

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF ECOSCIENCE INTERNATIONAL BERHAD (“ECOSCIENCE” OR “COMPANY”) DATED 21 JUNE 2022 (“ELECTRONIC PROSPECTUS”)

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

Website

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

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, Hong Leong Investment Bank Berhad or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

The IPO and the distribution of the Electronic Prospectus are subject to the laws of Malaysia. Bursa Securities, the Company, Directors, Promoters, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic 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 IPO Shares 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. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves and to observe such restrictions.

Close of Application

Applications for the IPO Shares will be accepted from **10.00 a.m.** on **21 June 2022** and will close at **5.00 p.m.** on **1 July 2022**. Any change to the timetable will be advertised by Ecoscience in a widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus as provided by the Company to Bursa Securities are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

P R O S P E C T U S



ECOSCIENCE INTERNATIONAL BERHAD

(Registration No. 202001024633 (1380953-M))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“**IPO**”) OF 112,169,500 ORDINARY SHARES IN ECOSCIENCE INTERNATIONAL BERHAD (“**ECOSCIENCE**”) (“**SHARES**”) COMPRISING PUBLIC ISSUE OF 82,169,500 NEW SHARES AND OFFER FOR SALE OF 30,000,000 EXISTING SHARES (**COLLECTIVELY, THE “IPO SHARES”**) AT AN ISSUE / OFFER PRICE OF RM0.30 PER IPO SHARE PAYABLE IN FULL ON APPLICATION IN CONJUNCTION WITH THE LISTING OF ECOSCIENCE ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“**BURSA SECURITIES**”) IN THE FOLLOWING MANNER:

- (I) 17,000,000 IPO SHARES TO THE MALAYSIAN PUBLIC;
- (II) 6,800,000 IPO SHARES TO THE ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF ECOSCIENCE AND ITS SUBSIDIARIES;
- (III) 42,500,000 IPO SHARES BY WAY OF PRIVATE PLACEMENT TO IDENTIFIED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY; AND
- (IV) 45,869,500 IPO SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS

Principal Adviser, Sponsor, Underwriter and Placement Agent



Hong Leong Investment Bank Berhad
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

THIS PROSPECTUS HAS BEEN REGISTERED BY THE SECURITIES COMMISSION MALAYSIA (“**SC**”). THE REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR ORDINARY SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 228.

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

THIS PROSPECTUS IS DATED 21 JUNE 2022

ECOSCIENCE INTERNATIONAL BERHAD

PROSPECTUS



ECOSCIENCE INTERNATIONAL BERHAD

(Registration No. 202001024633 (1380953-M))
(Incorporated in Malaysia under the Companies Act 2016)

All defined terms used in this Prospectus are defined under "Presentation of Information" on page viii, "Definitions" commencing on page x and "Glossary of Technical Terms" on page xv.

RESPONSIBILITY STATEMENTS

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

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

STATEMENTS OF DISCLAIMER

Our Company has obtained the approval from Bursa Securities for the listing of and quotation for our Shares. Our 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 our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability 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 Form, 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.

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

You should note that any agreement by our Underwriter to underwrite our Shares is not to be taken as an indication of the merits of our Shares being offered.

Our Shares being offered in our IPO are offered solely on the basis of the information contained and representations made in this Prospectus. Our Company, Directors, Promoters, Offerors, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation 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 Company, Directors, Promoters, Offerors, Principal Adviser, Sponsor, Underwriter and Placement Agent, or any of their respective directors or any other persons involved in our IPO.

This Prospectus has been prepared and published in the context of an IPO under the laws of Malaysia. It does not comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority of any jurisdiction other than Malaysia.

The distribution of this Prospectus and our IPO are subject to the laws of Malaysia. This Prospectus will not be distributed outside Malaysia. Our Company, Directors, Promoters, Offerors, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised and take no responsibility for the distribution of this Prospectus outside Malaysia. No action has been taken to permit a public offering of our Shares in any jurisdiction other than Malaysia based on this Prospectus. 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 circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the sale of our Shares offered under our IPO in certain jurisdictions may be restricted by law. Prospective investors who may be in possession of this Prospectus are required to inform themselves and to observe such restrictions.

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 be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith. It shall be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO as stated in this Prospectus and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected. We will further assume that you had accepted our IPO in Malaysia and will be subjected only to the laws of Malaysia in connection therewith.

However, we reserve the right in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

It shall be your sole responsibility to consult your legal and/or other professional advisers on the laws to which our IPO or you are or might be subjected. Neither we nor our Principal Adviser, Sponsor, Underwriter and Placement Agent nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS

This Prospectus can 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 the SC 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 any doubt about the validity or integrity of an electronic Prospectus, you should immediately request from us or our Issuing House, a paper/printed copy of this Prospectus. If there are any discrepancies between the contents of the electronic Prospectus and the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which are identical to the copy of this Prospectus registered with the SC, shall prevail.

In relation to any reference in this Prospectus to third party internet sites ("**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 with the Third Party Internet Sites. Accordingly, we and our Principal Adviser are not responsible for any availability of, or the contents or any data, information, file 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 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 costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, information, file or other material provided by such parties; and
- (iii) any data, information, file or other material downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligations for any damage to your computer system or loss of data resulting from the downloading of any such data, information, file or other material.

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, to the extent of the contents of the electronic Prospectus on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institutions are not responsible 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 are not liable (whether in tort or contract or otherwise) for any loss, damages 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 Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

An indicative timetable for our IPO is set out below:

Event	Tentative date
Issuance of Prospectus/Opening of application for our IPO Shares	10.00 a.m., 21 June 2022
Closing of application for our IPO Shares	5.00 p.m., 1 July 2022
Balloting of application for our IPO Shares	6 July 2022
Allotment of our IPO Shares to successful applicants	14 July 2022
Listing	18 July 2022

If there is any change to the timetable, we will advertise the notice of such change in a widely circulated English and Bahasa Malaysia daily newspapers in Malaysia.

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PRESENTATION OF INFORMATION

All references to “our Company” or “Ecoscience” in this Prospectus are to Ecoscience International Berhad. All references to “our Group” or “Ecoscience Group” in this Prospectus are to our Company and our subsidiaries, taken as a whole. All references to “we”, “us”, “our” or “ourselves” are to our Company, and where the context requires, our Company and our subsidiaries. Unless the context otherwise requires, references to “management” are to our Directors and key senior management as at the date of this Prospectus. Statements as to our beliefs, expectations, estimates and opinions are those of our management.

The word “approximately” used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousandth or 1 decimal place. Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding. Certain acronyms, technical terms and other abbreviations used are defined in “Definitions” and “Glossary of Technical Terms” sections of this Prospectus.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include companies and corporations.

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

All reference to dates and times are references to dates and times in Malaysia unless otherwise stated. All references to the “LPD” in this Prospectus are to 27 May 2022, which is the latest practicable date prior to the registration of this Prospectus with the SC.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding growth and performance of the market and industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each case, the source is stated in this Prospectus. Where there is no source stated, it can be assumed that the information originates from us or is extracted from the IMR Report prepared by Vital Factor Consulting Sdn Bhd, which is included in Section 8 of this Prospectus. We have appointed Vital Factor Consulting Sdn Bhd to provide an independent market and industry review. In compiling its data for the review, Vital Factor Consulting Sdn Bhd had relied on its research methodology, industry sources, published materials, its own private databases and direct contacts within the industry.

We believe that the information on the industry as contained in this Prospectus and other statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the market and industry in which we operate. Third party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurance can be given that the estimated figures will be achieved, and you should not place undue reliance on the 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. If there is any discrepancy between the contents of such website relating to our Group and this Prospectus, the information contained in this Prospectus shall prevail.

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, prospects, plans and objectives of our Group for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties 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 current views with respect to future events and do not guarantee future performance. Forward-looking statements can be identified by the use of forward-looking terminology such as the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast”, “project” or similar expressions and include all statements that are not historical facts.

Forward-looking statements include, without limitation, statements relating to:

- (i) our future overall business development and operations plans;
- (ii) our future earnings, cash flow and liquidity;
- (iii) potential growth opportunities;
- (iv) our business strategies, trends and competitive position; and
- (v) the general industry environment, including the demand and supply of our products.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors, including, without limitations, those discussed in Section 9 of this Prospectus on “Risk Factors” and Section 12.3 of this Prospectus on “Management’s Discussion and Analysis of Financial Condition and Results of Operations”. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD.

Save as required under 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), we will not have any obligation or provide any undertaking to release publicly any updates or revision to any forward-looking statement contained in this Prospectus to reflect any changes in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

DEFINITIONS

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

Acquisition of AEPL	: Acquisition by Ecoscience of the entire equity interest in AEPL comprising 200,000 ordinary shares for a purchase consideration of RM15,741,099.60, satisfied via the issuance of 78,705,498 new Shares at an issue price of RM0.20 per Share, which was completed on 10 August 2021
Acquisition of EMESB	: Acquisition by Ecoscience of the entire equity interest in EMESB comprising 5,750,000 ordinary shares for a purchase consideration of RM35,825,000, satisfied via the issuance of 179,125,000 new Shares at an issue price of RM0.20 per Share, which was completed on 10 August 2021
Acquisitions	: Collectively, Acquisition of AEPL and Acquisition of EMESB
Act	: Companies Act 2016
ADA	: Authorised Depository Agent, a person appointed by Bursa Depository under the Rules of Bursa Depository
Admission	: Admission of our Shares to the Official List
Application	: Application for our IPO Shares by way of the Application Form, Electronic Share Application or Internet Share Application
Application Form	: Application form for the application of our IPO Shares
ATM	: Automated teller machine
Board	: Board of Directors of our Company
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd
Bursa Securities	: Bursa Malaysia Securities Berhad
CAGR	: Compound annual growth rate
Caiwan Capital	: Caiwan Capital Sdn Bhd, a company wholly-owned by Wong Choi Ong
CCC	: Certificate of completion and compliance issued by the relevant authority or person under the Street, Drainage and Building Act 1974 and any by-laws made under it or such relevant legislation applicable at the material time or any certificate of the same nature issued or approved by the relevant authority in Malaysia and Singapore
CDS	: Central Depository System
CIDB	: Construction Industry Development Board
CMSA	: Capital Markets and Services Act 2007
Constitution	: Constitution of our Company
COVID-19	: Coronavirus disease 2019
Director	: A member of our Board

DEFINITIONS (CONT'D)

DOSH	:	Department of Occupational Safety and Health Malaysia
Dynagear Technologies	:	Dynagear Technologies Sdn Bhd, a company wholly-owned by Pan Kum Wan
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
Ecoscience or Company	:	Ecoscience International Berhad
Ecoscience Group or Group	:	Collectively, Ecoscience and our subsidiaries
Ecoscience Shares or Shares	:	Ordinary shares in our Company
Electronic Share Application	:	Application for our IPO Shares made available to the Malaysian Public under the Public Issue through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, eligible directors and employees of our Group and persons who have contributed to the success of our Group, and have been allocated with the IPO Shares in the manner as set out in Section 4.1.1(ii) of this Prospectus
EPCC	:	Engineering, Procurement, Construction & Commissioning
EPS	:	Earnings per Share
ESP	:	Electrostatic Precipitators
Executive Directors	:	Collectively, Wong Choi Ong and Pan Kum Wan
Exquisite Capitals	:	Exquisite Capitals Sdn Bhd
Financial Years Under Review	:	Collectively, the FYE 2018, FYE 2019, FYE 2020 and FYE 2021
FYE	:	Financial year ended 31 December
GP	:	Gross profit
HESB	:	Hynergy Engineering Sdn Bhd
HLIB	:	Hong Leong Investment Bank Berhad
HSE	:	Health, safety and environment
IFRS	:	International Financial Reporting Standards
IMR Report	:	Independent Market Research Report prepared by Vital Factor Consulting Sdn Bhd as set out in Section 8 of this Prospectus
Internet Participating Financial Institutions	:	Participating financial institutions for the Internet Share Application, which is set out in Section 15.6 of this Prospectus
Internet Share Application	:	Application for our IPO Shares through an Internet Participating Financial Institution

DEFINITIONS (CONT'D)

IPO	:	Initial public offering comprising the Public Issue and Offer for Sale, collectively
IPO Price	:	Issue/offer price of RM0.30 per IPO Share pursuant to our IPO
IPO Shares	:	Collectively, the Issue Shares and Offer Shares
ISO	:	International Organization for Standardization
Issue Shares	:	82,169,500 new Shares to be issued by our Company pursuant to the Public Issue
Issuing House	:	Tricor Investor & Issuing House Services Sdn Bhd
Key Senior Management	:	Key senior management of our Group, namely Andy Tan Boon Kiong, Tia Tuan Sim, Thing Jin Suan, Anson Sing Yun Xiang and Goh Yu Meng
kg	:	Kilogram
KLK Group	:	Kuala Lumpur Kepong Berhad and its group of companies
Listing	:	Listing of and quotation for the entire enlarged issued share capital of Ecoscience on the ACE Market of Bursa Securities
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LAD	:	Liquidated ascertained damages
LPD	:	27 May 2022, being the latest practicable date prior to the registration of this Prospectus with the SC
Malaysian Public	:	Malaysian citizens, companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day	:	A day on which Bursa Securities is open for trading in securities
M&E	:	Mechanical and electrical
MFRS	:	Malaysian Financial Reporting Standards
MIDA	:	Malaysian Investment Development Authority
MITI	:	Ministry of International Trade and Industry
NA	:	Net assets
NBV	:	Net book value
Offer for Sale	:	Offer for sale of the Offer Shares by our Offerors at the IPO Price
Offer Shares	:	30,000,000 existing Shares to be offered pursuant to the Offer for Sale
Offerors	:	Collectively, Wong Choi Ong and Pan Kum Wan
Official List	:	A list specifying all securities listed on Bursa Securities
Olam Group	:	Collectively, Olam Group Limited and its group of companies. Olam Group Limited has succeeded Olam International Limited as the listed entity on the Singapore Exchange (SGX) Mainboard on 16 March 2022

DEFINITIONS (CONT'D)

Olam Palm	:	Olam Palm Gabon SA
Olam Rubber	:	Olam Rubber Gabon SA
Participating Financial Institutions	:	Participating financial institutions for the Electronic Share Application, which are set out in Section 15.5 of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
Pink Form Allocations	:	Allocation of 6,800,000 IPO Shares to the Eligible Persons
Placement Agent	:	HLIB
Placement Agreement	:	Placement agreement dated 25 May 2022 entered into among our Company, the Offerors and the Placement Agent for the placement of 88,369,500 IPO Shares made available by private placement, of which 45,869,500 IPO Shares are allocated to selected investors and 42,500,000 IPO Shares are allocated to identified Bumiputera investors approved by MITI
Principal Adviser	:	HLIB
Promoters	:	Collectively, Wong Choi Ong, Pan Kum Wan, Rajawali Wang, Caiwan Capital, Dynagear Technologies and Visionary Support
Prospectus	:	This prospectus dated 21 June 2022 in relation to our IPO
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
Public Issue	:	Public issue of the Issue Shares at the IPO Price subject to the terms and conditions of this Prospectus
Rajawali Wang	:	Rajawali Wang Sdn Bhd
SC	:	Securities Commission Malaysia
Share Registrar	:	Tricor Investor & Issuing House Services Sdn Bhd
Share Transfer	:	Transfer of a total of 153,000,000 Shares held by Wong Choi Ong and Pan Kum Wan to Rajawali Wang during the prescription period, which is carried out after the Offer for Sale and Public Issue
SICDA	:	Securities Industry (Central Depositories) Act 1991
Specified Shareholder	:	Collectively, Wong Choi Ong, Pan Kum Wan, Rajawali Wang, Caiwan Capital, Dynagear Technologies, Visionary Support and Li Siok Go
Sponsor	:	HLIB
sq ft	:	Square feet
sq m	:	Square metre

DEFINITIONS (CONT'D)

Substantial Shareholders	:	Wong Choi Ong, Pan Kum Wan, Rajawali Wang, Caiwan Capital, Dynagear Technologies, Visionary Support and Lim Siew Kuen
Visionary Support	:	Visionary Support Sdn Bhd, a company jointly and equally owned by Wong Choi Ong and Pan Kum Wan
Underwriter	:	HLIB
Underwriting Agreement	:	Underwriting agreement dated 1 June 2022 entered into between our Company, Offerors, and our Underwriter for the underwriting of 23,800,000 IPO Shares pursuant to our IPO

CURRENCIES

EUR	:	Euro, the lawful currency of the member states of the European Union
Franc CFA	:	Central African CFA franc, the lawful currency of Gabon, Cameroon, Central African Republic, Chad, Republic of the Congo, and Equatorial Guinea
IDR	:	Indonesia Rupiah, the lawful currency of Indonesia
LRD	:	Liberia Dollar, the lawful currency of Liberia
RM and sen	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
SGD	:	Singapore Dollar, the lawful currency of Singapore
USD	:	United States Dollar, the lawful currency of the United States of America

OUR SUBSIDIARIES

AEPL	:	Asia Ecoscience Pte Ltd
EMESB	:	Ecoscience Manufacturing & Engineering Sdn Bhd
ETSB	:	Ecoscience Technologies Sdn Bhd
TWTSSB	:	Top Well Trading & Services Sdn Bhd

GLOSSARY OF TECHNICAL TERMS

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

ASME	: American Society of Mechanical Engineers, an independent organisation based in the United States of America that is involved in, among others, developing standards related to mechanical engineering, including pressure vessels
Biodiesel	: A type of fuel manufactured from vegetable oils or animal fats as opposed to fossil fuel derived from crude oil
Biodiesel plant	: A manufacturing plant where biodiesel is produced using vegetable oils including palm oil, or animal fats as the main feedstock
BS	: British Standards are the technical standards produced by The British Standards Institution (BSI), which is the national standards body for the United Kingdom
Construction	: Encompasses the physical construction of buildings, structures, amenities and infrastructure, as well as manufacturing and processing plants
CPKO	: Crude palm kernel oil, which refers to the oil extracted from the palm kernel that has been filtered to remove solid contaminants, but that has not been further processed, purified or refined
CPO	: Crude palm oil, which refers to the oil extracted from oil palm fruits and empty fruit bunches that have been filtered to remove solid contaminants, but has not been further processed, purified or refined
Depericarping system	: A system designed to recover oil palm seeds from press cake expelled from screw presses
Destructive testing	: Tests that are carried out to the specimen's failure, in order to understand its performance or behaviour under different conditions.
EFB	: Empty fruit bunches, which refers to the left over after the oil palm fruits have been removed from a FFB. The empty fruit bunch contains some palm oil that can be extracted with further processing
Facility	: In relation to construction of facilities, it refers to community facilities including workers quarters and staff accommodation, operational buildings such as offices, laboratories and storage areas, amenities such as schools, clinics and clubhouses, and infrastructure such as power distribution network
FFA	: Free fatty acids
FFB	: Fresh fruit bunches, which refers to the cluster of oil palm fruits (held together by the stalks and spikelets) produced by the oil palm tree
Non-destructive testing	: Tests carried out to evaluate the performance an item that does not damage or destroy the item being tested. Examples include, among others, hydrostatic tests, liquid penetrant and radiographic weld tests, and coating thickness tests.
Oil palm	: A plant cultivated for its fruit that produces FFB, from which CPO and PKO are extracted

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Oil palm fruit	: The fruit of the oil palm tree, where palm oil is extracted. The main parts of the oil palm fruit are the skin, the fleshy and oily pulp, and a single seed. The pulp is the main oil-bearing part, and the oil extracted is known as CPO. The kernel in the seed is also used to extract PKO
Palm Kernel	: The fleshy and oily interior of the oil palm seed. The oil extracted from the palm kernel is known as PKO
Palm oil	: The collective term that refers to the oil that is extracted from the oil palm fruit and EFB (CPO), and palm kernel (PKO)
Palm oil mill	: A plant where FFB are processed to extract palm oil on a commercial scale. In general, all palm oil mills have equipment and machinery to produce CPO and palm kernels. Some palm oil mills are equipped with additional kernel crushing plant to further process palm kernels to extract CPKO
Palm oil refinery	: A plant where CPO is further processed to remove undesirable constituents in order to improve its properties, such as its colour, clarity and odour
Plant	: In the context of manufacturing and processing, it is the entire set of integrated machinery and equipment including the building that houses the machinery and equipment
PKO	: Palm kernel oil, which refers to the oil extracted from the palm kernel that has been filtered to remove solid contaminants, but has not been further processed, purified or refined
POME	: Palm oil mill effluent, which refers to the wastewater generated during the sterilising, decanting or condensation, and hydro-cycloning stages of palm oil milling. It contains, among others, water, chemical, dirt and organic matter such as residual palm oil, fibres and carbohydrates
Pressure vessels	: A metal tank to contain gas or liquid under pressure
Shop drawing	: The set of drawings that are prepared, based on information shown in the contract or purchase order documents, that are used to guide the fabrication process.
SOP	: Standard operating procedures
Steriliser	: A cylindrical metal tank that uses low pressure steam to cook and sterilise oil palm fresh fruit bunches to kill microorganisms, destroy unwanted enzymes, loosen the fruits from their stalks and improve the process of oil extraction. A steriliser is a type of pressure vessel
Substructure	: The part of the building or structure that is below ground. It mainly comprises the foundation, basement and retaining walls
Superstructure	: The part of a building or structure that is above ground level
Turnkey contract	: A turnkey contract is one where the scope of work covers all or most of the physical works required to construct a facility or plant, except for design and engineering

1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name / (Designation)	Address	Nationality / Gender
Dato' Tan Yee Boon (Independent Non-Executive Chairman)	18, Jalan Mutiara Seputeh 2 Mutiara Seputeh Taman Seputeh 58000 Kuala Lumpur W.P. Kuala Lumpur	Malaysian / Male
Wong Choi Ong (Non-Independent Executive Director / Managing Director)	10, Jalan Ekoflora 2/12 Taman Ekoflora 81100 Johor Bahru Johor	Malaysian / Male
Pan Kum Wan (Non-Independent Executive Director)	No. 28, Jalan Sentral 23/6 Taman Nusa Sentral 79100 Iskandar Puteri Johor	Malaysian / Male
Law Sang Thiam (Independent Non-Executive Director)	No. 59, Jalan M9 Taman Merbok Bukit Baru 75450 Melaka Melaka	Malaysian / Male
Ang Chye Kian (Independent Non-Executive Director)	No. 1, Jalan Sentral 23/1 Taman Nusa Sentral 79100 Iskandar Puteri Johor	Malaysian / Female
Andrea Huong Jia Mei (Independent Non-Executive Director)	546, Jalan 7 Taman Ampang Utama 68000 Ampang Selangor	Malaysian / Female

1. CORPORATE DIRECTORY (CONT'D)**AUDIT AND RISK MANAGEMENT COMMITTEE**

Name	Designation	Directorship
Law Sang Thiam	Chairman	Independent Non-Executive Director
Ang Chye Kian	Member	Independent Non-Executive Director
Andrea Huong Jia Mei	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Ang Chye Kian	Chairman	Independent Non-Executive Director
Andrea Huong Jia Mei	Member	Independent Non-Executive Director
Law Sang Thiam	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Andrea Huong Jia Mei	Chairman	Independent Non-Executive Director
Ang Chye Kian	Member	Independent Non-Executive Director
Law Sang Thiam	Member	Independent Non-Executive Director

COMPANY SECRETARIES : Tan Bee Hwee
SSM Practicing : 202008001497
Certificate No.
Professional : The Malaysian Institute of Chartered Secretaries and
qualification Administrators (“**MAICSA**”)
(MAICSA membership no. 7021024)

Wong Wai Foong
SSM Practicing : 202008001472
Certificate No.
Professional : MAICSA
qualification (MAICSA membership no. 7001358)

Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
W.P. Kuala Lumpur

Telephone no. : 03 2783 9191

REGISTERED OFFICE : Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
W.P. Kuala Lumpur

Telephone no. : 03 2783 9191

1. CORPORATE DIRECTORY (CONT'D)

- HEAD OFFICE** : PLO 555, Jalan Keluli 8
Pasir Gudang Industrial Estate
81700 Pasir Gudang, Johor
- Telephone no. : 07 255 3126
Website : www.ecosciencegroup.com
E-mail : admin@ecoscience.com.my
- PRINCIPAL ADVISER,
SPONSOR, UNDERWRITER
AND PLACEMENT AGENT** : Hong Leong Investment Bank Berhad
Level 28, Menara Hong Leong
No. 6, Jalan Damanlela, Bukit Damansara
50490 Kuala Lumpur
W.P. Kuala Lumpur
- Telephone no. : 03 2083 1800
- SOLICITORS FOR OUR IPO** : *To our Company as to the laws of Malaysia*
- Chooi & Company + Cheang & Ariff
CCA @ Bangsar
Level 5, Menara BRDB
285, Jalan Maarof
Bukit Bandaraya
59000 Kuala Lumpur
W.P. Kuala Lumpur
- Telephone no. : 03 2055 3888
- To our Company as to the laws of Singapore*
- Infinitus Law Corporation
77 Robinson Road
#16-00 Robinson 77
Singapore 068896
- Telephone no. : 65 6221 2233
- AUDITORS AND
REPORTING
ACCOUNTANTS** : Crowe Malaysia PLT (201906000005 (LLP0018817-LCA) & AF 1018)
E-2-3 Pusat Komersial Bayu Tasek
Persiaran Southkey 1
Kota Southkey
80150 Johor Bahru
Johor
- Telephone no. : 07 288 6627
Partner : Piong Yew Peng
Professional qualification : • Fellow of CPA Australia (Membership no. 1860571)
• Member of the Malaysian Institute of Accountants (Membership no. 11430)

1. CORPORATE DIRECTORY (CONT'D)

- 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
W.P. Kuala Lumpur
- Telephone no. : 03 2783 9299
- INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS** : Vital Factor Consulting Sdn Bhd
V Square @ PJ City Centre (VSQ)
Block 6, Level 6
Jalan Utara
46200 Petaling Jaya
Selangor Darul Ehsan
- Telephone no. : 03 7931 3188
Person-in-charge : Wooi Tan
Professional qualification : Master of Business Administration from the New South Wales Institute of Technology (now known as University of Technology Sydney), Australia; Bachelor of Science from the University of New South Wales, Australia and a Fellow of the Australian Marketing Institute and Institute of Managers and Leaders, Australia (formerly known as the Australian Institute of Management)
- Please refer to Section 8 of this Prospectus for the profile of the firm and signing partner
- LISTING SOUGHT** : ACE Market of Bursa Securities

2. PROSPECTUS SUMMARY

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

2.1 PRINCIPAL DETAILS OF OUR IPO

Number of new Shares to be issued under the Public Issue	: 82,169,500
Number of existing Shares to be offered under the Offer for Sale	: 30,000,000
Enlarged number of Shares upon Listing	: 340,000,000
IPO Price	: RM0.30
Market capitalisation upon Listing (based on the IPO Price and enlarged number of Shares upon Listing)	: RM102,000,000

2.1.1 Public Issue and Offer for Sale

Our Public Issue involves the issuance of 82,169,500 Issue Shares, representing approximately up to 24.2% of our enlarged number of issued Shares and the Offer for Sale involves the offering of 30,000,000 Shares, representing approximately up to 8.8% of our enlarged number of issued Shares. The Public Issue and Offer for Sale of 112,169,500 IPO Shares in aggregate shall be allocated in the manner as set out in Section 4.1.1 of this Prospectus, whereby 17,000,000, 6,800,000 and 88,369,500 IPO Shares shall be allocated to the Malaysian Public, Eligible Persons and by way of private placement respectively.

Please refer to Section 4 of this Prospectus for further details of our IPO.

2.1.2 Moratorium on our Shares

The entire shareholdings in our Company held by Wong Choi Ong, Rajawali Wang and Li Siok Go after our IPO and Share Transfer are subject to moratorium for 6 months from the date of our Listing. Upon expiry of the said 6-month period, their aggregate shareholdings amounting to at least 45% of the total number of issued shares of our Company (adjusted for any bonus issue or subdivision of shares) will remain under moratorium for another 6 months. Thereafter, Wong Choi Ong, Rajawali Wang and Li Siok Go may sell, transfer or assign up to a maximum of one-third per annum (on a straight-line basis) of the Shares held by them under moratorium.

The shareholders of Rajawali Wang, namely Caiwan Capital, Dynagear Technologies and Visionary Support, have undertaken not to sell, transfer or assign any part of their shareholdings in Rajawali Wang during the moratorium period. The shareholders of Caiwan Capital, Dynagear Technologies and Visionary Support, namely Wong Choi Ong and Pan Kum Wan have each furnished a letter of undertaking to Bursa Securities that they will not sell, transfer or assign any part of their shareholdings in Caiwan Capital, Dynagear Technologies and Visionary Support during the moratorium period. Further details of the moratorium on our Shares are set out in Section 3.2 of this Prospectus.

2.2 OUR BUSINESS

We were incorporated in Malaysia under the Act on 21 August 2020 as a private limited company under the name of Ecoscience International Sdn Bhd. Subsequently, on 15 July 2021, we were converted into a public limited company and assumed our present name. On 10 August 2021, we completed the Acquisitions which resulted in AEPL and EMESB becoming our wholly-owned subsidiaries.

The principal activities of our Company and our subsidiaries are as follows:

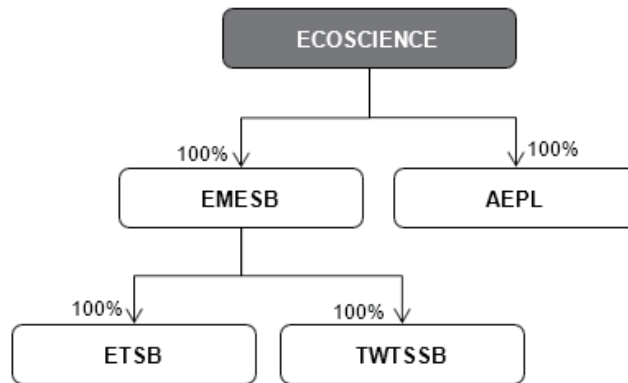
Company	Principal activities
Ecoscience	Investment holding
EMESB	Construction of plants and facilities, fabrication of equipment, and supply of materials and equipment
AEPL	Construction of plants and facilities, and fabrication of equipment
ETSB	Fabrication and supply of energy and environmental related equipment
TWTSSB	Supply of spare parts and construction materials, and provision of maintenance services ⁽¹⁾

Note:

(1) As TWTSSB does not have subsisting contracts, it is dormant as at LPD.

2. PROSPECTUS SUMMARY (CONT'D)

Our existing corporate structure is as follows:



We are a one-stop solution provider for the construction of palm oil mills and supporting facilities and fabrication of equipment. Our core activities are in the construction of plants, which are mainly palm oil mills and facilities, supported by our in-house fabrication of equipment. Other complementary activities include supply of materials and equipment, spare parts and provision of maintenance services.

Our business model is as follows:

Business Activities and Revenue Streams	Industry Focus	Geographical Markets	Distribution Channel and Customer Base
Principal Activities ⁽¹⁾ Construction of Plants and Facilities Fabrication of Equipment Supply of Materials and Equipment	Principal Industry Palm oil	Principal Markets 	Main Channel - Direct Plantation and Plant Owners
Other Activities ⁽²⁾ • Supply of spare parts • Maintenance services • Site clearance and earthworks	Non-Palm Oil Industries ⁽³⁾ • Rubber • Pulp, paper and packaging • Power generation • Rubber gloves • Explosives manufacturing	Other Markets ⁽⁴⁾ • Liberia • India	Complementary Channel - Indirect ⁽⁵⁾ • Engineering companies • Mechanical and electrical companies

Notes:

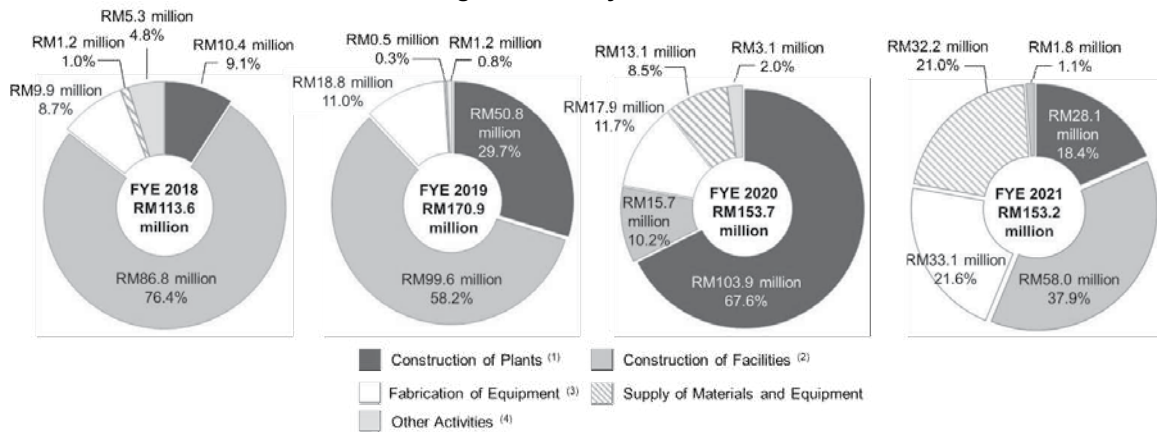
- (1) Construction of plants and facilities, fabrication of equipment and supply of materials and equipment contributed 77.8%, 11.7% and 8.5%, respectively to our total revenue for the FYE 2020. As for the FYE 2021, construction of plants and facilities, fabrication of equipment and supply of materials and equipment contributed 56.3%, 21.6% and 21.0% of our total revenue respectively. For further information on the revenue contribution by business activities, kindly refer to Section 7.1.2 of this Prospectus.
- (2) Other activities accounted for 2.0% and 1.1% of our total revenue for the FYE 2020 and FYE 2021 respectively.
- (3) Non-palm oil industries accounted for 13.1% and 28.9% of our total revenue for the FYE 2020 and FYE 2021 respectively.
- (4) Liberia accounted for 0.5% and 0.3% of our total revenue for the FYE 2020 and FYE 2021 respectively. India accounted for 1.1% of our total revenue for the FYE 2019 and no revenue was recorded from this country for the FYE 2020 and FYE 2021.
- (5) Indirect channel accounted for 9.6% and 23.4% of our total revenue for the FYE 2020 and FYE 2021 respectively.

Please refer to Sections 6 and 7 of this Prospectus for further details of our history and business.

2. PROSPECTUS SUMMARY (CONT'D)

Our revenue segmentation by business activities are as follows:

Revenue segmentation by business activities



Notes:

- (1) Includes construction of new plants and upgrades of existing plants (including buildings and equipment).
- (2) Includes construction of facilities such as workers' quarters, operational buildings, amenities and infrastructure.
- (3) Includes fabrication of standalone equipment.
- (4) Includes supply of spare parts and provision of civil works and maintenance services.

For further details of the financial information by business segments, please refer to Section 12.3.1 of this Prospectus.

2.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

- (i) **We provide a one-stop solution for the construction of plants and facilities for palm oil mills and plantations.**

We are positioned to provide a one-stop solution for the construction of plants and supporting facilities for palm oil mills and plantations. Our core competencies are in procurement, construction and commissioning of palm oil mills and facilities that are in support of the operations of plantations and mills. Our construction of palm oil mills is supported by our fabrication capabilities for palm oil milling equipment, as well as other equipment including those for palm oil refineries, biogas plants and biodiesel plants. Our one-stop solution provides convenience to customers as they would only need to deal with one turnkey contractor for the construction of palm oil mills and facilities.

- (ii) **We have key supporting activities including design and fabrication of palm oil milling equipment.**

We have the in-house capabilities to fabricate some of the main palm oil milling equipment when we are constructing palm oil mills. This enables us to control one of the cost components and timing of delivery for some of the main palm oil milling equipment. By fabricating some of the palm oil milling equipment in-house, we are able to provide customised solutions based on the customers' specifications and requirements. With our technical knowledge and hands-on experience in fabricating palm oil milling equipment, we are able to continuously improve the performance of the equipment.

- (iii) **We have an established track record of approximately 18 years which serves as the platform for continuing business sustainability and growth.**

We have built an established track record of approximately 18 years in providing construction and fabrication solutions for plants, facilities and equipment in Malaysia and foreign countries including Indonesia, Gabon, Liberia and India since we started our business operations in 2004.

2. PROSPECTUS SUMMARY (CONT'D)

Our established track record in construction and fabrication works in Malaysia as well as foreign countries will serve as a reference site and platform for us to grow our business.

- (iv) **Our top customers are owners of oil palm plantations and palm oil mills, other manufacturing plants and other businesses with operations in Malaysia and foreign countries to provide us with business growth opportunities as they expand their business.**

For FYE 2020 and FYE 2021, 88.2% and 67.1% respectively of our total revenue were derived from contracts secured directly with owners of oil palm plantations and palm oil mills, other manufacturing plants and other businesses. This enables us to work directly with owners to better meet their requirements and cultivate customer loyalty with the aim of generating future business opportunities as they expand their businesses.

- (v) **We serve customers in multiple countries which provides us with business growth and opportunities.**

For the Financial Years Under Review, we have successfully completed projects in Malaysia as well as foreign countries including Gabon, Indonesia, Liberia and India. Our track record of operating in these countries increases our addressable potential markets to grow our business. Malaysia and Indonesia are the world's top two producers of palm oil. Servicing customers in established and growing palm oil industries provide us with the platform for business sustainability and growth.

Please refer to Section 7.2 of this Prospectus for further details of our competitive strengths.

2.4 BUSINESS STRATEGIES AND PLANS

Our business strategies and plans are as follows:

- (i) **Expanding the supply of environmental related equipment**

We are currently involved in supplying environmental related equipment for use in palm oil and other industries, including heat recovery equipment and non-chemical water treatment equipment. We plan to develop and grow this business as part of our expansion of existing business, including by hiring new sales and marketing staff with relevant experience, and increasing marketing activities. We have started to lease this equipment to some of our customers during FYE 2020 under a trial period and have started to recognise revenue commencing from FYE 2021. As part of our business strategy, we intend to further expand the provision of non-chemical water treatment equipment to customers under the leasing of equipment model.

- (ii) **Continue to focus on our core competencies and markets**

We will continue to focus on our core competencies in the construction of palm oil mills and supporting facilities, and fabrication of equipment. Part of our strategy is to extend our reach and leverage from our track record in construction of plants and facilities, and fabrication of equipment with applications to other industry sectors. Our strategy is to grow together with our customers and to be their service provider. We will also explore business opportunities with prospective new customers to grow our customer base, including covering new geographical markets.

- (iii) **New fabrication facility and office in Indonesia**

As part of our business plan, we intend to incorporate a wholly-owned subsidiary in Indonesia and establish a new fabrication facility and office located at Balikpapan in East Kalimantan province, Indonesia. We intend to acquire land use rights to construct a new fabrication facility and office, which we have not identified as at the LPD. We plan to use this new facility to support projects involving the construction of palm oil mills and facilities, and fabrication of equipment that we may secure in Kalimantan and other parts of Indonesia in the future.

Please refer to Section 7.16 of this Prospectus for further details of our business strategies and plans.

2. PROSPECTUS SUMMARY (CONT'D)

2.5 IMPACT OF COVID-19 ON OUR BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

Our business operations in Malaysia, Gabon, and Indonesia were affected by COVID-19, including due to the measures implemented by the governments of the respective countries to control the spread of the disease, which included restrictions on international travel, movement of people, and closure or limits to business activity, which have slowed down our work on some projects; and temporary suspension of our fabrication facility as well as worksites in Malaysia. As a result, some shipments of fabricated steel structures, machinery and equipment were disrupted. Some projects were delayed during FYE 2020 and FYE 2021 and extensions of time were sought from the customer. This resulted in slower project implementation and consequently slower progress billings.

We did not complete the fabrication of palm oil mill equipment project for Sime Darby Plantation Berhad by the contracted completion date as there were delays in the supply of parts from a supplier that was appointed by the customer due to COVID-19 control measures, and as a result, we made provision of LAD of RM0.6 million and RM0.4 million, which was set off from our progressive billing (being 90.9% of the maximum claim on the LAD of RM1.1 million) for the FYE 2020.

For the FYE 2021, we made a provision for LAD of RM0.2 million, which was the maximum claim on the LAD as at 30 November 2021, for the EPCC of ESP for biomass power plant at a palm oil mill in Johor for Ladang Petri Tenggara Sdn Bhd. This was because we were not able to complete the project by the deferred completion date of July 2021 due to movement and business operation restrictions related to the on-going COVID-19 pandemic. We had applied for extension of time from the customer up to October 2021, which is pending approval. The project was subsequently completed in November 2021.

We also experienced higher freight and logistics expenses for FYE 2020 and FYE 2021 compared to FYE 2019. We also recorded gross losses for some projects in FYE 2020 as a result of cost overrun from the delay in the progress of the projects, additional custom clearance cost, and rising shipment costs and steel prices, which we were unable to pass on to the customer.

Although ETSB's operations were temporarily suspended or operated at limited workforce capacity from 18 March 2020 to 6 May 2020 and from 26 May 2021 up to 24 October 2021, and TWTSSB's operations were suspended from 18 March 2020 up to 24 October 2021, it did not have a material impact on our revenue for FYE 2020 and FYE 2021.

Please refer to Section 7.23 of this Prospectus for further details of the impact of COVID-19 on our business operations and financial performance.

2.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in the Prospectus, certain risks and investment considerations that may affect our future financial performance.

The following is a summary of the key risks relating to our business and operations that we are currently facing or that may develop in the future:

(i) **We are dependent on Olam Group as a customer and they continue to contribute significantly to our order book**

We are dependent on Olam Group as customers due to their contribution to our total revenue during the Financial Years Under Review. The Olam Group has contributed 78.7%, 79.7%, 68.5% and 38.2% to our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Our business with the Olam Group is project based with no further revenue expected after contracts are completed, and additional revenue will only accrue through new contracts.

2. PROSPECTUS SUMMARY (CONT'D)

There is a risk that losing Olam Group as a customer will have an adverse effect on our financial performance and operating results. There can be no assurance that we will continue to secure new contracts from the Olam Group. In the event of any delay in securing new contracts from the Olam Group, our financial performance and operating results could be materially and adversely affected. Furthermore, if they terminate our business relationship prematurely, there is no assurance that we will be able to secure new customers to replace Olam Group in a timely manner and the failure to do so would adversely affect our financial performance.

(ii) Our financial performance is dependent on our ability to continually secure new projects and ensure the continuity of our order book

Our financial performance depends on our ability to secure new projects to sustain our order book. Generally, we are engaged by our customers on a fixed lump sum or fixed lump sum plus scheduled rate basis. Projects are typically awarded based on competitive bidding, and there can be no assurance that we will continue to secure new projects. Our order book is also subject to the risk of termination or suspension of projects, and variation orders that reduce the scope of work of our projects. There is no assurance that our current order book can be sustained in the future nor can we provide any assurance that the implementation of the projects and orders that are currently in our order book will not be delayed, suspended or cancelled. There can be no assurance that the GP margin for our new projects secured and/or to be secured as well as our historical GP margin achieved in the past can be sustained in the future. If there is any decline in our future GP margin, our future profitability and financial performance may be materially and adversely affected.

(iii) We are subject to risks associated with Gabon

For the Financial Years Under Review, Gabon was our largest market which amounted to RM89.7 million (79.0%), RM136.1 million (79.6%), RM106.0 million (69.0%) and RM69.5 million (45.4%) of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. We are subject to Gabon's government policies, legal system, taxation system (including withholding tax), monetary policy (including exchange controls and repatriation of profits), licensing and other requirements, and laws and regulations governing business operations, labour, HSE and other policies. Failure to comply with any of the relevant laws, regulations and other requirements of operating a business in Gabon may cause the Gabonese authorities to take action against us or we may be subject to fines and/or penalties, all of which could adversely affect our business operations and financial performance. There is also a risk that changes in law, policies and regulations in Gabon may adversely affect our business operations and financial performance. In addition, any adverse changes in the palm oil industry, economy, political and social environment in Gabon would adversely impact on our business operations as well as financial performance.

(iv) We are subject to risks of delays in completing our projects and termination or suspension of contracts

Our projects include delivery milestones and timing of completion in the respective contracts. Our ability to achieve these milestones and timing of completion depends on many factors, including but not limited to, availability of steel products, pipes and other materials, availability of labour, the timely shipment and clearance through customs of materials and products from our fabrication facility in Johor to worksites in foreign countries, the ability to secure sufficient third-party sub-contractors and contract workers, timely and satisfactory coordination with third party sub-contractors, and restrictions on business operations and/or movement of people imposed by governments to control the spread of COVID-19. In this respect, there is no assurance that we will be able to meet our contractual milestones and completion date as some of these factors may be beyond our control.

If we experience any delays in implementing our projects, it is our practice to apply for an extension of time with the respective customer. However, there is no assurance that customers will grant us an extension of time.

2. PROSPECTUS SUMMARY (CONT'D)

Any delays in meeting contractual deadlines could result in adverse effects including, among others, our customers claiming LAD against us, damage to our customer relationships and damage to our reputation. For the FYE 2020, we made a provision of LAD of RM0.6 million and RM0.4 million, which was set off from our progressive billing (being 90.9% of the maximum claim on the LAD of RM1.1 million) for the fabrication of palm oil mill equipment for Sime Darby Plantation Berhad. This was due to the delay in the supply of parts from the supplier which was appointed by the customer directly. For the FYE 2021, we made a provision for LAD amounting to RM0.2 million (being the maximum claim on the LAD as at 30 November 2021) in respect to the EPCC of ESP for biomass power plant at a palm oil mill in Malaysia as a result of movement and business operation restrictions related to the on-going COVID-19 pandemic. Save as disclosed above, there was no other provision for LAD nor LAD claim against us for the Financial Years Under Review and up to the LPD.

We are also subject to the risk of early contract termination or suspension of projects by our customers, including due to factors beyond our control. During the Financial Years Under Review and up to the LPD, we have had 1 termination and 1 suspension of contracts, which was subsequently terminated by the customer in January 2022 due to funding constraints.

(v) Our business and financial performance may be affected by the prolonged COVID-19 pandemic

Our financial performance was affected by the economic and other disruptions related to COVID-19 in Malaysia and other countries where we carry out our construction or installation works including Gabon, Indonesia and Liberia. Although we continue to operate in Malaysia and other countries, any deterioration in the COVID-19 pandemic in Malaysia and/or other countries could result in the tightening of restrictions, including suspending or interruption our operations in the affected areas or countries. This could have an adverse effect on our business operations and financial performance. While we have taken measures to reduce the risk of COVID-19 among our employees and contract workers, there can be no assurance that there will not be any positive diagnosis for COVID-19 in our operational facilities or worksites. The COVID-19 pandemic may also result in delays in implementing our business strategies in accordance with the expected timeline.

Please refer to Section 9 of this Prospectus for further details of these risk factors.

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and Key Senior Management are as follows:

Name	Designation
<u>Directors</u>	
Dato' Tan Yee Boon	Independent Non-Executive Chairman
Wong Choi Ong	Non-Independent Executive Director / Managing Director
Pan Kum Wan	Non-Independent Executive Director
Law Sang Thiam	Independent Non-Executive Director
Ang Chye Kian	Independent Non-Executive Director
Andrea Huong Jia Mei	Independent Non-Executive Director
<u>Key Senior Management</u>	
Andy Tan Boon Kiong	Project Director
Tia Tuan Sim	Operational and Technical Director
Thing Jin Suan	Business Development Director
Anson Sing Yun Xiang	Head of Finance
Goh Yu Meng	Head of Human Resources and Administration

2. PROSPECTUS SUMMARY (CONT'D)

Please refer to Section 5 of this Prospectus for further details of our Directors and Key Senior Management.

2.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our Promoters and Substantial Shareholders, and their respective shareholdings in our Company before and after our IPO, are as follows:

Name and nationality/ country of incorporation	Before our IPO / After the Acquisitions				After the Public Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Rajawali Wang ⁽³⁾ / Malaysia	-	-	-	-	-	-	-	-
Caiwan Capital/ Malaysia	-	-	-	-	-	-	-	-
Dynagear Technologies/ Malaysia	-	-	-	-	-	-	-	-
Visionary Support/ Malaysia	-	-	-	-	-	-	-	-
Wong Choi Ong/ Malaysian	106,524,626	41.3	-	-	106,524,626	31.3	-	-
Pan Kum Wan/ Malaysian	90,403,374	35.1	⁽⁴⁾ 10,069,727	3.9	90,403,374	26.6	⁽⁴⁾ 10,069,727	3.0
Lim Siew Kuen ⁽⁵⁾ / Malaysian	16,121,250	6.3	-	-	16,121,250	4.7	-	-

Name and nationality/ country of incorporation	After the Offer for Sale				After the Share Transfer and our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(2)%
Rajawali Wang ⁽³⁾ / Malaysia	-	-	-	-	153,000,000	45.0	-	-
Caiwan Capital/ Malaysia	-	-	-	-	-	-	⁽⁶⁾ 153,000,000	45.0
Dynagear Technologies/ Malaysia	-	-	-	-	-	-	⁽⁶⁾ 153,000,000	45.0
Visionary Support/ Malaysia	-	-	-	-	-	-	⁽⁶⁾ 153,000,000	45.0
Wong Choi Ong/ Malaysian	90,524,626	26.6	-	-	13,928,000	4.1	⁽⁷⁾ 153,000,000	45.0
Pan Kum Wan/ Malaysian	76,403,374	22.5	⁽⁴⁾ 10,069,727	3.0	-	-	⁽⁸⁾ 163,069,727	48.0
Lim Siew Kuen ⁽⁵⁾ / Malaysian	16,121,250	4.7	-	-	16,121,250	4.7	-	-

Notes:

- (1) Based on our total number of 257,830,500 Shares after the Acquisitions.
- (2) Based on our enlarged total number of 340,000,000 Shares after our IPO.
- (3) Rajawali Wang is an investment holding company whose shares are held by Caiwan Capital (33%), Dynagear Technologies (33%) and Visionary Support (33%).
- (4) Deemed interested by virtue of his spouse's shareholding in our Company.

2. PROSPECTUS SUMMARY (CONT'D)

- (5) Lim Siew Kuen became a substantial shareholder of our Company after the Acquisitions. He will cease to be a substantial shareholder after our IPO.
- (6) Deemed interested by virtue of its shareholding in Rajawali Wang pursuant to Section 8(4) of the Act.
- (7) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (8) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to Section 8(4) of the Act as well as his spouse's shareholding in our Company.

Please refer to Section 5 of this Prospectus for further details of our Promoters and Substantial Shareholders.

2.9 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue amounting to approximately RM24.7 million in the following manner:

Details	RM'000	%	Estimated time frame for use of proceeds from the date of our Listing
Business expansion			Within 24 months
- Establishment of new fabrication facility and office in Indonesia	5,000	20.3	
- Expansion of environmental and energy efficiency business	1,000	4.1	
Working capital	7,851	31.8	Within 12 months
Repayment of bank borrowings	7,000	28.4	Within 12 months
Estimated listing expenses	3,800	15.4	Within 1 month
Total	24,651	100.0	

There is no minimum subscription to be raised from our IPO. The Offer for Sale will raise gross proceeds of RM9.0 million which will accrue entirely to our Offerors.

Please refer to Section 4.4 of this Prospectus for further details of the use of proceeds arising from the Public Issue.

2.10 FINANCIAL HIGHLIGHTS

The table below sets out financial highlights based on our audited combined financial statements for the Financial Years Under Review.

	<-----Audited----->			
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	FYE 2021 RM'000
Revenue	113,627	170,928	153,693	153,163
Cost of sales	(86,062)	(133,369)	(132,220)	(125,939)
GP	27,565	37,559	21,473	27,224
PBT	10,423	17,098	8,519	11,075
Taxation	(2,687)	(4,616)	(1,999)	(3,005)
PAT	7,736	12,482	6,520	8,070
GP margin ⁽¹⁾ (%)	24.3	22.0	14.0	17.8
EBITDA ⁽²⁾	13,763	20,561	11,771	14,218
EBITDA margin ⁽³⁾ (%)	12.1	12.0	7.7	9.3
PBT margin ⁽⁴⁾ (%)	9.2	10.0	5.5	7.2

2. PROSPECTUS SUMMARY (CONT'D)

	<-----Audited----->			
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	FYE 2021 RM'000
PAT margin ⁽⁵⁾ (%)	6.8	7.3	4.2	5.3
Basic and diluted EPS ⁽⁶⁾ (sen)	2.3	3.7	1.9	2.4
Number of Shares in issue after our IPO ('000)	340,000	340,000	340,000	340,000
NA	39,010	47,474	52,012	59,165
NA per Share ⁽⁶⁾ (sen)	11.5	14.0	15.3	17.4
Trade receivables turnover period (days)	40	45	63	51
Trade payables turnover period (days)	60	45	72	74
Inventories turnover period (days)	15	13	18	35
Current ratio (times)	1.4	1.6	1.5	1.8
Gearing ratio (times)	0.9	0.8	0.7	0.7

Notes:

- (1) Computed as GP divided by revenue
(2) Computed as follows:

	<-----Audited----->			
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	FYE 2021 RM'000
PAT	7,736	12,482	6,520	8,070
Add: Taxation	2,687	4,616	1,999	3,005
Depreciation	1,814	1,653	1,308	1,259
Interest expenses	1,747	2,021	2,215	2,078
Less: Interest income	(221)	(211)	(271)	(194)
EBITDA	13,763	20,561	11,771	14,218

- (3) Computed as EBITDA divided by revenue.
(4) Computed as PBT divided by revenue.
(5) Computed as PAT divided by revenue.
(6) Computed as PAT or NA divided by the enlarged total number of 340,000,000 Shares after our IPO.

The financial highlights presented above should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" as set out in Section 12.3 of this Prospectus and the Accountants' Report, together with its related notes, as set out in Section 13 of this Prospectus.

2.11 DIVIDEND POLICY

Our ability to pay dividends is dependent upon various factors including but not limited to our financial performance, cash flow requirements and capital expenditure plans. Our Board intends to recommend and distribute a dividend of at least 20% of our annual audited consolidated PAT attributable to our shareholders. Any dividend declared will be at the discretion of our Board and any final dividends declared will be subject to the approval of our shareholders at our annual general meeting.

You should take note that this dividend policy merely describes our current intention and shall not constitute legally binding statements in respect of our future dividends that are subject to our Board's discretion.

Please refer to Section 12.7 of this Prospectus for further details of the dividend policy.

3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities

Bursa Securities has, via its letter dated 10 March 2022, resolved to approve the Admission and our Listing, subject to the following conditions:

Condition imposed	Status of compliance
1. Submission of the following information with respect to the moratorium on the shareholdings of the promoters to Bursa Depository: <ul style="list-style-type: none"> (i) Name of shareholders; (ii) Number of shares; and (iii) Date of expiry of the moratorium for each block of shares 	Complied
2. Approvals from other relevant authorities have been obtained for implementation of the listing proposal;	Complied
3. To make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	To be complied
4. To furnish 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 Ecoscience on the first day of listing;	To be complied
5. In relation to the public offering to be undertaken by Ecoscience, to announce at least 2 market days prior to the listing date, the result of the offering including the following: <ul style="list-style-type: none"> (i) Level of subscription of public balloting and placement; (ii) Basis of allotment/allocation; (iii) A table showing the distribution for placement tranche as per the format in Appendix I, and (iv) Disclosure of placees who become substantial shareholders of Ecoscience arising from the public offering, if any. <p>Please be reminded that the overall distribution of the Company's securities is properly carried out to mitigate any disorderly trading in the secondary market; and</p>	To be complied
6. Ecoscience / HLIB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of Ecoscience to the Official List of the ACE Market.	To be complied

3. APPROVALS AND CONDITIONS (CONT'D)

3.1.2 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 has, via its letter dated 12 April 2022, approved the resultant equity structure of our Company under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to the following conditions:

Condition imposed	Status of compliance
1. Ecoscience allocating shares equivalent to 12.5% of its enlarged number of issued shares at the point of listing to Bumiputera investors to be approved by MITI; and	To be complied
2. Ecoscience is to make available at least 50.0% of the shares offered to the Malaysian public investors via balloting to Bumiputera public investors at the point of Listing.	To be complied

The SC has, via the same letter dated 12 April 2022, noted that the effects of our Listing on the equity structure of our Company as follows:

Category of shareholders	As at 10 August 2021		⁽¹⁾ After our IPO	
	No. of Shares	%	No. of Shares	%
Bumiputera				
- Malaysian Public via balloting	-	-	8,500,000	2.50
- Bumiputera investors to be approved by the MITI	-	-	42,500,000	12.50
Total Bumiputera	-	-	51,000,000	15.00
Non-Bumiputera	257,830,500	100.00	289,000,000	85.00
Total Malaysian	257,830,500	100.00	340,000,000	100.00
Foreigner	-	-	-	-
Total	257,830,500	100.00	340,000,000	100.00

Note:

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

3.1.3 MITI

MITI has, via its letter dated 21 March 2022, stated that it has taken note and has no objection to our Listing.

3. APPROVALS AND CONDITIONS (CONT'D)

3.2 MORATORIUM ON OUR SHARES

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

- (i) the moratorium applies to their entire shareholdings for a period of 6 months from the date of our Listing ("**First 6-Month Moratorium**");
- (ii) upon the expiry of the First 6-Month Moratorium, we must ensure that their aggregate shareholdings amounting to at least 45% of our total number of issued shares of our Company (adjusted for any bonus issue or subdivision of shares) remain under moratorium for a further 6 months ("**Second 6-Month Moratorium**"); and
- (iii) upon the expiry of the Second 6-Month Moratorium, they may sell, transfer or assign up to a maximum of one-third per year (on a straight-line basis) of their Shares held under moratorium.

In this respect, our Shares that are subject to moratorium are set out below:

Name	Year 1				Year 2		Year 3	
	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium		Moratorium shares		Moratorium shares	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Specified Shareholders								
Rajawali Wang	153,000,000	45.0	153,000,000	45.0	102,000,000	30.0	51,000,000	15.0
Wong Choi Ong	13,928,000	4.1	-	-	-	-	-	-
Li Siok Go	10,069,727	3.0	-	-	-	-	-	-
Total	176,997,727	52.1	153,000,000	45.0	102,000,000	30.0	51,000,000	15.0

Note:

- (1) Based on our enlarged total number of 340,000,000 Shares after our IPO.

Rajawali Wang, Wong Choi Ong and Li Siok Go have provided their written undertakings that they will not sell, transfer or assign any part of their interest in our Shares during the moratorium period. The shareholders of Rajawali Wang, namely Caiwan Capital, Dynagear Technologies and Visionary Support, have each provided a letter of undertaking to Bursa Securities that they will not sell, transfer or assign any part of their shareholdings in Rajawali Wang during the moratorium period. The shareholders of Caiwan Capital, Dynagear Technologies and Visionary Support, namely Wong Choi Ong and Pan Kum Wan have also provided a letter of undertaking to Bursa Securities that they will not sell, transfer or assign any part of their shareholdings in Caiwan Capital, Dynagear Technologies and Visionary Support during the moratorium period.

The moratorium, which has been fully accepted by Rajawali Wang, Wong Choi Ong and Li Siok Go, is specifically endorsed on the share certificates representing the shareholdings which are under moratorium to ensure that our Share Registrar does not register any transfer and sale that are not in compliance with the moratorium restrictions. In compliance with the restrictions, Bursa Depository will, on our Share Registrar's instructions in the prescribed forms, ensure that the trading of these Shares is not permitted during the moratorium period.

4. DETAILS OF OUR IPO

4.1 PARTICULARS OF OUR IPO

4.1.1 Public Issue and Offer for Sale

Our Public Issue of 82,169,500 IPO Shares and Offer for Sale of 30,000,000 IPO Shares, representing approximately 33.0% of our enlarged number of issued Shares, at the IPO Price is subject to the terms and conditions of this Prospectus and shall be allocated on the basis of 73.3% Public Issue and 26.7% Offer for Sale in the following manner:

(i) **Malaysian Public**

17,000,000 IPO Shares, representing 5.0% of our enlarged number of issued Shares, will be made available for application by the Malaysian Public by way of balloting, of which 50.0% will be set aside for Bumiputera investors.

(ii) **Eligible Persons**

6,800,000 IPO Shares (being Pink Form Allocations), representing 2.0% of our enlarged number of issued Shares, will be reserved for application by the Eligible Persons as follows:

Eligible Persons	Number of Eligible Persons	Aggregate number of Pink Form Allocations
Eligible directors of our Group	7	2,000,000
Eligible employees	54	4,740,000
Persons who have contributed to the success of our Group	2	60,000
Total	63	6,800,000

The allocation to our eligible directors is based on, among others, their respective roles, responsibilities and anticipated contributions to our Group. The number of IPO Shares to be allocated to our eligible directors is as follows:

Eligible directors	Designation	No. of Pink Form Allocations
<u>Ecoscience</u>		
Dato' Tan Yee Boon	Independent Non-Executive Chairman	200,000
Law Sang Thiam	Independent Non-Executive Director	200,000
Ang Chye Kian	Independent Non-Executive Director	200,000
Andrea Huang Jia Mei	Independent Non-Executive Director	200,000
<u>AEPL</u>		
Pan Ching Looi	Director	200,000
Ding Rui Zhen, Claire	Director	200,000
<u>ETSB</u>		
Thing Jin Suan	Director	800,000
Total		2,000,000

The criteria of allocation to our eligible employees who have contributed to the success of our Group (as approved by our Board) are based on, among others, the following factors:

- (a) the eligible employee must be a full time and confirmed employee of our Group and on our Group's payroll; and
- (b) the number of IPO Shares allocated to the eligible employees is based on their seniority, job grade, length of service, past performance and contributions to our Group.

4. DETAILS OF OUR IPO (CONT'D)

The number of IPO Shares to be allocated to our Key Senior Management is as follows:

Key Senior Management	Designation	No. of Pink Form Allocations
Andy Tan Boon Kiong	Project Director	800,000
Tia Tuan Sim	Operational and Technical Director	1,000,000
Anson Sing Yun Xiang	Head of Finance	500,000
Goh Yu Meng	Head of Human Resources and Administration	800,000
Total		3,100,000

The allocation to the persons who have contributed to the success of our Group such as, among others, our business contacts, suppliers and customers, shall be based on their contribution to our Group and as approved by our Board.

(iii) Private placement

88,369,500 IPO Shares, representing approximately 26.0% of our enlarged number of issued Shares, will be made available by way of private placement of which 45,869,500 IPO Shares are allocated to selected investors and 42,500,000 IPO Shares are allocated to identified Bumiputera investors approved by the MITI.

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4. DETAILS OF OUR IPO (CONT'D)

4.1.2 Offerors

Our Offerors will offer 30,000,000 IPO Shares, representing approximately 11.6% of our existing total number of Shares after the Acquisitions and 8.8% of our enlarged number of issued Shares, at the IPO Price as described in Section 4.1.1 above. Details of our Offerors are as follows:

Name/Address	Nature of relationship	Shareholdings before our IPO / After the Acquisitions				Offer for Sale				Shareholdings immediately after the Share Transfer and our IPO			
		Direct		Indirect		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(2)%
Wong Choi Ong 10, Jalan Ekoflora 2/12, Taman Ekoflora, 81100 Johor Bahru, Johor	Promoter, Substantial Shareholder and Non-Independent Executive Director/ Managing Director	106,524,626	41.3	-	-	16,000,000	4.7	-	-	13,928,000	4.1	(4)153,000,000	45.0
Pan Kum Wan No. 28, Jalan Sentral 23/6, Taman Nusa Sentral, 79100 Iskandar Puteri, Johor	Promoter, Substantial Shareholder and Non-Independent Executive Director	90,403,374	35.1	(3)10,069,727	3.9	14,000,000	4.1	-	-	-	-	(5)163,069,727	48.0
Total		196,928,000	76.4			30,000,000	8.8			13,928,000	4.1		

4. DETAILS OF OUR IPO (CONT'D)**Notes:**

- (1) Based on our total number of 257,830,500 Shares after the Acquisitions.
- (2) Based on our enlarged total number of 340,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his spouse's shareholding in our Company.
- (4) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (5) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to section 8(4) of the Act as well as his spouse's shareholding in our Company.

Based on the IPO Price, the Offer for Sale will raise gross proceeds of RM9.0 million, which will accrue entirely to our Offerors. Our Offerors will bear all the expenses relating to the Offer for Sale.

4.1.3 Share Transfer

During the prescription period (one day after the launching date of the Prospectus up to a period of 30 days), our Offerors will transfer a total of 153,000,000 Shares to Rajawali Wang for a purchase consideration of RM45.9 million. Further details of the Share Transfer are set out below:

Offerors	⁽¹⁾No. of Shares held before the Share Transfer	No. of Shares to be transferred to Rajawali Wang	⁽¹⁾No. of Shares held after the Share Transfer	%
Wong Choi Ong	90,524,626	76,596,626	13,928,000	4.1
Pan Kum Wan	76,403,374	76,403,374	-	-
Total	166,928,000	153,000,000	13,928,000	4.1

Note:

- (1) Excluding the 30,000,000 Offer Shares which will be offered under the Offer for Sale.

Rajawali Wang is an investment holding company. The shareholders and their respective shareholdings in Rajawali Wang are as follows:

Shareholders	Direct		Indirect	
	No. of shares	%	No. of shares	%
Caiwan Capital	1	33.33	-	-
Dynagear Technologies	1	33.33	-	-
Visionary Support	1	33.33	-	-
Wong Choi Ong	-	-	⁽¹⁾ 2	66.67
Pan Kum Wan	-	-	⁽²⁾ 2	66.67

Notes:

- (1) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (2) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to Section 8(4) of the Act.

Further information on Rajawali Wang including its shareholding after our IPO and the Share Transfer and its profile are set out in Section 5.1.1 and Section 5.1.2 of this Prospectus.

4. DETAILS OF OUR IPO (CONT'D)

4.1.4 Underwriting and allocation of the IPO Shares

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

	No. of IPO Shares	(1)%
Malaysian Public (via balloting)		
• Bumiputera	8,500,000	2.5
• Non-Bumiputera	8,500,000	2.5
Eligible Persons	6,800,000	2.0
Private placement		
• Selected investors	45,869,500	13.5
• Bumiputera investors approved by the MITI	42,500,000	12.5
Total	112,169,500	33.0

Note:

(1) Based on the enlarged total number of 340,000,000 Shares after our IPO.

The 17,000,000 IPO Shares made available for application by the Malaysian Public and the 6,800,000 IPO Shares reserved for application by the Eligible Persons are fully underwritten.

The private placement of 45,869,500 IPO Shares to selected investors and 42,500,000 IPO Shares to identified Bumiputera investors approved by the MITI are not underwritten. Irrevocable undertakings will be obtained from the investors to subscribe for our IPO Shares made available under the private placement.

Our IPO is subject to the public spread requirements as stipulated under the Listing Requirements. The number of IPO Shares will not increase via any over-allotment or “greenshoe” option.

4.1.5 Clawback and reallocation

- (i) If the IPO Shares allocated to the Malaysian Public are not fully subscribed, the IPO Shares will first be made available for subscription by the Eligible Persons including the eligible Directors who may subscribe for them, and thereafter be offered to the selected investors under the private placement. Thereafter, any remaining IPO Shares will be subscribed by our Underwriter based on the terms of the Underwriting Agreement;
- (ii) If the IPO Shares allocated to the Eligible Persons are not fully subscribed, the IPO Shares will be re-allocated to the other Eligible Persons including the eligible Directors who may subscribe and have applied for excess IPO Shares (“**Excess IPO Shares**”), if any, in addition to their pre-determined allocation. Such Excess IPO Shares will be allocated to these other Eligible Persons on a fair and equitable basis in the following priority:
 - (a) firstly, allocation on a proportionate basis to the Eligible Persons who have applied for Excess IPO Shares based on the number of Excess IPO Shares applied for; and
 - (b) secondly, to minimise odd lots.

4. DETAILS OF OUR IPO (CONT'D)

Our Board reserves the right to allocate to the Eligible Persons including eligible Directors who may have applied for Excess IPO Shares on top of their pre-determined allocation in such manner as it deems fit and expedient in the best interest of our Company. Our Board also reserves the right to accept any Excess IPO Shares application, in full or in part, without assigning any reason.

In the event of undersubscription by the Eligible Persons (after re-allocation of the Excess IPO Shares to the other Eligible Persons), such IPO Shares will first be made available for subscription by the Malaysian Public, and thereafter be offered to the selected investors under the private placement. Thereafter, any remaining IPO Shares will be subscribed by our Underwriter based on the terms of the Underwriting Agreement;

- (iii) If the IPO Shares allocated to identified Bumiputera investors approved by the MITI under the private placement are not fully subscribed, such IPO Shares will first be made available for subscription by the institutional investors under the private placement. Thereafter, any remaining IPO Shares will be made available for subscription by the Bumiputera Malaysian Public and thereafter to the other public investors, via the balloting process. Any remaining IPO shares which are not subscribed by the Malaysian Public, will then be made available to selected investors via private placement; and
- (iv) If the IPO Shares allocated to selected investors under the private placement are not fully subscribed, such IPO Shares will first be made available for subscription by the Malaysian Public followed by the Eligible Persons.

The clawback and reallocation provisions will not apply in the event there is an over-subscription or under-subscription in all of the allocations of our IPO Shares at the closing date of our IPO.

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.

4.1.6 Share capital

	No. of Shares	RM
Issued share capital after the Acquisitions	257,830,500	51,566,101.60
New Shares to be issued under the Public Issue	82,169,500	⁽¹⁾ 23,504,850.00
Enlarged issued share capital upon Listing	340,000,000	75,070,951.60
Existing Shares to be offered under the Offer for Sale	30,000,000	9,000,000
IPO Price per IPO Share		0.30
Market capitalisation upon Listing (based on the IPO Price and enlarged number of issued Shares after our IPO)		102,000,000
Pro forma NA per Share (based on the pro forma combined statement of financial position as at 31 December 2021)		⁽²⁾ 0.24

Notes:

- (1) After deducting the estimated listing expenses of approximately RM1.1 million which is directly attributable to our IPO and set-off against our share capital.
- (2) Computed based on the pro forma NA after our IPO and adjusting for the use of proceeds from our Public Issue and the enlarged total number of 340,000,000 Shares after our IPO.

4. DETAILS OF OUR IPO (CONT'D)

The Offer for Sale would not have any effect on our issued share capital as the Offer Shares are already in existence prior to our IPO.

4.1.7 Classes of shares and ranking

As at the date of this Prospectus, we have only one class of shares in our Company, namely ordinary shares.

The Issue Shares will, upon allotment and issuance, rank equally in all respects with our existing Shares including voting rights, and will be entitled to all dividends, rights and distributions that may be declared, paid or made after the date of allotment of the IPO Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attached to any shares which we may issue in the future, our shareholders shall, in proportion to the number of the Shares held by them, be entitled to share in the profits paid out by us as dividends or other distributions. Similarly, if we are 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.

Each shareholder shall be entitled to be present and to vote at our general meeting in person or by proxy or by attorney or by other duly authorised representative. Each shareholder shall be entitled to appoint more than one proxy to attend and vote at our general meeting provided the shareholder specifies the proportion of their shareholdings to be represented by each proxy. At any general meeting convened by us, a resolution put to the vote at the meeting shall be decided by way of a poll. On a poll, every shareholder present in person or by proxy or by attorney or by other duly authorised representative shall have one vote for every Share held or represented.

4.1.8 Minimum subscription level

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

Pursuant to the Listing Requirements, at least 25% of our enlarged number of issued Shares must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the time of our Admission. Prior to our Admission, we will ensure that this requirement is met through the balloting process and the private placement exercise to ensure that a minimum 200 public shareholders holding not less than 100 Shares each is in place and at least 25% of our enlarged number of issued Shares are held by public shareholders.

If the public spread requirement is not met, we may not be permitted to proceed with the Listing. In such event, monies paid in respect of all applications will be returned in full, without interest or any share of revenue or benefits arising therefrom. If such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

4. DETAILS OF OUR IPO (CONT'D)

4.2 BASIS OF ARRIVING AT THE IPO PRICE

Our Directors, Promoters, Offerors, Principal Adviser, Sponsor, Underwriter and Placement Agent have determined and agreed to the IPO Price of RM0.30 per IPO Share, based on the following factors:

- (i) our Group's EPS of approximately 2.4 sen based on our PAT of approximately RM8.1 million for the FYE 2021 and our enlarged total number of 340,000,000 Shares after our IPO, which translates into a net price-to-earnings multiple of approximately 12.5 times;
- (ii) our pro forma combined NA per Share of RM0.24 as at 31 December 2021 based on our enlarged total number of 340,000,000 Shares after our IPO and subsequent to the use of proceeds from our Public Issue;
- (iii) our competitive strengths as set out in Section 7.2 of this Prospectus; and
- (iv) our business strategies and plans as set out in Section 7.16 of this Prospectus.

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

4.3 DILUTION

Dilution is the amount by which the IPO Price exceeds our pro forma combined NA per Share after our IPO. Our audited NA per Share as at 31 December 2021 was RM0.23 per Share, based on our existing total number of 257,830,500 Shares prior to our Listing.

After taking into account our enlarged number of issued Shares from the issuance of 82,169,500 Issue Shares and after adjusting for the use of the proceeds from our IPO, our pro forma combined NA per Share as at 31 December 2021 would be RM0.24 per Share. This represents an immediate increase in pro forma combined NA per Share of RM0.01 or 4.0% to our existing shareholders and an immediate dilution in pro forma combined NA per Share of RM0.06 or 20.0% from the IPO Price to our new investors.

The table below illustrates such dilution on a per Share basis:

	RM
IPO Price	0.30
Audited consolidated NA per Share as at 31 December 2021	0.23
Pro forma consolidated NA per Share as at 31 December 2021 after the Public Issue and the use of proceeds	0.24
Increase in pro forma consolidated NA per Share to existing shareholders	0.01
Dilution in pro forma consolidated NA per Share to new investors	0.06
Dilution in pro forma consolidated NA per Share to new investors as a percentage of the IPO Price	20.0%

4. DETAILS OF OUR IPO (CONT'D)

Save as disclosed below, there has been no acquisition of any of our Shares by our Directors, Promoters, 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 since our incorporation:

	No. of Shares before our IPO	No. of IPO Shares	No. of Shares after our IPO	Total consideration (RM)	Average cost per Share (RM)
Promoter and Substantial Shareholder Rajawali Wang	-	-	153,000,000	45,900,000.00	0.30
Promoters, Substantial Shareholders and Directors					
Wong Choi Ong	106,524,626	-	13,928,000	2,785,600.00	0.20
Pan Kum Wan	90,403,374	-	-	-	-
Substantial Shareholder Lim Siew Kuen	16,121,250	-	16,121,250	3,224,250.00	0.20
Key Senior Management					
Andy Tan Boon Kiong ⁽²⁾	6,937,710	⁽¹⁾ 800,000	7,737,710	1,627,542.00	0.21
Tia Tuan Sim ⁽³⁾	2,576,884	⁽¹⁾ 1,000,000	3,576,884	815,376.80	0.23
Goh Yu Meng ⁽⁴⁾	5,150,565	⁽¹⁾ 800,000	5,950,565	1,270,113.00	0.21

Notes:

- (1) Assuming all the Pink Form Allocations are fully subscribed. Subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus, our Directors and Key Senior Management may subscribe for additional Excess IPO Shares under those allocated for other Eligible Persons as well as the IPO Shares under the Public Issue.
- (2) 800,000 IPO Shares will be reserved for application by Andy Tan Boon Kiong under the Pink Form Allocations. After the Acquisitions, he holds 6,937,710 Shares, representing 2.7% of the total number of 257,830,500 Shares in issue. Assuming he does not subscribe for his Pink Form Allocations, his shareholdings in our Company will be immediately diluted from 2.7% to 2.0% after our IPO.
- (3) 1,000,000 IPO Shares will be reserved for application by Tia Tuan Sim under the Pink Form Allocations. After the Acquisitions, he holds 2,576,884 Shares, representing 1.0% of the total number of 257,830,500 Shares in issue. Assuming he does not subscribe for his Pink Form Allocations, his shareholdings in our Company will be immediately diluted from 1.0% to 0.8% after our IPO.
- (4) 800,000 IPO Shares will be reserved for application by Goh Yu Meng under the Pink Form Allocations. After the Acquisitions, she holds 5,150,565 Shares, representing 2.0% of the total number of 257,830,500 Shares in issue. Assuming she does not subscribe for her Pink Form Allocations, her shareholdings in our Company will be immediately diluted from 2.0% to 1.5% after our IPO.

4. DETAILS OF OUR IPO (CONT'D)

4.4 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue amounting to approximately RM24.7 million in the following manner:

Details	RM'000	%	Estimated time frame for use of proceeds from the date of our Listing
Business expansion			Within 24 months
- Establishment of new fabrication facility and office in Indonesia	5,000	20.3	
- Expansion of environmental and energy efficiency business	1,000	4.1	
Working capital	7,851	31.8	Within 12 months
Repayment of bank borrowings	7,000	28.4	Within 12 months
Estimated listing expenses	3,800	15.4	Within 1 month
Total	24,651	100.0	

Further details of the proposed use of the gross proceeds from the Public Issue are as follows:

4.4.1 Business expansion

We have earmarked RM6.0 million of our gross proceeds from the Public Issue for our business expansion, of which RM5.0 million is allocated to set up a new fabrication facility and office in Indonesia and the remaining RM1.0 million is allocated for our expansion of environmental and energy efficiency business.

We have commenced our business in Indonesia since 2007 and are currently serving customers in Indonesia, primarily in the construction of palm oil mills and fabrication of equipment segments. We derived revenue amounting to RM9.0 million (7.9% of total revenue), RM7.8 million (4.6% of total revenue), RM18.7 million (12.2% of total revenue) and RM41.4 million (27.0% of total revenue) from the Indonesian Market for the Financial Years Under Review respectively. In order to enhance our market presence and capture further business opportunities in these business segments, we intend to incorporate a wholly-owned subsidiary in Indonesia and establish a new fabrication facility and office located at Balikpapan in East Kalimantan province, Indonesia to commence business operations by fourth quarter of 2023. The fabrication facility will be used to support projects involving the construction of palm oil mills and facilities, and fabrication of equipment that we may secure in Kalimantan and other parts of Indonesia in the future.

Based on the Indonesian Law no. 5 of 1960 on Principles Agrarian Rules, Law no. 25 of 2007 on Investment, Law no. 11 of 2020 on Job Creation (Omnibus Law) and Government Regulation No. 18 of 2021 on Right to Manage, Land Rights, Strata Title and Land Registration, only Indonesian citizens may have freehold of "Hak Milik" on the land in Indonesia. Foreign companies, such as the wholly-owned subsidiary that we plan to incorporate in Indonesia, are allowed to hold land use rights. Consequently, we intend to acquire land use rights of a piece of land of approximately 1 acre to construct a new fabrication facility and office. As at the LPD, our Group is still in the midst of identifying a suitable piece of land. In the event the allocated proceeds are insufficient for the acquisition of land use rights and construction of new fabrication facility and office, any shortfall will be funded via internally generated funds and/or bank borrowings.

4. DETAILS OF OUR IPO (CONT'D)

The total estimated cost of business expansion in Indonesia is as follows:

Details	RM'000
Acquisition of land use rights	2,500
Construction of fabrication facility and office ⁽¹⁾	2,000
Fabrication facility equipment ⁽²⁾	500
Total	5,000

Notes:

- (1) Includes permits and licenses fees and purchases of office furniture and fittings.
(2) This includes purchases of equipment such as forklifts, cranes and welding tool.

Pursuant to the Foreign Exchange Notices issued by Bank Negara Malaysia (“**BNM**”), a resident entity will only be required to seek prior approval from BNM to invest in foreign currency assets if the investment of its group companies exceeds RM50 million annual aggregate limit. In view that aggregate of the existing foreign investment of the Group and the fund allocated by the Company to set up a new fabrication facility and office in Indonesia (RM5.0 million) is less than RM50 million, no approval from BNM would be required for purposes of such investment. In the event the annual aggregate of the foreign investment of the Group exceeds RM50 million, we will apply for BNM’s approval.

In addition to the above, we are currently involved in supplying environmental related equipment for use in palm oil and other industries, including heat recovery equipment and non-chemical water treatment equipment. As part of our expansion plan, we plan to purchase and install 12 units of non-chemical water treatment equipment to develop and grow this business through providing the equipment to customers under the leasing of equipment model with a total estimated cost of RM1.0 million.

In March 2022, we appointed Oasis Chemical Sdn Bhd as an authorised distributor for our non-chemical water treatment equipment in Sarawak. Subsequent to 20 April 2021 (being the date where our Group started to lease the non-chemical water treatment equipment to our first customer) and up to the LPD, we have not secured any new customer for the provision of non-chemical water treatment equipment under the leasing of equipment model, and we have not purchased any new non-chemical water treatment equipment that is to be offered to customers on the leasing of equipment model. We intend to further expand this business in the fourth quarter of 2022.

Any excess amount required for business expansion will be funded by internally generated funds and/or bank borrowings. Our business expansion into other locations and environmental and energy efficiency business are expected to generate business opportunities for us, which will in turn contribute positively to our revenue and earnings.

Please refer to Section 7.16.2 and Section 7.16.3 of this Prospectus for further details on our business strategies and indicative timeline in relation to the business expansion plans.

4.4.2 Working capital

We have earmarked RM7.9 million of our gross proceeds from the Public Issue for our working capital requirements. The proposed allocations of the proceeds are set out below:

Details	RM'000
Payment to subcontractors for work performed	4,000
Purchase of construction materials	3,000
Other operating expenses ⁽¹⁾	851
Total	7,851

Note:

- (1) This includes, among others, staff costs, factory overhead and travelling expenses.

4. DETAILS OF OUR IPO (CONT'D)

Construction material costs and service costs are our largest cost of sales items (collectively contributing between 91.6% to 94.3% in the FYE 2018 to FYE 2021). As such, we have allocated approximately 28.4% of the proceeds earmarked for working capital requirements to pay our subcontractor and suppliers. The allocation of proceeds for our working capital requirements will reduce our dependency on external financing.

4.4.3 Repayment of bank borrowings

We have earmarked RM7.0 million of our gross proceeds from the Public Issue to partially repay our bank borrowings as follows:

Banking facility	Purpose	Interest rate	Outstanding amount as at the LPD (RM'000)	Proposed repayment (RM'000)
Malayan Banking Berhad - Bank overdrafts	Working capital	Base lending rate + 1.50%	5,696	4,000
Bank Kerjasama Rakyat Malaysia Berhad - Bank overdrafts	Working capital	Base lending rate + 1.00%	2,987	2,000
Bank Muamalat Malaysia Berhad - Bank overdrafts	Working capital	Base lending rate + 1.50%	1,482	1,000
Total				7,000

Based on the above, the expected annual interest savings is approximately RM0.5 million based on the prevailing interest rates ranging between 6.8% per annum and 7.3% per annum for the banking facilities from the above financial institutions.

4.4.4 Estimated listing expenses

RM3.8 million of the gross proceeds from the Public Issue is intended to be used for our listing expenses as follows:

Details	RM'000
Professional fees ⁽¹⁾	3,000
Underwriting commission, placement fees and brokerage fees	421
Printing and advertising	100
Miscellaneous expenses and contingencies ⁽²⁾	279
Total	3,800

Notes:

- (1) Includes advisory fees for, amongst others, our Principal Adviser, Solicitors, Auditors and Reporting Accountants, Independent Business and Market Research Consultants, Share Registrar, Company Secretaries and internal control review consultants.
- (2) This includes any other incidental charges or related expenses in connection with our IPO, such as fees to be paid to relevant authorities, applicable service tax and IPO event expenses.

If the actual listing expenses are higher than anticipated, the deficit will be funded from proceeds allocated for working capital and vice versa.

Pending the eventual use of the gross proceeds from the Public Issue for the above intended purposes, the funds will be placed in short-term deposits with licensed financial institutions or short-term money market instruments.

4. DETAILS OF OUR IPO (CONT'D)

We will not receive any proceeds from the Offer for Sale. The Offer for Sale will raise gross proceeds of RM9.0 million which will accrue entirely to our Offerors. Our Offerors will be bearing the fees in Section 4.5 including the placement fee in respect of our IPO proportionate to the number of IPO Shares from the Offer for Sale.

4.5 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

All fees relating to the IPO Shares from Public Issue and Offer for Sale shall be borne proportionately between our Company and the Offerors based on the number of IPO Shares from Public Issue and Offer for Sale.

4.5.1 Brokerage fee

We and our Offerors will pay brokerage fees to be incurred for the issue of 17,000,000 IPO Shares made available for application by the Malaysian Public at a rate of 1.0% on the IPO Price in respect of all successful applications which bear the stamp of either HLIB, 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.

4.5.2 Underwriting commission

HLIB, as our Underwriter, has agreed to underwrite up to 23,800,000 IPO Shares made available for application by the Malaysian Public and the Eligible Persons. As stipulated in the Underwriting Agreement, we and the Offerors will pay our Underwriter an underwriting commission of 1.5% of the total value of the underwritten IPO Shares at the IPO Price.

4.5.3 Placement fee

HLIB, as our Placement Agent, has agreed to place out 88,369,500 IPO Shares to selected investors and/or identified Bumiputera investors approved by the MITI. We and our Offerors will pay our Placement Agent a placement fee of 1.5% of the value of the IPO Shares at the IPO Price placed out by our Placement Agent.

The placement fee for the Issue Shares and Offer Shares placed out at the IPO Price will be proportionately borne by us and our Offerors, respectively.

4.6 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with the Offerors and the Underwriter to underwrite 23,800,000 IPO Shares, subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus and upon the terms and subject to the conditions of the Underwriting Agreement.

Details of the underwriting commission are set out in Section 4.5.2 of this Prospectus, while the salient terms of the Underwriting Agreement are as follows:

- (i) the obligations of the Underwriter under the Underwriting Agreement are conditional on certain conditions precedent which shall be fulfilled or waived on or before the closing date of the offering to be made to the Malaysian Public and the Eligible Persons, or any such date as may be extended from time to time by our Company together with the mutual agreement of the Underwriter in writing, subject to the prior written approval of the relevant authorities, if required;

4. DETAILS OF OUR IPO (CONT'D)

- (ii) the Underwriter may by notice to our Company and the Offerors given at any time before the date of Listing, terminate, cancel and withdraw the underwriting commitment if in the opinion of the Underwriter:
- (a) there is any breach by our Company and/or the Offeror(s) (as the case may be) of any of the representations, warranties, undertakings or any other provisions set out in the Underwriting Agreement or which is contained in any certificate under or in connection with the Underwriting Agreement in any respect; and where such misrepresentation or breach is capable of remedy, the same not being remedied within 5 Market Days or on such other day which the parties may mutually agree in writing, but in any event no later than the closing date from the provision of a written notice to our Company and the Offerors, as the case may be, by the Underwriter;
 - (b) without prejudice to **Clause (a)** above, there is failure on the part of our Company and/or the Offeror(s) (as the case may be) to perform any of our / their respective obligations contained in the Underwriting Agreement;
 - (c) our Company and/or the Offeror(s) withhold any information from the Underwriter, which, in the opinion of the Underwriter, is likely to give rise to any event, change or development involving an adverse effect, or that will or is likely to prejudice or have an adverse effect, whether individually or in the aggregate and whether or not arising in the ordinary course of business:
 - (i) on the condition (financial or otherwise), earnings, general affairs, management, shareholders' equity, business, assets, liquidity, liabilities, prospects, properties or results of operations of our Company or our Group;
 - (ii) on the ability of our Company or our Group or the Offeror(s) to perform in any respect our / their obligations under or with respect to, or to consummate the transactions contemplated by, this Prospectus, the Application Form, the Placement Agreement or the Underwriting Agreement; or
 - (iii) on the IPO,
- (**"Material Adverse Event"**);
- (d) any statement contained in this Prospectus and/or the Application Form has become or been discovered to be untrue, inaccurate or misleading in any respect;
 - (e) matters have arisen or have been discovered which would, if this Prospectus and/or the Application Form were to be issued at that time, constitute a material omission therefrom;

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4. DETAILS OF OUR IPO (CONT'D)

- (f) there shall have occurred, happened or come into effect any event or series of events beyond the control of the Underwriter by reason of Force Majeure which would have or can reasonably be expected to have, a material adverse effect on the business, operations, financial condition or prospects of our Group or the success of the IPO or which is reasonably likely to have the effect of making any material obligation under the Underwriting Agreement incapable of performance in accordance with its terms or our Company shall sustain any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labour disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, in each case, that has caused or could reasonably be expected to give rise to a Material Adverse Event. “**Force Majeure**” means causes which are unpredictable and beyond the reasonable control of the party claiming force majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:
- (i) war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war or commotion, hijacking, terrorism;
 - (ii) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organized armed resistance to the government, insurrection, revolt, military or usurped power; or
 - (iii) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning, tempest, explosions, accident, epidemics, pandemics, escalation of the current pandemic (such diseases or epidemics to include but not be limited to avian flu and COVID-19) or other acts of God;
- (g) any government requisition, mandatory control orders or restrictions in movement or other occurrence of any nature whatsoever which results in or is likely to give rise to, a Material Adverse Event;
- (h) any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), economic conditions or exchange control or currency exchange rates which in the opinion of the Underwriter is likely to give rise to a Material Adverse Event (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:
- (i) on or after the date of the Underwriting Agreement; and
 - (ii) prior to the date of Listing,

lower than 90% of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;
- (i) trading of all securities on Bursa Securities has been suspended or other material form of general restriction in trading for 3 consecutive Market Days or more;
- (j) any new law or regulation or change in law, regulation, directive, policy or ruling in any applicable jurisdiction which causes or is likely to give rise to, a Material Adverse Event;

4. DETAILS OF OUR IPO (CONT'D)

- (k) any part of the IPO is stopped or delayed by our Company or any regulatory authorities for any reason whatsoever (unless such stoppage or delay has been approved in writing by the Underwriter);
- (l) any commencement of legal proceedings, formal investigations, enquiries or action against the Company, any member of our Group or the Offerors, or any of our directors or associate of our Company, any member of our Group and/or the Offerors, which causes, or is likely to give rise to, a Material Adverse Event or make it impracticable to market the IPO or to enforce contracts to allot and /or transfer the IPO Shares;
- (m) the Listing does not take place on or before 18 July 2022 or such other extended date as may be agreed by the Underwriter in writing;
- (n) the Placement Agreement shall have been terminated or rescinded in accordance with the terms thereof or any of the conditions precedent set forth in the Placement Agreement not having been satisfied in full or to the extent not satisfied as such, waived by the Placement Agent therein in accordance with its terms;
- (o) approval for the IPO is withdrawn, modified or is varied or supplemented subject to terms and conditions not acceptable to the Underwriter; or
- (p) the closing date does not take place on or before 1 July 2022 or any later date as our Company, the Offerors and the Underwriter may mutually agree upon in writing.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and Substantial Shareholders' shareholdings

The shareholdings of our Promoters and/or Substantial Shareholders in our Company after the Acquisitions and after our IPO are as follows:

Name and nationality/ country of incorporation	Before our IPO / After the Acquisitions				After the Public Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Rajawali Wang ⁽³⁾ / Malaysia	-	-	-	-	-	-	-	-
Caiwan Capital/ Malaysia	-	-	-	-	-	-	-	-
Dynagear Technologies/ Malaysia	-	-	-	-	-	-	-	-
Visionary Support/ Malaysia	-	-	-	-	-	-	-	-
Wong Choi Ong/ Malaysian	106,524,626	41.3	-	-	106,524,626	31.3	-	-
Pan Kum Wan/ Malaysian	90,403,374	35.1	⁽⁴⁾ 10,069,727	3.9	90,403,374	26.6	⁽⁴⁾ 10,069,727	3.0
Lim Siew Kuen ⁽⁵⁾ / Malaysian	16,121,250	6.3	-	-	16,121,250	4.7	-	-

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

Name and nationality/ country of incorporation	After the Offer for Sale				After our IPO and Share Transfer			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(2)%
Rajawali Wang ⁽³⁾ / Malaysia	-	-	-	-	153,000,000	45.0	-	-
Caiwan Capital/ Malaysia	-	-	-	-	-	-	⁽⁶⁾ 153,000,000	45.0
Dynagear Technologies/ Malaysia	-	-	-	-	-	-	⁽⁶⁾ 153,000,000	45.0
Visionary Support/ Malaysia	-	-	-	-	-	-	⁽⁶⁾ 153,000,000	45.0
Wong Choi Ong/ Malaysian	90,524,626	26.6	-	-	13,928,000	4.1	⁽⁷⁾ 153,000,000	45.0
Pan Kum Wan/ Malaysian	76,403,374	22.5	⁽⁴⁾ 10,069,727	3.0	-	-	⁽⁸⁾ 163,069,727	48.0
Lim Siew Kuen ⁽⁵⁾ / Malaysian	16,121,250	4.7	-	-	16,121,250	4.7	-	-

Notes:

- (1) Based on our total number of 257,830,500 Shares after the Acquisitions.
- (2) Based on our enlarged total number of 340,000,000 Shares after our IPO.
- (3) Rajawali Wang is an investment holding company whose shares are held by Caiwan Capital (33%), Dynagear Technologies (33%) and Visionary Support (33%).
- (4) Deemed interested by virtue of his spouse's shareholding in our Company.
- (5) Lim Siew Kuen became a substantial shareholder of our Company after the Acquisitions. He will cease to be a substantial shareholder after our IPO.
- (6) Deemed interested by virtue of its shareholding in Rajawali Wang pursuant to Section 8(4) of the Act.
- (7) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (8) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to Section 8(4) of the Act as well as his spouse's shareholding in our Company.

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

Save for our above Promoters and Substantial Shareholders, there are no other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, our Promoters and Substantial Shareholders have the same voting rights as our other shareholders and there is no arrangement between Ecoscience and its shareholders with any third parties, the operation of which may, at a subsequent date, result in the change in control of Ecoscience.

5.1.2 Profiles of Promoters and/or Substantial Shareholders

The profiles of our Promoters and/or Substantial Shareholders are as follows:

Wong Choi Ong

Promoter, Substantial Shareholder and Non-Independent Executive Director / Managing Director

Wong Choi Ong, a Malaysian aged 58, is our Non-Independent Executive Director / Managing Director. He is one of the founders of our Group. He was appointed to our Board on 21 August 2020.

Mr Wong attended Sekolah Menengah Batu Anam in Segamat, Johor from 1978 to 1981. He brings with him approximately 38 years of working experience, of which approximately 28 years were in construction of palm oil mills and facilities.

He started his career with Ladang Dunlop Estate rubber plantation, where he was a general worker between 1983 and 1984. He subsequently established Wee Lip Welding Works in 1985 in partnership with his friend. Wee Lip Welding Works was involved in the manufacturing of welded metal doors and windows, and he left the partnership in 1990. Subsequently, he joined Pembina Progressive Jaya which was involved in the fabrication of storage tanks and palm oil refinery plant fabrication and erection, in 1991 as a partner and he left the partnership in 1993.

In 1994, he worked as an in-house contractor for Mascot Engineering & Construction Sdn Bhd where he was involved in the fabrication and installation of palm oil equipment until 2002. In early 2003, he started to carry out sub-contract work for the fabrication and installation of palm oil equipment for MSHK Engineering Sdn Bhd and at the same time he incorporated Lajumax Sdn Bhd in May 2003 where he is one of the co-founders to carry out business as a fabrication and installation sub-contractor. Lajumax Sdn Bhd was subsequently dissolved in November 2008 as Mr Wong wanted to focus on growing the business of EMESB.

In November 2003, he established EMESB together with Tia Tuan Sim, our Operational and Technical Director. Over the years, he has been instrumental in the growth and development of our Group. He has contributed significantly in penetrating foreign markets including the expansion into Indonesia, Gabon and Liberia. He is responsible for driving the future direction of our Group, development of business strategies and business opportunities, marketing as well as building and maintaining business relationships with our customers. He assumed his current position as our Managing Director on 20 August 2021.

Pan Kum Wan

Promoter, Substantial Shareholder and Non-Independent Executive Director

Pan Kum Wan, a Malaysian aged 71, is our Non-Independent Executive Director and General Manager. He was appointed to our Board on 2 August 2021.

Mr Pan obtained a Bachelor of Science in Chemical Engineering from the Loughborough University of Technology, United Kingdom in 1976. He brings with him approximately 45 years of working experience, of which approximately 24 years were in palm oil refinery operation and 21 years in the construction of palm oil mills and facilities.

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

He started his career in 1977 when he joined Tampoi Oil Products Sdn Bhd, a company involved in palm oil refinery as Production Engineer. In 1979, he left and joined Sawit Oil Industries Sdn Bhd, a company in palm oil refinery as a site engineer. He was then promoted to the post of Factory Manager in 1982, a position he held until he left the company in 1984. In 1985, he joined Felda Refinery Corporation, a palm oil refinery and food manufacturing company, as Factory Manager. In 1994, he left Malaysia to work in the People's Republic of China where he joined Beijing King Voray Edible Oil Co. Ltd, an edible oil refining company as General Manager.

Subsequently, he left in 1997 to join Yantai Thian Sheng Edible Oil Co Ltd, a vegetable oil refinery company as General Manager. He subsequently returned to work in Malaysia in 2001 to take up the position of Project Manager for Sahamas Sdn Bhd, a company involved in the fabrication and installation of palm oil milling equipment. In 2004, he left the company to work in Singapore where he joined Novo Environment Technology Services Pte Ltd, a provider of environmental engineering products as Senior Manager responsible for product development in water filtration systems and heat economiser systems. He left Novo Environment Technology Services Pte Ltd in 2005.

In 2006, he joined EMESB as General Manager and since then, he has been contributing significantly to the growth and development of our Group including the expansion of our business operations to serve foreign markets. He is responsible for the management and implementation of projects to ensure timely delivery to customers. He is also involved in implementation of business strategies and business development.

Rajawali Wang

Promoter and Substantial Shareholder

Rajawali Wang was incorporated in Malaysia under the Act on 13 July 2021 as a private limited liability company under its present name. As at the LPD, the issued share capital of Rajawali Wang is RM3 comprising 3 ordinary shares. The principal activity of Rajawali Wang is investment holding, holding shares solely in our Company.

As at the LPD, the directors of Rajawali Wang are Wong Choi Ong and Pan Kum Wan. The shareholders and their respective shareholdings in Rajawali Wang are as follows:

Shareholders	Direct		Indirect	
	No. of shares	%	No. of shares	%
Caiwan Capital	1	33.33	-	-
Dynagear Technologies	1	33.33	-	-
Visionary Support	1	33.33	-	-
Wong Choi Ong	-	-	(1)2	66.67
Pan Kum Wan	-	-	(2)2	66.67

Notes:

- (1) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (2) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to Section 8(4) of the Act.

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

Caiwan Capital

Promoter and Substantial Shareholder

Caiwan Capital was incorporated in Malaysia under the Act on 5 July 2021 as a private limited liability company. It is an investment holding company holding shares solely in our Company. As at the LPD, the issued share capital of Caiwan Capital is RM100 comprising 100 ordinary shares and Wong Choi Ong is the sole director and shareholder.

Dynagear Technologies

Promoter and Substantial Shareholder

Dynagear Technologies was incorporated in Malaysia under the Act on 5 July 2021 as a private limited liability company. It is an investment holding company holding shares solely in our Company. As at the LPD, the issued share capital of Dynagear Technologies is RM100 comprising 100 ordinary shares and Pan Kum Wan is the sole director and shareholder.

Visionary Support

Promoter and Substantial Shareholder

Visionary Support was incorporated in Malaysia under the Act on 2 July 2021 as a private limited liability company. It is an investment holding company holding shares solely in our Company. As at the LPD, the issued share capital of Visionary Support is RM100 comprising 100 ordinary shares. The directors and shareholders of Visionary Support as at the LPD are Wong Choi Ong and Pan Kum Wan in which they each hold 50% equity interest respectively.

Lim Siew Kuen

Substantial Shareholder

Lim Siew Kuen, a Malaysian aged 59, is our Substantial Shareholder. He obtained his Bachelor's Degree in Mechanical Engineering from the National University of Singapore in 1987.

He started his career in 1987 as an Engineer with PH Hydraulics & Engineering Pte Ltd, Singapore, a fabricator of hydraulic material handling machinery for marine applications. He left Singapore to work in Indonesia in 1990 when he joined PT Menara Elok, a company involved in fabrication of machinery, as a Sales Manager. Subsequently, he left the company in 1992 to join PT Mekasindo Dharma International, a company providing industrial equipment and supplies, as the General Manager. In 1996, he joined PT Dutaflow Hidrolik, a distributor of hydraulic products and components, as the Managing Director where he was responsible for managing the company's operations. He left the company in 2005. In 2006, he joined PT Palmas Project Engineering, a company involved in the construction of palm oil mills and refineries, as a Technical Manager. He was promoted to Project Manager in 2012 and was subsequently to Director in 2017, where he is responsible for managing the company's business operations and its sales and marketing functions. Please refer to Section 11.1 of this Prospectus for further details of his involvement in PT Palmas Project Engineering.

Lim Siew Kuen became a substantial shareholder of EMESB on 11 January 2006. He is currently a director and shareholder of Power Plas Services Sdn Bhd, a company principally involved in trading of pumps.

Lim Siew Kuen will cease to be our substantial shareholder after our IPO.

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

5.1.3 Changes in our Promoters' and Substantial Shareholders' shareholdings

The changes in our Promoters' and Substantial Shareholders' shareholdings since our incorporation are as follows:

Name	As at 21 August 2020 (date of incorporation)			After the Acquisitions			After the Public Issue		
	Direct		Indirect	Direct		Indirect	Direct		Indirect
	No. of Shares	%	No. of Shares	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%
Rajawali Wang	-	-	-	-	-	-	-	-	-
Caiwan Capital	-	-	-	-	-	-	-	-	-
Dynagear Technologies	-	-	-	-	-	-	-	-	-
Visionary Support	-	-	-	-	-	-	-	-	-
Wong Choi Ong	1	50.0	-	106,524,626	41.3	-	-	106,524,626	31.3
Pan Kum Wan	-	-	-	90,403,374	35.1	(4)10,069,727	3.9	90,403,374	26.6
Lim Siew Kuen	-	-	-	16,121,250	6.3	-	-	16,121,250	4.7
Khor Bee Leng ⁽³⁾	1	50.0	-	-	-	-	-	-	-
								(4)10,069,727	3.0

Name	After the Offer for Sale			After the Share Transfer		
	Direct		Indirect	Direct		Indirect
	No. of Shares	(2)%	No. of Shares	No. of Shares	(2)%	No. of Shares
Rajawali Wang	-	-	-	153,000,000	45.0	-
Caiwan Capital	-	-	-	-	-	(5)153,000,000
Dynagear Technologies	-	-	-	-	-	(5)153,000,000
Visionary Support	-	-	-	-	-	(5)153,000,000
Wong Choi Ong	90,524,626	26.6	-	13,928,000	4.1	(6)153,000,000
Pan Kum Wan	76,403,374	22.5	(4)10,069,727	-	-	(6)153,000,000
Lim Siew Kuen	16,121,250	4.7	-	16,121,250	4.7	(7)163,069,727
Khor Bee Leng ⁽³⁾	-	-	-	-	-	-

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

Notes:

- (1) Based on our total number of 257,830,500 Shares after the Acquisitions.
- (2) Based on our enlarged total number of 340,000,000 Shares after our IPO.
- (3) Khor Bee Leng is one of the subscribers as at the incorporation of our Company. After the Acquisitions, she transferred her subscriber share to Wong Choi Ong on 25 August 2021.
- (4) Deemed interested by virtue of his spouse's shareholding in our Company.
- (5) Deemed interested by virtue of its shareholding in our Company pursuant to Section 8(4) of the Act.
- (6) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (7) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to Section 8(4) of the Act as well as his spouse's shareholding in our Company.

5.1.4 Remuneration and benefits of our Promoters and Substantial Shareholders

Save for the issuance of our Shares as consideration for the Acquisitions, the dividends paid by AEPL and EMESB, and the aggregate remuneration and benefits paid and proposed to be paid for services rendered to our Group in all capacities to our Group, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and Substantial Shareholders within the 2 years preceding the date of this Prospectus.

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

5.2 DIRECTORS

5.2.1 Directors' shareholdings

The shareholdings of our Directors after the Acquisitions and after our IPO, assuming full subscription of the IPO Shares reserved for our Directors under the Pink Form Allocations, are as follows:

Name/(Designation)	Nationality	After the Acquisitions				After our IPO and the Share Transfer			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Tan Yee Boon (Independent Non-Executive Chairman)	Malaysian	-	-	-	-	200,000	0.1	-	-
Wong Choi Ong (Non-Independent Executive Director / Managing Director)	Malaysian	106,524,626	41.3	-	-	13,928,000	4.1	(4)153,000,000	45.0
Pan Kum Wan (Non-Independent Executive Director)	Malaysian	90,403,374	35.1	(3)10,069,727	3.9	-	-	(5)163,069,727	48.0
Law Sang Thiam (Independent Non-Executive Director)	Malaysian	-	-	-	-	200,000	0.1	-	-
Ang Chye Kian (Independent Non-Executive Director)	Malaysian	-	-	-	-	200,000	0.1	-	-
Andrea Huang Jia Mei (Independent Non-Executive Director)	Malaysian	-	-	-	-	200,000	0.1	-	-

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

Notes:

- (1) Based on our total number of 257,830,500 Shares after the Acquisitions.
- (2) Based on our enlarged total number of 340,000,000 Shares after our IPO, assuming that all Pink Form Allocations are fully subscribed. Subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus, our eligible Directors and Key Senior Management may subscribe for additional Excess IPO Shares under those allocated for other Eligible Persons as well as the IPO Shares under the Public Issue.
- (3) Deemed interested by virtue of his spouse's shareholding in our Company.
- (4) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (5) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to Section 8(4) of the Act as well as his spouse's shareholding in our Company.

5.2.2 Profiles of our Directors

The profiles of our Directors are as follows:

Dato' Tan Yee Boon

Independent Non-Executive Chairman

Dato' Tan Yee Boon, a Malaysian aged 47, is our Independent Non-Executive Chairman. He was appointed to our Board on 2 August 2021.

He obtained his Bachelor of Laws from the University of Glamorgan (now known as the University of South Wales), United Kingdom, in 1997. He subsequently obtained the Certificate of Legal Practice from the Legal Profession Qualifying Board of Malaysia in 1998.

In 1998, he began his career with Cheang & Ariff as a Chambering Student and was admitted as an advocate and solicitor of the High Court in 1999. In the same year, he joined Ranjit Ooi & Robert Low as a Legal Assistant. He subsequently joined Khaw & Partners as a Legal Assistant in 2000, and was made a Partner of the firm in 2011. In 2013, he left the firm and started his own legal practice, David Lai & Tan, where he is currently the Partner of the firm.

As at the LPD, he sits on the board of directors of public listed and private companies in Malaysia and Hong Kong as disclosed in Section 5.2.4 of this Prospectus, including EV Dynamics (Holdings) Limited (formerly known as China Dynamics (Holdings) Limited) (since 2016) and TIL Enviro Limited (since 2018), which are all listed on the Main Board of the Stock Exchange of Hong Kong. He is also an Independent Non-Executive Director of Protasco Berhad (since 2013), and the Acting Chairman and an Independent Non-Executive Director of Propel Global Berhad (since 2022, which has taken over the listing status of Daya Materials Berhad on 28 April 2022 in which Dato' Tan remains a director), which are all listed on the Main Market of Bursa Securities, and an Independent Non-Executive Director of Binastat Communications Berhad (since 2017), which is listed on the ACE Market of Bursa Securities.

Wong Choi Ong

Non-Independent Executive Director / Managing Director

Please refer to Section 5.1.2 of this Prospectus for his profile.

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

Pan Kum Wan

Non-Independent Executive Director

Please refer to Section 5.1.2 of this Prospectus for his profile.

Law Sang Thiam

Independent Non-Executive Director

Law Sang Thiam, a Malaysian aged 46, is our Independent Non-Executive Director. He was appointed to our Board on 2 August 2021. He is also the Chairman of our Audit and Risk Management Committee and a member of our Remuneration and Nomination Committees.

Mr Law obtained his Bachelor of Accounting from the University of Malaya in 2000. He has been a member of the Malaysian Institute of Accountants since 2003 and Malaysian Institute of Certified Public Accountants since 2004.

He began his career with Arthur Andersen & Co in 2000 as an Audit Assistant before leaving the firm in 2002 to join Ernst & Young (now known as Ernst & Young PLT) as Audit Associate. During his tenure with the said accounting firms, he was involved in audit assignments of companies in various industries, as well as other engagements involving corporate exercises.

In 2016, Mr Law left Ernst & Young as an Audit Director to establish his own accounting firm, Ivan Law & Co. In 2017, he established Taxavenue Advisory PLT, a firm in Malaysia providing tax advisory services. He is currently the Managing Partner of both Ivan Law & Co and Taxavenue Advisory PLT.

As at the LPD, Mr Law is an Independent Non-Executive Director of MCE Holdings Berhad, a company listed on the Main Market of Bursa Securities and Spring Art Holdings Berhad, a company listed on the ACE Market of Bursa Securities.

Ang Chye Kian

Independent Non-Executive Director

Ang Chye Kian, a Malaysian aged 60, is our Independent Non-Executive Director. She was appointed to our Board on 2 August 2021. She is also the chairman of our Remuneration Committee and a member of our Nomination and Audit and Risk Management Committees.

She obtained her Diploma of Managerial Principles from Stamford College Singapore in 1981. In 1991, she was admitted as an associate of the Malaysian Institute of Management.

Ms Ang began her career with the Malaysia Shipyard and Engineering Sdn Bhd, a shipbuilder and fabricator, as an Audit Assistant in 1982. She left the company in 1985 and joined MUI Finance Berhad, a financial services company, as an Account Assistant until 1989. In 1990, she joined AmBank (M) Berhad as a credit control officer responsible for administration, collection and litigation. She was subsequently promoted to Documentation and Disbursement Officer, a position she held from 1994 to 1996 before being promoted to Senior Marketing and Processing Officer from 1997 to 2000. Subsequently, she took up the position of Senior Credit Executive of rehabilitation and restructuring division within AmBank (M) Berhad from 2001 to 2005 before being promoted to Manager, and was responsible for loans approval in Retail Financing from 2006 to 2011. She was the Head, Manager in Lending Operations from 2012 to 2014 and subsequently held the post of Head, Manager for Credit Process and Evaluation from 2015 until her retirement from AmBank (M) Berhad in 2017.

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

Andrea Huang Jia Mei

Independent Non-Executive Director

Andrea Huang Jia Mei, a Malaysian aged 40, is our Independent Non-Executive Director. She was appointed to our Board on 2 August 2021. She is also the Chairman of our Nomination Committee and a member of our Remuneration and Audit and Risk Management Committees.

Andrea obtained her Diploma in Commerce (Financial Accounting) and Advanced Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College, Malaysia in 2003 and in 2005 respectively. She has been a Member of the Association of Chartered Certified Accountants since 2011, and a Chartered Accountant with the Malaysian Institute of Accountants since 2018.

Andrea started her career as an Audit Assistant with Sha, Tan & Co in 2005, and was promoted to Audit Semi-Senior in 2007. She was subsequently promoted and held the post of Audit Senior between 2008 and 2011, where she was responsible for managing audits of companies, including public listed companies. Between July 2011 to September 2014, she was on a career break. In September 2014, she was appointed as a director of T & S Secretarial Services Sdn Bhd and held this directorship until March 2021. T & S Secretarial Services Sdn Bhd is involved in the provision of secretarial and management services. She is currently a Director of T&S Boardroom Sdn Bhd, a company which provides secretarial support services. She is also a director of several private limited companies providing secretarial, tax, accounting and consultancy services, as disclosed in Section 5.2.4 of this Prospectus. As at the LPD, Andrea is an Independent Non-Executive Director of Siab Holdings Berhad, a company involved in the provision of building construction services and other complementary services such as information and communications technology solutions and services. She is also the Independent Non-Executive Director of Unique Fire Holdings Berhad and Yew Lee Pacific Group Berhad.

5.2.3 Remuneration and material benefits-in-kind of our Directors

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for the FYE 2021 and FYE 2022 are as follows:

FYE 2021

Director	Salaries (RM'000)	Fees (RM'000)	Benefits- in-kind (RM'000)	⁽¹⁾ Other emoluments (RM'000)	Total (RM'000)
Wong Choi Ong	2,198	262	28	174	2,662
Pan Kum Wan	1,400	262	17	92	1,771

Proposed for FYE 2022

Director	Salaries (RM'000)	Fees (RM'000)	Benefits- in-kind (RM'000)	⁽¹⁾ Other emoluments (RM'000)	Total (RM'000)
Dato' Tan Yee Boon	-	⁽²⁾ 35	-	3	38
Wong Choi Ong	2,337	328	28	185	2,878
Pan Kum Wan	1,466	328	17	97	1,908
Law Sang Thiam	-	⁽²⁾ 21	-	3	24
Ang Chye Kian	-	⁽²⁾ 21	-	3	24
Andrea Huang Jia Mei	-	⁽²⁾ 21	-	3	24

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

Notes:

- (1) These comprise contributions to Employees Provident Fund, Social Security Organisation and Employment Insurance System, and allowances.
- (2) Being director's fees from the date they were appointed to our Board.

The remuneration for each of our Directors is subject to review and recommendation by our Remuneration Committee and approval by our Board. The fees and benefits payable to our Directors shall be further approved by our shareholders pursuant to an ordinary resolution passed at a general meeting.

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

5.2.4 Principal directorships in other corporations and principal business activities performed outside our Group

Save as disclosed below, none of our Directors have any principal directorships in other corporations for the past 5 years up to the LPD or any principal business activities performed outside our Group as at the LPD:

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
Dato' Tan Yee Boon	<u>Present involvement</u> <ul style="list-style-type: none"> • Binasat Communications Berhad 	Investment holding, while its subsidiaries are principally involved in the provision of supporting services for satellite, mobile and fibre optic communications networks	Independent Non-Executive Director (appointed on 6 June 2017)	-
	<ul style="list-style-type: none"> • David Lai & Tan Services Sdn Bhd 	Provision of legal advice and legal services ⁽¹⁾	Director (appointed on 5 December 2019)	Shareholder with 33.3% direct equity interest
	<ul style="list-style-type: none"> • Daya CMT Sdn Bhd 	Provision of industrial facilities management, including builder works, facility operation and maintenance services, upgrades and retrofits, as well as design and build plant facility	Director ⁽²⁾ (appointed on 17 July 2014)	-

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> Daya Materials Berhad (listing status taken over by Propel Global Berhad) 	<p>Investment holding and provision of management services to the subsidiaries, which are involved in the offering a range of products and services to both the upstream and downstream sectors of the oil and gas industry as well as building construction of non-residential buildings and industrial facilities management services</p>	<p>Independent Non-Executive Director (appointed on 30 November 2020)</p>	<p>-</p>
	<ul style="list-style-type: none"> Freshdotads Sdn Bhd 	<p>Advertising; export and import of a variety of goods without any particular specialization not elsewhere classified (N.E.C.)</p>	<p>Director (appointed on 2 January 2018)</p>	<p>Shareholder with 99.0% direct equity interest</p>
	<ul style="list-style-type: none"> Fruitsfarm In The City Holdings Sdn Bhd 	<p>Retail sale of fresh or preserved vegetables and fruits; and wholesale of meat, fish, fruits and vegetables not elsewhere classified (N.E.C.) and growing of fruits bearing vegetables</p>	<p>Director (appointed on 3 October 2018)</p>	<p>Shareholder with 15.0% direct equity interest</p>
	<ul style="list-style-type: none"> Prevenances Corporate Advisory Sdn Bhd 	<p>Providing training management and consultancy services in insurance and property</p>	<p>Director (appointed on 20 December 2016)</p>	<p>Shareholder with 50.0% direct equity interest</p>

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> Protasco Berhad 	Investment holding, while its subsidiaries are involved in the maintenance of federal and state roads, property development and construction	Independent Non-Executive Director (appointed on 18 January 2013)	-
	<ul style="list-style-type: none"> Runningmind Sdn Bhd 	Providing business management consultancy services, advisory services in products branding and other business support services	Director (appointed on 1 December 2016)	Shareholder with 100.0% direct equity interest
	<ul style="list-style-type: none"> TK Venture Capital Sdn Bhd 	Export and import of a variety of goods without any particular specialization not elsewhere classified (N.E.C.)	Director (appointed on 4 April 2018)	Shareholder with 100.0% direct equity interest
	<ul style="list-style-type: none"> EV Dynamics (Holdings) Limited (formerly known as China Dynamics (Holdings) Limited) 	Investment holding, while its subsidiaries are involved in development of new energy business and trading of metals and minerals	Independent Non-Executive Director (appointed on 17 June 2016)	-
	<ul style="list-style-type: none"> TIL Enviro Limited 	Investment holding, while its subsidiary is involved in wastewater treatment services and managing and operating wastewater treatment facilities	Independent Non-Executive Director ⁽³⁾ (appointed on 4 October 2018)	-

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> Fruitsfarm In The City By Kerlin Global Sdn Bhd 	<p>Growing of fruits bearing vegetables; retail sale of fresh or preserved vegetables and fruits; and wholesale of meat, fish, fruits and vegetables not elsewhere classified (N.E.C.)</p>	-	Shareholder with 15.0% direct equity interest
	<ul style="list-style-type: none"> OOB Productions Sdn Bhd 	<p>E-commerce media advertising services and other related activities</p>	-	Shareholder with 10.0% direct equity interest
	<ul style="list-style-type: none"> Gemberry Sdn Bhd 	<p>Buying, selling, renting and operating of self-owned or leased real estate (residential buildings); activities of holding companies; export and import of a variety of goods without any particular specialization not elsewhere classified (N.E.C.)</p>	<p>Director (appointed on 23 April 2021)</p>	Shareholder with 100.0% direct equity interest
	<ul style="list-style-type: none"> David Lai & Tan 	<p>Legal firm</p>	<p>Partner</p>	-
	<ul style="list-style-type: none"> Propel Global Berhad (taken over listing status of Daya Materials Berhad) 	<p>Activities of holding companies, while its subsidiaries are involved in the offering of a range of products and services to both the upstream and downstream sectors of the oil and gas industry as well as building technical services for commercial and industrial buildings and facilities</p>	<p>Acting Chairman/ Independent Non-Executive Director (appointed on 8 April 2022)</p>	-

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<p>Past involvement</p> <ul style="list-style-type: none"> Central Corporation Berhad 	<p>Manufacturing and sales of self-adhesive label stocks and tapes of its own brand and trading of other self-adhesive label stocks and tapes</p>	<p>Independent Non-Executive Director (appointed on 16 June 2015, resigned on 3 October 2019)</p>	<p>-</p>
	<ul style="list-style-type: none"> Central Global Berhad 	<p>Investment holding, while its subsidiaries are involved in the manufacturing, marketing and trading of self-adhesive label stocks and tapes as well as construction and construction related activities</p>	<p>Independent Non-Executive Director (appointed on 10 June 2019, retired on 22 June 2021)</p>	<p>-</p>
	<ul style="list-style-type: none"> Perfect Propel Sdn Bhd 	<p>Investment holding in shares of a company involved in providing industrial facilities management including builder works, facility operation and maintenance services, upgrades and retrofits as well as design and build plant facility</p>	<p>Director (appointed on 22 April 2014, resigned on 15 May 2020)</p>	<p>-</p>
	<ul style="list-style-type: none"> Core Economy Investment Group Ltd 	<p>Investment in listed and non-listed securities</p>	<p>Director (appointed on 1 June 2009, resigned on 31 May 2017)</p>	<p>-</p>

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
Wong Choi Ong	<ul style="list-style-type: none"> Worldgate Global Logistics Ltd 	Integrated logistics solution provider	Non-Executive Director (appointed on 7 March 2016, resigned on 11 May 2018)	-
	<u>Present involvement</u> <ul style="list-style-type: none"> Rajawali Wang 	Investment holding, holding shares solely in our Company	Director (appointed on 13 July 2021)	Shareholder with 66.67% indirect equity interest
	<ul style="list-style-type: none"> Caiwan Capital 	Investment holding, holding shares solely in our Company	Director (appointed on 5 July 2021)	Shareholder with 100.0% direct equity interest
	<ul style="list-style-type: none"> Visionary Support 	Investment holding, holding shares solely in our Company	Director (appointed on 2 July 2021)	Shareholder with 50.0% direct equity interest
	<ul style="list-style-type: none"> De Era Clinic Southkey Sdn Bhd 	To run business as general and medical aesthetic services, trade as general traders in medical and pharmaceutical goods, skin and health care products and investment company	-	Shareholder with 0.95% direct equity interest

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<p>Past involvement</p> <ul style="list-style-type: none"> • Buildwiser Sdn Bhd 	<p>Investment holding, construction of buildings not elsewhere classified (N.E.C.), manufacturing of prefabricated structural components for building or civil engineering of cement, concrete or artificial stone</p>	<p>Director (appointed on 6 June 2018, resigned on 6 October 2020)⁽⁴⁾</p>	<p>-</p>
	<ul style="list-style-type: none"> • HESB 	<p>Dormant, intended principal activity of environmental contract engineering (struck off on 30 November 2021)⁽⁶⁾</p>	<p>Director (appointed on 11 August 2016)</p>	<p>Shareholder with 40% indirect equity interest prior to the struck off on 30 November 2021</p>
	<ul style="list-style-type: none"> • Top Well Trading & Services 	<p>Dormant, intended principal activity of trading services (struck off on 7 September 2021)</p>	<p>-</p>	<p>Shareholder with 70% equity interest prior to the struck off on 7 September 2021</p>
	<ul style="list-style-type: none"> • Ecosciences Engineering & Construction Gabon 	<p>Dormant, intended principal activity of trading services (struck off on 20 August 2021)</p>	<p>-</p>	<p>Shareholder with 70% equity interest prior to the struck off on 20 August 2021</p>
Pan Kum Wan	<p>Present involvement</p> <ul style="list-style-type: none"> • Pintasan Lagenda (M) Sdn Bhd 	<p>Property investment</p>	<p>Director (appointed on 29 June 1995)</p>	<p>Shareholder with approximately 33.3% direct equity interest</p>
	<ul style="list-style-type: none"> • Rajawali Wang 	<p>Investment holding, holding shares solely in our Company</p>	<p>Director (appointed on 13 July 2021)</p>	<p>Shareholder with 66.67% indirect equity interest</p>

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> Dynagear Technologies 	Investment holding, holding shares solely in our Company	Director (appointed on 5 July 2021)	Shareholder with 100.0% direct equity interest
	<ul style="list-style-type: none"> Visionary Support 	Investment holding, holding shares solely in our Company	Director (appointed on 2 July 2021)	Shareholder with 50.0% direct equity interest
	<ul style="list-style-type: none"> De Era Clinic Southkey Sdn Bhd 	To run business as general and medical aesthetic services, trade as general traders in medical and pharmaceutical goods, skin and health care products and investment company	-	Shareholder with 0.95% direct equity interest
	<u>Past involvement</u> <ul style="list-style-type: none"> Buildwiser Sdn Bhd 	Investment holding, construction of buildings not elsewhere classified (N.E.C.), manufacturing of prefabricated structural components for building or civil engineering of cement, concrete or artificial stone	Director (appointed on 6 June 2018, resigned on 6 October 2020) ⁽⁴⁾	-
	<ul style="list-style-type: none"> HESB 	Dormant, intended principal activity of environmental contract engineering (struck off on 30 November 2021) ⁽⁵⁾	-	Shareholder with 40% indirect equity interest prior to the struck off on 30 November 2021

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
Law Sang Thiam	Present involvement <ul style="list-style-type: none"> • Spring Art Holdings Berhad 	Investment holding, while its subsidiaries are involved in manufacturing of ready-to-assemble furniture products	Independent Non-Executive Director (appointed on 19 November 2018)	Shareholder with approximately 0.1% direct equity interest
	<ul style="list-style-type: none"> • MCE Holdings Berhad 	Investment holding, while its subsidiaries are involved in manufacturing and assembly of automotive parts, trading of spare parts and other trading goods; manufacturing and assembly of automotive lightings; provision of healthcare services; and designing, developing, manufacturing and assembly of electric motorcycle and any form of electric vehicle, and its systems and components including battery pack, and other electric vehicle related components	Independent Non-Executive Director (appointed on 7 March 2022)	-
	<ul style="list-style-type: none"> • Ivan Law & Co 	Provision of accounting services	Managing Partner	-
	<ul style="list-style-type: none"> • Taxavenue Advisory PLT 	Provision of tax advisory services	Managing Partner	-

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
Andrea Huang Jia Mei	Present involvement • Sha Tax Services Sdn Bhd	Provision of taxation, accounting and corporate management services	Director (appointed on 10 June 2018)	Shareholder with 90% indirect equity interest
	• T&S Advisors Sdn Bhd	Provision of advisory, consultancy and marketing services in insolvencies, mergers and acquisition, corporate recovery, corporate restructuring, initial public offering, secretarial work and tax planning	Director (appointed on 18 September 2014)	Shareholder with: (a) direct equity interest of 35%; and (b) indirect equity interest of 65% ⁽⁶⁾
	• KK Sha Consulting Sdn Bhd	Provision of goods and services tax, accountancy and corporate management services	Director (appointed on 24 October 2014)	Shareholder with: (a) direct equity interest of 50%; and (b) indirect equity interest of 50% ⁽⁶⁾
	• T&S Boardroom Sdn Bhd	Provision of secretarial support services	Director (appointed on 30 July 2020)	Shareholder with 100% direct equity interest
	• AK Bizz Platform Sdn Bhd	Provision of business management consultancy services; bookkeeping and auditing activities; and tax consultancy	Director (appointed on 9 March 2020)	Shareholder with 100% direct equity interest

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> Siab Holdings Berhad 	Investment holding, while its subsidiaries are involved in the provision of building construction services and other complementary services such as information and communications technology solutions and services	Independent Non-Executive Director (appointed on 24 June 2021)	-
	<ul style="list-style-type: none"> T&S Governance Sdn Bhd 	Accounting, bookkeeping and auditing activities; tax consultancy	Director (appointed on 5 October 2021)	Shareholder with 100% direct equity interest
	<ul style="list-style-type: none"> Unique Fire Holdings Berhad 	Activities of holding companies, while its subsidiaries are involved in the assembly, manufacturing and distribution of active fire protection systems, equipment and accessories of fire extinguishers, equipment and accessories of 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 (appointed on 8 October 2021)	-
	<ul style="list-style-type: none"> Yew Lee Pacific Group Berhad 	Activities of holding companies, while its subsidiaries are involved in manufacturing of industrial brushes and trading of industrial hardware and machinery parts	Independent Non-Executive Director (appointed on 6 August 2021)	-

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	Past Involvement <ul style="list-style-type: none"> • T & S Secretarial Services Sdn Bhd 	Provision of secretarial and management services	Director (appointed on 3 September 2014, resigned on 12 March 2021)	-

Notes:

- (1) The legal advice and legal services provided are such legal support and related services that are not required to be performed by an advocate and solicitor as defined under section 3 of the Legal Profession Act 1976, such as acting as a stakeholder of shares in a transaction for acquisition of shares.
- (2) There is no existing or potential conflict of interest as Daya CMT Sdn Bhd's principal business activity is provision of industrial facilities management, including builder works, facility operation and maintenance services, upgrades and retrofits, as well as design and build plant facility, which is different from our Group's principal business activities of constructing plants mainly for palm oil mills and facilities supported by our in-house fabrication of equipment.
- (3) TIL Enviro Limited is a wastewater treatment service provider operating and managing four (4) wastewater treatment facilities located in Yinchuan, China to provide wastewater treatment services to the local government by treating domestic and industrial wastewater. There is no existing or potential conflict of interest as TIL's wastewater treatment in the provision of wastewater treatment services of treating domestic and industrial wastewater in Yinchuan, which is different from our Group's fabrication and supply of non-chemical water treatment equipment for use in palm oil and other industries. Furthermore, Dato' Tan Yee Boon is an independent non-executive director of TIL Enviro Limited and is therefore not involved in the management and day-to-day operations of the company.
- (4) There is no existing or potential conflict of interest as Buildwiser Sdn Bhd's principal business activity is investment holding, construction of buildings, manufacturing of prefabricated structural components for building or civil engineering of cement, concrete or artificial stone, which is different from our Group's principal business activities of constructing plants mainly for palm oil mills and facilities supported by our in-house fabrication of equipment. Furthermore, Wong Choi Ong and Pan Kum Wan have ceased to be directors of Buildwiser Sdn Bhd on 6 October 2020.
- (5) HESB was struck off on 30 November 2021 (based on the date of the Notice 308(4), as set out on the Companies Commission of Malaysia's website), and dissolved on 29 December 2021 (based on the date of the Gazette (2) 308(4) / Gazette 551(3), as set out on the Companies Commission of Malaysia's website).

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

- (6) Deemed interested by virtue of her spouse's shareholding in the company.

The involvement of Dato' Tan Yee Boon, Law Sang Thiam and Andrea Huong Jia Mei, our Independent Non-Executive Directors, and Wong Choi Ong and Pan Kum Wan, our Executive Directors, in those business activities outside our Group does not give rise to any conflict of interest situation with our business.

Dato' Tan Yee Boon, Law Sang Thiam and Andrea Huong Jia Mei, being our Independent Non-Executive Directors, are not involved in the day-to-day operations of our Group. Their involvement in other business activities outside our Group will not affect their contributions to our Group and would not be expected to affect the operations of our Group as the principal activities of these companies are not similar to our Group's business.

Further, the involvement of our Executive Directors in other businesses or corporations does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve. Such businesses do not require their involvement on a daily basis as these businesses are managed by their respective management. As such, our Executive Directors are of the view that although they are involved in other businesses as set out above, they are able to devote sufficient time and attention to the affairs of our Group to carry out their respective duties.

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

5.3 BOARD PRACTICES**5.3.1 Responsibilities of our Board**

Our Board has adopted a charter which sets out, among others, the following principal responsibilities of our Board for the effective discharge of its functions:

- (i) to review, approve and ensure a strategic business plan (including the Group's sustainability strategies, priorities and targets) that promotes sustainability is adopted for the Group; and is responsible to monitor implementation of the strategic business plan by the Management;
- (ii) to oversee and understand the conduct of our Group's businesses and sustainability issues relevant to the Group and its business (including climate-related risks and opportunities) and evaluate whether our businesses and sustainability issues are being properly managed and targets set are achieved. Further, strategies, priorities and targets set as well as performance towards these targets shall be communicated to internal and external stakeholders;
- (iii) to understand the principal business and business sustainability risks faced by our Group and ensure implementation of appropriate internal control and risk management system to manage such risks;
- (iv) to promote good corporate governance culture within our Group together with the senior management which reinforces ethical, prudent and professional behavior;
- (v) to ensure our senior management has the necessary skills and experience, and there are succession planning procedures in place. This includes, but not limited to, implementation of appropriate system(s) for recruitment, training and replacement of senior management personnel;
- (vi) to review the adequacy and integrity of our Group's internal control and risk management system;
- (vii) to oversee the development and implementation of investors relations programme or shareholder communication policy for our Group to enable effective communication with stakeholders;
- (viii) to review and approve the Company's financial statements and annual report;
- (ix) to ensure the integrity of the Company's financial and non-financial reporting;
- (x) to undertake a formal and objective annual evaluation to determine the effectiveness of the Board, the Board committees and each individual Director; and
- (xi) to ensure that our Group adheres to high standards of ethics and corporate behaviour.

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

5.3.2 Term of office of our Board

Details of the term of office of our Board are as follows:

Name	Designation	Date of appointment	Date of expiration of the current term of office	No. of years in office up to the LPD
Dato' Tan Yee Boon	Independent Non-Executive Chairman	2 August 2021	Subject to rotation at the first annual general meeting	Less than a year
Wong Choi Ong	Non-Independent Executive Director / Managing Director	21 August 2020	Subject to rotation at the first annual general meeting	Less than two years
Pan Kum Wan	Non-Independent Executive Director	2 August 2021	Subject to rotation at the first annual general meeting	Less than a year
Law Sang Thiam	Independent Non-Executive Director	2 August 2021	Subject to rotation at the first annual general meeting	Less than a year
Ang Chye Kian	Independent Non-Executive Director	2 August 2021	Subject to rotation at the first annual general meeting	Less than a year
Andrea Huong Jia Mei	Independent Non-Executive Director	2 August 2021	Subject to rotation at the first annual general meeting	Less than a year

Pursuant to Clause 76 of our Constitution, at the first annual general meeting of our Company, all our Directors shall retire from office, and at the annual general meeting in every subsequent year, 1/3 of our Directors, or if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office once at least in every 3 years but shall be eligible for re-election. A retiring director shall be eligible for re-election and shall retain office until the close of the meeting at which he retires.

5.3.3 Audit and Risk Management Committee

Our Audit and Risk Management Committee assists our Board in its oversight responsibilities with regard to our financial reporting process, internal controls and governance, risk appetite as well as the risk management and compliance framework, and the governance structure.

The key duties and responsibilities of our Audit and Risk Management Committee are as follows:

- (i) consider and recommend to our Board on the appointment or re-appointment of the external auditors, to fix the audit and non-audit fees and any questions regarding resignation or dismissal, including recommendation for nomination of a person or persons as external auditors;
- (ii) annually assess the suitability, objectivity and independence of the external auditors;
- (iii) discuss with the external auditors before the audit commences, the audit plan, the nature and scope of the audit and the coordination with competent auditors where more than 1 audit firm is involved in the audit of the Group's financial statements;
- (iv) review the external auditors' management letter and evaluation of system of internal controls, and management's responses to the recommendations for improvements;
- (v) ensure that assistance and full access to all information and documents required by the external auditors are given by our management;

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

- (vi) review with the external auditors the evaluation on the system of internal controls and the audit report and report the same to our Board;
- (vii) review the effectiveness of internal audit function, including the ability, competency and qualification of the internal audit team and / or outsourced internal auditors (if any) to perform its duties;
- (viii) review the adequacy of the scope, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- (ix) review and approve matters concerning the employment or appointment (or re-appointment) of head of in-house internal audit and / or outsourced internal auditors (as the case may be) and the reasons for the resignation or termination of either party;
- (x) review and approve the internal audit plan and internal audit reports and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
- (xi) receive and review on a regular basis the reports, findings and recommendations of the internal audit team and / or outsourced internal auditors (if any) and to ensure that appropriate actions have been taken to implement the audit recommendations;
- (xii) ensure the internal audit team and / or outsourced internal auditor (if any) have full and unrestricted assistance and access to all information and documents required by the internal audit team and / or outsourced internal auditor (if any) are given by our management;
- (xiii) review and recommend risk management framework, strategies, policies and risk tolerance/appetite to our Board for approval;
- (xiv) review and assess the adequacy and effectiveness of our risk management and framework internal control policies and framework in identifying, measuring, monitoring and controlling risks and the extent, to which these are operating effectively;
- (xv) ensure infrastructure, resources and systems are in place for risk management, i.e. ensure that the staff responsible for implementing risk management systems perform those duties independently of the risk originating activities of our Company and Group (where applicable);
- (xvi) review periodic risk management and business exposures reports from the respective business units of our Company and Group (where applicable) on risk exposures, risk portfolio compositions and risk management activities;
- (xvii) review and recommend new policies or changes to policies, and to consider their risk implications;
- (xviii) review disclosures statements relating to management of sustainability, risk management and internal control in our annual report.
- (xix) review any related party transactions or conflict of interests situation that may arise within our Group, including any transaction, procedure or course of conduct that raises questions of management integrity, as well as to assess the financial risks relating to such transactions, and to ensure that such transactions are disclosed in the annual report; and
- (xx) carry out other responsibilities, functions or assignments as may be defined by our Board from time to time.

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

The Audit and Risk Management Committee may seek advice from independent parties and other professionals in discharging their duties.

Our Audit and Risk Management Committee comprises:

Name	Position	Directorship
Law Sang Thiam	Chairman	Independent Non-Executive Director
Ang Chye Kian	Member	Independent Non-Executive Director
Andrea Huong Jia Mei	Member	Independent Non-Executive Director

5.3.4 Remuneration Committee

Our Remuneration Committee assists our Board on matters relating to the compensation, bonuses, incentives and remuneration for our Directors and Key Senior Management.

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

- (i) determine and recommend to our Board the remuneration of our Directors (including executive and non-executive directors) and Key Senior Management in all forms inclusive of cash and non-cash benefits, options and privileges granted by our Group;
- (ii) review and recommend to our Board, on annual basis, in relation to the remuneration structures of all Executive Directors, non-executive Directors and Key Senior Management in all forms;
- (iii) review and implement remuneration policies and procedures in relation to the remuneration of Board and Key Senior Management periodically;
- (iv) oversee any major changes in employee remuneration and benefit structures throughout our Group;
- (v) recommend to our Board any performance related pay schemes for our Company or Group;
- (vi) engage external professional advisers to assist and/or advise our Remuneration Committee, on remuneration matters, where necessary;
- (vii) provide clarification to shareholders during general meetings on matters pertaining to remuneration of our Directors and Key Senior Management as well as the overall remuneration framework of our Group; and
- (viii) carry out other responsibilities, functions or assignments as may be agreed by our Board from time to time.

In considering any remuneration package and structure, our Remuneration Committee will take into consideration levels of remuneration that are aligned with our Group's business strategy and long-term objectives and level of responsibilities to be undertaken.

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

Our Remuneration Committee comprises:

Name	Position	Directorship
Ang Chye Kian	Chairman	Independent Non-Executive Director
Law Sang Thiam	Member	Independent Non-Executive Director
Andrea Huang Jia Mei	Member	Independent Non-Executive Director

5.3.5 Nomination Committee

Our Nomination Committee assists our Board in its oversight responsibilities with regard to the effectiveness of our Board and its committee, and the contributions and performance of individual Director.

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

- (i) identify, nominate and recommend to our Board, suitable candidates to be appointed as Directors of our Group after considering the required mix of diversity, including gender, skills, knowledge, experience and other core competencies, expertise, professionalism and integrity which the directors should bring to the Board. Existing board positions (including non-listed companies) held by a director should also be considered;
- (ii) consider in making its recommendations, candidates for directorships proposed by the existing Directors and within the bounds of practicability, by the Key Senior Management, major shareholders, independent search firms and / or other independent sources;
- (iii) recommend to our Board, directors to fill the seats on Board committees;
- (iv) assist the Board in its annual review of its required mix of skills and experience and other qualities, including core competencies which non-executive Directors should bring to our Board;
- (v) establish and review the terms and conditions of employment of Executive Directors and Key Senior Management including Chief Executive Officer (“CEO”), Chief Operating Officer (“COO”) and Chief Financial Officer (“CFO”) of our Group having regard to their duties and responsibilities;
- (vi) review the succession plans of our Board, Board committees, Executive Directors and the senior management including CEO, COO and CFO of our Group on an on-going basis, and oversee the development of a diverse pipeline for Board and management succession;
- (vii) assist our Board in implementing an assessment programme to assess the effectiveness of the Board as a whole, Board committees, the contribution of each individual director, Key Senior Management such as CEO, COO and CFO of our Group on an annual basis. The assessment programme shall also include achievement of sustainability targets. All activities carried out by the Nomination Committee in the discharge of its duties shall be disclosed in the annual report;
- (viii) recommend to our Board for the continuation or discontinuation in service of directors as an Executive Directors or non-executive Directors;
- (ix) recommend directors who are retiring by rotation to be put forward for re-election;
- (x) review and assess the independence of independent Directors annually and determine if the Independent Directors can bring independence and objective judgement for Board deliberations;

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

- (xi) evaluate and review the composition, term of office and performance (including amongst others, addressing our Group's material sustainability risks and opportunities) of the Board and each of its members annually to determine whether the Board and Board Committees have carried out their duties in accordance with the Board Charter and terms of reference for re-election;
- (xii) consider and recommend to our Board for approval, the appropriate size of the Board and Board committees to facilitate effective decision making after taking into consideration the scope and nature of the operations of our Group;
- (xiii) review the appointment and termination of Key Senior Management of our Group;
- (xiv) review, evaluate and determine training programmes and training needs for our Board on a continuous basis which the trainings aid the Board in discharging their duties and ensure that all newly appointed Directors undergo appropriate induction programmes;
- (xv) facilitate achievement of Board diversity and targets; and
- (xvi) carry out such other duties or functions as may be delegated by our Board from time to time or required by the regulatory authority.

Our Nomination Committee comprises:

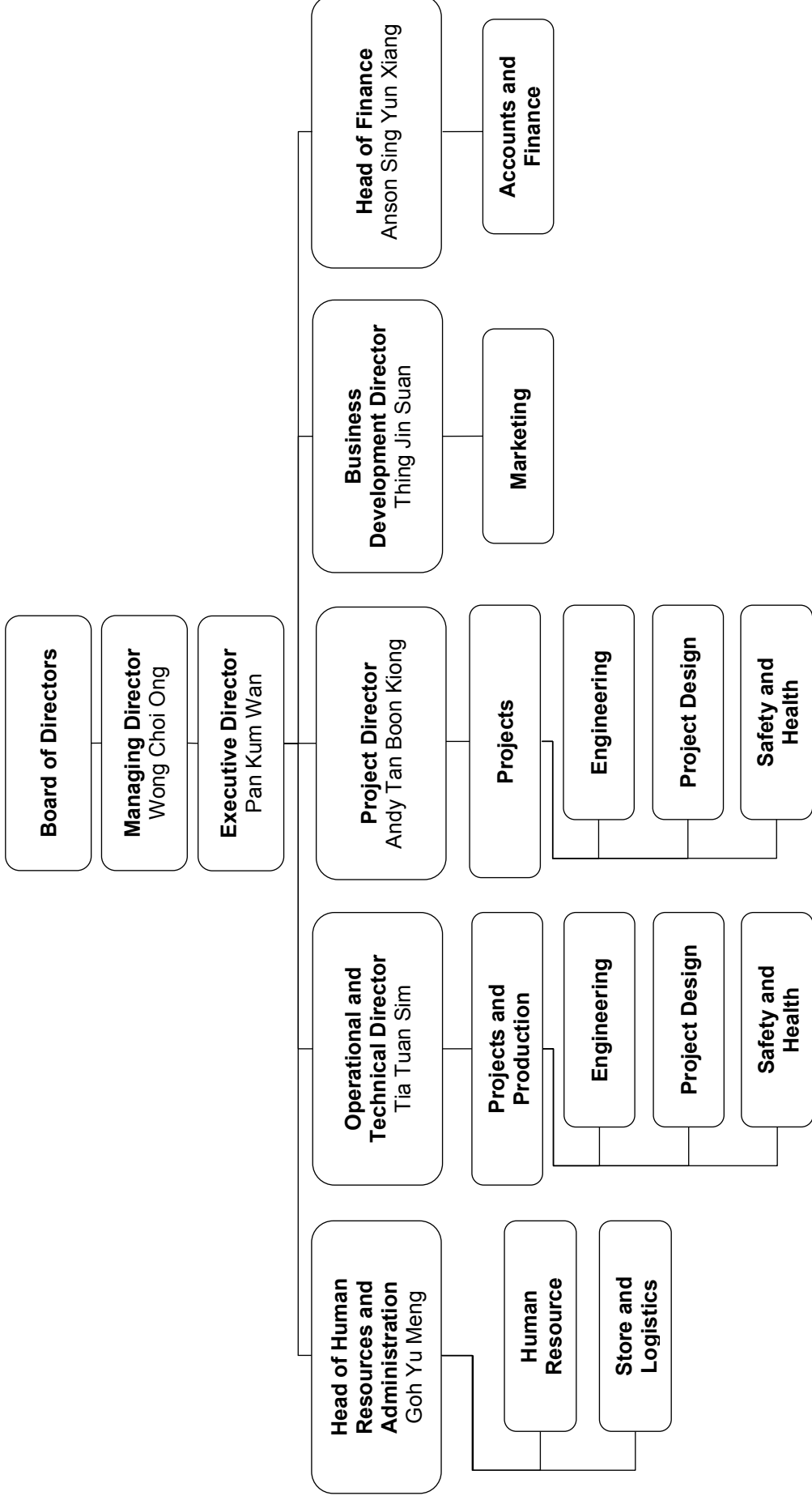
Name	Position	Directorship
Andrea Huong Jia Mei	Chairman	Independent Non-Executive Director
Ang Chye Kian	Member	Independent Non-Executive Director
Law Sang Thiam	Member	Independent Non-Executive Director

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

5.4 KEY SENIOR MANAGEMENT

5.4.1 MANAGEMENT REPORTING STRUCTURE



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

5.4.2 Key Senior Management's shareholdings

The shareholdings of our Key Senior Management after the Acquisitions and after our IPO, assuming full subscription of the IPO Shares reserved for our Key Senior Management under the Pink Form Allocations, are as follows:

Name / (Designation)	Nationality	After the Acquisitions				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(¹)%	No. of Shares	(¹)%	No. of Shares	(²)%	No. of Shares	(²)%
Andy Tan Boon Kiong (Project Director)	Malaysian	6,937,710	2.7	-	-	7,737,710	2.3	-	-
Tia Tuan Sim (Operational and Technical Director)	Malaysian	2,576,884	1.0	-	-	3,576,884	1.1	-	-
Thing Jin Suan (Business Development Director)	Malaysian	-	-	-	-	800,000	0.2	-	-
Anson Sing Yun Xiang (Head of Finance)	Malaysian	-	-	-	-	500,000	0.2	-	-
Goh Yu Meng (Head of Human Resources and Administration)	Malaysian	5,150,565	2.0	-	-	5,950,565	1.8	-	-

Notes:

- (1) Based on our total number of 257,830,500 Shares after the Acquisitions.
- (2) Based on our enlarged total number of 340,000,000 Shares after our IPO, assuming that all Pink Form Allocations are fully subscribed. Subject to the clawback and reallocation provisions as set out in Section 4.1.4 of this Prospectus, our Directors and Key Senior Management may subscribe for additional Excess IPO Shares under those allocated for other Eligible Persons as well as the IPO Shares under the Public Issue.

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

5.4.3 Profiles of our Key Senior Management

The profiles of our Key Senior Management are as follows:

Andy Tan Boon Kiong

Project Director

Andy Tan Boon Kiong, a Malaysian aged 45, is our Project Director. He is responsible for our Group's projects in Gabon.

He obtained a Bachelor's Degree in Mechanical and Manufacturing Systems Engineering from Sheffield Hallam University, United Kingdom in 2002. He also obtained a certificate of competency granted under the Factories and Machinery Act 1967 by the chief and deputy chief inspectors of Factories and Machinery which qualified him as a First Grade Steam Engineer.

He began his career in 2002 with Sime Darby Plantation Sdn Bhd as Junior Engineer. He was subsequently promoted to the position of Mill Manager, where he was responsible for palm oil mill operations and projects. He left the company in 2013 to work in Indonesia when he joined PT Super Venture, a company involved in developing and maintaining palm oil mills, as Head of Projects. He was responsible for overseeing palm oil mill construction and maintenance projects in Indonesia.

In 2015, he returned to Malaysia and joined EMESB as General Manager of our Group's operations in Gabon. He was promoted to his current position on 1 August 2021 and is currently responsible for managing and overseeing the implementation of our projects in Gabon.

Tia Tuan Sim

Operational and Technical Director

Tia Tuan Sim, a Malaysian aged 44, is our Operational and Technical Director. He is responsible for the overall operations of our Group's projects and engineering department. He is one of the founders of our Group.

He obtained a degree in Bachelor of Chemical Engineering from University Teknologi Malaysia in 2001.

He began his career in 2001 when he joined Sahamas Sdn Bhd, a company involved in the fabrication and installation of palm oil milling equipment, as Project Engineer. He subsequently left the company in 2003 and joined Tractors Manufacturing & Assembly Sdn Bhd as Project Engineer where he was responsible for monitoring projects and supervising the workshop operations. In the same year, he left the company to establish EMESB together with Wong Choi Ong, our Managing Director. He was the Project Engineer of EMESB before he was promoted to his current position on 1 August 2021.

Thing Jin Suan

Business Development Director

Thing Jin Suan, a Malaysian aged 39, is our Business Development Director. He is responsible for our Group's growth strategies, business development and sales and marketing operations.

He obtained his Bachelor of Chemical Engineering degree from the University of Sheffield, United Kingdom in 2005. He subsequently obtained his Master's in Business Administration from Lancaster University, United Kingdom, in 2012.

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

He began his career in 2005 with Linde Industrial Gases (M) Sdn Bhd, a producer of industrial gasses, as Process Engineer. He left the company in the same year and joined Tapis Teknik Sdn Bhd, a manufacturer of filtration and separation equipment, as Sales and Application Engineer before he was promoted to Regional Sales Manager in 2007. He subsequently left the company in 2012 and joined Sterling Engineering and Trading Sdn Bhd, a company involved in trading of engineering products, as its director. He was responsible for sales and marketing, and overseeing the company's operations.

In 2015, he left and joined EMESB as Product Development Manager where he was responsible for developing growth strategies, business development, and overseeing the company's sales and marketing operations. He was promoted to his current position on 1 August 2021.

Anson Sing Yun Xiang

Head of Finance

Anson Sing Yun Xiang, a Malaysian aged 38, is our Head of Finance. He is responsible for our Group's accounting and financial matters, including financial reporting, treasury functions, credit control, budgeting and taxation.

He obtained his Bachelor's Degree of Science in Accounting and Finance from the University of London in association with the London School of Economics, United Kingdom, in 2007 with a degree in Accounting and Finance. He has been a member of the Association of Chartered Certified Accountants and Malaysian Institute of Accountants since 2016.

He started his career in 2009 when he joined CLK Associates, an audit firm, as an Audit Junior and was subsequently promoted to Senior Auditor in 2012. In 2013, he left and joined Kerry Group Business Services (ASPAC) Sdn Bhd, a shared services company, as Accounts Officer. In June 2016, he left the company to join IOI Lipid Enzymtec Sdn Bhd, a manufacturer of industrial chemicals, as Accountant. Shortly after in September 2016, he joined Kimlun Sdn Bhd, a construction company, as Assistant Accounts Manager where he was responsible for supervising monthly accounts and tax related matters.

In 2018 he left Kimlun Sdn Bhd to join EMESB as Assistant Finance Manager and was promoted to his current position on 1 August 2021.

Goh Yu Meng

Head of Human Resources and Administration

Goh Yu Meng, a Malaysian aged 68, is our Head of Human Resources and Administration. She is responsible for our Group's human resources and administrative function, storekeeping and logistic operations.

She attended Stamford College, Selangor and obtained the LCCI Higher Accounting in 1976. She also obtained her Certificate in Personnel Management from the Malaysian Institute of Personnel Management in 1984.

She began her career with Tampoi Oil Products Sdn Bhd in 1976, a company involved in palm oil refinery as Accounts Assistant. In 1979, she left and joined Felde Vegetable Oil Products Sdn Bhd, a company involved in palm oil refinery as Administrative and Accounts Executive. In 2000, due to the restructuring of Felde group of companies, she was assigned to work under Delima Oil Products Sdn Bhd, a company involved in palm oil refinery and manufacturing of packaged foods as Administrative and Accounts Manager. She left Delima Oil Products Sdn Bhd in April 2011.

In May 2011, she joined EMESB as the Finance and Administration Manager where she was responsible for managing the company's finances and administrative matters. On 1 August 2021, she assumed her present position and is currently responsible for overseeing our Group's human resources and administrative functions, storekeeping and logistic operations.

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

5.4.4 Involvement of our Key Senior Management in other principal business activities

Save as disclosed below, none of our Key Senior Management has any principal directorships in other corporations for the past 5 years up to the LPD or any principal business activities performed outside our Group as at the LPD:

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
Andy Tan Boon Kiong	<u>Present involvement</u> • Exquisite Capitals	Investment holding, holding shares solely in EMESB	-	Shareholder with approximately 18.4% equity interest
	<u>Past involvement</u> • Top Well Trading & Services	Dormant, intended principal activity of trading services (struck off on 7 September 2021)	Director (appointed on 18 January 2016)	Shareholder with 30.0% equity interest prior to the struck off on 7 September 2021
	• Ecosciences Engineering & Construction Gabon	Dormant, intended principal activity of trading services (struck off on 20 August 2021)	Director (appointed on 1 August 2016)	Shareholder with 30.0% equity interest prior to the struck off on 20 August 2021
Tia Tuan Sim	<u>Present involvement</u> • Exquisite Capitals	Investment holding, holding shares solely in EMESB	Director (appointed on 1 January 2008)	Shareholder with approximately 6.9% equity interest
	<u>Past involvement</u> • Steelax Engineering & Construction Sdn Bhd	Engineering services, wholesale of construction and civil engineering, machinery and equipment, repair and maintenance of other equipment	Director (appointed on 8 March 2019 and resigned on 7 August 2019) ⁽¹⁾	-
Thing Jin Suan	<u>Past involvement</u> • Sterling Engineering & Trading Sdn Bhd	Dormant, intended principal activity of designing and supplying all types of mechanical and electrical engineering works	Director (appointed on 25 January 2013 and resigned on 29 November 2021)	-(2)

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

Name	Company	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> HESB 	Dormant, intended principal activity of environmental contract engineering (struck off on 30 November 2021) ⁽³⁾	Director (appointed on 11 August 2016)	-
Goh Yu Meng	<u>Present involvement</u> <ul style="list-style-type: none"> Exquisite Capitals 	Investment holding, holding shares solely in EMESB	-	Shareholder with approximately 13.7% equity interest

Notes:

- (1) There is no potential conflict of interest as the principal business activities of Steelax Engineering & Construction Sdn Bhd are engineering services, wholesale of construction and civil engineering, machinery and equipment, repair and maintenance of other equipment, which is different from our Group's principal business activities of constructing plants mainly for palm oil mills and facilities supported by our in-house fabrication of equipment. Furthermore, Tia Tuan Sim has ceased to be a director in Steelax Engineering & Construction Sdn Bhd since 7 August 2019.
- (2) Thing Jin Suan disposed his shareholdings in Sterling Engineering & Trading Sdn Bhd on 26 November 2021 to a third party unrelated to him.
- (3) HESB was struck off on 30 November 2021 (based on the date of the Notice 308(4), as set out on the Companies Commission of Malaysia's website), and dissolved on 29 December 2021 (based on the date of the Gazette (2) 308(4) / Gazette 551(3), as set out on the Companies Commission of Malaysia's website).

The involvement of Andy Tan Boon Kiong, Tia Tuan Sim, Thing Jin Suan and Goh Yu Meng in those business activities outside our Group does not give rise to any conflict of interest situation with our business.

The involvement of Andy Tan Boon Kiong and Goh Yu Meng in Exquisite Capitals Sdn Bhd, an investment holding company, is limited to them being shareholders of the company with no involvement in day-to-day operations while the involvement of Tia Tuan Sim as a director of Exquisite Capitals does not preclude him from allocating or committing his time and effort to our Group as he is not involved in the management and day-to-day operations, other than attending meetings of the board of directors. Such business does not require his involvement on a daily basis as the business is managed by its management.

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

5.4.5 Remuneration and material benefits-in-kind of our Key Senior Management

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Key Senior Management for services rendered in all capacities to our Group for the FYE 2021 and FYE 2022 are as follows:

Key Senior Management	Remuneration Band (RM'000)	
	FYE 2021	Proposed for FYE 2022
Andy Tan Boon Kiong	650 – 700	700 – 750
Tia Tuan Sim	650 – 700	650 – 700
Thing Jin Suan	350 – 400	350 – 400
Anson Sing Yun Xiang	200 – 250	250 – 300
Goh Yu Meng	250 – 300	250 – 300

5.5 FAMILY RELATIONSHIPS AND ASSOCIATIONS BETWEEN OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY SENIOR MANAGEMENT

There is no family relationship and/or association between any of our Directors, Promoters, Substantial Shareholders and Key Senior Management as at the LPD.

5.6 DECLARATIONS BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Each of our Promoters, Directors and Key Senior Management has confirmed that, as at the LPD, he or she is not and has not been involved in any of the following events, whether in or outside Malaysia:

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which such person was a partner or any corporation of which such person was a director or member of 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 or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgement was entered against such person, 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, the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice that relates to the capital market;
- (vi) the subject of any order, judgment or ruling of any court, government or regulatory authority or body temporarily enjoining such person 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 such person.

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

5.7 SERVICE CONTRACTS

As at the LPD, there are no existing or proposed service agreements entered into or to be entered into by our Directors or any of our Key Senior Management with our Group.

5.8 MANAGEMENT SUCCESSION PLAN

Our Board believes that our future success depends on our ability to retain our key senior management personnel and attract new skilled personnel. Therefore, our strategies include amongst others, succession planning and promotion opportunities, attractive remuneration packages and training activities.

Our management succession plan consists of:

- (i) selection and recruitment: identifying key competencies and requirements for managerial and key senior positions for succession planning;
- (ii) attractive remuneration packages and employee benefits;
- (iii) continuous training development: our middle management actively involves in discussions and decision-making in the operations of our Group. Such active participation will ensure better understanding of our operations and enable the personnel to equip themselves with the necessary knowledge and skills to succeed in senior management roles; and
- (iv) career planning and development: our key senior management trains the lower and middle management staff to gradually assume more responsibilities.

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6. INFORMATION ON OUR GROUP

6.1 OUR GROUP

We were incorporated in Malaysia under the Act on 21 August 2020 as a private limited company under the name of Ecoscience International Sdn Bhd. Subsequently, on 15 July 2021, we were converted into a public limited company and assumed our present name. On 10 August 2021, we completed the Acquisitions which resulted in AEPL and EMESB becoming our wholly-owned subsidiaries.

We are an investment holding company. The principal activities of our Company and our subsidiaries are as follows:

Company	Principal activities
Ecoscience	Investment holding
AEPL	Construction of plants and facilities, and fabrication of equipment
EMESB	Construction of plants and facilities, fabrication of equipment, and supply of materials and equipment
ETSB	Fabrication and supply of energy and environmental related equipment
TWTSSB	Supply of spare parts and construction materials, and provision of maintenance services ⁽¹⁾

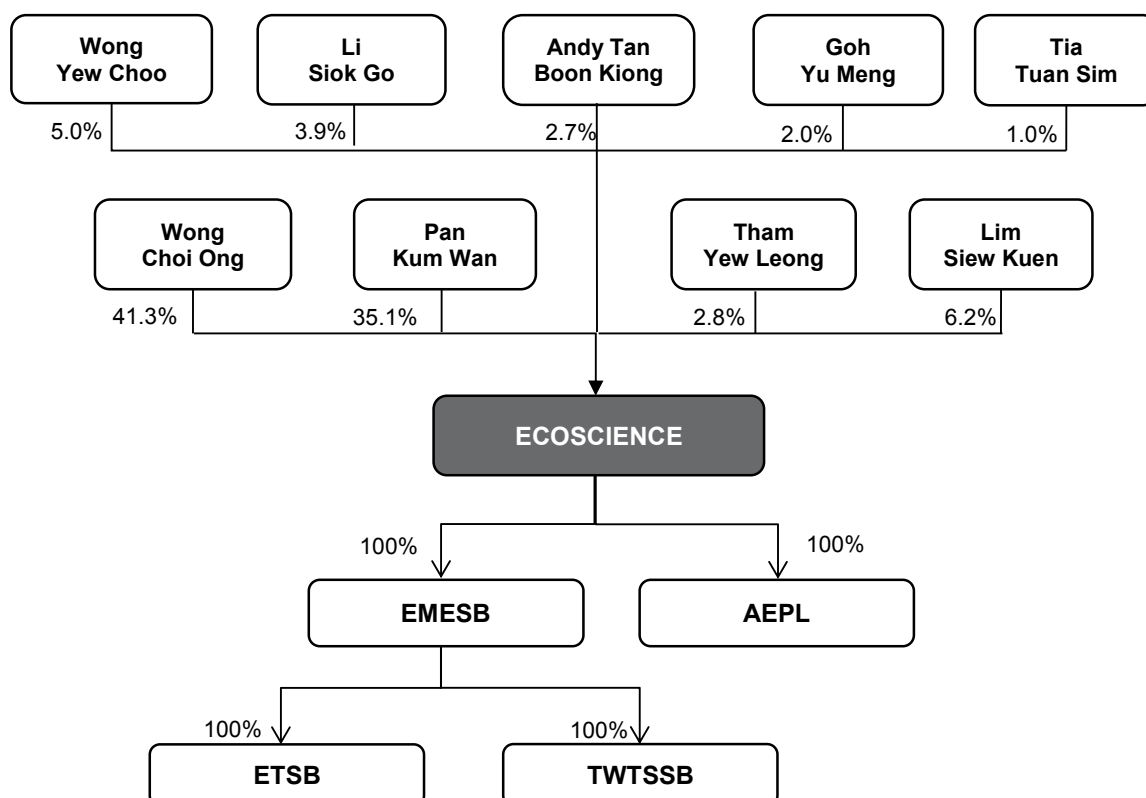
Note:

(1) As TWTSSB does not have subsisting contracts, it is dormant as at LPD.

Please refer to Section 6.4 of this Prospectus for further information on our subsidiaries.

Our Group's shareholding structure after the Acquisitions/before our IPO is as follows:

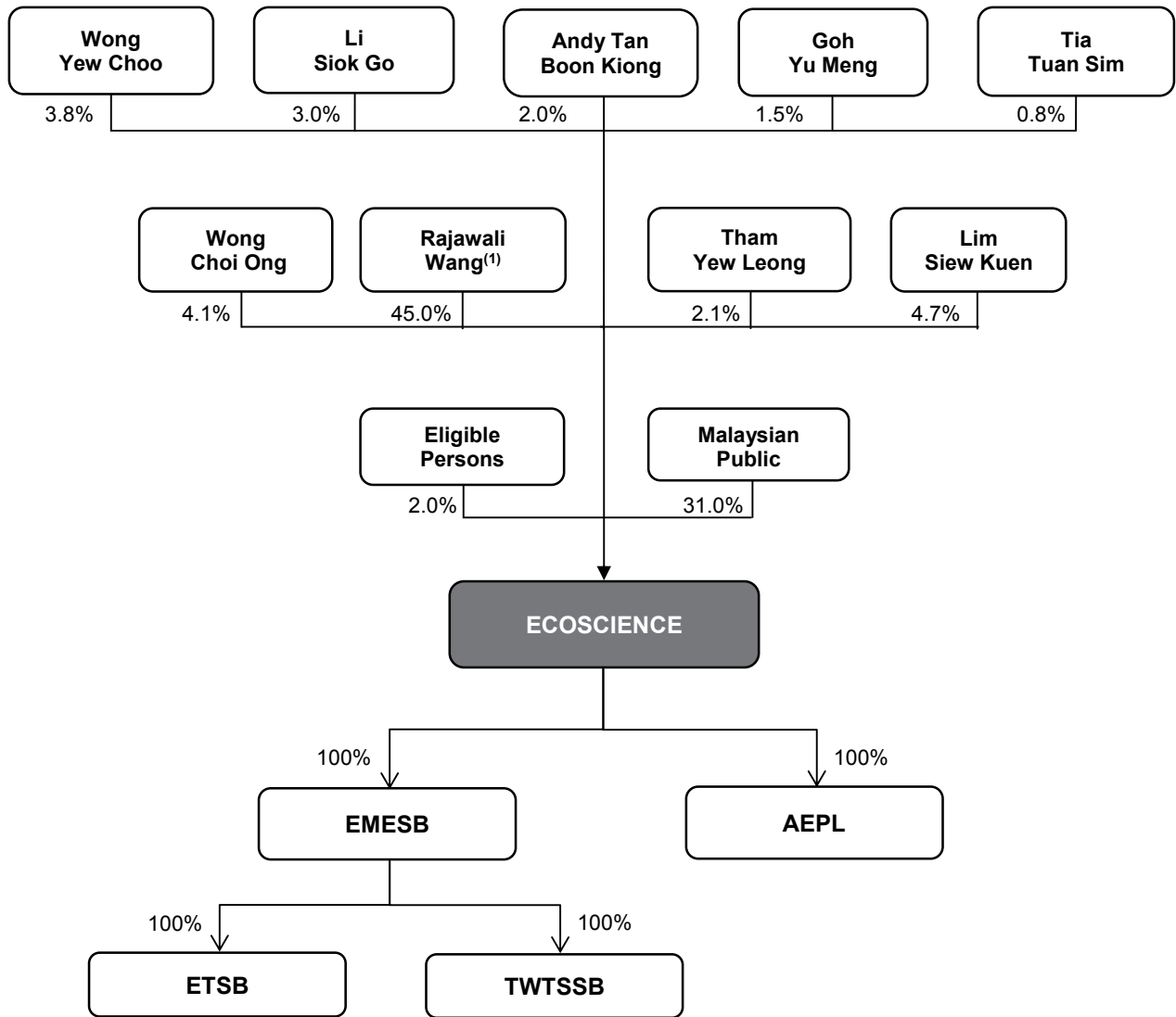
After Acquisitions / Before IPO



6. INFORMATION ON OUR GROUP (CONT'D)

Our Group's shareholding structure after our IPO and Share Transfer is as follows:

After IPO and Share Transfer



6. INFORMATION ON OUR GROUP (CONT'D)**Note:**

(1) The shareholders and their respective shareholdings in Rajawali Wang are as follows:

Shareholders	Direct		Indirect	
	No. of shares	%	No. of shares	%
Caiwan Capital	1	33.33	-	-
Dynagear Technologies	1	33.33	-	-
Visionary Support	1	33.33	-	-
Wong Choi Ong	-	-	(1)2	66.67
Pan Kum Wan	-	-	(2)2	66.67

Notes:

- (1) Deemed interested by virtue of his shareholdings in Caiwan Capital and Visionary Support pursuant to Section 8(4) of the Act.
- (2) Deemed interested by virtue of his shareholdings in Dynagear Technologies and Visionary Support pursuant to Section 8(4) of the Act.

6.1.1 Acquisitions

On 7 July 2021, we have entered into a conditional share sale agreement with Wong Choi Ong, Pan Kum Wan, Exquisite Capitals, Lim Siew Kuen and Tham Yew Leong for the Acquisitions. The Acquisitions were completed on 10 August 2021.

(i) Acquisition of AEPL

The purchase consideration was satisfied via the issuance of 78,705,498 new Shares at an issue price of RM0.20 per Share to the vendors as follows:

Vendor	No. of shares acquired	% of share capital	Purchase consideration (RM)	No. of new Shares issued
Wong Choi Ong	100,000	50.0	7,870,549.80	39,352,749
Pan Kum Wan	100,000	50.0	7,870,549.80	39,352,749
Total	200,000	100.0	15,741,099.60	78,705,498

The purchase consideration of RM15,741,099.60 was arrived at on a willing-buyer willing-seller basis after taking into consideration the audited NA of AEPL as at 31 December 2020 of RM15,741,079.

6. INFORMATION ON OUR GROUP (CONT'D)**(ii) Acquisition of EMESB**

The purchase consideration was satisfied via the issuance of 179,125,000 new Shares at an issue price of RM0.20 per Share to the vendors as follows:

Vendor	No. of shares acquired	% of share capital	Purchase consideration (RM)	No. of new Shares issued
Wong Choi Ong	2,156,250	37.5	13,434,375	67,171,875
Pan Kum Wan	1,638,750	28.5	10,210,125	51,050,625
Exquisite Capitals ⁽¹⁾	1,207,500	21.0	7,523,250	37,616,250
Lim Siew Kuen	517,500	9.0	3,224,250	16,121,250
Tham Yew Leong	230,000	4.0	1,433,000	7,165,000
Total	5,750,000	100.0	35,825,000	179,125,000

Note:

- (1) Exquisite Capitals has nominated its existing shareholders to receive the new Shares in proportion to their existing shareholding in Exquisite Capitals as follows:

Shareholders of Exquisite Capitals	No. of shares held	% of share capital	No. of new Shares issued
Wong Yew Choo ⁽¹⁾	88,454	34.2	12,881,364
Li Siok Go	69,147	26.8	10,069,727
Andy Tan Boon Kiong	47,640	18.4	6,937,710
Goh Yu Meng	35,368	13.7	5,150,565
Tia Tuan Sim	17,695	6.9	2,576,884
Total	258,304	100.0	37,616,250

The purchase consideration of RM35,825,000 was arrived at on a willing-buyer willing-seller basis after taking into consideration the adjusted consolidated NA of EMESB as at 31 December 2020 of RM35,825,009 as follows:

	RM
Audited consolidated NA as at 31 December 2020	35,761,494
Add: Acquisition of the entire equity interest in TWTSSB ⁽²⁾	63,515
Adjusted consolidated NA as at 31 December 2020	35,825,009

Notes:

- (1) Wong Yew Choo's equity interest in our Company will be diluted to 3.8% after the Acquisitions and after our IPO. He is not our Director and has never been involved in the operations of our Group. He is not a related party to our Group. He is a shareholder of Singapore-incorporated Lipico Technologies Pte Ltd ("**Lipico**"), in which he holds direct (2.3%) and indirect equity interests. His indirect shareholdings is held through his 44.3% equity interest in Cesium Holdings Pte Ltd which in turn holds 87.2% equity interest in Lipico. The principal activities of Lipico are among others process and industrial plant engineering design and consultancy services. Other than Wong Yew Choo being a common shareholder in our Company and Lipico, and Lipico being a customer of our Group up to year 2016, there is no other relationship between Lipico and our Group. Lipico has no transaction with our Group after the year 2016.

6. INFORMATION ON OUR GROUP (CONT'D)

- (2) EMESB had on 19 February 2021 acquired the entire equity interest of TWTSSB from Wong Choi Ong and Andy Tan Boon Kiong for a nominal purchase consideration of RM2 after taking into consideration the audited net liabilities of TWTSSB of RM65,929 as at 31 December 2019. In determining the purchase consideration of EMESB, the consolidated NA of EMESB as at 31 December 2020 was adjusted to take into consideration the audited NA of TWTSSB of RM63,515 as at 31 December 2020 which was only available in June 2021.

6.2 HISTORY OF OUR GROUP

We are a one-stop solution provider for the construction of palm oil mills and supporting facilities, and fabrication of equipment. The history of our Group can be traced back to the incorporation of Ecoscience Engineering Sdn Bhd in 2003 by Wong Choi Ong, our present Managing Director, and Tia Tuan Sim, our present Operational and Technical Director, and the commencement of operations in 2004. The company changed to its present company name of Ecoscience Manufacturing & Engineering Sdn Bhd in 2016.

In 2004, EMESB increased its paid-up share capital from RM2 to RM25,000 as Wong Choi Ong held 50.00% equity interest in the company, while Tia Tuan Sim, our present Operational and Technical Director and Goh Yu Meng, our present Head of Human Resources and Administration held 10.0% and 5.0% equity interests respectively. The remaining 35.0% equity interest was held by two non-executive shareholders, who later divested their entire equity interests in 2005 and 2006 to other investors in EMESB. Subsequently in 2005, EMESB increased its paid-up share capital to RM1.38 million, and the shareholders of EMESB included Wong Choi Ong (52.1%), Li Siok Go (the spouse of Pan Kum Wan, our present Executive Director) (11.6%), Tia Tuan Sim (3.6%), Goh Yu Meng (7.3%) and two other shareholders (25.4%). Since 2005, the company went through a few rounds of shareholders' restructuring, and Tia Tuan Sim ceased to be a direct shareholder of EMESB in January 2006 after he disposed of his entire equity interest in EMESB.

In 2009, one of our shareholders, Lim Siew Kuen (who first became a shareholder of EMESB on 11 January 2006) disposed some of his shares to Pan Kum Wan (16.0%) and Tham Yew Leong (9.0%) (who first became a shareholder of EMESB on 28 September 2009), while the remaining equity interests were held by Wong Choi Ong (34.0%), Lim Siew Kuen (9.0%), Bio IOI (M) Sdn Bhd (15.0%) (in which Wong Yew Choo holds 50% shares) and Exquisite Capitals Sdn Bhd (17.0%), (in which Tia Tuan Sim holds a direct equity interest of 6.9%). Bio IOI (M) Sdn Bhd is an investment holding company incorporated in Malaysia on 29 August 2006. Throughout the years, there were several changes in shareholders and shareholdings. Pursuant to the restructuring of the shareholdings of EMESB in 2018, Wong Choi Ong held 37.5%, Pan Kum Wan held 28.5% while other shareholders including Exquisite Capital Sdn Bhd, Lim Siew Kuen and Tham Yew Leong held 21.0%, 9.0% and 4.0% equity interests respectively. Wong Choi Ong has been a controlling shareholder in EMESB since the incorporation of EMESB until 2010, where his shareholdings fell to 32.0% following the disposal of shares in EMESB to Exquisite Capital Sdn Bhd which majority shareholders are our key senior management. In 2016, Wong Choi Ong increased his shareholding to 39.5% and continues to be the controlling shareholder upon the Listing.

The historical milestones of our business are as follows:

- (i) **Inception of our business as subcontractor for design, fabrication, installation, testing and commissioning and subsequently as a main contractor**

Year 2004

We commenced operations in 2004 and our first project was in the fabrication and installation of structural works at a palm oil mill. This was for the Kekayaan palm oil mill in Paloh, Johor, owned by a subsidiary of KLK Group. In the early years following our inception, we operated from our rented premises in Kawasan MIEL, Bandar Baru Seri Alam in Masai, Johor. We would fabricate the steel structures in our fabrication facility before they were installed at project sites.

6. INFORMATION ON OUR GROUP (CONT'D)Year 2005

In 2005, we continued to work as a subcontractor for the design, fabrication, installation, testing and commissioning of a steriliser station. A steriliser station involves an integrated series of equipment as part of a palm oil milling line where oil palm fresh fruit bunches are cooked under steam pressure. This was for part of the newly constructed Merotai palm oil mill in Tawau, Sabah, owned by Golden Hope Plantations (Sabah) Sdn Bhd.

As part of our expansion plans, we purchased a three-acre piece of land in Pasir Gudang, Johor in 2005, where we constructed our present head office and fabrication facility with a total gross floor area of 112,644 sq ft. The construction of the fabrication facility and office administration building was completed and we relocated our operations to this new premises in May 2006.

Years 2006 to 2007

In 2006, we achieved a milestone when we secured our first project as a main contractor directly from a palm oil mill owner, which was for the design and fabrication of the front-end handling system for a steriliser station. This was installed in the Lambir palm oil mill in Miri, Sarawak owned by Sarawak Oil Palms Berhad. Our design was based on a continuous, modular and compact system with hydraulic and automation systems. In the same year of 2006, we secured additional contracts as a main contractor for the construction and fabrication of a palm oil refinery and kernel crushing plant and facilities. This was for KLK Group in Lahad Datu, Sabah. We implemented the project in 2 phases with the commencement of the first phase in November 2006 and completed in August 2008, while the second phase commenced in November 2006 and completed in December 2008.

In 2007, we secured a project comprising mechanical and electrical works, pumps, piping and firefighting system for a palm oil bulking facility in Kuantan Port, Pahang owned by Cargill Palm Products Sdn Bhd. This bulking facility is used to store crude and refined palm oil products. This project commenced in October 2007 and was completed in September 2008.

(ii) Expansion of our business in Malaysia and to other countries (Indonesia, Gabon and Liberia) including incorporation of our wholly-owned subsidiaries in Singapore and Malaysia

Year 2007

In the same year in 2007, we achieved a major milestone in our geographical expansion by securing our first project in a foreign country, Indonesia from KLK Group, an existing customer of our Group. This was to carry out mechanical works for the installation of machinery and piping as part of the construction of a biomass power plant for the Mandau palm oil mill for KLK Group in Riau, Indonesia. This project commenced in May 2007 and was completed in July 2009.

Year 2008

In 2008, we registered with DOSH as a manufacturer of unfired pressure vessels. We also incorporated ETSB, our wholly-owned subsidiary in Malaysia as a company involved in the fabrication and supply of energy and environmental related equipment. The company commenced business in 2008 when it secured a purchase order for the supply of a dust filtration system.

Year 2014

In 2014, we achieved another major milestone by expanding our market coverage to Gabon, a country on the west coast of Africa. Since our first project in 2014, Gabon has become a major revenue contributor for our Group during the Financial Years Under Review up to the LPD.

6. INFORMATION ON OUR GROUP (CONT'D)

Our first turnkey contract in Gabon was awarded by a new customer, Olam Palm, a joint-venture company which was established between the Gabonese government and Olam International Limited. Olam International Limited has been succeeded by Olam Group Limited as the listed entity on 16 March 2022 on the Singapore Exchange (SGX) Mainboard. As at 31 May 2022, Olam International Limited is an indirect wholly-owned subsidiary of Olam Group Limited, which is 51.1%-owned by Temasek Holdings (Private) Limited. We were engaged for the civil, structural, mechanical, piping and electrical works for a palm oil mill and kernel crushing plant at their Awala plantation in Kango, Gabon. This project commenced in March 2014 and was completed in August 2015. As part of these constructions, we were also engaged to build supporting facilities including workers' quarters, operational buildings such as office, laboratory and storage facilities, and community amenities such as school and clubhouses.

Year 2015

Following our first project in Gabon, in 2015 we secured the following additional contracts for the construction of plants and facilities in the country:

- A contract from Olam Palm for the civil, structural, mechanical, piping, electrical and piling works for a palm oil mill at Mouila, a town in the southwestern part of Gabon;
- Two contracts from Olam Palm, one for the construction of 28 blocks (280 units) of workers' quarters at Mouila, and one for the construction of 12 blocks (120 units) of workers' quarters at Awala; and
- A contract from Olam Rubber, a joint-venture company which was established between the Gabonese government and Olam International Limited, for the construction of 10 blocks (100 units) of workers' quarters at Bitam.

During the same year in 2015, we continued to address business opportunities in Malaysia where we secured a contract for the design, supply, fabrication, testing and commissioning of a biogas plant at the Jeram Padang palm oil mill, Negeri Sembilan from KLK Group. The project commenced in April 2015 and was completed in February 2018.

Year 2016

In 2016, we further expanded our geographic reach when we secured three contracts from Libinc Oil Palm Inc (subsidiary of the KLK Group) for the fabrication and supply of mechanical, civil, structural and electrical equipment and related accessories for a palm oil mill complex in Liberia, a country on the west coast of Africa. We also secured one additional contract in Gabon in 2016, which was from Sotrader (a 49:51 joint-venture company, which was established between Olam International Limited and the Gabonese government) to construct 6 blocks (60 units) of workers' quarters at Ndende.

As part of our expansion plans, we incorporated AEPL, our wholly-owned subsidiary in Singapore in 2016. The company commenced business operations in the same year of 2016 and was involved in the construction of plants and facilities, and fabrication of equipment focusing on projects in foreign countries outside of Southeast Asia.

Year 2017

In 2017, we secured contracts from Olam Palm for the construction of facilities in Gabon, comprising one contract for a total of 75 blocks (750 units) of workers' quarters at Mouila, Mandji, and Moutassou (commenced in August 2017 and completed in December 2018), and another contract for 10 blocks (100 units) of workers' quarters at the Awala oil palm plantation (commenced in August 2017 and completed in September 2018). We also secured a contract from Olam Rubber to construct 35 blocks (350 units) of workers' quarters for the Bitam rubber plantation in Gabon, which commenced in August 2017 and was completed in January 2019.

6. INFORMATION ON OUR GROUP (CONT'D)

We also secured additional contracts from Libinc Oil Palm Inc (subsidiary of the KLK Group) related to the construction of the Palm Bay palm oil mill in Liberia, including kernel crushing plant, bulking tanks and biogas plant, which commenced in November 2017 and completed in August 2021.

In 2017, we incorporated TWTSSB, our wholly-owned subsidiary in Malaysia. The company commenced business in 2017 primarily in the supply of spare parts and construction materials, and provision of maintenance services to complement our existing business.

Years 2018 to 2020

In 2018 and 2019, we continued to secured additional contracts in Gabon from Olam Palm, Olam Rubber and Sotrader including the construction of facilities at Mouila, Awala, Bitam and Ndende as well as the construction of palm oil mill plants at Mouila, Makouke and Awala, and facilities at the Moutassou and Makouke.

(iii) **Award of contracts by existing customer and new customer in other industry sectors and the expansion of our fabrication facility**

Years 2020 to 2022

In 2020, as part of our expansion plans for our fabrication facility in Johor, we started the construction of an extension (27,125 sq ft) on a one-acre piece of land which we acquired in 2007. The CCC for the extension of additional structures was obtained on 9 September 2021.

Between 2020 and the LPD, we secured contracts in other industry sectors namely paperboard and packaging, glove, explosives and renewable energy generation:

- Contracts and orders related to the upgrading of GS Paperboard & Packaging Sdn Bhd's paper mill at Banting, Selangor, including the supply of piping materials, fabrication and installation of storage tanks and additional mechanical works, which were secured between April and November 2020. The fabrication and installation of additional mechanical works was completed in April 2021, while the supply of piping materials and fabrication and installation of storage tanks were completed in July 2021.
- Contracts as part of the development of the GoodGloves Industries Sdn Bhd glove manufacturing plant at Sendayan, Negeri Sembilan, including fabrication of stainless-steel tanks, piping works for glove manufacturing lines, and construction works for warehouse and other buildings, which were secured between December 2020 and December 2021, some of which are on-going as at the LPD.
- Contracts to refurbish an existing building and construct new buildings as part of the development of an explosives manufacturing facility in Bentong, Pahang, which were secured in July 2021. Some of the works are on-going as at the LPD.
- In April 2022, we secured a contract to develop a renewable energy power station in Bachok, Kelantan, which will be used for renewable energy generation. As at the LPD, work has not commenced on this project.

6. INFORMATION ON OUR GROUP (CONT'D)

6.3 KEY MILESTONES

Since the commencement of our business, we have achieved the following key milestones:

Year	Key milestones
2003	<ul style="list-style-type: none"> EMESB was incorporated in Malaysia.
2004	<ul style="list-style-type: none"> EMESB commenced business operations when we were engaged as a subcontractor for the fabrication and installation of structural works at a palm oil mill in Paloh, Johor. We set up our fabrication facility at rented premises in Masai, Johor.
2006	<ul style="list-style-type: none"> We secured our first project as a main contractor directly from a palm oil mill owner. This was for the design and fabrication of the front-end handling system for a steriliser station for a palm oil mill in Miri, Sarawak. We completed the construction of our current head office and fabrication facility at Pasir Gudang, Johor and relocated our operations to this new premises.
2007	<ul style="list-style-type: none"> Achieved a major milestone in our geographical expansion when we secured our first foreign country project in Indonesia. This was to carry out mechanical works for the installation of machinery and piping as part of the construction of a biomass power plant for a palm oil mill at Riau, Indonesia.
2008	<ul style="list-style-type: none"> We registered with DOSH as a manufacturer of unfired pressure vessels, and we started to fabricate pressure vessels, including sterilisers. ETSB was incorporated in Malaysia as a company involved in the fabrication and supply of energy and environmental related equipment. The company commenced business in the same year in 2008 when it secured a purchase order for the supply of a dust filtration system.
2014	<ul style="list-style-type: none"> We achieved a major milestone by expanding our market coverage to Gabon, Africa. Gabon has become a major revenue contributor to our Group during the Financial Years Under Review up to the LPD. Our first turnkey project in Gabon where we secured a contract for civil, structural, mechanical, piping and electrical works for a palm oil mill and kernel crushing plant at the Awala plantation in Kango, Gabon. We were also engaged to build supporting facilities, such as workers quarters, operational buildings and community amenities.
2015	<ul style="list-style-type: none"> We secured four additional contracts in Gabon, comprising one contract for the civil, structural, mechanical, piping, electrical and piling works for a palm oil mill at Mouila and three contracts for the construction of workers' quarters at Mouila, Awala and Bitam.
2016	<ul style="list-style-type: none"> We further expanded our geographic reach to Liberia, Africa when we secured three contracts for the fabrication and supply of mechanical, civil, structural and electrical equipment and related accessories of a palm oil mill complex. AEPL was incorporated in Singapore, and commenced business in the construction of plants and facilities, and fabrication of equipment focusing on projects in foreign countries outside of Southeast Asia.

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Key milestones
2017	<ul style="list-style-type: none"> TWTSSB was incorporated in Malaysia, and commenced business in the same year supplying spare parts and construction materials, and provision of maintenance services to complement our existing business.
2018	<ul style="list-style-type: none"> We secured additional contracts in Gabon, including construction of facilities in Mouila, Awala, Bitam and Ndende.
2019	<ul style="list-style-type: none"> We secured contracts in Gabon, including the construction of the Mouila Lot 3 palm oil mill facility, workers' quarters at the Moutassou Mill and Makouke Mill, a biogas plant as part of the Awala palm oil mill, and a kernel crushing plant for the Makouke palm oil mill at Mouila.
2020	<ul style="list-style-type: none"> We expanded our coverage to other industry sectors when we secured contracts for the supply piping materials and fabrication and installation of storage tanks and additional mechanical works for a paperboard and packaging mill at Banting, Selangor. In addition, we secured contracts related to the fabrication of stainless steel tanks for a new glove manufacturing plant at Sendayan, Negeri Sembilan.
2021	<ul style="list-style-type: none"> We secured a contract to refurbish an existing building and construct new buildings for the development of an explosives manufacturing plant in Bentong, Pahang in July 2021. We constructed an extension to our fabrication facility in Johor and the CCC for the extension of additional structures was obtained on 9 September 2021. We continued to secure additional scope of works for the new glove manufacturing plant at Sendayan relating to, among others, civil and steel structural works for warehouse, office, electrical sub-stations and piping works for glove manufacturing lines.
2022	<ul style="list-style-type: none"> We secured a contract for civil, structural, installation, testing and commissioning works for the construction of a renewable energy power station in Bachok, Kelantan in April 2022.

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6. INFORMATION ON OUR GROUP (CONT'D)**6.4 INFORMATION ON OUR SUBSIDIARIES**

As at the LPD, the details of our subsidiaries are as follows:

Name and registration no.	Date and place of incorporation	Principal place of business	Issued share capital	Effective equity interest (%)	Principal activities
AEPL (201601045G)	15 January 2016/ Singapore	Singapore	SGD200,000	100.0	Construction of plants and facilities, and fabrication of equipment
EMESB (200301032285 (634706-W))	18 November 2003/ Malaysia	Malaysia	RM5,750,000	100.0	Construction of plants and facilities, fabrication of equipment, and supply of materials and equipment
<u>Subsidiaries of EMESB</u>					
ETSB (200801008771 (810058-V))	17 March 2008/ Malaysia	Malaysia	RM2,000,000	100.0	Fabrication and supply of energy and environmental related equipment
TWTSSB (201701028723 (1242892-A))	14 August 2017/ Malaysia	Malaysia	RM2	100.0	Supply of spare parts and construction materials, and provision of maintenance services ⁽¹⁾

Note:

(1) As TWTSSB does not have subsisting contracts, it is dormant as at LPD.

We do not have any material joint venture or associated company.

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6. INFORMATION ON OUR GROUP (CONT'D)**6.5 MATERIAL INVESTMENTS AND DIVESTITURES**

Save as disclosed below, we do not have any other material investments and divestitures for the Financial Years Under Review and up to the LPD:

	FYE 2018 (RM'000)	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)	1 January 2022 up to the LPD (RM'000)
Investments cost					
Freehold land and building ⁽¹⁾	2,927	-	-	-	-
Plant and machinery ⁽²⁾	505	288	422	1,076	225
Life insurance policies ⁽³⁾	-	2,181	-	-	-
Total	3,432	2,469	422	1,076	225

Notes:

- (1) Represents the purchase of a piece of freehold land with a semi-detached factory erected thereon by ETSB from Eco Business Park 1 Development Sdn Bhd. Further details of the freehold land and semi-detached factory are set out in Section 7.19.1 of this Prospectus.
- (2) Comprising machinery and equipment which were used for our day-to-day operations.
- (3) Represents life insurance and key man insurance policies taken to insure the managing director of EMESB, Wong Choi Ong, which are part of the security arrangement of one of the financial institutions in granting banking facilities to our Group. EMESB, as the beneficiary, will be receiving the payout of the investment upon the maturity of the insurance. The investments have maturity periods ranging from 1 to 5 years. Although the said financial institution has granted consent to the change of shareholding in EMESB and a conditional consent to the release of personal guarantees provided by Wong Choi Ong and Pan Kum Wan, the life insurance and key man insurance policies remain as part of the security arrangement for the granting of various banking facilities from the said financial institution, which include term loans, trade financing, overdraft facility and performance guarantees.

The material investments above were mainly financed via a combination of internally generated funds and bank borrowings. We did not have any material divestment during the Financial Years Under Review and up to the LPD.

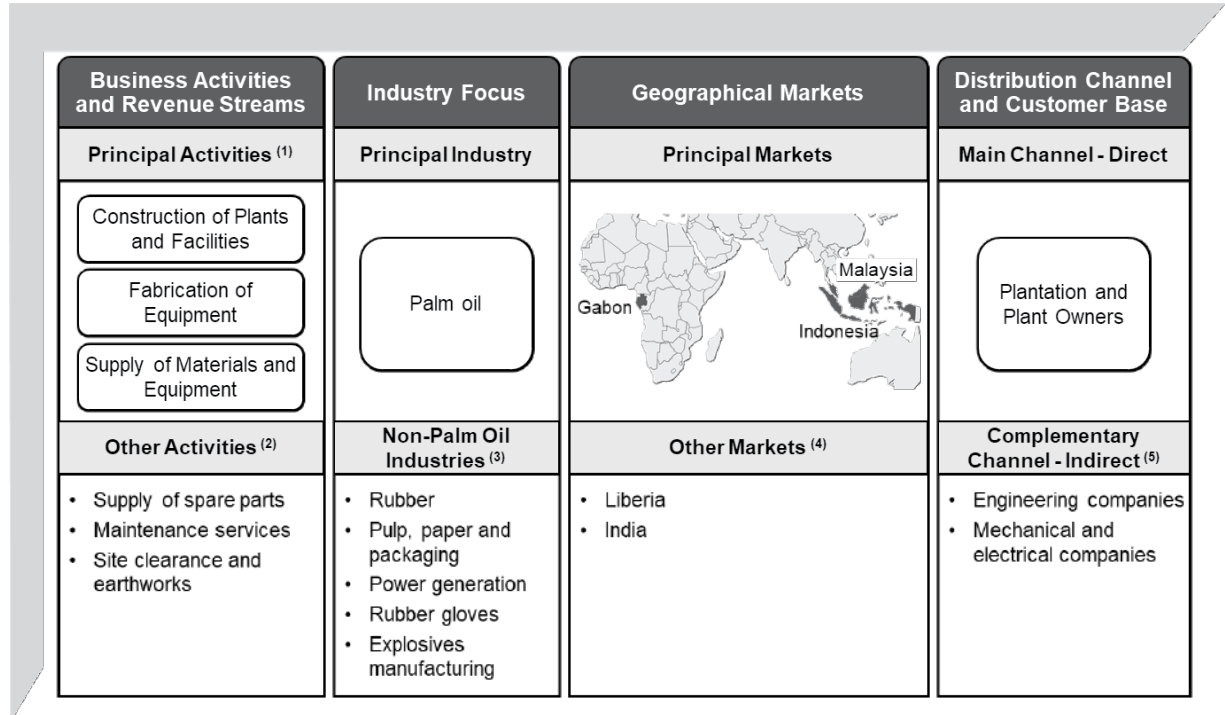
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7. BUSINESS OVERVIEW

7.1 OVERVIEW OF OUR BUSINESS

7.1.1 Our Business Model

Our business model is depicted in the following diagram:



Notes:

- (1) Construction of plants and facilities, fabrication of equipment and supply of materials and equipment contributed 77.8%, 11.7% and 8.5%, respectively to our total revenue for the FYE 2020. As for the FYE 2021, construction of plants and facilities, fabrication of equipment and supply of materials and equipment contributed 56.3%, 21.6% and 21.0% of our total revenue respectively. For further information on the revenue contribution by business activities, kindly refer to Section 7.1.2 of this Prospectus.
- (2) Other activities accounted for 2.0% and 1.1% of our total revenue for the FYE 2020 and FYE 2021 respectively.
- (3) Non-palm oil industries accounted for 13.1% and 28.9% of our total revenue for the FYE 2020 and FYE 2021 respectively.
- (4) Liberia accounted for 0.5% and 0.3% of our total revenue for the FYE 2020 and FYE 2021 respectively. India accounted for 1.1% of our total revenue for the FYE 2019 and no revenue was recorded from this country for the FYE 2020 and FYE 2021.
- (5) Indirect channel accounted for 9.6% and 23.4% of our total revenue for the FYE 2020 and FYE 2021 respectively.

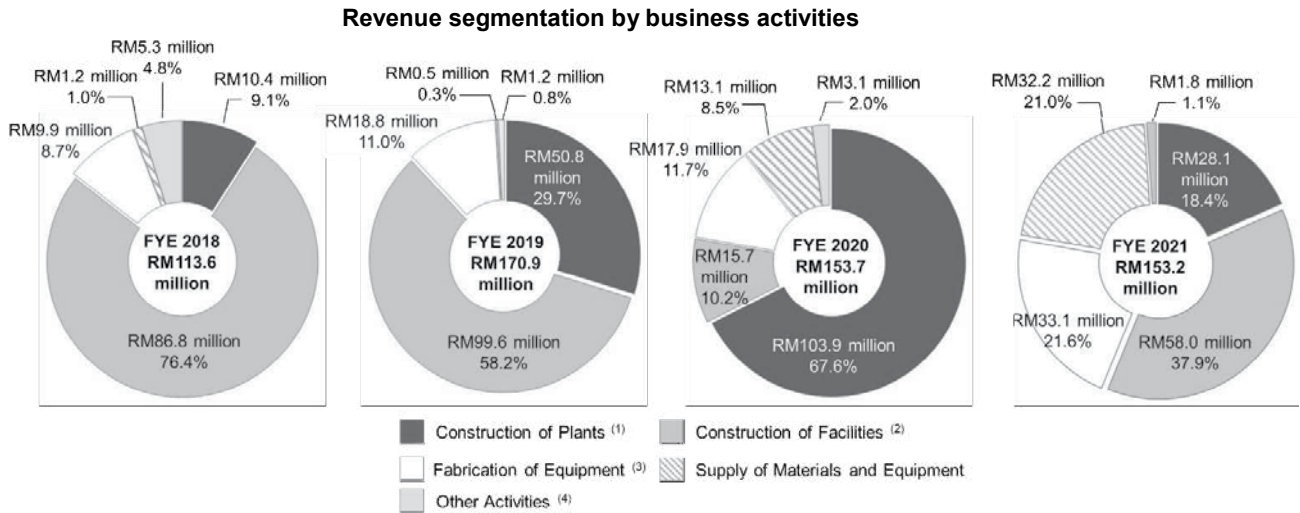
7.1.2 Business Activities and Revenue Streams

We are a one-stop solution provider for the construction of palm oil mills and supporting facilities, and fabrication of equipment.

Our core activities are in the construction of plants, which are mainly palm oil mills and facilities supported by our in-house fabrication of equipment. Other complementary activities include supply of materials and equipment, spare parts and provision of maintenance services.

7. BUSINESS OVERVIEW (CONT'D)

Our revenue segmentation by business activities are as follows:



Notes:

- (1) Includes construction of new plants and upgrading of existing plants (including buildings and equipment).
- (2) Includes construction of facilities such as workers' quarters, operational buildings, amenities and infrastructure.
- (3) Includes fabrication of standalone equipment.
- (4) Includes supply of spare parts and provision of civil works and maintenance services.

(i) Construction of plants and facilities

(a) Construction of plants

For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, construction of plants accounted for RM10.4 million (9.1%), RM50.8 million (29.7%), RM103.9 million (67.6%) and RM28.1 million (18.4%) of our total revenue respectively.

We carry out construction of entire plants such as palm oil mills, palm oil refineries, and biodiesel, biogas and power generation plants. This business segment also includes plant upgrade and expansion works. We work based on designs and specifications provided by our customers.

We are a turnkey contractor for the construction of plants and facilities, where we are responsible for project planning, supervision and management, constructing the buildings, fabricating the plant equipment and structures, and installation, testing and commissioning. We also engage subcontractors to perform certain works under our control, supervision and management. For further information on the works carried out by subcontractors, please refer to Section 7.3.1.1 (k) in this Prospectus.

Most of the equipment and steel structures for the plants are fabricated at our fabrication facility in Pasir Gudang, Johor and we ship them to the various sites in Malaysia, Gabon and other foreign countries. We only fabricate static equipment which consists of equipment without moving parts used in processing and manufacturing operations. Meanwhile we will purchase rotating equipment such as motors, engines, hoists and pumps and integrate them with our static equipment to complete the entire plant.

7. BUSINESS OVERVIEW (CONT'D)

For the Financial Years Under Review, our customers were mainly owners of oil palm plantations and palm oil mills. For the Financial Years Under Review, our projects were mainly in Gabon, Malaysia, Indonesia and Liberia. For further information on the description of the completed and on-going projects, customers and duration of the projects for the construction of plants, please refer to Section 7.3.1.1 (m) and (n) of this Prospectus.

(b) Construction of facilities

For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, construction of facilities accounted for RM86.8 million (76.4%), RM99.6 million (58.2%), RM15.6 million (10.2%) and RM58.0 million (37.9%) of our total revenue respectively.

The types of facilities we construct included palm oil mill and plantation, and rubber plantation facilities such as workers' quarters, operational buildings such as offices, laboratories and storage areas, community amenities such as schools, clinics and clubhouses, irrigation system, and infrastructure such as power distribution systems, as well as facilities for other industries such as buildings for rubber glove manufacturing plants, explosives manufacturing facilities and renewable energy power station. We work from designs and specifications provided by our customers.

We are a turnkey contractor for the construction of facilities, where we are responsible for project planning, supervision and management, constructing the buildings, and inspection and handover of the project. We also engage subcontractors to perform certain works under our control, supervision and management.

For the Financial Years Under Review, our customers were mainly owners of or contractors for oil palm and rubber plantations, palm oil mills, and other facilities such as glove and explosives manufacturing facilities, and renewable energy power station. For the Financial Years Under Review, our projects were mainly in Gabon and Malaysia. For further information on the description of the completed and on-going projects, customers and duration of the projects for the construction of facilities, please refer to Section 7.3.1.2 (j) and (k) of this Prospectus.

(ii) Fabrication of equipment

For the Financial Years Under Review, the fabrication of equipment contributed RM9.9 million (8.7%), RM18.8 million (11.0%), RM17.9 million (11.7%) and RM 33.1 million (21.6%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. The revenue from this segment is for standalone equipment and does not include revenue from equipment for the construction of plants. For FYE 2018, FYE 2019, FYE 2020 and FYE 2021, all of our revenue from the fabrication of equipment was based on fixed lump sum or fixed lump sum plus scheduled rates modes of operation. While we started to lease some non-chemical water treatment equipment to some of our customers during FYE 2020 under a trial period, we did not recognise any revenue from these customers. We started to recognise revenue from the leasing of non-chemical water treatment equipment commencing from FYE 2021 amounting to approximately RM12,000 for that financial year.

The equipment that we fabricate are commonly for existing mills that require replacement or upgrading of some of their palm oil mill equipment. As we fabricate most of the static equipment for the palm oil mill, we are able to meet most, if not all of our customer's requirements. We have the capabilities to design palm oil milling equipment, and in some cases our customers provide the designs and specifications for us to fabricate. We also fabricate and supply energy and environmental related equipment such as heat recovery equipment and non-chemical water treatment equipment.

7. BUSINESS OVERVIEW (CONT'D)

For the Financial Years Under Review, our customers were mainly owners of oil palm plantations, palm oil mills, paperboard and packaging, and glove and other manufacturing facilities, engineering consultants and M&E contractors. For the Financial Years Under Review, our projects were mainly in Gabon, Malaysia, and Indonesia. For further information on the description of the completed and on-going projects, customers and duration of the projects for the fabrication of equipment, please refer to Section 7.3.2 (d) and (e) of this Prospectus.

(iii) Supply of materials and equipment

For the Financial Years Under Review, the supply of materials and equipment contributed RM1.2 million (1.0%), RM0.5 million (0.3%), RM13.1 million (8.5%) and RM32.2 million (21.0%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. The materials that we supplied included construction materials and piping materials were as follows:

- Piping materials such as pipes, flanges and connectors for piping works;
- Heavy construction equipment, comprising the sale of new and used excavators, tractors and backhoe loaders; and
- Construction materials such as spun piles, gravel, sand and bricks.

For the Financial Years Under Review, our customers were mainly contractors as well as owners and operators of oil palm plantations and palm oil mills. For the Financial Years Under Review, our customers were mainly in Gabon, Malaysia and Indonesia. As the supply of materials and equipment are mainly based on purchase orders, the duration of the said activities is not applicable.

During the Financial Years Under Review and up to the LPD, we did not supply any other types of materials and equipment, save for the piping materials, heavy construction equipment, construction materials and spun piles as listed above. We sourced these piping materials, heavy construction equipment, construction materials and spun piles from third party suppliers.

(iv) Other activities

Revenue contribution from other activities amounted to RM5.3 million (4.8%), RM1.2 million (0.8%), RM3.1 million (2.0%) and RM1.8 million (1.1%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Our other activities during the Financial Years Under Review are mainly focused on supporting our customers including, supplying spare parts and providing maintenance services. We also carried out civil works.

Our other activities included the following:

- Supplying spare parts for palm oil milling machinery. We would supply the spare parts for the machinery and equipment that we fabricated in-house. As for the spare parts for the machinery and equipment that were manufactured externally, we would source these parts from the respective external manufacturers;
- Providing maintenance services for plants and facilities; and
- Site clearing and earthworks for the construction of a biomass power plant in Kluang, Johor, where we engaged a subcontractor to carry out the work.

For the Financial Years Under Review, our customers were mainly owners and operators of oil palm plantations, palm oil mills, power generation and other plants. For the Financial Years Under Review, our customers were mainly in Gabon, Malaysia, Indonesia and Liberia.

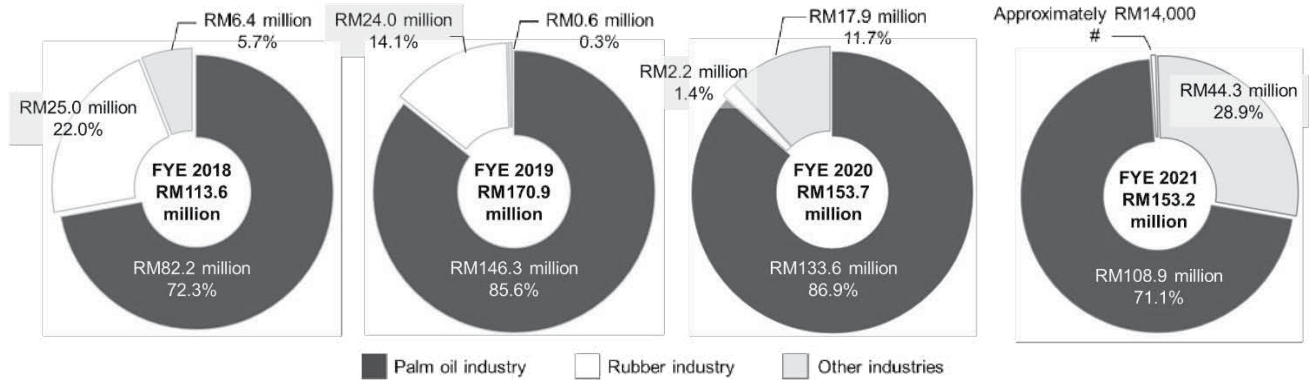
As our other activities are mainly based on purchase orders, save for site clearing and earthworks, the duration of our said activities are not applicable. For further information on the description of the site clearing and earthworks, its customers and duration of the project, please refer to Section 7.3.4 of this Prospectus.

Please refer to Section 7.3 of this Prospectus for details of our business activities.

7. BUSINESS OVERVIEW (CONT'D)

7.1.3 Industry Focus

Our business is focused on the palm oil industry and it represented the majority of our revenue for the Financial Years Under Review as indicated below:



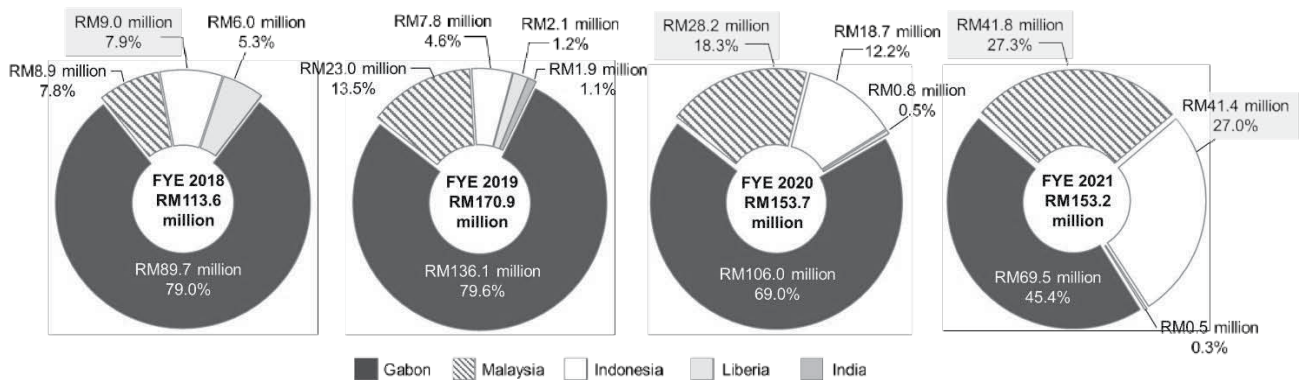
Note:

Less than 0.1%.

Revenue derived from the palm oil industry covers all aspects of our business, while revenue derived from the rubber industry is mainly for construction of facilities. Revenue derived from other industries are mainly for the fabrication of equipment, construction of plants and facilities, and supplying construction materials, construction equipment, spare parts and provision of maintenance services.

7.1.4 Geographical Markets

Our revenue segmentation by geographic markets during the Financial Years Under Review are set out below:



Our principal markets for the Financial Years Under Review were Gabon, Malaysia and Indonesia. Our presence in Liberia was established in 2016 when we secured three contracts from Libinc Oil Palm Inc (subsidiary of the KLK Group).

Gabon was our largest market which accounted for RM89.7 million (79.0%), RM136.1 million (79.6%), RM106.0 million (69.0%) and RM69.5 million (45.4%) of our revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Olam Group was the main contributor of the revenue derived from Gabon. Revenue contribution from Olam Group accounted for more than 99% of our revenue from Gabon for the FYE 2018, FYE 2019 and FYE 2020, and 84.0% for the FYE 2021 while Palm Tech Engineering Construction contributed approximately 1.0% and 16.0% to the Group's revenue from Gabon for the FYE 2020 and FYE 2021, respectively. Palm Tech Engineering Construction is located in Gabon where our Group supplies heavy construction equipment to the company.

7. BUSINESS OVERVIEW (CONT'D)

This is followed by Malaysia, which accounted for RM8.9 million (7.8%), RM23.0 million (13.5%), RM28.2 million (18.3%) and RM41.8 million (27.3%) of our revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively, while Indonesia accounted for RM9.0 million (7.9%), RM7.8 million (4.6%), RM18.7 million (12.2%) and RM41.4 million (27.0%) of our revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Liberia accounted for RM6.0 million (5.3%), RM2.1 million (1.2%), RM0.8 million (0.5%) and RM0.5 million (0.3%) of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. India accounted for 1.1% of our revenue for FYE 2019, and no revenue from India was recorded for the FYE 2018, FYE 2020 and FYE 2021.

We do not have a physical presence or business entity in Gabon, Indonesia, Liberia and India. We implement our projects in these countries based on the following arrangements:

- (i) As at LPD, we have 18 employees in Gabon managing and supervising our projects in Gabon. We work with contract workers as well as subcontractors in Gabon under our direct control, supervision and management.
- (ii) We do not have employees stationed in Indonesia as at the LPD as the projects are remotely managed by our team in Johor. The construction works are carried out by external parties that are engaged by the customer, including the following:
 - Construction of the buildings, including earthworks, foundation and civil work; civil building and infrastructure; and
 - Plant construction, including piping works, electrical and installation.

The equipment that we fabricate at our fabrication facility in Pasir Gudang, Johor are delivered to the customer's worksites to Indonesia where they are installed by external parties.

Prior to the COVID-19 pandemic, our project engineers would conduct regular site visits to assess the situation at the worksites as part of our remote management process. During the COVID-19 pandemic, we are unable to conduct these regular site visits. The external parties engaged to carry out the construction and installation works would provide us with a monthly report to facilitate our remote management process. We communicate with these external parties via electronic means to check on the progress of the work and address any queries that they may have.

- (iii) We do not have employees stationed in Liberia as the project has been completed, save for the commissioning of the biogas plant, which does not require our employees or contract workers. For the Financial Years Under Review, we engaged subcontractors to carry out the works in Liberia under our direct control, supervision and management and these were managed remotely by our team in Johor.
- (iv) We do not have employees stationed in India as the project was a one-off project to supply equipment fabricated in Malaysia which has been completed. We do not require any licences or permits to supply fabricated equipment to India.

7. BUSINESS OVERVIEW (CONT'D)

7.1.4.1 Regulatory requirements and environmental issue

Our Group does not have any subsidiary which is operating our business in Gabon, Indonesia and Liberia.

With regards to our operations in Gabon, our Group subcontracts the works awarded by Olam Group to our Gabonese subcontractors. The work permits for our employees, contract workers and subcontractors in Gabon are procured by the project owner, Olam Group on our behalf. The projects and environmental related approvals such as administrative authorisation and environmental impact assessment are required to be obtained by the owner of the projects, i.e. Olam Group, instead of our Group. In addition, Gabon's construction industry practice does not specifically require our Group to have any prerequisite qualifications.

Our nature of works in Indonesia and Liberia involves the supply and delivery and coordination of the testing and commissioning of the plants, including machinery, equipment and related accessories. We are not involved in and have not carried out any construction works and/or installation of equipment in Indonesia and/or Liberia which are normally directly awarded by the project owners to their respective contractors. As such, the project-related approvals are typically obtained by the relevant project owners and we do not require any project permits from the respective country save for work permits for our employees who are sent to the sites to supervise and/or manage the projects, where required, which are procured by the project owners.

7.1.5 Distribution channels and customer base

We adopt both direct and indirect distribution channel strategy:

- Direct distribution channels where we secure contracts or purchase orders directly from owners of oil palm and rubber plantations, palm oil mills and other manufacturing plants, and other businesses.
- Indirect distribution channels where we secure contracts or purchase orders from intermediaries including engineering consultants or mechanical and electrical (M&E) contractors and other contractors. In these situations, we are a subcontractor to the engineering consultants or M&E contractors.

The revenue contribution from our direct and indirect distribution channels for the Financial Years Under Review are as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Direct distribution channel ⁽¹⁾	106,658	93.9	167,470	98.0	138,995	90.4	117,324	76.6
Indirect distribution channel ⁽²⁾	6,969	6.1	3,458	2.0	14,698	9.6	35,839	23.4
Total Revenue	113,627	100.0	170,928	100.0	153,693	100.0	153,163	100.0

Notes:

- (1) Owners of oil palm and rubber plantations, palm oil mills and other manufacturing plants, and other businesses.
(2) Includes engineering consultants, M&E contractors and other contractors.

7. BUSINESS OVERVIEW (CONT'D)

7.2 COMPETITIVE STRENGTHS

7.2.1 We provide a one-stop solution for the construction of plants and facilities for palm oil mills and plantations

We are positioned to provide a one-stop solution for the construction of plants and supporting facilities for palm oil mills and plantations. Our core competencies are in procurement, construction and commissioning of palm oil mills and facilities. These facilities are in support of the operations of plantations and mills that include workers' quarters, operational buildings such as offices, laboratories and warehouses, community amenities such as schools, clinics and clubhouses, irrigation system and infrastructure such as power distribution network. Our construction of palm oil mills is supported by our fabrication capabilities for palm oil milling equipment including threshers, vertical clarifiers, pressure vessels, sterilisers, and storage tanks, as well as other equipment including those for palm oil refineries, biogas plants and biodiesel plants.

Our one-stop solution provides convenience to customers as they would only need to deal with one turnkey contractor for the construction of palm oil mills and facilities.

7.2.2 We have key supporting activities including design and fabrication of palm oil milling equipment

We have the in-house capabilities to fabricate some of the main palm oil milling equipment when we are constructing palm oil mills. This enables us to control one of the cost components and timing of delivery for some of the main palm oil milling equipment. By fabricating some of the palm oil milling equipment in-house, we are able to provide customised solutions based on the customers' specifications and requirements.

With our technical knowledge and hands-on experience in fabricating palm oil milling equipment, we are able to continuously improve the performance of the equipment in terms of key performance measures such as oil extraction rate, energy efficiency, reduction in manpower usage, and improve reliability and durability of equipment. We engage third party engineers or consultants to develop designs for palm oil milling equipment from time to time, which are then modified and improved on by our in-house engineering department.

7.2.3 We have an established track record of approximately 18 years which serves as the platform for continuing business sustainability and growth

We have built an established track record of approximately 18 years in providing construction and fabrication solutions for plants, facilities and equipment in Malaysia and foreign countries including Indonesia, Gabon, Liberia and India since we started our business operations in 2004. Since we commenced business, we have completed the construction of palm oil mills, palm oil refineries, biodiesel plants, biomass plant, and biogas plants, as well as upgraded palm oil mills. In addition, we have constructed facilities including workers' quarters, laboratory and office buildings, school, clubhouse, police station, power distribution networks and irrigation system, and a warehouse in Gabon.

Our established track record in construction and fabrication works in Malaysia as well as foreign countries will serve as a reference site and platform for us to grow our business.

7. BUSINESS OVERVIEW (CONT'D)

7.2.4 Our top customers are owners of oil palm plantations and palm oil mills, other manufacturing plants and other businesses with operations in Malaysia and foreign countries to provide us with business growth opportunities as they expand their business

For FYE 2020 and FYE 2021, 88.2% and 67.1% respectively of our total revenue were derived from contracts secured directly with owners of oil palm plantations and palm oil mills, other manufacturing plants and other businesses. This enables us to work directly with owners to better meet their requirements and cultivate customer loyalty with the aim of generating future business opportunities as they expand their businesses.

Our customers continue to invite us to tender for projects as they expand their business operations in foreign countries. This includes, among others, our major customer, Olam Group whom we have been dealing with since 2014 on the construction of plant and facilities in Gabon. In addition, the KLK Group has been our customer since 2006, and they have invited us to tender for projects in Malaysia, Indonesia and Liberia.

7.2.5 We serve customers in multiple countries which provides us with business growth and opportunities

For the Financial Years Under Review, we have successfully completed projects for domestic customers as well as customers in foreign countries including Gabon, Indonesia, Liberia and India. Our track record of operating in these countries increases our addressable potential markets to grow our business.

Malaysia and Indonesia are the world's top two producers of palm oil. Their continuing growth, especially Indonesia will provide us with opportunities to grow our business. While the palm oil industry in Malaysia and Indonesia are established, commercial oil palm cultivation is less established in Gabon, and therefore this present growth opportunities. In 2018, the agriculture area for the plantation of palm oil reached 32,000 hectares in Gabon based on the latest available information (*Source: IMR Report*).

This is in contrast to Malaysia where oil palm planted area amounted to 5.7 million hectares in 2021. As at the end of 2021, production of CPO and CPKO in Malaysia amounted to 18.1 and 2.0 million tonnes respectively. Furthermore, as at the end of 2021 there were 451 palm oil mills and 49 palm oil refineries operating in Malaysia. (*Source: IMR Report*)

Servicing customers in established and growing palm oil industries provide us with the platform for business sustainability and growth.

7.2.6 We have an experienced management team to sustain and expand our business

We are led by an experienced management team headed by our Managing Director, Wong Choi Ong who has approximately 28 years of experience in the construction of palm oil mills and facilities, and fabrication of palm oil milling equipment. He is supported by our Executive Director, Pan Kum Wan who has approximately 24 years of experience related to palm oil refinery operations, and approximately 21 years of experience in the construction of palm oil mills and facilities, and fabrication of palm oil milling equipment.

7. BUSINESS OVERVIEW (CONT'D)

Our other directors and technical key senior management also bring with them extensive experience including the following:

- Tia Tuan Sim, our Operational and Technical Director, has approximately 21 years of experience in the construction of palm oil mills and facilities, and fabrication of palm oil milling equipment;
- Andy Tan Boon Kiong, our Project Director in Gabon, has approximately 20 years of experience in the palm oil industry, and approximately 9 years of experience in the construction of palm oil mills and facilities, and fabrication of palm oil milling equipment;
- Thing Jin Suan, our Business Development Director, has approximately 17 years of experience in sales and marketing related to the palm oil industry.

We believe that our experienced management team will provide the platform to assist us to optimise on growth opportunities in Malaysia as well as in foreign markets. In order to retain our management team and attract new skilled personnel to mitigate over dependency on our key senior management, we have put in place a management succession plan as set out in Section 5.8 of this Prospectus.

7.3 BUSINESS ACTIVITIES, PRODUCTS AND SERVICES

We position ourselves as an integrated service provider for the palm oil milling industry where we provide:

- Construction of plants and facilities;
- Fabrication of equipment;
- Supply of materials and equipment; and
- Other activities.

Some of our plant and equipment projects



Top Left to Right: Palm oil mill; Refinery and fractionation plant; Kernel crushing plant.

Bottom Left to Right: Tank farm and bulking installation; Oleo-chemical plant; Biogas plant

7. BUSINESS OVERVIEW (CONT'D)

7.3.1 Construction of plants and facilities

The construction of plants and facilities was our largest revenue contributor which contributed RM97.2 million (85.5%), RM150.4 million (87.9%), RM119.5 million (77.8%) and RM86.1 million (56.3%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

7.3.1.1 Construction of plants

For the Financial Years Under Review, revenue from the construction of plants amounted to RM10.4 million (9.1%), RM50.8 million (29.7%), RM103.9 million (67.6%) and RM28.1 million (18.4%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

Our construction of plants mainly involves palm oil mills, while other palm oil related plants carry out supporting roles such as kernel crushing plants, palm oil refineries and biogas plants (that are part of a palm oil mill or palm oil refinery). The segmentation of our revenue between palm oil mills and other palm oil related plants is summarised in the following table:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	RM'000	%*	RM'000	%*	RM'000	%*	RM'000	%*
Construction of plants	10,369	9.1	50,832	29.7	103,877	67.6	28,145	18.4
<i>Palm oil mills</i>	6,709	5.9	40,340	23.6	87,923	57.2	23,483	15.3
<i>Other palm oil related plants</i> ⁽¹⁾	3,660	3.2	10,492	6.1	15,954	10.4	4,662	3.1

Notes:

* Percentage of our total revenue for the respective FYE.

(1) Including kernel crushing plants, palm oil refineries and biogas plants.

(a) Overview

A palm oil mill is a plant that processes FFB from oil palm trees to extract CPO and in some cases CPKO on a commercial scale. They are built within or close to oil palm plantations so that FFB can be processed as quickly as possible after harvesting, as the quality of palm oil will progressively deteriorate if processing is delayed.

Our construction of plants business segment includes construction of the entire plant, as well as upgrading works on existing plants. We are engaged as the turnkey contractor responsible for procuring the materials required, and carrying out the construction work up to testing and commissioning.

We have in-house facilities and capabilities to fabricate palm oil milling equipment and steel structures. In addition, we have the capability to carry out all the construction works to build a palm oil mill, including earthworks, civil works, steel structural works, mechanical and electrical works, and installing palm oil milling equipment. As a turnkey contractor, we are responsible for the total project where we use a combination of our in-house resources and contract workers to carry out the works as well as engage subcontractors to carry out some parts of the works under our direct control, supervision and management.

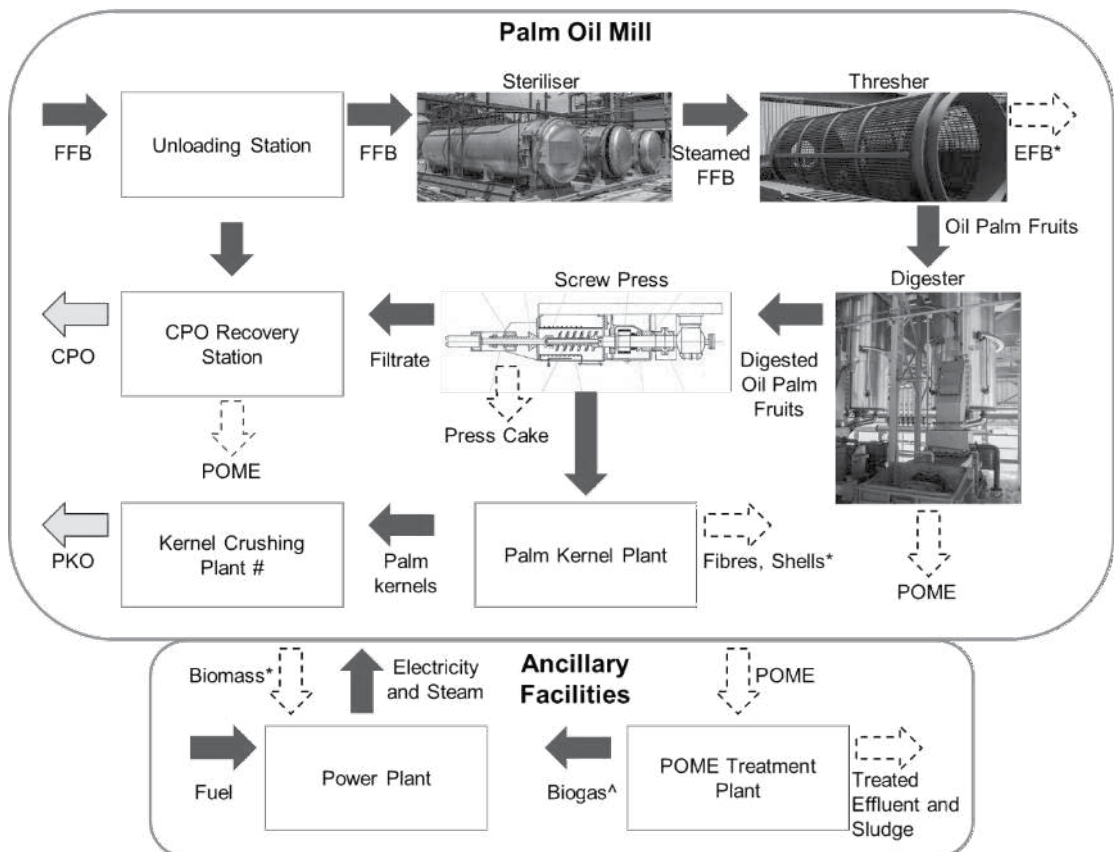
7. BUSINESS OVERVIEW (CONT'D)

(b) Palm Oil Mill

The palm oil mill we constructed at Mouila Plantation in Gabon



The following diagram provides an overview of the typical palm oil mill that we construct, with a representation of the palm oil milling processes and the main types of palm oil milling equipment that are typically installed at a palm oil mill:



FFB = Fresh fruit bunches; EFB = Empty fruit bunches; CPO = Crude palm oil; PKO = Palm kernel oil; POME = Palm oil mill effluent; * EFB, fibres and shells are biomass that are burned as fuel in biomass boilers; ^Only in POME treatment plants that includes biogas generators; # Some mills have on-site kernel crushing plant

➡ Input materials ➡ Output finished product - - - - - By-products/Waste.

7. BUSINESS OVERVIEW (CONT'D)

The main equipment that we fabricate are summarised in the table below. These types of equipment are then integrated with other machinery to become an operational palm oil mill. However, not all palm oil mills will have all the equipment mentioned below. We can fabricate most of the equipment in a palm oil mill, except for digesters, screw presses, ripple mills, palm kernel expellers, filter presses, EFB presses and EFB shredders, as well as boilers and steam turbine generators, which we purchase directly from suppliers or are provided by the customer.

Equipment	Source
Unloading station	Normally fabricate in-house
Steriliser	Normally fabricate in-house
Thresher	Normally fabricate in-house
Digester	Do not fabricate in-house
Screw press	Do not fabricate in-house
CPO recovery station	Normally fabricate in-house
Palm kernel plant	Normally fabricate in-house, except for ripple mills
Kernel crushing plant	Normally fabricate in-house, except for palm kernel expellers and filter presses
EFB processing station	Do not fabricate in-house
Biogas plant	Normally fabricate in-house, except for boilers and steam turbine generators
Bulking installation	Normally fabricate in-house, except for pumps
Palm oil mill power plant	Normally fabricate in-house, except for biomass boilers and steam turbine generators

The equipment that we fabricate are referred to as process equipment which are static equipment with no moving parts in the equipment. However, we are able to integrate rotating equipment such as engines, motors, hoists, pumps and generators with our static equipment including piping systems and structures to form the complete palm oil mill.

(i) Unloading Station

The unloading station is where the FFB from the oil palm plantation is received and initially processed. The main equipment used at an unloading station are:

Main Equipment	Description
Weigh Bridge ⁽¹⁾	<ul style="list-style-type: none"> Used to weigh the amount of FFB delivered to the palm oil mill.
FFB Splitter	<ul style="list-style-type: none"> Some palm oil mills are equipped with FFB splitters to break-up newly-arrived FFB into smaller pieces before sterilisation. Splitting FFB improves steam penetration, making it easier to heat the FFB, reducing energy consumption and shortening the sterilisation time.

Note:

(1) The Weigh Bridge is a machine that is purchased and installed by external vendors.

7. BUSINESS OVERVIEW (CONT'D)

(ii) Steriliser

A steriliser is a pressure vessel where FFB are steamed. The steaming process serves the following functions:

- Deactivates naturally occurring substances in oil palm fruits and seeds that break down palm oil into FFA. This helps to maintain the quality of CPO and CPKO, as FFA is regarded as undesirable material.
- Cleans and sterilises FFB by killing insects, other animals and microorganisms.
- Facilitate the removal of oil palm fruits from the bunch by softening the attachment between fruits and stalk.
- Helps oil recovery by softening the oil palm fruit's skin and pulp.
- Pre-condition palm seeds to minimise kernel breakage.

As we are registered with DOSH as a manufacturer of unfired pressure vessels, we fabricate sterilisers in-house.

(iii) Thresher

We fabricate threshers in-house and the thresher is used to process sterilised FFB to separate oil palm fruits from the rest of the fruit bunch. Oil palm fruits are collected to be fed into the digester. The left-over stalk and spikelets are known as EFB, which can be pressed to extract palm oil, burned as fuel in biomass power plants, or used as fertiliser.

(iv) Digester

The digester consists of a vertical stainless-steel cylindrical vessel with a central rotating shaft installed with metal stirring arms and a steam-powered heating system. The digester breaks down and cooks oil palm fruits for subsequent palm oil extraction and palm oil seed recovery. We engaged external parties to fabricate digesters for the palm oil mill.

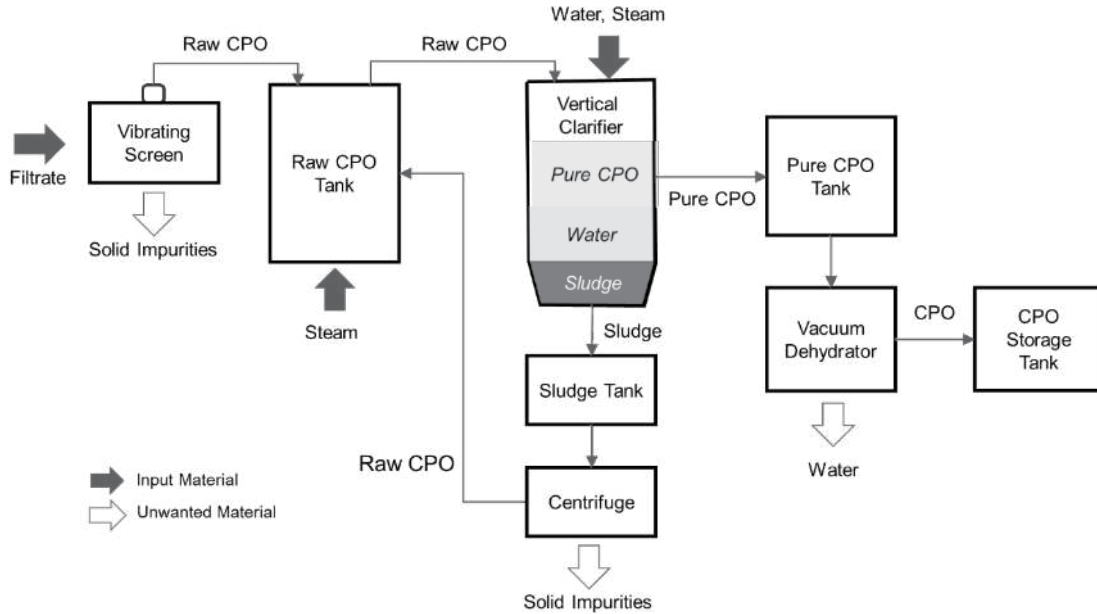
(v) Screw Press

In the screw press, the cooked oil palm fruits are pressed to squeeze out CPO, water and other liquids (collectively known as the "filtrate") from the solid material. The filtrate, together with some solid residues, is piped to the palm oil clarifying station for further processing. The left-over solid materials expelled from the screw press, known as "press cake", consists of compact waste fibres and oil palm seeds. The press cake is further processed in the palm kernel plant to recover oil palm seeds. We engaged external parties to fabricate screw presses for the palm oil mill.

7. BUSINESS OVERVIEW (CONT'D)

(vi) CPO Recovery Station

The CPO recovery station is where screw press filtrate is cleaned and processed to produce CPO that is suitable for sale or further refining and processing. The working principles of the CPO recovery station are illustrated in the following diagram:



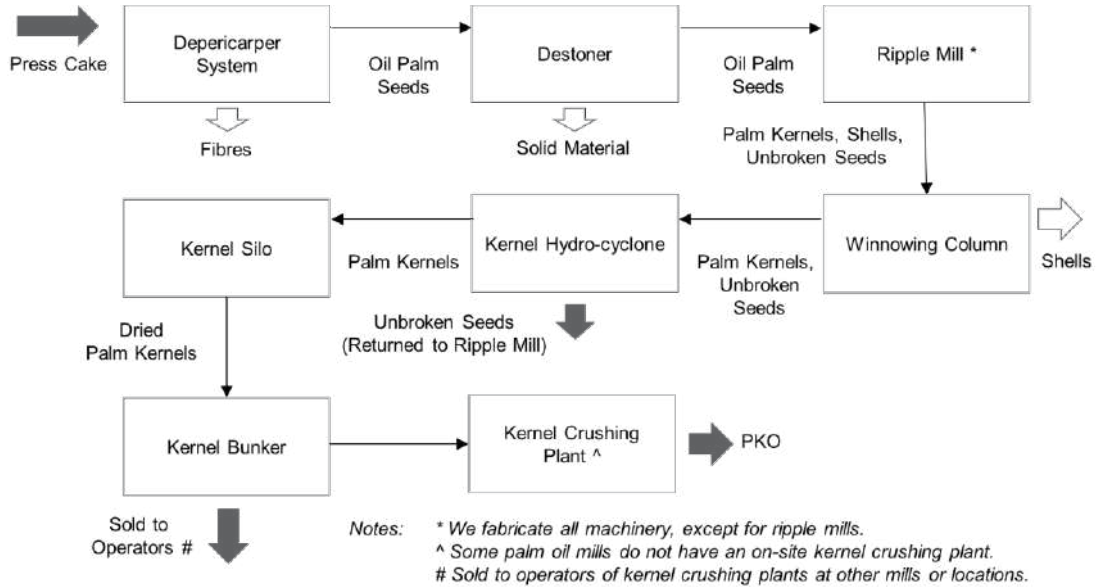
We design and fabricate the following types of equipment in a CPO recovery station:

Main Equipment	Description
Vibrating screen	<ul style="list-style-type: none"> Filtrate from screw presses is filtered to recover raw CPO and remove solid impurities.
Raw CPO tank	<ul style="list-style-type: none"> Steam is used to heat the tank to prevent raw CPO and sludge from solidifying.
Vertical clarifier	<ul style="list-style-type: none"> The vertical clarifier consists of a vertical metal tank with a conical bottom, and a steam heating coil. The mixture of water and crude CPO is heated by the steam heating coil. Pure CPO separates from and floats above the water, free from solid impurities. This pure CPO is piped into the pure CPO tank. Solid impurities sink to the bottom of the clarifier to form a sludge, which can be processed to recover some raw CPO.
Pure CPO tank	<ul style="list-style-type: none"> Pure CPO from the vertical clarifier is stored in the pure CPO tank before it is dried.
Vacuum drier	<ul style="list-style-type: none"> The CPO recovered from the vertical clarifier has high moisture content and must be dried to prevent loss of quality through the formation of FFA. Air is continuously pumped out of the vacuum dryer, which will cause water to leave the pure CPO. This continues until the CPO moisture content is reduced to the desired level.
CPO storage tank	<ul style="list-style-type: none"> The dried CPO is piped from the vacuum drier to the CPO storage tank to complete the CPO recovery process.

7. BUSINESS OVERVIEW (CONT'D)

(c) Palm Kernel Plant

The palm kernel plant is the portion of the palm oil mill where palm kernels are recovered, and in some mills, pressed to extract the CPKO. The working principles of the palm kernel plant are illustrated in the following diagram:



Most palm oil mills will have a palm kernel plant to recover palm kernels from press cake. However, some of the palm oil mills that do not have an on-site kernel crushing plant will sell their palm kernels to operators with kernel crushing plants.

We design and fabricate the equipment in a palm kernel plant, except for ripple mills:

Main Equipment	Description
Depericarping system	• To recover oil palm seeds from press cake expelled from screw presses. Airflow is used to blow the lighter fibres away from the heavier oil palm seeds, which are channelled into the nut polishing drum.
Nut polishing drum	• To remove any remaining fibres that may still be attached to oil palm seeds, and also to reduce the moisture content of the seeds.
Destoner	• To separate unbroken oil palm seeds from undesirable solid materials that can damage machinery and equipment.
Ripple mill *	• To crack hard oil palm seeds to remove palm kernels.
Kernel silo	• Palm kernels are dried by hot air in the kernel silo. Drying is necessary as excessive moisture can result in the formation of excessive FFA and rotting, which reduce the quality of CPKO.
Kernel bunker	• For storage of dried palm kernels.

Note:

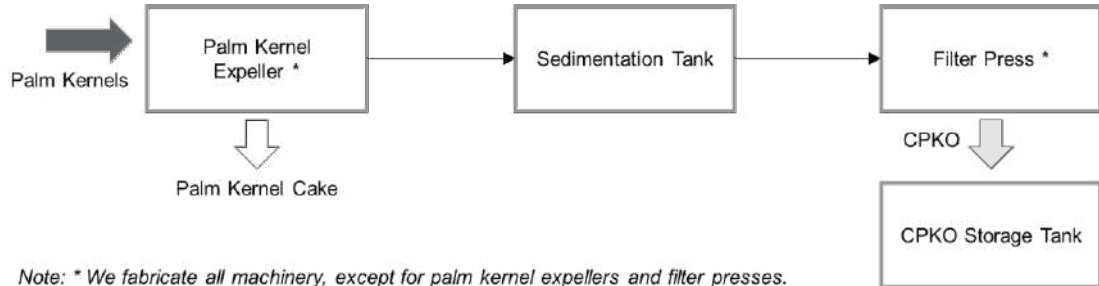
* We do not fabricate ripple mills in-house.

7. BUSINESS OVERVIEW (CONT'D)

(d) Kernel Crushing Plant

A kernel crushing plant is designed to process palm kernels to extract CPKO.

The working principles of a kernel crushing plant are summarised in the following diagram:



*Note: * We fabricate all machinery, except for palm kernel expellers and filter presses.*

We design and fabricate the following types of equipment in a kernel crushing plant with the exception of palm kernel expellers and filter presses:

Main Equipment	Description
Palm kernel expeller *	<ul style="list-style-type: none"> Functions in a similar manner as the screw press. The cooked and crushed palm kernels are squeezed to extract filtrate that is composed of CPKO with some solid impurities. The left-over solid material is known as palm kernel cake, which can be processed to produce animal feed.
Sedimentation Tank	<ul style="list-style-type: none"> Palm kernel expeller filtrate is stores temporarily in the sedimentation tank to allow solid impurities to settle at the bottom.
Filter press *	<ul style="list-style-type: none"> Filters out unwanted materials.
CPKO storage tank	<ul style="list-style-type: none"> Stores CPKO ahead of sale or further refining and processing.

Note:

* We engage external parties to fabricate palm kernel expellers and filter presses.

(e) EFB Processing

EFB from the palm oil milling process may be pressed to extract additional CPO. As we do not fabricate EFB processing equipment, we engaged external parties to fabricate such equipment for the kernel crushing plant. These are as set out below:

Main Equipment	Description
EFB Press *	<ul style="list-style-type: none"> Equipment that applies pressure to EFB to remove filtrate that contains CPO, water and other liquids. This filtrate is then processed in the same way as filtrate collected from screw presses. Processing EFB through EFB presses also reduces the moisture content of the EFB, which makes them more suitable for use as boiler fuel and raw materials for downstream processing.
EFB Shredder *	<ul style="list-style-type: none"> Used to shred bulky EFB to reduce them into smaller and more compactable fibres. The shredded EFB fibres may be used as fuel for biomass power plants or raw materials for other activities.

Note:

* We engage external parties to fabricate EFB presses and EFB shredders.

7. BUSINESS OVERVIEW (CONT'D)

(f) Biogas Plants for POME Treatment

Palm oil mills require a wastewater treatment plant to treat POME before it is discharged into the environment. POME refers to the wastewater that is generated during the palm oil milling process, including the sterilising, hydro-cyclone separation and decanting stages. It contains, among others, water, dirt and organic matter such as residual palm oil, fibres and carbohydrates. In Malaysia, the final discharge of POME must follow standards set by the Department of Environment, regardless of the POME treatment method used.

During the Financial Years Under Review, we have constructed biogas plants that are used for POME treatment at palm oil mills. In a biogas plant, the biogas generated from digestion of POME is captured and treated to separate methane, which is used to generate power.

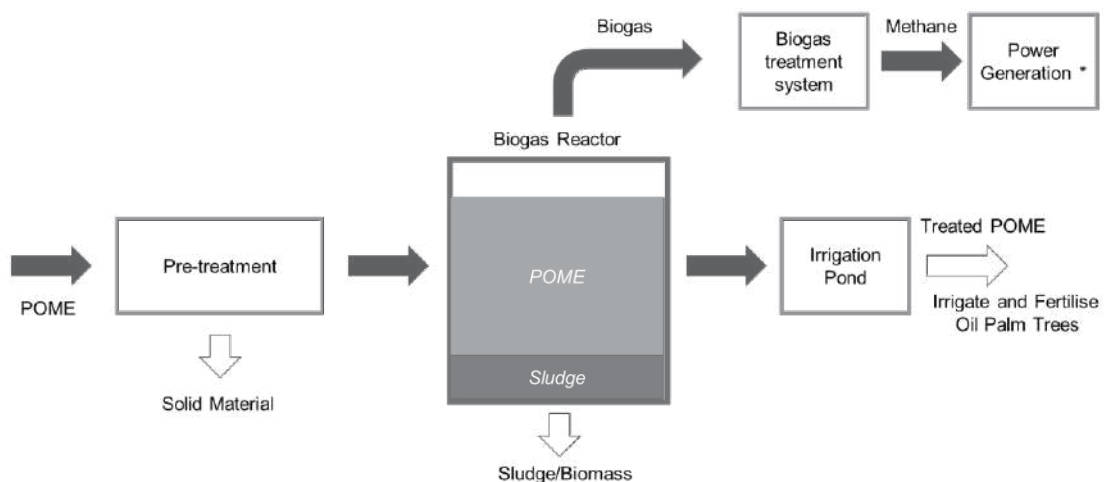
The main components of the biogas plants that we construct at palm oil mills comprise the following:

- POME pre-treatment system;
- Bioreactor tanks;
- Biogas treatment system; and
- Power generation system.

A biogas plant that we constructed in Malaysia



The working principals of a biogas plant are illustrated in the following diagram:



*Note: * Boilers and steam turbine generators are provided by external suppliers or the customer.*

7. BUSINESS OVERVIEW (CONT'D)

(g) Bulking Installation

Bulking installations refer to the large storage tanks that are used to store CPO, CPKO and refined oil products at facilities such as ports and near jetties. They comprise the following main parts:

- Foundation and reinforced concrete base;
- Vertically mounted cylindrical storage vessel made of welded steel plates;
- In some cases, the interior of the storage vessel is lined with protective material to prevent its contents from reacting with and/or corroding the metal;
- Pumps to fill and empty the bulking tank, purchased from external suppliers; and
- Jetty (where required).

(h) Palm Oil Refinery

A palm oil refinery is a plant where crude palm oil is further processed to remove undesirable constituents in order to improve its properties, such as its colour, clarity and odour. They may be built together with or close to palm oil mills as part of an integrated plant, or separately at locations away from palm oil mills. There are 2 main palm oil refining methods, namely physical refining and chemical refining. We have the capability to construct palm oil refinery using both the physical and chemical refining methods. We were involved in constructing a palm oil refinery that utilised the physical refining method. However, we have not been involved in the construction of palm oil refineries that utilise the chemical refining method as we have not had a customer that has requested for construction of a palm oil refinery using this method.

A palm oil refinery we constructed in Indonesia



(i) Palm Oil Mill Power Generation Plant

In some cases, our contract for palm oil mill construction includes the power generation plant. Palm oil mills are typically equipped with an on-site power plant to generate electricity and steam to run palm oil milling machinery and processes. The primary power generating system comprises 2 main components as follows:

- Biomass boiler; and
- Steam turbine generator.

Biomass boiler

A biomass boiler burns fuel derived from plant material (biomass) to generate steam, which is used to turn a steam turbine to generate electricity and as a source of heat. The fuel used by palm oil mill biomass boiler consists of waste generated from the palm oil milling process such as dry shredded EFB, seed shells, broken seeds, waste fibre and dried sludge and agricultural waste from the surrounding oil palm plantation such as oil palm fronds and tree trunks. By using these materials as fuel, it helps to reduce the volume of solid waste generated by the mill and plantation.

7. BUSINESS OVERVIEW (CONT'D)

Steam that is generated can be used for heating purposes including sterilisation, digestion, CPO clarifying and drying palm kernels. In addition, the steam is also used to heat oil and sludge in storage tanks to prevent them from solidifying.

The biomass boilers are provided by the customers and they are installed on-site by the supplier.

Steam Turbine Generator

A steam turbine generator converts the heat and kinetic energy in high pressure and temperature steam into electricity. Steam from the biomass boiler is directed onto the steam turbine rotor, which causes the shaft to rotate and drive the generator to produce electricity. The electricity is used to power other machinery and equipment within the palm oil mill. Steam that leaves the turbine still contains heat energy, and it is collected for use in process heating.

Steam turbine generators are normally provided by the customer, and installed by us.

(j) Our Scope of Work

We are engaged as the turnkey contractor by our customers to construct palm oil mill plants, where our scope of work comprises procurement, fabrication, construction and commissioning. The engineering and design of the palm oil mill plant are normally carried out by engineers or consultants that are engaged by the customer. In some instances, we engage external consultants to carry out the design. It is the responsibility of the customer and/or project owner to obtain the relevant approvals of the projects.

Procurement

In general, we are responsible for the procurement of the materials and services required to build the buildings and structures, fabricate the equipment, and perform other works. However, in some cases, the customer will provide specific machinery, equipment and materials to be used in the construction project.

Construction

Construction of the palm oil mill occurs at the respective work sites. The work includes site preparation, earthworks (comprising ground clearance, levelling and back filling where required), civil and structural, mechanical and electrical, building works and infrastructure works, and installation of palm oil milling machinery and equipment, including mechanical, electrical and piping works. These works are carried out using a combination of our in-house personnel, our contract workers and subcontractors. For further information, please refer to Section 7.3.1.1 (k) in this Prospectus.

Testing and Commissioning

We conduct testing and commissioning of the palm oil mill to ensure that all of the machinery and equipment works as designed, and the mill is fully functional in terms of being able to process FFB to produce CPO and CPKO, if a kernel crushing plant is included. We also measure the relevant performance metrics with reference to the contracted minimum performance guarantees, and make good any defects in performance to ensure that the palm oil mill meets the contracted minimum performance guarantees. We carry out testing and commissioning with our in-house resources, with the exception of specific tests where the customer requires independent assessment.

7. BUSINESS OVERVIEW (CONT'D)**(k) In-house and subcontracted works**

We use a combination of our in-house personnel, contract workers and subcontractors for the construction of palm oil mills. The parties that carry out works for our projects in Malaysia, Gabon and Indonesia during the Financial Years Under Review and up to the LPD are summarised in the following table:

	Project Location		
	Malaysia	Gabon	Indonesia
Project planning, management, HSE	A	A	A
Building and construction			
Earthworks	C	#	#
Civil and structural			
- Foundation and civil work	C	A, C	#
Mechanical and electrical			
- Mechanical	B	B	C
- Electrical, ventilation and telecommunications	C	C	C
Building works			
- Civil building	C	A, C	#
- Steel structure	B	A, C	C
Infrastructure	C	A, C	#
Plant construction			
- Equipment fabrication	A, D	A, D	A, D
- Piping works	B	A	#
- Electrical	C	C	#
- Installation	B	A	#
Testing and commissioning	A, C	A, C	A

Notes:

- A We carry out the works using our in-house personnel including contract workers.
- B We normally carry out these works in-house, however we do engage subcontractors to carry out these works when we have conflicting schedules or insufficient in-house staff or contract workers at that time.
- C The works are carried out by subcontractors under our control, supervision and management.
- D Some of the equipment are fabricated by suppliers or provided by the customers.
- # The works are not under our scope of work for the project and are usually carried out by other parties engaged by the customer.

7. BUSINESS OVERVIEW (CONT'D)

(I) Location of construction of palm oil mill plant projects

The locations of construction of palm oil mill plant projects in Malaysia, Gabon and Indonesia during the Financial Years Under Review and as at the LPD are illustrated in the following maps:



7. BUSINESS OVERVIEW (CONT'D)

(m) Completed Projects

With respect to our construction of plants business, a project is regarded as completed when the customer has accepted handover, or the final invoice has been submitted, or revenue for the project has been fully recognised.

The projects relating to construction of plants that we have completed during the Financial Years Under Review and as at the LPD with a contract value of more than RM2.0 million are summarised in the following table:

Customer	Description	Location	Contract Value ^{(1),(6)} (RM'000)	Start Date ⁽²⁾	Completion Date ⁽³⁾
PT Parit Sembada ⁽⁶⁾	Fabrication of palm oil milling machinery for the upgrading of the PT Parit Sembada palm oil mill	Kepulauan Bangka Belitung, Indonesia	3,924	Apr 2016	May 2018 ^(A)
PT Steelindo Wahana Perkasa ⁽⁶⁾	Civil, structural and mechanical works for upgrading of SWP Palm Oil Mill	Kepulauan Bangka Belitung, Indonesia	3,000	Feb 2017	Jul 2019 ^(A)
Libinc Oil Palm Inc ⁽⁶⁾	Construction of Palm Bay palm oil mill, comprising: - Kernel crushing plant - Bulking tanks - Biogas plant	Grand Bassa County, Liberia	1,071 3,930 5,282	Nov 2017 Nov 2017 Nov 2017	Oct 2020 ^(B) Oct 2020 ^(B) Aug 2021 ^{(4), (A)}
PT Sukses Karya Sawit	Civil, mechanical and electrical works for the upgrading of a palm oil mill at Ketapang in Kalimantan Barat	Kalimantan Barat, Indonesia	6,369	Mar 2018	Nov 2019 ^(A)
Sri Jelutong Palm Oil Mill Sdn Bhd	Fabrication and installation of palm oil milling machinery for the upgrading of the Sri Jelutong Palm Oil Mill at Pekan, Pahang	Pahang, Malaysia	5,850	Nov 2018	Feb 2020 ^(C)
PT Abdi Borneo Plantations	Fabrication, installation and commissioning of palm oil milling machinery for a new palm oil mill at Bulungan in Kalimantan Utara	Kalimantan Utara, Indonesia	13,654	Apr 2019	Mar 2021 ^(C)
KL-Kepong Edible Oils Sdn Bhd ⁽⁶⁾	Civil, structural and mechanical works for an existing palm oil refinery at Pasir Gudang, Johor	Johor, Malaysia	6,621	Jun 2019	Nov 2020 ^(A)
Victory Enghoe Plantations Sdn Bhd	Expansion of the Southern Malay palm oil mill at Renggam in Johor, comprising: - Construction, fabrication and installation of machinery - Construction, fabrication and installation of machinery (Phase 2)	Johor, Malaysia	9,227 3,617	Jul 2019 Jul 2020	Jul 2021 ^{(5), (B)} Apr 2021 ^{(5), (B)}
Olam Palm ⁽⁷⁾	Construction of the Mouila Lot 3 palm oil mill, comprising: - Civil, structural, piping, electrical and additional piling works - Kernel crushing plant	Mouila, Gabon	86,076 2,663	Jan 2019 Dec 2019	Oct 2021 ^{(8), (C)} Oct 2021 ^{(8), (C)}

7. BUSINESS OVERVIEW (CONT'D)

Customer	Description	Location	Contract Value (1)(4) (RM'000)	Start Date (2)	Completion Date (3)
Olam Palm (7)	Construction of biogas plant for the Awala palm oil mill	Awala, Gabon	14,865	Nov 2019	Oct 2021(9), (C)
Olam Palm (7)	Additional piling works in relation to the construction of the Mouila Lot 3 palm oil mill	Mouila, Gabon	12,165	Dec 2019	Aug 2020 (B)
Olam Palm (7)	Construction of kernel crushing plant building at Mouila Lot 1, and installation of kernel crushing plant machinery relocated from Makouke palm oil mill	Mouila, Gabon	4,683	Dec 2019	Jun 2020 (B)
Total			182,997		

Notes:

Projects are listed in chronological order of the start date.

(1) Contract value reflects the contract sum.

(2) The start date is based on the letter of award or commencement date as agreed with the customer.

(3) The completion date is based on: (A) the acceptance of handover or (B) submission of final invoice or (C) when revenue is fully recognised. Where possible, completion date is based on the acceptance of handover. However, if the customer has not provided acceptance of handover for projects for which we have completed our work, the completion date is based on the submission of final invoice, or when revenue is fully recognised and pending submission of the final invoice.

(4) The customer has accepted the handover letter in August 2021.

(5) An extension of time was granted by the customer from 31 December 2020, the initial date of completion, due to delays caused by the movement and business operation restrictions related to the on-going COVID-19 pandemic. These included closure of our head office and fabrication facilities between 18 March 2020 and 21 April 2020, resuming operations at our head office and fabrication facility at 50% workforce capacity between 22 April 2020 and 4 May 2020, and EMESB working at 60% workforce capacity from 1 June 2021 until 23 September 2021 (Johor entered Phase 2 of the NRP on 24 September 2021). In addition, we did not work at the customer's palm oil mill during MCO 1.0 as per their internal policy of not re-opening it to external service providers, such as our Group, during this period. Furthermore, as the customer's palm oil mill is an active facility, we were only allowed to carry out certain installation works during certain periods when it was undergoing scheduled shut-down. In addition, there were variation orders for additional piping works.

(6) Part of the KLK Group.

(7) Part of the Olam Group.

(8) The project has been completed and commissioned and is currently pending acceptance by the customer. There is no unrecognised revenue as at the LPD.

(9) The project is pending commissioning prior to handover to the customer. There is no unrecognised revenue as at the LPD.

(10) We did not receive any claims for LAD for any of the completed projects listed above as the projects were either completed by the agreed completion date (based on the original completion date, or subsequent extension of time or variation orders for additional work, if any), or the customers did not make any claims for LAD for projects that were completed after the agreed completion date, or there was no provision for LAD in the contracts.

7. BUSINESS OVERVIEW (CONT'D)

(n) On-going Projects

The projects relating to the construction of plants that are on-going as at the LPD are as follows:

Customer	Description	Location	Contract Value⁽¹⁾ (RM'000)	Unrecognised Revenue⁽²⁾ (RM'000)	Completion Stage⁽³⁾ (%)	Start Date⁽⁴⁾	Expected Completion Date⁽⁵⁾
PT Kapuas Maju Jaya Oil Mill	Civil, structural and mechanical works for new palm oil mill at Kapuas, Kalimantan Tengah	Kalimantan Tengah, Indonesia	17,750	1,928	89.1	Nov 2020	July 2022 ⁽⁶⁾
KL-Kepong Edible Oils Sdn Bhd ⁽⁷⁾	Civil and structural works to construct office building, workshop and wastewater treatment plant at an existing palm oil refinery in Pasir Gudang, Johor	Johor, Malaysia	3,791	3,791	-	April 2022	December 2022
Sime Darby Oils Port Klang Refinery Sdn Bhd	Piling works for new buildings and storage tanks, and demolition and relocation of existing tanks at an existing palm oil refinery in Port Klang, Selangor	Selangor, Malaysia	4,980	4,980	-	May 2022	August 2022
Total			26,521	10,699			

Notes:

- (1) Contract value reflects the contract sum.
- (2) Unrecognised revenue as at the LPD.
- (3) Completion stage as at the LPD is calculated as the recognised revenue as at the LPD divided by contract value.
- (4) The start date is based on the letter of award or commencement date as agreed with the customer.
- (5) The expected completion date of the project is based on date of completion stated in the letter of award or extension of time granted by our customer. We are on track to meeting the expected completion date subject to any unforeseen factors beyond our control such as another round of MCO that may affect the business activities of our Group due to compulsory closure of our business or reduction in workforce capacity. Should such unforeseen factors take place and if we foresee any delays in the completion of our projects, it is our practice to apply for an extension of time. Please refer to Section 7.23.5 of this Prospectus for information of on-going projects which our customers have provided us with an extension of time after we have notified them about the disruptions due to the COVID-19 conditions.
- (6) The original expected completion date of this project was November 2021. The customer had granted extension of time for this project until July 2022.
- (7) Part of the KLK Group.

7. BUSINESS OVERVIEW (CONT'D)

7.3.1.2 Construction of facilities

(a) Overview

Facilities refer to community facilities comprising residential and operational buildings, amenities and infrastructure to cater to the needs of the community that supports the operations of palm oil mills and rubber plantations. These facilities are integral to the effective and efficient operations of plantations and mills as some of them are located a long distance away from the nearest towns or other communities. In addition, facilities also include buildings for other industries such as for rubber glove and explosives manufacturing plants, and renewable energy power station.

For the Financial Years Under Review, construction of palm oil mill and plantation facilities was our largest contributor under the construction of facilities segment of our business. We also constructed rubber plantation facilities and other industry facilities. The segmentation of our revenue between palm oil mill and plantation facilities, rubber plantation facilities and other industry facilities is summarised in the following table:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	RM'000	%*	RM'000	%*	RM'000	%*	RM'000	%*
Construction of facilities	86,790	76.4	99,549	58.2	15,640	10.2	57,968	37.9
<i>Palm oil mill and plantation facilities</i>	60,734	53.5	75,466	44.2	12,076	7.9	38,346	25.0
<i>Rubber plantation facilities</i>	24,922	21.9	24,023	14.1	2,153	1.4	14	^
<i>Other industry facilities</i>	1,134	1.0	60	^	1,411	0.9	19,608	12.9

Notes: * Percentage of our total revenue for the respective FYE.

^ Less than 0.1%.

Palm oil mill and plantation facilities

Palm oil mills have to be located within or close to oil palm plantations as the source of FFB as the quality of the fruits starts to deteriorate from the time of plucking until they are processed. Fruit quality deterioration is accelerated if the fruits are damaged or bruised during handling and transportation. As such, palm oil millers would aim to receive the fruits within 24 hours of plucking to maximise yields. Mainly for this reason, palm oil mills are located close to one or more large plantations where they are able to receive a constant supply of FFB to run their milling operations efficiently. As oil palm plantations are generally large in size, they are usually located in remote areas far from the nearest town, there is a need to develop community facilities at or near plantation or palm oil mills to support workers and their families, and to minimise travel time to work.

During the Financial Years Under Review and up to the LPD, we have been engaged to construct the following facilities to support the operations of palm oil mills and plantations:

- workers' quarters;
- operational buildings such as offices, laboratory, and chemical and fertiliser stores;
- amenities such as school, clinic and clubhouses;
- infrastructure such as power distribution networks; and
- irrigation system for oil palm plantations.

During the Financial Years Under Review and up to the latest LPD, our construction of palm oil mill and plantation facilities was solely carried out in Gabon.

7. BUSINESS OVERVIEW (CONT'D)

Rubber Plantation Facilities

The rubber plantation facilities that we constructed during the Financial Years Under Review and as at the LPD comprised workers' quarters and power distribution network infrastructure, which were carried out in Gabon.

As a turnkey contractor, we were responsible for procuring the materials required and carrying out the construction work. The design of the workers' quarters and power distribution network was provided by our customers.

During the Financial Years Under Review and up to the LPD, our construction of rubber plantation facilities was solely carried out in Gabon.

Facilities for Other Industries

We have also been engaged to carry out construction works for facilities for other industries, mainly as part of the construction of new facilities or the expansion of existing plants. During the Financial Years Under Review, we have been engaged to construct buildings for rubber glove and explosives manufacturing plants, as well as renewable energy power station.

We are normally engaged as the building contractor, where we are responsible for procuring the materials required and carrying out the construction work including civil, structural and piping works. The design of construction works is provided by our customers.

During the Financial Years Under Review and up to the latest LPD, our construction of other facilities was mainly carried out in Malaysia.

(b) Workers' Quarters

During the Financial Years Under Review, we were engaged as a turnkey contractor to construct workers' quarters. The workers' quarters that we build are basic housing units located within or near oil palm plantations and palm oil mills, and rubber plantations. The plantation and mill owners provide these workers' quarters to some of their agricultural workers, mill workers and office staff and their families. These workers' quarters and staff accommodations are single-storey terraced blocks consisting of 10 housing units per block. Typically, each housing unit is approximately 580 sq ft in size, and has two bedrooms, one bathroom, living and dining room, and a kitchen. They have reinforced concrete foundations and floors, exterior and interior walls of hollow brick construction, and corrugated steel roofs, with internal power and water supply, and sanitation. The construction of workers' quarters are solely located in Gabon.

Workers' quarters and staff accommodation that we constructed in Gabon



7. BUSINESS OVERVIEW (CONT'D)

(c) Operational buildings and amenities

We have been engaged as the turnkey contractor for the construction of operational buildings and amenities during the Financial Years Under Review. The buildings that we construct generally comprise single-storey buildings. They are mainly constructed of reinforced concrete foundations and floors, hollow brick or corrugated steel exterior walls, hollow brick interior walls, and corrugated steel roofs supported by steel trusses. They are provided with internal power and water supply, and sanitation where required. Buildings of this type are used for the following functions:

- Offices: These buildings are used for day-to-day administrative functions of plantations and mills.
- Laboratories: These are for scientists and technicians to conduct tests, research, analysis and to facilitate field trails.
- Stores: These are for storage of chemicals and fertilisers used in plantations and mills.
- Clubhouses: These are recreational amenities for use by plantation and mill workers and staff, and other members of the community and their families.
- Schools: These are purpose-built educational facilities for conducting primary and secondary school classes for children of plantation and mill workers and staff, and other members of the community and their families.
- Clinics: These are basic medical facilities for medical personnel to provide primary care to plantation and mill workers and staff, and other members of the community and their families.

(d) Infrastructure

We have been engaged as the building contractor for construction of infrastructure which comprised power distribution networks and systems within the community during the Financial Years Under Review.

The power distribution network that we constructed connects power sources (power grid sub-stations and/or on-site power plant) to power consumers located 2 to 3 km away. Our work involved fabricating and installing reinforced concrete poles to support overhead power cables, and supplying pole-mounted transformers. Electrical subcontractors were responsible for supplying and stringing the power cables, and installing switchboards, distribution boards, transformers, earthing and lighting protection systems, and other related equipment. The power distribution networks are for the operations of plantations and palm oil mills, and to support their respective communities for their residential and operational buildings and amenities.

(e) Irrigation system for oil palm plantation

In February 2021, we were engaged as the turnkey contractor for the installation, testing and commissioning of an irrigation system for an oil palm plantation in Mouila, Gabon. The irrigation system includes the following:

- Irrigation pipe network to deliver water to the root systems of oil palm trees;
- Fertiliser application system that adds dissolved fertiliser to the water when required; and
- Pumps and valves to control the flow of water through the network.

The irrigation system is designed to deliver water and fertiliser to the oil palm trees in a controlled manner, when required.

7. BUSINESS OVERVIEW (CONT'D)

(f) Facilities for Other Industries

During the Financial Years Under Review and up to the LPD, we have been engaged to construct facilities for other industries, including the following:

- Buildings for rubber glove manufacturing plants, including warehouses to store raw materials and finished goods, offices and electrical substations. We have also been engaged to construct a mezzanine floor in an existing building;
- Refurbishment of existing buildings and construction of new buildings for an explosives manufacturing facility; and
- Buildings for a renewable energy power station.

(g) Our Scope of Work

We are engaged as the turnkey or building contractor by our customers to construct workers quarters, operational buildings and amenities, infrastructure and other facilities. As a turnkey or building contractor we are responsible for procuring the specified materials and equipment, and carrying out construction work. We work from designs and specifications provided to us by the customers.

Our scope of work incorporates the following:

- **Procurement:** We are responsible for procuring the specified materials and engaging the relevant subcontractors.
- **Construction:** We are responsible for carrying out all of the physical works to construct the buildings, amenities and infrastructure. We are generally not responsible for site clearing and earthworks, as they are carried out by external parties that are engaged by the customer. Construction of buildings require foundation works and superstructure construction. Buildings and amenities also require mechanical and electrical works, as well as plumbing, drainage and sanitation works. In some situations, we are also involved in constructing internal infrastructure such as access roads and perimeter fencing. Construction of power distribution networks involves installing distribution poles, stringing power cables, and installing electrical equipment.
- **Inspection testing, commissioning and handover:** For construction works relating to buildings and amenities, we would carry out inspections before they are officially handed over to the customers. Any faults or issues discovered during the inspection process, we will have to make good all defects and issues at our expense prior to obtaining certification of project completion or its equivalent.

For the projects that we are contracted to fabricate, supply and/or install machinery and equipment, we will carry out testing and commissioning on the relevant equipment and machinery. We will make good any defects that are identified before they are handed over to the customer. It is the responsibility of the customer and/or project owner to obtain the relevant approvals of the projects.

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7. BUSINESS OVERVIEW (CONT'D)**(h) In-house and sub-contracted works**

We use a combination of our in-house personnel, our contract workers and subcontractors for the construction of facilities. The parties that carried out the works for our projects located in Malaysia and Gabon during the Financial Years Under Review and up to the LPD are summarised in the following table:

	Project Location	
	Malaysia	Gabon
Project planning, management, HSE	A	A
Building and construction		
Earthworks	C	*
Civil and structural		
- Foundation and civil work	C	C
Mechanical and electrical		
- Mechanical	B	B
- Electrical, ventilation and telecommunications	C	C
Building works		
- Civil building	C	A, C
- Steel structure	B	A
Infrastructure	C	A, C
Inspection, testing and/or commissioning	A, C	A, C

Notes:

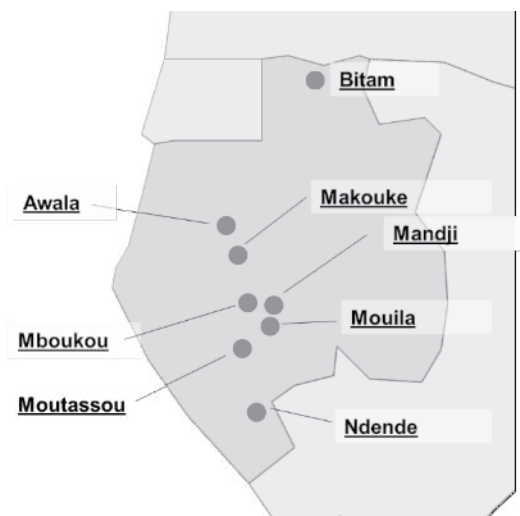
- A We carry out the works using our in-house personnel including our contract workers.
 B We normally carry out these works in-house, however we do engage subcontractors to carry out these works when we have conflicting schedules or insufficient in-house staff or contract workers at that time.
 C The works are carried out by subcontractors under our direct control, supervision and management.
 * Not applicable to our scope.

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7. BUSINESS OVERVIEW (CONT'D)

(i) Locations of construction facility projects

For the Financial Years Under Review and as at the LPD, most of the construction of facilities were in Gabon in the locations illustrated below:



As at the LPD, our completed and on-going construction of other facilities projects in Malaysia are at the following locations:



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