

INFOLINE TEC GROUP BERHAD

(Registration No. 202101032489 (1432789-M))
(Incorporated in Malaysia under the Companies Act 2016)

MALAYSIA (HEAD OFFICE)

No. 53-3, Jalan PJU 5/20E,
Pusat Perdagangan Kota Damansara,
47810 Petaling Jaya,
Selangor Darul Ehsan, Malaysia.

Tel: (+603) 6148 0890
Fax: (+603) 6148 0891
Website: www.infolinegroup.com

PRC (BRANCH OFFICE)

401 Linli Pioneer Park,
8 South Guangzu Road,
Longtian Sub-district,
Pingshan District, Shenzhen City,
Guangdong Province, PRC.

PROSPECTUS

Infoline

INFOLINE TEC GROUP BERHAD

(Registration No. 202101032489 (1432789-M))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“IPO”) OF 96,250,000 ORDINARY SHARES IN INFOLINE TEC GROUP BERHAD (“INFOLINE TEC”) (“SHARES”) AT AN IPO PRICE OF RM0.32 PER SHARE, PAYABLE IN FULL UPON APPLICATION COMPRISING:

(I) PUBLIC ISSUE OF 74,000,000 NEW SHARES IN THE FOLLOWING MANNER:

- (A) 18,162,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- (B) 8,269,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF INFOLINE TEC AND ITS SUBSIDIARIES;
- (C) 2,165,300 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND
- (D) 45,403,700 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO IDENTIFIED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY, MALAYSIA;

AND

(II) OFFER FOR SALE OF 22,250,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS.

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS AS SET OUT IN THIS PROSPECTUS, IN CONJUNCTION WITH THE LISTING OF INFOLINE TEC ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)

Principal Adviser, Sponsor, Underwriter and Placement Agent



MIDF AMANAH INVESTMENT BANK BERHAD

Registration No. 197501002077 (23878-X)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

THE ACE MARKET OF BURSA SECURITIES 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 OF BURSA SECURITIES. 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 SC UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 154.

This Prospectus has been registered by Bursa Securities. The 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 Infoline Tec and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus. No securities will be allotted or issued based on this Prospectus after 6 months from the date of this Prospectus.

This Prospectus is dated 20 June 2022

All defined terms used in this Prospectus are defined under “Definitions” commencing on page xi, “Glossary of Technical Terms” commencing on page xvii and “Presentation of Information” commencing on page viii.

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

MIDF Amanah Investment Bank Berhad, being our Principal Adviser, Sponsor, Underwriter and Placement Agent acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

STATEMENTS OF DISCLAIMER

Our Company has obtained the approval of Bursa Securities for the listing and quotation of our Shares. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

Bursa Securities is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

This Prospectus, together with the Application Forms, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

OTHER STATEMENTS

You should note that you may seek recourse under Sections 248, 249 and 357 of the CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMSA, is responsible.

Our IPO and this Prospectus are subject to the laws of Malaysia. Our Shares are offered in Malaysia solely based on the contents of this Prospectus. 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 with 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 our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept any liability in relation thereto whether or not any enquiry or investigation is made in connection with it. It is your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of this Prospectus and to consult your legal and/or other professional advisers as to whether your application for our IPO would result in the contravention of any law of such country or jurisdiction which you may be subject to.

We will further assume that you have accepted our IPO in Malaysia and will at all applicable times 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.

This Prospectus is prepared and published solely for our IPO under the laws of Malaysia. Our Directors, Promoters, Selling Shareholder, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone and take no responsibility for distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Directors, Promoters, Selling Shareholder, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide you with any information which is not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Directors, Promoters, Selling Shareholder, Principal Adviser, Sponsor, Underwriter and Placement Agent, any of their respective directors, or any other persons involved in our IPO. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase, any of our Shares being offered in our IPO in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation.

ELECTRONIC PROSPECTUS

This Prospectus can also 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. Your Internet Share Application may be subject to risks in 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. These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt about the validity or integrity of the Electronic Prospectus, you should immediately request a paper/printed copy of this Prospectus from us, our Principal Adviser or Issuing House. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus, which are identical to the copy of the Prospectus registered with Bursa Securities, will prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

- (i) we and our Principal Adviser do not endorse and are not affiliated in any way to the Third Party Internet Sites. Accordingly, we are not responsible for the availability of, or the content or any data, files, information or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, files or other material provided by such parties; and
- (iii) any data, files or other materials downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, files, information or other materials.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:

- (i) the Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of the Electronic Prospectus, i.e. to the extent that the content of the Electronic Prospectus on the web server of the Internet Participating Financial Institutions may be viewed via web browser or other relevant software. The Internet Participating Financial Institutions are not responsible for the integrity of the contents of the Electronic Prospectus, which has been obtained from the web server of the Internet Participating Financial Institutions and subsequently communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium; and
- (iii) the Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs that 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 the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault 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 Institution, 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

An indicative timetable of our IPO is set out below:

<u>Events</u>	<u>Tentative date</u>
Issuance of Prospectus/ Opening of application for our IPO Shares	10.00 a.m., 20 June 2022
Closing of application for our IPO Shares	5.00 p.m., 28 June 2022
Balloting of application for our IPO Shares	1 July 2022
Allotment/ transfer of our IPO Shares to successful applicants	8 July 2022
Listing on the ACE Market of Bursa Securities	13 July 2022

In the event there is any change to the indicative timetable above, we will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “our Company” or “Infoline Tec” in this Prospectus are to Infoline Tec Group Berhad. All references to “Infoline Group”, “our Group”, “we”, “us”, “our” or “ourselves” in this Prospectus are to our Company and our subsidiaries as a whole, save for where the context otherwise requires. 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 Directors and Key Senior Management.

All references to “you” are to our prospective investors.

In this Prospectus, all references to the “Government” are to the Government of Malaysia; and references to “RM” and “sen” are to the lawful currency of Malaysia. Any discrepancies in the tables between amounts listed and the totals in this Prospectus are due to rounding. Other abbreviations and acronyms used herein are defined in the “Definitions” section and technical terms used herein are defined in the “Glossary of Technical Terms” section appearing after that section. Words denoting the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include natural persons, firms, companies, bodies corporate and corporations.

References to any provisions of the statutes, rules, regulations, enactments, guidelines or rules of stock exchange shall (where the context admits), be construed as reference to provisions of such statutes, rules, regulations, enactments, guidelines or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments, guidelines or rules of stock exchange for the time being in force.

Solely for your convenience, this Prospectus contains translation of certain RMB amount into RM at specified rates. No representation is made that the RMB amounts referred to in this Prospectus could have been or could actually be converted into RM amounts, at the rates indicated or at all. The exchange rates as set out below are applied in this Prospectus unless specified otherwise:

	FYE			
	2018	2019	2020	2021
RMB to RM1				
Average rate ⁽¹⁾	0.610	0.600	0.609	0.643
Closing rate ⁽²⁾	0.601	0.588	0.614	0.655
Historical rate ⁽³⁾	0.619	0.619	0.619	0.619

Notes:

- (1) The average rate is used for the translation of income and expense items in the combined statements of financial position of Infoline Tec.
- (2) The closing rate is used for the translation of assets and liabilities in the combined statements of profit or loss and other comprehensive income of Infoline Tec.
- (3) The historical rate is used for the translation of equity in the combined statements of financial position of Infoline Tec.

References to a time of a day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION (CONT'D)

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originated from us. We have appointed Providence to provide an independent market and industry review of the industry in which we operate in. In compiling their data for the review, Providence relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry. Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot assure you that the projections will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

The information on our website, or any website directly or indirectly linked to our website does not form part of this Prospectus and you should not rely on it.

Reference to the "LPD" in this Prospectus is to 23 May 2022, being the latest practicable date prior to the registration of this Prospectus with Bursa Securities.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, future plans and prospects, and objectives of our Group 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 Group's current view with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as the words "expect", "believe", "plan", "intend", "estimate", "anticipate", "aim", "forecast", "may", "will", "would", and "could" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) our business strategies, trends and competitive position;
- (ii) our plans and objectives for future operations;
- (iii) our financial position;
- (iv) potential growth opportunities;
- (v) our future earnings, cash flows and liquidity;
- (vi) our ability to pay dividends; and
- (vii) the regulatory environment and the effects of future regulation.

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

- (i) the general economic, business, social, political and investment environment in Malaysia, PRC and globally;
- (ii) government policy, legislation and regulation;
- (iii) interest rates, tax rates and exchange rates;
- (iv) the competitive environment in the industry in which we operate;
- (v) fixed and contingent obligations and commitments; and
- (vi) any other factors beyond our control.

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 of this Prospectus on "Risk Factors" and Section 12 of this Prospectus on "Management's Discussion and Analysis of Financial Condition and Results of Operations". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus.

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

DEFINITIONS

The following definitions shall apply throughout this Prospectus unless the definitions are defined otherwise or the context requires otherwise:

COMPANIES WITHIN OUR GROUP:

Infoline Tec or Company	:	Infoline Tec Group Berhad (Registration No. 202101032489 (1432789-M))
Infoline Shenzhen	:	Infoline Technology (Shenzhen) Limited (Registration No. 440301503446228) (因福来科技(深圳)有限公司), our wholly-owned subsidiary in PRC
Infoline Solutions	:	Infoline IT Solutions Sdn Bhd (Registration No. 201301015421 (1045254-P)), our wholly-owned subsidiary in Malaysia

GENERAL:

ACE Market	:	ACE Market of Bursa Securities
Acquisitions	:	Collectively, Infoline Solutions Acquisition and Infoline Shenzhen Acquisition
Act	:	Companies Act 2016
ADA	:	Authorised depository agent
Application	:	Application for our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Form	:	Printed application form for the application of IPO Shares accompanying this Prospectus
ATM	:	Automated teller machine
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application with respect to payments for our IPO Shares
Board	:	Board of directors of our Company
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))

DEFINITIONS (CONT'D)

CAGR	:	Compound annual growth rate
CCM	:	Companies Commission of Malaysia
CDS	:	Central depository system
CDS Account	:	An account established by Bursa Depository Securities for a depositor for the recording of securities and for dealing in such securities by the Depositor
CMSA	:	Capital Markets and Services Act, 2007
Constitution	:	Constitution of our Company
COVID-19	:	Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
CWC	:	Choo Wei Chuen, our Promoter, specified shareholder, substantial shareholder, Non-Independent Executive Director, Chief Executive Officer and Selling Shareholder
Depositor	:	A holder of a CDS Account
Directors	:	Directors of our Company and within the meaning given in Section 2 of the CMSA
EBITDA	:	Earnings before interest, tax, depreciation and amortisation
Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/ or an electronic storage medium, including but not limited to CD-ROMs (<i>compact disc read-only memory</i>)
Electronic Share Application	:	Application for our IPO Shares under the Public Issue through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, our Directors, employees and persons who have contributed to the success of our Group who are eligible to participate in the Public Issue
EPF	:	Employees Provident Fund
EPS	:	Earnings per share
Executive Directors	:	Collectively or individually, CWC, LWH and TYM
FIEs	:	Foreign Investment Enterprises
FYE	:	Financial year ended/ending 31 December, as the case may be

DEFINITIONS (CONT'D)

FYE Under Review	:	FYE 2018, FYE 2019, FYE 2020 and FYE 2021
GP	:	Gross profit
IFRS	:	International Financial Reporting Standards
IMR Report	:	Independent market research report on the IT infrastructure and cybersecurity markets in Malaysia and PRC
Infoline Group or Group	:	Collectively, our Company and our Subsidiaries
Infoline Shenzhen Acquisition	:	The acquisition of the entire registered capital of Infoline Shenzhen by our Company from the Infoline Shenzhen Vendor pursuant to the Infoline Shenzhen SSA, as further described in Section 6.3(b) of this Prospectus
Infoline Shenzhen SSA	:	Conditional share sale agreement dated 3 November 2021 entered into between our Company and the Infoline Shenzhen Vendor for the Infoline Shenzhen Acquisition
Infoline Shenzhen Vendor	:	CWC
Infoline Solutions Acquisition	:	The acquisition of the entire issued share capital of Infoline Solutions by our Company from the Infoline Solutions Vendors pursuant to the Infoline Solutions SSA, as further described in Section 6.3(a) of this Prospectus
Infoline Solutions SSA	:	Conditional share sale agreement dated 3 November 2021 entered into between our Company and the Infoline Solutions Vendors for the Infoline Solutions Acquisition
Infoline Solutions Vendors	:	Collectively, CWC, LWH and TYM
Infoline Tec Shares or Shares	:	Ordinary shares in our Company
Internet Participating Financial Institution	:	Participating financial institution in the Internet Share Application
Internet Share Application	:	Application for our IPO Shares under the Public Issue through an Internet Participating Financial Institution
IPO	:	Initial public offering comprising the Public Issue and Offer for Sale, collectively
IPO Price	:	IPO price of RM0.32 per IPO Share

DEFINITIONS (CONT'D)

IPO Shares	:	Collectively, Issue Shares and Offer Shares
ISO/IEC	:	International Organization for Standardization / International Electrotechnical Commission
Issue Shares	:	New Shares to be issued by our Company pursuant to the Public Issue
Issuing House	:	Tricor Investor & Issuing House Services Sdn Bhd (Registration No.197101000970 (11324-H))
IT	:	Information technology
Key Senior Management	:	Key senior management personnel of our Group as set out in Section 5.4 of this Prospectus
Listing	:	Admission to the Official List and the listing of and quotation for our entire enlarged Shares on the ACE Market
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	23 May 2022, being the latest practicable date prior to the registration of this Prospectus with Bursa Securities
LWH	:	Loo Wai Hong, our Promoter, specified shareholder, substantial shareholder, Non-Independent Executive Director and Chief Operating Officer
MAICSA	:	The Malaysian Institute of Chartered Secretaries and Administrators
Malaysian Public	:	Citizens of Malaysia, and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day	:	Any day between Mondays and Fridays (both days inclusive) which is not a public holiday and a day on which Bursa Securities is open for trading of securities
MCO	:	Movement Control Order
MFRS	:	Malaysian Financial Reporting Standards
MIA	:	Malaysian Institute of Accountants
MIDF Investment or Principal Adviser or Sponsor or Underwriter or Placement Agent	:	MIDF Amanah Investment Bank Berhad (Registration No. 197501002077 (23878-X))
MITI	:	Ministry of International Trade and Industry, Malaysia
N/A	:	Not applicable
NA	:	Net assets
NBV	:	Net book value

DEFINITIONS (CONT'D)

NRP	:	The National Recovery Plan comprising 4-phrases, introduced by Government of Malaysia on 15 June 2021
Offer for Sale	:	Offer for sale by the Selling Shareholder of 22,250,000 Offer Shares at our IPO Price, representing 6.12% of our entire enlarged Shares by way of private placement to selected investors
Offer Shares	:	The existing Shares to be offered by the Selling Shareholder pursuant to the Offer for Sale
Official List	:	A list specifying all securities listed on Bursa Securities
Participating Financial Institution	:	Participating financial institution for the Electronic Share Application
PAT	:	Profit after tax
PBT	:	Profit before tax
Pink Form Shares	:	The allocation of 8,269,000 Issue Shares to the Eligible Persons pursuant to Public Issue
PRC	:	The People's Republic of China
Promoters	:	Collectively, CWC and LWH
Prospectus	:	This prospectus dated 20 June 2022 issued by our Company
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
PROVIDENCE or IMR	:	Providence Strategic Partners Sdn Bhd (Registration No. 201701024744 (1238910-A))
Public Issue	:	The public issue of 74,000,000 Issue Shares at our IPO Price, representing 20.38% of our entire enlarged Shares in the following manner: <ul style="list-style-type: none"> (i) 18,162,000 Issue Shares made available for application by the Malaysian Public; (ii) 8,269,000 Issue Shares made available for application by the Eligible Persons; (iii) 2,165,300 Issue Shares made available by way of private placement to selected investors; and (iv) 45,403,700 Issue Shares made available by way of private placement to identified Bumiputera investors approved by the MITI
QA/QC	:	Quality Assurance/Quality Control
Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository

DEFINITIONS (CONT'D)

Reporting Accountants	:	Crowe Malaysia PLT (Registration No. 201906000005 (LLP0018817-LCA) & AF 1018)
Rules of Bursa Depository	:	Rules of Bursa Depository as issued pursuant to the SICDA
SC	:	Securities Commission Malaysia
Selling Shareholder	:	CWC
Share Registrar	:	Tricor Investor & Issuing House Services Sdn Bhd (Registration No.197101000970 (11324-H))
SICDA	:	Securities Industry (Central Depositories) Act, 1991
SOCISO	:	Social Security Organisation, Malaysia, also known as PERKESO (Pertubuhan Keselamatan Sosial)
SOP	:	Standard Operating Procedures
specified shareholders	:	means a controlling shareholder, a person connected to a controlling shareholder, and an executive director who is a substantial shareholder, of Infoline Tec, or any other person as specified by Bursa Securities. In the context of this IPO, the specified shareholders are collectively CWC and LWH
Subsidiaries	:	Collectively, Infoline Solutions and Infoline Shenzhen
TYM	:	Too Yit Meng, our Non-Independent Executive Director and Chief Marketing Officer
Underwriting Agreement	:	Underwriting agreement dated 1 June 2022 entered into between our Company and MIDF Investment pursuant to the IPO
<u>Currencies</u>		
HKD	:	Hong Kong Dollar
RM and sen	:	Ringgit Malaysia and sen respectively
RMB	:	Renminbi
SGD	:	Singapore Dollar
USD	:	United States Dollar

GLOSSARY OF TECHNICAL TERMS

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

Bits	: Smallest unit of measurement to quantify digital data
Caching	: Process of storing data in a hardware or software component so that future requests for the data can be retrieved in a shorter span of time
Cybersecurity solutions	: A combination of hardware, software, processes and practices to protect a computer network from malicious attacks
Cyberthreat	: A malicious attack whereby an unauthorised user attempts to gain access to data, steal information or cause damage
Data centre	: A facility which houses the IT infrastructure and equipment needed to enable data storage, data retrieval and internet connectivity
DDoS	: Distributed Denial of Service, a cyber attack in the form of high volumes of requests sent at the same time from multiple points on the Internet to overwhelm network system resources or overload the bandwidth of the network infrastructure
Electronic mail (“e-mail”)	: A method of exchanging messages between people using electronic devices
End-users	: The ultimate users of our solutions
Enterprise	: A business or company, which may range from small to multi-national
Fundamental Architectural Design	: Infoline Group’s internal framework in which the knowledge and experience garnered over the years have been consolidated to ensure consistent outcomes when delivering IT infrastructure and cybersecurity solutions
Gbps	: Gigabit per second
ICT	: Information and communications technology
IoT	: Internet of Things, the interconnectivity between devices to facilitate the collection and sharing of data on a real-time basis
IT infrastructure solutions	: Design and configuration of hardware, software and other services to develop infrastructure that can provide connectivity and data storage
LAN	: Local Area Network, a private network infrastructure that securely connects computers in different offices/ branches in an enterprise. An enterprise private network is mainly set up to share computer resources
Malware	: Malicious software that is transmitted over the Internet or through e-mails

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Managed IT services	:	The provision of IT infrastructure and cybersecurity solutions on a subscription basis, whereby the hardware, software and services are outsourced
NOC	:	Network Operations Centre, a centralised location from which activities are performed to ensure smooth running of a network
Nodes	:	An electronic device that is attached to a network, and is capable of creating, receiving, or transmitting information over the network
Phishing attack	:	An attack from malicious websites or downloads that are infected with viruses creating a fake email or website which seems legitimate and stealing user credentials
Principals	:	Brand owners of hardware component and software
SOC	:	Security Operations Centre, a centralised location from which activities are performed to monitor, analyse, prevent and protect a network from cyberthreats and attacks
Software applications	:	Web applications and content management systems that are programmed or installed in physical hardware and facilities to enable their functionality
SSL	:	Secure Sockets Layer, a security protocol that creates an encrypted link between a web server and a web browser
TLS	:	Transport Layer Security, a protocol designed to provide security for communication over a computer network, and is widely used in applications such as emails, instant messaging platforms, and VoIP and web browsers
UAT	:	User Acceptance Test, a final test conducted to ensure that the system is functional and is deployment-ready, which involves testing out different functions, procedures, performance and scenarios, in both a simulated environment and real time
UPS	:	Uninterrupted Power Supply, device used to backup power supply to prevent disruptions
Video conferencing	:	Online meetings conducted over the internet which allow users in different locations to meet virtually
VM	:	Virtual Machine, a software application which can perform like a separate physical computer system
VPN	:	Virtual Private Network, a protected network connection which enables users to send and receive data across shared or public networks as if their computing devices were directly connected to the private network
VoIP	:	Voice over Internet Protocol, voice calls made over an internet connection
WAN	:	Wide Area Network, a network infrastructure that allows for connectivity over a wide geographic area

1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Nationality	Designation	Residential Address
Nor Azzam bin Abdul Jalil	Malaysian	Independent Non-Executive Chairman	9, Jalan LE 2/4 Lake Edge Bandar Metro Puchong 47100 Puchong Selangor Darul Ehsan
Choo Wei Chuen	Malaysian	Non-Independent Executive Director / Chief Executive Officer	47, Jalan PJU 3/12G Tropicana Indah Resort Homes 47410 Petaling Jaya Selangor Darul Ehsan
Loo Wai Hong	Malaysian	Non-Independent Executive Director / Chief Operating Officer	25-05, Elevelia Residence Jalan Puchong Utama 7 Taman Tasik Prima 47150 Puchong Selangor Darul Ehsan
Too Yit Meng	Malaysian	Non-Independent Executive Director / Chief Marketing Officer	5, Jalan Kenyalang 11/6D PJU 5, Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan
Tan Mui Ping	Malaysian	Independent Non-Executive Director	1, Jalan SS 24/14 Taman Megah 47301 Petaling Jaya Selangor Darul Ehsan
Alwizah binti Kamal	Al-Yafii Ahmad Malaysian	Independent Non-Executive Director	9, Jalan Pantai 9/7 46000 Petaling Jaya Selangor Darul Ehsan
Olivia Lim	Malaysian	Independent Non-Executive Director	6, Jalan BU 12/8 Bandar Utama 12 47800 Petaling Jaya Selangor Darul Ehsan

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1. CORPORATE DIRECTORY (CONT'D)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Tan Mui Ping	Chairman	Independent Non-Executive Director
Alwizah Al-Yafii binti Ahmad Kamal	Member	Independent Non-Executive Director
Olivia Lim	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Olivia Lim	Chairman	Independent Non-Executive Director
Alwizah Al-Yafii binti Ahmad Kamal	Member	Independent Non-Executive Director
Tan Mui Ping	Member	Independent Non-Executive Director

NOMINATING COMMITTEE

Name	Designation	Directorship
Alwizah Al-Yafii binti Ahmad Kamal	Chairman	Independent Non-Executive Director
Olivia Lim	Member	Independent Non-Executive Director
Tan Mui Ping	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (CONT'D)

- COMPANY SECRETARIES** : Rebecca Kong Say Tsui
SSM Practicing Certificate No.: 202008001003
Professional qualification: MAICSA 7039304
- Leela A/P Suresh Kee See Leng
SSM Practicing Certificate No.: 201908001962
Professional qualification: MAICSA 7069589
- Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No.8, Jalan Kerinchi
59200 Kuala Lumpur
- Tel. No.: +603 2783 9191
Fax. No.: +603 2783 9111
- REGISTERED OFFICE** : Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
- Tel. No.: +603 2783 9191
Fax. No.: +603 2783 9111
- HEAD OFFICE** : No.53-3, Jalan PJU 5/20E
Pusat Perdagangan Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
- Tel. No.: +603 6148 0890
Fax. No.: +603 6148 0891
Email: info@infolinegroup.com
Website: www.infolinegroup.com
- PRINCIPAL ADVISER, SPONSOR,
UNDERWRITER AND
PLACEMENT AGENT** : MIDF Amanah Investment Bank Berhad
Level 21, Menara MIDF
No. 82, Jalan Raja Chulan
50200 Kuala Lumpur
- Tel. No.: +603 2173 8888
Fax. No.: +603 2173 8277
- AUDITORS AND REPORTING
ACCOUNTANTS** : Crowe Malaysia PLT
Level 16, Tower C
Megan Avenue 2
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
- Tel. No.: +603 2788 9999
Fax. No.: +603 2788 9998
- Partner-in-charge:
Kaw Hoong Siang (MIA Member No. CA 33990)
Professional qualification:
(Bachelor of Accounting (Hons) Universiti Putra Malaysia,
Chartered Accountant, Malaysian Institute of Accountants)

1. CORPORATE DIRECTORY (CONT'D)

- SOLICITORS FOR OUR LISTING** : Wong Beh & Toh
Peti #30, Level 19, West Block
Wisma Golden Eagle Realty
142-C Jalan Ampang
50450 Kuala Lumpur

Tel. No.: +603 2713 6050
Fax. No.: +603 2713 6052
- INDEPENDENT MARKET RESEARCHER** : Providence Strategic Partners Sdn Bhd
67-1, Block D, The Suites
Jaya One, Jalan Prof Diraja Ungku Aziz
46200 Petaling Jaya
Selangor Darul Ehsan

Tel. No.: +603 7625 1769

Managing Partner : Melissa Lim
(Bachelor of Commerce (Double major in marketing and management) from Murdoch University, Australia)
- ISSUING HOUSE AND SHARE REGISTRAR** : Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Tel. No.: +603 2783 9299
Fax. No.: +603 2783 9222
- LISTING SOUGHT** : ACE Market

2. APPROVALS AND CONDITIONS

2.1 BURSA SECURITIES

Bursa Securities had, via its letter dated 27 April 2022 (“**Approval Letter**”), approved:

- (i) our admission to the Official List of the ACE Market; and
- (ii) the listing and quotation of our entire enlarged issued Shares on the ACE Market.

The approval from Bursa Securities is subject to the following conditions:

<u>No.</u>	<u>Conditions</u>	<u>Status of compliance</u>
1.	<p>Submission of the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository:</p> <p>(i) Name of shareholders;</p> <p>(ii) Number of Shares; and</p> <p>(iii) Date of expiry of the moratorium for each block of Shares;</p>	Complied.
2.	Confirmation that approvals from other relevant authorities have been obtained for implementation of the Listing;	Complied.
3.	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	To be complied.
4.	Furnish to Bursa Securities with a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of Infoline Tec on the first day of Listing;	To be complied.
5.	<p>In relation to the IPO to be undertaken by Infoline Tec, to announce at least 2 market days prior to the Listing date, the result of the IPO including the following:</p> <p>(i) Level of subscription of public balloting and placement;</p> <p>(ii) Basis of allotment/allocation;</p> <p>(iii) A table showing the distribution for placement tranche as per the format in Appendix I of the Approval Letter; and</p> <p>(iv) Disclosure of placees who become substantial shareholders of Infoline Tec arising from the IPO, if any.</p> <p>To ensure that the overall distribution of the Company’s securities is properly carried out to mitigate any disorderly trading in the secondary market;</p>	To be complied.
6.	Infoline Tec / MIDF Investment to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of Infoline Tec to the Official List of the ACE Market.	To be complied.

2. APPROVALS AND CONDITIONS (CONT'D)

2.2 SC

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

The SC had, via its letter dated 10 May 2022, approved the resultant equity structure of our Company under the equity requirements for public listed companies pursuant to our IPO, subject to the following:

<u>No.</u>	<u>Conditions</u>	<u>Status of compliance</u>
1.	Infoline Tec allocating Shares equivalent to 12.50% of its enlarged number of issued Shares at the point of Listing to Bumiputera investors to be approved by the MITI; and	To be complied.
2.	Infoline Tec is to make available at least 50.00% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors at the point of Listing.	To be complied.

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

Category of shareholders	As at 15 October 2021		After the Acquisitions		After our Listing	
	No. of Shares	% of issued Shares	No. of Shares	% of enlarged issued Shares	No. of Shares	% of enlarged issued Shares
Bumiputera						
- Bumiputera investors to be approved by the MITI	-	-	-	-	⁽¹⁾ 45,403,700	12.50
- Bumiputera public investors via balloting	-	-	-	-	⁽¹⁾ 9,081,000	2.50
- Others	-	-	-	-	⁽²⁾ 300,000	0.08
Total Bumiputera	-	-	-	-	54,784,700	15.08
Non-Bumiputera	500	100.00	289,229,120	100.00	308,444,420	84.92
Total Malaysian	500	100.00	289,229,120	100.00	363,229,120	100.00
Foreigner	-	-	-	-	-	-
Total	500	100.00	289,229,120	100.00	363,229,120	100.00

Notes:

- (1) Based on the assumption that the Issue Shares offered to Bumiputera investors to be approved by the MITI and to Bumiputera public investors via balloting are fully subscribed.
- (2) Based on the assumption that Nor Azzam bin Abdul Jalil and Alwizah Al-Yafii binti Ahmad Kamal will fully subscribe for their entitlements under the pink form allocation.

2. APPROVALS AND CONDITIONS (CONT'D)

2.3 MITI

The MITI had, vide its letter dated 11 April 2022, taken note of and has no objection to our Listing.

2.4 MORATORIUM ON SALE OF SHARES

In compliance with Rule 3.19 of the Listing Requirements and pursuant to the conditions imposed under the approval letter by Bursa Securities, a moratorium will be imposed on the sale, transfer or assignment of our Shares held by our specified shareholders as follows:

- (i) the moratorium applies to our specified shareholders' entire shareholdings for a period of six months from the date of our admission to the ACE Market ("**First Six Months Moratorium**");
- (ii) upon expiry of the First Six Months Moratorium, we must ensure that our specified shareholders' aggregate shareholdings amounting to at least 45.00% of the total number of our issued Shares remain under moratorium for a further six months ("**Second Six Months Moratorium**"); and
- (iii) upon the expiry of the Second Six Month Moratorium, 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.

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2. APPROVALS AND CONDITIONS (CONT'D)

Shares held by CWC and LWH, who are our Promoters, specified shareholders, substantial shareholders, Non-Independent Executive Directors and Key Senior Management, will be subject to the abovementioned moratorium. In addition, Shares held by TYM, who is our Non-Independent Executive Director and Key Senior Management, will be subject to the First Six Months Moratorium on a voluntary basis. Details of our Shares under moratorium are as follows:

Name	Year 1		Year 2		Year 3			
	Shares under moratorium (First Six Months Moratorium)		Shares under moratorium (Second Six Months Moratorium)		Shares under moratorium		Shares under moratorium	
	No. of Shares	⁽¹⁾ (%)	No. of Shares	⁽¹⁾ (%)	No. of Shares	⁽¹⁾ (%)	No. of Shares	⁽¹⁾ (%)
CWC	⁽²⁾ 198,193,906	54.56	163,453,104	45.00	108,968,736	30.0	54,484,368	15.0
LWH	54,454,961	14.99	-	-	-	-	-	-
TYM ⁽³⁾	14,330,253	3.95	-	-	-	-	-	-
Total	266,979,120	73.50	163,453,104	45.00	108,968,736	30.0	54,484,368	15.0

Notes:

- (1) Computed based on our enlarged Shares of 363,229,120 Shares after our IPO.
- (2) After the Offer for Sale.
- (3) On voluntary basis.

The abovementioned moratorium has been fully accepted by CWC, who has provided a written undertaking that he will not sell, transfer or assign his shareholdings under moratorium during the moratorium period. LWH and TYM have also provided an undertaking to Bursa Securities that they will not sell, transfer or assign their shareholdings during the First Six Months Moratorium.

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

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3. 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.

3.1 PRINCIPAL DETAILS OF OUR IPO

Our IPO entails an offering of 96,250,000 IPO Shares at an IPO Price of RM0.32 per IPO Share.

In summary, our IPO Shares will be allocated in the following manner, as set out in Section 4 of this Prospectus:

	Public Issue		Offer for Sale		Total	
	No. of Shares	(1)(%)	No. of Shares	(1)(%)	No. of Shares	(1)(%)
Malaysian Public (via balloting)	18,162,000	5.00	-	-	18,162,000	5.00
Eligible Persons	8,269,000	2.28	-	-	8,269,000	2.28
Private placement to selected investors	2,165,300	0.60	22,250,000	6.12	24,415,300	6.72
Private placement to identified Bumiputera investors approved by the MITI	45,403,700	12.50	-	-	45,403,700	12.50
Total	74,000,000	20.38	22,250,000	6.12	96,250,000	26.50

Note:

(1) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

Enlarged total number of Shares upon Listing 363,229,120

IPO Price per Share RM0.32

Market capitalisation upon Listing (calculated based on our IPO Price and the enlarged total number of 363,229,120 Shares upon Listing) RM116,233,318

Total gross proceeds to be raised by our Company from the Public Issue RM23,680,000

Total gross proceeds to be raised by our Selling Shareholder from the Offer for Sale⁽¹⁾ RM7,120,000

Note:

(1) The gross proceeds from the Offer for Sale will accrue entirely to our Selling Shareholder.

Please refer to Section 4.3 of this Prospectus for further details of our IPO.

Shares held by CWC and LWH, who are our Promoters, specified shareholders, substantial shareholders, Non-Independent Executive Directors and Key Senior Management, will be subject to moratorium. In addition, Shares held by TYM, who is our Non-Independent Executive Director and Key Senior Management, will be subject to the First Six Months Moratorium on a voluntary basis. Further information on moratorium restrictions is disclosed under Section 2.4 of this Prospectus.

3.2 BACKGROUND INFORMATION OF OUR GROUP AND BUSINESS OPERATIONS

Our Company was incorporated in Malaysia on 5 October 2021 under the Act as a private limited company under the name of Infoline Tec Group Sdn Bhd. On 29 October 2021, our Company was converted to a public limited company to facilitate the Listing.

We are an investment holding company while our Subsidiaries are principally involved in providing IT infrastructure solutions, cybersecurity solutions, managed IT and other IT services, and trading of ancillary hardware and software.

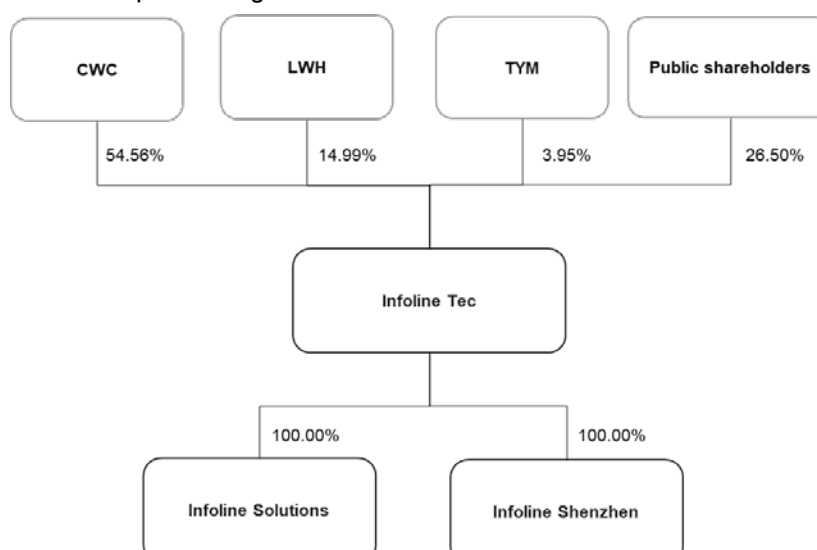
Our Group's head office is located in Kota Damansara, Selangor, Malaysia, with operations in Malaysia and PRC.

3. PROSPECTUS SUMMARY (CONT'D)

A summary of our business model is as follows:

Principal Activity	Types of key solutions / services	Revenue model	Geographic segment	Customer segments
Provision of IT infrastructure solutions (design and implementation of IT infrastructure solutions)	<ul style="list-style-type: none"> Data centre solutions System infrastructure Software-defined infrastructure Network infrastructure Cloud computing solutions Unified communications 	<ul style="list-style-type: none"> One-off project-based fee Software licensing fee 	<ul style="list-style-type: none"> Malaysia China Other markets (including Hong Kong, Australia, Thailand, Singapore, Taiwan, South Korea, India, Myanmar, Indonesia and the Philippines) 	<ul style="list-style-type: none"> Customers who are end-users (i.e. local and multinational companies) Customers who are not end-users (e.g. property consultancy, and property developers and construction companies)
Provision of cybersecurity solutions (design and implementation of cybersecurity solutions)	<ul style="list-style-type: none"> Network security Endpoint protection platform Network access control Anti-DDoS protection Web isolation Application delivery controller Cloud security 	<ul style="list-style-type: none"> One-off project-based fee Software licensing fee 		
Provision of managed IT services and other IT services	<ul style="list-style-type: none"> Managed network services Managed cybersecurity services Project delivery and management services Assessment and troubleshooting services Consultation services Maintenance and technical support 	<ul style="list-style-type: none"> Contract fee Professional service fee 		
Trading of ancillary hardware and software	Examples include computers, notebooks, printers, accessories and peripherals	<ul style="list-style-type: none"> One-off sale 		

Our Group structure upon Listing is set out below:



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

3. PROSPECTUS SUMMARY (CONT'D)

3.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

- (i) **We have the capability and expertise to design, implement, maintain and manage IT infrastructure and cybersecurity solutions that meet various customer requirements**

Our technical department's knowledge and experience garnered over the years have been consolidated into a Fundamental Architectural Design that is constantly kept updated to market trends. This Fundamental Architectural Design allows us to ensure consistent outcomes when delivering our IT infrastructure and cybersecurity solutions.

Furthermore, with the Fundamental Architectural Design and understanding of IT infrastructure and cybersecurity solutions, we have also developed the necessary protocol and processes to carry out our managed IT services in line with the latest technology. We can also add value to our customers' businesses by proposing best practices in designing their IT infrastructure and cybersecurity solutions.

- (ii) **We have a strong portfolio of customers and have established long-term relationships with them**

Our customers are mainly multinational and local companies operating in a diverse range of industries including financial services, telecommunications, property development, retail, healthcare, education, manufacturing, and food and beverage industries. This includes Principals with operations globally.

Our success in securing and retaining our customers is a testament to the quality of the solutions which we have implemented, as well as our customer service and technical support. Further, our success in securing sales from these multinational companies serves as a reference for us as we continue to bid for projects and secure new orders and contracts.

- (iii) **We have built relationships with a well-established network of Principals and suppliers**

Since our inception in 2013, we have been working with numerous Principals and their distributors from whom we source our physical hardware components and software for our IT infrastructure and cybersecurity solutions. These include brand owners and distributors of reputable brands such as Dell Technologies, Inc., Check Point Software Technologies Ltd., Panduit Corporation, VMware, Inc., Palo Alto Networks Inc. and Fortinet Inc..

By working with multiple Principals and distributors, we are not tied to a particular brand. Our ability to access a wide range of hardware and software from numerous brands has allowed us to create customised solutions for our customers, depending on their needs, industry requirements and budget. Thus, we can cater to a diverse range of needs based on factors such as organisation size, budget and complexity of the solution.

Further, we have built good working relationships with our network of Principals and their distributors, which has allowed us to source and place orders easily. We also leverage on our relationship with these reputable brand names, enabling us to build more reliable solutions for our customers.

3. PROSPECTUS SUMMARY (CONT'D)

As at the LPD, we have been recognised as Gold Partner by Dell Technologies, Inc. and Panduit Corporation; as well as 3-Star Partner by Check Point Software Technologies Ltd. and Huawei Technologies Co. Ltd and Aruba Gold Partner Status by Hewlett Packard Enterprise Company. These recognitions indicate that we work closely with the respective Principals in securing new projects. Some of these recognitions also indicate that we can obtain better pricing arrangements and rebates from these Principals, which in turn could lead to us being able to offer more competitive pricing to our customers.

(iv) We have our own NOC and can offer efficient and reliable customer service and technical support

We have a dedicated technical support team based in our office in Malaysia to provide technical support to all of our existing customers and implement projects in Malaysia and other markets. As at the LPD, we have 12 permanent and 4 contract personnel in our technical department, of which 12 have been certified by some of our Principals. We also hire subcontractors based in PRC to provide technical support to customers in the country.

In 2017, we also established our own NOC in Kota Damansara as a central location to provide managed network services. Our engineers provide support to our customers 24 hours daily. The NOC allows our staff to remotely monitor and manage our customers' IT infrastructure to ensure optimum IT performance and efficiency while minimising downtime.

(v) We have an experienced and committed management team

We have an experienced and committed management team. Our Chief Executive Officer, CWC, is responsible for business development as well as the overall strategic and general management of our Group. Meanwhile, our Chief Operating Officer, LWH, is responsible for operational management and project delivery of our Group.

CWC and LWH have had an average of 20 years' experience in the IT industry, having worked for several IT hardware distributors and/or Principals' distributors. Both our Chief Executive Officer and Chief Operating Officer are supported by our management team who have accumulated experience in their respective fields. The combination of our key management team's experience and expertise have been integral to our success and will continue to be a key factor in our future development.

Further details on our competitive strengths are set out in Section 7.2 of this Prospectus.

3.4 BUSINESS STRATEGIES AND PROSPECTS

Our Group's business strategies and prospects are set out below:

(i) We intend to enhance our facilities and services to increase our capacity and capabilities for providing managed IT services

In order to grow our managed IT services segment, we intend to undertake the following:

(a) Enhancement of our NOC

We will be improving the infrastructure of our existing NOC by acquiring equipment, software and accessories that allow for higher capacities, such as upgrading our switches, servers and storage. This will enable us to cater for more customers and enhance the range of managed network services provided.

The enhancement of the new NOC will entail increasing bandwidth and acquiring new hardware to cater for higher bandwidth, and upgrading of system to allow for centralisation of systems/applications in the NOC, higher visibility of customers' network allowing for more comprehensive network insight to ease troubleshooting, multi-tenancy i.e. concurrently support multiple customers' accounts and customisation of dashboards, support for and consolidation of multiple platforms from different clients.

3. PROSPECTUS SUMMARY (CONT'D)

We plan to complete the enhancement of our NOC within 8 months from the receipt of our IPO proceeds, barring any unforeseen circumstances.

(b) Setting up of a SOC

We will be setting up our SOC in our Kota Damansara head office. The SOC will encompass a dedicated IT infrastructure. A SOC is a facility which facilitate the monitoring and management of cyber threats and attacks impacting an enterprise's IT infrastructure. The intended setting up of a SOC will enable a substantial upgrade (in respect of service offerings and capabilities) to our current managed cybersecurity services such as support the monitoring and collections of security events and incidents, threat analysis and threat hunting, centralisation of information for a more holistic view of security activities, proactive threat monitoring and automation of response workflows. We plan to complete the setting up of our SOC within 18 months upon receiving our IPO proceeds.

(c) Development and enhancement of in-house applications

We plan to enhance our present project management application which we presently use in carrying out our professional IT services. With the enhanced project management application, customers of our managed IT services can utilise this application to track the delivery of our services as well as any request for changes in services provided. This will enable us to better serve our managed IT services customers.

Further, we also intend to develop an outsourced engineer application, which will also be integrated with the helpdesk application used in our proposed enhanced NOC and new SOC. This will allow customers of our managed IT services to book subcontractors, comprising engineers for on-site troubleshooting and rectification works on an on-demand basis. These customers will be able to select the number of external technical engineers and level of skillset required. Additionally, we will also be able to better service our customers in markets where we do not have permanent technical personnel stationed at as the outsourced engineer application will allow us to tap into local engineers in the particular country to serve our customers efficiently and promptly.

We will be able to integrate these applications with the NOC and SOC when they are completed, i.e. 18 months from the date of receipt of IPO proceeds.

(ii) We intend to set up our technology centre and a disaster recovery centre to improve our sales and marketing activities and strengthen our presence in Malaysia**(a) Setting up a technology centre**

We presently demonstrate customised solutions to our customers and potential customers at our Kota Damansara head office, and this is typically performed during the pre-sales stage. Our present infrastructure has limited hardware, and can only demonstrate 1 type of solution at one point in time. Moving forward, we plan to acquire the necessary physical hardware components as well as software to enable demonstration of a wide range of solutions involving software defined infrastructure and virtual desktop without renting third-party hardware.

The proposed technology centre will also be able to run multiple solution configurations concurrently. Further, our technical department will be able to test configurations of new customised solutions prior to on-site implementation, which will shorten the time taken for implementation and thus, allowing us to take on more projects.

3. PROSPECTUS SUMMARY (CONT'D)

(b) Set up a disaster recovery centre

We currently use third-party cloud-based disaster recovery facilities to minimise any disruptions to our operations. We thus intend to set up our own disaster recovery centre. A disaster recovery centre will enable us to recover and restore our data and IT infrastructure to allow for operations to continue despite disruptions caused by events such as cyber attacks and natural disasters, which would enhance our customers' confidence in our ability to provide uninterrupted services.

We estimate that we will take approximately 9 months from the date of receipt of IPO proceeds to set up the proposed technology centre and disaster recovery centre.

(iii) We plan to expand our geographical presence in Malaysia and in international markets

We intend to grow our customer base in the Southern region of Peninsular Malaysia (i.e. Johor and Malacca) and East Malaysia (i.e. Sabah and Sarawak). We thus intend to expand our technical team by recruiting new engineers stationed in these states. We estimate that we will require a total of 6 new additional technical personnel who will be stationed in Johor, Sabah and Sarawak. These new personnel will be recruited within 3 months upon receipt of IPO proceeds.

In addition, we also intend to expand our presence to other parts of PRC due to the growing market potential present in PRC, as detailed in the IMR Report in Section 8 of this Prospectus. At present, as we are currently based in Shenzhen, our customer base is largely in Shenzhen. We also plan to expand our sales and technical team by recruiting approximately 6 new personnel which will be stationed in several major cities including Shanghai, Beijing, Wuhan, Chengdu and Heilongjiang. These new personnel will be recruited over the span of 1 year from the receipt of IPO proceeds.

Apart from the above, we also plan to penetrate into international markets in Asia Pacific where some of our customers, who are multinational companies, intend to expand into. We will expand into these markets should we successfully secure a contract and receive enquiries from potential customers and taking into consideration the prospects for the IT infrastructure and cybersecurity market, and political and economic factors within the country. As at the LPD, we have currently received enquiries from our existing customers and potential customers based in Japan and Australia.

Further details on our business strategies and prospects, and the IMR Report are set out in Sections 7.19 and 8 of this Prospectus, respectively.

3.5 RISK FACTORS

Our business is subject to a number of risk factors, many of which may have a material adverse impact on our business operations, financial position and performance. A summary of the key risk factors is set out below:

(i) We are dependent on major customers, particularly Dell group of companies

The revenue generated collectively from the Dell group of companies comprised 37.6%, 45.2%, 52.6% and 54.7% of our Group's revenues in the FYE Under Review.

Our customers under the Dell group of companies, are spread across different countries and region, including Malaysia, PRC, Hong Kong, Australia, Singapore, Thailand, Taiwan, South Korea, India, Myanmar, Indonesia and the Philippines. As set out in Section 7.12 of this Prospectus, certain companies under the Dell group of companies contributed more to our Group's revenue during the FYE Under Review, as compared to other companies under the same group. As such, we are exposed to risks that we may fail to secure sufficient projects in the future, or encounter delays in payments or non-payments from the companies under the Dell group of companies which may adversely affect our Group's business operations and financial performance.

3. PROSPECTUS SUMMARY (CONT'D)

(ii) We are dependent on our Executive Directors for the continued success of our Group

We believe that our success is heavily dependent upon the continued service of our Executive Directors who have extensive knowledge and experience in our business and industry.

As such, the loss of any of our Executive Directors without suitable or timely replacements may result in an adverse effect on our Group's operations and may eventually affect our ability to maintain and/or improve our business or, financial performances.

(iii) We depend on our ability to secure new projects and customers

Our future profitability and financial performance depend on our ability to secure new projects and customers.

The absence of long-term contracts poses a risk of losing our existing customers since they are not obligated to continue engaging us for our solutions and services. If we were to lose any of our customers, particularly our major customers, and are unable to secure sales from new customers or additional sales from existing customers in a timely manner, our business and financial performance may be adversely affected.

(iv) Our Group may face risks of security breaches and failure to protect our proprietary information as well as our customers' information

We have a NOC to support our managed network services, which have the necessary facilities to monitor and manage our customers' IT infrastructure. In addition, we also retain confidential data/information pertaining to our customers.

As such, we may also face risks of external security threats such as malware attacks, hacking, espionage and cyber intrusion, as well as internal security breaches. This includes unauthorised access to restricted information by employees, or attacks which originate from malware-infected devices which are brought into the network system by employees.

(v) Our managed IT services business segment may be affected by system failures

Our managed IT services segment contributed 45.5%, 27.8%, 24.2% and 17.8% to our Group's total revenue in the FYE Under Review.

We are thus dependent on our software systems and network connection to operate our NOC which is internet-enabled to allow for remote monitoring of our customers' IT infrastructure. As such, should there be any system failures or malfunctions caused by events that may be beyond our control, such as power failures, natural disasters, equipment failure and network connectivity downtime, this may disrupt the provision of managed IT services to our customers.

Further details on the risks faced by our business and operations, the industry we operate in and investment in our Shares are set out in Section 9 of this Prospectus.

3. PROSPECTUS SUMMARY (CONT'D)

3.6 IMPACT OF COVID-19

Impact of COVID-19 on our business operations in Malaysia

On 16 March 2020, the Government of Malaysia announced the MCO under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 which took effect from 18 March 2020. Our Group was able to partially resume our operations in our office in Malaysia on 4 May 2020 after receipt of approval from MITI, and subsequently fully resumed our operations in office on 10 June 2020. While we were not allowed to operate in our offices in Malaysia and PRC at this time, it did not have any major material impact on our business operations as our employees worked remotely from home.

However, during this period, our IT infrastructure and cybersecurity solution projects were interrupted as we could not carry out work at our customers' premises. Nevertheless, we only experienced minor delays for a few of our projects and there was no penalty imposed by our customers for the delays. As such, we did not experience any major loss of income from these projects arising from such delays. In addition, as our managed network services was deemed as an essential service, our NOC was operating as usual and our managed IT services could be rendered remotely to our customers.

During the Total Lockdown which was imposed on 1 June 2021, our employees worked remotely from home. However, we could continue to carry out the design, implementation and maintenance solutions on-site at our customers' premises for customers operating in the essential services sector and undertake managed IT services at our NOC and head office.

Impact of COVID-19 on our business operations in PRC

Meanwhile, our employees at our office in PRC were allowed to return to the office on 17 February 2020. Our office in PRC was not subject to any lockdown policies from February 2020 up to 13 March 2020. Between 14 March 2022 and 21 March 2022, our office in PRC was closed due to the lockdown policy imposed in Shenzhen, PRC. There was no material impact on our business operations and we resumed activities in PRC on 22 March 2022.

Impact on our sales performance

As mentioned in the IMR Report in Section 8 of this Prospectus, the COVID-19 pandemic played a part in driving the digital economy. Many corporations implemented work-from-home policies during the MCO and NRP, which gave rise to the use of digital tools to enable file sharing, virtual video and audio conferencing and project management applications. These digital tools require the use of IT infrastructure and cybersecurity solutions.

Consequently, our Group benefitted from the accelerated shift towards the digital economy and our revenues improved from RM31.06 million in FYE 2019 to RM43.82 million in FYE 2020, and further increased to RM44.6 million in FYE 2021. Our Group expects to continue benefiting as IT infrastructure and cybersecurity solutions become increasingly essential in carrying out daily operational tasks.

Impact of COVID-19 on our supply chain

During this period, there was an overwhelming demand for hardware which resulted in overall shortage of hardware or the supply of goods. As a result, the implementation of some of our projects during the MCO period were prolonged by 6 to 8 weeks, though there were no penalties imposed by our customers for any project delivery.

3. PROSPECTUS SUMMARY (CONT'D)

3.7 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and Key Senior Management are as follows:

Name	Designation
Directors	
Nor Azzam bin Abdul Jalil	Independent Non-Executive Chairman
Choo Wei Chuen	Non-Independent Executive Director / Chief Executive Officer
Loo Wai Hong	Non-Independent Executive Director / Chief Operating Officer
Too Yit Meng	Non-Independent Executive Director / Chief Marketing Officer
Tan Mui Ping	Independent Non-Executive Director
Alwizah Al-Yafii binti Ahmad Kamal	Independent Non-Executive Director
Olivia Lim	Independent Non-Executive Director
Key Senior Management	
Choo Wei Chuen	Non-Independent Executive Director / Chief Executive Officer
Loo Wai Hong	Non-Independent Executive Director / Chief Operating Officer
Too Yit Meng	Non-Independent Executive Director / Chief Marketing Officer
Toh Woan Fei	Chief Financial Officer
Koay Hean Jin	Chief Technical Officer

Further details of our Directors and Key Senior Management are set out in Section 5 of this Prospectus.

3.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

Details of our Promoters and substantial shareholders before and after our IPO are as follows:

Name / Nationality	Before IPO				After IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)(%)	No. of Shares	(1)(%)	No. of Shares	(2)(%)	No. of Shares	(2)(%)
Promoters and substantial shareholders								
CWC / Malaysian	220,443,906	76.22	-	-	198,193,906	54.56	-	-
LWH / Malaysian	54,454,961	18.83	-	-	54,454,961	14.99	-	-

Notes:

- (1) Based on our issued Shares of 289,229,120 Shares before our IPO.
- (2) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

Further details of our Promoters and substantial shareholders and their shareholdings in our Company are set out in Section 5 of this Prospectus.

3.9 DIVIDEND POLICY

It is the intention of our Board's policy to recommend and distribute dividends of up to 30.0% of our annual audited PAT attributable to the shareholders of our Company. Any dividends declared will be subject to confirmation of our Board as well as any applicable law, licence conditions and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board.

Further details of our dividend policy are set out in Section 12.14 of this Prospectus.

3. PROSPECTUS SUMMARY (CONT'D)

3.10 UTILISATION OF PROCEEDS

The total gross proceeds of approximately RM23.68 million from the Public Issue will be utilised by our Group in the following manner:

Utilisation of proceeds	Amount of proceeds		Estimated timeframe for utilisation from the date of our Listing
	RM'000	%	
Setting up of technology centre and disaster recovery centre	8,460	35.73	Within 9 months
Enhancement of NOC	4,300	18.16	Within 8 months
Setting up of a SOC	4,700	19.85	Within 18 months
Business expansion	2,220	9.37	Within 12 months
Estimated listing expenses	4,000	16.89	Within 3 months
Total	23,680	100.00	

There is no minimum subscription to be raised from our IPO. Our Company will not receive any proceeds from the Offer for Sale. Further details of the proposed utilisation of proceeds are set out in Section 4.7 of this Prospectus.

3.11 FINANCIAL HIGHLIGHTS

The following table sets out a summary of the combined financial information of our Group for the FYE Under Review.

	FYE 2018	FYE 2019	FYE 2020	FYE 2021
	RM'000	RM'000	RM'000	RM'000
Revenue	18,838	31,058	43,815	44,586
Cost of sales	(11,838)	(22,162)	(29,753)	(27,549)
GP	7,000	8,896	14,062	17,037
PBT	4,304	4,411	9,302	10,527
PAT	3,033	3,801	7,046	7,796
GP margin (%) ⁽¹⁾	37.2	28.6	32.1	38.2
PBT margin (%) ⁽²⁾	22.8	14.2	21.2	23.6
PAT margin (%) ⁽²⁾	16.1	12.2	16.1	17.5
Gearing ratio (times) ⁽³⁾	-	0.19	0.02	0.01
Current ratio (times) ⁽⁴⁾	1.81	1.49	1.88	2.54

Notes:

- (1) GP margin is computed based on GP over revenue for the financial year.
- (2) PBT margin and PAT margin are computed based on the respective PBT and PAT for the financial years over revenue.
- (3) Gearing ratio is computed based on total borrowings over total equity as at each financial year.
- (4) Current ratio is computed based on current assets over current liabilities as at each financial year.

Further details of the financial information relating to our Group are set out in Sections 12 to 14 of this Prospectus.

4. DETAILS OF OUR LISTING

4.1 OPENING AND CLOSING OF APPLICATIONS

The Application for our IPO will open at 10.00 a.m. on 20 June 2022 and close at 5.00 p.m. on 28 June 2022. Late Applications will not be accepted.

4.2 INDICATIVE TIMETABLE

An indicative timetable for our IPO is set out below:

Events	Tentative date
Issuance of Prospectus / Opening of application for our IPO Shares	20 June 2022
Closing of application for our IPO Shares	28 June 2022
Balloting of application for our IPO Shares	1 July 2022
Allotment / transfer of our IPO Shares to successful applicants	8 July 2022
Listing on the ACE Market of Bursa Securities	13 July 2022

In the event there is any change to the indicative timetable above, we will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia.

4.3 DETAILS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares are expected to be allocated in the manner described below.

4.3.1 Public Issue

A total of 74,000,000 Issue Shares representing approximately 20.38% of our enlarged Shares are offered at our IPO Price. Our Issue Shares will be allocated in the following manner:

(i) Malaysian Public

18,162,000 Issue Shares, representing 5.00% of our enlarged Shares will be made available for application by the Malaysian Public through a balloting process as follows:

(a) 9,081,000 Issue Shares made available to non-Bumiputera public investors; and

(b) 9,081,000 Issue Shares made available to Bumiputera public investors.

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4. DETAILS OF OUR LISTING (CONT'D)**(ii) Eligible Persons**

8,269,000 Pink Form Shares, representing 2.28% of our enlarged Shares will be made available for application by the Eligible Persons in the following manner:

Eligible Persons	No. of persons	Aggregate number of Pink Form Shares allocated
Our Directors ⁽¹⁾	4	600,000
Eligible employees of our Group ⁽²⁾	23	4,320,000
Persons who have contributed to the success of our Group ⁽³⁾	20	3,349,000
Total	47	8,269,000

Notes:

- (1) The allocation to our Directors are based on, among others, their respective roles and responsibilities of our Company and they are collectively allocated a total of 600,000 Pink Form Shares as follows:

Name	Designation	Number of Pink Form Shares allocated
Nor Azzam bin Abdul Jalil	Independent Non-Executive Chairman	150,000
Tan Mui Ping	Independent Non-Executive Director	150,000
Alwizah Al-Yafii binti Ahmad Kamal	Independent Non-Executive Director	150,000
Olivia Lim	Independent Non-Executive Director	150,000
Total		600,000

- (2) The allocation to the eligible employees of our Group who are confirmed full-time employees are based on, among others, their job grade, performance, length of service and their past contribution to our Group. Our Key Senior Management are collectively allocated a total of 810,000 Pink Form Shares as follows:

Name	Designation	Number of Pink Form Shares allocated
Toh Woan Fei	Chief Financial Officer	360,000
Koay Hean Jin	Chief Technical Officer	450,000
Total		810,000

- (3) The allocation to the persons who have contributed to the success of our Group are based on, among others, the nature and terms of their business relationship with us, their length of business relationship with our Group and the level of contribution and support to the success of our Group. This may include, amongst others, our suppliers and customers who have contributed to the success of our Group.

4. DETAILS OF OUR LISTING (CONT'D)

(iii) Private placement to selected investors

2,165,300 Issue Shares, representing 0.60% of our enlarged Shares will be made available by way of private placement to selected investors.

(iv) Private placement to identified Bumiputera investors approved by the MITI

45,403,700 Issue Shares, representing 12.50% of our enlarged Shares will be made available by way of private placement to identified Bumiputera investors approved by MITI.

Our Public Issue is expected to raise gross proceeds of RM23.68 million and will accrue entirely to our Company. The Public Issue will increase our issued Shares from 289,229,120 Shares to 363,229,120 Shares.

Save for the allocation made available for Application as disclosed in Section 4.3.1(ii) of this Prospectus, it is not known to our Company as to whether any of the Directors or Key Senior Management have the intention to subscribe for the Issue Shares allocated under Section 4.3.1(i) of this Prospectus for the Malaysian Public. Our Company is also not aware as to whether there is any person intending to subscribe for more than 5.00% of the Issue Shares allocated under Section 4.3.1(i) of this Prospectus for the Malaysian Public.

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4. DETAILS OF OUR LISTING (CONT'D)

4.3.2 Offer for Sale

The Selling Shareholder is offering 22,250,000 Offer Shares, representing 6.12% of our enlarged Shares by way of private placement to selected investors at our IPO Price. Our Offer for Sale is expected to raise gross proceeds of RM7.12 million and will accrue entirely to the Selling Shareholder.

The Offer Shares to be offered by the Selling Shareholder and his shareholdings in our Company before and after our IPO is as follows:

Name/ Address	Material relationship with our Group	Before our IPO		Offer Shares offered		After our IPO					
		Direct		Indirect		Direct		Indirect			
		No. of Shares	(¹)(%)	No. of Shares	(¹)(%)	No. of Shares	(²)(%)	No. of Shares	(²)(%)		
CWC / 47, Jalan PJU 3/12G Tropicana Indah Resort Homes 47410 Petaling Jaya Selangor Darul Ehsan	Promoter, substantial shareholder, Non- Independent Executive Director and Chief Executive Officer	220,443,906	76.22	-	-	22,250,000	6.12	198,193,906	54.56	-	-

Notes:

- (1) Based on our issued Shares of 289,229,120 Shares before our IPO.
- (2) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

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4. DETAILS OF OUR LISTING (CONT'D)

4.3.3 Summary of our IPO Shares to be allocated and underwriting

A summary of our IPO Shares to be allocated is as follows:

	Public Issue		Offer for Sale		Total	
	No. of Shares	⁽¹⁾ (%)	No. of Shares	⁽¹⁾ (%)	No. of Shares	⁽¹⁾ (%)
Malaysian Public (via balloting)	18,162,000	5.00	-	-	18,162,000	5.00
Eligible Persons	8,269,000	2.28	-	-	8,269,000	2.28
Private placement to selected investors	2,165,300	0.60	22,250,000	6.12	24,415,300	6.72
Private placement to identified Bumiputera investors approved by the MITI	45,403,700	12.50	-	-	45,403,700	12.50
Total	74,000,000	20.38	22,250,000	6.12	96,250,000	26.50

Note:

(1) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

The 18,162,000 Issue Shares made available for Application by the Malaysian Public and the 8,269,000 Pink Form Shares made available to the Eligible Persons under Sections 4.3.1(i) and 4.3.1(ii) of this Prospectus, respectively are fully underwritten by our Underwriter.

All the 24,415,300 IPO Shares made available to selected investors by way of private placement under Sections 4.3.1(iii) and 4.3.2 of this Prospectus and 45,403,700 Issue Shares made available to identified Bumiputera investors approved by the MITI via private placement under Section 4.3.1(iv) of this Prospectus are not underwritten. Irrevocable undertakings will be obtained from selected investors to subscribe for the IPO Shares available under the private placement.

Any unsubscribed Pink Form Shares (“**Excess Issue Shares**”) will be re-offered to the Eligible Persons (excluding eligible Directors) who have applied for excess on top of their pre-determined allocation and allocated on a fair and equitable basis and in the following priority:

- (i) firstly, allocation on a pro-rata basis to the eligible employees of our Group who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for;
- (ii) secondly, allocation of any surplus Excess Issue Shares after (i) above on a pro-rata basis to persons who have contributed to the success of our Group and have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for; and
- (iii) thirdly, to minimise odd lots.

Our Board reserves the right to allot Excess Issue Shares applied in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (i) to (iii) above is achieved. Our Board also reserves the right to accept or reject any Excess Issue Shares application, in full or in part, without assigning any reason.

4. DETAILS OF OUR LISTING (CONT'D)

Once completed, the steps involving items (i) to (iii) above will not be repeated. Should there be any balance of Excess Issue Shares thereafter, such balance will be made available to the Malaysian Public and/or selected investors via private placement. Any unsubscribed Issue Shares by the Malaysian Public will be made available for Application by way of private placement to selected investors. Any unsubscribed Issue Shares by identified Bumiputera investors approved by the MITI (“**MITI Tranche**”) will firstly be offered to institutional investors. Subsequently, any MITI Tranche that is not taken up shall be made available for Application by the Bumiputera public investors as part of the balloting process.

Any Issue Shares not taken up by the selected investors after being reallocated from the Malaysian Public and/or Eligible Persons shall be taken up by our Underwriter in accordance with the terms and conditions of the Underwriting Agreement.

The allocation of our IPO Shares shall be on a fair and equitable manner and shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company’s shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares.

There is no minimum subscription amount to be raised from the IPO. All the IPO Shares are either subscribed by the Malaysian Public, Eligible Persons and/or selected investors, pursuant to their irrevocable undertakings or fully underwritten by our Underwriter. The number of IPO Shares offered under the Public Issue will not be increased via any over-allotment or “greenshoe” option.

Details on the underwriting arrangement are set out in Section 4.9 of this Prospectus.

4.3.4 Minimum and over subscription

There is no minimum level of proceeds to be raised by us under our IPO. However, in order to comply with the public shareholding spread requirements of the Listing Requirements, the minimum subscription level in terms of the number of Shares will be the number of Shares required to be held by public shareholders of our Company to comply with the minimum public shareholding spread requirement under 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 Directors.

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares 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 Application. 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.

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4. DETAILS OF OUR LISTING (CONT'D)

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

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

Details	No. of Shares	RM
Total number of Shares as at the date of this Prospectus	289,229,120	14,461,456
New Shares to be issued pursuant to the Public Issue	74,000,000	⁽¹⁾ 23,680,000
Enlarged total number of Shares upon Listing	363,229,120	38,141,456
Offer for Sale	22,250,000	7,120,000
IPO Price		0.32
Pro forma NA per Share as at 31 December 2021 after the adjustment for the dividend declaration for the FYE 2021, Acquisitions, Public Issue and the intended use of proceeds		0.10
Market capitalisation upon Listing based on our IPO Price and the enlarged total number of 363,229,120 Shares upon Listing		116,233,318

Note:

(1) Calculated based on the IPO Price and before deducting the estimated listing expenses of approximately RM1.2 million which is directly attributable to our Public Issue.

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 issue, 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, subject to any applicable Rules of Bursa Depository.

Our Offer Shares will rank equally in all respects with our existing Shares, including voting rights, and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable Rules of Bursa Depository.

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

At any general meeting of our Company, each of our shareholders shall be entitled to vote in person, by proxy, by attorney or by duly authorised representative. A proxy may but need not be a member of our Company and there shall be no restriction as to the qualification of the proxy.

On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held.

4. DETAILS OF OUR LISTING (CONT'D)

4.5 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price of RM0.32 per IPO Share was determined and agreed upon between our Directors and our Promoters, together with MIDF Investment, being our Principal Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following factors:

- (i) our strong growth demonstrated by the growth of our revenue and PAT for the financial year at a CAGR of 33.3% and 37.0%, respectively from FYE 2018 to FYE 2021;
- (ii) our EPS of 2.7 sen (based on the existing number of issued Shares of 289,229,120 Shares) for the FYE 31 December 2021 based on our PAT of RM7.8 million and 2.1 sen (based on the enlarged number of issued Shares of 363,229,120 Shares upon Listing) which translates into PE Multiple of 11.9 times and 15.2 times respectively;
- (iii) our detailed financial performance and operating history are outlined in Sections 12 and 6.1 of this Prospectus respectively.
- (iv) our competitive strengths, as outlined in Section 7.2 of this Prospectus, which are summarised as follows:
 - (a) capability and expertise to design, implement, maintain and manage IT infrastructure and cybersecurity solutions that meet various customer requirements;
 - (b) strong portfolio of customers and established long-term relationships with them;
 - (c) relationships with a well-established network of Principals and suppliers;
 - (d) own NOC which enables us to offer efficient and reliable customer service and technical support; and
 - (e) experienced and committed management team;
- (v) our business strategies and prospects which includes the enhancement of facilities for managed IT services, setting up of technology centre and disaster recovery centre, and geographical expansion in Malaysia and international markets as outlined in Section 7.19 of this Prospectus;
- (vi) overview and outlook of the industry in which our Group operates as described in Section 8 of this Prospectus; and
- (vii) our prevailing market conditions including among others, market performance of key global indices, domestic and foreign exchanges, and investors' sentiments.

You should also note that the market price of our Shares upon Listing is subject to market forces and other uncertainties which may affect the price of our Shares. You are reminded to consider the risk factors as set out in Section 9 of this Prospectus before deciding to invest in our Shares.

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4. DETAILS OF OUR LISTING (CONT'D)

4.6 DILUTION

4.6.1 NA per Share

Dilution is computed as the difference between our IPO Price paid by you for our Issue Shares and the pro forma NA per Share of our Group immediately after our IPO. The following table illustrates the effect in our Group's pro forma NA for each Share to our shareholders:

	<u>RM</u>
IPO Price	0.32
Pro forma NA per Share as at 31 December 2021 before our Public Issue	0.05
Pro forma NA per Share as at 31 December 2021 after the adjustment for the dividend declaration for FYE 2021, Acquisitions, Public Issue and the intended use of proceeds	0.10
Increase in the pro forma NA per Share attributable to existing shareholders	0.05
Dilution in the pro forma NA per Share to new investors	0.22
Dilution in the pro forma NA per Share to new investors as a percentage of our IPO Price	68.75%

Please refer to Section 13 of this Prospectus for further details of our Group's pro forma NA per Share as at 31 December 2021.

4.6.2 Effective cost per Share

Save as disclosed below, there is no substantial disparity between our IPO Price and effective cash cost of our Shares acquired by our Promoters, Directors, substantial shareholders or Key Senior Management, or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares during the past 3 years to the date of this Prospectus:

Name	No. of Shares held before our IPO	Total consideration	Average effective cost for each Share
		RM	RM
Promoters, Directors, substantial shareholders and Key Senior Management			
CWC	220,443,906	11,022,195	0.05
LWH	54,454,961	2,722,748	0.05
Director and Key Senior Management			
TYM	14,330,253	716,513	0.05
Total	289,229,120	14,461,456	0.05

4. DETAILS OF OUR LISTING (CONT'D)

4.7 UTILISATION OF PROCEEDS

The total gross proceeds of approximately RM23.68 million from the Public Issue will be utilised by our Group in the following manner:

Utilisation of proceeds	Amount of proceeds		Estimated timeframe for utilisation from the date of our Listing
	RM'000	%	
Setting up of technology centre and disaster recovery centre	8,460	35.73	Within 9 months
Enhancement of NOC	4,300	18.16	Within 8 months
Setting up of a SOC	4,700	19.85	Within 18 months
Business expansion	2,220	9.37	Within 12 months
Estimated listing expenses	4,000	16.89	Within 3 months
Total	23,680	100.00	

Further details of the utilisation of proceeds are set out in the ensuing paragraphs:

(a) Setting up of our technology centre and disaster recovery centre

We propose to utilise RM8.46 million representing 35.73% of the total proceeds raised from our IPO to set up a technology centre and disaster recovery centre. The technology centre will be set up at our Kota Damansara head office, while the disaster recovery centre will be set up at a co-location facility.

Our present infrastructure at our Kota Damansara head office has limited hardware and we often have to rent third-party hardware to enable demonstration for solutions involving software defined infrastructure and virtual desktop. Our technical department will also have to rebuild infrastructure for every solution, and our head office can only demonstrate 1 type of solution at one point in time. Some of the software utilised are software for demonstration purposes only, hence may not be able to demonstrate the full capability of the software. Thus, by acquiring our own software and physical hardware components instead of renting from a third party, we will be able to:

- demonstrate the proposed solutions to potential customers at any time and is not constrained by the availability of the rented hardware;
- demonstrate the full capabilities of the software to our customers without limitation, due to the software being a demonstration version; and
- demonstrate a wider range of solutions involving software defined infrastructure and virtual desktop, and run multiple solution configurations concurrently.

4. DETAILS OF OUR LISTING (CONT'D)

We intend to spend RM7.20 million to set up the technology centre by acquiring the following hardware and software, and undertake facilities enhancement:

Details	Estimated costs RM'000
- Hardware such as storage tapes, discs and racks, servers, routers, switches, firewall and UPS	4,820
- Software such as virtualisation software, software defined tools and Windows server	2,200
- Facilities enhancement such as minor revisions to the layout of the area space and electrical wiring works	180
Total	7,200

In addition, we currently use third-party cloud-based disaster recovery facilities to minimise any disruptions to our operations. There are some limitations to the utilisation of cloud-based disaster recovery facilities, including higher costs incurred as the volume of data stored grows as we are charged based on usage, as well as costs incurred for downloading the data stored on the cloud. In addition, there may be customers who prefer that we do not store and back up their company information using the cloud.

Hence, we intend to set up our own disaster recovery centre which will enable us to recover and restore our data and IT infrastructure to allow for operations to continue despite disruptions caused by events such as cyber attacks and natural disasters.

The disaster recovery centre will be located at a different location (a highly secured physical environment) i.e. a co-location facility which we intend to rent. We will acquire the necessary equipment and software to set up our own disaster recovery centre in the said location.

We plan to spend RM1.26 million to set up our own disaster recovery centre in the manner set out below:

Details	Estimated costs RM'000
- Hardware such as storage tapes, discs and racks, servers, routers, switches and firewall	770
- Software such as virtualisation software, software defined tools and Windows server	380
- Co-location rental and set up cost	110
Total	1,260

With the new technology centre, we would be able to better serve our prospective customers through the necessary infrastructure to demonstrate solutions as they are readily available. This will improve customer confidence and allow us to test configurations of new customised solutions prior to implementation on-site at customers' premises to shorten time taken for implementation. Additionally, the new disaster recovery centre will enhance our customers' confidence in our ability to provide uninterrupted services.

4. DETAILS OF OUR LISTING (CONT'D)

The disaster recovery centre will also serve as an internal disaster recovery centre should any of our present IT infrastructure systems fail. This will minimise risks of system failures of our Group's internal IT infrastructure.

Please refer to Section 7.19.2(ii) of this Prospectus for further details.

Pending the receipt of our IPO proceeds, we may proceed with our plans as set out above by utilising our internally generated funds. Therefore, when the IPO proceeds that we have allocated for this enhancement and set up are received, we will use the proceeds allocated to replenish our internally generated funds.

In the event of a surplus/deficit in the allocated amount for enhancement of our technology centre and setting up our disaster recovery centre, such variance will be adjusted to/from the proceeds allocated for business expansion.

We expect to complete the setting up of our technology centre and disaster recovery centre within 9 months from our Listing.

(b) Enhancement of our NOC

We intend to utilise RM4.30 million representing 18.16% of the IPO proceeds to improve the infrastructure of our existing NOC by acquiring equipment, software and accessories that allow for higher capacities, such as upgrading our switches, servers and storage.

Currently, our NOC has limited bandwidth, and the current NOC's dashboard analytics do not allow for centralisation of information from all systems/applications under the NOC such as the helpdesk applications and network monitoring system. As the systems in the current NOC run separately, analytics gathered through the systems/applications must be manually consolidated into a holistic report for customers.

The enhancement of the new NOC will entail increasing bandwidth and acquiring new hardware to cater for higher bandwidth, and upgrading of systems. This will enable us to cater for more customers and enhance the range of managed network services provided as the new NOC will allow for the following, amongst others:

- centralisation of systems/applications in the NOC;
- higher visibility on the status of the customers' networks allowing for more comprehensive network insights which will ease troubleshooting of issues;
- multi-tenancy where the NOC will be able to support multiple customers' accounts concurrently, and dashboards can be customised for customers in accordance with the required scope of works; and
- support and consolidate multiple platforms from different clients.

4. DETAILS OF OUR LISTING (CONT'D)

In order to upgrade our NOC, we propose to purchase the following new hardware and software and undertake facilities enhancement to ensure the present facilities can accommodate the additional hardware:

Details	Estimated costs RM'000
- Hardware such as servers, racks, switches, firewall, video wall display solutions and UPS	2,300
- Software such as network performance monitoring, network configuration management and endpoint management software	1,850
- Facilities enhancement such as minor revisions to the layout of the area space and electrical wiring works	150
Total	4,300

Please refer to Section 7.19.2(i) of this Prospectus for further details.

Pending the receipt of our IPO proceeds, we may proceed with our plan to upgrade our NOC by utilising our internally generated funds. Therefore, when the IPO proceeds that we have allocated for this upgrading are received, we will use the proceeds allocated to replenish our internally generated funds.

In the event of a surplus/deficit in the allocated amount for enhancement of our NOC, such variance will be adjusted to/from the proceeds allocated for business expansion.

We expect to complete the enhancement of our NOC within 8 months from our Listing.

(c) Setting up of a SOC

We will be setting up our SOC in our Kota Damansara head office. The SOC will encompass a dedicated IT infrastructure to facilitate the monitoring and management of cyber threats and attacks impacting an enterprise's IT infrastructure. The intended setting up of a SOC will enable a substantial upgrade (in respect of service offerings and capabilities) to our current managed cybersecurity services.

We intend to allocate RM4.70 million representing 19.85% of the IPO proceeds to set-up the SOC, which will be used to acquire and set up the IT infrastructure required as follows:

Details	Estimated costs RM'000
- Hardware such as servers, switches, firewall, storage tapes, discs and racks, video wall display solutions and UPS	2,450
- Software such as networking management and monitoring, endpoint management and traffic analysis software	2,100
- Facilities enhancement such as minor revisions to the layout of the area space and electrical wiring works	150
Total	4,700

Please refer to Section 7.19.2(i) of this Prospectus for further details.

4. DETAILS OF OUR LISTING (CONT'D)

Pending the receipt of our IPO proceeds, we may proceed with our plans to set up the SOC by utilising our internally generated funds. Therefore, when the IPO proceeds that we have allocated for this set-up are received, we will use the proceeds allocated to replenish our internally generated funds.

In the event of a surplus/deficit in the allocated amount for setting up the SOC, such variance will be adjusted to/from the proceeds allocated for business expansion.

We expect to complete setting up the SOC within 18 months from our Listing.

(d) Business expansion

We plan to use approximately RM2.22 million representing 9.37% of the IPO proceeds to expand our sales and technical team by recruiting additional personnel to support the growth of our existing business operations due to the expected growth in our scale of business in tandem with our expansion into the Southern region of Peninsular Malaysia (i.e. Johor and Malacca), East Malaysia (i.e. Sabah and Sarawak), and several major cities in PRC.

We intend to recruit an additional 6 personnel to be stationed in Johor, Sabah and Sarawak, and 6 personnel to be stationed in several major cities in PRC. Details of the allocations are as follows:

Working capital	RM'000
Expansion in Malaysia	1,110
Expansion in PRC	1,110
Total	2,220

Increasing the number of technical personnel will allow us to promptly respond to our potential customers and existing customers, thus enabling us to provide reliable and efficient service to our customers. We do not intend to set up offices in these identified locations as our newly hired technical personnel will have the flexibility of working from home and at the customers' premises.

Please refer to Section 7.19.2(iii) of this Prospectus for further details.

We expect to utilise the proceeds allocated for business expansion within 12 months from our Listing.

Pending the receipt of our IPO proceeds, we may proceed with our plans as set out above by utilising our internally generated funds. Therefore, when the IPO proceeds that we have allocated for this business expansion are received, we will use the proceeds allocated to replenish our internally generated funds.

In the event of a deficit in the allocated proceeds for business expansion, our Group has sufficient internally generated funds to fund such variances. As such, our Group does not foresee any impact on our business expansion plans.

4. DETAILS OF OUR LISTING (CONT'D)

(e) Estimated listing expenses

Our listing expenses are estimated to be approximately RM4.00 million representing 16.89% of our IPO proceeds, details of which are as follows:

Details	RM'000
Professional fees	2,766
Brokerage, underwriting and placement fees	717
Fees payable to authorities	72
Fees and expenses for printing, advertising and roadshow	274
Miscellaneous expenses and contingencies	171
Total	4,000

Pending the receipt of the IPO proceeds, we may utilise our internally generated funds for the listing expenses. When the IPO proceeds which have been allocated for the listing expenses are received, we will use the proceeds allocated to replenish our internally generated funds.

In the event of a surplus/deficit in the allocated amount for estimated listing expenses, such variance will be adjusted to/from the proceeds allocated for business expansion.

We expect to utilise the proceeds allocated for listing expenses within 3 months from our Listing.

Pending the eventual use of proceeds raised from the Public Issue, the proceeds will be placed in interest-bearing short-term deposits or money market instruments with licensed financial institutions.

Our Company will not receive any proceeds from the Offer for Sale. Based on the IPO Price, the gross proceeds from the Offer for Sale of approximately RM7.12 million will accrue entirely to the Selling Shareholder. The Selling Shareholder shall bear the entire incidental expenses and fees in relation to the Offer for Sale, amounting to RM0.25 million.

The financial impact of the use of proceeds from our Public Issue is illustrated in the Pro Forma Combined Statements of Financial Position as at 31 December 2021 set out in Section 13 of this Prospectus.

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4. DETAILS OF OUR LISTING (CONT'D)

4.8 UNDERWRITING COMMISSION, BROKERAGE AND PLACEMENT FEES

4.8.1 Underwriting Commission

We have entered into the Underwriting Agreement with MIDF Investment, our Underwriter for the underwriting of 26,431,000 Issue Shares (“**Underwritten Shares**”). We will pay an underwriting commission of 2.50% of the total value of the Underwritten Shares.

4.8.2 Brokerage Fee

We will pay the brokerage fee in respect of our Issue Shares, at the rate of 1.00% of our IPO Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/ or the Issuing House.

4.8.3 Placement Fee

Our Placement Agent has agreed to place out 24,415,300 IPO Shares to selected investors and 45,403,700 Issue Shares to identified Bumiputera investors approved by the MITI. Our Company will pay a placement fee of up to 2.50% of the total value of IPO Shares successfully placed out by our Placement Agent.

The Selling Shareholder will bear the placement fee for the 22,250,000 Offer Shares.

4.9 DETAILS OF UNDERWRITING ARRANGEMENT

Pursuant to the Underwriting Agreement entered on 1 June 2022, our Underwriter has agreed to manage the Underwritten Shares on the terms and conditions as set out in the Underwriting Agreement.

The following are the salient terms contained in the Underwriting Agreement. The capitalised terms used in this section shall have the respective meanings as ascribed thereto in the Underwriting Agreement:

- (i) The obligation of our Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement is conditional on the performance by our Company of our obligations under the Underwriting Agreement and is conditional on the following:
 - (a) our Underwriter receiving the certificate in the form or substantially in the form contained in Schedule 2 (Certificate by the Company) of the Underwriting Agreement, one dated the date of registration of the Prospectus and the other dated the Closing Date, both of which are to be signed by a director of our Company (on behalf of our Board) stating that, to the best of his knowledge and belief, after having made all reasonable enquiries, there has been no such change, development or occurrence as set out in the Underwriting Agreement and being provided with the reports or confirmation and being satisfied at the date of registration of the Prospectus and Closing Date respectively that:
 - there is no occurrence of any change or any development likely to result in a prospective change in the financial position, business operations or conditions (financial or otherwise) of our Group taken as a whole and from that set out in the Prospectus which would have or is likely to have a material adverse effect;

4. DETAILS OF OUR LISTING (CONT'D)

- there is no occurrence of any event or the discovery of any facts or circumstances which would render any representations, warranties or undertakings set out in the Underwriting Agreement to be untrue or inaccurate, misleading or incorrect, not complied with, failure to be performed in any respect or result in a breach of the Underwriting Agreement by our Company;
 - there shall not have occurred any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which in the opinion of our Underwriter would have or is likely to have a material adverse effect (whether in the primary market or in respect of dealings in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI (“**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 Closing Date, lower than 85% 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 three (3) consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;
 - there is no breach by our Company of any of its obligations under the Underwriting Agreement;
 - all undertakings, representations, warranties and covenants of our Company under the Underwriting Agreement has been complied with and not breached; and
 - our Company has satisfied all the conditions as set out in the Underwriting Agreement on its part to be performed.
- (b) the Underwriting Agreement being signed by the relevant authorised signatories to the Underwriting Agreement and stamped within the statutory time frame;
- (c) the Prospectus being in the form and substance satisfactory to our Underwriter;
- (d) the issue of the Prospectus not later than one (1) month from the date of the Underwriting Agreement or such later date as our Underwriter and our Company may from time to time agree in writing;
- (e) the registration of the Prospectus and such other documents as may be required in accordance with the CMSA in relation to the IPO with Bursa Securities and its lodgement with the ROC by the Issue Date;
- (f) all necessary approvals including, but not limited to, the approvals as set out in the Underwriting Agreement remaining in full force and effect and that all conditions to the approvals (except for any which can only be complied with after the IPO has been completed) have been complied with;
- (g) the approval of Bursa Securities for the admission of our Company to the Official List and the Listing being obtained on terms acceptable to our Underwriter and the approvals of Bursa Securities remaining in full force and effect and that all conditions (except for any which can only be complied with after the IPO has been completed) have been complied with to our Underwriter’s reasonable satisfaction;

4. DETAILS OF OUR LISTING (CONT'D)

- (h) our Underwriter being satisfied that our Company will, following completion of the IPO, be admitted to the Official List and its Enlarged Shares quoted on the ACE Market no later than three (3) months from the date of the Underwriting Agreement unless mutually agreed to in writing by the parties;
- (i) the execution of the Placement Mandate and such agreement(s) as may be determined by the Placement Mandate are in force and not having been terminated or rescinded pursuant to the provisions thereof (whereby for the avoidance of doubt, the execution of the Placement Mandate by our Underwriter in its capacity as the placement agent shall be at the sole discretion of our Underwriter);
- (j) our Underwriter receiving a copy duly certified by a director or secretary of our Company to be a true and accurate copy and in full force and effect, of a resolution of the Directors:
- approving the Prospectus (including a confirmation that the Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in the Prospectus), the Underwriting Agreement and the transactions contemplated by it;
 - authorising the issuance of the Prospectus;
 - authorising a person to sign and deliver the Underwriting Agreement on behalf of our Company;
 - approving the IPO and the Listing and the transactions contemplated by each of the same;
 - approving the allotment and issue of the IPO Shares under the IPO; and
 - confirming that the Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in the Prospectus.
- (k) all the resolutions referred to in Section 4.9(i)(j) remaining in full force and effect as at the Closing Date and none having been rescinded or revoked or varied;
- (l) the IPO and/or the Listing not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with the IPO and/or the Listing have been obtained and are in force up to the Closing Date;
- (m) our Company and/or any of our Subsidiaries does not have any actual or contingent liability under applicable laws or regulations concerning human health and safety, pollution or protection of the environment or in relation to any interest in land which would have a material effect on the IPO and/or the Listing;
- (n) our Underwriter being satisfied that our Company has complied with and that the IPO and the Listing is in compliance with the policies, guidelines and requirements of the Bursa Securities, SC and all other applicable securities laws and regulations, including all revisions, amendments and/or supplements to it;

4. DETAILS OF OUR LISTING (CONT'D)

- (o) there being no occurrence of any event which occurs after the date of the Underwriting Agreement and on or prior to the Closing Date which if it had occurred before the date of the Underwriting Agreement would have rendered any of the representations, warranties and undertakings as set out in the Underwriting Agreement untrue or inaccurate;
 - (p) there not having occurred on or prior to the Closing Date any breach of and/or failure to perform any of the undertakings by our Company contained in the Underwriting Agreement;
 - (q) there not being any investigation, directions or actions by any judicial, governmental or regulatory authority in relation to the Listing or in connection with our Group which is still subsisting or unresolved to the satisfaction of our Underwriter;
 - (r) there having been, as at Closing Date, no registration or lodgement of any amendment, supplement, or replacement to the Prospectus with Bursa Securities or the ROC without the prior written approval of our Underwriter;
 - (s) the obligations of our Underwriter to subscribe for and/or procure subscriptions for the Underwritten Shares not being prohibited by any statute, order, external rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority in Malaysia at any time on or before the Closing Date; and
 - (t) our Underwriter being satisfied with the arrangements of our Company to pay the expenses as set out in the Underwriting Agreement.
- (ii) Notwithstanding anything contained in the Underwriting Agreement, our Underwriter may at its sole and absolute discretion terminate the Underwriting Agreement and withdraw its obligation upon the occurrence of any of the following:
- (a) there is any breach by our Company of any of the representations, warranties or undertakings as set out in the Underwriting Agreement or which is contained in any certificate, statement or notice under or in connection with the Underwriting Agreement; or
 - (b) there is failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement; or
 - (c) there is withholding of information from our Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the 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 Shares issued or offered under the IPO; or
 - (d) there shall have occurred, or happened any material and adverse change in the business or financial condition of our Group; or
 - (e) the closing date of the application of the IPO Shares does not occur within three (3) months from the date of the Underwriting Agreement, subject to the extension of the Closing Date which is approved by our Underwriter; or

4. DETAILS OF OUR LISTING (CONT'D)

- (f) the occurrence of any force majeure event or any event or series of events beyond the reasonable control of our Underwriter including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), pandemic, epidemic, acts of terrorism, strikes, national disorder, declaration of a state of emergency, lock outs, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents which would have or can reasonably be expected to have a material adverse effect or which has or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the IPO or pursuant to the underwriting of the Underwritten Shares; or
- (g) there shall have occurred any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which in the opinion of our Underwriter would have or is likely to have a material adverse effect (whether in the primary market or in respect of dealings in the secondary market). For the avoidance of doubt, if the 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 Closing Date, lower than 85% 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 three (3) consecutive Market Days, it shall be deemed a material adverse change in the stock market condition; or
- (h) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court/authorities which has/likely to have material adverse effect on our Group and/or materially prejudice the business or the operations of our Group, the success of the IPO, or the Listing or market conditions generally or which has or is likely to have the effect of making the Underwriting Agreement incapable of performance in accordance with its terms; or
- (i) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities; or
- (j) any government requisition or occurrence of any other nature which would have or is likely to have a material adverse effect on the business, operations and/or financial position or prospects of our Group or the success of the IPO; or
- (k) the Public Issue and/or Offer for Sale is stopped or delayed by our Company, the Selling Shareholder or any relevant authorities for any reason whatsoever (unless such delay has been approved by our Underwriter); or
- (l) any commencement of legal proceedings or action against any member of our Group or the Selling Shareholder or any of their directors, which in the opinion of our Underwriter, would have or is likely to have a material adverse effect or make it impracticable to market the IPO or to enforce contracts to allot and/or transfer the Shares; or

4. DETAILS OF OUR LISTING (CONT'D)

- (m) any one of the Issue Documents (i) having been terminated or rescinded in accordance with its terms; (ii) ceased to have any effect whatsoever, or (iii) varied or supplemented upon terms and such variation or supplementation would have or likely to have a material adverse effect; or
- (n) any of the resolutions or approvals referred to in Section 4.9(i)(j) is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is likely to have a material adverse effect; or
- (o) if the SC or any other relevant authority issues an order pursuant to any Malaysian law such as to make it impracticable to market the IPO or to allot and/or transfer the IPO Shares; or
- (p) any other event in which a material adverse effect has occurred or which in the opinion of our Underwriter is likely to occur;
- (q) if the obligations of our Underwriter to subscribe for and/or procure subscriptions for the Underwritten Shares is or becomes prohibited by any statute, order, rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority of any jurisdiction; or
- (r) in the event that the Listing is withdrawn or not procured or procured but subject to conditions not acceptable to our Underwriter or does not take place within three (3) months from the date of the Underwriting Agreement or such other extended date as may be agreed in writing by our Underwriter.

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4. DETAILS OF OUR LISTING (CONT'D)

4.10 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (i) to establish liquidity for our Shares by the listing of and quotation for our entire ordinary shares on the ACE Market of Bursa Securities;
- (ii) to enable us to access the equity capital market and to provide us the financial flexibility to pursue growth opportunities;
- (iii) to raise funds for the purposes as set out in Section 4.7 of this Prospectus;
- (iv) to enable our Group to gain recognition through our listing status and further enhance our corporate reputation and brand name which is aimed at expanding our customer base; and
- (v) to provide an opportunity for the Malaysian Public, our eligible Directors, employees as well as persons who have contributed to the success of our Group to participate in our equity.

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

5.1 OUR PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Shareholdings of our Promoters and substantial shareholders

Details of our Promoters' and substantial shareholders' shareholdings in our Company before and after our IPO are as follows:

Promoters and substantial shareholders	Nationality	Before our IPO			After our IPO				
		Direct		Indirect	Direct		Indirect		
		No. of Shares	(⁽¹⁾)(%)	No. of Shares	(⁽¹⁾)(%)	No. of Shares	(⁽²⁾)(%)		
CWC	Malaysian	220,443,906	76.22	-	-	198,193,906	54.56	-	-
LWH	Malaysian	54,454,961	18.83	-	-	54,454,961	14.99	-	-

Notes:

(1) Based on our issued Shares of 289,229,120 Shares after the Acquisitions but before our IPO.

(2) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

The Shares held by our Promoters and substantial shareholders do not have and will not have different voting rights from the other shareholders of our Company.

Save for our Promoters and substantial shareholders named above, we are not aware of any other persons who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is no arrangement between our Company and our Promoters, with any third parties, which may at a subsequent date result in the change in control of our Company.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.1.2 Profiles of Promoters and substantial shareholders**(i) CWC**

CWC, a Malaysian male aged 44, is our Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer. He was appointed to our Board on 1 November 2021. He is responsible for business development as well as the overall strategic and general management of our Group.

He graduated with a Diploma in Telecommunication & Computer from Kolej Damansara Utama, Malaysia, in June 1999.

He began his career with Telshine Network System Sdn Bhd as Assistant Engineer in July 1999 where he was part of the operations and maintenance team at Kuala Lumpur International Airport and was responsible for the passenger check-in processing system. In February 2000, he was promoted as Telecommunication Engineer where he was responsible for the support and maintenance of unified communication system for the clients of Telshine Network System Sdn Bhd.

In April 2002, he left Telshine Network System Sdn Bhd and joined ECS Pericomp Sdn Bhd as Services Maintenance Sales Executive where he was responsible for new and renewal services maintenance support. In December 2002, he left ECS Pericomp Sdn Bhd and later joined Directron Sdn Bhd as Assistant Sales Manager in January 2003 where he was responsible for new and renewal software sales support.

In December 2003, he left Directron Sdn Bhd to join Infoline Technology Sdn Bhd, which he co-founded in July 2003 with other shareholders. He held the position of director and was responsible for the operations, financial control, sales, projects, customer support as well as management of the company. Infoline Technology Sdn Bhd became inactive since 2015. In September 2018, he resigned as the director and sold his stake in Infoline Technology Sdn Bhd to a third party not connected to him. Subsequently, Infoline Technology Sdn Bhd was renamed to Infinitum Technologies Sdn Bhd in September 2018 under the new owner.

Meanwhile, CWC was appointed as a supervisor in Infoline Shenzhen in January 2013 and was appointed as a director of Infoline Technology Limited in May 2014, where he was responsible for overall management of the company. Infoline Shenzhen was a wholly-owned subsidiary of Infoline Technology Limited then. Subsequently, he acquired the entire shareholdings in Infoline Technology Limited in August 2015. In December 2018, he resigned from his position as the supervisor and was appointed as the director of Infoline Shenzhen. He was responsible for business development and general management of Infoline Shenzhen. In December 2019, he acquired the entire shareholdings in Infoline Shenzhen from Infoline Technology Limited. For clarity, Infoline Shenzhen and Infoline Technology Limited are not related to Infoline Technology Sdn Bhd (now known as Infinitum Technologies Sdn Bhd). In August 2020, he resigned as the director and sold his stake in Infoline Technology Limited to a third party not connected to him. Subsequently, Infoline Technology Limited was renamed to Akima ICT Limited in June 2021 under the new owner.

In June 2016, he joined Infoline Solutions and was appointed a director and assumed the role of Chief Executive Officer where he was responsible for the business development as well as the overall strategic and general management of the company. In October 2018, he acquired the entire shareholdings in Infoline Solutions from the then existing shareholders. In June 2021, he was reassigned as the Chief Executive Officer of Infoline Solutions where he assumes his current responsibilities.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

His background and experience have allowed him to establish a vast network of customers comprising multinational and established local companies, and this has assisted our Group in securing projects from such companies in the past. In addition, under his leadership, we developed our in-house project management application to enhance our efficiency in carrying out our IT services, particularly project delivery and management services. He was also key in our Group's expansion into the PRC market.

Please refer to Section 5.2.3 of this Prospectus for details of CWC's principal directorships in other corporations and principal business activities performed outside our Group as at the LPD.

(ii) LWH

LWH, a Malaysian male aged 44, is our Promoter, substantial shareholder, Non-Independent Executive Director and Chief Operating Officer. He was appointed to our Board on 1 November 2021. He is responsible for the operational management and project delivery of our Group.

He obtained an Advanced Diploma in Science from Tunku Abdul Rahman College, Malaysia, in March 2002, and subsequently obtained a Bachelor of Science (Business Information System) from Campbell University, United States of America, in June 2002.

He has over 18 years of experience in the ICT industry with various roles in technical, channel sales, enterprise sales lead as well as board management. He began his career with Ftec Resources Sdn Bhd as Technical Sales Executive in May 2002 where he was responsible for maximising sales of products within a specified account and ensuring that sales target is achieved.

In February 2004, he left Ftec Resources Sdn Bhd and joined Ingram Micro Malaysia Sdn Bhd as Channel Executive in March 2004 where he was responsible for channel sales and account management of the company. He was promoted to Senior Channel Manager in September 2009 where he was responsible for leading the enterprise team to achieve sales quota of the company. During his tenure in the company, he was awarded the Million Ringgit Profit Quarterly contributor in 2010 and 2011, as well as the Top Cisco Revenue Contributor in 2010.

In April 2012, he left Ingram Micro Malaysia Sdn Bhd and joined Infoline Technology Sdn Bhd as General Manager in the same month where he was responsible for the operational management and sales of Infoline Technology Sdn Bhd. In May 2013, he left Infoline Technology Sdn Bhd and founded Infoline Solutions in the same month. He was appointed as director, where he was responsible for the overall operations and project delivery of Infoline Solutions. In September 2017, he was appointed as a General Manager in Infoline Shenzhen responsible for the operational management as well as sales of Infoline Shenzhen. In March 2018, he was appointed as the supervisor of Infoline Shenzhen. In June 2021, he was reassigned as the Chief Operating Officer of Infoline Solutions where he assumes his current responsibility.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

During his tenure with our Group, he helped improve the operations and technical capabilities of our Group. Our Group undertook the initiative to start training new engineers in-house and to rely less on external recruits and recruitment agents, allowing our Group to procure suitably trained manpower to undertake the assignments. He also established the NOC to provide managed IT services to customers, and works closely with the Principals such as Dell Technologies Inc., Panduit Corporation, Check Point Software Technologies Ltd., VMWare Inc., Fortinet Inc. and Palo Alto Networks Inc. and their distributors.

Please refer to Section 5.2.3 of this Prospectus for details of LWH's principal directorships in other corporations and principal business activities performed outside our Group as at the LPD.

5.1.3 Changes in shareholdings

Save for the issuance of Shares to the Promoters and substantial shareholders upon the incorporation of our Company and pursuant to the Acquisitions as detailed in Section 6.3 of this Prospectus, and the acquisition of the remaining 200 subscribers' Shares not held by CWC, there has been no change in our Promoters' and substantial shareholders' shareholdings in our Company for the past 3 years preceding the LPD.

5.1.4 Promoters and/ or substantial shareholders' remuneration and benefits in-kind

Save for the dividends declared and/or paid to our Promoters and/or substantial shareholders as disclosed below and the aggregate remuneration and benefits in-kind paid or to be paid to our Promoters and/or substantial shareholders as disclosed in Section 5.2.4 of this Prospectus, there are no other amounts or benefits paid and intended to be paid or given to our Promoters and/or substantial shareholders within the 3 years preceding the date of this Prospectus and up to the LPD:

	Dividend declared and/or paid			
	FYE 2019	FYE 2020	FYE 2021	1 January 2022 up to the LPD
	RM'000	RM'000	RM'000	RM'000
CWC	4,624	1,800	-	(1)1,290
LWH	-	-	-	(1)575

Note:

- (1) A final dividend of RM0.9247 per ordinary share amounting to RM2,015,779 in respect of the FYE 2021 was declared on 27 April 2022 and was subsequently paid on 6 May 2022.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2 BOARD OF DIRECTORS

5.2.1 Shareholdings of our Directors

The following table sets out the direct and indirect shareholdings of our Directors before and after our IPO:

Name	Nationality	Before our IPO			After our IPO		
		Direct		Indirect	Direct		Indirect
		No. of Shares	(¹)(%)	No. of Shares	(¹)(%)	No. of Shares	(²)(%)
Nor Azzam bin Abdul Jalil	Malaysian	-	-	-	-	(³)150,000	-*
CWC	Malaysian	220,443,906	76.22	-	-	198,193,906	54.56
LWH	Malaysian	54,454,961	18.83	-	-	54,454,961	14.99
TYM	Malaysian	14,330,253	4.95	-	-	14,330,253	3.95
Tan Mui Ping	Malaysian	-	-	-	-	(³)150,000	-*
Alwizah binti Ahmad Kamal	Malaysian	-	-	-	-	(³)150,000	-*
Olivia Lim	Malaysian	-	-	-	-	(³)150,000	-*

Notes:

* Negligible.

(1) Based on our issued Shares of 289,229,120 Shares as at the LPD after the Acquisitions but before our IPO.

(2) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

(3) Based on the assumption that the Directors subscribe in full for their entitlements to the Pink Form Shares.

None of our Directors represent any corporate shareholder on our Board. Further, there are no family relationships between our Directors.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.2 Profiles of Directors

The profiles of our Directors are as follows:

(i) Nor Azzam bin Abdul Jalil

Nor Azzam bin Abdul Jalil, a Malaysian male aged 57, is our Independent Non-Executive Chairman. He was appointed to our Board on 1 November 2021.

He graduated with a Bachelor of Business Administration (Finance) from George Washington University, United States of America in May 1987.

Upon his graduation, he was employed as an Executive Trainee by Bank of Commerce (M) Berhad in October 1987. In November 1991, he was promoted as Assistant Vice President and was responsible for managing the bank's Nostro Accounts. In August 1993, he moved to the corporate banking department as a Credit Officer where he was responsible for the sales and marketing of corporate loan facilities. Subsequently, he was promoted to Head of Japanese Desk in January 1995 where he was responsible for managing the corporate relationships with Japanese multinational companies in Malaysia.

In December 1999, after the merger of Bank of Commerce (M) Berhad and Bank Bumiputra Malaysia Berhad to Bumiputra-Commerce Bank Berhad, he was redesignated as Business Center Manager where he was responsible to set-up and manage a business center in Klang Valley. In August 2000, he was seconded to Tokyo, Japan branch of Bumiputra-Commerce Bank Berhad as General Manager to manage the day-to-day operations of the branch.

He returned to Malaysia in January 2005 to be the Chief Executive Officer of Commerce Tijari Bank Berhad and was transferred to CIMB Bank Berhad as Regional Director IV (responsible for the South Selangor and Negeri Sembilan branches) in January 2006. He was subsequently promoted to the position of Senior Vice President/Regional Director I (responsible for the Kuala Lumpur branches) in January 2010. He remained with the CIMB Group and was promoted several times before leaving CIMB Bank Berhad in May 2016. His last position with the bank was Acting Head of Consumer Sales and Distribution, responsible for driving retail banking and enterprise banking business. He joined Kuwait Finance House (Malaysia) Berhad in June 2016 as Deputy Chief Executive Officer, where he was responsible for assisting in driving the overall strategic direction of the bank's business.

In March 2017, he left Kuwait Finance House (Malaysia) Berhad to join his family business, Voxel Imaging Sdn Bhd, a visual effects and production company for film and television as well as end-to-end production for corporate and commercial clients. He currently manages the financial and investment aspects of the company.

He is currently the Independent Non-Executive Chairman of 2 public listed companies, namely Revenue Group Berhad and Ocean Vantage Holdings Berhad, and also the Independent Non-Executive Director of Nestcon Berhad and Hikmat Duta Holdings Berhad.

Please refer to Section 5.2.3 of this Prospectus for details of Nor Azzam bin Abdul Jalil's principal directorships in other corporations and principal business activities performed outside our Group as at the LPD.

(ii) CWC

CWC is our Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer. The profile of CWC is set out in Section 5.1.2(i) of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(iii) LWH

LWH is our Promoter, substantial shareholder, Non-Independent Executive Director and Chief Operating Officer. The profile of LWH is set out in Section 5.1.2(ii) of this Prospectus.

(iv) TYM

TYM, a Malaysian male aged 38, is our Non-Independent Executive Director and Chief Marketing Officer. He was appointed to our Board on 1 November 2021. He is responsible for formulating sales plans and strategies for Malaysian market, supervising account managers, setting sales targets and managing relationships with Principals, business partners and key customers.

He graduated with a Bachelor of Science Network Computing from Napier University, Edinburgh, United Kingdom in December 2005.

He began his career as a System Engineer with NH2 System Sdn Bhd in January 2006 where he was responsible for implementing network solutions, maintaining operating systems, application systems, application software and system management tools, and technical support. He left NH2 System Sdn Bhd and joined Ingram Micro (M) Sdn Bhd as a Business Development Executive in September 2009 where he was responsible for business development and sales strategy.

In February 2012, he left Ingram Micro (M) Sdn Bhd and joined Infoline Technology Sdn Bhd as an Account Manager where he was responsible for developing sales and networking strategies. In May 2013, he left Infoline Technology Sdn Bhd and joined Infoline Solutions as Business Development Manager in June 2013 where he was responsible for formulating sales strategy, keeping abreast with market developments and managing relationships with Principals, business partners, suppliers and customers.

In March 2020, he was promoted to the position of Head of Sales and was subsequently reassigned as Chief Marketing Officer in June 2021 where he assumes his current responsibilities. In September 2021, he was appointed as a director of Infoline Solutions.

Throughout his tenure in Infoline Solutions, our Group had developed sales strategy and expanded its clientele base to include those in the financial services industry (e.g. AIG Technologies (Malaysia) Sdn Bhd, Maybank Shared Services Sdn Bhd, Bank Pertanian Malaysia Berhad, BNP Paribas Malaysia Berhad and China Construction Bank (Malaysia) Berhad). Our Group also achieved the 3-Star Partner by Huawei Technologies Co. Ltd and Aruba Silver Partner Status by Hewlett Packard Enterprise Company for 2021. Together with CWC and LWH, he helped to set up Infoline's internal training centre and oversees the setting up of the software development department.

Please refer to Section 5.2.3 of this Prospectus for details of TYM's principal directorships in other corporations and principal business activities performed outside our Group as at the LPD.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(v) Tan Mui Ping

Tan Mui Ping, a Malaysian female aged 46, is our Independent Non-Executive Director. She was appointed to our Board on 1 November 2021.

She obtained a certification for the Association of Chartered Certified Accountants (“**ACCA**”) in February 1999. She became a Member of ACCA in May 2001 and was subsequently made a Fellow Member of ACCA in April 2006. She is also a member of the Malaysian Institute of Accountants since December 2001, a registered company secretary with the CCM since February 2020 as well as a member of the Institute of Corporate Directors Malaysia since January 2022.

She has over 20 years of experience in senior finance roles which covers the areas of corporate finance, investment analysis, business development partnering and investment feasibility study, and group finance matters, treasury and tax planning.

She began her career in Shamsir Jasani Grant Thornton (now known as Grant Thornton Malaysia PLT) in April 1998 and left the firm in May 2001 as an Audit Senior. From May 2001 to October 2001, she took a break for personal reason. In October 2001, she joined Wah Seong Corporation Berhad as an Accountant where she was responsible for the group reporting and corporate finance functions. She was also involved in the listing exercise of Wah Seong Corporation Berhad.

In June 2003, she left Wah Seong Corporation Berhad and joined Edaran Otomobil Nasional Berhad as a Manager - Group Finance in the same month where she was responsible for the group finance matters, corporate finance and tax planning as well as involved in its business transformation program.

In June 2007, she left Edaran Otomobil Nasional Berhad and joined Advance Synergy Berhad (“**ASB**”) as Head of Finance in the same month. During her tenure in ASB, she was involved in various corporate exercises including, among others, capital reduction exercise and issuance of irredeemable convertible unsecured loan stocks of ASB, privatisation and delisting of Advance Synergy Capital Berhad, a subsidiary of ASB, restructuring of Advance Synergy Capital Berhad group’s business, assets and resources post privatisation as well as acquisition of new business and disposal of ASB’s hotel assets.

In October 2012, she left ASB and joined Weida (M) Bhd (“**Weida**”) as a Senior Manager of the Corporate Department in the same month. In August 2014, she was promoted to the position of General Manager in the Group Managing Director’s Office, a position she assumes to present date. Throughout her tenure in Weida, she supports the Group Executive Chairman and works closely with other team members and strategic partners on Group Executive Chairman related tasks and projects. Her responsibilities include business development partnering, investment feasibility study, corporate finance, group finance matter, treasury, group tax planning and support the senior management in investors’ relations activities. She was also the acting Financial Controller of Weida’s property development division from 2013 to 2016.

Please refer to Section 5.2.3 of this Prospectus for details of Tan Mui Ping’s principal directorships in other corporations and principal business activities performed outside our Group as at the LPD.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(vi) Alwizah Al-Yafii binti Ahmad Kamal

Alwizah Al-Yafii binti Ahmad Kamal, a Malaysian female aged 48, is our Independent Non-Executive Director. She was appointed to our Board on 1 November 2021.

She graduated with a Bachelor of Laws with Honours from University of Bristol, England in June 1997. In August 2000, she was admitted as an Advocate and Solicitor in the High Court of Malaya and has since become a member of the Bar Council Malaysia until August 2006. She became an Associate of MAICSA in August 2006 and was subsequently awarded a Fellowship of MAICSA on January 2014. She was also a member of the Institute of Corporate Directors Malaysia from January 2018 to December 2019, as well as a registered company secretary with the CCM since February 2020.

She has over 21 years of experience in the corporate legal and company secretarial work. She commenced her legal career as a legal associate in Messrs Zaid Ibrahim & Co from August 2000. In May 2003, she left Messrs Zaid Ibrahim & Co and joined Messrs Zul Rafique & Partners as a legal associate. Throughout her career as a legal practitioner, she represented a number of international and local financial institutions in restructuring exercises involving public listed companies, as well as advising on various debt capital market related matters.

In June 2006, she left Zul Rafique & Partners and joined Intellectual Property Services Sdn Bhd (now known as ZICO Corporate Services Sdn Bhd) as a Manager and was responsible for business development of the company. Subsequently, she was promoted to an Executive Director in May 2010 where she was responsible for overseeing the operations of the company. In April 2013, she left Intellectual Property Services Sdn Bhd and founded AKAL Corporate Advisors Sdn Bhd. Subsequently in May 2014, she founded AKAL Advisors PLT that provides accounting and financing & payroll services.

As the Managing Director of AKAL Corporate Advisors Sdn Bhd, she currently handles over 300 private limited companies, public companies as well as foundations and advises them on all corporate secretarial matters. She also advises on incorporation of companies in Malaysia, foreign branches and foundations, as well as ensuring compliance with the Act and circulars issued by the CCM.

She is currently the Independent Non-Executive Director of Cnergiz Berhad and Revenue Group Berhad.

Please refer to Section 5.2.3 of this Prospectus for details of Alwizah Al-Yafii binti Ahmad Kamal's principal directorships in other corporations and principal business activities performed outside our Group as at the LPD.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(vii) Olivia Lim

Olivia Lim, a Malaysian female aged 43, is our Independent Non-Executive Director. She was appointed to our Board on 1 November 2021.

She graduated with a Bachelor of Laws (Honours) from National University of Malaysia in August 2003. In February 2004, she was admitted as an Advocate and Solicitor in the High Court of Malaya and has been a member of the Bar Council Malaysia since then.

She has over 17 years of experience in the legal profession. She commenced her legal career as a legal associate in Messrs Zul Rafique & Partners from March 2004 to March 2008. Subsequently in March 2008, she joined Messrs Ben & Partners as a senior legal associate and she was made a partner of the firm in January 2012.

She then left the boutique law firm in September 2015 and set up her own legal firm, Olivia Lim & Co in October 2015. Being the Managing Partner of the firm since then, her expertise spans across the legal aspects of corporate finance, capital and equity markets as well as corporate advisory matters.

Throughout her working experience as a legal practitioner, she has been involved in, among others, various legal due diligence exercises on companies undertaking initial public offerings in Malaysia, Shenzhen Stock Exchange, and Hong Kong Exchanges and Clearing Limited as well as legal advisory services related to capital and equity raising exercises and take-overs.

She is currently the Independent Non-Executive Director of Samaiden Group Berhad, Unique Fire Holdings Berhad and VisDynamics Holdings Berhad.

Please refer to Section 5.2.3 of this Prospectus for details of Olivia Lim's principal directorships in other corporations and principal business activities performed outside our Group as at the LPD.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.3 Principal Business Activities and Principal Directorships Outside Our Group

The following table sets out other principal directorships of our Directors outside our Group and the principal business activities performed by our Directors outside our Group as at the LPD (“**Present Involvement**”) and those other principal directorships of our Directors outside our Group that were held within the past 5 years up to the LPD (“**Past Involvement**”):

(i) Nor Azzam bin Abdul Jalil

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Present Involvement					
Hikmat Duta Holdings Berhad	Investment holding company. Its subsidiaries are involved in the provisions of water supply and sewerage engineering works and other civil engineering works	Independent Non-Executive Director	19 May 2022	-	-
Nestcon Berhad	Investment holding company. Its subsidiaries are involved in the provision of construction services for building and civil engineering and infrastructure projects	Independent Non-Executive Director	26 August 2020	-	0.1
Ocean Vantage Holdings Berhad	Investment holding company. Its subsidiaries are involved in the provision of support services to oil and gas companies	Independent Non-Executive Chairman	14 August 2019	-	<0.1
Revenue Group Berhad	Investment holding company. Its subsidiaries are involved in the provision of cashless payment solutions	Independent Non-Executive Chairman	1 December 2017	-	0.1
Voxel Imaging Sdn Bhd	Media content production	Director	30 November 2018	-	-
Voxel Communications Sdn Bhd	Media content production	Director	18 February 2019	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Past Involvement					
Principal Asset Management Berhad	Investment management company	Director	4 December 2013	26 May 2016	-
Flora Bliss Property Development Sdn Bhd	Acquiring, dealing and trading in real property (winding up)	Director	25 July 2016	8 February 2017	-
Sunway South Quay Sdn Bhd	Real estate developer	Director	25 July 2016	8 February 2017	-
(ii) CWC					
Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Present Involvement					
I-Ducations Sdn Bhd	Training centre to enhance the skills and competency (such as computer literacy and proficiency) of school leavers to aid employability	Director / Shareholder	28 January 2010	-	55.9
Falcon Amazing Sdn Bhd	Plantation	Director / Shareholder	16 March 2015	-	50.0

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Past Involvement					
Infoline Technology Sdn Bhd (now known as Infinitum Technologies Sdn Bhd) ⁽¹⁾	1) Supply, installation and maintenance of computer hardware, software, providing information technology solution and its related services and products. 2) Extra low voltage and audio-visual system and/or package	Director / Shareholder	24 July 2003	3 September 2018	64.0
I-Frasis Teknologi Sdn Bhd	IT, hardware and software, outsource management services, telecommunication and data communication	Director / Shareholder	15 January 2016	5 July 2018	75.0
Infoline Technologies Pte Ltd, Singapore (now known as Inline Technologies Pte Ltd) ⁽²⁾	Information infrastructure equipment sales and services	Director / Shareholder	1 July 2016	31 August 2020	70.0
Infoline Technology Limited, Hong Kong (now known as Akima ICT Limited) ⁽³⁾	Trading of IT products and services	Director / Shareholder	7 May 2014	31 August 2020	100.0

Notes:

- (1) In September 2018, CWC disposed of his shareholdings to Chua Sze Khim (a person not connected to CWC) for a total consideration of RM640,000.
- (2) In August 2020, CWC disposed of his shareholdings to Ong Beng Teck (a person not connected to CWC) for a total consideration of SGD441,000.
- (3) In August 2020, CWC disposed of his shareholdings to Ong Beng Teck (a person not connected to CWC) for a total consideration of HKD500,000.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(iii) LWH

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Present Involvement					
None	-	-	-	-	-
Past Involvement					
Affinity Network Solutions Sdn Bhd	Supply, installation and maintenance of computer hardware and software and providing information technology solution and its related services products	Director / Shareholder	8 August 2012	24 April 2018	80.0
Deifood City Sdn Bhd	Restaurant and cafes	Director	15 January 2014	4 January 2016	-
Deifood Galleria Sdn Bhd	Restaurant and cafes	Director	15 January 2014	16 May 2017	-
Deifood Venture Sdn Bhd	Restaurant and cafes (dissolved)	Director / Shareholder	19 June 2015	3 September 2021	42.3
Inlinetech Network Solutions Private Limited, India	IT solutions provider	Director / Shareholder	16 December 2017	3 July 2019	99.8

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(iv) TYM

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Present Involvement					
None	-	-	-	-	-
Past Involvement					
Affinity Network Solutions Sdn Bhd	Supply, installation and maintenance of computer hardware and software and providing information technology solution and its related services products	Director / Shareholder	8 August 2012	24 April 2018	10.0
Deifood Chamber Sdn Bhd	Restaurant and cafe (dissolved)	Director	17 August 2012	1 June 2017	-
BGZ Holding Sdn Bhd	Investment holding in the business of automotive events	Director / Shareholder	6 June 2014	11 September 2018	16.7
Deifood Oasis Sdn Bhd	Restaurants and cafe (dissolved)	Director / Shareholder	4 January 2016	4 February 2019	5.0
DSS Advisory Sdn Bhd	Debt collection agency, collection consultant and financial consultant, legal consulting & business management	Director / Shareholder	21 January 2016	22 October 2019	50.0
Jade F&B Ventures Sdn Bhd	Restaurants (dissolved)	Director / Shareholder	21 January 2014	3 August 2020	25.0

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(v) Tan Mui Ping

<u>Name of company</u>	<u>Principal activities</u>	<u>Involvement / Position Held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest (%)</u>
Present Involvement					
None	-	-	-	-	-
Past Involvement					
Suria Mahamaju Sdn Bhd	Construction contract and providing consultancy services	Director	15 October 2019	14 June 2021	-
Millennium Square Sdn Bhd	Investment holding in the business of telecommunication technology service and supply of telecommunication equipment (dissolved)	Director / Shareholder	30 October 2018	13 February 2022	50.0

(vi) Alwizah Al-Yafii binti Ahmad Kamal

<u>Name of company</u>	<u>Principal activities</u>	<u>Involvement / Position Held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest (%)</u>
Present Involvement					
AKAL Corporate Advisors Sdn Bhd	Advisors and consultants and to render secretarial, management, commercial, financial, treasury and other related services	Managing Director / Shareholder	1 October 2013	-	60.0
AKAL Advisors PLT	Business management consultancy services, accounting, bookkeeping and auditing activities, and tax consultancy	Partner	22 May 2014	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Present Involvement					
Revenue Group Berhad	Investment holding company. Its subsidiaries are involved in the provision of cashless payment solutions	Independent Non-Executive Director	1 June 2022	-	-
Cnergenz Berhad	Investment holding company. Its subsidiary is involved in the provision of electronics manufacturing solutions, specialising in surface mount technology manufacturing solutions for the electronics and semiconductor industries	Independent Non-Executive Director	23 September 2021	-	-
Nuri Corporation Sdn Bhd	Property investment (dormant)	Shareholder	-	-	1.4
ETC Technology Malaysia Sdn Bhd	Repair and maintenance of industrial machinery and equipment	Director	20 January 2017	-	-
Past Involvement					
Shopping Bag (M) Sdn Bhd	Retail of confectionaries (dissolved)	Director	30 September 2014	23 June 2017	-
ETC Aerotech (M) Sdn Bhd	Technical support for aeromedical training services (dissolved)	Director	9 April 2014	29 June 2017	-
SRL Advisory Sdn Bhd	Corporate legal consultancy services (dissolved)	Director / Shareholder	16 November 2017	26 April 2021	-
Artisan Shack Sdn Bhd	Business and service related to multimedia, internet, and other form of IT general trading investment (dissolved)	Shareholder	-	-	90.0

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(vii) Olivia Lim

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
Present Involvement					
VisDynamics Holdings Berhad	Investment holding and the provision of management services and its subsidiary is involved in manufacturer of automated test equipment.	Independent Non-Executive Director	1 June 2022	-	-
Unique Fire Holdings Berhad	Investment holding company. Its subsidiaries are involved in the assembly, manufacture and distribution of active fire protection systems, equipment and accessories for the built environment and distribution of custom graphics designed fire extinguishers, and other active fire protection systems, equipment and accessories and related services	Independent Non-Executive Director	8 October 2021	-	-
Samaiden Group Berhad	Investment holding company. Its subsidiaries are involved in the engineering, procurement, construction and commissioning of solar photovoltaic systems and power plants	Independent Non-Executive Director	16 December 2019	-	-
Etika Samudra Sdn Bhd	Trading and information technology services which is related to digital signage and software development	Director / Shareholder	1 October 2012	-	25.0
Olivia Lim & Co	Legal firm	Founder and Managing Partner	6 October 2015	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name of company	Principal activities	Involvement / Position Held	Date of appointment	Date of resignation	Equity interest (%)
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Past Involvement

None

As at the LPD, none of our Directors and/or substantial shareholders has any interest, direct or indirect, in other businesses or corporations which may give rise to a situation of conflict of interest with our Group.

Our Executive Director, CWC, is not actively involved in any other principal business activities outside our Group as stated above. Therefore, his involvement in other principal business activities outside our Group is not expected to affect the operations of our Group as his involvements in the aforesaid companies are minimal. In addition, he does not hold executive position in the aforesaid companies and their operations do not require his involvement on a day-to-day basis as these businesses are managed by or operated by other shareholders or have their own independent management teams. Hence, our Board is of the view that this will not affect his ability to perform his commitment and responsibilities as well as his contribution to our Group in his role as our Director.

Our Non-Executive Directors' involvement in other principal business activities outside our Group as stated above will not affect their ability to perform their commitment and responsibilities as well as their contribution to our Group in their respective roles as our Directors.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.4 Directors' remuneration and material benefits in-kind

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred compensation accrued for the year) paid and proposed to be paid to our Directors for their services rendered in all capacities within our Group for the FYE 2021 and FYE 2022 are set out below:

FYE 2021 (Paid)	Salaries		Director Fees		Commission		Bonus		EPF and SOCSO		Allowances		Benefits-in-kind		Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Directors																
Nor Azzam bin Abdul Jalil	-	-	(2)8	-	-	-	-	-	-	-	-	-	-	-	-	8
CWC	664	-	-	-	111	-	38	-	-	-	-	-	-	-	-	813
LWH	664	-	-	(1)226	111	-	63	-	-	-	-	-	-	-	-	1,064
TYM	215	-	-	-	50	-	33	-	-	-	-	-	-	-	-	298
Tan Mui Ping	-	-	(2)8	-	-	-	-	-	-	-	-	-	-	-	-	8
Alwizah Al-Yafii binti Ahmad Kamal	-	-	(2)8	-	-	-	-	-	-	-	-	-	-	-	-	8
Olivia Lim	-	-	(2)8	-	-	-	-	-	-	-	-	-	-	-	-	8

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

FYE 2022 (Proposed)	Salaries	Director Fees	Commission	Bonus ⁽³⁾	EPF and SOCSO	Allowances	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Directors								
Nor Azzam bin Abdul Jalil	-	48	-	-	-	-	-	48
CWC	708	-	-	-	34	-	-	742
LWH	708	-	-	-	34	-	-	742
TYM	330	-	-	-	41	-	-	371
Tan Mui Ping	-	48	-	-	-	-	-	48
Alwizah Al-Yafii binti Ahmad Kamal	-	48	-	-	-	-	-	48
Olivia Lim	-	48	-	-	-	-	-	48

Notes:

- (1) Paid in July 2021. Moving forward, there will be no further payment of commission to LWH or any of the Executive Directors.
- (2) Pro-rated from the date of appointment.
- (3) The bonuses for the financial year ending 2022 are not included. Such bonuses, if any, will be determined later depending on the performance of our Group, subject to the recommendation of the Remuneration Committee and approved by our Board.

Our Directors' remuneration must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board. Our Directors' fees and any benefits payable to Directors shall be subject to further approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.3 BOARD PRACTICES

5.3.1 Board

Our Board is entrusted with the responsibility for the overall direction, strategy, performance and management of our Group. The details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office are as follows:

<u>Directors</u>	<u>Designation</u>	<u>Date of appointment</u>	<u>Date of expiration of current term of office</u>	<u>No. of year(s) in office</u>
Nor Azzam bin Abdul Jalil	Independent Non-Executive Chairman	1 November 2021	At the second annual general meeting	<1
CWC	Non-Independent Executive Director / Chief Executive Officer	1 November 2021	At the second annual general meeting	<1
LWH	Non-Independent Executive Director / Chief Operating Officer	1 November 2021	At the third annual general meeting	<1
TYM	Non-Independent Executive Director / Chief Marketing Officer	1 November 2021	At the fourth annual general meeting	<1
Tan Mui Ping	Independent Non-Executive Director	1 November 2021	At the third annual general meeting	<1
Alwizah Al-Yafii binti Ahmad Kamal	Independent Non-Executive Director	1 November 2021	At the second annual general meeting	<1
Olivia Lim	Independent Non-Executive Director	1 November 2021	At the third annual general meeting	<1

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

5.3.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established by our Board on 3 November 2021 and currently comprises of the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Tan Mui Ping	Chairman	Independent Non-Executive Director
Alwizah Al-Yafii binti Ahmad Kamal	Member	Independent Non-Executive Director
Olivia Lim	Member	Independent Non-Executive Director

The terms of reference of our Audit and Risk Management Committee, amongst others, include the following:

- (i) to review the engagement, compensation, performance, qualification and independence of the external auditors, its conduct of the annual statutory audit of the financial statements, and the engagement of external auditors for all other services.
- (ii) to review and recommend the quarterly and annual financial statements for approval by the Board before announcement to regulatory bodies, focusing in particular on any changes in or implementation of major accounting policies and practices, significant and unusual events, significant adjustments arising from the audit, going concern assumption and compliance with accounting standards and other regulatory or legal requirements.
- (iii) to conduct periodic reviews of the involvements of the Managing Director and Executive Director in the companies outside of the Group, in which they have executive functions to ensure that it does not affect their role and responsibilities within the Group.
- (iv) to review and monitor any related party transaction/business dealings entered into by the Group and any conflict of interest situation that may arise within the Group to ensure that they are conducted on arms' length basis and based on terms that are fair to the Group.
- (v) to oversee and recommend the risk management policies and procedures of the Group.
- (vi) to review and recommend changes as needed to ensure that the Group has in place at all times a risk management policy which addresses the strategies, operational, financial, compliance and sustainability risk.
- (vii) to implement and maintain a sound risk management framework which identifies, assesses, manages and monitors the Group's business risks.
- (viii) to set reporting guidelines for the Management to report to the committee on the effectiveness of the Group's management of its business risks.
- (ix) to review the risk profile of the Group and to evaluate the measure taken to mitigate the business risks.
- (x) to review the adequacy of the Management's response to issues identified to risk registers, ensuring that the risks are managed within the Group's risk appetite.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

- (xi) to perform the oversight function over the administration of whistleblowing policy that is approved and adopted by the Board and to protect the values of transparency, integrity, impartiality and accountability where the Group conducts its business and affairs.
- (xii) to enhance its accountability in preserving its integrity and to withstand public scrutiny which in turn enhances and builds the Group's credibility to all the stakeholders.
- (xiii) to consider the major findings of internal investigations and the Management's response.
- (xiv) to consider and approve the appointment of the internal auditors, the internal audit fee and any question of resignation or dismissal.
- (xv) to review the internal audit plan and results of the internal audit assessments and investigation is undertaken, and ensure that appropriate action is taken on the recommendations of the internal auditors.
- (xvi) to verify the allocation of Employees' Share Option Scheme ("**ESOS**") in compliance with the criteria as stipulated in the bylaws of ESOS of the Company, if any.
- (xvii) to report to relevant authorities on any matter reported by it to the Board which has not been satisfactorily resolved and resulting in a breach of any regulations.

5.3.3 Remuneration Committee

Our Remuneration Committee was established by our Board on 3 November 2021 and currently comprises of the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Olivia Lim	Chairman	Independent Non-Executive Director
Alwizah Al-Yafii binti Ahmad Kamal	Member	Independent Non-Executive Director
Tan Mui Ping	Member	Independent Non-Executive Director

The terms of reference of our Remuneration Committee, amongst others, include the following:

- (i) to formulate and recommend a framework of remuneration for the Chief Executive Director, Executive Director and key senior management for the Board's approval. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain the Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Directors' fee, salaries, allowance, bonuses, options and benefit-in-kind.
- (ii) to formulate and recommend specific remuneration packages for the Chief Executive Officer, Executive Director and key senior management. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not be dependent on short-term performance to avoid incentives for excessive risk-taking. As for the Non-Executive Director and Independent Directors, the level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (iii) to ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of the Chief Executive Officer and Executive Director and key senior management.
- (iv) to implement the policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of the Board and key senior management.
- (v) to ensure the levels of remuneration be sufficiently attractive and be able to retain Directors needed to run the Company successfully.
- (vi) to structure the component parts of remuneration so as to align with the business strategy and long-term objectives of the Company and to link rewards to the Company's strategy and performance.
- (vii) to ensure that the remuneration and incentives for Independent Non-Executive Directors do not conflict with their obligations to bring objective and independent judgement to the Board.

5.3.4 Nominating Committee

Our Nominating Committee was established by our Board on 3 November 2021 and currently comprises of the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Alwizah Al-Yafii binti Ahmad Kamal	Chairman	Independent Non-Executive Director
Olivia Lim	Member	Independent Non-Executive Director
Tan Mui Ping	Member	Independent Non-Executive Director

The terms of reference of our Nominating Committee, amongst others, include the following:

- (i) 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 the Company.
- (ii) to source, identify, review and recommend candidates for appointment to the Board and Board Committees, which is led by the Chairman of the NC, taking into consideration the optimum and effective size of the Board and the candidates':-
 - o character, competency, knowledge and experience;
 - o professionalism;
 - o integrity and credibility;
 - o time commitment, particularly his number of other directorships; and
 - o in the case of the candidates for the position of Independent Non-Executive Directors, the NC would also evaluate the candidates' ability to discharge such responsibilities or functions as expected from Independent Non-Executive Directors.
- (iii) to recommend the re-election of Directors who are due to retire in accordance with the Company's Constitution.
- (iv) to assess the independence of Independent Directors annually.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (v) 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 women candidates are sought as part of its recruitment exercise.
- (vi) to establish and review the performance criteria to evaluate the performance of the Board, Board Committees and each individual Director.
- (vii) to recommend to the Board the nominees to fill the seats on Board Committees.
- (viii) to assess the effectiveness of the Board and the Committees of the Board as a whole and each individual Director of the Board including Managing Director and Executive Director. All assessments and evaluations carried out by the NC in the discharge of all its functions would be properly documented.
- (ix) to ensure that orientation and education programmes are provided for new members of the Board.
- (x) to ensure that all Directors receive appropriate continuous training programmes in order to broaden their perspectives and to keep abreast with developments in the market place and with changes in new statutory and regulatory requirements.
- (xi) to review the terms of office and performance of the Audit and Risk Management Committee ("**ARMC**") and each of its members annually to determine whether such ARMC and its members have carried out their duties in accordance with the terms of reference.
- (xii) to assist the Board in assessing and evaluating circumstances where a Director's involvement outside the Group may give rise to a potential conflict of interest with the Group's businesses, upon receiving the declaration of the same from the Director and thereafter, to inform the ARMC of the same. After deliberation with the ARMC, to recommend to the Board the necessary actions to be taken in circumstances where there is a conflict of interest.
- (xiii) to formulate and review the nomination, selection and succession policies and plans for members of the Board, Board Committees and senior management.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.4 KEY SENIOR MANAGEMENT

5.4.1 Particulars and shareholdings

The following table sets out the direct and indirect shareholdings of our Key Senior Management before and after our IPO:

Key Senior Management	Designation	Nationality	Before our IPO		After our IPO					
			Direct	Indirect	Direct	Indirect				
			No. of Shares	(⁽¹⁾)(%)	No. of Shares	(⁽¹⁾)(%)	No. of Shares	(⁽²⁾)(%)		
CWC	Chief Executive Officer	Malaysian	220,443,906	76.22	-	-	198,193,906	54.56	-	-
LWH	Chief Operating Officer	Malaysian	54,454,961	18.83	-	-	54,454,961	14.99	-	-
TYM	Chief Marketing Officer	Malaysian	14,330,253	4.95	-	-	14,330,253	3.95	-	-
Toh Woan Fei	Chief Financial Officer	Malaysian	-	-	-	-	(⁽³⁾)360,000	-*	-	-
Koay Hean Jin	Chief Technical Officer	Malaysian	-	-	-	-	(⁽³⁾)450,000	-*	-	-

Notes:

* Negligible.

(1) Based on our issued Shares of 289,229,120 Shares after the Acquisitions but before our IPO.

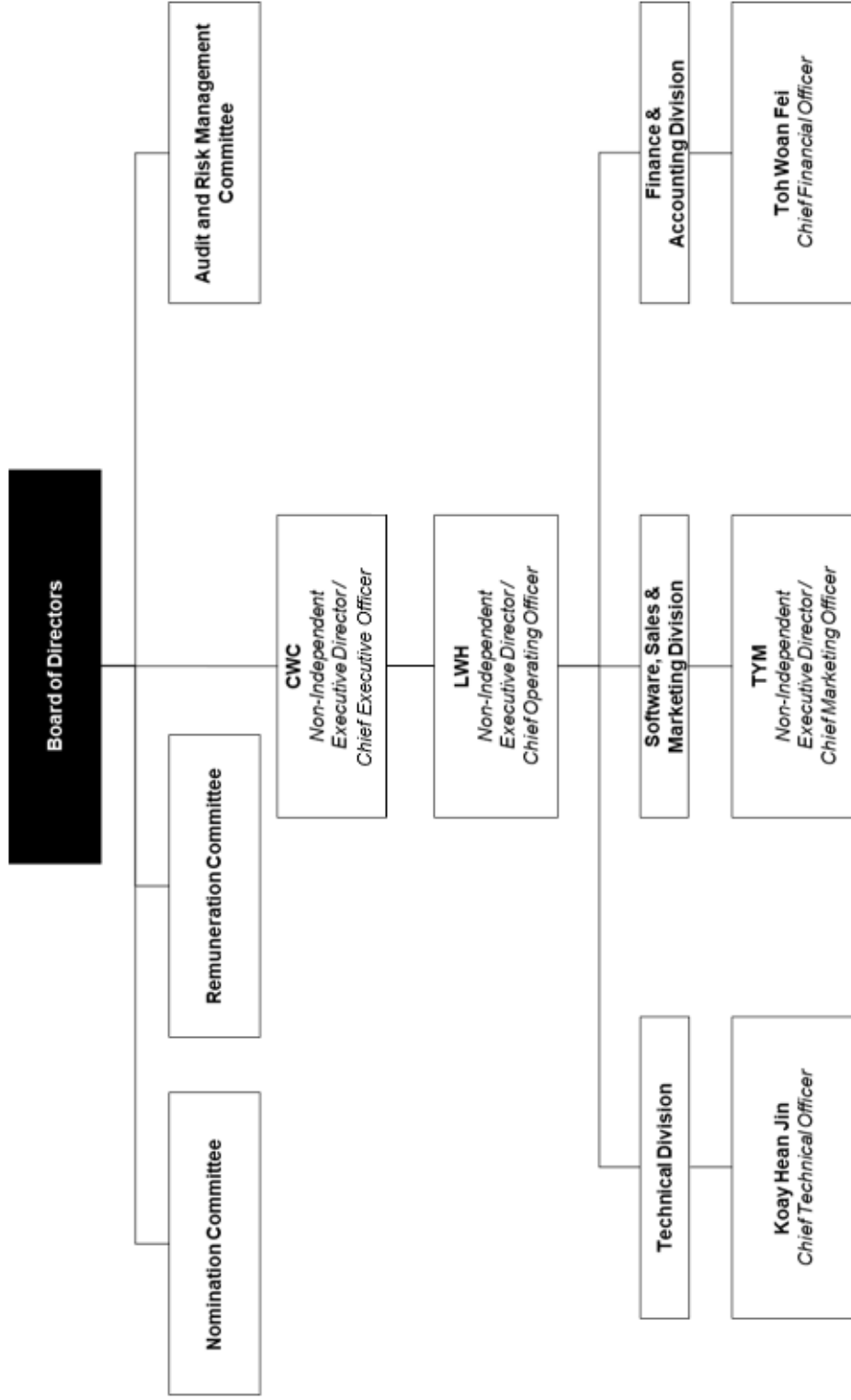
(2) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

(3) Based on the assumption that the Key Senior Management subscribe in full for their entitlements to the Pink Form Shares.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.4.2 Management reporting structure

The management reporting structure of our Group is as follows:



5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.4.3 Profiles of our Key Senior Management

The profiles of CWC and LWH are set out in Section 5.1.2 of this Prospectus, the profile of TYM is set out in Section 5.2.2 of this Prospectus and profiles of our other Key Senior Management are as follows:

(i) Toh Woan Fei

Toh Woan Fei, a Malaysian female aged 43, is our Chief Financial Officer. She is responsible for the accounting, finance and taxation functions of our Group.

She graduated with a Bachelor of Commerce from La Trobe University, Australia in 2001. She was a certified practising accountant of the Certified Practising Accountant (CPA), Australia in year 2004. She is also a registered chartered accountant with the Malaysian Institute of Accountant, Malaysia since 2004.

She began her career as an external auditor in Ernst & Young in February 2001 where she worked as assistant in the assurance and advisory business services division. She was promoted to the position of Senior Associate and later resigned from Ernst & Young in January 2004. She joined Unisys (M) Sdn Bhd as Project Controller in April 2004 where she was responsible for project accounting and management of the company. In September 2006, she left Unisys (M) Sdn Bhd and relocated to London in October 2006. She then took a career break until December 2008 when she returned to Malaysia. She joined ALSTOM Asia Pacific Sdn Bhd in January 2009 as a Project Controller and was subsequently promoted to the position of Business Analyst of ALSTOM Services Sdn Bhd in July 2010 where she was responsible for business unit financial reporting and financial analysis of the company.

In July 2012, she left ALSTOM Services Sdn Bhd and joined Segi University Sdn Bhd as a Finance Manager where she was responsible for the finance and accounting functions of the company. In October 2013, she left the company and joined Worley Parsons Business Services Sdn Bhd as a Finance Manager in January 2014 where she was responsible for the management reporting and budgeting of the company. In December 2014, she left the company and took a career break. In April 2016, she joined EntoGenex Industries Sdn Bhd as a Finance and Administration Manager where she was responsible for the finance, accounting and administration of the company. In June 2017, she left the company and took a career break until May 2019.

In June 2019, she joined Infoline Solutions as our Financial Controller. In June 2021, she was reassigned as our Chief Financial Officer where she assumes her current responsibilities.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) Koay Hean Jin

Koay Hean Jin, a Malaysian male aged 37, is our Chief Technical Officer. He is responsible for leading our technology teams in day-to-day operations and providing key expertise for integrating Network, Data Center, Software Defined Network and Campus Network solutions for our customers across various industries. He is also responsible for supervising our employees in pre-sales, post-sales, and support departments, including assigning tasks, approving schedules, set performance goals and ensuring compliance with timelines.

He graduated with a Bachelor of Information Technology, Communication and Networking (Hons) from University Tunku Abdul Rahman, Malaysia in March 2010. He was awarded numerous certificates in the IT industry including, among others, the VMware Certified Professional 6 – Network Virtualization in 2017.

He began his career as a Junior Network Engineer with Idealtech Sdn Bhd in April 2010 where he was responsible to arrange and install network hardware and software, configure and manage hardware, facilitated IP voice administrations, and firewalls. He also provided remote assistance to nearby engineers and end clients.

He left the company in January 2012 and joined I-Frasis Sdn Bhd as a Network Engineer in February 2012 where he was responsible to design and deploy LANs, WANs, and wireless networks, including servers, routers, switches, UPSs, and other hardware. He was also responsible for the troubleshooting, diagnosing and solving hardware, software, and other issues affecting the network and device.

In June 2014, he left the company and joined Netuniti Sdn Bhd as Senior Network Engineer in July 2014 where he was responsible for designing and deploying LANs, WANs, and wireless networks, including servers, routers, switches, UPS, and other hardware. He was also responsible for troubleshooting, diagnosing and solving hardware, software, and other issues affecting the network and device.

In December 2015, he left Netuniti Sdn Bhd and joined Infoline Solutions as Senior Network Engineer in January 2016 where he was responsible for the design, set up and implementation of IT solutions in the company. He was promoted several times while in Infoline Solutions, namely as an Assistant Manager in April 2017 and Head of Technical in March 2020. In June 2021, he was reassigned as our Chief Technical Officer where he assumes his current responsibilities.

5.4.4 Involvement of our Key Senior Management in other businesses/ corporations

Save for the involvement of CWC, LWH and TYM which are detailed in Section 5.2.3, our Key Senior Management does not have any principal directorship and principal business activities performed outside our Group as at the LPD or any other principal directorship outside of our Group that were held within the past 5 years up to the LPD.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

5.4.5 Key Senior Management's remuneration and benefits

Save for CWC, LWH and TYM whose remuneration and material benefits-in-kind are disclosed in Section 5.2.4 of this Prospectus, the aggregate remuneration (including any contingent or deferred compensation accrued for the year) paid and proposed to be paid to our Key Senior Management for their services rendered in all capacities within our Group for the FYE 2021 and FYE 2022 are as follows:

Key Senior Management	Remuneration band	
	FYE 2021 (Paid)	FYE 2022 (Proposed)
	RM'000	RM'000
Toh Woan Fei	250 – 300	250 – 300
Koay Hean Jin	200 – 250	200 – 250

There are no material benefit-in-kind (including any contingent or deferred compensation accrued for the year) paid and proposed to be paid to our Key Senior Management for their services rendered in all capacities within our Group for the FYE 2021 and FYE 2022.

5.5 DECLARATION FROM OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors and Key Senior Management is or has been involved in any of the following events (whether within or outside Malaysia):

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was 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 key senior management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgment 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;
- (v) in the last 10 years, being subject to any civil proceeding involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;
- (vi) 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;
- (vii) 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
- (viii) any unsatisfied judgment against him/her.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

There are no family relationships or associations between our Promoters, substantial shareholders, Directors and Key Senior Management.

5.7 EXISTING OR PROPOSED SERVICE AGREEMENT

As at the LPD, there are no existing or proposed service agreements between the companies within our Group and our Directors or our Key Senior Management that provide for benefits upon termination of employment.

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6. INFORMATION ON OUR GROUP

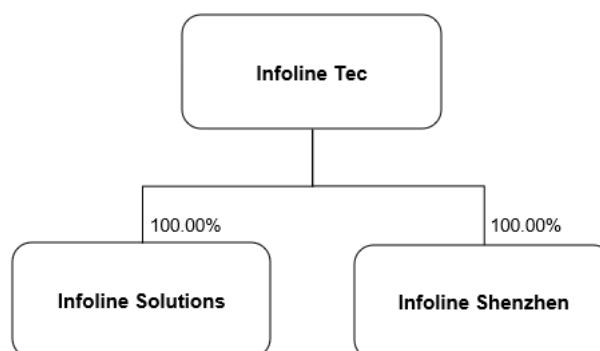
6.1 HISTORY AND MILESTONES

Our Company was incorporated in Malaysia on 5 October 2021 under the Act as a private limited company under the name of Infoline Tec Group Sdn Bhd. On 29 October 2021, our Company was converted to a public limited company to facilitate the Listing.

We are an investment holding company while our Subsidiaries are principally involved in providing IT infrastructure solutions, cybersecurity solutions, managed IT and other IT services, and trading of ancillary hardware and software.

We presently have offices in Malaysia and PRC. For the FYE Under Review, we have implemented solutions for customers' offices primarily based in Malaysia and PRC. We have also implemented solutions for customers' offices based in other countries and regions in Asia Pacific, namely Hong Kong, Australia, Singapore, Thailand, Taiwan, South Korea, India, Myanmar, Indonesia and the Philippines.

Our Group's present corporate structure is as follows:



Our Group's history can thus be traced back to the incorporation of Infoline Solutions. Since then, the key milestones of our business are as follows:

Year	Key milestones and achievements
2013	<ul style="list-style-type: none"> • CWC decided to pursue his vision in offering IT infrastructure and cybersecurity solutions with a new partner, namely LWH. While CWC began to wind down his other business i.e. Infoline Technology Sdn Bhd, LWH went ahead to form Infoline Solutions. On incorporation, LWH and Lee Su Guat (spouse of CWC) were the shareholders of Infoline Solutions and LWH was appointed as a director of Infoline Solutions. • We commenced our operations in the provision of IT infrastructure solution. • Our first few projects were secured in the year from IT equipment and software distributors for the design and implementation of system infrastructures for their customers. System infrastructure refers to the implementation of network equipment, servers and storage devices to allow for data storage, backup and archiving. • Later in the year, we began to offer cybersecurity solutions when we secured projects to design and implement network security solutions, web isolation and endpoint protection platform for manufacturing companies based in Malaysia and South Korea. These solutions are designed to protect the network, contain web browsing activity in an isolated environment and protect endpoints such as desktops, laptops and mobile devices. • We began to offer IT services when we secured a contract for project delivery and management services for a hypermarket chain.

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Key milestones and achievements
2014	<ul style="list-style-type: none"> We expanded our range of IT infrastructure solution offerings when we began to secure projects to design and implement data centre solutions, software-defined infrastructure and unified communications for several ICT solution providers. Data centre solutions refer to solutions required in the setting up and maintenance of data centres, while software-defined infrastructure refers to the use of software to automate, manage and program an infrastructure. Unified communications refer to a set of enterprise communication solutions. We ventured into managed IT services when we began to provide managed network services.
2015	<ul style="list-style-type: none"> Commencement of CWC's interest in Infoline Shenzhen via the acquisition of Infoline Technology Limited by CWC in August 2015 from Saw Siong Yih, a third party not connected to him. Infoline Shenzhen was the wholly-owned subsidiary of Infoline Technology Limited at the time.
2016	<ul style="list-style-type: none"> CWC began to focus on Infoline Solutions and was appointed as director and assumed the role of Chief Executive Officer of Infoline Solutions.
2017	<ul style="list-style-type: none"> We set up a NOC as we began to grow our business in managed network services to facilitate better management of our customers' IT infrastructure systems. The NOC also allowed us to shift our managed network service offering from troubleshooting and repair to offering, amongst others, continuous and automated network and device monitoring, diagnosis and management of incidents and problems.
2018	<ul style="list-style-type: none"> We expanded our range of cybersecurity solutions to include application delivery controllers when we secured our first project to implement the solution for a Principal's office in Malaysia. Application delivery controllers are devices that assist software in directing user traffic to remove excess load from servers. CWC acquired the entire shareholdings of Infoline Solutions from LWH and Lee Su Guat (spouse of CWC) for a total consideration of RM1,000,000.
2019	<ul style="list-style-type: none"> We began to offer network access control as part of our cybersecurity solutions when we secured a project from a local pharmaceutical distribution company. Network access control enables access management through improving the visibility of users of the network as well as enhancing policy enforcement on devices and users of corporate networks. CWC became the direct shareholder of Infoline Shenzhen in December 2019 when he acquired the entire shareholdings in Infoline Shenzhen from Infoline Technology Limited. At the point of acquisition, Infoline Shenzhen has commenced its business in the provision of IT infrastructure, cybersecurity and managed IT services and other related IT services. For clarity, CWC resigned as the director and sold his stake in Infoline Technology Limited in August 2020 to a third party not connected to him. Subsequently, Infoline Technology Limited was renamed to Akima ICT Limited in June 2021 under the new owner.
2020	<ul style="list-style-type: none"> We secured our first project to design and implement cloud security for a vehicle financing company, thus further expanding our range of cybersecurity solutions. Cloud security protects digital assets and data stored online on cloud platforms offered via cloud service providers.

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Key milestones and achievements
	<ul style="list-style-type: none"> Realising a need to digitise certain internal processes, CWC spearheaded the development of our in-house project management application which allows for better tracking and coordination of tasks as well as collaboration within and between our departments. We began the roll out of our in-house developed project management application in 2020, and began utilising this application in carrying out our IT services, particularly project delivery and management services.
2021	<ul style="list-style-type: none"> We ventured into providing managed cybersecurity services. We formed a dedicated security analysis team that operates from our head office in Kota Damansara on a 24-hour basis. Our present facilities at our head office can allow our security analysis team to undertake basic managed cybersecurity services including basic diagnosis on the network to detect common cyber threats in order to troubleshoot any incidents and problems raised by customers. With our security analysis team in place, we secured our first contract for managed cybersecurity services from our existing client (a vehicle financing company). We obtained the ISO / IEC 27001:2013 certification for the provision of managed services through our NOC. On 2 August 2021, CWC entered into a share sale agreement with LWH and TYM for the disposal of 28.5% and 7.5% share capital of Infoline Solutions to LWH and TYM for a total consideration of RM9,071,550 and RM2,387,250 respectively which was completed on 6 October 2021. On 5 October 2021, Infoline Tec Group Sdn Bhd was set up to facilitate the Listing and was subsequently converted to a public limited company on 29 October 2021. On 3 November 2021, Infoline Tec Group Berhad entered into conditional share sale agreements with Infoline Solutions Vendors and Infoline Shenzhen Vendor to acquire the entire shareholdings in Infoline Solutions and Infoline Shenzhen respectively. Further details on the Acquisitions are set out in Section 6.3 of this Prospectus. The Acquisitions were completed on 9 May 2022.

Over the years, we have built up a strong track record as a reliable IT infrastructure and cybersecurity solution provider. As a testament, we have been granted recognitions by several of our Principals. As these Principals are multinational companies, the recognitions have provided credibility to our Group, which has assisted us in securing some of our projects in the past.

As at the LPD, we have been recognised as Gold Partner by Dell Technologies, Inc. and Panduit Corporation; as well as 3-Star Partner by Check Point Software Technologies Ltd. and Huawei Technologies Co. Ltd and Aruba Gold Partner Status by Hewlett Packard Enterprise Company. These recognitions indicate that we work closely with the respective Principals in securing new projects. Some of these recognitions also indicate that we can obtain better pricing arrangements and rebates from these Principals, which in turn could lead to us being able to offer more competitive pricing to our customers.

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6. INFORMATION ON OUR GROUP (CONT'D)

6.2 SHARE CAPITAL AND CHANGES IN SHARE CAPITAL

As at the LPD, our issued share capital is RM14,461,456 comprising 289,229,120 Shares.

Details of changes to our issued share capital since incorporation up to the LPD are shown below:

Date of allotment	No. of Shares	Nature of transaction	Consideration	Cumulative issued share capital	
				RM	No. of Shares
5 October 2021	500	Subscriber's share	Cash	25	500
9 May 2022	191,070,040	Infoline Solutions Acquisition	Shares issued as consideration for the Infoline Solutions Acquisition	9,553,527	191,070,540
9 May 2022	98,158,580	Infoline Shenzhen Acquisition	Shares issued as consideration for the Infoline Shenzhen Acquisition	14,461,456	289,229,120

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in our Company. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotments.

Upon our Listing, our total number of issued Shares will increase from 289,229,120 Shares to 363,229,120 Shares.

6.3 FORMATION OF OUR GROUP

In conjunction with our Listing, our Company entered into the following conditional share sale agreements:

- (a) on 3 November 2021, our Company entered into the Infoline Solutions SSA for the Infoline Solutions Acquisition for a total consideration of RM9,553,502, which was fully satisfied by the issuance of 191,070,040 new Shares at an issue price of RM0.05 each. The total purchase consideration of RM9,553,502 for the Infoline Solutions Acquisition was arrived at after taking into consideration the audited NA of Infoline Solutions as at 30 June 2021 of RM9,553,502; and
- (b) on 3 November 2021, our Company has entered into the Infoline Shenzhen SSA for the Infoline Shenzhen Acquisition for a total consideration of RM4,907,929 (equivalent to RMB7,635,236 based on the closing exchange rate on 30 June 2021 of RMB1:RM0.6428), which was fully satisfied by the issuance of 98,158,580 new Shares at an issue price of RM0.05 each. The total purchase consideration of RM4,907,929 for the Infoline Shenzhen Acquisition was arrived at after taking into consideration the audited NA of Infoline Shenzhen as at 30 June 2021 of RMB7,635,236.

6. INFORMATION ON OUR GROUP (CONT'D)

The Infoline Solutions Vendors' shareholdings in Infoline Solutions before the completion of the Infoline Solutions SSA and number of Shares issued to them pursuant to the Infoline Solutions Acquisition are as follows:

Infoline Solutions Vendors	Shareholdings in Infoline Solutions before completion of the Infoline Solutions SSA		Consideration	
	No. of Infoline Solutions shares	%	RM	No. of new Shares
CWC	1,395,200	64.00	6,114,241	122,284,826
LWH	621,300	28.50	2,722,748	54,454,961
TYM	163,500	7.50	716,513	14,330,253
Total	2,180,000	100.00	9,553,502	191,070,040

The Infoline Shenzhen Vendor's shareholdings in Infoline Shenzhen before the completion of the Infoline Shenzhen SSA and number of Shares issued to him pursuant to the Infoline Shenzhen Acquisition are as follows:

Infoline Shenzhen Vendor	Shareholdings in Infoline Shenzhen before completion of the Infoline Shenzhen SSA		Consideration	
	Registered capital (RMB)	%	RM	No. of new Shares
CWC	500,000	100.00	4,907,929	98,158,580

The Acquisitions were completed on 9 May 2022. Thereafter, Infoline Solutions and Infoline Shenzhen became our wholly-owned subsidiaries.

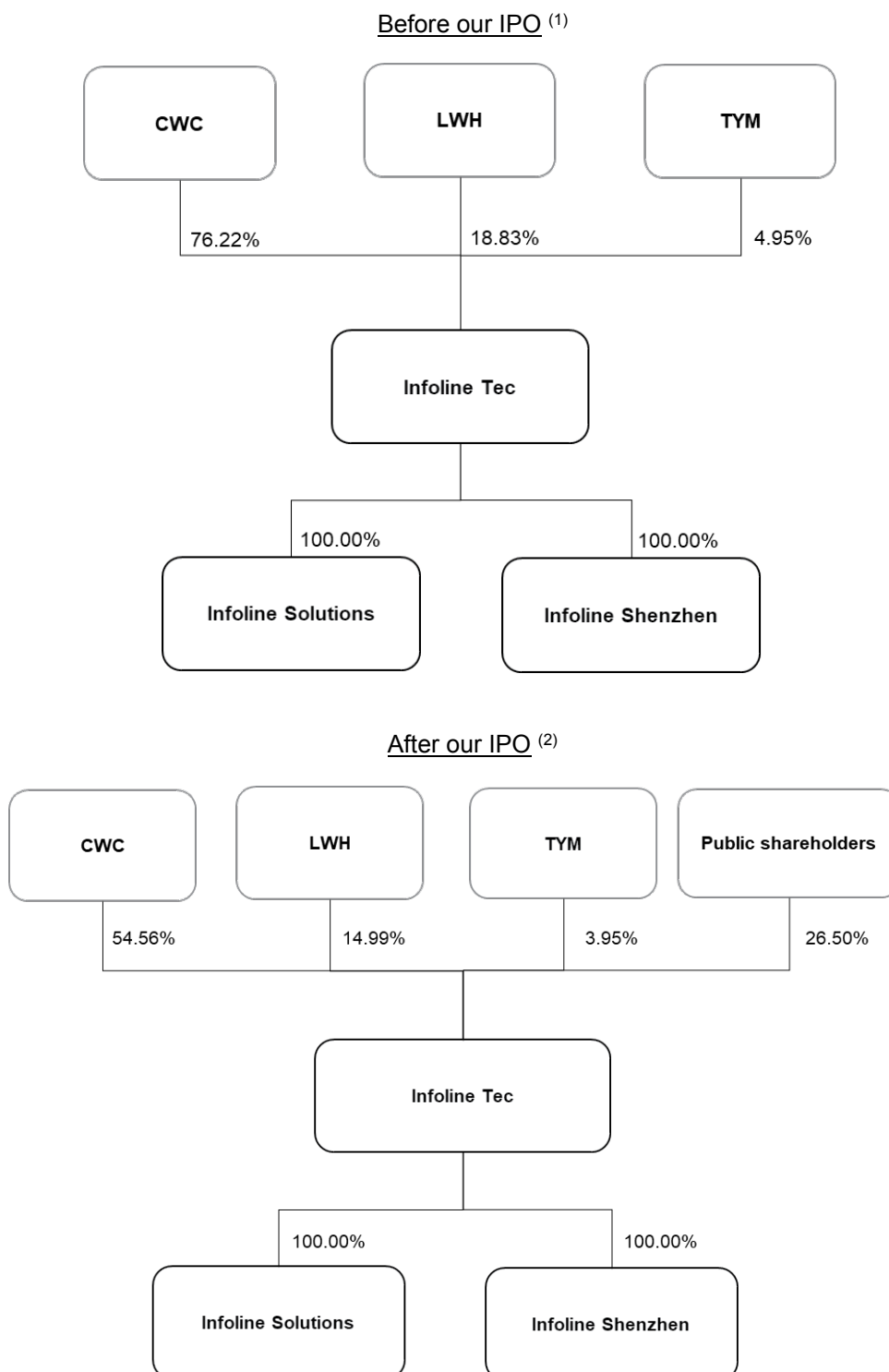
The new Shares issued pursuant to the Acquisitions rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and/or other distributions, the entitlement date of which is subsequent to the date of issuance of the new Shares.

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6. INFORMATION ON OUR GROUP (CONT'D)

6.4 OUR SHAREHOLDERS AND GROUP STRUCTURE

Our shareholders and Group structure before and after our IPO is set out below:



Notes:

- (1) Based on our enlarged Shares of 289,229,120 Shares after the Acquisitions but before our IPO.
- (2) Based on our enlarged Shares of 363,229,120 Shares after our IPO.

6. INFORMATION ON OUR GROUP (CONT'D)

6.5 OUR SUBSIDIARIES

Our Subsidiaries as at the LPD are as follows:

<u>Company name</u>	<u>Registration No.</u>	<u>Date / Place of incorporation</u>	<u>Principal activities</u>	<u>Our equity interest (%)</u>
Infoline Solutions	201301015421 (1045254-P)	8 May 2013 / Kuala Lumpur, Malaysia	Provision of information technology infrastructure and cybersecurity solutions, trading of ancillary hardware, and related services	100.00
Infoline Shenzhen	440301503446 228	5 January 2013 / Shenzhen, PRC	Provision of information technology infrastructure and cybersecurity solutions, trading of ancillary hardware, and related services	100.00

As at the LPD, our Company does not have any associate companies.

6.5.1 Information on Infoline Solutions

Infoline Solutions was incorporated in Malaysia on 8 May 2013 as a private limited company under the Companies Act 1965 and is deemed registered under the Act. The principal place of business of Infoline Solutions is at No.53-3, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.

Infoline Solutions is principally involved in the provision of information technology infrastructure and cybersecurity solutions, trading of ancillary hardware, and related services.

As at the LPD, the issued share capital of Infoline Solutions is RM2,180,000 comprising 2,180,000 ordinary shares. Save as disclosed below, there has been no change in Infoline Solutions' issued share capital for the past 3 years preceding the LPD:

<u>Date of allotment</u>	<u>No. of ordinary shares allotted</u>	<u>Nature of transaction</u>	<u>Consideration</u>	<u>Cumulative issued share capital (RM)</u>
18 June 2019	1,180,000	Capitalisation of part of the amount owing to CWC	Otherwise than cash via capitalisation of RM1,180,000 owing to CWC	2,180,000

Infoline Solutions is our wholly-owned subsidiary. As at the LPD, Infoline Solutions does not have any subsidiary, joint venture or associate companies.

6.5.2 Information on Infoline Shenzhen

Infoline Shenzhen was incorporated in Shenzhen PRC on 5 January 2013 as a foreign investment enterprise under the Shenzhen Administration for Market Regulation. The principal place of business of Infoline Shenzhen is at 401 Linli Pioneer Park, 8 South Guangzu Road, Longtian Sub-district, Pingshan District, Shenzhen City, Guangdong Province, PRC.

Infoline Shenzhen is principally involved in the provision of information technology infrastructure and cybersecurity solutions, trading of ancillary hardware, and related services.

As at the LPD, the registered capital of Infoline Shenzhen is RMB500,000. There has been no change in Infoline Shenzhen's registered capital for the past 3 years preceding the LPD.

Infoline Shenzhen is our wholly-owned subsidiary. As at the LPD, Infoline Shenzhen does not have any subsidiary, joint venture or associate companies.

6. INFORMATION ON OUR GROUP (CONT'D)

6.6 PUBLIC TAKE-OVER

Since our incorporation up to the LPD, there has been:

- (i) no public take-over offers by third parties in respect of our Shares; and
- (ii) no public take-over offers by our Company in respect of other companies' shares.

6.7 MATERIAL PROPERTIES OF OUR GROUP

6.7.1 Material properties owned by our Group

As at the LPD, we do not own any property.

6.7.2 Material properties rented by our Group

Details of the properties rented by our Group as at the LPD are as follows:

Tenant	Landlord	Location	Approximate Area (sq m)	Tenure	Use of property	Rental per annum
Malaysia						
Infoline Solutions	CWC	No. 51-2 & 51-3, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan	144.9	1 September 2021 to 31 August 2023	Office	RM50,400
Infoline Solutions	I-Ducations Sdn Bhd	No. 53-1, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan	144.9	1 November 2020 to 31 October 2022	Office	RM26,400
Infoline Solutions	I-Ducations Sdn Bhd	No. 53-3, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan	144.9	1 August 2020 to 31 July 2022	Office	RM24,000
PRC						
Infoline Shenzhen	Shenzhen Honghui Dress Accessories Co., Ltd.	Room 401 Linli Pioneer Park, 8 South Guangzu Road, Longtian Sub-district, Pingshan District, Shenzhen City	102.0	1 January 2021 to 31 December 2022	Office	RMB48,960

As at the LPD, the properties rented by our Group is not in breach of any land use conditions, laws, regulations, rules and requirements in relation to land and buildings.

7. BUSINESS OVERVIEW

7.1 PRINCIPAL BUSINESS ACTIVITIES, PRODUCTS AND SERVICES

7.1.1 Overview

We are an IT infrastructure and cybersecurity solution provider. Our core expertise lies in:

- (i) designing suitable IT infrastructure and cybersecurity solutions that meet customers' business needs, requirements and budget;
- (ii) project delivery and implementation which includes the implementation and configuration of the physical hardware components and software based on the agreed upon design; and
- (iii) management and maintenance of the abovementioned solutions.

As for physical hardware components and software, we source them from Principals through their distributors.

Our Group's principal activities and solutions are categorised and summarised in the diagram below:

Principal Activity	Types of key solutions / services	Revenue model	Geographic segment	Customer segments
Provision of IT infrastructure solutions (design and implementation of IT infrastructure solutions)	<ul style="list-style-type: none"> • Data centre solutions • System infrastructure • Software-defined infrastructure • Network infrastructure • Cloud computing solutions • Unified communications 	<ul style="list-style-type: none"> • One-off project-based fee • Software licensing fee 	<ul style="list-style-type: none"> • Malaysia • China • Other markets (including Hong Kong, Australia, Thailand, Singapore, Taiwan, South Korea, India, Myanmar, Indonesia and the Philippines) 	<ul style="list-style-type: none"> • Customers who are end-users (i.e. local and multinational companies) • Customers who are not end-users (e.g. property consultancy, and property developers and construction companies)
Provision of cybersecurity solutions (design and implementation of cybersecurity solutions)	<ul style="list-style-type: none"> • Network security • Endpoint protection platform • Network access control • Anti-DDoS protection • Web isolation • Application delivery controller • Cloud security 	<ul style="list-style-type: none"> • One-off project-based fee • Software licensing fee 		
Provision of managed IT services and other IT services	<ul style="list-style-type: none"> • Managed network services • Managed cybersecurity services • Project delivery and management services • Assessment and troubleshooting services • Consultation services • Maintenance and technical support 	<ul style="list-style-type: none"> • Contract fee • Professional service fee 		
Trading of ancillary hardware and software	Examples include computers, notebooks, printers, accessories and peripherals	<ul style="list-style-type: none"> • One-off sale 		

7. BUSINESS OVERVIEW (CONT'D)

We generally have 2 customer segments, namely:

(i) Customers who are end-users

End-users are the users of the IT infrastructure and cybersecurity solutions that we design, implement, maintain and manage. These end-users are typically enterprises that include local and multinational companies that are operating in diverse industries, including financial services, telecommunications, retail, healthcare, education, manufacturing, and food and beverage industries. End-users also include Principals, which require us to design, implement, maintain and manage their IT infrastructure and cybersecurity solutions for their offices.

(ii) Customers who are not end-users

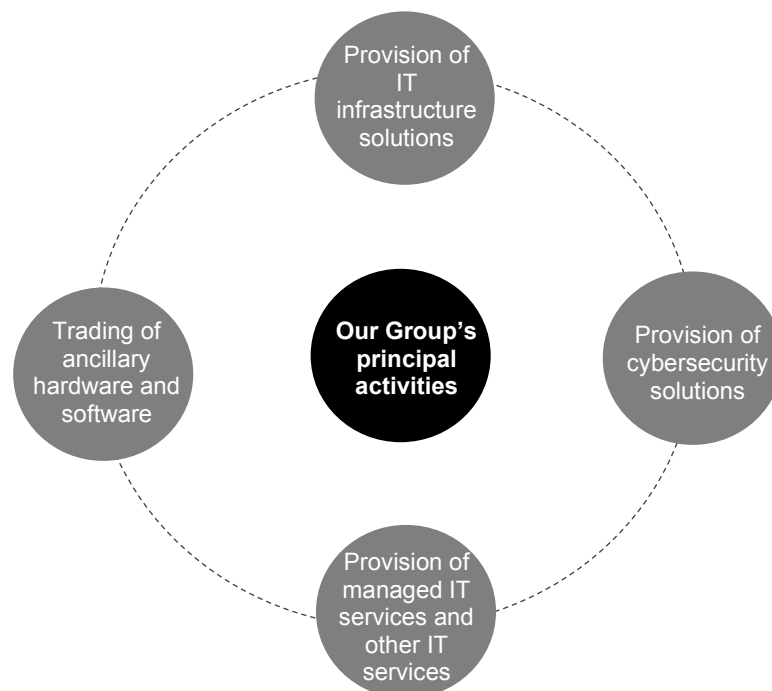
We also design, implement, maintain and manage IT infrastructure and cybersecurity solutions for customers which are not end-users of these solutions. These customers include property consultancy as well as property developers and construction companies.

Property consultancy companies are companies that facilitate the process of acquiring or renting a property for enterprises. These companies are engaged by their customers (typically enterprises) to identify a suitable location as an office, oversee the interior designing of the office premises and equipping the office premises with the necessary facilities (including IT infrastructure and cybersecurity solutions) in accordance with their customers' requirements. In doing so, these companies may work with relevant service providers and contractors. This include engaging us to provide consultation services to implement IT infrastructure and cybersecurity solutions for the premises.

Property developers and construction companies also engage us to provide consultation services during the initial set up and planning stage of the construction of commercial buildings.

7.1.2 Our principal activities and products

Our principal activities are as detailed below:



7. BUSINESS OVERVIEW (CONT'D)

(i) Provision of IT infrastructure solutions

We specialise in the design and implementation of IT infrastructure solutions, the process of which is described as follows:

- We assess and evaluate our customers' business environment to consult and recommend a suitable IT infrastructure design that meets their business needs, requirements and budget (encompassing network connectivity, data storage and efficient processing of applications that facilitate and automate enterprises' business or operational processes);
- We then set up the physical hardware components of this design and configure the appropriate software with these physical hardware components at either our Group's office or the customers' premises, depending on the customers' request;
- The abovementioned configured physical hardware components and software are installed on-site at our customers' premises to form the IT infrastructure;
- Once the IT infrastructure is formed and handed over to our customers, we continue to provide maintenance services if requested by our customers.

A well-designed IT infrastructure lays a foundation for introducing software to facilitate and automate customers' business or operational processes. It is thus crucial for IT infrastructure solutions to be implemented to allow for workable network connectivity, data storage and efficient processing of applications to enable our customers to communicate and perform their daily operational activities efficiently and effectively.

The physical hardware components and software of the IT infrastructure we design and implement are sourced from the Principals through their distributors. Principals are companies which design and develop the physical hardware components and software, and are the brand owners. As the Principals generally market and sell their physical hardware components and software through their distributors, we procure these products from the Principals' distributors.

As we are recognised by some of these Principals, we are able to directly negotiate with the Principals for specific projects (which are typically larger in sales volume) allowing us to obtain better pricing arrangements. The Principals will then inform their distributors of the pricing arrangement.

We may also obtain rebates from the Principals as a reward for achieving the sales volume targets set by the Principals. In such cases, the Principals typically inform us on the sales volume targets that need to be achieved in order to attain the rewards (in the form of rebates) on an annual basis. Should we achieve the sales volume targets, the reward (in the form of rebates) will be given to us, either directly by the Principals or via the distributors. We have not entered into any agreements with the Principals or the Principals' distributors for purchase of products from them.

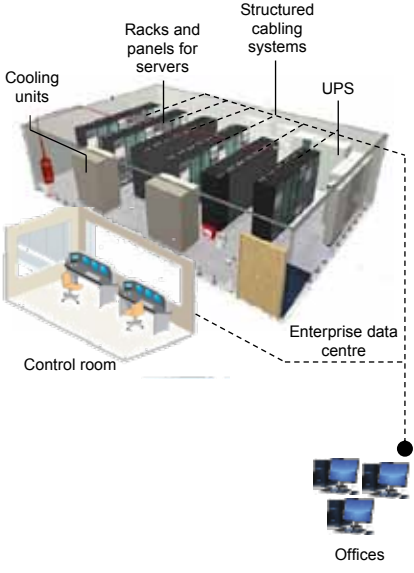
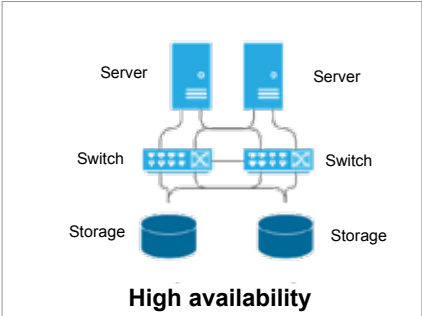
We typically use reputable brands of hardware from Principals such as Dell Technologies, Inc., Check Point Software Technologies Ltd., Panduit Corporation and VMware, Inc.. We source from a wide range of hardware (such as servers, switches, computers and data storage) and software which are the best fit for each particular solution, and are not restricted to any particular brand. Thus, we can cater to a diverse range of needs based on factors such as organisation size, budget and complexity of the solution.

7. BUSINESS OVERVIEW (CONT'D)

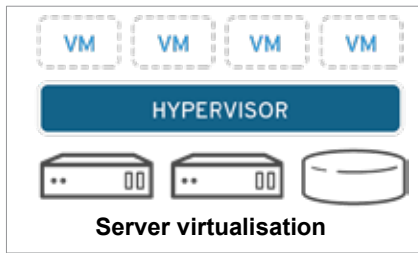
We charge a one-off project-based fee for the design, implementation and configuration of our IT infrastructure solutions and a software licensing fee for continuous usage of the required software. Typically, it takes between 2 and 3 months to complete an IT infrastructure solutions project, depending on the complexity of the project as well as type and quantity of hardware required for the project. However, if there is any delay in obtaining the required hardware, the timeframe taken to complete the project may extend up to 6 months.

Our technical team which comprises network and system engineers, solution architects and technicians, possesses the required experience and expertise to customise an IT infrastructure solution to cater for a diverse range of industries. Examples of industries we have implemented IT infrastructure solutions for include the financial services, telecommunications, retail, healthcare, education, manufacturing, and food and beverage industries.

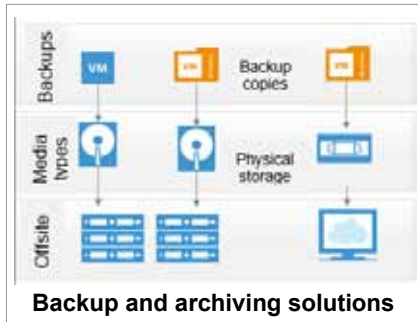
Among the IT infrastructure solutions which we are able to provide include:

IT infrastructure solution	Description
<p>Data centre solutions</p> 	<p>Data centre solutions refer to solutions required in the setting up and maintenance of data centres. Larger enterprises may set up enterprise data centres, which can be located at their office premises or other designated locations which they operate to support the said enterprise.</p> <p>We are capable of designing and implementing data centre solutions. Our data centre solutions include:</p> <ul style="list-style-type: none"> • Designing and installation of structured cabling systems which forms the backbone of the network infrastructure; • Installation of racks and panels for servers to house the system infrastructure; • Installation of UPS to ensure there is no disruption in power supply; and • Implementation of supporting tools and solutions to manage the data centre such as humidity and temperature control solutions, power consumption monitoring tools, and other data centre monitoring tools and cooling systems.
<p>System infrastructure</p> 	<p>System infrastructure mainly includes network equipment (such as switches and routers), servers and storage devices (such as tape storage and backup discs). Types of system infrastructure solutions include:</p> <ul style="list-style-type: none"> • high availability refers to a system that is designed to avoid loss of service by reducing or managing failures and minimising planned downtime. This is achieved through various means including increasing the number of equipment (such as servers/storage devices) operating simultaneously;

7. BUSINESS OVERVIEW (CONT'D)

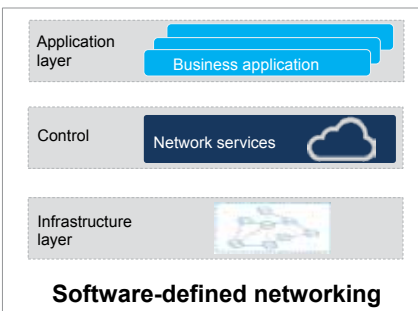


- **server virtualisation** to partition a physical server into multiple isolated virtual servers. This allows for various operating system environments to run on a single server. In addition, it enables sharing of servers across different business applications or business divisions; and



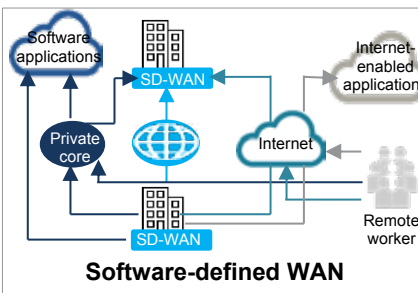
- **backup and archiving solutions** in order to record, store and retain digital data.

Software-defined infrastructure

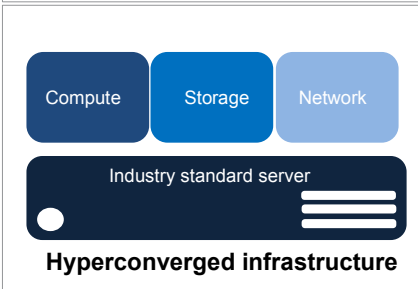


Software-defined infrastructure utilises software to automate, manage and program an infrastructure. With software-defined infrastructure, customers can acquire generic/off-the-shelf hardware. As the hardware is widely available and interchangeable, it is less costly and minimal human intervention is required on the customers' part, to perform configuration, backup and recovery of components of the infrastructure from different vendors.

The types of software-defined infrastructure solutions we offer include:



- **Software-defined networking** which is a system that automates, manages and programmes a LAN and/or storage infrastructure located in a single location through software interfaces;

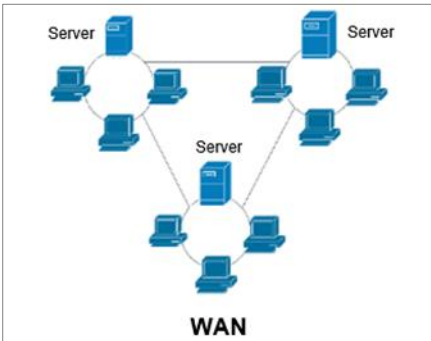
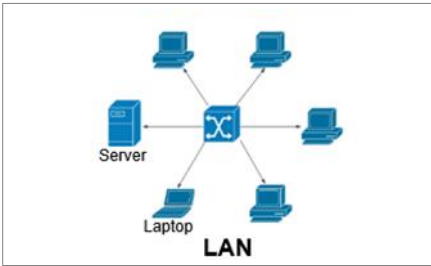


- **Software-defined WAN** which is a virtual WAN architecture that allows enterprises to leverage on WAN connectivity to securely connect users to applications. It uses a centralised control function to securely and intelligently direct traffic across the WAN. This increases business productivity and reduces operational IT costs; and

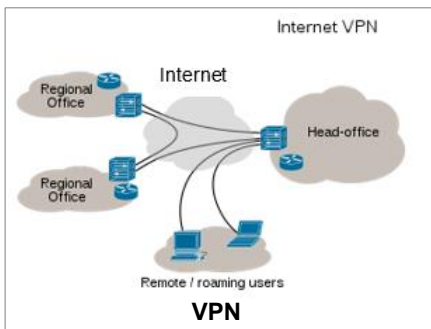
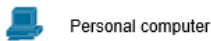
- **Hyperconverged infrastructure** which is a unified system that combines all elements of a traditional data centre, including storage, computing and network management.

7. BUSINESS OVERVIEW (CONT'D)

Network infrastructure



Legend:



Our network infrastructure comprises various types, including:

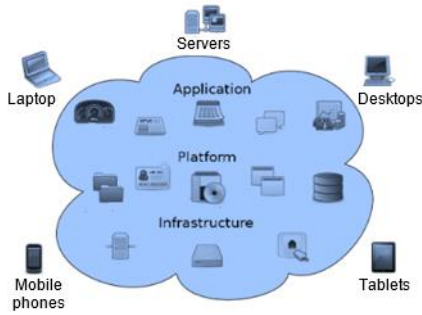
- **LAN** which is a private network infrastructure that securely connects computers in different offices/branches in an enterprise. An enterprise private network is mainly set up to share computer resources;
- **WAN** which is a network infrastructure that allows for connectivity over a wide geographic area. The network infrastructure will be integrated with telecommunication circuits provided by telecommunication companies;
- **VPN** which extends a private network across a public network and enables users to send and receive data across shared or public networks as if their computing devices were directly connected to the private network. Applications running across a VPN may therefore benefit from the functionality, security, and management of the private network; and
- **Infrastructure monitoring and compliance system** which monitors and manages infrastructure systems on a real-time basis, and analyses the performance of each device present in the network.

When required, we also design and install structured cabling systems to upgrade existing network performance for higher bandwidth or better coverage.

The above network infrastructure also allows for Internet of Things (“IoT”) device connectivity.

7. BUSINESS OVERVIEW (CONT'D)

Cloud computing solutions

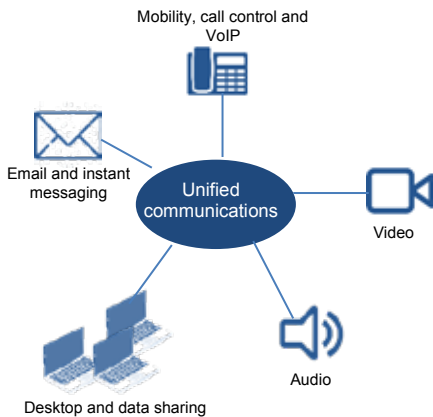


Cloud computing solutions include the offering of products/services on a subscription basis or an on-demand basis. These cloud computing solutions are hosted by a third-party vendor or service provider.

We assist customers to install and integrate the following cloud computing solutions into their existing system and network infrastructure such as:

- Storage / data
- Servers
- Networking
- Applications

Unified communications



Unified communications refer to a set of enterprise communication solutions including, amongst others:

- Instant messaging
- VoIP
- Mobility features which allow each user to have separate or individual extension numbers, dial permissions and other features
- Audio and video conferencing
- Desktop sharing
- Data sharing
- Call control which allows routing of telephone calls

We can implement 2 or more of the abovementioned solutions for our customers, depending on the customers' needs and requirements. If required, we are also able to design and implement a complete data centre, comprising data centre solutions, system infrastructure and network infrastructure and/or software-defined infrastructure.

(ii) Cybersecurity solutions

Cybersecurity solutions refer to a combination of hardware and software to prevent cyber threats and attacks, and services to install and implement these solutions. We provide cybersecurity solutions to protect our customers' IT infrastructure and data from cyber threats, attacks and unauthorised access which mitigate cybersecurity risks and minimise costs associated with dealing with cyber threats and attacks.

We specialise in the design and implementation of cybersecurity solutions. We assess and evaluate our customers' IT infrastructure and industry requirements in order to recommend suitable cybersecurity solutions. Our cybersecurity solutions are customised to suit our customers' business needs, industry requirements and budget. An appropriate cybersecurity solution will then be configured with our customers' IT infrastructure.

The cybersecurity hardware and software we utilise in rendering our solutions are sourced from the Principals through their distributors. The Principals are companies which design and develop the cybersecurity hardware and software, and are the brand owners. As the Principals generally market and sell their cybersecurity hardware and software through their distributors, we procure these products from the Principals' distributors.



7. BUSINESS OVERVIEW (CONT'D)

As we are recognised by some of these Principals, we are able to directly negotiate with the Principals for specific projects (which are typically larger in sales volume) allowing us to obtain better pricing arrangements. The Principals will then inform their distributors of the pricing arrangement. We may also obtain rebates from the Principals as a reward for achieving the sales volume targets set by the Principals. In such cases, the Principals typically inform us on the sales volume targets that need to be achieved in order to attain the rewards (in the form of rebates) on an annual basis. Should we achieve the sales volume targets, the reward (in the form of rebates) will be given to us, either directly by the Principals or via the distributors. We have not entered into any agreements with the Principals or the Principals' distributors for purchase of products from them.

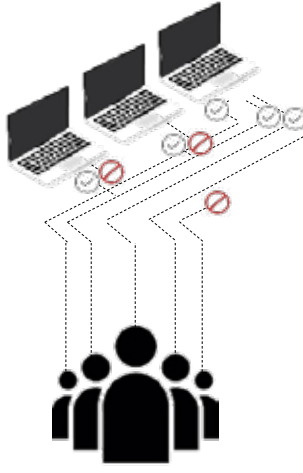
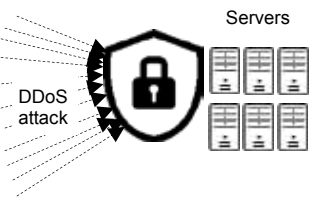
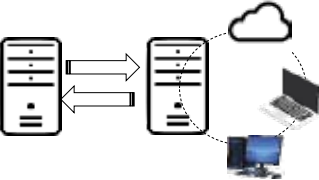
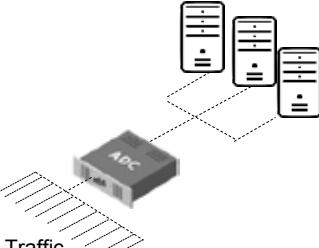
We typically use reputable cybersecurity hardware and software brands from Principals such as Check Point Software Technologies Ltd., Palo Alto Networks Inc. and Fortinet Inc.. As a result, we are not restricted to a particular brand. Instead, we can source from a wide range of hardware (such as hardware security modules and ethernet encryptors) and cybersecurity software to build a particular solution. Thus, we can cater to a diverse range of needs based on factors such as organisation size, industry requirements, budget and complexity of the solution.

We charge a one-off project-based fee and a software licensing fee for continuous usage of cybersecurity software. Typically, it takes between 2 and 3 months to complete a cybersecurity solutions project, depending on the complexity of the project as well as type and quantity of cybersecurity hardware required for the project. However, if there is any delay in obtaining the required hardware, the timeframe taken to complete the project may extend up to 6 months.


Among the cybersecurity solutions which we can provide include:

Cybersecurity solution	Description
<p data-bbox="295 1155 635 1187">Network security</p> 	<p data-bbox="643 1155 1388 1272">Network security solutions are designed to protect the data transmitted over the network infrastructure. Network security solutions stop cyber threats and attacks from entering or spreading on our customers' network.</p> <p data-bbox="643 1308 1388 1424">Our network security solutions include encryption, hashing and tokenisation of data to protect the data. We also recommend suitable protocols and practices for enterprises to adopt in order to protect their data.</p>
<p data-bbox="295 1456 635 1518">Endpoint protection platform</p> 	<p data-bbox="643 1456 1388 1641">Endpoint protection platform protects endpoints on a network or in the cloud from cybersecurity threats. These endpoints include desktops, laptops and mobile devices. Endpoint security platform has evolved from traditional antivirus software to provide a range of comprehensive protection from sophisticated malware and the evolving zero-day threats.</p> <p data-bbox="643 1677 1388 1825">It specifies an index of approved software and executed files permitted to be present or active on the device, detects and tracks abnormal behavioural patterns, remediates and responds to threats, performs forensics of threats, and employs threat mitigation protocols.</p>

7. BUSINESS OVERVIEW (CONT'D)

<p>Network access control</p> 	<p>Network access control enables access management through improving the visibility of users of the network, as well as policy enforcement on devices and users of corporate networks. Its functions include:</p> <ul style="list-style-type: none"> • Mitigation of network threats by enforcing security policies that block, isolate, and repair non-compliant machines without administrator attention; • Recognition and profiling of users and their devices before malicious code can cause damage; • Management of guest access through a customisable, self-service portal that includes guest registration, guest authentication, guest sponsoring, and a guest management portal; and • Evaluation of security-policy compliance by user type, device type, and operating system. <p>Our network access control also allows for better management of mobile devices and own devices that employees use to access the customers' network infrastructure.</p>
<p>Anti-Distributed Denial of Service (“DDoS”) (“Anti-DDoS”) protection</p> 	<p>Anti-DDoS protection specifically targets DDoS attacks. A typical DDoS attack is in the form of high volumes of requests sent at the same time from multiple points on the Internet to overwhelm network system resources or overload the bandwidth of the network infrastructure. Should a DDoS attack be successful, it will render a network infrastructure unstable or unavailable to its users. Anti-DDoS protection mitigates these DDoS attacks by:</p> <ul style="list-style-type: none"> • analysing data packets quickly in real-time to detect an anomaly that indicates a possibility of a DDoS attack; • separating and filtering non-legitimate requests from legitimate requests; and • analysing emerging internet threats to develop defences for future attacks.
<p>Web isolation</p> 	<p>Web isolation contains web browsing activity in an isolated environment to protect computers or endpoints from any cyber threats. In other words, web isolation mitigates cyber threats when users are performing web browsing activities as malware will not infiltrate the users' devices or any other devices on the network. This web isolation may occur locally on the computer or a server.</p>
<p>Application delivery controller</p> 	<p>An application delivery controller is a network device used to assist software in directing user traffic, in order to remove the excess load from 2 or more servers.</p> <p>Application delivery controller allows for:</p> <ul style="list-style-type: none"> • data compression where information is encoded using fewer bits, and caching where a copy of the data is stored so that it may be accessed faster in the future; • connection multiplexing where multiple signals are combined into a single signal and shared over a medium;

7. BUSINESS OVERVIEW (CONT'D)

	<ul style="list-style-type: none"> • traffic shaping, which is a bandwidth management technique to delay data packets to increase usable bandwidth and improve performance; • application layer security where transfer of data is monitored and blocked based on a pre-defined set of rules; • offload of SSL and TLS to a hardware accelerator (a web application); • content switching, where traffic is redirected from one server to another server; and • server load balancing, where incoming traffic is distributed across multiple backend servers.
<p>Cloud security</p> 	<p>Cloud security is dedicated to securing cloud computing solutions. This includes maintaining privacy and ensuring data security.</p>

(iii) Managed IT services and other IT services

We provide the following services:

- **Managed IT services**

Building upon our technical knowledge and industry experience, we offer managed IT services.

Our services allow enterprises to monitor and manage their IT infrastructure and cybersecurity solutions without incurring substantial operational expenses in setting up their own dedicated IT team. Our managed IT services allow customers to reduce their operational expenses on IT overhead costs (in respect of hiring, retaining, and equipping an internal IT network management team). Our customers can leverage on our experience and professional services for their IT infrastructure, which allows them to concentrate on their core business processes while saving costs and resources.

We charge a contract fee on a monthly basis over a specified period for these managed IT services.

Some of the benefits that our customers can derive from our managed IT services include:

- **Productivity improvement** – As management of IT infrastructure and cybersecurity is outsourced to us, our customers can focus on operating their core business activities;
- **Access to expertise and advanced technology** – As we are specialists in IT infrastructure and cybersecurity, our customers can leverage on our expertise in developing best practices, procedures and policies;
- **Lower operational expenses** – Rather than spending on setting up an internal IT team, our customers can pay a contract fee according to the different types of services required; and
- **Flexibility and scalability** – Our customers need not recruit, train and manage new IT personnel to manage newly acquired equipment to cater for expansions in IT infrastructure. Conversely, our customers can also easily lower their IT overhead costs in the event they were to scale down on their IT infrastructure.

7. BUSINESS OVERVIEW (CONT'D)

We provide the following managed IT services:

Managed network services

We provide managed network services, which include the outsourced monitoring and management of our customer's network infrastructure.

In this respect, we provide the relevant expertise, resources, and tools to monitor and manage our customers' network infrastructures proactively.

We have a NOC located at Kota Damansara to facilitate our managed network services. We have obtained the ISO / IEC 27001:2013 certification for the provision of managed services through our NOC, indicating that we have in place the necessary policies, procedures and facilities to safeguard our NOC.

The NOC has dashboard analytics to allow us to perform the following, amongst others:

- Automated network and device monitoring;
- Visibility of network to detect anomalies, incidents and problems;

Our NOC is staffed with engineers at any point in time. Our engineers provide our customers with 24-hour support daily. We require our engineers to be certified and qualified by our Principals so that they are well-equipped with the appropriate expertise to implement our solutions. These engineers are tasked to carry out the following services using a reliable set of processes and a combination of technology solutions:

- Diagnosis, assessment, troubleshooting and management of incidents or problems;
- Application installation, setup, update and change;
- Handling of any network incidents;
- Scheduled network performance reports, which include performance scorecards as well as performance and capacity analysis;
- Setting an IT infrastructure lifecycle plan and performance benchmarks for continual improvement; and
- Design and implement change and configuration management approaches and plans in support of network infrastructure process, data and applications.

The picture below depicts our NOC:



7. BUSINESS OVERVIEW (CONT'D)

Managed cybersecurity services

As at the LPD, we provide managed cybersecurity services that protect customers' networks from common cyber threats such as phishing attacks and malware.

We have a security analysis team that operates from our head office in Kota Damansara. Our security analysis team provides our customers with 24 hours of customer service support daily. Our present facilities allow our security analysis team to undertake basic diagnosis on the network to detect common cyber threats in order to troubleshoot any incidents and problems raised by customers. Our security analysis team will also install, set up, update and/or change cybersecurity software as required.

- **Professional services**

We also provide one-off professional services for customers who do not procure any hardware or software through us. These are for special projects whereby our in-house technical team is engaged to provide the following professional services for a pre-specified period:

(a) Project delivery and management services

We design, implement and configure complex IT infrastructure solutions. In order to better facilitate our project delivery and management services, we utilise our in-house developed project management application which allows for:

- Assignment of tasks to relevant personnel;
- Better tracking of tasks and ensuring proper execution of tasks by configuring the parameters to be met;
- Facilitating collaboration between multiple users; and
- Recording meeting minutes and changes in requests.

Upon completion of the project, we also offer training and knowledge transfer of these IT infrastructure solutions to our customers' employees. The duration of the training sessions typically range from 1 to 3 days.

We charge a contract fee on a monthly basis for a specified period.

(b) Assessment and troubleshooting services

We assist our customers in:

- assessing and testing the performance of their network; and
- detecting and diagnosing any network performance issues

Should there be any issues with the hardware, we will perform a direct replacement. The hardware replacement is provided by the respective Principal and/or their distributors, provided that it is covered under the warranty period. In the event that it is post the warranty period or if the hardware was not implemented by us, we will charge our customers for the said replacement.

We charge a service fee for the service(s) rendered.

7. BUSINESS OVERVIEW (CONT'D)

(c) Consultation services

At times, we are required to support our customers, particularly property developers, construction companies and enterprises, during the initial set up and planning stage of a construction project. In such cases, we consult our customers regarding suitable designs for IT infrastructure and cybersecurity solutions to meet operational needs. We are also required to prepare technical design documents, which our customers will then use in their application and/or tender documents. While we may not necessarily secure a project resulting from providing these consultation services, we will be the likely candidate should they successfully proceed with the construction of these commercial properties.

We charge a service fee for the consultation services provided based on the complexity of the project and time required. The typical duration of this type of consultation services normally ranges between 3 and 9 months.

- **Maintenance and technical support**

Among the maintenance and technical support services which we offer are:

- Monitoring and management of network, hardware and software;
- Updating of software;
- Network performance reporting; and
- Bandwidth management.

The typical tenure of our maintenance and support contracts are between 1 and 3 years. The contract fee is typically paid at the beginning of the contract or on a periodic basis.

(iv) **Trading of ancillary hardware and software**

When required, we also provide ancillary hardware and software products to our customers, which is complementary to our Group's business. These hardware products include computers, notebooks, printers, accessories, and peripherals. If required, we also provide software such as operating systems and computing applications.

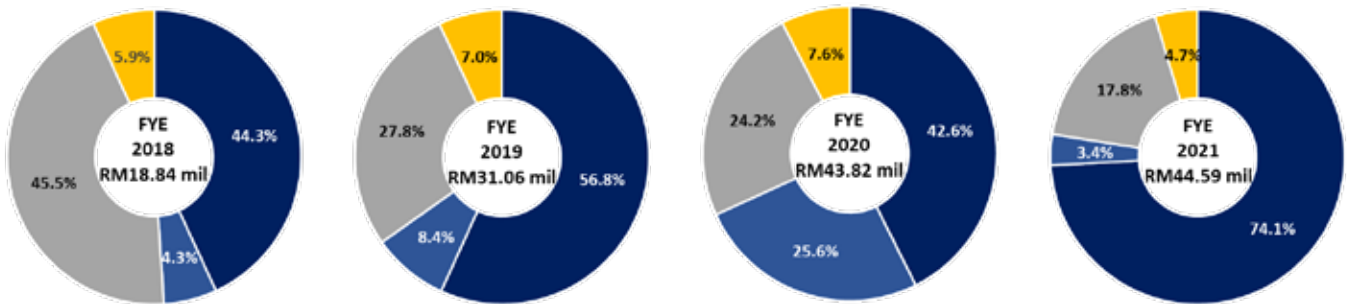
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7. BUSINESS OVERVIEW (CONT'D)

7.1.3 Our revenue segments

Our revenue from IT infrastructure solutions is the primary contributor to our Group's revenue, generating 44.3%, 56.8%, 42.6% and 74.1% of our Group's total revenue in FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Managed IT and other IT services contributed 45.5%, 27.8%, 24.2% and 17.8% to our Group's total revenue in FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Our revenue from cybersecurity solutions has been growing over the FYE Under Review, from 4.3% in FYE 2018 to 25.6% in FYE 2020. Revenue contribution from cybersecurity solutions was 3.4% in FYE 2021.

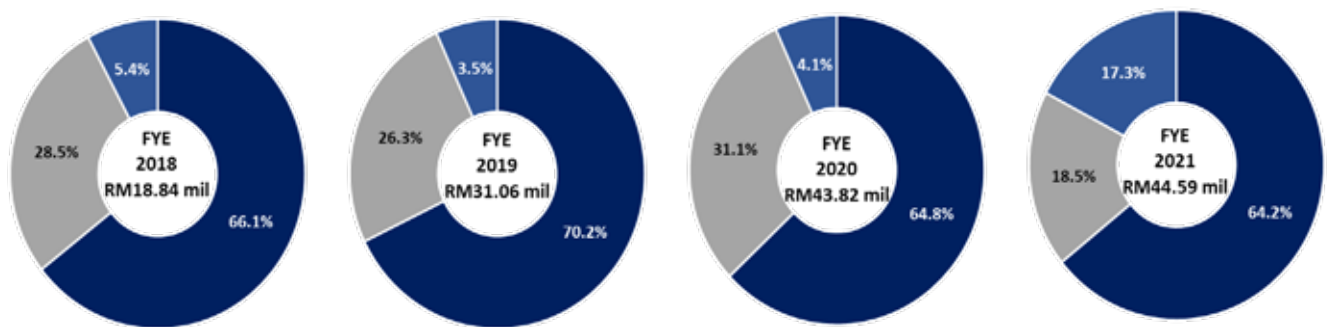
Our revenue by business segments is as illustrated below:



Legend:



Our business is operated out of Malaysia and PRC. However, as some of our customers are multinational companies with operations in various countries, we design and implement solutions and services for their offices located in Asia Pacific. The breakdown of our sales revenue by geographical location for the FYE Under Review are as follows:



Legend:



7. BUSINESS OVERVIEW (CONT'D)

7.2 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

(i) We have the capability and expertise to design, implement, maintain and manage IT infrastructure and cybersecurity solutions that meet various customer requirements

Having been operating as an IT infrastructure and cybersecurity solution provider since 2013, we have accumulated experience in designing, implementing and maintaining these solutions. We can also leverage on the experience of our Promoters, i.e. CWC and LWH, as well as our Chief Technical Officer and Chief Marketing Officer, all of whom are experienced in the IT industry, as indicated below in Section 7.2(v) of this Prospectus. CWC and LWH have an average of approximately 20 years of experience in the IT industry while our Chief Marketing Officer, TYM and our Chief Technical Officer, Koay Hean Jin have an average of approximately 14 years of experience in the IT industry, respectively.

As these processes require specific skills and knowledge, we ensure that our employees receive the necessary on-the-job training. Presently, we have 12 skilled personnel who are involved in our project design, implementation and maintenance processes, all of whom were trained by us.

Our technical department's knowledge and experience garnered over the years have been consolidated into a Fundamental Architectural Design that is constantly kept updated to market trends. This Fundamental Architectural Design allows us to ensure consistent outcomes when delivering our IT infrastructure and cybersecurity solutions.

Furthermore, with the Fundamental Architectural Design and understanding of IT infrastructure and cybersecurity solutions, we have also developed the necessary protocol and processes to carry out our managed IT services in line with the latest technology. We can also add value to our customers' businesses by proposing best practices in designing their IT infrastructure and cybersecurity solutions.

Consequently, we have implemented IT infrastructure and cybersecurity solutions for end-users involved in diverse industries, including financial services, telecommunications, retail, healthcare, education, manufacturing, and food and beverage industries. These end-users have different levels of cybersecurity requirements and varying IT infrastructure needs, and we were able to cater to their needs.

(ii) We have a strong portfolio of customers and have established long-term relationships with them

Our customers are mainly multinational and local companies operating in a diverse range of industries including financial services, telecommunications, property development, retail, healthcare, education, manufacturing, and food and beverage industries. This includes Principals with operations globally.

The quality of the solutions we implement is crucial to upholding our industry reputation and maintaining good business relationships with our customers. Therefore, we place a strong emphasis in keeping our quality and have implemented stringent quality assurance procedures particularly in-process quality controls to ensure that we meet our customers' demands and requirements. For further details of our QA/QC measures, please refer to Section 7.4 of this Prospectus.

7. BUSINESS OVERVIEW (CONT'D)

Our success in securing and retaining our customers is a testament to the quality of the solutions we have implemented, as well as our customer service and technical support. Further, our success in securing sales from these multinational companies serve as a reference for our Group as we continue to bid for projects and secure new orders and contracts.

(iii) We have built relationships with a well-established network of Principals and suppliers

Since our inception in 2013, we have been working with numerous Principals and their distributors from whom we source our physical hardware components and software for our IT infrastructure and cybersecurity solutions. These include brand owners and distributors of reputable brands such as Dell Technologies, Inc., Check Point Software Technologies Ltd., Panduit Corporation, VMware, Inc., Palo Alto Networks Inc. and Fortinet Inc..

By working with multiple Principals and distributors, we are not tied to a particular brand. Our ability to access a wide range of hardware and software from numerous brands has allowed us to create customised solutions for our customers, depending on their needs, industry requirements and budget. Thus, we can cater to a diverse range of needs based on factors such as organisation size, budget and complexity of the solution.

Further, we have built good working relationships with our network of Principals and their distributors, which has allowed us to source and place orders easily. We also leverage on our relationship with these reputable brand names, enabling us to build more reliable solutions for our customers.

As at the LPD, we have been recognised as Gold Partner by Dell Technologies, Inc. and Panduit Corporation; as well as 3-Star Partner by Check Point Software Technologies Ltd. and Huawei Technologies Co. Ltd and Aruba Gold Partner Status by Hewlett Packard Enterprise Company. These recognitions indicate that we work closely with the respective Principals in securing new projects.

Some of these recognitions also indicate that we can negotiate directly with these Principal, thus allowing us to obtain better pricing arrangements and rebates from the Principals' distributors. This could in turn lead to us being able to offer more competitive pricing to our customers. In the case where the Principal is our customer, we are also able to procure the necessary physical hardware components and software sourced from other Principals, through their distributors, at competitive pricing in light of our recognitions.

We believe that our strong network of suppliers, comprising Principals and/or their distributors, will continue contributing to our business development and growth.

(iv) We have our own NOC and can offer efficient and reliable customer service and technical support

We are committed to providing efficient and reliable customer services and technical support to our customers. We view this as crucial in maintaining good business relationships with our customers.

We have a dedicated technical support team based in our office in Malaysia to provide technical support to all of our existing customers and implement projects in Malaysia and other markets. As at the LPD, we have 12 permanent and 4 contract personnel in our technical department, of which 12 have been certified by some of our Principals. For clarity, we required our engineers to be certified and qualified by our Principals so that our engineers are well-equipped with the appropriate expertise to implement our solutions.

7. BUSINESS OVERVIEW (CONT'D)

We also hire subcontractors based in PRC to provide technical support to customers in the country. Since all works in PRC are remotely carried out by our technical personnel once the subcontractors have connected the physical hardware components to the network, our subcontractors are not required to be certified by the Principals.

In 2017, we also established our own NOC in Kota Damansara as a central location to provide managed network services. Our engineers provide support to our customers 24 hours daily. The NOC allows our staff to remotely monitor and manage our customers' IT infrastructure to ensure optimum IT performance and efficiency while minimising downtime.

Currently, we also offer managed cybersecurity solutions. We detect, analyse and respond to common cyber threats using a reliable set of processes and a combination of technology solutions. In the future, we are planning to set up our own SOC, which will allow us to expand our service offerings to complement our existing managed cybersecurity solutions. With the SOC, we will be able to detect, analyse and respond to more advanced and sophisticated cyber threats, as detailed in Section 7.19.2 of this Prospectus.

(v) We have an experienced and committed management team

We have an experienced and committed management team. Our Chief Executive Officer, CWC, is responsible for business development as well as the overall strategic and general management of our Group. Meanwhile, our Chief Operating Officer, LWH, is responsible for operational management and project delivery of our Group.

CWC and LWH have had vast experience in the IT industry, having worked for several IT hardware distributors and/or Principals' distributors. Throughout their tenure with these companies, they have held various roles ranging from, sales and channel management to technical operations. Overall, CWC and LWH have had an average of approximately 20 years of experience in the IT industry. Their extensive experience in the industry and technical know-how have been vital in building and maintaining relationships with our network of customers and suppliers. Both our Chief Executive Officer and Chief Operating Officer have been instrumental in the growth and success of our Group.

Our Chief Executive Officer and Chief Operating Officer are supported by our management team who have accumulated experience in their respective fields, namely our Chief Marketing Officer, TYM; our Chief Technical Officer, Koay Hean Jin; and our Chief Financial Officer, Toh Woan Fei.

The management team's combined skills, extensive knowledge of our Group's products and services, strong management capabilities and continued focus on realising strategies are vital to our Group's continued growth and future development. The combination of our key management team's experience and expertise have been integral to our success, and will continue to be a key factor in our future development.

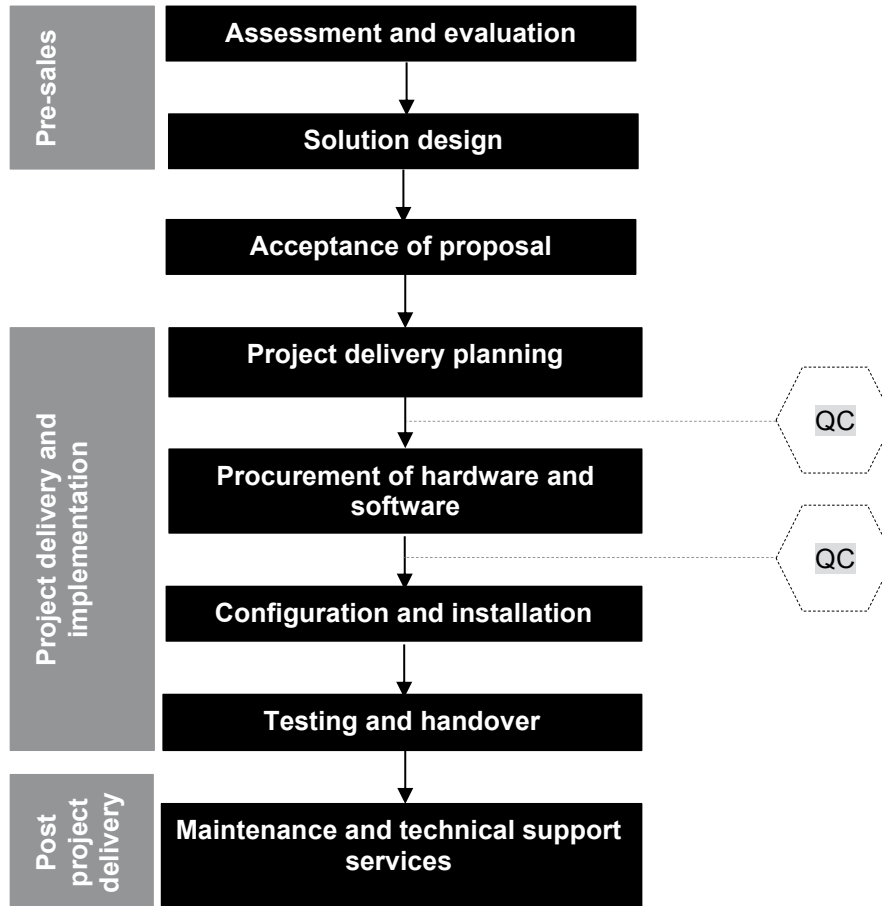
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7. BUSINESS OVERVIEW (CONT'D)

7.3 OUR OPERATIONAL PROCESS

7.3.1 IT infrastructure and cybersecurity solutions

Our operational processes for our IT infrastructure and cybersecurity solutions are as depicted below:



(i) Assessment and evaluation

We initiate each project with an assessment and evaluation of our customer's environment to determine their requirements and needs.

When we receive a request for quotation, personnel from our sales and technical departments will visit the customer's premises to understand the customer's requirements and budget, assess their current IT and/or cybersecurity infrastructure, as well as evaluate for areas of improvement. Based on these factors, we can determine what functionalities are needed to support the customer's business needs.

(ii) Solution design

With the information gathered through the assessment and evaluation of the customers' requirements, we will propose suitable solutions that meet the customer's requirements and needs. Typically, the sales and technical personnel will present several options of suitable solutions and provide the relevant quotations to the customer. We will also present a proof of concept based on the solution design, if required by the customer. The customer will then select the most suitable solution design at the point of acceptance of the proposal.

7. BUSINESS OVERVIEW (CONT'D)

(iii) Acceptance of proposal

The proposal and quotation will detail the costing, project scope, timeline, deliverables and payment terms based on the selected solution design. After the customer has accepted the proposal and formally engaged us (which is done through the issuance of purchase order by the customer), our sales personnel will inform our technical personnel, who will then commence the project.

(iv) Project delivery planning

The initial stage of the project involves forming a project management team (comprising personnel from the technical department), who will prepare a project execution plan which entails the project schedule, deliverables, resource allocation, operational processes, quality requirements, and other administrative procedures.

Should there be any need for non-IT works such as electrical wiring, building structural works and complex cabling installation works, we will engage suitable subcontractors to undertake these services.

The project management team is in constant contact with the customer to clarify any unclear aspects, in order to ensure the customer's requirements are met.

(v) Procurement of hardware and software

Upon receiving the purchase order from the customer, our procurement personnel will begin procuring the required hardware (such as servers, network switches, routers and/or firewalls) and software (such as antivirus, operating systems and/or virtualisation software). Upon receipt of the hardware, our technical personnel will conduct physical inspections on all hardware that is delivered for projects implemented in Malaysia, to ensure that they are in good condition and meet the specifications and quantity ordered. For projects implemented in the PRC and other international markets, the subcontractors we engage will perform the physical inspection on the hardware. Software licensing is delivered via e-mail to the customer with the relevant activation keys.

We acknowledge the importance of providing quality IT infrastructure and cybersecurity solutions to customers. We source reputable brands of physical hardware components and software. The brand owners of these reputable physical hardware components and software, namely the Principals, generally undertake the necessary QA/QC procedures to maintain their market reputation and are responsible for providing warranties for any defects relating to their physical hardware components and software. We perform a burn-in test by running the hardware for an extended period to ensure its durability and stability, in order to determine its load capacity and identify any potential defects.

For non-IT works, our technical personnel will brief the subcontractor on the works that needs to be done, and project manage the execution of these works before the required hardware is delivered to the customers' premises.

7. BUSINESS OVERVIEW (CONT'D)

(vi) Configuration and installation

Our project management team will then oversee and/or execute the configuration and installation of physical hardware components and software according to the solution design. Our project management team will also oversee and/or execute the configuration of the new solution for integration with any existing systems, if required. The configuration and installation process may take from 1 day to 1 week, depending on the complexity of the solution design and number of locations for the solution to be implemented.

For projects implemented in Malaysia, a majority of our configuration and installation works are undertaken in-house by our technical personnel. We may, at times, outsource the installation works for our projects to subcontractors, depending on the location of the project. Nevertheless, our technical personnel will still oversee and manage the installation process. Our technical personnel will then remotely configure the hardware and software, once the subcontractors have installed the physical hardware components on-site based on the solution design we provided and connected these components to the network.

For projects implemented in the PRC and other international markets, our technical personnel will remotely configure the physical hardware components and software, once the subcontractors have installed the physical hardware components on-site based on the solution design we provided and connected these components to the network. Our technical personnel will oversee and manage all works carried out by our subcontractors.

(vii) Testing and handover

A UAT is conducted and witnessed by the customer, which involves testing out different functions, procedures, performance and scenarios, in both simulated and real time environments. This is to ensure that the solution is functional and is deployment-ready. We will monitor the performance and functions of the solution to ensure it works according to our contractual requirements. Any errors that occur will be rectified to the satisfaction of the customer.

Our technical personnel will physically conduct the UAT with the customer for projects implemented in Malaysia. For projects implemented in the PRC and other international markets, the UAT is carried out by our technical personnel remotely and is witnessed by the customer.

After which, the customer signs off on the UAT report and project handover document, signifying the completion of the project. The solution goes live and is officially handed over to the customer.

(viii) Maintenance and technical support services

If requested, we also provide maintenance and technical support services to our customers for an additional charge. These services include maintenance, software upgrades and/or technical support services. After each maintenance or inspection of technical issues, we will issue a report to the customer.

We provide a warranty for our solutions, where we will troubleshoot, repair and/or replace any physical hardware components utilised in our solutions. The warranty period is dependent on the duration stated in the maintenance contract. Should the hardware or software be covered under our Principal's warranty period, any hardware or software repairs and replacements will be provided by the respective Principal and/or their distributors. As at the LPD, there have not been any material claims on the warranty provided to our customers.

We also offer provide after-sales services where we provide technical support to customers who have purchased our solutions. The response time from our team to begin troubleshooting issues or provide services is as per the service level agreement relating to the maintenance contract, which is usually within 4 hours from the customer's call or notification or within the next business day.

7. BUSINESS OVERVIEW (CONT'D)

In order to provide technical support efficiently, especially in international markets where we do not have physical presence, we engage subcontractors based in the respective country to carry out these technical support services. We are in the midst of developing an outsourced engineer application to manage the recruitment and management of these subcontractors, which will comprise external technical engineers.

We use a helpdesk application that allows us to maintain our customers' maintenance contracts and keep track of warranty periods. This will enable us to record and keep track of the details of each asset, their vendors, expiry period and send reminders to customers regarding the renewal of their contracts.

7.3.2 Managed network and cybersecurity services

When a potential issue is discovered or an incident is reported, our engineers/security analysis team will conduct a validity check to ensure that the suspected incident falls within our contractual terms with the customer. If the suspected incident does not fall within our contractual terms with the customer, our engineers/security analysis team will inform the customer's account manager who will then contact and inform the customer accordingly. Should the customer agree to expand our contractual scope of works to include the said issue/incident, we will then proceed with the following processes.

If the contract is valid, the issue/incident will be raised through our helpdesk application, and the severity, relevance and urgency of the issue/incident will be recorded. At the same time, they will also check whether the issue can be resolved remotely. If it is a low-level severity issue that can be resolved remotely, then an engineer/security analysis personnel will be assigned to remotely troubleshoot and resolve the issue.

In the case of managed network services, an engineer will be assigned on-site to investigate and resolve issues which are more severe and require technical assistance from more experienced personnel. Our engineer will carry out an in-depth analysis to identify the data or systems impacted. Subsequently, the engineer will implement strategies for recovery. We also have a NOC to facilitate the monitoring and management of our customers' IT infrastructures on a remote basis. For our projects in the PRC and other international markets, our engineer will conduct the troubleshooting and resolution of issues, while subcontractors are engaged to perform less critical tasks under the guidance of our engineers.

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7. BUSINESS OVERVIEW (CONT'D)

7.4 QUALITY CONTROL AND QUALITY ASSURANCE

In order to maintain quality of our solutions, we have 2 personnel in our technical department undertaking QA/QC activities. The following are the QC procedures which are implemented at various stages of our operational process:

Process flow stage	QC procedure
Assessment and evaluation	<ul style="list-style-type: none"> We prepare a proof of concept if required by the customer to ensure that the design and functionalities are approved by the customer.
Procurement of hardware and software	<ul style="list-style-type: none"> Upon receipt of the hardware, the project management team will conduct a physical inspection to ensure that the hardware is in good condition and the volume and type of hardware are in accordance with the delivery note and purchase order raised. We perform a burn-in test by running the hardware for an extended period to ensure its durability and stability, in order to determine its load capacity and identify any potential defects.
Testing and handover	<ul style="list-style-type: none"> A UAT will be conducted to demonstrate that the solution is working in accordance with the system solution design. The UAT involves the setup and running of the entire solutions under a simulated environment and real-time environment. The purpose of the UAT is to validate that the system integrity and performance is in accordance with the contractual requirements. The UAT is conducted with and witnessed by the customer. After which, the customer signs off on the UAT report, and the system goes live.

For our managed IT services, we provide our customers with a customer satisfaction form to rate our performance based on the service provided. We strive to respond to any issues within the stipulated timeframe in the contract with our customers. The response time from our team to begin troubleshooting issues or provide services is as per the service level agreement relating to the maintenance contract, which is usually within 4 hours from the customer's call or notification or within the next business day.

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7. BUSINESS OVERVIEW (CONT'D)

7.5 TECHNOLOGY USED

Our Group uses a wide range of applications and tools to facilitate the design and implementation of IT infrastructure and cybersecurity solutions, and management of our customer base. These include our in-house developed project management application as well as applications and tools sourced from third-party solution providers.

These applications and tools include:

Technology	Description
Project management application	We use our own in-house developed project management application to perform tasks such as scheduling, managing resources, budgeting, reporting and tracking progress.
Helpdesk application	We use a helpdesk application sourced from a third-party solution provider to maintain our customers' maintenance contracts. We can record and keep track of the details of each asset, their vendors, expiry period and send reminders to customers regarding the renewal of their contracts. We are also able to keep track of warranty periods. We also utilise the helpdesk application to manage issues/incidents raised by our NOC team or customer while carrying out our managed IT services.
Wireless network design tool	We utilise a wireless network design tool to design and plan wireless networks for our customers. It helps us generate wireless network design models based on our customers' operational requirements and floor plans with a wireless heat map of the stipulated premises. This enables us to test the wireless network's signal strength at the customers' premises and troubleshoot any issues.
Network configuration tool	We use a network configuration tool that assists us in managing changes in configurations and compliance for routers, switches and other network devices.
Network cable tester	We use a network cable tester to test for strength, connectivity and switch port signal to ensure optimum network performance.
Design drawing tool	We utilise a design drawing tool to help us map out our flowcharts and process flow diagrams for us to design the optimum solution for our customers.

7.6 RESEARCH AND DEVELOPMENT ACTIVITIES

Due to the nature of our business, we do not undertake any research and development activities for our existing business in providing IT infrastructure and cybersecurity solutions.

Nevertheless, we are in the midst of undertaking research and development for new in-house platforms and tools, namely our project management application and outsourced engineer application, further details of which are as illustrated in Section 7.19.2 of this Prospectus.

7. BUSINESS OVERVIEW (CONT'D)

7.7 TYPES, SOURCES AND AVAILABILITY OF MATERIALS AND SERVICES

The key supplies for our IT infrastructure and cybersecurity solutions business include hardware, software and subcontractors.

For physical hardware components, the products include servers, switches and computers. We procure physical hardware components from Principals through their distributors such as Dell Technologies, Inc., Check Point Software Technologies Ltd., Panduit Corporation, VMware, Inc., Palo Alto Networks Inc. and Fortinet Inc.. These supplies are generally readily available from our Principals and/or their distributors, and we are able to obtain these from both local and foreign suppliers. In addition, we also ensure that the hardware supplied to us meets our customer's expectations.

We also trade third-party software, and we procure the necessary software licences when required. We can source the software from other Principals and/or their distributors in the market, which are readily available.

In addition, we engage subcontractors to perform non-IT related works such as mechanical and electrical works and building structural works, that are required in the design, implementation, configuration, installation, and maintenance of IT infrastructure and cybersecurity solutions. We also employ subcontractors to carry out technical support services for customers based in international markets.

The breakdown of our materials and services costs is as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Hardware and software	11,626	97.8	20,168	94.1	27,885	96.9	25,996	93.4
Subcontractor costs	263	2.2	1,272	5.9	900	3.1	1,830	6.6
Total purchases	11,889	100.0	21,440	100.0	28,785	100.0	27,826	100.0

7.8 PRODUCTION CAPACITIES AND OUTPUT

Measures of production capacities and output are not applicable to the provision of IT infrastructure and cybersecurity solutions, managed IT services and other IT services.

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7. BUSINESS OVERVIEW (CONT'D)

7.9 SALES, MARKETING AND BUSINESS DEVELOPMENT ACTIVITIES

We secure our sales using the following approaches:

(i) Direct approach

Our active participation in reaching out to new enterprises allows us to create awareness of our Group and solutions offered.

We typically assess and evaluate a customers' environment to prepare a proposed solution and quotation before we secure the project. This approach provides us with the opportunity to obtain knowledge of the project and required product specifications. This thus allows us to provide suitable and tailored recommendations relating to our solutions to our customers. If required, we also demonstrate these proposed solutions at our Kota Damansara head office. This approach has been the most effective approach as it enables us to demonstrate our expertise effectively.

As mentioned in Section 7.1.1 of this Prospectus, we also provide consultation services to customers of property consultancy companies. Property consultancy companies typically engage us to provide consultation services for their customers which are looking for office premises. We will then implement our solutions for their customers. Meanwhile, we also provide consultation services to property developers and construction companies on IT infrastructure and cybersecurity solution designs for the commercial properties they are constructing. This typically occurs at the initial setup and planning stage of a construction project. While we may not necessarily secure a project resulting from providing these consultation services, we will be the likely candidate should they successfully proceed with the construction of these commercial properties.

(ii) Tendering

We are at times required to submit tender applications to the relevant parties to secure a project. Once we determine we have the required track record, experience, and resources to deliver the solutions, we will submit our tender application and quote to the relevant parties.

(iii) Referrals and cross-selling

We also secure new customers through referrals from Principals. At times, end-users will reach out to Principals to procure IT infrastructure and cybersecurity solutions. As these Principals typically do not design, implement, maintain and manage these solutions, these Principals will pass these leads to us to follow up on and offer our solutions. Further, our trade name is also advertised through brochures and pamphlets of some of these Principals and thus, this generates leads for us in cases where potential customers (usually end-users) contact us. For the FYE Under Review, the percentage of sales secured through referrals from Principals have generally been less than 1.00% of our Group's total revenue, save for in FYE 2019 where percentage of sales secured through referrals was approximately 8.00% as we secured a large project vide a referral from a Principal.

As we offer a wide range of IT infrastructure and cybersecurity solutions, as detailed in Section 7.1.2 of this Prospectus, we are able to leverage on our existing customer base to optimise revenue generation by offering more comprehensive solutions to cater to our customers' needs. This benefits our customers as they only need to deal with a single solution provider instead of multiple solution providers for multiple solutions.

7. BUSINESS OVERVIEW (CONT'D)

(iv) Conferences and webinars

To further enhance our visibility and awareness of IT infrastructure and cybersecurity solutions, we jointly hold conferences and webinars with our Principals. These sessions typically attract a broad audience comprising multinational companies involved in various industries. These conferences and webinars inform and educate them on the latest trends in the IT industry, including IT infrastructure and cybersecurity solutions.

Through such conferences and webinars, we engage in targeted marketing programmes to highlight and reinforce the awareness of our solutions and our capabilities. We are also able to generate leads of potential customers from holding such conferences and webinars.

(v) Digital marketing

We leverage on social media platforms where we post videos and online content to attract and interact with customers. We also keep our customers abreast on our solutions, workshops and webinars, and latest developments through e-mail marketing. Digital marketing enables our marketing initiatives to target our potential customers and reach out to our target market more effectively.

7.10 SEASONALITY AND CYCLICALITY

We do not experience any seasonality and cyclicity in our business as IT infrastructure solutions, cybersecurity solutions and managed IT services markets are not seasonal or cyclical in nature.

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7. BUSINESS OVERVIEW (CONT'D)

7.11 INTERRUPTIONS TO BUSINESS AND OPERATIONS AND IMPLICATIONS ON OUR BUSINESS OPERATIONS

Our Group has not experienced any other interruption in business that had a significant effect on our operations during the period prior to the date of this Prospectus, save for disruptions resulting from the COVID-19 pandemic.

Since COVID-19 was officially declared a pandemic by the Director-General of the World Health Organisation on 11 March 2020, we closely monitor the development of the outbreak of COVID-19 in order to proactively respond and implement necessary measures and steps in response to the COVID-19 pandemic.

Impact of COVID-19 on our business operations in Malaysia

MCO 1.0 implemented on 18 March 2020

On 16 March 2020, the Government of Malaysia announced the MCO under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 which took effect from 18 March 2020. Our Group was able to partially resume our operations in our office in Malaysia on 4 May 2020 after receipt of approval from MITI, and subsequently fully resumed our operations in office on 10 June 2020. While we were not allowed to operate in our offices in Malaysia at this time, it did not have any major material impact on our business operations as our employees worked remotely from home.

However, during this period, our IT infrastructure and cybersecurity solution projects were interrupted as we could not carry out work at our customers' premises. Nevertheless, we only experienced minor delays for a few of our projects and there was no penalty imposed by our customers for the delays. As such, we did not experience any major loss of income from these projects arising from such delays. In addition, as our managed network services was deemed as an essential service, our NOC was operating as usual and our managed IT services could be rendered remotely to our customers.

Total Lockdown and four-phase NRP

The Total Lockdown was imposed on 1 June 2021 which restricted most businesses from operating and on 15 June 2021, Phase 1 of the NRP was implemented which had similar restrictions as the Total Lockdown. Between 1 June 2021 and 4 July 2021, our employees worked remotely from home. However, we could continue to carry out the design, implementation and maintenance of solutions on-site at our customers' premises for customers operating in the essential services sector and undertake managed IT services at our NOC and head office. We received MITI approval to resume our operations at 60.0% capacity on 5 July 2021.

Endemic phase

Malaysia has entered into the "Transition to Endemic" phase since 1 April 2022, and "Endemic" phase since 1 May 2022. Since then, all restrictions limiting business operating hours and number of employees in a workplace have been uplifted and our Group has been operating at 100.0% capacity.

Impact of COVID-19 on our business operations in PRC

Meanwhile, our employees at our office in PRC were allowed to return to the office on 17 February 2020. Our office in PRC was not subject to any lockdown policies from February 2020 up to 13 March 2022. Between 14 March 2022 and 21 March 2022, our office in PRC was closed due to the lockdown policy imposed in Shenzhen, PRC. There was no material impact on our business operations and we resumed activities in PRC on 22 March 2022.

7. BUSINESS OVERVIEW (CONT'D)

Impact on our sales performance

As mentioned in the IMR Report in Section 8 of this Prospectus, the COVID-19 pandemic played a part in driving the digital economy. Many corporations implemented work-from-home policies during the MCO and NRP, which gave rise to the use of digital tools to enable file sharing, virtual video and audio teleconferencing and project management applications. These digital tools require the use of IT infrastructure and cybersecurity solutions. Consequently, our Group benefitted from the accelerated shift towards the digital economy and our revenues improved from RM31.0 million in FYE 2019 to RM43.8 million in FYE 2020, and further increased to RM44.6 million in FYE 2021. Our Group expects to continue benefiting as IT infrastructure and cybersecurity solutions become increasingly essential in carrying out daily operational tasks.

Impact of COVID-19 on our supply chain

During this period, there was an overwhelming demand for hardware which resulted in overall shortage of hardware or the supply of goods. As a result, the implementation of some of our projects during the MCO period were prolonged by 6 to 8 weeks, though there were no penalties imposed by our customers for any project delays.

Measures and steps taken in our business operations in response to COVID-19 pandemic

Our Group has implemented COVID-19 SOPs imposed by the Government of Malaysia, relevant authorities and local councils governing the jurisdiction in which we operate. These measures are in place to safeguard the safety and health conditions of our employees. These new COVID-19 SOPs include the following:

- (i) our employees and visitors are required wear face masks at all times in the office, regularly sanitise their hands, and practise social distancing. Each work station is provided with adequate sanitiser and employees are provided with face masks upon request;
- (ii) daily sanitising is performed at our offices twice a day;
- (iii) all employees are required to provide a declaration of health conditions and travel history prior to returning to our office; and
- (iv) all employees are required to report if they have been in an area that has high number of COVID-19 cases. In such cases, employees must undergo home quarantine for the period as specified by Ministry of Health and take a COVID-19 test. Employees can only return to work after completing the required home quarantine period and the COVID-19 test results are negative. Should the employee develop symptoms for COVID-19, they must visit nearby hospitals for diagnosis and treatment immediately.

Since the implementation of the MCO on 18 March 2020 till the LPD, our Group incurred additional cost of approximately RM42,568 to implement precautionary measures at our premises to minimise the risk of COVID-19 infections and to comply with the SOP imposed by the Government of Malaysia. Such additional cost incurred did not have a material impact on our Group's financial results for the FYE 2021.

7. BUSINESS OVERVIEW (CONT'D)

In the event of an outbreak of COVID-19 at our office or worksites, our new COVID-19 SOPs include the following:

- (i) suspension of all office operations immediately for the timeframe stipulated by the Ministry of Health and notifying the Ministry of Health of the outbreak;
- (ii) all employees who had close contact with infected persons are to be tested for COVID-19 and practise self-quarantine;
- (iii) any infected employees will be quarantined based on instructions from the Ministry of Health; and
- (iv) the office will be disinfected and sanitised.

Since March 2020 up to the LPD, 13 of our employees were infected with COVID-19, of which 1 employee is presently still COVID-19 positive. As the employees did not have any close contacts with other employees and were not at our office premises, there were no disruptions to our operations. The employees were quarantined until allowed to be released by Ministry of Health.

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7. BUSINESS OVERVIEW (CONT'D)

7.12 MAJOR CUSTOMERS

Our Group's top 5 major customers for the FYE Under Review are as follows:

FYE 2018

No.	Customers	Location	Principal activities	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue ⁽²⁾
1	Dell group of companies	Asia Pacific ⁽³⁾	Design, development and sale of physical hardware components and software, and related products (Principal)	IT infrastructure and cybersecurity solutions and ancillary hardware and software	3	⁽³⁾ 7,088	37.6
2	Noblecom Technology Sdn Bhd	Malaysia	Supply and installation of electrical products	IT infrastructure solutions and ancillary hardware and software	4	2,496	13.2
3	Bank Pertanian group of companies	Malaysia	Banking, financing, investment and related services	IT infrastructure and cybersecurity solutions and ancillary hardware and software	2	⁽⁴⁾ 1,762	9.4
4	Akima ICT Limited (formerly known as Infoline Technology Limited) ("Akima") ⁽⁵⁾	Hong Kong	Trading of IT products and services	IT infrastructure and cybersecurity solutions	3	959	5.1
5	JLL Project and Construction Management Sdn Bhd	Malaysia	Project and construction management	Professional IT services, IT infrastructure solutions and cybersecurity solutions	< 1	809	4.3
Total						13,114	69.6

7. BUSINESS OVERVIEW (CONT'D)

FYE 2019

No.	Customers	Location	Principal activities	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue ⁽⁶⁾
1	Dell group of companies	Asia Pacific ⁽³⁾	Design, development and sale of physical hardware components and software, and related products	IT infrastructure and cybersecurity solutions and ancillary hardware and software	4	⁽³⁾ 14,009	45.2
2	CTC Global Sdn Bhd	Malaysia	IT systems integration, field services support and related professional and consulting services	IT infrastructure solutions	< 1	2,400	7.7
3	Group A of companies ⁽⁷⁾	PRC	Broad range of services in strategy and consulting, interactive, technology and operations, with digital capabilities across all of these services	IT infrastructure and cybersecurity solutions	1	⁽⁶⁾ 1,502	4.8
4	HELP group of companies	Malaysia	University focused education for a wide range of pre-university, undergraduate and post graduate programmes	IT infrastructure and cybersecurity solutions, managed IT services and ancillary hardware and software	5	⁽⁹⁾ 1,277	4.1
5	Bank Pertanian group of companies	Malaysia	Banking, financing, investment and servicing	IT infrastructure and cybersecurity solutions and ancillary hardware and software	3	⁽⁴⁾ 1,149	3.7
Total						20,337	65.5

7. BUSINESS OVERVIEW (CONT'D)

FYE 2020

No.	Customers	Location	Principal activities	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue ⁽¹⁰⁾
1	Dell group of companies	Asia Pacific ⁽³⁾	Design, development and sale of physical hardware components and software, and related products	IT infrastructure and cybersecurity solutions, managed IT services and ancillary hardware and software	5	⁽³⁾ 23,052	52.6
2	Maybank Shared Services Sdn Bhd	Malaysia	IT services to its holding and related companies that is involved in banking, financing and investment services	Cybersecurity solutions	1	7,627	17.4
3	Bank Pertanian group of companies	Malaysia	Banking, financing, investment and servicing	IT infrastructure and cybersecurity solutions and ancillary hardware and software	4	⁽⁴⁾ 4,630	10.6
4	Akima ⁽⁶⁾	Hong Kong	Trading of IT products and services	IT infrastructure and cybersecurity solutions and ancillary hardware and software	5	1,310	3.0
5	China Unicom (Fujian) Industrial Internet Co. Ltd.	PRC	System integration and consultancy services	IT infrastructure and managed IT services and other services	< 1	798	1.8
Total						37,417	85.4

7. BUSINESS OVERVIEW (CONT'D)

FYE 2021

No.	Customers	Location	Principal activities	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue ⁽¹¹⁾
1	Dell group of companies	Asia Pacific ⁽³⁾	Design, development and sale of physical hardware components and software, and related products	IT infrastructure and cybersecurity solutions, managed IT services and ancillary hardware and software	6	⁽³⁾ 24,403	54.7
2	PT Netwave Digital Media	Indonesia	Design, development and sale of ICT solutions	IT infrastructure solutions	Less than 1 year	5,047	11.3
3	Bank Pertanian group of companies	Malaysia	Banking, financing, investment and servicing	IT infrastructure and cybersecurity solutions and ancillary hardware and software	4	⁽⁴⁾ 1,776	4.0
4	Triangolo Sdn Bhd	Malaysia	Provision of digital payment solutions	IT infrastructure solutions	3	1,669	3.7
5	Noblecom Technology Sdn Bhd	Malaysia	Supply and installation of electrical products	IT infrastructure solutions and ancillary hardware and software	7	1,178	2.6
Total						34,073	76.3

7. BUSINESS OVERVIEW (CONT'D)

Notes:

- * Negligible.
- (1) Length of relationship is determined as at the respective FYE 2018, FYE 2019, FYE 2020 and FYE 2021.
- (2) Our Group's total revenue for FYE 2018 was RM18.84 million.
- (3) For FYE Under Review, our Group's customers that are part of the Dell group of companies comprised the following:

Dell group of companies	Country	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue
Dell Global Business Centre Sdn Bhd	Malaysia	2,404	12.8	8,039	25.9	10,764	24.6	16,055	36.0
Dell (China) Company Limited	PRC	2,415	12.8	2,126	6.9	5,860	13.4	3,181	7.1
Dell (Xiamen) Company Limited	PRC	1,381	7.3	2,027	6.5	2,116	4.8	2,561	5.7
Dell (Chengdu) Company Limited	PRC	770	4.1	119	0.4	162	0.4	134	0.3
Dell Corporation (Thailand) Co., Ltd.	Thailand	-	-	-	-	60	0.2	42	0.1
Dell Australia Pty Limited	Australia	-	-	-	-	58	0.2	683	1.5
Dell B.V., Taiwan Branch	Taiwan	-	-	-	-	13	*	378	0.8
Dell International Inc. (Korea)	South Korea	-	-	-	-	11	*	50	0.1
Dell International Services Philippines, Inc	The Philippines	-	-	-	-	-	-	129	0.4
Dell Global B.V. (Singapore Branch)	Singapore	-	-	-	-	-	-	522	1.2

7. BUSINESS OVERVIEW (CONT'D)

Dell group of companies	Country	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue
Dell Hong Kong Limited	Hong Kong	-	-	-	-	-	-	193	0.4
Dell International Services India Pvt. Ltd.	India	-	-	-	-	-	-	129	0.4
PT Dell Indonesia	Indonesia	-	-	-	-	-	-	64	0.1
EMC Information Technology Research & Development (Shanghai) Co., Ltd.	PRC	-	-	100	0.3	2,031	4.6	167	0.4
EMC Information Technology Research & Development (Beijing) Co., Ltd.	PRC	-	-	-	-	-	-	7	*
EMC Information Technology Research & Development (Chengdu) Co., Ltd.	PRC	-	-	1,598	5.2	1,246	2.8	-	-
EMC Computer Systems (Malaysia) Sdn Bhd	Malaysia	118	0.6	-	-	8	*	20	*
EMC Computer Systems (China) Co., Ltd.	PRC	-	-	-	-	700	1.6	-	-
EMC Global Holdings Company	Australia	-	-	-	-	23	*	69	0.2
EMC Australia Pty Ltd	Australia	-	-	-	-	-	-	19	*
Total		7,088	37.6	14,009	45.2	23,052	52.6	24,403	54.7

7. BUSINESS OVERVIEW (CONT'D)

(4) For FYE Under Review, our Group's customers that are part of the Bank Pertanian group of companies comprised the following:

Bank Pertanian group of companies	Country	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue
Bank Pertanian Malaysia Berhad	Malaysia	1,721	9.2	1,148	3.7	2,456	5.6	1,742	4.0
CSI Leasing Malaysia Sdn Bhd	Malaysia	-	-	-	-	2,173	5.0	21	*
Koperasi Kakitangan Bank Pertanian Malaysia Berhad	Malaysia	41	0.2	1	*	1	*	13	*
Total		1,762	9.4	1,149	3.7	4,630	10.6	1,776	4.0

(5) The transactions entail services rendered by Infoline Solutions for the customers of Akima. Akima was a company owned by CWC. Subsequently, CWC disposed his entire shareholding in Akima to a third party in August 2020.

(6) Our Group's total revenue for FYE 2019 was RM31.06 million.

(7) The ultimate holding company of the Group A of companies is an Irish-based multinational professional services company that provides a broad range of services in strategy and consulting, interactive, technology and operations, with digital capabilities across all of these services. The ultimate holding company of the Group A of companies is listed on the New York Stock Exchange and has market presence worldwide. We have not disclosed the names of the customers under Group A of companies as we are bound by the confidentiality provisions under the purchase and maintenance service of hardware equipment agreements with the respective companies.

7. BUSINESS OVERVIEW (CONT'D)

(8) For FYE Under Review, our Group's customers that are part of the Group A of companies, which principally operate in PRC, comprised the following:

Group A of companies	Principal activities	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue
Customer B	Enterprise consulting, management consulting, advertising design agency, advertising production, advertising release, graphic design and production, video production services; Product appearance design, corporate image design; Design, development, integration and sales of computer software, network, information system and application system, related technical services and information consulting services.	91	0.5	1,502	4.8	125	0.3	702	1.6
Customer C	Technology development, service, consultation and transfer on cloud computing, computer software, computer system integration, computer network and data processing.	-	-	-	-	243	0.6	141	0.3

7. BUSINESS OVERVIEW (CONT'D)

Group A of companies	Principal activities	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue
Customer D	Design, development, and installation maintenance of enterprise management system, files management system, human resource management system, database management system; Development, integration and technical services of computer application system.	-	-	-	-	32	0.1	43	*
Total		91	0.5	1,502	4.8	400	1.0	886	1.9

(9) For FYE Under Review, our Group's customers that are part of the HELP group of companies comprised the following:

HELP group of companies	Country	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue	RM'000	% of total revenue
HELP University Sdn Bhd	Malaysia	559	3.0	1,168	3.8	544	1.2	708	1.6
HELP Education Services Sdn Bhd	Malaysia	15	0.1	7	*	6	*	-	-
HELP Academy Sdn Bhd	Malaysia	-	-	102	0.3	-	-	86	0.2
Total		574	3.1	1,277	4.1	550	1.2	794	1.8

(10) Our Group's total revenue for FYE 2020 was RM43.82 million.

(11) Our Group's total revenue for FYE 2021 was RM44.59 million.

7. BUSINESS OVERVIEW (CONT'D)

Due to the nature of our Group's business, which is on a project basis, the project secured from any given customer may contribute a significant portion to our Group's annual revenue for a given year. As such, our Group's top 5 customers generally contribute a large percentage to our Group's revenue. For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, our Group's top 5 customers contributed 69.6%, 65.5%, 85.4% and 76.3% of our Group's revenues, respectively.

Particularly, revenue generated from the Dell group of companies constituted a large proportion of our Group's revenue. Collectively, the Dell group of companies comprised 37.6%, 45.2%, 52.6% and 54.7% of our Group's revenue in the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, respectively. The growth in revenue contribution from the Dell group of companies is due to an increase in engagements from our existing customers in the Dell group of companies and an increase in companies that are part of the Dell group of companies that are engaging us.

As such, the increase in revenue contribution from Dell group of companies is a testament to the good working relationship they have with our Group. While we do not have long-term contracts with the Dell group of companies, we have maintained a mutually beneficial and trusted working relationship of 7 years with them as at the LPD.

In general, each of these companies in the Dell group of companies maintains and manages their own costs. Although they are provided with a recommended list of IT infrastructure and/or cybersecurity service providers, they are generally able to independently select from the recommended list of service providers. As such, any decision undertaken by a single company under the Dell group of companies to appoint an IT infrastructure and/or cybersecurity service provider may not impact the decisions of other companies under the Dell group of companies.

Save for Dell group of companies, the other top 5 customers generally vary over the years, and we are not dependent on any one of these customers.

As at the LPD, none of our Directors, Promoters and/or substantial shareholders has any interest, direct or indirect, in any of our major customers.

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7. BUSINESS OVERVIEW (CONT'D)

7.13 MAJOR SUPPLIERS

Our Group's top 5 major suppliers for the FYE Under Review are as follows:

FYE 2018

No.	Suppliers	Location	Principal activities	Types of products/services procured	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases ⁽²⁾
1	Tec D group of Companies	Malaysia	Distribution and marketing of computer and computer related products and the provision of installation and maintenance services	IT infrastructure and cybersecurity hardware and software	1	⁽³⁾ 2,998	25.2
2	Akima ⁽⁴⁾	Hong Kong	Trading of IT products and services	IT infrastructure and cybersecurity hardware and software, and maintenance support services	3	1,557	13.1
3	Ingram Micro Malaysia Sdn Bhd	Malaysia	(i) Sales of computer hardware, software and peripherals; (ii) Distribution of wireless devices; and (iii) Provision of outsourced logistics services	IT infrastructure hardware and software	5	1,443	12.1
4	ICS Network Provider Sdn Bhd	Malaysia	Computer networking and training school	IT infrastructure hardware and software	1	682	5.7
5	Simedata Network Sdn Bhd	Malaysia	Services related to electronic, electrical, wiring computer network	IT infrastructure hardware and software, and cabling installation, mechanical and electrical and civil and structural services	3	680	5.7
Total						7,360	61.8

7. BUSINESS OVERVIEW (CONT'D)

FYE 2019

No.	Suppliers	Location	Principal activities	Types of products/services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases ⁽⁵⁾
1	Tec D group of companies	Malaysia	Distribution and marketing of computer and computer related products and the provision of installation and maintenance services	IT infrastructure and cybersecurity hardware and software	2	⁽³⁾ 1,976	9.2
2	Rittal Systems Sdn Bhd	Malaysia	Trading in all kinds of enclosure systems	IT infrastructure hardware and software	< 1	1,610	7.5
3	Digital China group of companies	PRC	Distribution of physical hardware components and software (Distributor)	IT infrastructure and cybersecurity hardware and software	< 1	⁽⁶⁾ 1,571	7.3
4	Ingram Micro Malaysia Sdn Bhd	Malaysia	(i) Sales of computer hardware, software and peripherals; (ii) Distribution of wireless devices; and (iii) Provision of outsourced logistics services	IT infrastructure and cybersecurity hardware and software	6	1,513	7.1
5	Akima ⁽⁴⁾	Hong Kong	Trading of IT products and services	IT infrastructure and cybersecurity hardware and software, and maintenance support services	4	1,300	6.1
Total						7,970	37.2

7. BUSINESS OVERVIEW (CONT'D)

FYE 2020

No.	Suppliers	Location	Principal activities	Types of products/services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases ⁽⁷⁾
1	M-Security Technology Sdn Bhd	Malaysia	Distributing various IT products and related services	Cybersecurity hardware and software	5	7,010	24.3
2	VSTECs group of companies	Malaysia	Marketing of microcomputers, peripherals, software and the provision of computer maintenance services	IT infrastructure and cybersecurity hardware and software	6	⁽⁶⁾ 4,887	17.0
3	Digital China group of companies	PRC	Distribution of physical hardware components and software (Distributor)	IT infrastructure and cybersecurity hardware and software	1	⁽⁶⁾ 2,315	8.0
4	VA Dynamics Sdn Bhd	Malaysia	Marketing of networking cables	IT infrastructure hardware	4	1,425	4.9
5	Tec D group of Companies	Malaysia	Distribution and marketing of computer and computer related products and the provision of installation and maintenance services	IT infrastructure and cybersecurity hardware and software	3	⁽³⁾ 1,340	4.7
Total						16,977	58.9

7. BUSINESS OVERVIEW (CONT'D)

FYE 2021

No.	Suppliers	Location	Principal activities	Types of products/services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases ⁽²⁾
1	Green Line Solution Pte. Ltd.	Singapore	Marketing of hardware and peripherals, as well as software	IT infrastructure hardware and software	Less than 1 year	5,036	18.1
2	VSTECs group of companies	Malaysia	Marketing of microcomputers, peripherals, software and the provision of computer maintenance services	IT infrastructure and cybersecurity hardware and software	6	⁽³⁾ 3,964	14.2
3	Ingram Micro Malaysia Sdn Bhd	Malaysia	(i) Sales of computer hardware, software and peripherals; (ii) Distribution of wireless devices; and (iii) Provision of outsourced logistics services	IT infrastructure and cybersecurity hardware and software	7	3,192	11.5
4	Tec D group of companies	Malaysia	Distribution and marketing of computer and computer related products and the provision of installation and maintenance services	IT infrastructure and cybersecurity hardware and software	4	⁽³⁾ 2,145	7.7
5	Simedata Network Sdn Bhd	Malaysia	Services related to electronic, electrical, wiring computer network	IT infrastructure hardware and software, and cabling installation, mechanical and electrical and civil and structural services	6	1,271	4.6
Total						15,608	56.1

7. BUSINESS OVERVIEW (CONT'D)

Notes:

- * Negligible.
- (1) Length of relationship is determined as at the respective FYE 2018, FYE 2019, FYE 2020 and FYE 2021.
- (2) Our Group's total purchases for FYE 2018 was RM11.89 million.
- (3) For FYE Under Review, our Group's suppliers that are part of the Tec D group of companies comprised the following:

Tec D group of companies	Country	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total purchases	RM'000	% of total purchases	RM'000	% of total purchases	RM'000	% of total purchases
Tec D (Malaysia) Sdn Bhd	Malaysia	-	-	456	2.1	88	0.3	-	-
Tec D Distribution (Malaysia) Sdn Bhd (formerly known as Innovix Distribution Sdn Bhd)	Malaysia	2,998	25.2	1,520	7.1	1,252	4.4	2,145	7.7
Total		2,998	25.2	1,976	9.2	1,340	4.7	2,145	7.7

- (4) The transactions entail IT supplies/services rendered by Akima to Infoline Shenzhen and Infoline Solutions for fulfillment of their customers' (mainly Dell group of companies) orders. Akima was a company owned by CWC. Akima was the holding company of Infoline Shenzhen until December 2019 prior to the disposal of the entire shareholding of Infoline Shenzhen by Akima to CWC. In August 2020, CWC disposed his entire shareholding in Akima to a third party.
- (5) Our Group's total purchases for FYE 2019 was RM21.44 million.

7. BUSINESS OVERVIEW (CONT'D)

(6) For FYE Under Review, our Group's suppliers that are part of the Digital China group of companies comprised the following:

Digital China group of companies	Country	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total purchases	RM'000	% of total purchases	RM'000	% of total purchases	RM'000	% of total purchases
Digital China (China) Limited	PRC	-	-	-	-	1,772	6.1	-	-
Digital China Shenzhen Co., Ltd	PRC	-	-	1,460	6.8	543	1.9	-	-
Digital China Technology Malaysia Sdn Bhd	Malaysia	-	-	111	0.5	*	*	-	-
Digital China (Beijing) Co., Ltd	PRC	-	-	-	-	-	-	250	0.9
Total		-	-	1,571	7.3	2,315	8.0	250	0.9

(7) Our Group's total purchases for FYE 2020 was RM28.76 million.

(8) For FYE Under Review, our Group's suppliers that are part of the VSTECS group of companies comprised the following:

VSTECS group of companies	Country	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
		RM'000	% of total purchases	RM'000	% of total purchases	RM'000	% of total purchases	RM'000	% of total purchases
VSTECS Pericomp Sdn Bhd	Malaysia	3	*	326	1.5	944	3.3	1,782	6.4
VSTECS Astar Sdn Bhd	Malaysia	-	-	293	1.4	3,943	13.7	2,080	7.5
VSTECS Ku Sdn Bhd	Malaysia	-	-	23	0.1	-	-	102	0.3
Total		3	*	642	3.0	4,887	17.0	3,964	14.2

(9) Our Group's total purchases for FYE 2021 was RM27.83 million.

7. BUSINESS OVERVIEW (CONT'D)

We generally purchase the physical hardware components and software required in implementing our IT infrastructure and cybersecurity solutions from Principals through their distributors. Some of these suppliers also provide services such as maintenance, cabling installation, mechanical and electrical, and civil and structural works.

The nature of our Group's business is such that it is on a project basis and thus, certain projects may utilise specific types of physical hardware components and/or software as compared to others. As such, the contribution of purchases from our top 5 major suppliers for the FYE Under Review have generally varied from year-to-year.

While we are able to source similar hardware and software from other suppliers, we purchase physical hardware components and software from the above suppliers in bulk to obtain competitive pricing. We are not dependent on any individual suppliers and/or Principals for our business operations for the FYE Under Review. We have not experienced any major disruptions in supplies for the FYE Under Review.

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7. BUSINESS OVERVIEW (CONT'D)

7.14 MAJOR LICENCES, PERMITS AND APPROVALS

Details of the major licences, permits and approvals obtained by our Group for our business operations as at LPD are as follows:

No.	Company	Description of licences/ permits/ approval	Permit/ Licence/ Registration No.	Date of issuance / Validity	Approving authority	Major conditions imposed	Status of compliance
1.	Infoline Solutions	Trade, Business and Industrial licence for the year of 2021 at No 51-2, 51-3 & 53-3, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya.	Account No.: L2540000604075 Application No.: EL2540000605956	Issuance date: 2 November 2021 Commencement date: 1 January 2022 Expiry date: 31 December 2022	Petaling Jaya City Council ("PJCC")	Nil	N/A
		Trade, Business and Industrial licence for the year of 2021 at No 53-1, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya.	Account No.: L2540000621400 Application No.: EL2780000630544	Issuance date: 2 November 2021 Commencement date: 1 January 2022 Expiry date: 31 December 2022			
2.	Infoline Solutions	Signboard license for the year of 2021 at No 51-3 & 53-3, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya.	Account No.: L2540000615500 Application No.: EL2540000623939	Issuance date: 2 November 2021 Commencement date: 1 January 2022 Expiry date: 31 December 2022	PJCC	Nil	N/A

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of licences/ permits/ approval	Permit/ Licence/ Registration No.	Date of issuance / Validity	Approving authority	Major conditions imposed	Status of compliance
3.	Infoline Shenzhen	Business Licence (营业执照)	Unified social credit code No.91440300057897189T	Issuance date: 12 May 2022 Commencement date: 12 May 2022 Expiry date: N/A ⁽¹⁾	Shenzhen Administration for Market Regulation (深圳市市场监督管理局)	Nil	N/A
4.	Infoline Shenzhen	Entry/Exit Inspection and Quarantine Declaration Enterprise Filing Form (出入境检验检疫报检企业备案表)	4700665127 [^]	Issuance date: 16 March 2018 Commencement date: 16 March 2018 Expiry date: N/A ⁽²⁾	Shenzhen Import/Export Inspection and Quarantine Administration (深圳市进出口检验检疫局)	Nil	N/A
5.	Infoline Shenzhen	Foreign Trade Operator Registration Form (对外贸易经营者备案登记表)	04993040	Issuance date: 6 June 2022 Commencement date: 6 June 2022 Expiry date: N/A ⁽¹⁾	Shenzhen Commerce Bureau (深圳市商务局)	Nil	N/A
6.	Infoline Shenzhen	Custom Declaration Entities Registration Certificate (海关报关单位注册登记证书)	440314103B [^]	Issuance date: 15 March 2018 Commencement date: 15 March 2018 Expiry date: N/A ⁽³⁾	Shenzhen Custom (深圳海关)	Nil	N/A

7. BUSINESS OVERVIEW (CONT'D)

Notes:



- ^ Notifications in relation to the change of registered information of Infoline Shenzhen following the completion of the Infoline Shenzhen Acquisition have been made to the respective authorities, and no new certificates were issued pursuant to the changes made.
- (1) One-off registration subject to update upon any changes in registered information.
 - (2) One-off filing subject to update upon any changes on registered information.
 - (3) One-off registration subject to annual information updating.

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7. BUSINESS OVERVIEW (CONT'D)

7.15 INTELLECTUAL PROPERTY

We have applied for the following trademark registrations in Malaysia and PRC:

Trademark	Registrant	Application No.	Issuing authority	Date of application	Validity	Class ⁽¹⁾	Status
	Infoline Solutions	TM2020022597	Intellectual Property Corporation of Malaysia ("MyIPO")	10 October 2020	N/A	42 ^(a)	Provisional Refusal ⁽²⁾
	Infoline Shenzhen	63287566	Trademark Office of China National Intellectual Property Administration ("PRC Trademark Office")	15 March 2022	N/A	42 ^(b)	Preliminary validation ⁽³⁾

Notes:

- (1) Description of each class under which the trademark is registered is as follows:
- (a) Cloud computing services; Computer and internet security consultancy and data encryption services; Computer programming; Computer programming and design software; Computer programming for data processing; Computer programming services for commercial analysis and reporting; Computer programming services relating to multimedia and interactive applications; Computer services for securing financial information; Computer software design, development and programming services; Computer systems design services; Computer systems integration services; Computer virus protection services; Computerised data storage services; Configuration, installation, repair, diagnosis, fault diagnosis, repair, upgrading and maintenance of computer software; Consultancy and information services relating to information technology architecture and infrastructure; Consultancy and research services in the field of information technology; Consultancy relating to information technology; Consultancy services in the field of maintaining the security and integrity of databases; Consulting services in the field of cloud computing applications and networks; Customised design of computer hardware and software; Data security consultancy; Design and development of information and communications technology; Information technology (IT) consultancy services; Infrastructure as a service (IaaS); Integration of computer systems and networks; IT security services in the nature of protection and recovery of computer data; Monitoring of computer systems for detecting unauthorised access or data breach; Monitoring of computer systems to detect breakdowns and all included in class 42.

7. BUSINESS OVERVIEW (CONT'D)

- (b) Cloud computing; data encryption services; computer security consultancy; internet security consultancy; computer network configuration services; computer programming; computer software design; development and construction of computer program for data processing; computer programming for business analysis and reporting; programming for multimedia equipment; research and development of new products for others; software design and development; computer system design; computer virus protection services; electronic data storage; computer software fault clearing; installation and maintenance of computer software; maintenance and updating of computer software; repair and maintenance of computer software; information technology consultancy; design and development of database; design and development of data security system; computer hardware design; information security consultancy; design and develop of instant messaging software; software as a service (SaaS); maintenance of software for computer safety and risk prevention; recovery of computer data; monitoring of computer system for detecting unauthorised access or data breach; monitoring of computer system to detect breakdowns).
- (2) The MyIPO had issued its provisional refusal against the trademark application on 23 August 2021 on the grounds, among others, that: (i) the applied trademark of "Infoline" ("**subject mark**") is descriptive of the services applied for and is non-distinctive for registration purpose; and (ii) there is another prior mark which is confusingly similar/identical to the subject mark, i.e. "Info Line" registered in Class 9. Infoline Solutions has filed a request for an ex-parte hearing on 29 September 2021 to overcome the provisional refusal of MyIPO on the grounds, among others, that: (i) the subject mark has achieved factual distinctiveness for registration; (ii) the subject mark should be read as a whole; and (iii) the public will not be confused due to the visual and conceptual dissimilarities between the subject mark. As at the LPD, Infoline Solutions is in the process of preparing documents needed for the ex-parte hearing which is to be held on a later date (to be determined by MyIPO).
- (3) Infoline Shenzhen submitted the trademark application on 10 November 2020. The trademark application was refused by the PRC Trademark Office on 12 April 2021 on the grounds that the applied trademark of "Infoline" is similar with a registered trademark "Infolife" owned by another company, registered on the goods and services of Class 42. On 19 May 2021, Infoline Shenzhen has simultaneously filed an appeal for review of the refusal with the PRC Trademark Office and an application to cancel the trademark registration of "Infolife" on the grounds that the trademark has not been used for at least 3 years. On 17 November 2021, the appeal against registration refusal was rejected by the PRC Trademark Office. On 15 February 2022, the PRC Trademark Office approved the non-use cancellation application by Infoline Shenzhen. On 15 March 2022, Infoline Shenzhen re-filed the trademark application to the PRC Trademark Office. As at the LPD, the trademark application is pending review by the PRC Trademark Office.

If the appeals for the registration of the trademarks by Infoline Solutions or the trademark application by Infoline Shenzhen are refused by MyIPO or the PRC Trademark Office, our Group will submit alternative trademarks for registration and cease to use the existing trademarks. However, our Group's ability to provide services to our customers is not dependent upon the successful registration of the trademarks.

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7. BUSINESS OVERVIEW (CONT'D)

7.16 EMPLOYEES

As at the LPD, we have a total of 26 full-time permanent employees. As at the LPD, we also have 4 technical staff on contract basis based in Malaysia and 1 full-time finance and administration staff on a contract basis based in PRC.

The breakdown of our employees by department and country is as follows:

Department	Number of employees			
	As at 31 December 2021		As at the LPD	
	Permanent	Contract	Permanent	Contract
Malaysia:				
Key Management	5	-	5	-
Technical ⁽¹⁾	11	3	12	4
Sales	3	-	3	-
Software	1	-	1	-
Finance and administration	4	-	5	-
PRC:				
Finance and administration	-	1	-	1
Total	24	4	26	5

Note:

- (1) The breakdown of the Group's technical department is set out below:

Department	Number of employees			
	As at 31 December 2021		As at the LPD	
	Permanent	Contract	Permanent	Contract
Project manager	1	-	1	-
Network and system engineer	6	2	6	4
NOC engineer	2	-	2	-
Solutions architect	1	-	1	-
Technician	1	-	1	-
IT support executive	-	1	1	-
Total	11	3	12	4

None of these employees belong to any labour union. As at the LPD, there has been no industrial dispute pertaining to our employees nor has there been any incidence of work stoppage or labour disputes that have materially affected our operations since incorporation.

Training and development

We place emphasis on the development of our employees as they are important resources and significant assets which contributes to our Group's business.

We provide our employees, particularly those in the technical department, with training and development to enhance their skills and knowledge with courses, seminars and training programmes. Some of these training programmes are required by our Principals in order to be certified by our Principals.

7. BUSINESS OVERVIEW (CONT'D)

During the FYE Under Review and up to the LPD, some of the courses, seminars and training programmes our employees have attended include:

Year	Training Programmes	Organiser
2022	Aruba Certified Mobility Associate (ACMA)	Aruba
2022	Aruba Certified Mobility Professional (ACMP)	Aruba
2022	VMware Certified Professional – Data Centre Virtualisation 2022	VMware, Inc.
2021	Contractor Safety Passport System – All Risk Work	National Institute of Occupational Safety and Health (“ NIOSH ”)
2021	Palo Alto Firewall 10.0 Essentials: Configuration and Management	BridgingMinds Network Pte Ltd
2021	NSE 4 Network Security Professional	Fortinet NSE Training Institute
2021	Checkpoint Certified Security Expert	M.Tech Holdings Pte Ltd
2020	Huawei WIFI-6 Converged Infrastructure Workshop	Infosyte Sdn Bhd
2020	Contractor Safety Passport System – All Risk Work	NIOSH
2020	VMware Software-defined WAN by VeloCloud: Deploy and manage – On Demand Content	VMware, Inc.
2020	H3C Certified Network Engineer	H3C University
2020	Aruba Certified Mobility Associate (ACMA)	Aruba
2020	Aruba Switching Fundamentals	Aruba
2020	Dell EMC SD-WAN Velocloud Design, Deploy and Manage Certification Training Class	Ethicus Design Pte Ltd
2019	Juniper Security 101 Partner Bootcamp	Juniper Networks
2019	Contractor Safety Passport System – All Risk Work	NIOSH
2019	Iverson Project Management Professional (PMP) Examination Preparatory Course	Iverson Associates Sdn Bhd
2019	Check Point Certified Security Administrator	Check Point Software Technologies Ltd
2019	VMware Software-defined WAN by VeloCloud: Deploy and manage	VMware, Inc.
2018	VMware Velocloud Training	Ingram Micro Asia Ltd
2018	Vocational Training Operation	IPTSkills Sdn Bhd

Further, we also provide on-the-job training to fresh graduates or students in IT infrastructure and cybersecurity solution implementation. This allows us to groom and cultivate potential employees, providing us with access to a talent pool of technical personnel.

7.17 DEPENDENCY ON PATENTS, LICENCES, CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS

As at the LPD, saved as disclosed in Section 7.14 and Section 15.5 of this Prospectus, we are not dependent on any patents, licences, contracts, agreements or other arrangements.

7. BUSINESS OVERVIEW (CONT'D)

7.18 REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES

Our business operations are regulated and governed by guidelines, regulations and laws in Malaysia and PRC. The following is an overview of the regulatory requirements governing our Group which are material to our business operations:

1. Malaysian Legislation**(i) Local Government Act 1976**

Pursuant to section 102 of the Local Government Act 1976, local authorities are empowered to make, amend and revoke the by-laws.

As our business is carried out in Petaling Jaya, we come under the jurisdiction of the PJCC and the relevant by-laws governing the conduct of our business would be the Licencing of Trades, Businesses and Industries (Petaling Jaya City Council) By-Laws 2007 ("**By-Laws**"). The By-Laws provide that any person may use any premise for operating any business activity when a licence, if necessary, has been obtained. A contravention of the By-laws would result in an offence, which upon conviction, would result in the person being liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both.

As at the LPD, our Group holds and maintains valid industrial licence and business licence issued by the PJCC.

(ii) Occupational Safety and Health Act 1994

Under the Occupational Safety and Health Act 1994, we have a general duty to our employees to provide and maintain the working environment that is, as far as in practicable, safe and without risks to health, provide information, instruction, training and supervision to ensure, in so far as is practicable, the safety and health of our employees at work, and adequate as regards to facilities for their welfare at work. We also have a duty to ensure, in so far as practicable, that other persons, not being our employees, who may be affected, are not exposed to risks to their safety or health.

(iii) Copyright Act 1987

Pursuant to section 3 of the Copyright Act 1987 ("**CA 1987**"), literary works include computer programs, where it is defined as an expression, in any language, code or notation, of a set of instructions (whether with or without related information) intended to cause a device having an information processing capability to perform a particular function either directly or after either or both of the following: (a) conversion to another language, code or notation; (b) reproduction in a different material form. As such description would indicate that software is a literary work, any software developed by us in the future will be entitled to receive copyright protection under CA 1987.

7. BUSINESS OVERVIEW (CONT'D)

2. PRC Legislation

(i) PRC Company Law (中华人民共和国公司法) and PRC Foreign Investment Law (中华人民共和国外商投资法)

Foreign investment enterprises refer to the enterprises fully or partially invested by foreign investors in the PRC which is governed by the PRC Foreign Investment Law. The establishment documents and the business licence of Infoline Shenzhen comply with the requirements of PRC Company Law and PRC Foreign Investment Law where as Application for the Establishment of Foreign Investment Enterprise (外商投资的公司设立登记申请书) was submitted and subsequently approved by the Shenzhen Administration for Market Regulation, pursuant to which, Infoline Shenzhen was duly established.

7.19 BUSINESS STRATEGIES AND PROSPECTS

7.19.1 Prospects

According to the IMR Report in Section 8 of this Prospectus, the IT infrastructure and cybersecurity industries in Malaysia grew at CAGRs of 9.0% and 13.1%, respectively, between 2016 and 2021. Moving forward, Providence expects the IT infrastructure and cybersecurity industries in Malaysia to grow by a further 9.7% and 14.4%, respectively, between 2022 and 2024.

The IT infrastructure and cybersecurity industries in PRC grew at CAGRs of 18.0% and 18.2%, respectively, between 2016 and 2021. Moving forward, Providence expects the IT infrastructure and cybersecurity industries in PRC to grow by a further 18.4% and 19.1%, respectively, between 2022 and 2024.

The recent COVID-19 pandemic had led to the implementation of national lockdown policies in many countries, including Malaysia. In Malaysia, the MCO and NRP, which was implemented throughout 2020 and 2021 entailed the closure of all Government and private premises except those involved in essential services (water, electricity, energy, telecommunications, postal, transportation, irrigation, oil, gas, fuel, lubricants, broadcasting, finance, banking, health, pharmacy, fire, prison, port, airport, safety, defence, cleaning, retail and food supply). This played a significant role in driving the digital economy. Many corporations implemented work-from-home policies during the MCO and NRP, which gave rise to the use of digital tools to enable file sharing, virtual video and audio conferencing as well as project management tools. Our Group benefitted from the accelerated shift towards the digital economy.

In line with the forecast growth of the IT infrastructure and cybersecurity industries in Malaysia and PRC, our Group is expected to continue benefiting from the shift towards the digital economy which will be driven by:

- Continued technological evolution and uptake of technologies such as AI, big data, cloud computing, IoT, and mobile and social computing;
- Government initiatives to develop the IT infrastructure and cybersecurity industries;
- Increased occurrence and level of sophistication of cyber threats;
- Need for regulatory compliance to prevent misuse of personal data and to protect national security;
- Demand for IT infrastructure arising from use of technologies such as data analytics, data processing, data exchange and cloud-based services; and

7. BUSINESS OVERVIEW (CONT'D)

- Growing number of companies and businesses.

All of the above factors are expected to result in a continuous increase in volume of digital data generated, and this would consequently lead to continuous demand for IT infrastructure and cybersecurity solutions in order to store and manage these digital data. In addition, this will also lead to continuous demand for maintenance and technical support services to monitor, manage and upgrade the network, hardware and/or software utilised.

Thus, our Board is of the view that we will continue to enjoy favourable prospects in the long term, providing IT infrastructure and cybersecurity solutions in Malaysia on the back of our historical track record, competitive strengths (as detailed in Section 7.2 of this Prospectus) and the growing IT infrastructure and cybersecurity industries in Malaysia and PRC, as well as other countries in Asia Pacific.

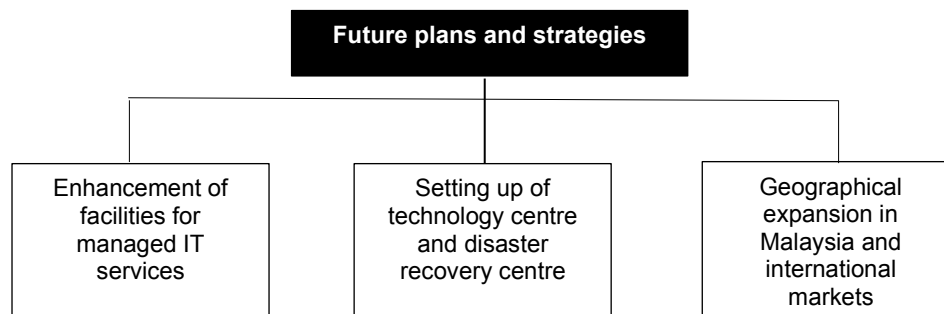
Our Board also does not foresee any material adverse impact from the COVID-19 pandemic on our financial performance, liquidity position and business operations as the country has entered into the “Endemic” phase of COVID-19 beginning 1 May 2022.

Against this backdrop, we seek a listing on the ACE Market to facilitate our future growth and strengthen our position as an IT infrastructure and cybersecurity solution provider in Asia Pacific.

(Source: Our Management)

7.19.2 Business strategies

The following strategies have been identified as a means to strengthen our position as an IT infrastructure and cybersecurity solution provider by leveraging on our competitive strengths:



(i) We intend to enhance our facilities and services to increase our capacity and capabilities for providing managed IT services

We ventured into managed network services in 2014, and we set up our existing NOC in 2017. We also began to offer managed cybersecurity services in 2021. However, our services are presently limited to the detection, analysis and response to common cyber threats.

In order to grow our managed IT services segment, we intend to undertake the following:

(a) Enhancement of our NOC

We will be improving the infrastructure of our existing NOC by acquiring equipment, software and accessories that allow for higher capacities, such as upgrading our switches, servers and storage.

7. BUSINESS OVERVIEW (CONT'D)

Currently, our Group's NOC infrastructure has limited bandwidth provided by internet service providers, and the current NOC's dashboard analytics do not allow for centralisation of information from all systems/applications under the NOC such as the helpdesk applications and network monitoring system. As the systems in the current NOC run separately, analytics gathered through the systems/applications must be manually consolidated into a holistic report for customers.

The enhancement of the new NOC will entail:

- increasing bandwidth, by subscribing for higher bandwidth and dedicated internet access from our internet service provider and acquiring new hardware to cater for higher bandwidth; and
- upgrading of systems.

This will enable us to cater for more customers and enhance the range of managed network services provided as the new NOC will allow for the following, amongst others:

- centralisation of systems/applications in the NOC;
- higher visibility on the status of the customers' networks allowing for more comprehensive network insights which will ease troubleshooting of issues;
- multi-tenancy where the NOC will be able to support multiple customers' accounts concurrently, and dashboards can be customised for customers in accordance with the required scope of works; and
- support and consolidate multiple platforms from different clients.

In order to upgrade our NOC, we will need to purchase new hardware and equipment such as servers, racks, switches, video wall display solutions and UPS; as well as software such as network performance monitoring, network configuration management and endpoint management software.

We will also need to undertake facility enhancement works such as minor revisions to the layout of the area space to ensure the present facility can accommodate the additional hardware and equipment and electrical wiring works. We estimate that the new hardware, equipment and software, including facility enhancement works, will cost approximately RM4.3 million, which will be funded via our IPO proceeds.

We plan to complete the enhancement of our NOC within 8 months from the receipt of our IPO proceeds, barring any unforeseen circumstances.

(b) Setting up of a SOC

We will be setting up our SOC in our Kota Damansara head office. The SOC will encompass a dedicated IT infrastructure.

A SOC is a facility which facilitates the monitoring and management of cyber threats and attacks impacting an enterprise's IT infrastructure. Generally, a SOC can carry out the following primary functions, amongst others:

- automated data collection on security events or incidents from multiple sources, including infrastructure devices, security devices and servers of different brands and product manufacturers;

7. BUSINESS OVERVIEW (CONT'D)

- analysing and correlating the security incidents of different sources to identify if there are any potential security threats and actual security breaches that have occurred;
- automated threat detection and centralised security monitoring for both cloud and on-premise environments; and
- responding to the security threats and breaches including attack containment, attack eradication and attack recovery.

At present, our present facilities can allow our security analysis team to undertake basic diagnosis on the network to detect common cyber threats in order to troubleshoot any incidents and problems raised by customers. Our security analysis team will also install, set up, update and/or change cybersecurity software as required.

The intended development of a SOC will enable a substantial upgrade (in respect of service offerings and capabilities) to our current managed cybersecurity services. Our intended SOC is envisaged to assist our security analysis team by enabling the followings features:

- support the monitoring and collections of security events and incidents from multiple sources, including infrastructure devices, security devices and servers of different brands and product manufacturers;
- allows the correlation of security incidents from different sources of different brands and product manufacturers for threat analysis and threat hunting;
- centralise security information to security analysts more quickly and deliver a more holistic view of security activities;
- proactive threat monitoring to reduce false alarms, detect hidden threats, and prioritise response for concerning alarms; and
- automates response workflows to enable our security analysis team to accomplish more and reduce the time it takes to protect against evolving security threats.

We intend to allocate RM4.7 million to develop a SOC, which will be used to acquire and set up the IT infrastructure required including hardware such as servers, storage tapes, discs and racks; and software such as networking management and monitoring, endpoint management and traffic analysis software. We will also need to undertake facility enhancement works such as minor revisions to the layout of the area space to ensure the present facility can accommodate the new SOC and electrical wiring works. The cost for setting up a SOC will be funded via our IPO proceeds.

We plan to complete the setting up of our SOC within 18 months upon receiving our IPO proceeds.

(c) Development and enhancement of in-house applications

We plan to enhance our present project management application which we presently use in carrying out our professional IT services. The enhancement of the application will include:

7. BUSINESS OVERVIEW (CONT'D)

- adding more features to integrate with the helpdesk application that we presently use to manage incidents/issues raised. This will enable us to utilise the project management application to facilitate our managed IT services; and
- improving users' experience through a more user-friendly interface.

With the enhanced project management application, customers of our managed IT services can utilise this application to track the delivery of our services as well as request changes in services provided. This application will enable us to better serve our managed IT services customers.

Further, we intend to develop an outsourced engineer application, which will also be integrated with the helpdesk application used in our proposed enhanced NOC and new SOC. This application will allow customers of our managed IT services to book subcontractors, comprising engineers for on-site troubleshooting and rectification works on an on-demand basis. These customers will be able to select the number of external technical engineers and level of skillset required.

With this outsourced engineer application, we will also be able to better service our customers in markets where we do not have permanent technical personnel stationed at as the outsourced engineer application will allow for us to tap into local engineers in the particular country to serve customers efficiently and promptly.

The enhancement and development works for our project management and outsourced engineer applications will be carried out in-house by our technical department. We will be able to integrate these applications with the NOC and SOC when they are completed, i.e. 18 months from the date of receipt of IPO proceeds. Any operational costs involving the development of these applications are expected to be minimal as we do not require additional hardware or software, and will be funded via our internally generated funds.

The indicative timeline to enhance our facilities for managed IT services is as follows:

Indicative Timeline	Milestones
8 months from date of receipt of IPO proceeds	<ul style="list-style-type: none"> • Completion of enhanced project management application • Enhancement of NOC • Integration of project management application with NOC
12 months from date of receipt of IPO proceeds	<ul style="list-style-type: none"> • Completion of outsourced engineer application • Integration of outsourced engineer application with NOC
18 months from date of receipt of IPO proceeds	<ul style="list-style-type: none"> • Setting up of SOC • Integration of project management and outsourced engineer applications with SOC

The managed IT services segment is an upcoming cost-effective alternative avenue for customers to procure IT infrastructure and cybersecurity solutions without incurring substantial operational expenses in setting up their own dedicated IT team. With the abovementioned plans, we aim to benefit from the potential growth in demand for managed IT services. Even though the NOC and SOC will be physically located in Malaysia, they can facilitate our managed IT services in other countries. There is no geographic limitation as our current NOC is already supporting some customers in the Asia Pacific region. With further enhancement of our NOC and setting up of SOC, we expect to secure more projects in PRC and other regions.

7. BUSINESS OVERVIEW (CONT'D)

(ii) We intend to set up a technology centre and a disaster recovery centre to improve our sales and marketing activities and strengthen our presence in Malaysia

We plan to enhance our Group's infrastructure to improve our sales and marketing activities and strengthen our presence in Malaysia. In particular, we intend to:

(a) Set up a technology centre

We presently demonstrate customised solutions to our customers and potential customers at our Kota Damansara head office, and this is typically performed during the pre-sales stage.

Our present infrastructure has limited hardware and we often have to rent third-party hardware to enable demonstration for solutions involving software defined infrastructure and virtual desktop. Our technical department will also have to rebuild infrastructure for every solution, and our Kota Damansara head office can only demonstrate 1 type of solution at one point in time. Some of the software utilised are software for demonstration purposes only, hence may not be able to exhibit the full capability of the software. Thus, by acquiring our own software and physical hardware components instead of renting from a third party, we will be able to:

- demonstrate the proposed solutions to potential customers at any time and is not constrain by the availability of the rented hardware;
- demonstrate the full capabilities of the software to our customers without limitation, due to the software being a demonstration version; and
- demonstrate a wider range of solutions involving software defined infrastructure and virtual desktop, and run multiple solution configurations concurrently.

We will work with our Principals to determine the type of solutions to showcase, and the type of physical hardware components and software required. This will allow us to better plan the type of physical hardware components and software that will be required in the next 5 years.

(b) Set up a disaster recovery centre

We currently use third-party cloud-based disaster recovery facilities to minimise any disruptions to our operations. There are some limitations to the utilisation of cloud-based disaster recovery facilities, including higher costs incurred as the volume of data stored grows as we are charged based on usage, as well as costs incurred for downloading the data stored on the cloud. In addition, there may be customers who prefer that we do not store and back up their company information using the cloud.

Hence, we intend to set up our own disaster recovery centre which will enable us to recover and restore our data and IT infrastructure to allow for operations to continue despite disruptions caused by events such as cyber attacks and natural disasters.

The disaster recovery centre will be located at a different location (a highly secured physical environment) i.e. a co-location facility which we intend to rent. We will acquire the necessary equipment and software to set up our own disaster recovery centre in the said location. We have allocated RM0.11 million to pay the co-location service owner for the rental and set up (e.g. electrical wiring works) of our own disaster recovery centre.

7. BUSINESS OVERVIEW (CONT'D)

We estimate that we will take approximately 9 months to set up the technology centre and disaster recovery centre. The cost of setting up the technology centre and a disaster recovery centre is estimated to amount to approximately RM8.5 million. This will be funded via our IPO proceeds.

With the proposed technology centre, we would be able to:

- (i) better serve our prospective customers. As the existing infrastructure does not support updated and newer software, any delays in the arrival of rented equipment may result in a delay in demonstrating these solutions to our customers. With the technology centre, we will have the necessary infrastructure to demonstrate these software as it is readily available;
- (ii) improve customer confidence of our Group and allow us to build and maintain relationships with our suppliers as we showcase some of their products in our solution configurations; and
- (iii) test configurations of new customised solutions prior to implementation on-site at our customers' premises at the proposed technology centre. By doing so, this will shorten the time taken for implementation, allowing us to take on a higher number of projects.

With the proposed disaster recovery centre, we would be able to:

- (i) address the limitation of our current usage of third-party cloud-based disaster recovery facilities as mentioned above; and
 - (ii) minimise risks of system failures of our Group's internal IT infrastructure.
- (iii) **We plan to expand our geographical presence in Malaysia and in international markets**

We currently operate out of Malaysia and PRC, and have been designing and implementing IT infrastructure and cybersecurity solutions for enterprises based in the Asia Pacific region.

Malaysia

In Malaysia, our customer base is primarily centered in the Central (i.e. Kuala Lumpur, Selangor and Negeri Sembilan) and Northern (i.e. Kedah, Penang, Perlis and Perak) regions of Peninsular Malaysia. At present, our existing technical team which is based in Selangor will travel to the respective regions within Malaysia (e.g. Northern region of Peninsular Malaysia) to implement the solutions and provide technical support services. We intend to continue to grow our presence to other regions in Malaysia in light of the growing IT infrastructure and cybersecurity solutions industries in the country, as highlighted in the IMR Report in Section 8 of this Prospectus.

In particular, we intend to grow our customer base in the Southern region of Peninsular Malaysia (i.e. Johor and Malacca) and East Malaysia (i.e. Sabah and Sarawak). We thus intend to expand our technical team by recruiting new engineers stationed in these states. We estimate that we will require a total of 6 new additional technical personnel who will be stationed in Johor, Sabah and Sarawak.

These new personnel will be recruited within 3 months upon receipt of IPO proceeds.

7. BUSINESS OVERVIEW (CONT'D)

PRC

In addition, we also intend to expand our presence to other parts of PRC due to the growing market potential present in PRC, as detailed in the IMR Report in Section 8 of this Prospectus. At present, as we are currently based in Shenzhen, our customer base is largely in Shenzhen. We also plan to expand our sales and technical team by recruiting approximately 6 new personnel who will be stationed in several major cities including:

- Shanghai and Beijing where we have existing customers;
- Wuhan and Chengdu where we have begun to receive enquiries from potential customers and/or have potential collaborations with other service providers; and
- Heilongjiang which is expected to be a potential growth area in line with the Government of PRC's plans to expand the city.

These new personnel will be recruited over the span of 1 year from the receipt of IPO proceeds.

Apart from the above, we also plan to penetrate into international markets in Asia Pacific where some of our customers, who are multinational companies, intend to expand into. We will expand into these markets should we successfully secure a contract and receive enquiries from potential customers, and taking into consideration the prospects for the IT infrastructure and cybersecurity market, and political and economic factors within the country. As at the LPD, we have currently received enquiries from our existing customers and potential customers based in Japan and Australia.

Increasing the number of technical personnel will allow us to promptly respond to our potential customers and existing customers, thus enabling us to provide reliable and efficient service to our customers. We do not intend to set up offices in these identified locations as our newly hired technical personnel will generally be based at our customers' premises and do not require an office to carry out their day-to-day operational activities.

In the short term, we expect to incur business expansion costs in Malaysia and the PRC. We expect that the costs of business expansion in Malaysia and the PRC will include the recruitment of new personnel, marketing expenses and procurement of physical hardware. Such costs are estimated to amount to RM1.3 million in each country. Collectively, this would amount to a total estimated cost of RM2.6 million in both Malaysia and the PRC, of which we have allocated RM2.22 million from the IPO Proceeds as mentioned in Section 4.7(d) of this Prospectus. The remaining estimated cost of RM0.38 million will be funded via internally generated funds.

In the event of any business expansion into other international markets in Asia Pacific, we intend to allocate RM1.3 million to fund the costs of business expansion (for the recruitment of new personnel, marketing expenses and procurement of physical hardware) for each country. For illustration purposes, should we proceed with our plan to expand into Japan or Australia, we would allocate RM1.3 million for each country, which will be funded via internally generated funds. For clarity purposes, our expansion plans in other international markets in Asia Pacific e.g. Japan and Australia are still preliminary at this juncture as we have only received enquiries from our existing and potential customers.

8. INDEPENDENT MARKET RESEARCH REPORT



PROVIDENCE STRATEGIC PARTNERS SDN BHD
(1238910-A)
67-1, Block D, Jaya One, Jalan Prof Diraja Ungku Aziz,
46200 Petaling Jaya, Selangor, Malaysia.
T: +603 7625 1769

Date: 23 May 2022

The Board of Directors
Infoline Tec Group Berhad
No. 53-3, Jalan PJU 5/20E,
Pusat Perdagangan Kota Damansara,
47810 Petaling Jaya,
Selangor
Malaysia

Dear Sirs,

Independent Market Research (“IMR”) Report on the Information Technology (“IT”) Infrastructure and Cybersecurity Industries in Malaysia and the People’s Republic of China (“PRC”) in conjunction with the Proposed Listing of Infoline Tec Group Berhad on the ACE Market of Bursa Malaysia Securities Berhad

PROVIDENCE STRATEGIC PARTNERS SDN BHD (“**Providence**”) has prepared this IMR report on the IT Infrastructure and Cybersecurity Industries in Malaysia and PRC for inclusion in the Prospectus of Infoline Tec Group Berhad.

PROVIDENCE has taken prudent measures to ensure reporting accuracy and completeness by adopting an independent and objective view of these industries within the confines of secondary statistics, primary research and evolving industry dynamics. We believe that this IMR report presents a balanced view of the industries within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive.

For and on behalf of PROVIDENCE:

MELISSA LIM
EXECUTIVE DIRECTOR

About PROVIDENCE STRATEGIC PARTNERS SDN BHD:

PROVIDENCE is an independent research and consulting firm based in Petaling Jaya, Selangor, Malaysia. Since our inception in 2017, PROVIDENCE has been involved in the preparation of independent market research reports for capital market exercises. Our reports aim to provide an independent assessment of industry dynamics, encompassing aspects such as industry performance, demand and supply conditions and competitive landscape.

About MELISSA LIM:

Melissa Lim is the Executive Director of PROVIDENCE. She has more than 10 years of experience in market research for capital market exercises. Melissa Lim holds a Bachelor of Commerce (Double major in Marketing and Management) from Murdoch University, Australia.

8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



1 THE IT INFRASTRUCTURE AND CYBERSECURITY INDUSTRIES IN MALAYSIA AND PRC

The objective of this IMR report is to provide an independent view of the industries in which Infoline Tec Group Berhad operates and to offer a clear understanding of the industry and market dynamics. As Infoline Tec Group Berhad is an IT infrastructure and cybersecurity solution provider that largely serves the Malaysia and PRC markets, this IMR report focuses on both the IT infrastructure and cybersecurity industries in Malaysia and PRC.

DEFINITION AND SEGMENTATION

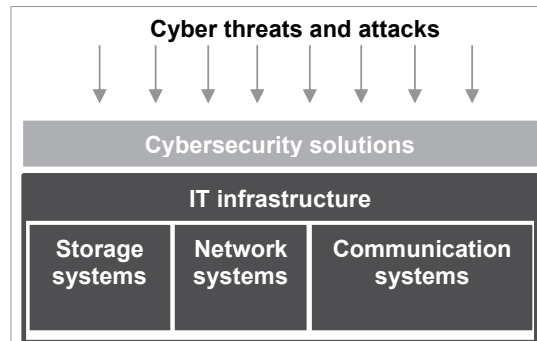
IT infrastructure solutions facilitate and support the management and usage of digital data. In general, IT infrastructure solutions comprise:

- storage systems which enable storage and backup of digital data;
- network systems that allow for interconnectivity; and
- communication systems that allow users to communicate and collaborate through different avenues such as e-mail, video conferencing and voice over internet protocol.

Separately, cybersecurity solutions prevent cyber threats and attacks to these IT infrastructures. This includes a variety of solutions aimed at preventing and defending an enterprise's network and endpoints (such as computers and mobile devices) against cyber threats and attacks.

Both IT infrastructure and cybersecurity solutions refer to a combination of physical hardware components and software, as well as services to install, implement and/or manage these solutions. IT infrastructure and cybersecurity solutions are used by enterprises as well as individuals. Managed IT services, which include managed network services and managed cybersecurity services, are a form of services offered to enterprises. Managed IT services offer enterprises an alternative avenue to procure IT infrastructure and cybersecurity solutions without incurring substantial operational expenses in setting up their own dedicated IT team. It involves real-time monitoring of IT infrastructure, implementing protective measures and/or responding to any cyber threats and attacks.

IT infrastructure solutions have become increasingly crucial for enterprises' business operations. With the increased utilisation of IT infrastructure, cybersecurity solutions have become critical to protect enterprise data and networks from cybersecurity attacks and unauthorised access, thus mitigating these cybersecurity risks and any costs associated with dealing with these attacks. As such, both IT infrastructure and cybersecurity solutions are complementary as an enterprise requires these solutions to safely and securely store, backup and transmit data as well as interconnect.



The IT infrastructure and cybersecurity industry value chains are generally similar. Both of these industry value chains comprise companies that are involved in:

- Development of hardware and software** – companies which design and develop the physical hardware components (such as servers, storage discs and security devices), as well as the software required to enable its functionality (such as web applications, content management systems and anti-malware software). These companies are typically established multinational companies, and are referred to as “Principals”;
- Distribution of hardware and software** – companies which market and sell the physical hardware components and software on behalf of the Principals;
- Provision of IT infrastructure and cybersecurity services** – companies which evaluate and consult enterprises to design an IT infrastructure tailored to the organisational needs and/or propose suitable cybersecurity solution to protect the IT infrastructure, as well as implement and integrate various physical hardware components and software to form a complete solution for enterprises. Some of these companies may also provide managed IT services; and

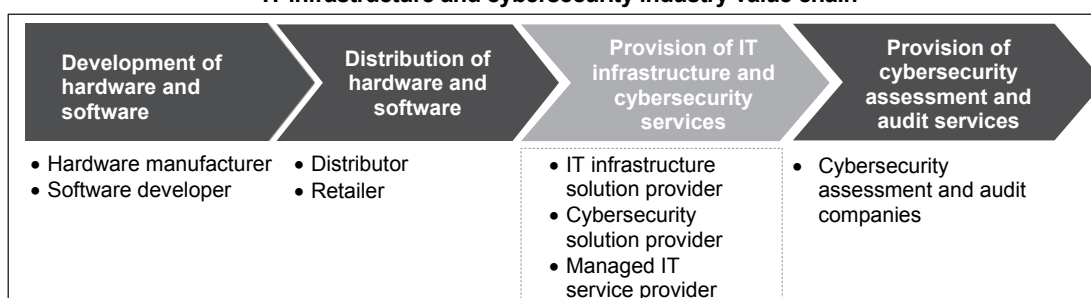
8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



- (iv) **Provision of cybersecurity assessment and audit services** – companies which assess and audit the security of an IT infrastructure solution for a company, to determine if the cybersecurity solutions implemented by a cybersecurity solution provider are sufficient to protect an enterprise's IT infrastructure.

Infoline Tec Group Berhad and its subsidiaries (collectively referred to as "Infoline Group") is principally involved in the provision of IT infrastructure solutions, managed services and other IT services and cybersecurity solutions to enterprises. In addition, Infoline Group is also involved in trading of ancillary hardware and software, as and when required.

IT infrastructure and cybersecurity industry value chain



Notes:

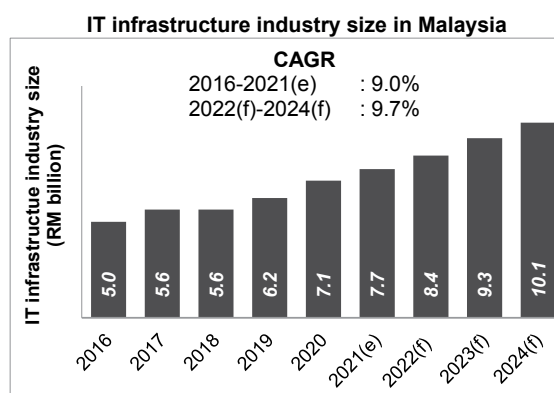
- (i) [] Denotes the segments in which Infoline Tec Group Berhad presently operates.
 (ii) This list is not exhaustive.

Source: PROVIDENCE

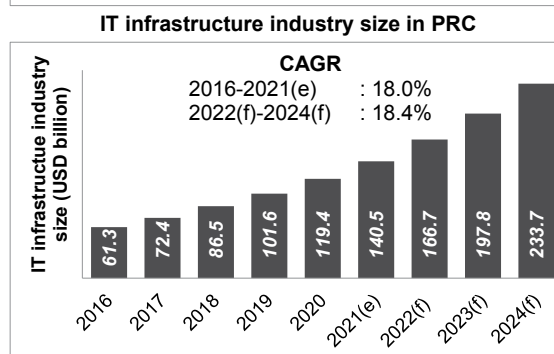
INDUSTRY PERFORMANCE, SIZE AND GROWTH – IT INFRASTRUCTURE

The IT infrastructure industry size is depicted by the sales of servers, storage, networking, and powering and cooling hardware as well as required software and services, and includes managed services.

The IT infrastructure industry size increased from RM5.0 billion in 2016 to an estimated RM7.7 billion in 2021, recording a compound annual growth rate ("CAGR") of 9.0%. Moving forward, the IT infrastructure industry size in Malaysia is forecast to grow at a CAGR of 9.7%, from RM8.4 billion in 2022 to RM10.1 billion in 2024.



Meanwhile, the IT infrastructure industry size in PRC grew from USD61.3 billion (RM254.1 billion¹) in 2016 to an estimated USD140.5 billion (RM582.4 billion²) in 2021, recording a CAGR of 18.0%. Moving forward, the IT infrastructure industry size in PRC is forecast to grow at a CAGR of 18.4%, from USD166.7 billion (RM691.0 billion³) in 2022 to USD233.7 billion (RM968.8 billion³) in 2024.



Notes:

- (i) (e) – Estimate
 (ii) (f) – Forecast
 Sources: PROVIDENCE analysis

¹ Exchange rate from USD to RM in 2016 was converted based on average annual exchange rates in 2016 extracted from published information from Bank Negara Malaysia at USD1 = RM4.1457

² Exchange rate from USD to RM in 2021 was converted based on average annual exchange rates in 2021 extracted from published information from Bank Negara Malaysia at USD1 = RM4.1454

³ Exchange rate from USD to RM in 2022 and 2024 was converted based on average annual exchange rates in 2021 extracted from published information from Bank Negara Malaysia at USD1 = RM4.1454

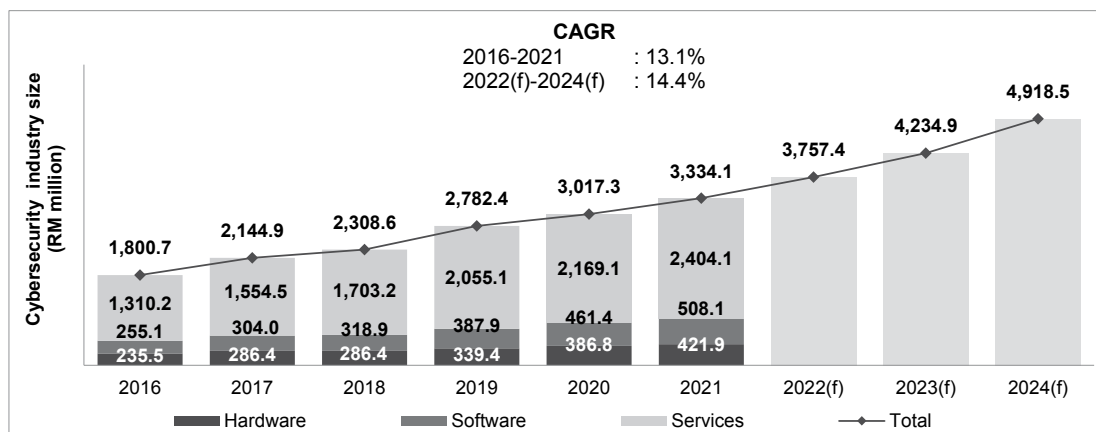
8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



INDUSTRY PERFORMANCE, SIZE AND GROWTH – CYBERSECURITY

The cybersecurity industry in Malaysia is depicted by the sales of cybersecurity hardware, software and services (including managed cybersecurity services) in the country. The total cybersecurity industry grew from RM1.8 billion in 2016 to RM3.3 billion in 2021 at a CAGR of 13.1%. Moving forward, the total cybersecurity industry in Malaysia is forecast to grow by a further CAGR of 14.4%, from an estimated RM3.8 billion in 2022 to RM4.9 billion in 2024.

Cybersecurity industry size in Malaysia



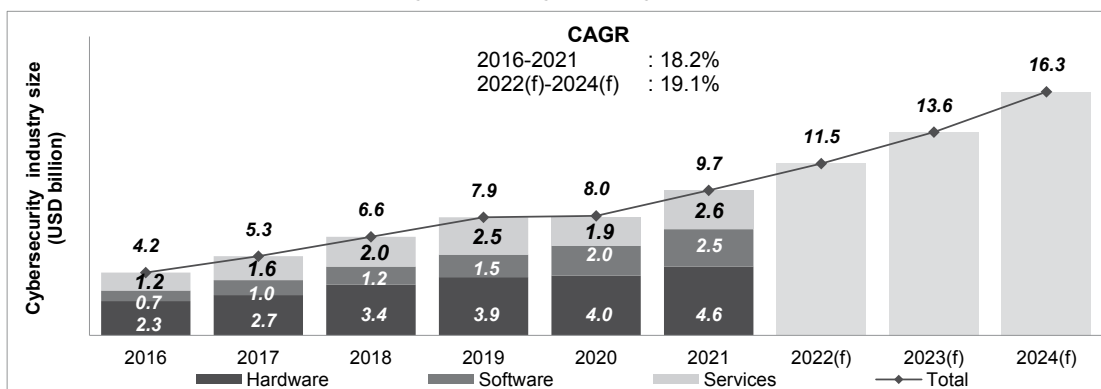
Notes:

(i) (f) – Forecast (ii) Numbers may not add up due to rounding

Sources: PROVIDENCE analysis

The cybersecurity industry in Malaysia is largely driven by sales of cybersecurity services which include services such as penetration tests, consulting and on-site technical support as well as managed security services. In 2021, cybersecurity services comprised 72.1% of the total cybersecurity industry in Malaysia. Meanwhile, spending on cybersecurity hardware and software comprised 12.7% and 15.2% respectively of the total cybersecurity industry in Malaysia in 2021. Spending on cybersecurity services (which include managed cybersecurity services) and software has been growing at a relatively faster pace as compared to spending on cybersecurity hardware. Between 2016 and 2021, spending on cybersecurity services and software grew at CAGRs of 12.9% and 14.8%, while spending on cybersecurity hardware grew at a CAGR of 12.4%.

Cybersecurity industry size in PRC



Notes:

(i) (f) – Forecast (ii) Numbers may not add up due to rounding

Sources: PROVIDENCE analysis

8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



The cybersecurity industry in PRC, as depicted by the sales of cybersecurity hardware, software and services (including managed cybersecurity services) in the country, grew from USD4.2 billion (RM17.4 billion¹) in 2016 to USD9.7 billion (RM40.2 billion²) in 2021, recording a CAGR of 18.2%. Moving forward, the cybersecurity industry in PRC is forecast to grow at a CAGR of 19.1%, from an estimated USD11.5 billion (RM47.7 billion³) in 2022 to USD16.3 billion (RM67.6 billion³) in 2024.

The cybersecurity industry in PRC is largely driven by sales of cybersecurity hardware. In 2021, spending on cybersecurity hardware and software comprised 47.4% and 25.8% respectively of the total cybersecurity industry in PRC in 2020. Meanwhile, cybersecurity services (which include managed cybersecurity services) comprised 26.8% of the total cybersecurity industry in PRC. Spending on cybersecurity services and software has also been growing at a relatively faster pace as compared to spending on cybersecurity hardware in PRC. Between 2016 and 2021, spending on cybersecurity services and software grew at CAGRs of 16.7% and 29.0% while spending on cybersecurity hardware grew at a CAGR of 14.9%.

DEMAND CONDITIONS: KEY GROWTH DRIVERS

Rapid pace of technological evolution as well as uptake of these technologies create demand for IT infrastructure and cybersecurity solutions

The proliferation and evolution of technologies in daily lives, for both personal and business reasons, have increased the usage of consumer electronics and other personal devices. Examples of these technologies include:

- Artificial Intelligence (AI)
- Big data
- Cloud computing
- Internet of Things (“IoT”)
- Mobile and social computing

To stay competitive, governments and corporations are utilising these technologies as part of their business operations in the wake of globalisation and to improve efficiency. The use of these technologies has also led to increasing amount of data due to digitalisation. Digital data is valuable and crucial to organisations across various economic sectors, as it facilitates their day-to-day operations, customer transactions, allows for collaboration even from different locations and is used in analysis, which leads to the need to protect this data.

The COVID-19 pandemic has also forced organisations to adapt to remote working arrangements as countries around the world had to impose lockdowns to curb the spread of this disease. Realising the need for the flexibility of allowing their employees to work from home, organisations have harnessed the use of technology such as file sharing, messaging platforms, project management and video conferencing. The increased popularity of electronic commerce platforms during this time has also encouraged organisations to take their business online as an additional revenue channel.

The National IoT Strategic Framework estimates that the market for IoT in Malaysia will reach RM42.5 billion by 2025. Meanwhile, the Government of Malaysia intends to accelerate the adoption of big data through the National Big Data Analytics Framework, which would spur demand for big data in all sectors, catalyse the adoption of big data in the public sector and build the big data industry in Malaysia. Further, the National Fibreisation and Connectivity Plan 2019-2023 will provide the robust infrastructure needed to support these technologies.

PRC’s 14th Five-Year Plan (2021-2025) outlines the focus on building a digital PRC. PRC’s digital economy reached RMB39.2 trillion (RM23.9 trillion⁴) in 2020, accounted for 38.6% of the national gross domestic product (“GDP”) and outgrew traditional sectors such as manufacturing. It is expected that the digital economy will be the main driver of economic growth by 2027, accounting for almost half of national GDP. There is a shift in focus from high-speed growth to high-quality development, particularly following the COVID-19 pandemic in 2020 where the ensuing lockdowns had increased awareness about the importance of digital technology in conducting business, working from home, making purchases and performing other necessary transactions. Thus, the shift to high-quality development of technology and

⁴ Exchange rate from RMB to RM in 2020 was converted based on average annual exchange rates in 2020 derived from published information from Bank Negara Malaysia at RMB1 = RM0.6091

8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



infrastructure aims to accelerate the penetration of digital economy as well as improve the deployment of smart home, smart industry and smart city solutions.

The number of internet-connected devices in the PRC has increased exponentially, from laptops and smartphones to home electronics and even vehicles. PRC accounts for an estimated 64.0% of the 1.5 billion global cellular connections, making it the world's largest IoT market.⁵ As the number of connected devices is expected to continue growing, there will also be an increased risk of security breaches. This indicates a pressing need for cybersecurity solutions to provide protection for personal data.

In addition to IoT, the huge growth in digital data in PRC is also attributable to video surveillance footage, among others. Project Dazzling Snow, a nationwide video surveillance network, was approved in 2016 with the aim of improving public security, preventing crime and providing supporting infrastructure for nationwide smart city implementation. All major streets were to be equipped with 24-hour, 360-degree video surveillance cameras, resulting in the creation of massive amounts of digital data by 2020. In 2018, PRC's digital data accounted for 23.4% of the global data, or 7.6 zettabytes, and is expected to further grow substantially.

As these technologies continue to become more significant in our daily lives, this will subsequently create demand for supporting IT infrastructure and cybersecurity solutions to store, manage and analyse digital data.

Government initiatives to develop the IT infrastructure and cybersecurity industries in Malaysia and PRC

The Government of Malaysia recognises cybersecurity as a national priority and developed the National Cyber Security Policy (“**NCSP**”) in 2016 to address its risks to the Critical National Information Infrastructure (CNII), which encompasses National Defence and Security; Banking and Finance; Information and Communications; Energy; Transportation; Water; Health Services; Government; Emergency Services; and Food and Agriculture. The NCSP has a series of frameworks to ensure that these sectors, which are vital to Malaysia, are protected by the appropriate cybersecurity controls.

The National Cyber Security Agency (“**NACSA**”) was established in February 2017 to secure and strengthen Malaysia's resilience in facing the threats of cyberattacks. NACSA is responsible for developing and implementing national-level cybersecurity policies and strategies, spearheading cybersecurity awareness, taking strategic measures in combatting cyber threats and advising on organisational cyber risk management, among others.

Recognising the opportunities arising from the growth of the digital economy in Malaysia, a Memorandum of Understanding (“**MoU**”) was signed between Malaysia Digital Economy Corporation (MDEC) and Axiata Group Berhad in July 2018. This strategic collaboration intends to further boost the nation's cybersecurity industry by strengthening talent development in the cybersecurity industry through upskilling internships and providing mentorships.

In February 2021, the Government of Malaysia launched MyDIGITAL, a national initiative which aims to transform Malaysia into a digitally-driven, high income nation and a regional leader in digital economy. The Malaysia Digital Economy Blueprint maps out the strategies which will be undertaken in 3 phases (2021-2022, 2023-2025 and 2026-2030) to achieve the targeted outcomes of MyDIGITAL. The key thrusts in the Malaysia Digital Economy Blueprint pertaining to the IT infrastructure and cybersecurity industries are:

- (i) Build enabling digital infrastructure – providing access to extensive and high-quality digital infrastructure (such as broadband, data centres and cable landing stations) to better enable people, businesses and the Government of Malaysia to participate in the digital economy; and
- (ii) Build trusted, secure and ethical digital environment – creating a conducive environment for businesses and society to reap the benefits of digital services without compromising safety, data security, privacy, reliability and ethical standards.

⁵ Source: Global System for Mobile Communications Association (GSMA)

8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



In March 2021, the Government of Malaysia announced that the first 5G cybersecurity test laboratory in Southeast Asia would be established by 2023 as part of an MoU between CyberSecurity Malaysia (the national cyber security specialist agency under the Ministry of Communications and Multimedia Malaysia), Huawei Technologies (M) Sdn Bhd and Celcom Axiata Berhad. The MoU aims to better understand, learn, manage and reduce cybersecurity threats related to 5G, as the rollout of 5G is expected to result in an increase in cybersecurity threats which would affect national security and public safety. The test laboratory will be conducting test cases on IoT security and telecommunications security, as well as improve the country's preparedness in responding to 5G-related cyberattacks.

One of the strategies in the PRC's 14th Five-Year Plan (2021-2025) is to integrate development and security by strengthening construction of cybersecurity assurance systems and capabilities, in a bid to guard against cybercrime.

These Government initiatives in Malaysia and the PRC are expected to further create awareness about the need for cybersecurity measures and contribute to the growth of the IT infrastructure and cybersecurity industries.

Increased occurrence and level of sophistication of threats will create demand for cybersecurity solutions and services

The number of reported cybersecurity incidents in Malaysia increased at a CAGR of 0.2% between 2015 and 2021, from 9,915 incidents to 10,016 incidents⁶. Furthermore, with the increasing number of devices, appliances and even vehicles which can be connected to the internet, this has increased the risk of exposure to cyberattacks. Besides targeting corporations, individuals are also at risk as they are less likely to implement protective measures.

Cybersecurity incidents have increased in size, risk and severity. In Malaysia, notable incidents include a data breach in 2017 whereby 46.2 million mobile number subscribers had their private information leaked. During the ongoing COVID-19 pandemic, there has been increased use of video conferencing software / platform for both business and personal use and one such platform was the subject of intrusion by uninvited users in private video conferencing sessions.

To keep up with increasingly sophisticated attacks, organisations may choose to rely on the services of cybersecurity solution providers in order to protect their data.

The need for regulatory compliance will drive demand for cybersecurity solutions and services

The Personal Data Protection Act 2010 ("PDPA") was passed to prevent and monitor misuse of any personal data collected to process commercial transactions. The Personal Data Protection Department, an agency under the Ministry of Communications and Multimedia Commission Malaysia, is responsible for enforcing the PDPA. Personal data includes any information which may identify a person or is sensitive (e.g. physical or mental health, political opinions and religious beliefs). This personal data is to be protected from any loss, misuse, modification, unauthorised or accidental access or disclosure, alteration or destruction. This includes the way that the data is collected, used, stored and destroyed. In line with the PDPA, cybersecurity solutions and services will be crucial in strengthening consumer confidence in view of the increasing number of online business transactions.

The Cybersecurity Law of PRC was enacted in 2016 and aims to increase data protection and cybersecurity to protect national security. In April 2020, the Cybersecurity Review Measures were issued as a part of the Cybersecurity Law of PRC, requiring technology products and services procured by critical information infrastructure operators to undergo a cybersecurity review to determine if they present a risk to national security. Any network products or services (including core network equipment, high-performance computers and servers, mass storage devices, large databases and application software, cybersecurity equipment and cloud computing services) procured by a critical information infrastructure operator, whether from a local or foreign source, must be assessed to determine if they may present a national security concern.

Thus, the requirements to comply with laws related to data protection are expected to increase demand for cybersecurity solutions and services.

⁶ Source: Malaysia Computer Emergency Response Team (MyCERT)

8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



Demand arising from the use of technologies which require IT infrastructure solutions

Organisations rely on the use of various technologies to improve their operations, processes and productivity. In particular, technologies to facilitate data analytics, data processing and data exchange require appropriate IT infrastructure solutions to run effectively and securely.

Furthermore, there is increasing popularity of cloud-based services such as Dropbox, Google Drive, Slack and Office 365, as well as video conferencing applications such as Zoom and Microsoft Teams. These applications have experienced high usage particularly during the COVID-19 pandemic whereby national lockdowns were imposed in many countries, forcing employees to work from home. The proliferation of wireless technologies such as IoT, WiFi and Bluetooth also requires IT infrastructure to provide the necessary support.

As the use of these technologies increases, the demand for IT infrastructure solutions is expected to rise as well.

Growing number of companies and businesses

Malaysia has seen a steady growth of newly registered companies at an average increase of 3.1% annually between 2016 and 2021. According to latest available data from the Companies Commission of Malaysia, new companies in Malaysia grew from 1.2 million in 2016 to 1.4 million in 2021. This steady growth trend is expected to continue in light of the nation's developing economy over the long-term.

The PRC provides a conducive business environment, which has attracted both local and foreign investment. It is a popular destination for business due to its large consumer population, availability of manpower, advanced technology and large land mass. The number of business entities in PRC has grown at a strong CAGR of 15.5% between 2014 and 2020, from 10.6 million to 25.1 million.

The growing number of registered companies provides opportunities for growth of the IT infrastructure and cybersecurity industries in Malaysia and the PRC.

PRODUCT / SERVICE SUBSTITUTION

IT infrastructure and cybersecurity solutions / services are essential to both individuals and corporations as it provides connectivity, and protects personal data and information critical to business operations that are transferred over the network. Thus, there is no available substitute.

SUPPLY FACTORS

Availability of hardware and software

Physical hardware components and software are critical components of IT infrastructure and cybersecurity solutions, and are typically purchased from third-party hardware and software distributors or retailers. Physical hardware components and software are the basic components needed before the service provider is able to customise, configure, implement and maintain proper IT infrastructure and cybersecurity solutions. Thus, service providers are dependent on their network of hardware and software Principals, distributors and retailers, and their ability to obtain a reliable supply of the physical hardware components and software required for implementing their systems.

Availability of human resources

A critical element of being able to provide IT infrastructure and cybersecurity services is the availability of qualified and experienced talent. It is essential that an IT infrastructure and cybersecurity solution provider is able to hire, train and retain talented employees. Generally, there is no shortage of skilled resources in the IT sector, as the number of IT, science and mathematics graduates in Malaysia accounted for 6.0% of total graduates in 2020.⁷

⁷ Source: Ministry of Education Malaysia. Includes graduates from public universities, higher educational private institutions, polytechnics, community colleges and vocational colleges. Latest publicly available information is as at 2020.

8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



RISKS AND CHALLENGES

Competition from other industry players

The IT infrastructure and cybersecurity industries in Malaysia and PRC are fragmented, with numerous IT infrastructure and cybersecurity solution providers that are capable of providing similar solutions, competing on the basis of price and solution design, among others. Thus, the industries are highly competitive, and industry players have to leverage on their existing strengths and advantages in order to gain larger market share and remain competitive. Further, industry players also compete in terms of recruiting and retaining skilled and trained technical professionals. While there is no shortage of skilled resources in the IT sector, it is a challenge to retain trained technical professionals as they may be recruited by other industry players.

Lack of awareness on the need for cybersecurity solutions and services

Generally, there is a lack of awareness amongst organisations and enterprises on the importance of cybersecurity solutions and services. As the effects of a cybersecurity solution are not immediately visible, organisations and enterprises may view cybersecurity solutions as an unnecessary additional business cost and may choose to redirect their resources to other areas which are deemed more critical to their business operations. There are also organisations and enterprises which continue to operate with legacy cybersecurity solutions, that have not been updated to keep up with increasingly sophisticated cyber threats and attacks.

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8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)**COMPETITIVE OVERVIEW**

Although Infoline Group largely serves the Malaysia and PRC, the Group is headquartered in Malaysia and approximately 66.1% to 70.2% of the Group's revenues are generated from IT infrastructure and cybersecurity projects implemented in Malaysia. The Group also serves other countries in Asia Pacific, including PRC, as some of its customers are multinational companies with operations in various countries. As such, for the purpose of this IMR report, this section will detail IT infrastructure and cybersecurity industry players in Malaysia so as to be comparable with Infoline Group.

The competitive landscapes of the IT infrastructure and cybersecurity industries in Malaysia are fragmented, with many companies competing in both industries. PROVIDENCE has identified the following 20 players on the basis that:

- (i) they are involved in offering both cybersecurity solutions and IT infrastructure solutions (which may include managed IT services) and are based in Malaysia; and
- (ii) they have revenues of RM10.0 million and above.

These 20 identified industry players are as detailed below:

Company name	Managed IT services	Latest FYE	Revenue (RM '000)	Profit After Tax (RM '000)
Sarawak Information Systems Sdn Bhd	✓	31 December 2020	206,546 ^a	25,813 ^a
CTC Global Sdn Bhd	✓	31 March 2021	623,878	17,472
Infoline Tec Group Berhad	✓	31 December 2021	44,586	9,328^b
Cloudpoint Solutions Sdn Bhd (formerly known as DMX Packet (Malaysia) Sdn Bhd)	✓	31 December 2020	51,230	8,330
Mesiniaga Berhad	✓	31 December 2021	240,189 ^a	5,476 ^a
Fortesys Sdn Bhd	-	31 December 2020	67,895	5,188
Bridgenet Solutions Sdn Bhd ^d	✓	31 December 2020	70,308	5,004
DXC Technology Malaysia Sdn Bhd	✓	31 March 2021	252,481 ^a	4,645 ^a
Integrated Global Solutions Sdn Bhd	✓	31 December 2020	80,406	3,207
NTT Data Malaysia Sdn Bhd	✓	31 December 2020	27,593 ^a	1,403 ^a
CommVerge Solutions (M) Sdn Bhd	✓	31 December 2020	25,702 ^a	1,245 ^a
CLL Systems Sdn Bhd	-	31 December 2020	46,092	1,177
NS Distribution (M) Sdn Bhd	✓	31 August 2020	18,342 ^a	316 ^a
Wiki Labs Sdn Bhd	-	31 December 2020	37,258	284
TMT Solutions Sdn Bhd	✓	31 December 2020	23,342	75
Microtree Sdn Bhd	✓	31 December 2020	19,446	33
Hitachi Sunway Information Systems Sdn Bhd	✓	31 March 2021	161,475 ^a	(607) ^a
Ensign InfoSecurity (Malaysia) Sdn Bhd	✓	31 December 2020	51,611	(3,105)
Softline Solutions International Sdn Bhd	✓	31 December 2020	84,740	(3,903)
Dataprep Holdings Berhad	✓	31 December 2020	35,338 ^c	(9,776) ^a

Notes:

1. The list above is based on publicly available information and is not exhaustive as it may not include companies whose financial information have been private exempted and cannot be viewed by the public.
2. The list above has been arranged based on the company's profit after tax in descending order.
3. ^a Revenues may be derived from business activities other than IT infrastructure and cybersecurity solutions.
4. ^b Infoline Group's PAT excludes listing expenses as it is a one-off expense
5. ^c Segmental revenue comprising revenue from contracts with customers for Information and Communications Technology (ICT) related products and services.

8. INDEPENDENT MARKET RESEARCH REPORT (CONT'D)



6. ^dBridgenet Solutions Sdn Bhd has been acquired by Celcom Axiata Berhad in 2021, and is now part of Celcom Axiata Berhad

Sources: Various company websites, Companies Commission of Malaysia, PROVIDENCE

MARKET SHARE

Infoline Group garnered a market share of 0.3% of the IT infrastructure and cybersecurity industries in Malaysia, based on its revenue generated from Malaysia of RM28.4 million for the FYE 2020, computed against the total IT infrastructure and cybersecurity industry size in Malaysia of RM10.2 billion in 2020. In 2021, Infoline Group garnered a market share of 0.3% of the IT infrastructure and cybersecurity industries in Malaysia, based on its revenue generated from Malaysia of RM28.6 million for the FYE 2021, computed against the total IT infrastructure and cybersecurity industry size in Malaysia of RM11.0 billion in 2021.

Meanwhile, Infoline Group garnered a market share of 0.003% of the IT infrastructure and cybersecurity industries in PRC, based on its revenue from PRC of RM13.6 million for the FYE 2020, computed against the total IT infrastructure and cybersecurity industry size in PRC of USD121.5 billion (RM510.5 billion) in 2020. Based on its revenue from PRC of RM8.2 million for the FYE 2021 and the total IT infrastructure and cybersecurity industry size in PRC of USD150.2 billion (RM622.6 billion), Infoline Group garnered a market share of 0.001% in 2021.

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