 1 tonne of carbon dioxide (CO₂) reduction annually through the use of green renewable energy;
- (iii) promoting energy efficiency practices such as maintaining the office air conditioner temperature to above 23 degree celsius;
- (iv) practising paperless initiative where our Group is moving towards digitalising our marketing materials such as company profiles, and uploading such marketing materials to our website to reduce paper printing. We will request e-catalogues and brochures from suppliers, instead of printed copies. As for our office administrative function, our Group has discouraged unnecessary printing and encouraged our employees to rely on digital copies; and
- (v) providing waste-sorting bins (paper, plastic, e-waste, and general waste) at our Headquarters with waste-sorting labels to ensure proper segregation of wastes which enhance efficiency for waste collection for reuse or recycling.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) Social

Our Group is committed to act responsibly to all our stakeholders in our business operations as well as to the community in which we operate in.

The safety, health and welfare of our employees, subcontractors and the communities we work in are paramount. We ensure a safe working environment through safety protocols, therefore all our project sites are equipped with safety and health procedure and briefing will be provided to all the new employees before entering to the work place. In addition, we will conduct employee orientation training programme (quarterly) to all new employees to brief on the Company's policies and staff benefits including safety, emergency respond and evacuation plan and procedure, dental, optical, health screening benefit and etc.

In addition, our Group has taken various corporate social responsibility initiatives to serve the needs of the community. For example:

- (i) in August 2019, our Group contributed RM2,000.00 for Mah Sing Foundation to facilitate the foundation's continued effort to provide underprivileged children their basic fundamental rights to education and health while providing underserved communities with the skills required for income generation activities;
- (ii) in October 2022, our Group has donated RM2,000.00 for SJK(C) Han Ming for the construction of a new administrative block; and
- (iii) in March 2023, our Group has contributed RM6,000.00 for Pertubuhan Kebajikan Rumah Mega Kanak-kanak Orang Asli, which is dedicated to help and empower children from the Orang Asli community through holistic education.

(c) Governance

Our Group is committed to conduct our business ethically and in compliance with all relevant laws and regulations as disclosed in Section 6.10. In maintaining high standards of corporate governance, our Board has adopted the recommendations under the MCGG.

In addition, our Group has adopted a zero-tolerance policy towards bribery, and as such have put in place the policies and procedures to ensure strict compliance with the Malaysian Anti-Corruption Commission Act 2009. In relation to our Group's risk management, our Group has put in place a risk management framework to monitor closely on the risk associated with our Company's business and has also put in place a code of conduct and whistleblowing policy to help promote and ensure fairness in business dealings.

6. INFORMATION ON OUR GROUP (Cont'd)

We will integrate ESG considerations into our strategic planning, decision-making processes and daily operations. We will also regularly review and update this policy to ensure it remains aligned with our values and industry best practices. We will measure and report our ESG performance through regular disclosures to our stakeholders including investors, clients and the public. We are dedicated to uphold the principles of environmental sustainability, social responsibility and ethical governance. We believe that integrating ESG considerations into our business practices will lead to long-term success, benefitting our stakeholders, our industry and our planet. Additionally, we will ensure that the policy is communicated effectively throughout our Company and that employees are educated on its principles and importance. As at LPD, we have not incurred any past fines, penalties or negative impact in relation to ESG issues which may materially affect our operations.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.12 EMPLOYEES**

As at LPD, we have a total workforce of 196 employees, which majority consists of permanent employees. Local employees accounted for approximately 57.7% of total workforce while the remaining 42.3% are foreign workers.

The breakdown of our employees as at 31 July 2024 and LPD are as follows:

| As at 31 July 2024 | Permanent | | Contractual | | Total |
|--|------------------|----------------|--------------------|----------------|--------------|
| | Local | Foreign | Local | Foreign | |
| Executive Directors | 2 | - | - | - | 2 |
| Key senior management | 4 | - | - | - | 4 |
| Departments | | | | | |
| Accounting and finance | 6 | - | - | - | 6 |
| Human resource and administrative | 9 | - | - | - | 9 |
| Project | 67 | - | 1 | - | 68 |
| Contract | 13 | - | - | - | 13 |
| Procurement | 8 | - | - | - | 8 |
| Construction site workers ⁽¹⁾ | - | 83 | - | - | 83 |
| | 109 | 83 | 1 | - | 193 |

| As at LPD | Permanent | | Contractual | | Total |
|--|------------------|----------------|--------------------|----------------|--------------|
| | Local | Foreign | Local | Foreign | |
| Executive Directors | 2 | - | - | - | 2 |
| Key senior management | 4 | - | - | - | 4 |
| Departments | | | | | |
| Accounting and finance | 7 | - | - | - | 7 |
| Human resource and administrative | 10 | - | - | - | 10 |
| Project | 68 | - | 1 | - | 69 |
| Contract | 13 | - | - | - | 13 |
| Procurement | 8 | - | - | - | 8 |
| Construction site workers ⁽¹⁾ | - | 83 | - | - | 83 |
| | 112 | 83 | 1 | - | 196 |

Note:

⁽¹⁾ All our construction site workers are foreign workers.

None of our employees belong to any labour union and as at LPD, there is no material dispute between our management and our employees. Over FYE 2021 to 2024, there has not been any incident of work stoppage or labour disputes that has materially affected our operations.

7. BUSINESS OVERVIEW

7.1 HISTORY OF OUR GROUP

7.1.1 Incorporation

Our Company was incorporated in Malaysia under the Act as a public limited company on 23 November 2023 under the name of ES Sunlogy Berhad to facilitate our Listing.

7.1.2 History and development

Savelite was incorporated on 2 June 2010 by Chu Han Po and Lee Wei Beng, each of whom held 50.0% equity interest in the company. Chu Han Po is the father of our Executive Director Chu Kerd Yee, while Lee Wei Beng is a third party, who was not involved in the business of our Group. Upon commencement of operations in June 2010, we were actively involved in business development activities for electrical engineering and renovation works.

In March 2011, through share allotment to the existing shareholders at that time, the new shareholdings of Chu Han Po and Lee Wei Beng, became 80.0% and 20.0% respectively in Savelite. Subsequently, Chu Han Po invited Khor Chuan Meng to join as its Managing Director and shareholder to venture into the M&E engineering industry by leveraging on Khor Chuan Meng's experience and industry network. In the same month in 2011, Khor Chuan Meng became a shareholder of Savelite, when he acquired 15.0% equity interest from Chu Han Po for RM15,000, being the cost of investment. Arising thereto, Chu Han Po, Lee Wei Beng and Khor Chuan Meng held 65.0%, 20.0% and 15.0% equity interest respectively in Savelite. Subsequently in September 2011, Lee Wei Beng ceased to be a shareholder of Savelite upon disposing his entire 20.0% equity interest to Chu Han Po for a consideration of RM20,000, being the cost of investment. As a result, Chu Han Po and Khor Chuan Meng held 85.0% and 15.0% equity interest respectively in Savelite.

In March 2011, Savelite was also registered as a G3 contractor with CIDB for the category of Mechanical and Electrical Engineering (ME). The G3 contractor registration allowed Savelite to tender for projects of not more than RM1.00 million in contract value throughout Malaysia.

In April 2013, Savelite's contractor registration with CIDB was upgraded to G5, thereby allowing Savelite to tender for projects of not more than RM5.00 million in contract value throughout Malaysia.

In April 2015, Chu Kerd Yee joined Savelite as its Business Development Advisor to further grow our M&E engineering business by leveraging on his industry network and business contacts. In May 2015, Savelite's contractor registration with CIDB was upgraded to G7, thereby allowing Savelite to tender for projects of unlimited contract value throughout Malaysia.

In March 2017, Chu Kerd Yee was promoted to the position of Business Development and Strategies Director. Subsequently in January 2020, he was appointed as Executive Director of Savelite.

Through a series of share allotments and transfer in January 2012, January 2013, October 2014, February 2016 and March 2017, Chu Han Po and Khor Chuan Meng subsequently held 70.0% and 30.0% equity interest respectively in Savelite.

7. BUSINESS OVERVIEW (Cont'd)

Khor Chuan Meng and Chu Kerd Yee subsequently invited Datuk Keh Chuan Seng to participate in Savelite on 11 February 2020, to leverage on his business network to tap into potential commercial and industrial clients. Since then, Datuk Keh Chuan Seng has introduced new clients which led to our Group obtaining the Alor Setar Project, Retirement Village Project and Seremban Project. He has also injected new capital into our Group, which collectively amounted to RM21.08 million during FYE 2021 to 2023, for our Group's development and construction of Junjong LSSPV Plant as well as working capital requirements.

In February 2020, Chu Han Po ceased to be a shareholder of Savelite upon disposing his entire shareholdings of (i) 40.0% to Datuk Keh Chuan Seng for a consideration of RM8.80 million on a "willing-buyer willing-seller" basis, based on a forward PE multiple of 8.8 times, Savelite's estimated PAT for FYE 2021 of RM2.50 million and taking into consideration the size of Savelite's order book; (ii) 30.0% to Chu Kerd Yee (his son) for a consideration of RM0.30 million. With this, Chu Han Po exited the business.

In the same month in 2020, we also began pursuing opportunities in the solar PV industry, particularly in the generation and sales of renewable energy, by leveraging on our M&E engineering capabilities, in view of the growth potential of renewable energy in Malaysia and initiatives from the Government to promote solar PV energy.

Further in September 2020, the Junjong Consortium jointly submitted a proposal to participate in the development of the Junjong LSSPV Plant. The parties of Junjong Consortium were jointly responsible for the following:

- (a) procurement of all materials and/ or equipment necessary for Junjong LSSPV Plant;
- (b) design and engineering works for Junjong LSSPV Plant;
- (c) being the external liaison, including but not limited to, the relevant local government departments and non-governmental agencies; and
- (d) jointly bear on equal basis, all submission related fees for Junjong LSSPV Plant, including but not limited to fees related to undertaking the environmental impact assessment and soil investigations.

Subsequently in March 2021, Junjong Consortium was shortlisted by the EC to undertake the Junjong LSSPV Plant Project. In April 2021, Energy ES was incorporated by Junjong Consortium with each shareholder namely Savelite, Frasers Construction and Moderntent Development holding equal equity interest, to undertake the development and operation of Junjong LSSPV Plant. Khor Chuan Meng and Chu Kerd Yee were appointed as directors of Energy ES at the point of its incorporation. Prior to submitting the proposal for the development of Junjong LSSPV Plant, the parties of Junjong Consortium had entered into a consortium agreement whereby all parties agreed to the shareholding structure of Savelite, Frasers Construction and Moderntent Development holding 90.0%, 5.0% and 5.0% respectively in Energy ES.

Upon obtaining all the requisite approvals for Junjong LSSPV Plant Project, in July 2021, Savelite emerged as the largest shareholder of Energy ES with 90.0% equity interest following an allotment of shares, while Frasers Construction and Moderntent Development held 5.0% respectively. This change in the shareholdings structure of Energy ES was made pursuant to the terms of the consortium agreement as mentioned above. As at LPD, Energy ES is responsible for the operations of Junjong LSSPV Plant and has appointed Powertrack Sdn Bhd to provide O&M services, while Fraser Construction and Moderntent Development remained as passive shareholders.

7. BUSINESS OVERVIEW (Cont'd)

In January 2024, Savelite entered into a joint venture and shareholder agreement with TRe and Blazing Solar to jointly collaborate for the development, construction and operation of Selarong LSSPV Plant. Subsequently, Selarong Pertama was incorporated on 31 January 2024 as the joint venture company.

In February 2024, the CGPA was entered into between Selarong Pertama and Client M in relation to the virtual supply of solar powered energy generated under the CGPP (for Selarong LSSPV Plant) issued by the EC. Selarong Pertama agreed to sell and Client M agreed to purchase electricity that is certified from the Green Attributes (as defined below). Please refer to Section 7.2.1.3 for further information on the CGPA and Green Attributes.

Over the years, our Group has achieved the following major milestones:

| Year | Milestones |
|-------------|---|
| 2010 | <ul style="list-style-type: none"> Incorporation of Savelite |
| 2011 | <ul style="list-style-type: none"> Savelite was registered as a Class C electrical contractor with the EC Secured our first project in relation to the provision of electrical installation and ELV system for a factory at Kawasan Perusahaan Perai, Mukim 1, Seberang Perai Tengah, Pulau Pinang with a contract value of RM0.54 million Savelite was registered as a G3 contractor with CIDB for the category of Mechanical and Electrical Engineering (ME) |
| 2013 | <ul style="list-style-type: none"> Savelite's contractor registration with CIDB was upgraded to G5 Secured a project for the provision of M&E engineering services for the custom, immigration, quarantine, port clearance and ferry terminal at Puteri Harbour, Bandar Nusajaya, Iskandar Malaysia, Johor with a contract value of RM4.00 million |
| 2014 | <ul style="list-style-type: none"> Savelite's registration with the EC was upgraded to a Class A contractor |
| 2015 | <ul style="list-style-type: none"> Savelite's contractor registration with CIDB was upgraded to G7 Secured a project for the provision of electrical engineering works for a hotel at Jalan Teluk Kumbar, Pulau Pinang with a contract value of RM4.31 million |
| 2016 | <ul style="list-style-type: none"> Secured a project for the provision of electrical engineering works for commercial shop units at Sepang, Selangor with contract value of RM7.76 million |
| 2017 | <ul style="list-style-type: none"> Ventured into M&E engineering services for renewable energy facilities Secured a project for the provision of M&E engineering services for a 50MW LSSPV plant at Ayer Puteh, Kedah with a contract value of RM12.31 million |
| 2018 | <ul style="list-style-type: none"> Secured Langkawi Hotel Project with a contract value of RM8.44 million |
| 2020 | <ul style="list-style-type: none"> Savelite was certified compliant to ISO 9001:2015 for the scope of provision of electrical installation engineering services |
| 2021 | <ul style="list-style-type: none"> Junjong Consortium was selected as the shortlisted bidder by the EC to undertake the Junjong LSSPV Plant Project Incorporation of Energy ES |
| 2022 | <ul style="list-style-type: none"> Secured Sitiawan Project with a contract value of RM23.25 million Secured Junjong LSSPV Plant Project with a contract value of RM30.45 million Secured our largest project to date, Kulim Project with contract value of RM90.20 million |

7. BUSINESS OVERVIEW (Cont'd)

| Year | Milestones |
|------|---|
| 2023 | <ul style="list-style-type: none"> Registered as a Photovoltaic Service Provider with SEDA Awarded by the EC under the CGPP for the development, construction and operation of Selarong LSSPV Plant |
| 2024 | <ul style="list-style-type: none"> Secured Gemas Project (Phase I) with contract value of RM76.30 million |

7.2 BUSINESS OVERVIEW

7.2.1 Description of our business

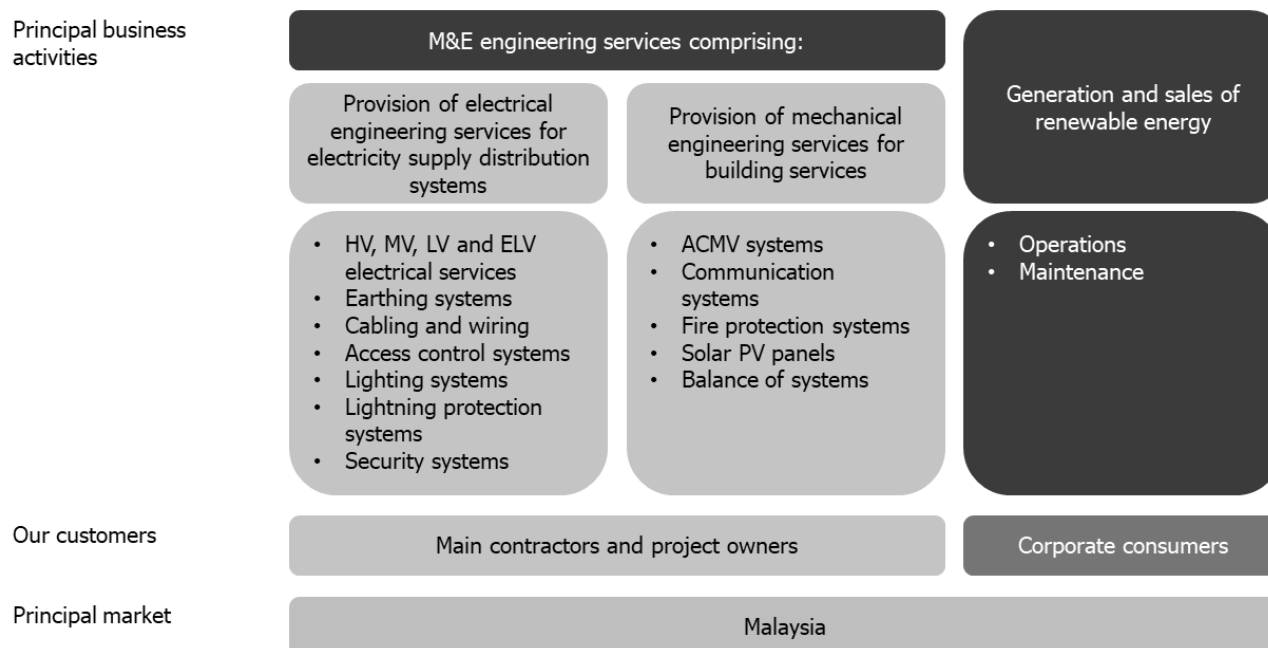
Our Group provides M&E engineering services for various types of properties such as industrial, commercial and residential as well as solar facilities. Our Group is principally involved in the following:

- provision of electrical engineering services for electricity supply distribution systems;
- provision of mechanical engineering services for building services; and
- generation and sales of renewable energy.

In delivering M&E engineering services, our Group focus on:

- project planning and management;
- procurement;
- appointment of subcontractors;
- installation works;
- quality control and assurance;
- handover; and
- post-handover maintenance, if any

Our business model is as follows:



7. BUSINESS OVERVIEW (Cont'd)

Our Group generally undertakes project planning and management for our M&E engineering projects. For physical installation works which are labour intensive, our Group generally outsource such works to subcontractors under our supervision and project management. M&E engineering constitutes a significant portion of our Group's business and contributed to the majority portion of its revenue in the last financial years under review. Our Group's clients usually award mechanical engineering works to our Group as part of electrical engineering contracts. Thus, in the majority of its projects, our Group's services may cover the provision of both electrical engineering and mechanical engineering services. As such, our Group's revenue and cost of sales are presented for M&E engineering services as a single business segment. Our Group began generating revenue from the generation and sales of renewable energy in FYE 2024.

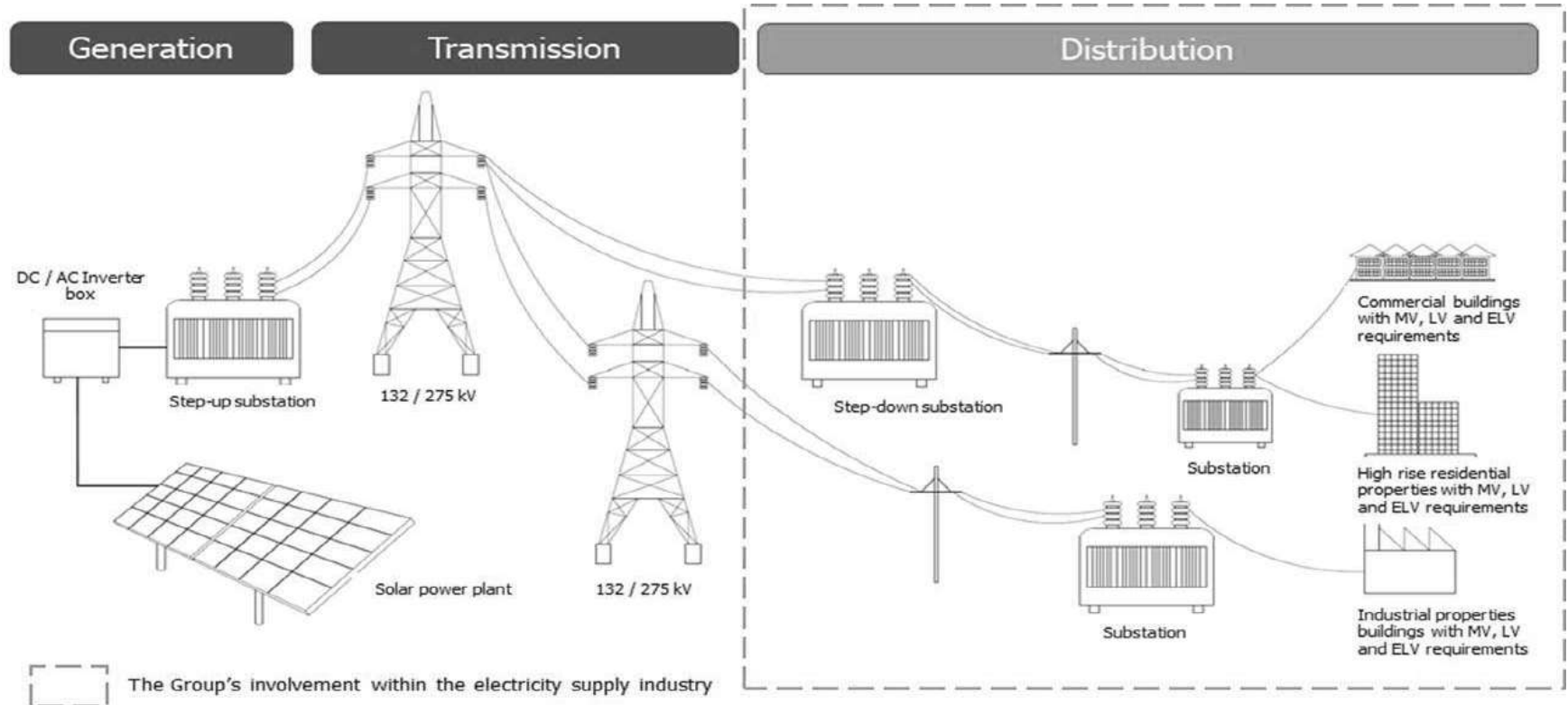
For the majority of projects that our Group secured, the project owners will specify certain brands of electrical components that are required to be used in their projects. For such projects where our Group outsources physical installation and labour works to its subcontractors, our Group requires its subcontractors to purchase certain brands of electrical components such as wire trunking, wires and power cables from our Group. Such sales of electrical components by our Group to its subcontractors are recognised as trading income.

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7. BUSINESS OVERVIEW (Cont'd)

7.2.1.1 Provision of electrical engineering services for electricity supply distribution systems

The following illustrates our Group's involvement in the distribution segment of the electricity supply industry in Malaysia:

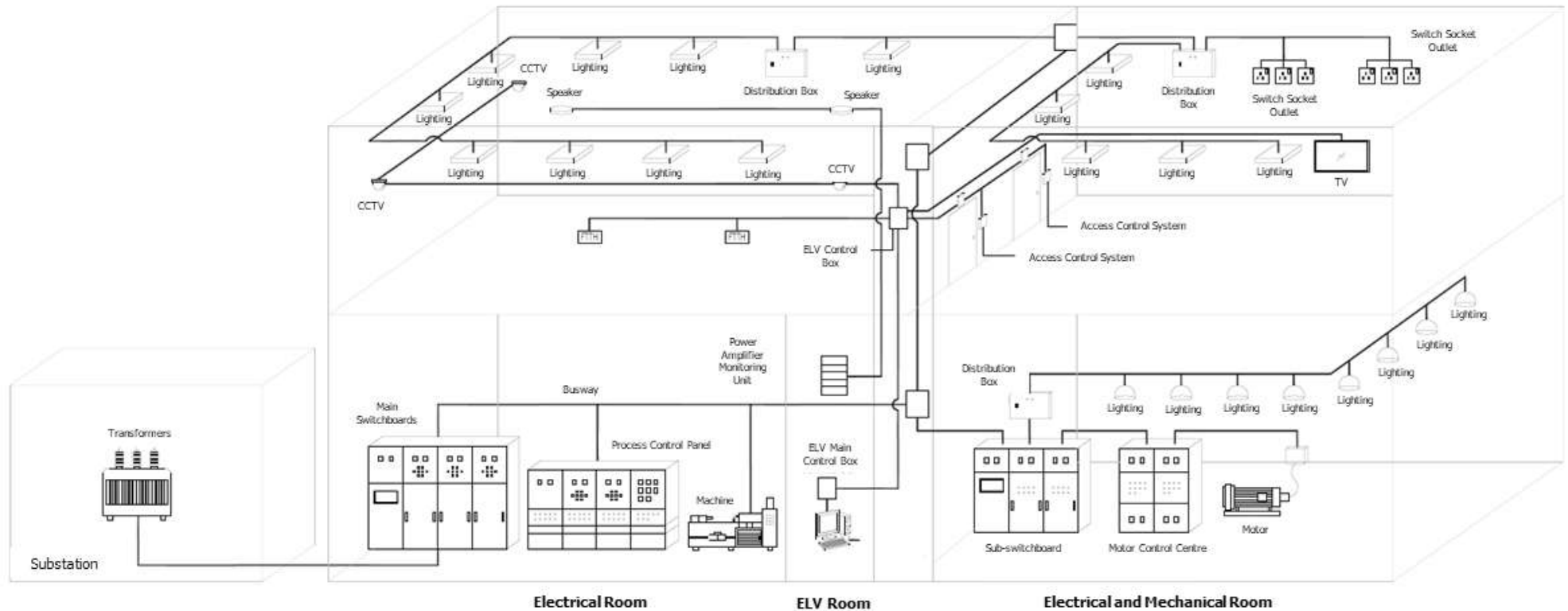


Our Group is involved in the provision of electricity supply distribution systems for end-user premises incorporating the network of electrical systems, equipment and components used to distribute and control the flow of electricity from the main power source to the substation and subsequently to the various electrical loads within a building. An electricity supply distribution system takes the HV power generated by utility companies and transformed it into LV power that is safe and suitable for use by electrical machinery, equipment and devices. The electricity supply distribution systems distribute electrical power throughout the premise and includes transformers, switchgears, main switchboards, sub-switchboards and distribution boards installed in the premise's electrical room. An electrical room is the point of origin for the power distribution system and serves as a hub for the premise's electrical network.

7. BUSINESS OVERVIEW (Cont'd)

Our Group's electricity supply distribution systems also involve integrating, among others, interconnections to the power grid, substations, transformers, switchgears, switchboards, distribution boards, motor control centre panels, process control panels, AC/ DC systems, electrical wiring, busway systems, switches and outlets that are vital to the operations of electrical machinery, equipment and devices.

The following illustrates an electricity supply distribution system in an end-user premise with key electrical equipment:



7. BUSINESS OVERVIEW (Cont'd)

Our Group's team of M&E engineers and technicians (comprising chargemen and wiremen) are capable of implementing design of the electricity supply distribution systems encompassing the technical planning, technical conceptualisation and detailed engineering of the electricity supply distribution systems, from substations to all electrical systems, equipment and devices up to the termination points in end-user premises.

Our Group also handles the procurement of electrical equipment and components from suppliers and manufacturers, as well as the installation and integration of the electrical equipment with wiring and busway systems. Our Group carries out testing and commissioning to warrant the reliability and safety of the electrical systems.

Our Group is involved in the supply, installation, testing, commissioning, maintenance and services of HV, MV, LV and ELV electricity supply distribution systems within end-user premises where the electricity supplied by our Group's distribution systems is used to power various electrical machinery, equipment, appliances and devices in industrial, commercial and residential properties. For clarity, our Group's electricity supply distribution system projects involve connecting electrical systems from the distribution substation to the receiving meters at end-user premises.

Commonly, end-user premises that require a HV power distribution system will also include all LV electricity supply distribution. For our Group's electricity supply distribution projects at end-user premises, our Group's capabilities include:

(a) HV electrical services

Our Group is involved in HV substations projects within end-user premises, namely residential, commercial and industrial properties to distribute electricity supply. These substations receive HV electricity (132kV or 275kV) from the utility grid prior to distributing it to the various facilities at the end-user premises. HV electricity is stepped down to lower voltages (11kV or 33kV) at these substations, making it safer to power equipment, devices and machinery. The size of the substation depends on the project owners' voltage and electricity demand requirements. For avoidance of doubt, our Group is not involved in civil and structural works relating to the construction of these HV substations.

Our Group's scope of work in relation to the above involves:

- installation of cabling and wiring including interconnection to the power grid, within the substations as well as into end-user buildings and facilities;
- specify, procure and install electrical equipment and components such as transformers, switchgears, switchboards, distribution boards, capacitors, power cables and circuit breakers; and
- testing and commissioning prior to handing over of the substation facility to the main contractor.

(b) MV and LV electrical services

Our Group is involved in MV and LV substations projects located within end-user premises, namely residential, commercial and industrial properties to distribute electricity supply. These substations distribute MV and LV electricity to the various end-users. This includes general lighting systems, security and fire alarm systems, building automation systems, power sockets, ACMV and ducting systems, large motors, pumps, server rooms and refrigeration systems.

7. BUSINESS OVERVIEW (Cont'd)

Our Group provides MV electrical services for high-rise residential, commercial and industrial properties that require voltage of more than 1kV but less or equal to 50kV. Comparatively, our Group provides LV electrical services for residential, commercial and industrial properties with lower electricity voltage requirements of more than 50 volts but less or equal to 1kV.

For the avoidance of doubt, our Group is not involved in civil and structural works relating to the construction of these MV and LV substations.

Our Group is involved in the supply, installation, testing and commissioning of the following HV, MV and LV electrical supply systems:

| Services | Details |
|---------------------------|--|
| Power distribution system | This includes transformers, switchgears, main switchboards, sub-switchboards, motor control centre panels and distribution boards that are installed in a building's plantroom and distributes electricity throughout the building. A plantroom serves as the central point of origin for the power distribution system of a building. |

Our Group proposes, supplies, installs, tests and commissions the following electrical panels:

- **Transformers:** an electrical equipment that changes the voltage from high to low (known as step-down), or from low to high (known as step-up). For example, electricity generated by a solar PV power plant passes through a step-up transformer, where its voltage is stepped-up to the required voltage for transmission;
- **Switchgears:** switching devices that control, protect and isolate power systems. Switchgears are designed to defend equipment connected to a power supply from the threat of electrical overload. In the event of an electrical surge, an effective switchgear will trigger, automatically interrupting the flow of power and protecting the electrical systems from damage. Examples of switchgears include switches, fuses, isolators, relays, circuit breakers and lightning arresters;
- **Main switchboards:** an electricity distribution panel directly connected to the main source of external power that distributes the main incoming power, such as from substations, to other power distribution panels such as distribution boards, motor control centre panels and process control panels as well as individual loads such as electrical machines, equipment and devices;
- **Motor control centre panel:** a panel that controls mechanical loads from a centralised location in a commercial or industrial building. The panel has multiple enclosed sections with common busbars, where each section contains switches, relays, isolators as well as other control and indication devices;
- **Sub-switchboards:** a secondary level of electricity distribution that takes incoming electrical power from the main switchboards and distributes the electricity to several distribution boards or directly to individual power points; and

7. BUSINESS OVERVIEW (Cont'd)

Services

Details

- **Distribution boards:** a secondary or tertiary level of electricity distribution where electricity is distributed from the main switchboards to sub-switchboards and subsequently to the distribution boards prior to individual power points.

The technical specifications of the abovementioned distribution panels are typically customised to each project and provided to a manufacturer for fabrication, prior to installation by our Group at the project sites.



Transformer



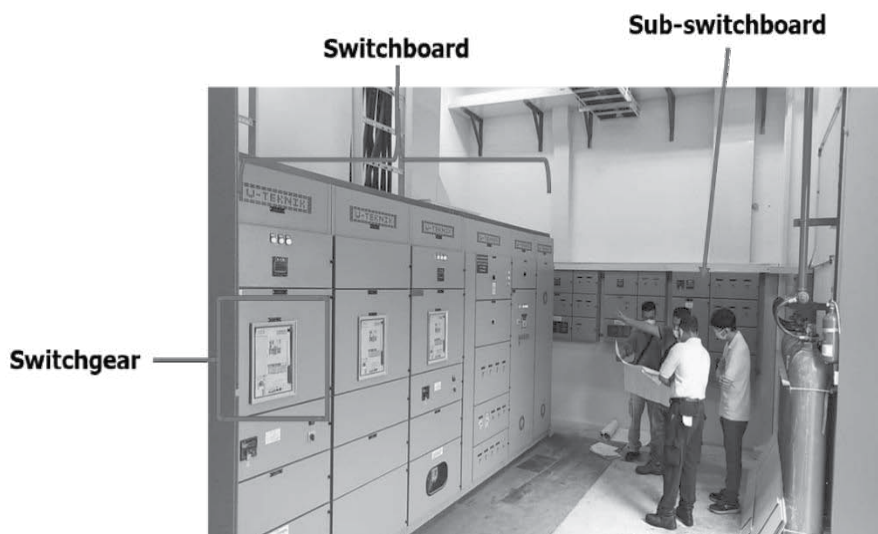
Motor control centre panels



Distribution boards



Distribution boards for energy management systems



Switchboards, sub-switchboard and switchgear

7. BUSINESS OVERVIEW (Cont'd)

Services

Details

Busway systems

A prefabricated electrical distribution system that consists of busbars in a protective enclosure (also known as busway enclosure) which connects electricity to electrical devices like electrical panels, switchgears and transformers. A busway enclosure comprises busbars, its housing and support and/or insulating material. Busways are an alternative to electrical wiring and cables.



Busway system

(c) Earthing system

Our Group supplies, installs, tests and commissions earthing systems which are earth termination network that provide a low impedance pathway for both electrical faults and lightning discharge currents to safely dissipate into the ground. A good earthing system can handle the maximum fault current, and the devices itself are made from quality components that will resist corrosion and degradation over time.



Earthing works and cable laying works

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7. BUSINESS OVERVIEW (Cont'd)

(d) Cabling and wiring

Our Group supplies, installs, tests and commissions cables and associated devices such as switches, distribution boards and sockets to connect electricity from the incoming power supply from the substation to the various distribution boards and finally to the individual power points.



Our Group generally undertakes electrical engineering services for industrial projects internally where our internal employees are involved in project planning and management, procurement and supply, installation, testing and commissioning works.

For clarity, our Group engages subcontractors to carry out the physical cabling and wiring works for commercial projects as they are labour intensive and this enables us to scale up our operations efficiently, where we can focus on our core activities in M&E engineering services. Such works performed by our subcontractors are under the supervision and project management of our Group.

Our Group will carry out the necessary inspection works prior to the completion of works performed by the subcontractors to ensure that they are in compliance with the specifications and requirements set upon by our client's requirements.

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7. BUSINESS OVERVIEW (Cont'd)

(e) ELV services

Our Group's electrical ELV engineering services also encompasses the supply, installation, testing and commissioning of the following building services in residential, commercial and industrial properties:

ELV building services

Description

Access control systems

- Centralised access control system management for a building's entry and exit points



Components of access control system

Lighting systems



- Alters lighting levels, typically based on the level of occupancy
- Automatically switches lights on or off based on a pre-determined schedule or occupancy parameters
- Manages electricity consumption by monitoring room occupancy and adjusting lighting to suit users' needs



Lighting installations

7. BUSINESS OVERVIEW (Cont'd)

ELV building services

Lightning protection systems



Description

- Serves to prevent or lessen lightning strike damage to buildings
- Protects the internal electrical components of a building, thereby preventing fires or electrocution



Lightning rod protection system

Security systems



- Serves as an operating module for remote security control
- Integrates access control, intrusion and surveillance systems
- Receives, displays and verifies information from various surveillance points of access control, intrusion and surveillance systems



Closed circuit televisions



Remote security monitoring system