

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF GLOSTREXT BERHAD (“GLOSTREXT” OR “COMPANY”) DATED 27 JULY 2023 (“ELECTRONIC PROSPECTUS”)

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

Website

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

Availability and Location of Paper/Printed Prospectus

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

Prospective investors should note that the Application Form is not available in electronic format.

Jurisdictional Disclaimer

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, M&A Securities and Glostrex take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

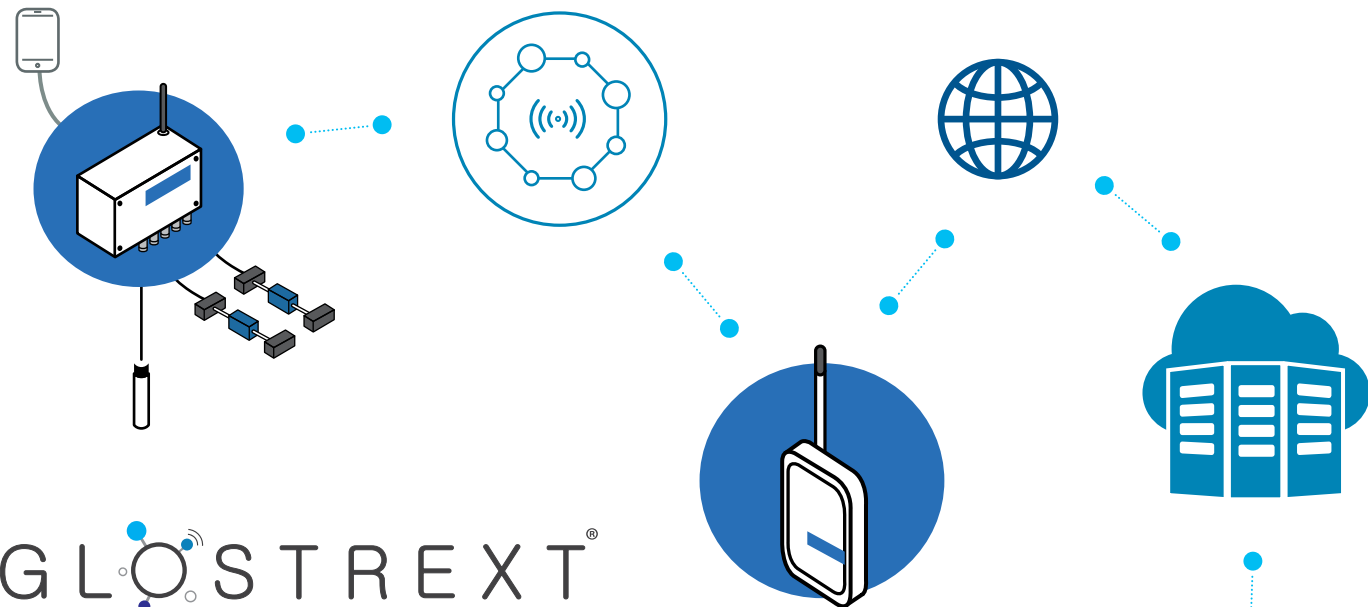
Applications will be accepted from 10.00 a.m. on 27 July 2023 and will close at 5.00 p.m. on 2 August 2023. In the event there is any change to the timetable, Glostrex will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia, and make an announcement on Bursa Securities’ website.

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

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

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

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



GLOSTREXT

GLOSTREXT BERHAD

Registration No. 202201005343 (1451040-T)
(Incorporated in Malaysia under the Companies Act 2016)

ADDRESS

No. 11A, Jalan Apollo U5/194,
Bandar Pinggiran Subang, Seksyen U5
40150 Shah Alam, Selangor

TELEPHONE NO.

(+603) 7832 2012

EMAIL ADDRESS

enquiry@glostrext.com.my



GLOSTREXT

GLOSTREXT BERHAD

PROSPECTUS

PROSPECTUS

THIS PROSPECTUS IS DATED 27 JULY 2023

GLOSTREXT

GLOSTREXT BERHAD

Registration No. 202201005343 (1451040-T)
(Incorporated in Malaysia under the Companies Act 2016)

Adviser, Sponsor, Underwriter and
Placement Agent



M&A SECURITIES SDN BHD

Registration No. 197301001503 (15017-H)
(A Participating Organisation of
Bursa Malaysia Securities Berhad)

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

(I) PUBLIC ISSUE OF 105,830,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:

- 20,352,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 10,176,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS AND EMPLOYEES AS WELL AS PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP; AND
- 75,302,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS

(II) OFFER FOR SALE OF 16,281,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS

AT AN ISSUE/OFFER PRICE OF RM0.19 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

This Prospectus has been registered by Bursa Securities. The registration of this Prospectus, should not be taken to indicate that Bursa Securities recommends the offering or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus. Bursa Securities has not, in any way, considered the merits of the securities being offered for investment. Bursa Securities is not liable for any non-disclosure on the part of the company and takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus. No securities will be allotted or issued based on this Prospectus after 6 months from the date of this Prospectus.

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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 168.

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. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

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



www.glostrext.com



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

M&A Securities Sdn Bhd, being the Adviser, Sponsor, Underwriter and Placement Agent to our IPO (as defined herein), acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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

You should note that you may seek recourse under Sections 248, 249 and 357 of the Capital Markets and Services Act 2007 ("CMSA") for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Group (as defined herein).

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

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 9 February 2023. Our admission to the Official List of the ACE Market of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. Bursa Securities shall not be liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

The Securities Commission Malaysia had via its letter dated 10 February 2023 taken note that our Company is a company with predominantly foreign-based operations and accordingly, is exempted from the Bumiputera Equity Requirement for public listed companies.

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

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

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

Further, it shall also be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO as stated in our Prospectus and the Application Forms 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.

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

ELECTRONIC PROSPECTUS

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

You are advised that the internet is not a fully secured medium, and that your Internet Share Application (as defined herein) may be subject to the risks of problems occurring during the data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions (as defined herein). These risks cannot be borne by the Internet Participating Financial Institutions.

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

In the event of any discrepancy arising between the contents of the electronic and the contents of the paper printed copy of this Prospectus for any reason whatsoever, the contents of the paper printed copy of this Prospectus which are identical to the copy of this Prospectus registered with Bursa Securities shall prevail.

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

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

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

- (a) The Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions and

shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties; and

- (b) While all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the internet participating financial institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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INDICATIVE TIMETABLE

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

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

Events	Tentative Dates
Issuance of this Prospectus/Opening of Application	27 July 2023
Closing of Application	2 August 2023
Balloting of the Application	4 August 2023
Allotment of our IPO Shares to successful applicants	11 August 2023
Date of Listing	15 August 2023

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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

All references to "Glostrex" and the "Company" in this Prospectus are to Glostrex Berhad (Registration No. 202201005343 (1451040-T)). Unless otherwise stated, references to "Group" are to our Company and our subsidiaries taken as a whole; and references to "we", "us", "our" and "ourselves" are to our Company, and, save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to "Management" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

The word "approximately" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest hundredth or 2 decimal places (for percentages) or RM and sen for currency. Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

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

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

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

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is acknowledged, it can be assumed that the information originates from our Management. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the Independent Market Researcher. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate.

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

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FORWARD-LOOKING STATEMENTS

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

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, our performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast", "project" or similar expressions and include all statements that are not historical facts.

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

- (i) Demand for our services;
- (ii) Our business strategies;
- (iii) Our future plans;
- (iv) Our future earnings, cash flow and liquidity; and
- (v) Our ability to pay future dividends.

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

- (a) The economic, political and investment environment in Malaysia and globally;
- (b) Government policy, legislation or regulation; and
- (c) The ongoing COVID-19 pandemic and possible similar future outbreak.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "Section 8 - Risk Factors" and "Section 11 - Financial Information". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus.

The delivery of this Prospectus or any issue made in connection with this Prospectus shall not, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date of this Prospectus. Nonetheless, should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of issue of this Prospectus up to the date of our Listing, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238 of the CMSA.

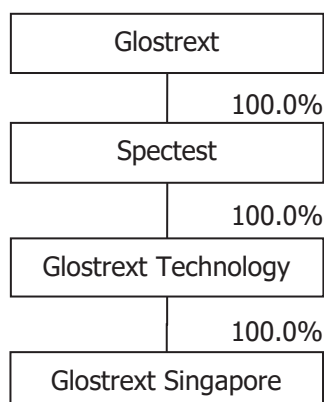
DEFINITIONS

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

COMPANIES WITHIN OUR GROUP:

"Glostrext" or "Company"	:	Glostrext Berhad (Registration No. 202201005343 (1451040-T))
"Glostrext Group" or "Group"	:	Glostrext and its subsidiaries, collectively
"Glostrext Singapore"	:	Glostrext Technology (S) Pte Ltd (Registration No. 200905332R), a wholly-owned subsidiary of Glostrext Technology
"Glostrext Technology"	:	Glostrext Technology Sdn Bhd (Registration No. 200401011370 (649873-V)), a wholly-owned subsidiary of Spectest
"Spectest"	:	Spectest Sdn Bhd (Registration No. 199201005428 (236932-K)), a wholly-owned subsidiary of Glostrext

A diagrammatic illustration of our Group structure is as follows:



GENERAL:

"ACE Market"	:	ACE Market of Bursa Securities
"Act"	:	Companies Act 2016
"Acquisition of Spectest"	:	Acquisition by Glostrext of the entire share capital of Spectest from the Vendors for a purchase consideration of RM30,121,080.00 which was wholly satisfied by the issuance of 301,210,800 new Shares at an issue price of RM0.10 per Share. The Acquisition of Spectest was completed on 28 February 2023 and resulted in Spectest becoming wholly-owned subsidiary of Glostrext
"ADA"	:	Authorised Depository Agent
"Adviser" or "Sponsor"	:	M&A Securities
"Application"	:	The application for our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application

DEFINITIONS (Cont'd)

"Application Form"	:	The printed application form for the application of our IPO Shares accompanying this Prospectus
"ATM(s)"	:	Automated Teller Machine(s)
"BCA"	:	Building and Construction Authority, Singapore
"Board"	:	Board of Directors of Glostrex
"Bursa Depository" or "Depository"	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
"CAGR"	:	Compounded annual growth rate
"CDS"	:	Central Depository System
"CDS Account"	:	An account established by Bursa Depository for a depositor for the recording of securities and for dealing in such securities by the depositor
"CIDB"	:	Construction Industry Development Board
"Closing Date"	:	The date adopted in this Prospectus as the last date for acceptance and receipt of Application
"CMSA"	:	Capital Markets and Services Act 2007
"Constitution"	:	Constitution of our Company
"Depository Rules"	:	The Rules of Bursa Depository and any appendices thereto
"DDWG"	:	Due diligence working group for the purpose of our IPO
"Director"	:	Either an executive director or a non-executive director of our Company within the meaning of Section 2 of the Act
"EBIT"	:	Earnings before interest and taxation
"EBITDA"	:	Earnings before interest, taxation, depreciation and amortisation
"Electronic Prospectus"	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium
"Electronic Share Application"	:	Application for our IPO Shares through a Participating Financial Institution's ATM
"EPS"	:	Earnings per share
"FYE(s)"	:	Financial year(s) ended 31 March
"GP"	:	Gross profit
"IFRS"	:	International Financial Reporting Standards

DEFINITIONS (Cont'd)

"IMR" or "Smith Zander"	:	Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V)), our Independent Market Researcher
"IMR Report"	:	Independent Market Research Report titled "Independent Market Research Report on the Geotechnical Instrumentation and Testing Industry in Singapore and Malaysia"
"Initial Public Offering" or "IPO"	:	Our initial public offering via our Public Issue and Offer for Sale
"Internet Participating Financial Institutions"	:	Participating financial institutions for Internet Share Application as listed in Section 15
"Internet Share Application"	:	Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institutions
"IPO Price"	:	Our issue price/offer price of RM0.19 per Share pursuant to our Public Issue
"ISO"	:	International Organisation for Standardisation
"Issue Share(s)" or "IPO Share(s)"	:	The new Share(s) to be issued pursuant to our Public Issue subject to the terms and conditions of this Prospectus
"Issuing House"	:	Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
"IT"	:	Information technology
"JKR"	:	Jabatan Kerja Raya Malaysia
"Listing"	:	Listing of and quotation for our entire enlarged share capital of RM50,228,800 comprising 407,041,000 Shares on the ACE Market
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"Listing Scheme"	:	Comprising our Public Issue and Listing, collectively
"LPD"	:	30 June 2023, being the latest practicable date for ascertaining certain information contained in this Prospectus
"M&A Securities"	:	M&A Securities Sdn Bhd (Registration No. 197301001503 (15017-H))
"Malaysian Public"	:	Malaysian citizens and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
"Market Day(s)"	:	Any day(s) between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for the trading of securities
"MCO"	:	Movement control order
"MFRS"	:	Malaysian Financial Reporting Standards
"MIDA"	:	Malaysian Investment Development Authority

DEFINITIONS (Cont'd)

"MOH"	:	Ministry of Health Malaysia
"NA"	:	Net assets
"NBV"	:	Net book value
"Offer for Sale"	:	The offer for sale by our Selling Shareholders of 16,281,000 Offer Shares at our IPO Price by way of private placement to selected investors
"Offer Shares"	:	16,281,000 existing Shares to be offered pursuant to our Offer for Sale
"Official List"	:	The list specifying all securities which have been admitted for listing of Bursa Securities and not removed
"Participating Financial Institutions"	:	Participating financial institutions for Electronic Share Application, as listed in Section 15
"PAT"	:	Profit after taxation
"PBT"	:	Profit before taxation
"PE Multiple"	:	Price-to-earnings multiple
"Pink Form Allocations"	:	The allocation of 10,176,000 Issue Shares to our eligible Directors and employees as well as persons who have contributed to the success of our Group
"Placement Agent"	:	M&A Securities
"Promoters"	:	Collectively, Ir Dr Lee Sieng Kai and Tan Ah Huat
"Prospectus"	:	This prospectus dated 27 July 2023 in relation to our IPO
"Public Issue"	:	The public issue of 105,830,000 Issue Shares at our IPO Price
"ROC"	:	Registrar of Companies
"R&D"	:	Research and development
"SC"	:	Securities Commission Malaysia
"Selling Shareholders"	:	Ir Dr Lee Sieng Kai and Tan Ah Huat, whom are undertaking the Offer for Sale
"Shares" or "Glostrext Shares"	:	Ordinary shares in Glostrext
"SICDA" or "Depository Act"	:	Securities Industry (Central Depositories) Act, 1991
"Specified Shareholders"	:	Collectively, Ir Dr Lee Sieng Kai and Tan Ah Huat
"sq ft"	:	Square feet
"SST"	:	Sales and Service Tax

DEFINITIONS (Cont'd)

"Underwriter"	:	M&A Securities
"Underwriting Agreement"	:	The underwriting agreement dated 7 June 2023 entered into between our Company and M&A Securities pursuant to our IPO
"Vendors"	:	Collectively, Ir Dr Lee Sieng Kai, Tan Ah Huat, Li Haigang, Chia Meng Hua, Aniza Binti Md Din and Tan Chze Keong

CURRENCIES:

"EUR"	:	Euro
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"RMB"	:	Renminbi
"SGD"	:	Singapore Dollar
"USD"	:	United States Dollar

EXCHANGE RATES:

Foreign currency	FYE 2020		FYE 2021		FYE 2022		FYE 2023		As at LPD	
	Average RM	Closing RM	Average RM	Closing RM	Average RM	Closing RM	Average RM	Closing RM	Average RM	Closing RM
SGD	3.0263	3.0132	3.0553	3.0845	3.0958	3.1064	3.2402	3.3218	3.4379	3.3819

Foreign currency	FYE 2020		FYE 2021		FYE 2022		FYE 2023		As at LPD	
	High RM	Low RM	High RM	Low RM	High RM	Low RM	High RM	Low RM	High RM	Low RM
SGD	3.0742	2.9782	3.0869	3.0306	3.1297	3.0630	3.3776	3.0971	3.4671	3.3092

TECHNICAL GLOSSARY:

Barrette	:	A type of cast-in-situ pile whereby it is a rectangular pile used as deep foundation that can support structures with heavy loads
Base resistance	:	The resistance of a pile's toe (the base of a pile) against loads
Bi-directional Static Load Test ("BDSLTL")	:	A type of pile static load test which utilises a sacrificial hydraulic jack assembly welded within a test pile to test the load carrying or bearing capacity of the pile using bi-directional pressure applied to the upper and lower segments of the pile
Beam	:	A structure (typically concrete or steel) used in instrumentation, testing and monitoring process to carry loads on top of the beam
Bored pile	:	A type of cast-in-situ pile whereby it is a cylindrical pile used as deep foundation that can support structures with heavy loads
Cast-in-situ piles	:	A type of piles that are constructed on site, where a hole is bored in the ground and the hole may be installed with reinforcement bars, followed by the casting/pouring of concrete into the hole. This is opposed to a driven pile which is prefabricated at an off-site location

DEFINITIONS (Cont'd)

Crack meters	:	An instrument used to measure the movements or displacements across cracks and joints on the surface of structures such as buildings, walls and pipelines
Displacement transducer	:	An instrument used to measure the settlement and movement of an object or structure including piles
Driven piles	:	A type of piles that are prefabricated off-site and are driven or jacked into the ground by exerting large force using hydraulic or mechanical jack-in-machine from the top of the piles. This is opposed to a cast-in-situ pile which is constructed on site
Extensometer	:	An instrument used to measure the compression or elongation of a structure component including pile, which represents the deformation of the structure component when pressure/loads are applied
Extensometer anchor	:	A part of an extensometer which is attached to the wall of an access pipe (e.g. galvanised pipe) or pile shaft, and serves as the reference point for the measurement of compression or elongation when pressure/loads are applied
Extensometer transducer	:	A part of an extensometer installed between extensometer anchors to record the compression or elongation between reference points when pressure/loads are applied
Geotechnical instrumentation	:	A process where various instruments are used to monitor geotechnical structures and sites as well as the behaviour/reaction of soils and rocks against external forces. It is a crucial process to ensure the structural health of building structures including piles, as well as ground conditions of a site, are safe from hazardous events
Glostrex WiNA platform	:	A web-based platform developed by our Group and is used in our off-site structural and ground instrumentation and monitoring services where data collected at site will be visualised and presented on a real time basis
Hydraulic pump	:	An instrument that converts mechanical energy into hydraulic energy to power hydraulic jacks to lift or exert loads
Hydraulic jack	:	An instrument used to lift or exert loads using hydraulic energy created by hydraulic pumps
Inclinometer	:	An instrument used to measure the angle of inclination and lateral deflection profiles of slopes and excavations as well as building and underground structures
Internet of things ("IoT")	:	A concept of internet connections embedded in sensors, which enables the sensors to transmit data and messages, and allows these sensors to be controlled remotely by electronic devices across existing network infrastructure
Kentledge	:	Concrete blocks, steel plates or other suitable dead weights used as counterweights for pile static load test

DEFINITIONS (Cont'd)

Load capacity	:	The maximum allowable force, weight, stress, or load that can be applied to an equipment, a machinery, a structure or a system under normal or otherwise specified conditions for a certain period of time
Load cell	:	A force measuring instrument used to measure the loads during load tests
Load-settlement relationship	:	The relationship between the pile settlements under various stages of pile static load tests and the magnitude of loads exerted
Micropile	:	A type of cast-in-situ pile whereby it is a cylindrical pile that is smaller in diameter (typically less than 300 millimeters) used as support to structures
Piezometer	:	An instrument used to measure water pressure in the ground
Pile	:	A concrete and/or metal column inserted into the ground which serves as foundation to support the structure built on top of the piles
Pneumatic tube	:	A pressure tube used to trigger the extensometer anchor
Polder	:	A tract of low-lying land below sea level that is reclaimed through construction of dikes, and draining the water from the reclaimed land area
Precise level	:	An instrument used to check the movements of the reference frame and pile top movement against a temporary benchmark
Pressure transducer	:	An instrument used to measure the fluid pressure in a hydraulic pump that is used to power hydraulic jacks to lift or exert loads
Raking piles	:	Piles that are positioned at an inclination (i.e. piles that are tilted at a certain angle)
Reinforcement bar	:	Steel bar that is used as reinforcement in piles
Reinforced concrete square pile	:	A type of driven pile whereby it is a rectangular pile used as foundation that can support structures
Robotic total station	:	An automated survey instrument used to measure vertical and horizontal angles as well as distances from an instrument to a particular point
Settlement level	:	The magnitude of vertical/downward movement of ground or building structures
Shaft resistance	:	The frictional resistance of a pile's shaft (the body of a pile) against loads
Sister bar	:	A type of strain meters embedded in concrete to measure strains
Spun pile	:	A type of driven pile whereby it is a cylindrical pile with a hollow section used as deep foundation that can support structures with medium to heavy loads

DEFINITIONS (Cont'd)

- Strain gauge : An instrument used to measure the strain and load transfer at a particular level of a pile, as well as other structures such as beams, columns and slabs
- Telltale rod : A type of extensometer that comprises a single reference point to measure the compression or elongation of a pile, which represents the deformation of the piles when pressure/loads are applied
- Temporary benchmark : A reference point that can either be set/constructed on site together with a scale ruler to serve as a benchmark in measuring the movement of piles

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TABLE OF CONTENTS

1.	CORPORATE DIRECTORY	1
2.	APPROVALS AND CONDITIONS	
2.1	APPROVALS AND CONDITIONS	4
2.2	MORATORIUM ON OUR SHARES	5
3.	PROSPECTUS SUMMARY	
3.1	PRINCIPAL DETAILS RELATING TO OUR IPO	7
3.2	GROUP STRUCTURE AND BUSINESS MODEL	7
3.3	COMPETITIVE STRENGTHS.....	9
3.4	BUSINESS STRATEGIES.....	10
3.5	RISK FACTORS.....	10
3.6	DIRECTORS, KEY SENIOR MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS	12
3.7	UTILISATION OF PROCEEDS.....	12
3.8	FINANCIAL AND OPERATIONAL HIGHLIGHTS	13
3.9	DIVIDENDS.....	16
4.	PARTICULARS OF OUR IPO	
4.1	INTRODUCTION.....	17
4.2	OPENING AND CLOSING OF APPLICATION	19
4.3	IMPORTANT TENTATIVE DATES	19
4.4	DETAILS OF OUR IPO.....	19
4.5	BASIS OF ARRIVING AT OUR IPO PRICE	22
4.6	SHARE CAPITAL, CLASSES OF SHARES AND RANKING	23
4.7	OBJECTIVES OF OUR IPO	24
4.8	TOTAL MARKET CAPITALISATION UPON LISTING.....	24
4.9	DILUTION.....	24
4.10	UTILISATION OF PROCEEDS.....	26
4.11	UNDERWRITING AND PLACEMENT ARRANGEMENT, COMMISSION AND BROKERAGE	30
4.12	SALIENT TERMS OF THE UNDERWRITING AGREEMENT	31
5.	INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT PERSONNEL	
5.1	PROMOTERS AND SUBSTANTIAL SHAREHOLDERS	35
5.2	DIRECTORS	39
5.3	KEY SENIOR MANAGEMENT	57
5.4	RELATIONSHIPS AND/OR ASSOCIATIONS	60
5.5	BOARD PRACTICE	61
5.6	EXISTING OR PROPOSED SERVICE AGREEMENTS.....	68
5.7	DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT	69
6.	INFORMATION ON OUR GROUP	
6.1	INCORPORATION AND HISTORY.....	70
6.2	OUR GROUP STRUCTURE	73
6.3	SUBSIDIARIES	77
6.4	MATERIAL INVESTMENTS AND DIVESTITURES	77
6.5	PUBLIC TAKE-OVERS.....	79
6.6	PRINCIPAL BUSINESS ACTIVITIES AND PRODUCTS	80
6.7	DESCRIPTION OF OUR BUSINESS	98
6.8	COMPETITIVE STRENGTHS.....	103
6.9	SEASONAL OR CYCLICAL EFFECTS	107
6.10	TYPES, SOURCES AND AVAILABILITY OF SUPPLIES	107
6.11	SALES AND MARKETING ACTIVITIES	108
6.12	INTELLECTUAL PROPERTIES	110
6.13	LICENCES AND PERMITS	111
6.14	RESEARCH AND DEVELOPMENT ("R&D").....	119

TABLE OF CONTENTS (Cont'd)

6.15	QUALITY ASSURANCE/CONTROL MANAGEMENT AND TECHNOLOGY USED	120
6.16	MATERIAL CONTRACTS	122
6.17	MATERIAL PROPERTIES OF OUR GROUP	124
6.18	REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES	131
6.19	BUSINESS STRATEGIES	138
6.20	EMPLOYEES	142
6.21	MAJOR CUSTOMERS.....	143
6.22	MAJOR SUPPLIERS	149
6.23	EXCHANGE CONTROLS.....	153
7.	INDEPENDENT MARKET RESEARCH REPORT	155
8.	RISK FACTORS	
8.1	RISKS RELATING TO OUR BUSINESS AND OUR OPERATIONS	168
8.2	RISKS RELATING TO OUR INDUSTRY	178
8.3	RISKS RELATING TO THE INVESTMENT IN OUR SHARES	180
8.4	OTHER RISKS	181
9.	RELATED PARTY TRANSACTIONS	
9.1	RELATED PARTY TRANSACTIONS	182
9.2	OTHER TRANSACTIONS	186
10.	CONFLICT OF INTERESTS	
10.1	INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS AND OUR SUPPLIERS	187
10.2	DECLARATIONS OF CONFLICT OF INTERESTS BY OUR ADVISERS	187
11.	FINANCIAL INFORMATION	
11.1	HISTORICAL AND PRO FORMA FINANCIAL INFORMATION	189
11.2	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	197
11.3	LIQUIDITY AND CAPITAL RESOURCES	230
11.4	BORROWINGS	235
11.5	TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES	237
11.6	MATERIAL CAPITAL COMMITMENTS, MATERIAL LITIGATION AND CONTINGENT LIABILITY	237
11.7	KEY FINANCIAL RATIOS	238
11.8	IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES.....	244
11.9	IMPACT OF INFLATION	245
11.10	IMPACT OF FOREIGN EXCHANGE RATES AND/OR INTEREST RATES.....	245
11.11	ORDER BOOK	247
11.12	TREND INFORMATION	247
11.13	DIVIDENDS	248
11.14	CAPITALISATION AND INDEBTEDNESS	249
12.	ACCOUNTANTS' REPORT	250
13.	REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION.....	344
14.	STATUTORY AND OTHER INFORMATION	
14.1	SHARE CAPITAL	359
14.2	CONSTITUTION	359
14.3	GENERAL INFORMATION.....	365
14.4	CHANGES IN SHARE CAPITAL	365
14.5	CONSENTS	367

TABLE OF CONTENTS (Cont'd)

14.6	DOCUMENTS FOR INSPECTION	368
14.7	RESPONSIBILITY STATEMENTS	368
15.	SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE	
15.1	OPENING AND CLOSING OF APPLICATION	369
15.2	METHODS OF APPLICATIONS	369
15.3	ELIGIBILITY	370
15.4	APPLICATION BY WAY OF APPLICATION FORMS	371
15.5	APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS.....	372
15.6	APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS.....	372
15.7	AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE	373
15.8	OVER / UNDER-SUBSCRIPTION	373
15.9	UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS	374
15.10	SUCCESSFUL APPLICANTS	375
15.11	ENQUIRIES	375

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name (Gender)	Designation	Address	Nationality
Ding Lien Bing (M)	Independent Non-Executive Chairman	89, Jalan SS1/23 Kampung Tunku 47300 Petaling Jaya Selangor	Malaysian
Ir Dr Lee Sieng Kai (M)	Managing Director	11, Jalan Kinta 2 The Mines Resort City 43300 Seri Kembangan Selangor	Malaysian
Tan Ah Huat (M)	Executive Director	30, Jalan BPP 7/9 Pusat Bandar Putra Permai 43300 Seri Kembangan Selangor	Malaysian
Aniza Binti Md Din (F)	Executive Director / Chief Financial Officer	16, Jalan BJ/30 Taman Bayu Courtyard Home 43300 Seri Kembangan Selangor	Malaysian
Christopher Koh Swee Kiat (M)	Independent Non-Executive Director	2, Armada Villa Jalan 109F Taman Danau Desa 58100 Kuala Lumpur	Malaysian
N Vasanthamala A/P S Navaratnam (F)	Independent Non-Executive Director	30, Jalan Anggerik Aranda 31/7 Kota Kemuning 40460 Shah Alam Selangor	Malaysian
Dr Haslinah Binti Muhamad (F)	Independent Non-Executive Director	87, Jalan Jasmin 1 Laman Jasmin Taman Nilai Impian 71800 Nilai Negeri Sembilan	Malaysian
Lee Ming Jean (M)	Alternate Director to Ir Dr Lee Sieng Kai	B-33-2, The Troika Persiaran KLCC 50450 Kuala Lumpur	Malaysian

Notes:

M refers to male
F refers to female

1. CORPORATE DIRECTORY (*Cont'd*)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Dr Haslinah Binti Muhamad	Chairperson	Independent Non-Executive Director
Christopher Koh Swee Kiat	Member	Independent Non-Executive Director
N Vasanthamala A/P S Navaratnam	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
N Vasanthamala A/P S Navaratnam	Chairperson	Independent Non-Executive Director
Christopher Koh Swee Kiat	Member	Independent Non-Executive Director
Dr Haslinah Binti Muhamad	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Christopher Koh Swee Kiat	Chairman	Independent Non-Executive Director
N Vasanthamala A/P S Navaratnam	Member	Independent Non-Executive Director
Dr Haslinah Binti Muhamad	Member	Independent Non-Executive Director

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

Telephone number: 03-2783 9191

HEAD OFFICE : No. 11A, Jalan Apollo U5/194
Bandar Pinggiran Subang, Seksyen U5
40150 Shah Alam
Selangor

Telephone number: 03-7832 2012

EMAIL ADDRESS AND WEBSITE : Email address: enquiry@glostrext.com.my
Website: <https://www.glostrext.com>

COMPANY SECRETARIES : Joanne Toh Joo Ann (SSM PC NO. 202008001119)
(LS 0008574)
(*Licensed Secretary*)

Kooi Ee Lin (SSM PC NO. 201908001822) (MAICSA 7066158)
(*Chartered Secretary, Associate of the Malaysian Institute of Chartered Secretaries and Administrators*)

Telephone number: 03-2783 9191

1. CORPORATE DIRECTORY (Cont'd)

- AUDITORS AND REPORTING ACCOUNTANTS FOR OUR IPO** : **Crowe Malaysia PLT (Registration No. 201906000005 (LLP0018817-LCA) & AF 1018)**
Level 16, Tower C
Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Telephone number: 03-2788 9999
Partner-in-charge: Chua Wai Hong
Approval number: 02974/09/2023 J
(Chartered Accountant (Malaysia), Malaysian Institute of Certified Public Accountants)
- PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT** : **M&A Securities Sdn Bhd (Registration No. 197301001503 (15017-H))**
Level 11, No. 45 & 47, The Boulevard
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone number: 03-2284 2911
- SOLICITORS FOR OUR IPO** : **Tay & Helen Wong**
Suite 703 Block F
Phileo Damansara I
No. 9 Jalan 16/11
46350 Petaling Jaya
Selangor
Telephone number: 03-7960 1863
- SHARE REGISTRAR AND ISSUING HOUSE** : **Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))**
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Telephone number: 03-2783 9299
- INDEPENDENT MARKET RESEARCHER** : **Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V))**
15-01, Level 15, Menara MBMR
1, Jalan Syed Putra
58000 Kuala Lumpur
Telephone number: 03-2732 7537
Person-in-charge: Dennis Tan Tze Wen
(Bachelor of Science from Memorial University of Newfoundland, Canada)
- LISTING SOUGHT** : ACE Market of Bursa Securities

2. APPROVALS AND CONDITIONS

2.1 APPROVALS AND CONDITIONS

2.1.1 Bursa Securities

Bursa Securities had vide its letter dated 9 February 2023 approved our admission to the Official List of the ACE Market and the listing of and quotation for our entire enlarged issued share capital on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	Submission of the following information in respect of the moratorium on the shareholdings of the Promoters to the 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.	Complied
3.	The Bumiputera equity requirements for public listed companies as approved/exempted by the SC including any conditions imposed thereon.	Complied
4.	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of Listing Requirements.	To be complied
5.	Furnish to Bursa Securities with a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of Glostrex on the first day of Listing.	To be complied
6.	In relation to the public offering to be undertaken by Glostrex, 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, in format prescribed; and (iv) Disclosure of placees who become substantial shareholders of Glostrex arising from the public offering, if any. 	To be complied
	M&A Securities is reminded to ensure that the overall distribution of Glostrex's securities is properly carried out to mitigate any disorderly trading in the secondary market.	
7.	Glostrex/M&A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of Glostrex to the Official List of the ACE Market.	To be complied
8.	Glostrex/M&A Securities to ensure full compliance of all requirements as provided under the Listing Requirements at all times.	Noted

2. APPROVALS AND CONDITIONS *(Cont'd)*

Bursa Securities had vide its letter dated 26 June 2023 resolved to grant Glostrex an extension of time until 8 September 2023 to complete the implementation of the Listing.

2.1.2 SC

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

The SC had via its letter dated 10 February 2023 taken note that our Company is a company with predominantly foreign-based operations and accordingly, is exempted from the Bumiputera Equity Requirement for public listed companies. Our Group's PAT derived from assets or operations held outside Malaysia (Glostrex Singapore) is higher than PAT derived from assets or operations held within Malaysia.

2.2 MORATORIUM ON OUR SHARES

2.2.1 Moratorium on Shares held by our Specified Shareholders

In accordance with Paragraph 3.19 of the Listing Requirements and pursuant to the conditions imposed under the approval letter by Bursa Securities, a moratorium will be imposed on the sale, transfer or assignment of those Glostrex Shares held by our Specified Shareholders as follows:

- (i) The moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the ACE Market ("First 6-Month Moratorium");
- (ii) Upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45% of our total number of issued ordinary shares remain under moratorium for another period of 6 months ("Second 6-Month Moratorium"); and
- (iii) On the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight line basis) of those Glostrex Shares held under moratorium.

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

Specified Shareholders	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium	
	⁽¹⁾ No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %
Ir Dr Lee Sieng Kai	185,719,400	45.63	130,506,022	32.06
Tan Ah Huat	74,942,400	18.41	52,662,428	12.94
	260,661,800	64.04	183,168,450	45.00

2. APPROVALS AND CONDITIONS (Cont'd)

Specified Shareholders	Shares held in year 2 after Listing		Shares held in year 3 after Listing	
	No. of Shares	(2) %	No. of Shares	(2) %
Ir Dr Lee Sieng Kai	87,004,015	21.37	43,502,007	10.69
Tan Ah Huat	35,108,285	8.63	17,554,143	4.31
	122,112,300	30.00	61,056,150	15.00

Notes:

(1) After the Proposed Offer for Sale.

(2) Based on the enlarged share capital of 407,041,000 Shares.

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

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium.

2.2.2 Moratorium on Shares held by other shareholders

The following shareholders have agreed to place their shareholdings in Glostrex held as at the LPD under moratorium for a period of 6 months from the Listing date. Their shareholdings are as follows:

Shareholders	No. of Shares	(1) %	Reason leading to moratorium
Li Haigang	14,275,400	3.51	Note (2)
Chia Meng Hua	4,282,600	1.05	Note (2)
Aniza Binti Md Din	2,855,100	0.70	Voluntary
Tan Chze Keong	2,855,100	0.70	Voluntary
	24,268,200	5.96	

Notes:

(1) Based on the enlarged share capital of 407,041,000 Shares.

(2) Li Haigang and Chia Meng Hua were allotted shares in Spectest resulting from the Acquisition of shares in Glostrex Singapore. As such, a moratorium is applicable pursuant to Paragraph 3.19A of the Listing Requirements.

They have provided written undertakings to Bursa Securities that they will not sell, transfer or assign their shareholdings under moratorium during the period of 6 months from the Listing date.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium.

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3. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE PROSPECTUS PRIOR TO DECIDING ON WHETHER TO INVEST IN OUR SHARES.

3.1 PRINCIPAL DETAILS RELATING TO OUR IPO

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

No. of Shares to be issued under the Public Issue	105,830,000
- For application by the Malaysian Public ⁽¹⁾	20,352,000
- For Pink Form Allocations	10,176,000
- For private placement to selected investors	75,302,000
Offer for Sale	16,281,000
Enlarged number of Shares upon Listing	407,041,000
IPO Price per Share (RM)	0.19
Market capitalisation (calculated based on our IPO Price and enlarged number of Shares upon Listing) (RM)	77,337,790

Note:

⁽¹⁾ Including 10,176,000 Issue Shares made available to Bumiputera public investors.

Our Specified Shareholders' entire shareholding after IPO will be under moratorium for 6 months from the date of Listing. Thereafter, our Specified Shareholders' shareholding amounting to 45% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight line basis) of their shares held under moratorium upon expiry of the second 6 months.

Our other shareholders, namely Li Haigang, Chia Meng Hua, Aniza Binti Md Din and Tan Chze Keong have also provided undertakings not to sell, transfer or assign their shareholdings under moratorium during the period of 6 months from the date of Listing.

Further details on the moratorium on our shares are set out in Section 2.2.

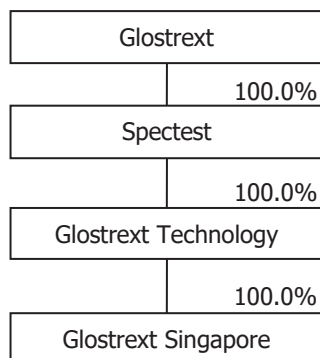
Further details on our IPO are set out in Section 4.

3.2 GROUP STRUCTURE AND BUSINESS MODEL

Our Company was incorporated in Malaysia on 15 February 2022 under the Act as a private limited company under the name of Glostrex Sdn Bhd. On 29 July 2022, we converted into a public limited company and assumed our present name. We were incorporated as a special purpose vehicle to facilitate our Listing on the ACE Market.

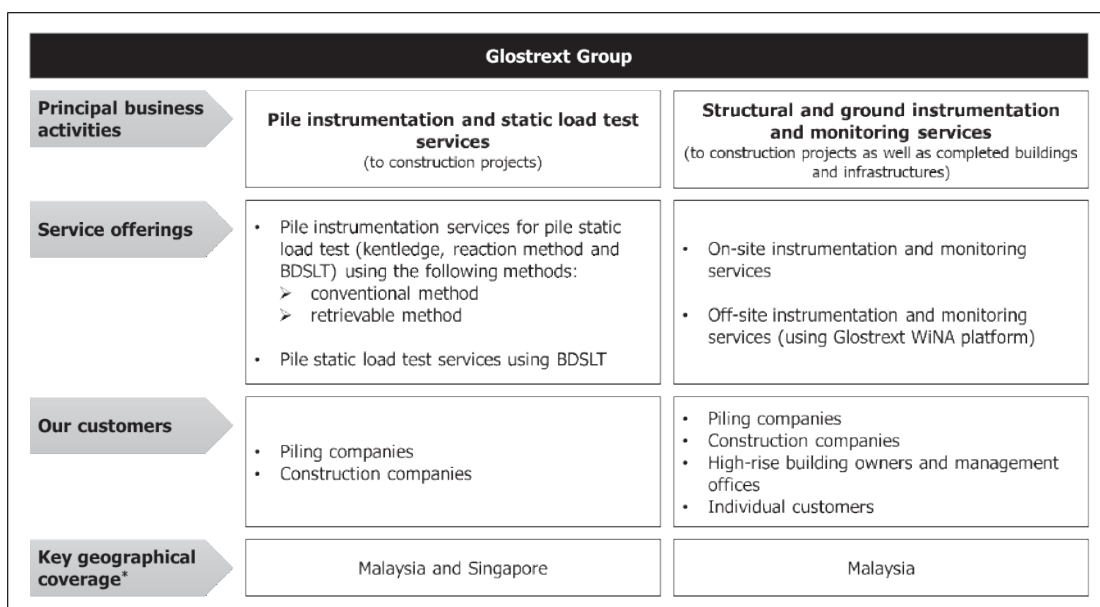
3. PROSPECTUS SUMMARY (Cont'd)

Our group structure as at the LPD is as follows:



We are a geotechnical instrumentation service provider, where we provide piling, structural and geotechnical related services, covering instrumentation, testing and monitoring services to construction projects as well as completed buildings and infrastructure.

Our business model is depicted in the following diagram:



Note:

* Our Group intends to continue to focus our operations in Malaysia and Singapore. Nevertheless, we recorded revenue contribution for projects located in Cambodia (FYE 2022: RM2.06 million; FYE 2023: RM1.66 million).

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

3. PROSPECTUS SUMMARY (Cont'd)

The breakdown of our Group's revenue segmentation by principal markets is as follows:

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Singapore	15,668	65.39	11,083	65.32	20,600	77.52	13,906	64.33
Malaysia	8,295	34.61	5,883	34.68	5,617 ⁽¹⁾	21.14	7,567 ⁽²⁾	35.01
Cambodia	-	-	-	-	357	1.34	143	0.66
	23,963	100.00	16,966	100.00	26,574	100.00	21,616	100.00

Notes:

- (1) Includes 1 service engagement in Cambodia engaged by a Malaysian company amounting to RM1.70 million.
- (2) Includes 2 service engagements in Cambodia engaged by 2 Malaysian companies in FYE 2023 amounting to RM1.52 million.

3.3 COMPETITIVE STRENGTHS

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

- (i) We have an established track record with customers who have long operating histories and have completed sizable and notable projects such as Asia Piling Co Pte Ltd, TPW Engineering Pte Ltd and Pintary Foundations Pte Ltd in Singapore, as well as Aneka Jaringan Sdn Bhd and Econpile (M) Sdn Bhd in Malaysia. Our business relationships with these customers range from 5 years to 20 years, with further details set out in Section 6.21.

Our success in the Singapore and Malaysia markets is proven by our track record over the past 31 years since the commencement of our business in 1992, our competitive positions in the respective countries and our ability to recover from the recent COVID-19 pandemic. All of these serve as a reference and foundation for our Group as we continue to secure new customers and new service engagements, which will contribute to the growth and expansion of our business in the future.

- (ii) Our 31 years of experience and knowledge in the provision of pile instrumentation and static load test services as well as structural and ground instrumentation and monitoring services have enabled us to continuously improve our service offerings with the use of technologies. The integration of technologies such as IoT in our services allows us to stay abreast with industry trends and latest technologies, and thereafter integrate these technologies to improve our service offerings.
- (iii) We are well-recognised in the industry and are accredited with various certifications (i.e. ISO 9001, ISO/IEC 17025 and ISO 45001) as a testament to the quality of our services. Kindly refer to Section 6.15.1 on the details / scope of the certifications. These certificates cover several aspects, which comprise the quality management system of our services, the competence of our laboratories in performing instrument calibration services, and the occupational health and safety management system in carrying out our services. These certificates attest to our ability in providing quality services whilst meeting the occupational health and safety standards in our service provision. Our accreditations and recognition within the construction industry provide confidence to our customers. It further enhances our market reputation which is crucial in driving our business growth and expansion in the future.
- (iv) We are well-positioned to benefit from the mandatory requirements or compliance on pile testing as well as structural and ground monitoring by the Governments of Singapore and Malaysia. As demand for geotechnical instrumentation and testing services is expected to grow, our Group is well-positioned to capture these business opportunities.
- (v) We have an experienced and hands-on key senior management team headed by Ir Dr Lee Sieng Kai, our Managing Director who have approximately 33 years of experience in the geotechnical instrumentation and testing industry particularly in pile instrumentation and static load test as well as structural and ground instrumentation and monitoring.

Further details of our competitive strengths are set out in Section 6.8.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.4 BUSINESS STRATEGIES

A summary of our business strategies are set out below:

- (i) We intend to expand our structural and ground instrumentation and monitoring business into Singapore. Our operations in Singapore is dependent on our Builder's Licence (Site Investigation Work) issued by BCA which allows us to provide pile instrumentation and static load test services as well as structural and ground instrumentation and monitoring services. This licence shall expire on 7 June 2025. Subsequently upon the expiry of the Builder's Licence on 7 June 2025, Glostrex Singapore is required to renew its Builder's Licence to include a new category of Instrumentation and Monitoring. The Builder's Licence renewal is dependent on Glostrex Singapore's ability to be accredited under the Accreditation for Inspection Body Scheme under the Singapore Accreditation Council (SAC), whereby SAC has required all registered specialist builders for instrumentation and monitoring to be accredited as part of the conditions for licence renewal, tentative from January 2024.

To facilitate the expansion of our structural and ground instrumentation and monitoring business into Singapore, we intend to utilise RM11.71 million from our IPO proceeds to purchase the required instruments and equipment for the provision of such services (RM6.78 million), to hire approximately additional 5 employees consisting of 2 civil engineers and 3 technicians (RM2.00 million) and working capital (RM2.93 million). This is expected to contribute positively to our financial performance and enhance our industry reputation.

- (ii) We intend to enhance our service offerings with R&D to enhance the automation levels in our service provision to increase our operational efficiency. We intend to utilise RM1.80 million from our IPO proceeds, where RM0.90 million will be allocated for the hiring of additional software / system engineers and RM0.90 million will be allocated for the purchase of instruments and equipment for improvement of Glostrex WiNA platform. Our continued focus on R&D for the on-going enhancement of our service offerings will enable our Group to remain competitive in the industry for future business expansion and growth.
- (iii) We intend to increase our sales and marketing activities to create greater awareness for geotechnical instrumentation services. We plan to grow our sales by increasing our sales and marketing activities, which include participating in exhibitions, seminars and webinars to raise the awareness of geotechnical instrumentation services, particularly awareness of structural and ground instrumentation and monitoring services using remote off-site method.

Further details on our business strategies are set out in Section 6.19.

3.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in Section 8. Some of the more important risk factors are summarised below:

- (i) Our historical PAT margin does not reflect our future PAT margin trend as dividends received by us from our subsidiary, Glostrex Singapore may no longer be tax exempted. Prior to 1 January 2022, dividends received by us from our subsidiary, Glostrex Singapore are exempted from income tax. During the Budget 2022 of Malaysia announcement on 29 October 2021, it was announced that the income tax exemption will no longer be made available with effect from 1 January 2022. Notwithstanding the above, the Ministry of Finance of Malaysia had on, 30 December 2021 announced that the income tax exemption on foreign source income will be available for a period of 5 years from 1 January 2022 to 31 December 2026 subject to certain qualifying conditions ("Exemption Order").

Our Group had in November 2022 submitted the tax returns in respect of FYE 2022 whereby the dividend income from Glostrex Singapore from 1 January 2022 to 31 March 2022 was filed as tax exempted pursuant to the Exemption Order. The tax computation has not been disputed by the Inland Revenue Board of Malaysia. Nevertheless, there is no guarantee that our tax computations will not be disputed by the Inland Revenue Board of Malaysia in the future.

3. PROSPECTUS SUMMARY (Cont'd)

Subsequent to 31 December 2026, the Exemption Order will no longer be in effect and dividends received by us will be taxed at 24% or at the prevailing tax rate and our PAT margin is expected to decrease. For the past 4 FYEs, dividends received by Glostrex Technology from Glostrex Singapore were RM3.00 million, RM0.55 million, RM4.19 million and RM3.27 million, respectively. For illustration, in the event there is a 24% taxation on dividends received, the PAT of our Group will be reduced by RM0.72 million, RM0.13 million, RM1.01 million and RM0.78 million, respectively.

- (ii) We are subject to regulatory requirements for our business operations in countries which we provide our services in. These licences, permits and certifications are subject to compliance with relevant conditions, laws and regulations under which they were issued. In the event of non-compliance, these licences, permits and certifications may be revoked or may not be renewed upon expiry. Any revocation or failure to obtain, maintain or renew any of these licences, permits and certifications may adversely affect our ability to continue operations and hence affect our financial performance.
- (iii) We may not be able to successfully implement our business strategies and future plans. The implementation of our business strategies and future plans is subject to additional expenditures including staff costs, sales and marketing expenses, R&D expenses as well as other operational expenditures and working capital requirements. Furthermore, Glostrex Singapore is required to be accredited under the Accreditation for Inspection Body Scheme under the SAC in order for it to renew its Builder's Licence for Instrumentation and Monitoring issued by the BCA (upon expiry of its Builder's License on 7 June 2025). Hence, there is no assurance that the execution of our business strategies and future plans will be successful, nor will we be able to anticipate all the risks and uncertainties that may arise during the implementation of these business strategies and future plans, which may materially affect the business operations and financial performance of our Group.
- (iv) We are exposed to foreign exchange fluctuation risks which may impact the profitability of our Group. Our Group does not hedge our exposure to fluctuations in foreign currency exchange rates. As at the LPD, we have not entered into any foreign exchange contracts. As such, we are subject to foreign exchange fluctuation risks for revenue derived from Singapore and any other overseas countries in the future. For illustration, assuming the fluctuation of RM against the SGD is 5%, this will result in an increase or decrease in our GP by RM0.78 million, RM0.55 million, RM1.03 million and RM0.70 million for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 respectively, depending on the direction of the foreign exchange movement between RM and SGD.

In addition, we are subject to foreign exchange fluctuation risks for the purchase of our supplies from overseas suppliers. For illustration, assuming the fluctuation of RM against the USD, SGD and EUR is 5% and such foreign exchange fluctuations is not passed on to customers, this will result in an increase or decrease in our GP by RM0.25 million, RM0.18 million, RM0.29 million and RM0.19 million for the FYEs 2020 to 2023, respectively, depending on the direction of the foreign exchange movement between RM and the said currencies.
- (v) Our growth and profitability are dependent on our ability to continuously secure new service engagements. Our financial performance and prospects will be affected if we are unable to continuously secure new service engagements.

3. PROSPECTUS SUMMARY (Cont'd)

3.6 DIRECTORS, KEY SENIOR MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Ding Lien Bing	Independent Non-Executive Chairman
Ir Dr Lee Sieng Kai	Managing Director
Tan Ah Huat	Executive Director
Aniza Binti Md Din	Executive Director / Chief Financial Officer
Christopher Koh Swee Kiat	Independent Non-Executive Director
N Vasanthamala A/P S Navaratnam	Independent Non-Executive Director
Dr Haslinah Binti Muhamad	Independent Non-Executive Director
Lee Ming Jean	Alternate Director to Ir Dr Lee Sieng Kai
Key senior management	
Li Haigang	Director/General Manager – Glostrex Singapore
Tan Chze Keong	Senior Operations Manager
Diong Pu Chuan	Group Chief IT Officer

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

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

Name/ Nationality	⁽¹⁾ Before IPO				⁽²⁾ ⁽³⁾ After IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders								
Ir Dr Lee Sieng Kai / Malaysian	193,859,900	64.36	-	-	185,719,400	45.63	⁽⁴⁾ 600,000	0.15
Tan Ah Huat / Malaysian	83,082,900	27.58	-	-	74,942,400	18.41	-	-

Notes:

- (1) Based on the share capital of 301,211,000 Shares after the Acquisition of Spectest.
- (2) Based on the enlarged share capital of 407,041,000 Shares after the IPO.
- (3) After the Offer for Sale.
- (4) Deemed interested by virtue of his son's shareholdings in our Group.

Further details of the Promoters and substantial shareholders are set out in Section 5.1.2.

3.7 UTILISATION OF PROCEEDS

The gross proceeds arising from the Public Issue of approximately RM20.11 million shall accrue entirely to us and will be utilised in the following manner:

Utilisation of proceeds	Reference	Estimated timeframe for utilisation ⁽¹⁾	RM'000	%
Business expansion and working capital	(i)	36 months	11,708	58.23
Research and development	(ii)	36 months	1,800	8.95

3. PROSPECTUS SUMMARY (Cont'd)

Utilisation of proceeds	Reference	Estimated timeframe for utilisation ⁽¹⁾	RM'000	%
Repayment of bank borrowings	(iii)	3 months	3,300	16.41
Estimated listing expenses	(iv)	1 month	3,300	16.41
			20,108	100.00

Note:

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

There is no minimum subscription to be raised from our IPO.

Detailed information on our utilisation of proceeds is set out in Section 4.10. The gross proceeds arising from the Offer for Sale of approximately RM3.09 million shall accrue entirely to our Selling Shareholders.

3.8 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The selected financial and operational information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

3.8.1 Historical combined and consolidated statements of profit or loss and other comprehensive income

The following table sets out the financial highlights of our historical audited combined and consolidated statements of profit or loss and other comprehensive income for the FYEs 2020 to 2023:

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	23,963	16,966	26,574	21,616
Cost of sales	(11,644)	(9,105)	(12,516)	(10,422)
GP	12,319	7,861	14,058	11,194
PBT	5,344	3,121	8,495	5,018
PAT attributable to:				
- Owners of the Company	4,086	2,241	6,762	4,115
- Non-controlling interest	341	154	576	-
	4,427	2,395	7,338	4,115
EBIT	5,843	3,538	8,913	5,392
EBITDA	7,442	5,172	10,700	7,333
GP margin (%)	51.41	46.33	52.90	51.79
PBT margin (%)	22.30	18.40	31.97	23.21
PAT margin (%)	18.47	14.12	27.61	19.04
Effective tax rate (%)	17.16	23.26	13.62	18.00
EPS (sen) ⁽¹⁾	1.36	0.74	2.24	1.37
Diluted EPS (sen) ⁽²⁾	1.00	0.55	1.66	1.01

Notes:

(1) Calculated based on the PAT attributable to owners of the Company divided by the share capital of 301,211,000 Shares before the IPO.

(2) Calculated based on the PAT attributable to owners of the Company divided by the enlarged share capital of 407,041,000 Shares after the IPO.

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

3. PROSPECTUS SUMMARY (Cont'd)

In FYE 2021, we recorded a gain from the disposal of property, plant and equipment amounting to RM1.24 million from the disposal of 2 units of factory lots. After excluding the one-off gain from the disposal of property, plant and equipment, our adjusted PAT is RM1.16 million.

In FYE 2023, we recorded a gain from the disposal of investment property amounting to RM0.67 million from the disposal of an investment property located in Singapore (15 Yishun Industrial Street 1 #06-28). After excluding the one-off gain from the disposal of property, plant and equipment, our adjusted PAT is RM3.45 million.

There were no exceptional or extraordinary items during the financial years under review. Our audited financial statements for the financial years under review were not subject to any audit qualifications.

3.8.2 Pro forma consolidated statements of financial position

The following table sets out a summary of the pro forma consolidated statements of financial position of our Group, to show the effects of the Acquisition of Spectest, Public Issue and utilisation of IPO proceeds.

It is presented for illustrative purposes only and should be read together with the Pro forma Consolidated Statements of Financial Position as set out in Section 13.

	Glostrex	I	II
	As at 31 March 2023	After Public Issue	After I and after utilisation of IPO proceeds
	RM'000	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	15,138	15,138	15,138
Investment properties	8,632	8,632	8,632
Right-of-use assets	1,419	1,419	1,419
Deferred tax assets	44	44	44
Total non-current assets	25,233	25,233	25,233
Current assets			
Inventories	3,142	3,142	3,142
Trade receivables	7,403	7,403	7,403
Other receivables, deposits and prepayment	2,316	2,316	372
Contract assets	1,385	1,385	1,385
Current tax assets	304	304	304
Cash and bank balances	6,597	26,704	22,048
Total current assets	21,147	41,254	34,654
TOTAL ASSETS	46,380	66,487	59,887
EQUITY AND LIABILITIES			
EQUITY			
Share capital	30,121	50,228	48,908
Foreign exchange translation reserve	1,132	1,132	1,132
Restructuring reserve	(27,530)	(27,530)	(27,530)
Retained profits	31,491	31,491	29,511
TOTAL EQUITY	35,214	55,321	52,021

3. PROSPECTUS SUMMARY (Cont'd)

	Glostrex	I	II
	As at 31 March 2023	After Public Issue	After I and after utilisation of IPO proceeds
	RM'000	RM'000	RM'000
LIABILITIES			
Non-current liabilities			
Lease liabilities	53	53	53
Term loans	8,531	8,531	5,231
Deferred tax liability	172	172	172
Total non-current liabilities	8,756	8,756	5,456
Current liabilities			
Trade payables	664	664	664
Other payables and accruals	628	628	628
Lease liabilities	121	121	121
Term loans	497	497	497
Current tax liabilities	500	500	500
Total current liabilities	2,410	2,410	2,410
TOTAL LIABILITIES	11,166	11,166	7,866
TOTAL EQUITY AND LIABILITIES	46,380	66,487	59,887
Number of Shares in issue ('000)	301,211	407,041	407,041
NA per Share (RM)	0.12	0.14	0.13
Borrowings (All interest bearing debts)	9,202	9,202	5,902
Gearing (times) ⁽¹⁾	0.26	0.17	0.11
Current ratio (times) ⁽²⁾	8.77	17.12	14.38

Notes:

(1) Calculated based on the total borrowings (i.e. term loans and lease liabilities) of our Group divided by the total equity of our Group.

(2) Calculated based on total current assets divided by total current liabilities of our Group.

3.8.3 Operational highlights

We are principally involved in the provision of pile instrumentation and pile static load test services to construction projects. Our pile instrumentation and pile static load test services are provided to piling companies and construction companies on service engagement basis during the piling stage of a construction project.

In addition, we also provide structural and ground instrumentation and monitoring services to construction projects during the piling stage and building/infrastructure construction stage to observe the performance of geotechnical design and to ensure the safety of the construction sites and/or the building under construction (e.g. building basement) as the construction progresses.

The breakdown of our Group's revenue segmentation by principal business activities is as follows:

	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Pile instrumentation and static load test services	20,635	86.11	13,322	78.52	23,488	88.39	17,487	80.90

3. PROSPECTUS SUMMARY (Cont'd)

	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Structural and ground instrumentation and monitoring services	2,725	11.37	3,287	19.37	2,682	10.09	3,724	17.23
Others ⁽¹⁾	603	2.52	357	2.11	404	1.52	405	1.87
	23,963	100.00	16,966	100.00	26,574	100.00	21,616	100.00

Note:

- (1) Others comprise rental of load cells. The load cells are rented out to construction companies and piling companies to perform pile tests on their own, mainly for construction projects that do not require deep foundations (e.g. landed and low-rise buildings).

For the past 4 FYEs 2020 to 2023, our top 5 major customers contributed to 43.07%, 44.67%, 50.71% and 45.73% of our Group's revenue, respectively. The revenue contribution from our major customers were mainly derived from the provision of pile instrumentation and/or pile static load test services. Our major customers are mostly piling companies which are mainly involved in the provision of foundation works.

3.9 DIVIDENDS

Our Company does not have any formal dividend policy. As we are a holding company, our Company's income and therefore our ability to pay dividends is dependent upon the dividends we receive from our subsidiaries, present or future. The payment of dividends or other distributions by our subsidiaries will depend on their distributable profits, operating results, financial condition, capital expenditure plans, business expansion plans and other factors that their respective boards of directors deem relevant.

Dividends declared and paid by Spectest, being our direct subsidiary during FYEs 2020 to 2023 were as follows:

	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Dividends declared and paid	(1) 500	(2) 1,000	(3) 2,500	-

Notes:

- (1) Declared on 17 March 2020 and paid on 17 March 2020 by Spectest, being our direct subsidiary.
- (2) Declared on 1 December 2020 and paid on 8 December 2020 by Spectest, being our direct subsidiary.
- (3) RM1.00 million was declared on 5 July 2021 and paid on 5 July 2021 and RM1.50 million was declared on 28 December 2021 and paid on 28 December 2021 by Spectest, being our direct subsidiary.

Subsequent to 31 March 2023 and up to the LPD, no dividends were declared. Our Company does not intend to declare any dividends prior to the Listing.

Further details of our dividends are set out in Section 11.13.

4. PARTICULARS OF OUR IPO

4.1 INTRODUCTION

This Prospectus is dated 27 July 2023. Our IPO is subject to the terms and conditions of this Prospectus.

We have registered a copy of this Prospectus with Bursa Securities. We have also lodged a copy of this Prospectus, together with the Application Forms with the ROC. Neither Bursa Securities nor the ROC takes any responsibility for its contents.

We have obtained the approval from Bursa Securities vide its letter dated 9 February 2023, for, amongst others, our admission to the Official List of the ACE Market and for the listing of and quotation for our entire enlarged share capital on the ACE Market.

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

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

Pursuant to the Listing Requirements, at least 25.0% of our enlarged share capital for which listing is sought must be in the hands of a minimum number of 200 public shareholders, each holding not less than 100 Shares each upon admission to the ACE Market. We expect to meet the public shareholding requirement at the point of our Listing. In the event we fail to meet the said requirement pursuant to our IPO, we may not be allowed to proceed with our Listing on the ACE Market. In such an event, we will return in full, without interest, all monies paid in respect of all applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

You should rely only on the information contained in this Prospectus or any applicable supplemental Prospectus. Neither we nor our advisers have authorised anyone to provide you with information that is different and not contained in this Prospectus. The delivery of this Prospectus or any issue made in connection with this Prospectus shall not, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date of this Prospectus. Nonetheless, should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of issue of this Prospectus up to the date of our Listing, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238 of the CMSA.

We are not making any invitation to subscribe for our IPO Shares in any jurisdiction and in any circumstances in which such offer or invitation are not authorised or unlawful, or to any person to whom it is unlawful to make such an offer or invitation. As the distribution of this Prospectus and the sale of our IPO Shares in certain other jurisdictions may be restricted by law, persons who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions. The distribution of this Prospectus and the making of our IPO in certain jurisdictions outside Malaysia may be restricted by law. The distribution of this Prospectus and the sale of any part of our IPO Shares are subject to the Malaysian laws and we, together with M&A Securities as our Adviser, Sponsor, Underwriter and Placement Agent, take no responsibility for the distribution of this Prospectus and the offer of any part of our IPO Shares outside Malaysia, which may be restricted by law in certain other jurisdictions.

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

Applications for the Issue Shares may be made using either of the following:

Type of application form	Category of Investor
White Application Form or Electronic Share Application or Internet Share Application	Malaysian Public (for individuals)
White Application Form	Malaysian Public (for non-individuals, e.g. corporations, institutions etc)
Pink Form Applications	Our eligible Directors and employees as well as persons who have contributed to the success of our Group

You must have a CDS Account when applying for our IPO Shares. In the case of an application by way of Application Form, you must state your CDS Account number in the space provided in the Application Form. If you do not presently have a CDS Account, you should open a CDS Account at an ADA prior to making an application for our IPO Shares.

Please refer to Section 15 for further details on the procedures for application for our IPO Shares. Details of the ADAs that you may open a CDS Account can be obtained at the following link:

https://www.bursamalaysia.com/trade/trading_resources/brokers_for_equities/list_of_participating_organisations

If you are an individual with a CDS Account, you may make an Application by way of Electronic Share Application. You are required to furnish your CDS Account number to the Participating Financial Institution by keying in your CDS Account number if the instructions on the ATM screen at which you enter your Electronic Share Application require you to do so. A corporation or institution cannot apply for our IPO Shares by way of Electronic Share Application.

If you have a CDS Account and an existing account to their internet financial services of an Internet Participating Financial Institutions, you can make an Internet Share Application. You shall furnish your CDS Account number to the Internet Participating Financial Institutions by keying your CDS Account number into the online application form. A corporation or institution cannot apply for our IPO Shares by way of Internet Share Application.

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

Bursa Securities assume no responsibility for the correctness of any statement made or of any opinion or report expressed in this Prospectus. Our admission to the Official List of the ACE Market shall not be taken as an indication of the merits of our Group, our Shares and/or our IPO exercise. This Prospectus can also be viewed or downloaded from the website of Bursa Securities at www.bursamalaysia.com.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR ANY OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

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

4.2 OPENING AND CLOSING OF APPLICATION

The period for Application will open at 10.00 a.m. on 27 July 2023 and will remain open until at 5.00 p.m. on 2 August 2023. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.3 IMPORTANT TENTATIVE DATES

Events	Tentative Dates
Issuance of this Prospectus/Opening of Application	27 July 2023
Closing of Application	2 August 2023
Balloting of the Application	4 August 2023
Allotment of our IPO Shares to successful applicants	11 August 2023
Date of Listing	15 August 2023

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

4.4 DETAILS OF OUR IPO

4.4.1 Public Issue

A total of 105,830,000 Issue Shares, representing 26.00% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

20,352,000 Issue Shares, representing 5.00% of our enlarged share capital, will be made available for application by the Malaysian Public, to be allocated via balloting process as follows:

- (a) 10,176,000 Issue Shares made available to public investors; and
- (b) 10,176,000 Issue Shares made available to Bumiputera public investors.

(ii) Our eligible Directors and employees as well as persons who have contributed to the success of our Group

10,176,000 Issue Shares, representing 2.50% of our enlarged share capital, will be reserved for our eligible Directors and employees as well as persons who have contributed to the success of our Group under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.4.3.

(iii) Private placement to selected investors

75,302,000 Issue Shares, representing 18.50% of our enlarged share capital, have been reserved for private placement for selected investors.

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

4. PARTICULARS OF OUR IPO (Cont'd)

There is no over-allotment or "greenshoe" option that will result in an increase in the number of our IPO Shares.

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

We are not aware of any person who intends to subscribe for more than 5% of the Public Issue.

4.4.2 Offer for Sale

A total of 16,281,000 Offer Shares, representing 4.00% of our enlarged share capital, are offered by our Selling Shareholders to selected investors by way of private placement at our IPO Price. Our Offer for Sale is subject to the terms and conditions of this Prospectus.

The details of our Selling Shareholders and their relationship with our Group are as follows:

Name / Address	Relationship with our Group	Before IPO		Offer Shares offered		After IPO	
		No. of Shares	(1) %	No. of Shares	(2) %	No. of Shares	(2) %
Ir Dr Lee Sieng Kai / 11, Jalan Kinta 2 The Mines Resort City 43300 Seri Kembangan Selangor	Promoter, substantial shareholder and Managing Director	193,859,900	64.36	8,140,500	2.00	185,719,400	45.63
Tan Ah Huat / 30, Jalan BPP 7/9 Pusat Bandar Putra Permai 43300 Seri Kembangan Selangor	Promoter, substantial shareholder and Executive Director	83,082,900	27.58	8,140,500	2.00	74,942,400	18.41

Notes:

(1) Based on the share capital of 301,211,000 Shares after the Acquisition of Spectest.

(2) Based on the enlarged share capital of 407,041,000 Shares after the IPO.

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

4.4.3 Pink Form Allocations

We have allocated 10,176,000 Issue Shares to our eligible Directors and employees as well as persons who have contributed to the success of our Group under the Pink Form Allocations as follows:

Category	No. of eligible persons	Aggregate no. of Issue Shares allocated
Our eligible Directors	5	2,400,000
Our eligible employees	43	6,089,000
Persons who have contributed to the success of our Group	8	1,687,000
	56	10,176,000

4. PARTICULARS OF OUR IPO (Cont'd)

Pink Form Allocations which are not accepted by our eligible Directors and employees will be re-allocated to other eligible Directors set out in Section 4.4.3(i) and eligible employees at the discretion of our Board.

(i) Allocation to eligible Directors

The criteria for allocation to our eligible Directors are based on their anticipated contribution to our Group. Ir Dr Lee Sieng Kai (our Managing Director) and Tan Ah Huat (our Executive Director) have opted not to participate in the Pink Form Allocations as they are our substantial shareholders. N Vasanthamala A/P S Navaratnam (our Independent Non-Executive Director) has also opted not to participate in the Pink Form Allocations.

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

Name	Designation	No. of Issue Shares allocated
Ding Lien Bing	Independent Non-Executive Chairman	400,000
Aniza Binti Md Din	Executive Director	800,000
Christopher Koh Swee Kiat	Independent Non-Executive Director	300,000
Dr Haslinah Binti Muhamad	Independent Non-Executive Director	300,000
Lee Ming Jean	Alternate Director to Ir Dr Lee Sieng Kai	600,000
		2,400,000

(ii) Allocation to eligible employees

The criteria for allocation to our eligible employees (as approved by our Board) are based on the following factors:

- (a) The employee must be at least 18 years of age;
- (b) The employee must have his/her employment confirmed in writing; and
- (c) The employees' seniority, position, length of service and contribution to our Group.

Included in the allocation to our eligible employees are the proposed allocation to the key senior management as set out below:

Name	Designation	No. of Issue Shares allocated
Li Haigang	Director / General Manager – Glostrex Singapore	563,000
Tan Chze Keong	Senior Operations Manager	563,000
Diong Pu Chuan	Group Chief IT Officer	563,000
		1,689,000

4. PARTICULARS OF OUR IPO (Cont'd)**(iii) Allocation to persons who have contributed to the success of our Group**

Persons who have contributed to the success of our Group are our customers and suppliers.

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

4.5 BASIS OF ARRIVING AT OUR IPO PRICE

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

- (i) The PE Multiple of approximately 18.81 times (based on our EPS of 1.01 sen for the FYE 2023 calculated based on our PAT attributable to owners of the Company for the FYE 2023 of RM4.12 million), the adjusted PE Multiple of approximately 22.35 times (based on our adjusted EPS of 0.85 sen for the FYE 2023 calculated based on our adjusted PAT for the FYE 2023 of RM3.45 million after excluding a gain from the disposal of investment property amounting to RM0.67 million) and our enlarged share capital of 407,041,000 Shares upon Listing;
- (ii) Our pro forma consolidated NA per Share as at 31 March 2023 after our IPO of RM0.13 based on our consolidated NA as at 31 March 2023 of RM52.02 million (after the Public Issue and utilisation of IPO proceeds) and our enlarged share capital of 407,041,000 Shares upon Listing;
- (iii) Our historical financial track record for the past FYEs 2020 to 2023 summarised as follows:

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	23,963	16,966	26,574	21,616
GP	12,319	7,861	14,058	11,194
PAT attributable to:				
- Owners of the Company	4,086	2,241	6,762	4,115
- Non-controlling interest	341	154	576	-
	4,427	2,395	7,338	4,115
EPS (sen) ⁽¹⁾	1.36	0.74	2.24	1.37

Note:

- (1) Calculated based on our PAT attributable to owners of the Company divided by the share capital of 301,211,000 Shares before our IPO.

- (iv) Our competitive strengths as set out in Section 6.8; and
- (v) Our Group's business strategies as further described in Section 6.19.

4. PARTICULARS OF OUR IPO (Cont'd)

You should note that our market price upon Listing is subject to the vagaries of market forces and other uncertainties that may affect the price of our Shares. You should form your own views on the valuation of our IPO Shares before deciding to invest in them. You are reminded to carefully consider the risk factors as set out in Section 8 before deciding to invest in our Shares.

4.6 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

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

Details	No. of Shares	RM
Share capital		
As at the date of this Prospectus	301,211,000	30,121,100
To be issued pursuant to our Public Issue	105,830,000	20,107,700
Enlarged share capital upon our Listing	407,041,000	50,228,800
Offer for Sale ⁽¹⁾	16,281,000	3,093,390
Market capitalisation ⁽²⁾		77,337,790

Notes:

(1) Our Offer for Sale will not have any effect on our share capital.

(2) Based on our IPO Price and our enlarged number of shares upon Listing.

As at the date of this Prospectus, we have only 1 class of shares, being ordinary shares, all of which rank equally amongst one another.

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

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

Subject to any special rights attaching to any Shares which may be issued by us in the future, our shareholders shall, in proportion to the amount of Shares held by them, be entitled to share the profits paid out by us as dividends and other distributions and any surplus in the event of the liquidation of our Group, in accordance with our Constitution.

Each of our shareholders shall be entitled to vote at any of our general meeting in person, or by proxy or by attorney or by other duly authorised representative. Every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have 1 vote for each ordinary share held.

4. PARTICULARS OF OUR IPO (Cont'd)

4.7 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (i) To provide an opportunity for the Malaysian Public, our eligible Directors and employees as well as persons who have contributed to the success of our Group to participate in our equity;
- (ii) To enable our Group to raise funds for the purposes specified in Section 4.10;
- (iii) To enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise; and
- (iv) To gain recognition through our listing status which will enhance our Group's reputation in the marketing of our services and to retain and attract new, skilled employees in the industry.

4.8 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and our enlarged share capital of 407,041,000 Shares upon Listing, our total market capitalisation is estimated to be RM77,337,790 upon Listing.

4.9 DILUTION

Dilution is the amount by which our IPO Price exceeds the pro forma consolidated NA per Share immediately after our IPO.

	<u>RM</u>
IPO Price	0.19
Pro forma consolidated NA per Share as at 31 March 2023	0.12
Pro forma consolidated NA per Share as at 31 March 2023 after taking into account the Public Issue	0.14
Pro forma consolidated NA per Share as at 31 March 2023 after taking into account the Public Issue and utilisation of IPO proceeds	0.13
Dilution in the pro forma consolidated NA per Share to our new public investors	(0.06)
Dilution in the pro forma consolidated NA per Share as a percentage of our IPO Price	31.58%

Further details of our pro forma consolidated NA per Share as at 31 March 2023 are set out in Section 13.

4. PARTICULARS OF OUR IPO (Cont'd)

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

Shareholders	⁽¹⁾ No. of Shares	Total consideration RM	Average effective cost per Share RM
Ir Dr Lee Sieng Kai ⁽²⁾	193,859,900	19,385,990	0.10
Tan Ah Huat ⁽²⁾	83,082,900	8,308,290	0.10
Li Haigang	14,275,400	1,427,540	0.10
Chia Meng Hua	4,282,600	428,260	0.10
Aniza Binti Md Din	2,855,100	285,510	0.10
Tan Chze Keong	2,855,100	285,510	0.10
	301,211,000	30,121,100	

Notes:

(1) Issued pursuant to the Acquisition of Spectest.

(2) Including 100 Shares held by each of them as subscriber shareholders of Glostrest.

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

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4. PARTICULARS OF OUR IPO (Cont'd)**4.10 UTILISATION OF PROCEEDS****4.10.1 Public Issue**

The estimated gross proceeds arising from the Public Issue of approximately RM20.11 million shall accrue entirely to us and will be utilised in the following manner:

Utilisation of proceeds	Reference	Estimated timeframe for utilisation ⁽¹⁾	RM'000	%
Business expansion and working capital	(i)	36 months	11,708	58.23
Research and development	(ii)	36 months	1,800	8.95
Repayment of bank borrowings	(iii)	3 months	3,300	16.41
Estimated listing expenses	(iv)	1 month	3,300	16.41
			20,108	100.00

Note:

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

Pending the utilisation of the proceeds to be raised from our Public Issue, the funds will be placed with licenced financial institutions as deposits.

(i) Business expansion and working capital

As at the LPD, our pile instrumentation and static load test services are mainly provided to customers in Malaysia and Singapore, while our structural and ground instrumentation and monitoring services are mainly provided to customers in Malaysia (including a service engagement in Cambodia secured through a Malaysian customer and with the exception of a service engagement in Cambodia secured through a local customer in Cambodia).

We intend to expand our service offerings in Singapore to include structural and ground instrumentation and monitoring services. Our operations in Singapore is dependent on our Builder's Licence (Site Investigation Work) issued by BCA which allows us to provide pile instrumentation and static load test services as well as structural and ground instrumentation and monitoring services. This licence shall expire on 7 June 2025.

On 30 June 2022, the Singapore Accreditation Council (SAC) (the national accreditation body of Singapore) announced that the existing field under Site Investigation will be renamed to (i) Site Investigation and (ii) Instrumentation and Monitoring. It was also announced by the SAC that BCA will, tentatively from January 2024, require all registered specialist builders for Instrumentation and Monitoring to be accredited by the SAC under the Accreditation for Inspection Body Scheme as part of the conditions for renewal of licences. Please refer to Section 6.18(vi) for further details on this matter.

As such, our Builder's Licence to be renewed shall include 2 separate scope of services as follows:

4. PARTICULARS OF OUR IPO (Cont'd)

- (i) Site Investigation, which allows us to undertake the provision of pile instrumentation and static load test services. The renewal for this scope of service is not subject to accreditation by the SAC; and
- (ii) Instrumentation and Monitoring, which allows us to undertake the provision of structural and ground instrumentation and monitoring services. The renewal for this scope of service is subject to accreditation by the SAC.

In the event that Glostrex Singapore fails to renew its Builder's Licence for Instrumentation and Monitoring upon expiry due to failure to be accredited under the SAC, our Group will not be allowed to provide structural and ground instrumentation and monitoring services in Singapore subsequent to 7 June 2025. Please refer to Section 8.1.2 for details on the risk and impact to our Group if we are not able to obtain the accreditations and renew the Builder's Licence for Instrumentation and Monitoring.

In such event the remaining proceeds allocated for the provision to include structural and ground instrumentation and monitoring services in Singapore, if any, shall be reallocated to working capital purposes. In addition, shareholders' approval will be sought if the variations exceed 25% or more of the total proceeds raised.

To facilitate this business expansion, we intend to utilise RM11.71 million from our IPO proceeds in the following manner:

No.	Details	RM'000	%
(a)	Purchase of instruments and equipment	6,783	57.94
(b)	Hiring of additional engineers and technicians	2,000	17.08
(c)	Working capital	2,925	24.98
		11,708	100.00

Further details are set out below:

- (a) Instruments and equipment to be purchased include amongst others, IoT enabled noise and vibration meters (RM2.31 million), tri-axil tilt sensors (RM1.77 million), laser distance meters (RM0.21 million), robotic total stations (RM0.40 million), computer hardware and software (RM1.22 million) and other data gathering instruments (RM0.87 million) which will be used directly for the provision of structural and ground instrumentation and monitoring services;
- (b) As at LPD, we employ 4 engineers and 10 technicians in Singapore and these employees are currently fully utilised for the provision of pile instrumentation and static load test services.

As set out in Section 6.19.1, we intend to expand our structural and ground instrumentation and monitoring business into Singapore. Therefore, our current employee capacity is insufficient.

As such, we shall progressively hire new employees as the number of structural and ground instrumentation and monitoring services projects secured increases. The exact timing for the hiring of new employees will depend on the number of projects as well as the size of projects secured.

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

The new employees will undergo in-house training and shall be guided and supervised by our existing employees.

We will progressively hire up to 2 additional civil engineers (fresh graduate/junior engineer level) with an estimated monthly salary of SGD5,000 (equivalent to approximately RM16,600) per person and 3 additional technicians (junior level) with an estimated monthly salary of SGD3,300 (equivalent to approximately RM10,960) per person who will be located in Singapore and involved in projects relating to structural and ground instrumentation and monitoring services.

We intend to utilise RM1.00 million for the hiring of the engineers for a period of 30 months and RM1.00 million for the hiring of technicians for a period of 30 months.

- (c) The proceeds of RM2.93 million have been earmarked to supplement the working capital requirements of our Group. The proceeds shall be used for general administrative and daily operational expenses such as staff-related cost (including allowance and benefits but does not include staff salaries), utilities, travelling expenses, server expansion* as well as software costs*, where exact sum to be utilised have not been determined at this juncture.

* For expanding our accounting and payroll system. Server expansion and software costs are estimated to be RM0.04 million and RM0.02 million, respectively.

Kindly refer to Section 6.19.1 for further details.

(ii) Research and development

As part of our growth and expansion plans, we will continue to undertake R&D activities to further enhance the automation and accuracy of our service provision.

Our on-going R&D activities includes the improvement of Glostrex WiNA platform. Kindly refer to Section 6.19.2 for further details on our on-going R&D initiatives.

We intend to utilise RM1.80 million of our IPO proceeds for the following:

- (aa) To purchase instruments and equipment dedicated for improvement of Glostrex WiNA platform (RM0.90 million). These instruments and equipment will include new servers catered for the IoT platform, indoor and outdoor air quality monitoring sensors, in-place inclinometers, wireless vibration meters, wireless sound level meters, tilt sensors and event detection sensors;
- (bb) To hire 5 additional software / system engineers (fresh graduate/junior engineer level) (RM0.90 million) for a period of 36 months. Upon Listing, we will begin to employ these new engineers on a full time basis to work on the R&D activities as well as other software / system related matters. The engineers to be hired are expected to have the relevant education background and/or experience in undertaking R&D activities. Nevertheless, they will be under the guidance and supervision of our existing engineers.

4. PARTICULARS OF OUR IPO (Cont'd)**(iii) Repayment of bank borrowings**

As at the LPD, our total borrowings (excluding lease liabilities) amount to RM8.94 million. We intend to utilise RM3.30 million from our IPO proceeds for the repayment of bank borrowings, details which are as set out as follows:

	Bank / Banking facility	Purpose of borrowing	Interest rate ⁽²⁾	Maturity date	Principal amount	Amount outstanding as at LPD	Amount to be repaid from IPO proceeds
					RM'000	RM'000	RM'000
(i)	Public Bank Berhad / Term loan	Acquisition of our head office located in Shah Alam, Selangor ⁽¹⁾	4.17%	May 2038	3,150	2,726	2,726
(ii)	Maybank Islamic Berhad / Term loan	Acquisition of a 3- storey shop lot located in Nusajaya, Johor ⁽¹⁾	4.35%	October 2034	553	384	384
(iii)	Public Islamic Bank Berhad / Term loan	Acquisition of a 3- storey shop lot located in Shah Alam, Selangor ⁽¹⁾	4.47%	March 2032	563	403	190
						3,513	3,300

Notes:

(1) Kindly refer to Sections 6.17.1(i), (vi) and (iv) for details of the properties.

(2) Based on the effective interest rates as at LPD.

As at the LPD, the outstanding amount for the above-mentioned loans is RM3.51 million. We intend to utilise up to RM3.30 million from the IPO proceeds to repay these loans. There are no penalties from the early repayment of these loans.

These loans are chosen to be repaid as these are loans for properties used in our operations (i.e head office and 3-storey shop lot located in Nusajaya, Johor). We chose to repay the loan for the 3-storey shop lot located in Shah Alam, Selangor as it carries the highest effective interest rate. As such, these bank borrowings were chosen to be repaid as it is expected to give our Group the best savings and benefits.

Based on the above, the expected annual interest savings is approximately RM0.14 million (calculated based on the respective effective interest rate of each term loan). However, the actual interest savings may vary depending on the then applicable interest rates, which is based on the prevailing base lending rates of each respective banks. The repayment of bank borrowings is to improve the cash flow position of our Group. Our pro forma gearing ratio is expected to decrease from 0.26 times (before the Public Issue) to 0.11 times (after the Public Issue and the utilisation of proceeds).

4. PARTICULARS OF OUR IPO (Cont'd)**(iv) Estimated listing expenses**

The amount of RM3.30 million is allocated to meet the estimated cost for our Listing. If our actual listing expenses are higher than the amount budgeted, the deficit will be funded out of the portion allocated for our general working capital requirements. Conversely, if our actual listing expenses are lower than the amount budgeted, the excess will be utilised for our general working capital requirements. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Details	RM'000
Professional fees ⁽¹⁾	2,281
Underwriting, placement and brokerage fees	680
Fees to authorities	67
Printing and advertising fees	150
Others ⁽²⁾	122
	<u>3,300</u>

Notes:

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

Any variations from the amounts budgeted above shall be adjusted towards or against, as the case may be, the proceeds allocated for business expansion and working capital. In addition, shareholders' approval will be sought if the variations exceed 25% or more of the total proceeds raised.

4.10.2 Offer for Sale

The Offer for Sale is expected to raise gross proceeds of approximately RM3.09 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

The Selling Shareholders shall bear all of the expenses relating to the Offer Shares, the aggregate of which is estimated to be approximately RM0.09 million.

4.11 UNDERWRITING AND PLACEMENT ARRANGEMENT, COMMISSION AND BROKERAGE**4.11.1 Underwriting arrangement, placement arrangement and commission**

Our Underwriter will underwrite 30,528,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We are obliged to pay our Underwriter an underwriting commission of 3.00% of the total value of the underwritten Shares at our IPO Price.

Any of our Issue Shares which are not subscribed for by the Malaysian Public or Pink Form Allocations will be made available to selected investors via private placement. If all of our Issue Shares offered to the Malaysian Public are oversubscribed, shares not subscribed for under the Pink Form Allocations, if any, will be made available for application by the Malaysian Public. Thereafter, any remaining Issue Shares that are not subscribed for will be subscribed by our Underwriter based on the terms of the Underwriting Agreement.

4. PARTICULARS OF OUR IPO (Cont'd)

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

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

4.11.2 Placement arrangement and commission

The balance 75,302,000 Issue Shares from the Public Issue and 16,281,000 Offer Shares available for application by selected investors will not be underwritten and shall be placed out by our Placement Agent.

We are obliged to pay our Placement Agent a placement fee of 3.00% of the value of those Issue Shares to be placed out to selected investors set out in Section 4.4.1(iii). The placement fee of 3.00% of the value of those Offer Shares to be placed out to selected investors set out in Section 4.4.2 by our Placement Agent at our IPO Price will be borne entirely by the Selling Shareholders.

4.11.3 Brokerage fees

Brokerage is payable in respect of the Issue Shares at the rate of 1.00% of the value of those Issue Shares in respect of successful applicants which bear the stamp of member companies of Bursa Securities, member of the Association of Banks in Malaysia, members of the Malaysia Investment Banking Association in Malaysia or Issuing House.

4.12 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M&A Securities, to underwrite 30,528,000 Issue Shares ("Underwritten Shares").

The salient terms of the Underwriting Agreement are as follows:

4.12.1 Conditions precedent

- (i) The several obligations of the Underwriter under the Underwriting Agreement shall further be conditional upon ("Conditions Precedent"):
 - (a) The acceptance of the listing proposal from Bursa Securities, the clearance of registrable Prospectus from Bursa Securities and the lodgement of registrable Prospectus with the ROC respectively together with copies of all documents required under Section 154 of the Act prior to the issuance of the Prospectus to the public;
 - (b) The issuance of the Prospectus (including all procedures, requirements, letters and documents) required under Section 154 of the Act to the public within 3 months from the date thereof or such extension as consented by the Underwriter;

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

- (c) There having been, as at any time thereafter up to and including the Closing Date, no material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise of our Group (which in the reasonable opinion of the Underwriter is or will be material in the context of the issue of the Issue Shares) from that set forth in the Prospectus, nor the occurrence of any event nor the discovery of any fact rendering inaccurate, untrue or incorrect to an extent which is or will be material in any of the representations, warranties and undertakings contained in the Underwriting Agreement, if they are repeated on and as of the Closing Date;
- (d) The issue, offer and subscription of the Issue Shares in accordance with the provisions thereof and the Prospectus not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
- (e) All necessary approvals and consents required in relation to the Public Issue including but not limited to governmental approvals having been obtained and are in full force and effect;
- (f) The Underwriter having been satisfied that arrangements have been made by the Company to ensure payment of the expenses referred to in the Underwriting Agreement;
- (g) The delivery to the Underwriter prior to the date of registration of the Prospectus of (1) a copy certified as a true copy by an authorised officer of our Company of all the resolutions of our Directors and our shareholders in general meeting approving the Underwriting Agreement, the Prospectus, the Public Issue and authorising the execution of the Underwriting Agreement and the issuance of the Prospectus; (2) a certificate dated the date of the Prospectus signed by duly authorised officers of our Company stating that, after having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in paragraph (i)(c) above;
- (h) The delivery to the Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from our Board as the Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group nor the occurrence of any event rendering, untrue or incorrect, to a material extent any representations and/or warranties contained in the Underwriting Agreement as though they have been given and/or made on such date; and
- (i) The Underwriter being satisfied that our Company will, following completion of the Public Issue be admitted to the official list and its issued share capital listed and quoted on the ACE Market without undue delay.

4. PARTICULARS OF OUR IPO (Cont'd)

- (ii) In the event any of the Conditions Precedent are not satisfied by the Closing Date, the Underwriter shall thereupon be entitled but not bound to terminate the Underwriting Agreement by notice given to our Company not later than 3 Market Days after the Closing Date and upon such termination, our Company and the Underwriter shall be released and discharged from their obligations save for our Company's obligations pursuant to the Underwriting Agreement and none of the parties shall have a claim against the other save for antecedent breaches by our Company and claims arising therefrom. Each party shall in such event return any and all monies paid to the other under the Underwriting Agreement within 72 hours of the receipt of such notice (except for monies paid by our Company for the payment of the expenses as provided in the Underwriting Agreement). The Underwriter reserves the right to waive or modify any of the conditions aforesaid and such waiver or modification shall not prejudice the Underwriter's rights under the Underwriting Agreement.

4.12.1 Termination

- (i) Notwithstanding anything herein contained, the Underwriter may by notice in writing to our Company given at any time on or before the allotment and issuance of the Issue Shares, terminate and cancel and withdraw its commitment to underwrite the Underwritten Shares if:
- (a) There is any breach by our Company of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from the Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the Public Issue, or the distribution of the Issue Shares; or
 - (b) There is withholding of information of a material nature from the Underwriter, which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group and the success of the Public Issue, or the distribution of the Issue Shares; or
 - (c) There shall have occurred, happened or come into effect in the opinion of the Underwriter any material and/or adverse change to the business or financial condition of our Group; or
 - (d) There shall have occurred, happened or come into effect any of the following circumstances:
 - (1) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or

4. PARTICULARS OF OUR IPO (Cont'd)

- (2) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Company and/or the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); which, (in the reasonable opinion of the Underwriter), would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Group and the success of the Public Issue, or the distribution of our Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
 - (3) the FTSE Bursa Malaysia KLCI Index ("Index") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (aa) on or after the date of the Underwriting Agreement; and
 - (bb) prior to the allotment of the Issue Shares,

lower than 90% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least 3 Market Days; or
 - (4) in the event of national disorder, outbreak of war or the declaration of a state of national emergency; or
 - (e) There is failure on the part of our Company to perform any of their respective obligations herein contained; or
 - (f) Any matter which arose immediately before the date of the Prospectus would have constituted a material and adverse omission in the context of the Public Issue; or
 - (g) Any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on our Company pursuant to the indemnities contained under the Underwriting Agreement.
- (ii) Upon such notice(s) being given, the Underwriter shall be released and discharged of its obligations without prejudice to its rights whereby the Underwriting Agreement shall be of no further force or effect and no Party shall be under any liability to any other in respect of the Underwriting Agreement, except that our Company shall remain liable in respect of our obligations and liabilities for the payment of the costs and expenses already incurred prior to or in connection with such termination, for the payment of any taxes, duties or levies or such outstanding fees, and for any antecedent breach, and our undertaking to indemnify the Underwriter.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters and substantial shareholders' shareholdings

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

Name/ Nationality	⁽¹⁾ Before IPO				^{(2) (3)} After IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ir Dr Lee Sieng Kai / Malaysian	193,859,900	64.36	-	-	185,719,400	45.63	⁽⁴⁾ 600,000	0.15
Tan Ah Huat / Malaysian	83,082,900	27.58	-	-	74,942,400	18.41	-	-

Notes:

- (1) Based on the share capital of 301,211,000 Shares after the Acquisition of Spectest.
- (2) Based on the enlarged share capital of 407,041,000 Shares after the IPO.
- (3) After the Offer for Sale.
- (4) Deemed interested by virtue of his son's shareholdings in our Group, assuming that he fully subscribes for his entitlement under the Pink Form Allocations.

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

5.1.2 Profiles of Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are as follows:

(i) Ir Dr Lee Sieng Kai

Ir Dr Lee Sieng Kai, a Malaysian, age 58, is our Managing Director. He is responsible for overall day-to-day management and formulation of our Group's business plans and strategies as well as overseeing the overall operations of our Group. He was appointed to our Board on 15 February 2022. He was subsequently appointed as our Managing Director on 15 March 2022.

In 1990, he graduated with a Bachelor of Engineering from University of Malaya. In 2006, he was admitted as a Member of The Institution of Engineers, Malaysia and Professional Engineer of the Board of Engineers Malaysia. In 2011, he obtained his Doctor of Philosophy ("PhD") in Foundation Engineering, also from University of Malaya.

In April 1990, he began his career as a Trainee Engineer at Pilecon Pte Ltd, a company principally involved in building construction and foundation works which includes micropiling, conventional piling and underpinning, where he assisted in bored piling activities for a project in Singapore. Subsequently in May 1990, he was transferred to Pilecon Engineering Berhad, a company principally involved in

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

foundation engineering, civil engineering, building contracting works as well as property development and in June 1990, he was promoted to Engineer where he was involved in research activities to improve geotechnical instrumentation processes. In April 1993, he left Pilecon Engineering Berhad.

In June 1993, he acquired shares in Spectest from a founding shareholder of Spectest (namely Lim Shih Chang, representing 26.67% equity interest) to venture into the provision of geotechnical instrumentation services. At the same time, he joined Spectest where he was appointed as a Director, where he managed the day-to-day business operations of pile instrumentation as well as structural and ground instrumentation and monitoring works. Between 1993 and 2006, Ir Dr Lee Sieng Kai and Tan Ah Huat further acquired shares from the founding shareholders (namely Chong Yit Wah and Loke Weng Tuck) and another shareholder (Mun Kwai Peng) as they had the intention to take over this business. After he acquired the shares of Spectest from its founding shareholders together with Tan Ah Huat, he became the Managing Director of Spectest in 2006, a position he presently holds. Over the years, Ir Dr Lee continued to lead the expansion of our Group's business when Spectest set up Glostrex Technology on 21 April 2004 and Glostrex Singapore on 25 March 2009 (as a subsidiary of Glostrex Technology). Through Glostrex Singapore, he led our Group's expansion into Singapore.

Due to his experience and reputation in the geotechnical instrumentation and testing industry accumulated from approximately 33 years of experience in the industry, he has been invited to speak at industry seminars and conferences in Malaysia and Singapore. Kindly refer to Section 6.11(ii) for his past speaking engagements.

He is the father of Lee Ming Jean, an Alternate Director.

(ii) Tan Ah Huat

Tan Ah Huat, a Malaysian, age 54, is our Executive Director. He is responsible for overseeing the overall management of our service engagements in Malaysia. He was appointed to our Board on 15 February 2022. He was subsequently appointed as the Executive Director on 25 July 2022.

In 1990, he completed his Sijil Tinggi Persekolahan Malaysia (STPM) at Sekolah Menengah Kebangsaan Telok Datok, Selangor.

In 1991, he began his career as a Technician at Pilecon Engineering Berhad, a company principally involved in foundation engineering, civil engineering, building contracting works as well as property development. He was involved in pile testing works as well as geotechnical instrumentation, testing and monitoring works. During this employment, he obtained his Certificate of Proficiency in a 12-month Supervisory Training Course conducted by Pilecon Engineering Berhad in 1992. The 12-month Supervisory Training Course training course provided him training on piling and deep excavation construction works comprising site works and classroom training.

In July 1993, he left Pilecon Engineering Berhad and joined Spectest as a Technician (Executive). He was responsible for carrying out pile instrumentation works as well as structural and ground instrumentation and monitoring works. Over the years, he took on additional responsibilities in coordinating and managing our service engagements and he eventually became a shareholder of Spectest in June 2002 where he acquired 5% equity interest in Spectest. After he acquired the shares of Spectest from its founding shareholders together with Ir Dr Lee Sieng Kai, he became our Executive Director in 2006, a position he presently holds.

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

5.1.3 Changes in the Promoters' and substantial shareholders' shareholdings

The changes in our Promoters and substantial shareholders' respective shareholdings since our incorporation on 15 February 2022 are as follows:

Promoters/ Substantial Shareholders	⁽¹⁾ As at incorporation				⁽²⁾ After the Acquisition of Spectest				^{(3) (4)} After IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ir Dr Lee Sieng Kai	100	50.0	-	-	193,859,900	64.36	-	-	185,719,400	45.63	⁽⁵⁾ 600,000	0.15
Tan Ah Huat	100	50.0	-	-	83,082,900	27.58	-	-	74,942,400	18.41	-	-

Notes:

- (1) Comprising 200 subscriber shares.
- (2) Based on the share capital of 301,211,000 Shares after the Acquisition of Spectest.
- (3) Based on the enlarged share capital of 407,041,000 Shares after the IPO.
- (4) After the Offer for Sale.
- (5) Deemed interested by virtue of his son's shareholdings in our Group, assuming that he fully subscribes for his entitlement under the Pink Form Allocations.

5.1.4 Persons exercising control over the corporation

Save for our Promoters, Ir Dr Lee Sieng Kai and Tan Ah Huat, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company.

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

5.1.5 Substantial shareholders' remuneration and benefits

Save for the issuance of our Shares under the Acquisition of Spectest, dividends paid as well as remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.4, 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:

	Remuneration and benefits	Dividends declared and paid	Total
	RM'000	RM'000	RM'000
FYE 2021			
Ir Dr Lee Sieng Kai	590	679	1,269
Tan Ah Huat	233	291	524
FYE 2022			
Ir Dr Lee Sieng Kai	600	1,698	2,298
Tan Ah Huat	225	728	953
FYE 2023			
Ir Dr Lee Sieng Kai	649	-	649
Tan Ah Huat	255	-	255

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

5.2 DIRECTORS

5.2.1 Directors' shareholdings

The shareholdings of our Directors in our Company before and after our IPO are set out below:

Name	Designation / Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ding Lien Bing	Independent Non-Executive Chairman / Malaysian	-	-	-	-	⁽⁵⁾ 400,000	0.10	-	-
Ir Dr Lee Sieng Kai	Managing Director / Malaysian	193,859,900	64.36	-	-	⁽³⁾ 185,719,400	45.63	⁽⁴⁾ 600,000	0.15
Tan Ah Huat	Executive Director / Malaysian	83,082,900	27.58	-	-	⁽³⁾ 74,942,400	18.41	-	-
Aniza Binti Md Din	Executive Director / Chief Financial Officer / Malaysian	2,855,100	0.95	-	-	⁽⁵⁾ 3,655,100	0.90	-	-
Christopher Koh Swee Kiat	Independent Non-Executive Director / Malaysian	-	-	-	-	⁽⁵⁾ 300,000	0.07	-	-
N Vasanthamala A/P S Navaratnam	Independent Non-Executive Director / Malaysian	-	-	-	-	-	-	-	-

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

Name	Designation / Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dr Haslinah Binti Muhamad	Independent Non-Executive Director / Malaysian	-	-	-	-	⁽⁵⁾ 300,000	0.07	-	-
Lee Ming Jean	Alternate Director to Ir Dr Lee Sieng Kai / Malaysian	-	-	-	-	⁽⁵⁾ 600,000	0.15	-	-

Notes:

- (1) Based on the share capital of 301,211,000 Shares after the Acquisition of Spectest.
- (2) Based on the enlarged share capital of 407,041,000 Shares after the IPO.
- (3) After the Offer for Sale.
- (4) Deemed interested by virtue of his son's shareholdings in our Group, assuming that he fully subscribes for his entitlement under the Pink Form Allocations.
- (5) Assuming that our Directors fully subscribes for their respective entitlements under the Pink Form Allocations.

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

5.2.2 Profiles of Directors

The profiles of our Directors are as follows:

(i) Ding Lien Bing

Ding Lien Bing, a Malaysian, age 63, is our Independent Non-Executive Chairman. He was appointed to our Board on 25 July 2022.

In 1984, he completed the final exam under The Association of Certified Accountant in the United Kingdom. In 1992, he was admitted as Registered Accountant of the Malaysian Institute of Accountants and since 2001, he has been a Chartered Accountant under the Malaysian Institute of Accountants.

In 1984, he began his career at an audit firm, Lionel H. Lemon & Co, United Kingdom as a Semi-senior Audit Clerk / Trainee Accountant, where he prepared financial reports and statutory accounts, assisted in audit works and performed both income and corporate tax computations. In September 1985, he left Lionel H. Lemon & Co and returned to Malaysia.

In November 1985, he joined a direct selling company for herbal tea and consumer household products, Tri-Sun (S.E.A.) Sdn Bhd as an Accountant. He was responsible for the day-to-day operations of the Accounts Department, which included preparation of accounting and financial reports, implementation of various accounting systems and computation of income and corporate taxes. He was also in charge of all banking and office management related matters.

In March 1988, he left Tri-Sun (S.E.A.) Sdn Bhd and joined Fraser & Neave (Malaya) Sdn Bhd ("F&N") as a Methods Analyst. F&N carries on management services as well as manufacturing and sales of dairy and soft drinks products and was involved in designing and improving the financial control reporting system for F&N's vending machine business.

In August 1988, he left F&N and joined MBf Card Services Sdn Bhd, a company providing credit card services, as a Finance Manager where he was responsible for implementing internal control systems, cashier functions, treasury and fund management, and accounting and finance works. In 1991, he was promoted to Vice President – Finance & Control, where he was in-charge of the Finance Department as well as the Credit Card Receivable Management and Control Department. In 1994, he was promoted to Senior Vice President where he was in charge of the finance and operations of the company. In 1998, he was transferred to MBf Management Sdn Bhd, a company principally involved in investment holding of shares in other companies and properties as well as provision of management services, as Senior Vice President / Group Financial Controller where he oversaw the corporate office and finance functions of MBf Holdings Berhad, an investment holding company with subsidiaries involved in property investment and development, financial services, automobile, logistic, trading, education, retail, building management services as well as sale of beverages and MBf Capital Berhad, an investment holding company with subsidiaries involved in property development and financial services. In 2002, he was redesignated as Executive Vice President, where he was in charge of finance and operations. In 2004, he was appointed as President of MBf Holdings Berhad and President of MBF Cards (M'sia) Sdn Bhd respectively.

In March 2006, he left MBf Holdings Berhad and MBF Cards (M'sia) Sdn Bhd, and joined OSK Securities Berhad, a company principally involved in stockbroking, futures broking, corporate advisory and other financial services as Group Chief Financial Officer. He was responsible for establishing and formulating financial strategies as well as overseeing the development of

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

long-term financial management models to support the company's business plans. In October 2007, he left OSK Securities Berhad.

In November 2007, he returned to MBf Holdings Berhad and MBF Cards (M'sia) Sdn Bhd, as Chief Financial Officer and President respectively. In 2011, he was appointed as President of MBf Corporation Berhad (a company principally involved in investment holding of companies involved in property development and timeshare), a position he presently holds.

In March 2016, he was appointed as Independent Non-Executive Chairman of Bison Consolidated Berhad (now known as Mynews Holdings Berhad) (a company principally involved in investment holding of companies involved in press and convenience store retailing and listed on the Main Market of Bursa Securities). In March 2022, he was redesignated as Executive Chairman, a position he presently holds. As Executive Chairman, he is involved in the management and business development of Mynews Holdings Berhad.

Kindly refer to Section 5.2.3 for his involvements in other business activities outside our Group.

(ii) Ir Dr Lee Sieng Kai

Ir Dr Lee Sieng Kai is our Managing Director. His profile is set out in Section 5.1.2.

Kindly refer to Section 5.2.3 for his involvement in business activity outside our Group.

(iii) Tan Ah Huat

Tan Ah Huat is our Executive Director. His profile is set out in Section 5.1.2.

(iv) Aniza Binti Md Din

Aniza Binti Md Din, a Malaysian, aged 44, is our Executive Director / Chief Financial Officer. She is responsible for all financial, accounting and administrative functions of our Group. She was appointed to our Board on 25 July 2022.

In 2002, she graduated with a Bachelor of Accountancy from Universiti Putra Malaysia. In 2007, she was admitted as a Member and Chartered Accountant of Malaysian Institute of Accountants.

In 2001, she began her career as an Accounts / Admin Assistant at Spectest where she was involved in bookkeeping and general administrative works. In 2002, she was promoted to Accounts / Admin Executive where she was involved in finance, accounting and administrative functions. In 2009, she was further promoted to Accounts / Finance Manager where she was responsible for managing the finance, accounting and credit control functions as well as preparing monthly and annual financial statements as well as financial budgets.

In 2013, she was appointed as our Group Financial Controller where she oversees the overall financial and accounting functions of our Group including performing financial analysis and review. In April 2021, she was promoted to Chief Financial Officer, a position she presently holds.

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

(v) Christopher Koh Swee Kiat

Christopher Koh Swee Kiat, a Malaysian, aged 55, is our Independent Non-Executive Director. He was appointed to our Board on 5 August 2022, and is also the chairman of our Nomination Committee and member of our Audit and Risk Management Committee and Remuneration Committee.

In 1992, he graduated with a Bachelor of Laws from University of Malaya. In 1993, he was called to the High Court of Malaya as an Advocate and Solicitor. In 1996, he obtained The Certified Diploma in Accounting & Finance from The Chartered Association of Certified Accountants.

In 1992, he began his pupillage at law firm, Chooi & Co (currently known as Chooi & Company + Cheang & Ariff). Upon completing his pupillage in 1993, he continued to work at Chooi & Co as a Legal Assistant in the Corporate Department where he was involved in various merger and acquisition exercises.

In 1995, he left Chooi & Co and joined TA Securities Holdings Berhad, a company is principally involved in dealing of securities, advising on corporate finance and investment holding, as an Assistant Manager in the Legal Affairs Department. He was responsible for the preparation of legal documents for the group on matters pertaining to stock borrowing and lending, incorporation of unit trusts and futures, and merger and acquisition exercises. In 1997, he was appointed as the Head of Legal Affairs Department, where he oversaw the overall operation of the Legal Affairs Department. He was also involved in negotiating and preparing legal documents for various overseas ventures including the expansion of banking and stockbroking businesses to various countries.

In 1999, he left TA Securities Holdings Berhad and joined a law firm, Tay & Partners as a Partner in the Corporate Department where he led and managed various merger and acquisition exercises.

In July 2001, he left Tay & Partners and joined MasterCard Asia/Pacific Pte Ltd which was the regional headquarters to serve the MasterCard global payments franchise in Asia Pacific. He joined as Vice President & Assistant Asia/Pacific Legal Counsel in Singapore. During his tenure, he negotiated with banks on incentives including terms and conditions for the respective incentives. In September 2001, he left MasterCard Asia/Pacific Pte Ltd and returned to Malaysia.

In November 2001, he joined a law firm based in Petaling Jaya, Selangor, GH Tee & Co as a Partner and was involved in various corporate exercises including merger and acquisition exercises. In 2003, he set up GH Tee & Co, Kuala Lumpur, a law firm acting as a branch office of GH Tee & Co in Kuala Lumpur. Subsequently in 2005, upon achieving consensus with all the partners of GH Tee & Co, GH Tee & Co, Kuala Lumpur was spun-off and renamed Messrs Chris Koh & Chew, where he remains as Partner to-date. He is responsible for overseeing and managing all corporate related engagements.

He was appointed as the Independent Non-Executive Director of TA Enterprise Berhad (a company principally involved in provision of management services and investment holding of companies involved in stock broking) and TA Global Berhad (a company principally involved in provision of management services and investment holding of companies involved in property development, investment and management as well as hospitality operations) in 2006 and 2009, respectively. He resigned from TA Enterprise Berhad and TA Global Berhad in 2021.

In 2017, he was appointed by the Chief Judge of the High Court of Malaya (upon consultation with the Bar Council) as a member of the Advocates & Solicitors Disciplinary Board for 2 full terms up to 2021.

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

He was appointed as an Independent Non-Executive Director of Mynews Holdings Berhad (a company principally involved in investment holding of companies involved in press and convenience store retailing and listed on the Main Market of Bursa Securities) in June 2022, a position he presently holds.

In December 2022, he was appointed as Independent Non-Executive Director of MBF Corporation Berhad (a company principally involved in investment holding of companies involved in property development and timeshare), a position he presently holds. His role in MBF Corporation Berhad is to provide an oversight of the management in ensuring shareholders' interests are protected and to advise the management in areas that require input.

Kindly refer to Section 5.2.3 for his involvements in other business activities outside our Group.

(vi) N Vasanthamala A/P S Navaratnam

N Vasanthamala A/P S Navaratnam, a Malaysian, aged 57, is our Independent Non-Executive Director. She was appointed to our Board on 5 August 2022. She is also the chairperson of our Remuneration Committee and member of our Audit and Risk Management Committee and Nomination Committee.

In 1990, she graduated with a Bachelor of Engineering (Civil) from University of Malaya. In 1996, she was admitted as a Professional Engineer of the Board of Engineers Malaysia. Subsequently in 2016, she was upgraded to Professional Engineer with Practising Certificate of the Board of Engineers Malaysia.

In June 1990, she joined H P Lee Dan Rakan-Rakan, which is principally involved in provision of civil and structural engineering consultancy services. She joined as a Civil / Structural Engineer, where she was involved in engineering consultancy works for mixed development projects covering residential, commercial and industrial developments. During her tenure, she gradually undertook additional responsibilities where she was responsible for producing designs and drawings, preparing tender documents, managing tender processes, liaising with relevant stakeholders and managing projects to ensure completion in accordance with engineering specifications. In April 1995, she left H P Lee Dan Rakan-Rakan.

In May 1995, she joined Olympia Land Berhad (a wholly-owned subsidiary of DutaLand Berhad, a company listed on the Main Market of Bursa Securities), which is principally involved in property investment, development and management as a Project Engineer where she was involved in the coordination and management of engineering works related to land reclamation and mixed development projects. She was responsible for preparing work schedules, developing layout plans, producing feasibility and cashflows studies, liaising with relevant stakeholders, reviewing tender reports and conducting tender interviews. In April 1996, she left Olympia Land Berhad.

In May 1996, she joined T Y Lin (SEA) Sdn Bhd, a company principally involved in provision of civil and structural engineering consultancy services, as an Engineer where she carried out responsibilities pertaining to engineering consultancy works. Shortly after, she left T Y Lin (SEA) Sdn Bhd in July 1996 and took a 1-month career break.

In August 1996, she joined Suffian Lee Perunding Sdn Bhd (currently known as SLP Perunding Sdn Bhd), a company principally involved in provision of civil and structural engineering consultancy services, as an Associate Director/ Partner. During her tenure, she was involved in engineering consultancy works whereby she handled a portfolio of mixed development projects. In September 2001, she left Suffian Lee Perunding Sdn Bhd.

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

Thereafter, she provided engineering consultancy services to customers on a freelance basis until July 2002 where she co-founded JV Nava C & S Engineering Consultants, a partnership. She remains as a Partner of JV Nava C & S Engineering Consultants to-date, where she focuses on business development as well as managing the business operations and providing technical advice for projects.

In November 2008, she took a leave of absence from JV Nava C & S Engineering Consultants and took up a contractual position at HSS Engineering Sdn Bhd (a company principally involved in provision of civil and structural engineering consultancy services) (a wholly-owned subsidiary of HSS Engineers Berhad, a company listed on the Main Market of Bursa Securities) as a Principal Engineer for several projects. She was involved in reviewing and appointing technical consultants, preparing feasibility studies for loan financing and land acquisition purposes, liaising with various authorities for matters related to designs, submissions and approvals, as well as preparing tender awards and construction contracts. After her contract with HSS Engineering Sdn Bhd ended in May 2009, she continued running her business under JV Nava C & S Engineering Consultants.

In April 2015, she was engaged by TRC Worldwide Engineering Sdn Bhd, a company principally involved in provision of civil and structural engineering consultancy services, as a Project Manager, Civil & Structural Services, where she was responsible for reviewing designs and liaising with other project consultants and project stakeholders. In December 2016, she left TRC Worldwide Engineering Sdn Bhd. During this period, she continued running her business under JV Nava C & S Engineering Consultants.

Kindly refer to Section 5.2.3 for her involvements in other business activities outside our Group.

(vii) Dr Haslinah Binti Muhamad

Dr Haslinah Binti Muhamad, a Malaysian, aged 54, is our Independent Non-Executive Director. She was appointed to our Board on 25 July 2022, and is also the chairperson of our Audit and Risk Management Committee and member of our Remuneration Committee and Nomination Committee.

In 1993, she graduated with a Bachelor of Accountancy from University Pertanian Malaysia (currently known as Universiti Putra Malaysia). In 2001, she completed her Master of Science in Educational Technology from Universiti Putra Malaysia. Since 2009, she has been a Chartered Accountant of the Malaysian Institute of Accountants. In 2017, she obtained her Doctor of Philosophy in Accounting from Universiti Putra Malaysia.

In April 1993, she began her career at P-Mex Corporation Sdn Bhd, a building construction company, as an Account Executive where she was responsible for preparing full sets of accounts, handling credit control and debt collection, and assisting in general administration. In March 1995, she left P-Mex Corporation Sdn Bhd.

In March 1995, she joined Universiti Putra Malaysia as an economics Teacher. She was involved in conducting accounting classes under the university's matriculation programme. In 2001, she was reassigned as a temporary Tutor under the Department of Accounting and Finance, where she assisted in lectures and research. In 2002, she transitioned into a full-time Lecturer under the Department of Accounting and Finance where she conducted lectures, published research papers, provided consultations and was engaged in community services and university-industry collaborations. In 2018, she was promoted to Senior Lecturer under the Department of Accounting and Finance where her previous responsibilities remained. As Senior Lecturer, she also increased the numbers of research and publications produced.

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

(viii) Lee Ming Jean

Lee Ming Jean, a Malaysian, age 29, is the Alternate Director to Ir Dr Lee Sieng Kai and our Business Development Manager. He is responsible for overseeing business development activities as well as outlining and coordinating marketing strategies to promote our Group's service offerings. He was appointed to our Board on 25 July 2022.

In 2017, he graduated with a Bachelor of Laws from The University of Leeds, United Kingdom.

In January 2012, upon completing his Sijil Pelajaran Malaysia (SPM), he joined Glostrex Technology as a Junior Technician, where he assisted on instrument installation works on-site for approximately 2 months until February 2012, upon which he enrolled in his tertiary studies.

Upon obtaining his Bachelor of Laws in 2017, he took a break and joined Glostrex Technology in August 2021 as a Marketing and Contract Assistant, where he was involved in carrying out marketing activities including preparing proposals and reviewing work orders issued by our customers. In 2022, he was promoted to Business Development Manager, a position he presently holds.

He is the son of Ir Dr Lee Sieng Kai. Kindly refer to Section 5.2.3 for his involvement in other business activity outside our Group.

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

5.2.3 Principal business performed outside our Group

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

(i) Ding Lien Bing

<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Present involvement</u>						
1. Mynews Holdings Berhad (a company listed on the Main Market of Bursa Securities)	Investment holding of companies involved in press and convenience store retailing	Independent Non-Executive Director	10 July 2015	Re-designated on 29 March 2016	0.20	-
		Independent Non-Executive Chairman	29 March 2016	Re-designated on 1 March 2022	-	-
		Executive Chairman	1 March 2022	-	-	-
2. MBf Corporation Berhad	Investment holding of companies involved in property development and timeshare	President	3 January 2011	-	2.31	-
3. Upayapadu Plantation Berhad	Cultivation of rubber, rubber timber, oil palm and bird's nest	Shareholder	-	-	0.48	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Subsidiaries of Mynews Holdings Berhad</u>						
(1) Mycu Retail Sdn Bhd	Convenience store retailing	Director	1 April 2022	-	-	-
(2) Mynews Ryoyupan Sdn Bhd	Convenience store retailing and manufacturing of frozen bakery products as well as bread, cakes and other bakery products	Director	1 April 2022	-	-	-
(3) Mynews Kineya Sdn Bhd	Manufacturing of prepared meals and dishes as well as convenience store retailing	Director	1 April 2022	-	-	-
<u>Subsidiaries of MBf Corporation Berhad</u>						
(1) Leisure Holidays Marketing Sdn Bhd	Promoting and marketing of timeshare and club membership land properties	Director	14 February 2012	-	-	-
(2) Leisure Commerce Square Sdn Bhd	Property development	Director	15 February 2012	-	-	-
(3) Leisure Holidays Bhd	Promoting and selling of timeshare and club membership and provision of management services	Director	14 February 2012	-	-	-
(4) MBF Premier Sdn Bhd	Investment holding	Director	1 November 2011	-	-	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Past involvement</u>						
1. Malaysian Holiday Timeshare Developers' Federation	To promote and protect the interest of its members in the business of timesharing	Director	23 June 2015	29 September 2020	-	-
2. Trade Wheel Sdn Bhd	Dormant (Dissolved on 13 November 2020)	Director	29 October 1998	-	-	-
3. Leisure Holidays Resorts Management Sdn Bhd	Provision of resort management services (Wound up on 31 August 2022)	Director	14 February 2012	-	-	-
(ii) Ir Dr Lee Sieng Kai						
<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Present involvement</u>						
1. MJ Smart Management Sdn Bhd	Investment holding of properties	Director / Shareholder	31 May 2011	-	20.00	⁽ⁱ⁾ 80.00

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

<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Past involvement</u>						
1. MJ Training Centre Sdn Bhd	Provision of mandarin classes in private schools (Dissolved on 28 August 2020)	Director / Shareholder	11 March 2010	-	20.00	⁽ⁱ⁾ 80.00
2. MJ Publishing Sdn Bhd	Sale of teaching materials and books (Dissolved on 28 August 2020)	Director / Shareholder	30 August 2016	-	5.00	⁽ⁱ⁾ 95.00
3. GEB Piles Sdn Bhd	Dormant (Dissolved on 15 August 2022)	Director / Shareholder	16 March 2016	9 March 2022	70.00	-
4. Puncak 3 Naga Sdn Bhd	Inactive (Dissolved on 15 August 2022)	Director / Shareholder	8 August 2014	-	70.00	-

Note:

⁽ⁱ⁾ Deemed interested by virtue of his family members' shareholdings in these companies.

(iii) Tan Ah Huat

<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Past involvement</u>						
1. GEB Piles Sdn Bhd	Dormant (Dissolved on 15 August 2022)	Director / Shareholder	16 March 2016	9 March 2022	30.00	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
2. Puncak 3 Naga Sdn Bhd	Inactive (Dissolved on 15 August 2022)	Director / Shareholder	8 August 2014	-	30.00	-

(iv) Aniza Binti Md Din

<u>Partnership</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of registration</u>	<u>Date of withdrawal</u>
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Past involvement

1. Mega Crystal	Retailing of stationery products	Partner	15 April 2009	5 August 2022
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(v) Christopher Koh Swee Kiat

<u>Partnership / Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of registration / appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
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Present involvement

1. Messrs Chris Koh & Chew	Legal firm	Partner	8 May 2003	-	-	-
2. Mynews Holdings Berhad (a company listed on the Main Market of Bursa Securities)	Investment holding of companies involved in press and convenience store retailing	Independent Non-Executive Director	1 June 2022	-	-	-

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

	Partnership / Company	Principal activities	Involvement / Position held	Date of registration / appointment	Date of resignation	% of shareholdings held (direct)	% of shareholdings held (indirect)
3.	Lingoace (Malaysia) Sdn Bhd	Provision of educational services	Director	9 June 2022	-	-	-
4.	The First 5X Venture Sdn Bhd	Provision of fund management services	Shareholder	-	-	2.05	-
5.	The 5X Venture Number 2 Sdn Bhd	Provision of fund management services	Shareholder	-	-	2.22	-
6.	Viacap Holdings Sdn Bhd	Investment holding of shares	Shareholder	-	-	0.0003	-
7.	MBf Corporation Berhad	Investment holding of companies involved in property development and timeshare	Director	1 December 2022	-	-	-
<u>Past involvement</u>							
1.	TA Enterprise Berhad	Provision of management services and investment holding of companies involved in stock broking	Independent Non- Executive Director	24 May 2006	31 May 2021	-	-
2.	TA Global Berhad	Provision of management services and investment holding of companies involved in property development, investment and management as well as hospitality operations	Independent Non- Executive Director	5 October 2009	18 February 2021	-	-
3.	Bis Maharaja Sdn Bhd	Dormant (Dissolved on 22 October 2021)	Director / Shareholder	16 January 2017	-	100.00	-

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

(vi) N Vasanthamala A/P S Navaratnam

<u>Partnership / Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Present involvement</u>						
1. JV Nava C & S Engineering Consultants	Civil and structure engineering consultant	Partner	12 July 2002	-	-	-
2. KV3S Uno Sdn Bhd	Investment holding of properties	Director / Shareholder	28 January 2015	-	99.95	-
3. Syarikat Keluarga Sundram Sdn Bhd	Investment holding of shares	Shareholder	-	-	1.70	-
<u>Past involvement</u>						
1. DB Com Sdn Bhd	Dormant (Dissolved on 4 November 2019)	Director / Shareholder	10 May 2016	-	99.00	-

(vii) Lee Ming Jean

<u>Company</u>	<u>Principal activities</u>	<u>Involvement / Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>% of shareholdings held (direct)</u>	<u>% of shareholdings held (indirect)</u>
<u>Present involvement</u>						
1. MJ Smart Management Sdn Bhd	Investment holding of properties	Director / Shareholder	22 November 2018	-	20.00	-

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

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

The involvement of our Directors in business activities outside our Group does not give rise to any conflict of interest situation with our business. The involvement of our Managing Director in business activities outside our Group does not require significant amount of time, and hence does not affect his ability to perform his executive role and responsibilities to our Group. The involvement of our Independent Non-Executive Directors in business activities outside our Group will not affect their contribution to our Group.

5.2.4 Directors' and key senior management's remuneration and benefits

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2022, FYE 2023 and financial year ending 2024 ("FYE 2024") are as follows:

FYE 2022	Directors' fees	Salaries	Bonuses	Benefits-in-kind and allowance	Total
Director	RM'000	RM'000	RM'000	RM'000	RM'000
Non-Executive Directors					
Ding Lien Bing	-	-	-	-	-
Christopher Koh Swee Kiat	-	-	-	-	-
N Vasanthamala A/P S Navaratnam	-	-	-	-	-
Dr Haslinah Binti Muhamad	-	-	-	-	-
Executive Directors					
Ir Dr Lee Sieng Kai	-	516	50	34	600
Tan Ah Huat	-	206	-	19	225
Aniza Binti Md Din	-	115	-	24	139
Alternate Director to Ir Dr Lee Sieng Kai					
Lee Ming Jean	-	(1) 23	-	-	23
FYE 2023					
Director	Directors' fees	Salaries	Bonuses	Benefits-in-kind and allowance	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Non-Executive Directors					
Ding Lien Bing	8	-	-	1	9
Christopher Koh Swee Kiat	6	-	-	1	7
N Vasanthamala A/P S Navaratnam	6	-	-	1	7
Dr Haslinah Binti Muhamad	6	-	-	1	7
Executive Directors					
Ir Dr Lee Sieng Kai	-	549	84	16	649

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

FYE 2023	Directors' fees	Salaries	Bonuses	Benefits-in-kind and allowance	Total	
Director	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Tan Ah Huat	-	223	23	9	255	
Aniza Binti Md Din	-	142	26	25	193	
Alternate Director to Ir Dr Lee Sieng Kai						
Lee Ming Jean	-	55	5	7	67	
						Amount paid from 1 April 2023 to 30 June 2023
Proposed for FYE 2024	Directors' fees	Salaries	Bonuses	Benefits-in-kind and allowance	Total	RM'000
Director	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-Executive Directors						
Ding Lien Bing	32	-	-	3	35	-
Christopher Koh Swee Kiat	26	-	-	3	29	-
N Vasanthamala A/P S Navaratnam	26	-	-	3	29	-
Dr Haslinah Binti Muhamad	26	-	-	3	29	-
Executive Directors						
Ir Dr Lee Sieng Kai	-	583	139	48	770	146
Tan Ah Huat	-	226	51	24	301	57
Aniza Binti Md Din	-	156	35	24	215	45
Alternate Director to Ir Dr Lee Sieng Kai						
Lee Ming Jean	-	69	15	-	84	17

Note:

(1) Lee Ming Jean joined our Group in August 2021.

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 FYEs 2022, 2023 and 2024 are as follows:

FYE 2022	Key senior management	Remuneration band (in bands of RM50,000)		
		Remuneration	Benefits-in-kind	Total
		RM	RM	RM
	Li Haigang	950,000 – 1,000,000	-	950,000 – 1,000,000
	Tan Chze Keong	100,000 – 150,000	0 – 50,000	100,000 – 150,000
	Diong Pu Chuan	100,000 – 150,000	-	100,000 – 150,000

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

FYE 2023		Remuneration band (in bands of RM50,000)		
Key management	senior management	Remuneration	Benefits-in-kind	Total
		RM	RM	RM
Li Haigang		1,050,000 – 1,100,000	-	1,050,000 – 1,100,000
Tan Chze Keong		150,000 – 200,000	0 – 50,000	150,000 – 200,000
Diong Pu Chuan		200,000 – 250,000	-	200,000 – 250,000

Proposed for FYE 2024		Remuneration band (in bands of RM50,000)			Amount paid from 1 April 2023 to 30 June 2023
Key management	senior management	Remuneration	Benefits-in-kind	Total	
		RM	RM	RM	RM'000
Li Haigang		1,200,000 – 1,250,000	-	1,200,000 – 1,250,000	196
Tan Chze Keong		150,000 – 200,000	0 – 50,000	150,000 – 200,000	36
Diong Pu Chuan		200,000 – 250,000	-	200,000 – 250,000	44

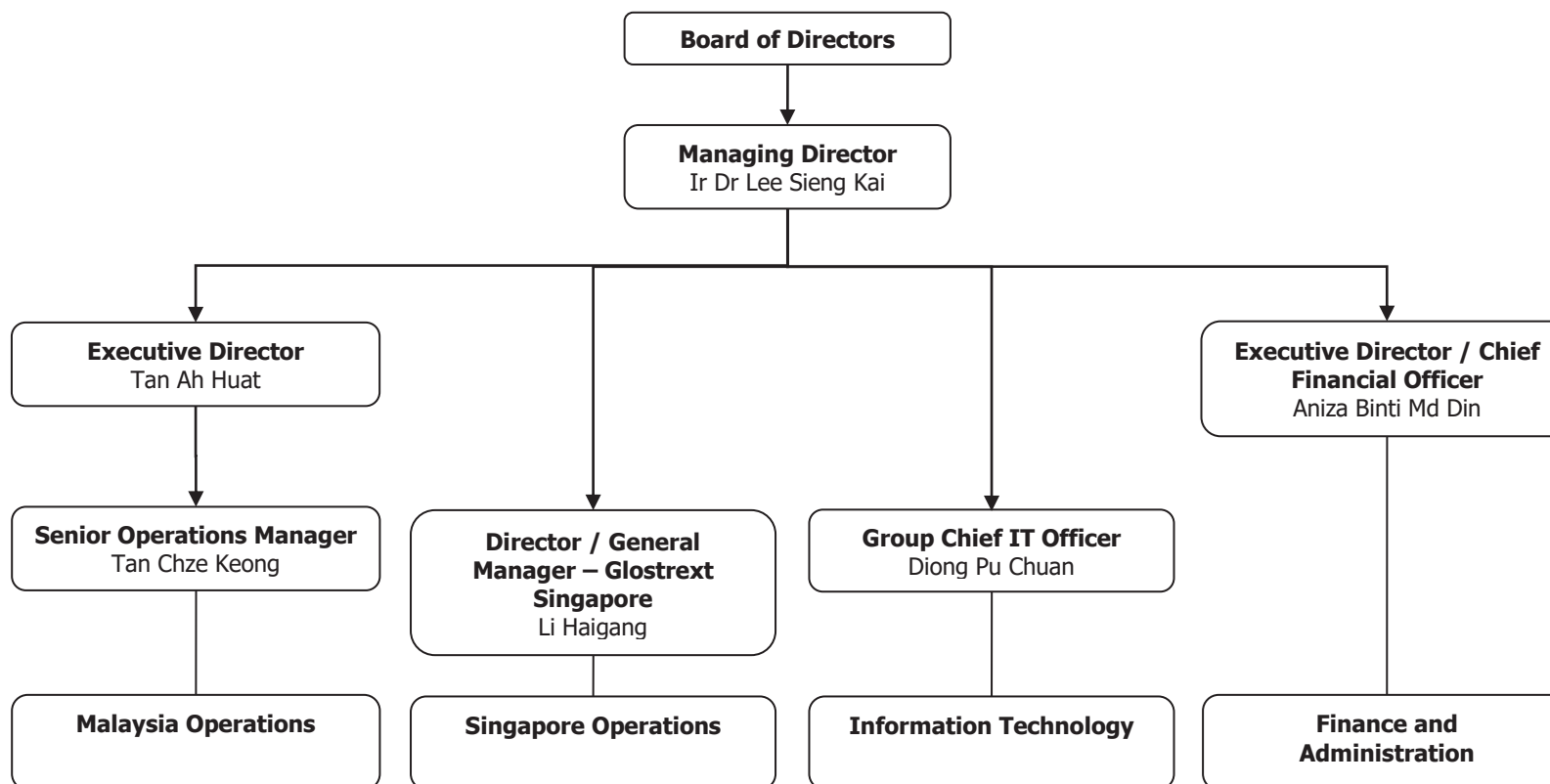
The remuneration which includes our Directors' salaries, bonus, fees and allowances as well as other benefits, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board. The Director's fees must be further approved by our shareholders pursuant to an ordinary resolution passed at a general meeting. Please refer to Section 14.2 for further details.

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

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management Structure



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

5.3.2 Key senior management's shareholdings

The shareholdings of our key senior management (other than Ir Dr Lee Sieng Kai, Tan Ah Huat and Aniza Binti Md Din) in our Company before and after our IPO are set out below:

Name	Designation/ Nationality	Before IPO ⁽¹⁾				After IPO ^{(2) (3)}			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Li Haigang	Director / General Manager – Glostrext Singapore / Singaporean	14,275,400	4.74	-	-	14,838,400	3.65	-	-
Tan Chze Keong	Senior Operations Manager / Malaysian	2,855,100	0.95	-	-	3,418,100	0.84	-	-
Diong Pu Chuan	Group Chief IT Officer / Malaysian	-	-	-	-	563,000	0.14	-	-

Notes:

- (1) Based on the share capital of 301,211,000 Shares after the Acquisition of Spectest.
- (2) Based on the enlarged share capital of 407,041,000 Shares after the IPO.
- (3) Assuming that our key senior management fully subscribes for their respective entitlements under the Pink Form Allocations.

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

5.3.3 Profiles of key senior management

The profiles of our key senior management (other than Ir Dr Lee Sieng Kai, Tan Ah Huat and Aniza Binti Md Din) are as follows:

(i) Li Haigang

Li Haigang, a Singaporean, aged 58, is the Director / General Manager – Glostrex Singapore. He is responsible for managing the daily operations of our Singapore office and overseeing our service engagements in Singapore.

In 1988 and 1991, he graduated with a Bachelor in Engineering and obtained his Master in Engineering respectively, from Dalian University of Technology, China.

Upon his graduation in 1991, he began his career as an Engineer at Central Research Institute of Building and Construction, Ministry of Metallurgical Industry, China (currently known as Central Research Institute of Building and Construction, China Metallurgical Group Corporation, China), where he conducted research work for structural and pile testing. In March 1995, he left the Central Research Institute of Building and Construction.

In April 1995, he joined ABV Technology Pte Ltd in Singapore as a Testing Engineer. He assisted in conducting dynamic load tests and other field testing work as well as preparation of test reports. He left ABV Technology Pte Ltd in January 2001.

In February 2001, he joined Soil Dynamics (Singapore) Pte Ltd as a Civil Engineer where he was responsible for performing field testing, preparing test reports, liaising with relevant stakeholders and assisting in business development activities. In October 2009, he left Soil Dynamics (Singapore) Pte Ltd.

In November 2009, he joined Soil Investigation Pte Limited as a Technical Manager, where he led the pile instrumentation team in carrying out pile instrumentation works. In July 2011, 2 years after the acquisition of 70.00% equity interest of Spectest by Soil Investigation Pte Limited, he was transferred to Glostrex Singapore as a Technical Manager where he led the daily operations of pile instrumentation and static load test services in Singapore.

In April 2013, following the re-acquisition of the 70.00% equity interest of Spectest by Ir Dr Lee Sieng Kai and Tan Ah Huat, he was appointed as our Director / General Manager – Glostrex Singapore, a position he presently holds.

(ii) Tan Chze Keong

Tan Chze Keong, a Malaysian, aged 57, is our Senior Operations Manager. He is responsible for managing the overall operations of our service engagements in Malaysia as well as supporting the sales and marketing functions of our Group, including preparing proposals and reviewing work orders.

In 1988, he graduated with a Diploma in Engineering (Civil Engineering) from Federal Institute of Technology Malaysia.

In 1988, he began his career as a Technician at Pilecon Engineering Berhad, where he was involved in pile testing works as well as geotechnical instrumentation, testing and monitoring works. He left Pilecon Engineering Berhad in February 1996.

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

In March 1996, he joined Spectest as a Senior Executive. He was responsible for supervising and conducting pile instrumentation works as well as structural and ground instrumentation and monitoring works. In April 2013, he was appointed as our General Manager (Operations), where he was responsible for coordinating the operations of our service engagements in Malaysia. In April 2021, he was promoted to Senior Operations Manager, a position he presently holds.

(iii) Diong Pu Chuan

Diong Pu Chuan, a Malaysian, aged 41, is our Group Chief IT Officer. He is responsible for the overall management of our Group's IT functions, including leading the IT aspects of our automation initiatives as part of our R&D activities.

In 2005, he graduated with a Bachelor of Science (Computing) from Staffordshire University, United Kingdom.

In 2006, he began his career as an Analyst Programmer at FDS Networks (M) Sdn Bhd. During his tenure, he was involved in the development, maintenance and customisation of an electronic document management system (EDMS) used within the banking industry. He left FDS Networks (M) Sdn Bhd in August 2008 and took a 8-month career break.

In April 2009, he joined Glostrex Technology as a System Engineer where he was involved in IT tasks and continuous enhancement of our service offerings through increasing automation. In 2020, he was appointed as our Group Automation and IT Manager, where he managed all IT activities and IT automation initiatives within our Group, including the development of our Glostrex WiNA platform. In April 2022, he was promoted to our Group Chief IT Officer, a position he presently holds.

5.3.4 Principal business performed outside our Group

None of our key senior management has any other principal directorship and/or principal business activities performed outside our Group in the past 5 years up to the LPD.

5.4 RELATIONSHIPS AND/OR ASSOCIATIONS

Save as disclosed below, there are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and key senior management:

- (i) Ir Dr Lee Sieng Kai and Lee Ming Jean are father and son.

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

5.5 BOARD PRACTICE

5.5.1 Board

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

- (i) To provide leadership and oversee the overall conduct of our Group's businesses to ensure that our businesses are being properly managed, including supervising and assessing corporate behaviour and conduct of the business of our Group;
- (ii) To review and adopt strategic plans for our Group and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced and supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- (iii) Together with management, to promote good corporate governance culture within our Group which reinforces ethical, prudent and professional behaviour;
- (iv) To review, challenge and decide on management's proposals for our Group, and to monitor its implementation by management;
- (v) Identifying the principal risks and ensuring implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks incurred and potential returns to the shareholders;
- (vi) To review and adopt corporate governance best practices in relation to risk management, legal and compliance management and internal control systems to safeguard our Group's reputation, and our employees and assets and to ensure compliance with applicable laws and regulations;
- (vii) To ensure that our Group has effective Board committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by the Malaysian Code on Corporate Governance;
- (viii) To ensure that key senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and key senior management;
- (ix) To review the effectiveness and implementation of anti-bribery and anti-corruption policy and framework;
- (x) To review and approve our Group's annual business plans, financial statements and annual reports;
- (xi) To ensure the integrity of our Company's financial and non-financial reporting;
- (xii) To monitor the relationship between our Group and our management, shareholders and stakeholders, and to develop and implement an investor relations programme or shareholders' communications policy for our Group; and
- (xiii) To appoint our Board committees, to delegate powers to such committees, to review the composition, performance and effectiveness of such committees, and to review the reports prepared by our Board committees and deliberate on the recommendations thereon.

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

As at the LPD, the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in office are as follows:

Name	Date of appointment as Director	of as	Date of expiration of the current term in office	Approximate no of years in office as at the LPD
Ding Lien Bing	25 July 2022		At the next Annual General Meeting of our Company to be held in year 2025	Less than 1 year
Ir Dr Lee Sieng Kai	15 February 2022		At the next Annual General Meeting of our Company to be held in year 2024	1 year 4 months
Tan Ah Huat	15 February 2022		At the next Annual General Meeting of our Company to be held in year 2023	1 year 4 months
Aniza Binti Md Din	25 July 2022		At the next Annual General Meeting of our Company to be held in year 2025	Less than 1 year
Christopher Koh Swee Kiat	5 August 2022		At the next Annual General Meeting of our Company to be held in year 2025	Less than 1 year
N Vasanthamala A/P S Navaratnam	5 August 2022		At the next Annual General Meeting of our Company to be held in year 2024	Less than 1 year
Dr Haslinah Binti Muhamad	25 July 2022		At the next Annual General Meeting of our Company to be held in year 2023	Less than 1 year
Lee Ming Jean	25 July 2022		Lee Ming Jean does not have a term of office as he is the Alternate Director to Ir Dr Lee Sieng Kai	Less than 1 year

In accordance with our Constitution, any Director appointed during the year shall hold office until the next following annual general meeting, and at the annual general meeting in every subsequent year, one-third (1/3) of the Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once every 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires. An election of directors shall take place each year.

The members of our Board are set out in Sections 1 and 5.2.

Our Board acknowledges and takes cognisance of the Malaysian Code on Corporate Governance ("MCCG") which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture. Our Board believes that our current Board composition

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

provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively. Our Company has adopted the recommendations under the MCCG to have a Board comprising a majority of Independent Non-Executive Directors, that our chairperson of the Board should not be a member of our Audit and Risk Management Committee, Remuneration Committee or Nomination Committee, and to have at least 30% women directors on our Board.

5.5.2 Audit and Risk Management Committee

The main function of our Audit and Risk Management Committee is to assist our Board in fulfilling its responsibility to oversee our Group's financial reporting matters and risk management. Our Audit and Risk Management Committee has full access to all information and documents/ resources as well as to the internal and external auditors and key senior management of our Group. The Audit and Risk Management Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

External Auditor

- (i) To consider and recommend to our Board on the appointment and re-appointment of our external auditors and to fix their fees (audit and non-audit), resignation or dismissal of our external auditors after assessing their suitability, objectivity, independence and capabilities as well as the effectiveness of the external audit process;
- (ii) To review the following with our external auditors and report the same to our Board:
 - (a) audit plan, its scope and nature;
 - (b) audit report;
 - (c) evaluation of the system of internal controls;
 - (d) the assistance given by our employees to the external auditors, including any difficulties or disputes with management encountered during audit; and
 - (e) external auditors' management letter and management's response thereto.
- (iii) To review and monitor the provision of non-audit services by our external auditors and/or its affiliate firms, including the nature of the non-audit services, fee of the non-audit services individually and in aggregate relative to the external audit fees, and safeguards deployed to eliminate or reduce any threat to objectivity and independence in the conduct of the external audit resulting from the non-audit services provided.

Financial Reporting

- (i) To review and recommend our quarterly and annual financial statements for approval by our Board before announcement to regulatory bodies, focusing in particular on any changes in or implementation of major accounting policies and practices, any significant matters highlighted including financial reporting issues, significant judgement made by management, significant and unusual events or transactions and how these matters are addressed, significant adjustments arising from our audit, going concern assumption and compliance with accounting standards and other regulatory or legal requirements;
- (ii) To demonstrate an appropriate level of vigilance and scepticism towards, among others, detection of any financial anomalies or irregularities in our financial statements;

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

- (iii) To review and provide advice on whether our financial statements taken as a whole provide a true and fair view of our Group's financial position and performance; and
- (iv) To ask probing questions to ascertain whether our financial statements are consistent with operational and other information known, particularly where there are significant matters requiring judgement.

Risk Management

- (i) To oversee and recommend the risk management policies and procedures of our Group;
- (ii) To review and recommend changes as needed to ensure that our Group has in place at all times a risk management policy which address the strategies, operational, financial and compliance risk;
- (iii) To implement and maintain a sound risk management framework which identifies, assesses, manages and monitors our Group's business risks;
- (iv) To set reporting guidelines for our Management to report to the committee on the effectiveness of our Group's management of its business risks;
- (v) To review the risk profile of our Group and to evaluate the measure taken to mitigate the business risks to safeguard shareholders' investments and our Group's assets; and
- (vi) To review the adequacy of our management's response to issues identified to risk registers, ensuring that our risks are managed within our Group's risk appetite.

Internal Audit

- (i) To consider and approve the appointment of internal auditors, internal audit fee and any question of resignation or dismissal;
- (ii) To 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;
- (iii) To review the internal audit plan and results of the internal audit assessments and investigation undertaken, and ensure that appropriate action is taken on the recommendations of the internal auditors;
- (iv) To consider the internal audit reports and findings by the internal auditors, fraud investigations and actions and steps taken by the management in response to audit findings;
- (v) To review and decide on the budget allocated to the internal audit function;
- (vi) To appraise or assess annually the performance of members of the internal audit function, including the ability, competency and qualifications of the internal audit team and/or outsourced internal auditors (if any) to perform its duties; and
- (vii) To monitor the overall performance of our Group's internal audit function and review whether the internal audit function is carried out in accordance with a recognised framework.

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

Others

- (i) To conduct periodic review of the involvements of our Managing Director and Executive Directors in the companies outside of our Group, in which they have executive functions to ensure that it does not affect their role and responsibilities within our Group;
- (ii) To review and monitor any related party transaction/business dealings entered into by our Group and any conflict of interest situation that may arise within our Group, including any transaction, procedure or course of conduct that raises questions on management integrity, to ensure that they are conducted on arms' length basis and on normal commercial terms in the ordinary course of business and based on terms that are fair to our Group;
- (iii) To perform the oversight function over the administration of whistleblowing policy that is approved and adopted by our Board and to protect the values of transparency, integrity, impartiality and accountability where our Group conducts its business and affairs;
- (iv) To enhance its accountability in preserving its integrity and to withstand public scrutiny which in turn enhances and builds our Group's credibility to all our stakeholders;
- (v) To consider the major findings of internal investigations and our management's response;
- (vi) To verify allocation of units or options issued pursuant to the various incentive or retention schemes implemented by our Group (if any);
- (vii) To review findings, queries or investigation by the regulatory agencies (if any); and
- (viii) To perform such other functions as may be requested by our Board.

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

The members of our Audit and Risk Management Committee as at the LPD are as follows:

Name	Designation	Directorship
Dr Haslinah Binti Muhamad	Chairperson	Independent Non-Executive Director
Christopher Koh Swee Kiat	Member	Independent Non-Executive Director
N Vasanthamala A/P S Navaratnam	Member	Independent Non-Executive Director

Our Nomination Committee and Board will review the composition, performance and effectiveness of our Audit and Risk Management Committee annually.

5.5.3 Remuneration Committee

The main function of our Remuneration Committee is to assist our Board in fulfilling its responsibility on matters relating to our Group's compensation, bonuses, incentives and benefits. The Remuneration Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

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

- (i) To establish and recommend to our Board, the remuneration package for Executive Directors and key senior management such as the terms of employment or contract of employment/service, benefit, pension, incentive scheme, bonuses, fees, expenses, compensation payable on termination of the service contract by our Group;
- (ii) To review and recommend to our Board the remuneration packages of Non-Executive Directors for shareholders' approval at the Annual General Meeting;
- (iii) To consider other remunerations or rewards to retain, motivate and attract Directors and key senior management;
- (iv) To assist our Board in developing and administering a fair and transparent procedure for setting policy on remuneration of Directors and key senior management;
- (v) To recommend to the Board any performance related pay schemes for our Group;
- (vi) To ensure fees and benefits payable to Directors, and any compensation for loss of employment of Executive Directors are approved by shareholders at general meetings of our Company in accordance with the Act; and
- (vii) To perform such other functions as may be requested by our Board.

The recommendations of our Remuneration Committee are subject to the approval of our Board.

The members of our Remuneration Committee as at the LPD are as follows:

Name	Designation	Directorship
N Vasanthamala A/P S Navaratnam	Chairperson	Independent Non-Executive Director
Christopher Koh Swee Kiat	Member	Independent Non-Executive Director
Dr Haslinah Binti Muhamad	Member	Independent Non-Executive Director

5.5.4 Nomination Committee

The Nomination Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

- (i) To review the composition and size of our Board and determine the criteria for membership on our Board, which may include, among other criteria, issues of character, judgment, independence, diversity, age, expertise, corporate experience, integrity, competence, length of service and other commitments;
- (ii) To identify, consider, nominate, or recommend for the approval of our Board, candidates to fill Board vacancies or new positions to strengthen our Board's composition as and when they arise (including candidates nominated by shareholders). Before any appointment is made by our Board, evaluate the balance of skills, knowledge, experience and diversity on our Board, and, in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment;

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

- (iii) To assist our Board to assess and evaluate circumstances where a Director involvement outside our Group may give rise to a potential conflict of interest with our Group's businesses, upon receiving the declaration of the same from our Director and thereafter, to inform the Audit and Risk Management Committee of the same. After deliberation with the Audit and Risk Management Committee, to recommend to our Board on the necessary actions to be taken in the circumstances where there is a conflict of interest;
- (iv) In identifying suitable candidates, the Nomination Committee shall:
 - (a) consider open advertising or the services of external advisers to facilitate the search;
 - (b) consider candidates from a wide range of backgrounds; and
 - (c) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on our Board, including gender and availability of time to devote to the position.
- (v) To establish and implement processes for the conduct of the fit and proper assessment prior to the nomination of any candidate to be appointed as Director or making recommendation for the re-election of an existing Director who is retiring by rotation at the Annual General Meeting;
- (vi) To assess annually the effectiveness of our Board as a whole, Board Committees, the performance and contribution of each individual Director and our Managing Director having regard to including his/her character, competence, integrity, experience and time commitment, the required mix of skills and experience and other qualities including core competencies which Non-Executive Directors should bring to the Board. All assessments and evaluation carried out by the Nomination Committee in the discharge of its duties shall be disclosed in the annual report;
- (vii) To evaluate, review and assess the performance of our Board and key senior management including, taking into consideration our Group's performance in managing material sustainability risks and opportunities and the achievement of sustainability targets;
- (viii) To assess the independence of the Independent Directors annually, and when any new interest or relationship develops and confirm the conduct of this assessment in the annual report of our Group and in any notice convening a general meeting seeking approval for the appointment, re-appointment or continuation in office of Independent Directors;
- (ix) To develop and review criteria for the annual assessment of our Board, Board Committees, individual Directors and independence of our Independent Directors;
- (x) To recommend to the Board the appointment, cessation, suspension, dismissal and/or any staff movement including re-designation, re-deployment, transfer or secondment of key senior management of our Group;
- (xi) To review the fulfilment of Directors' training for each financial year and disclose details in the annual report as appropriate;

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

- (xii) To review the application of our Group's fit and proper policy in the nomination and re-election of Directors into the Nomination Committee Statement in the annual report;
- (xiii) To review with the Managing Director and the Executive Director, their goals and objectives and to assess their performance against these objective as well as their contribution to the corporate strategy;
- (xiv) To give full consideration to succession planning for Directors and key senior management, taking into account the challenges and opportunities faced by our Group, and the required skills and expertise that are needed by our Board in future;
- (xv) To review periodically the composition of each committee of our Board and make recommendations to our Board for the creation of additional committees or the change in mandate or dissolution of committees;
- (xvi) To review the term of office and performance of all our Board Committees annually to determine whether such Board Committees and its members have carried out their duties in accordance with their terms of reference;
- (xvii) To establish and oversee the application of our Group's diversity policy for the Board and key senior management;
- (xviii) To review and recommend to our Board, the development and implementation of the relevant policies and procedures on nomination related matters concerning our Group; and
- (xix) To perform such other functions as may be requested by our Board.

The recommendations of our Nomination Committee are subject to the approval of our Board.

The members of our Nomination Committee as at the LPD are as follows:

Name	Designation	Directorship
Christopher Koh Swee Kiat	Chairman	Independent Non-Executive Director
N Vasanthamala A/P S Navaratnam	Member	Independent Non-Executive Director
Dr Haslinah Binti Muhamad	Member	Independent Non-Executive Director

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at the LPD, there are no existing or proposed service agreements (contracts for services) entered into between the companies within our Group, with our Directors or key senior management personnel.

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

5.7 DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

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

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6. INFORMATION ON OUR GROUP

6.1 INCORPORATION AND HISTORY

Our Company was incorporated in Malaysia under the Act on 15 February 2022 as a private limited company under the name Glostrex Sdn Bhd. On 29 July 2022, we converted into a public limited company and assumed our present name. We were incorporated as a special purpose vehicle to facilitate the Listing.

The history of our Group can be traced back to 1992 with the incorporation of Spectest. The incorporation of our subsidiaries and changes in shareholdings, as well as the history and development of our Group and business operations since 1992 are as follows:

Incorporation of our subsidiaries and changes in shareholdings

Spectest

Spectest was incorporated on 24 March 1992 by 3 founding shareholders, Chong Yit Wah, Loke Weng Tuck and Lim Shih Chang to undertake geotechnical instrumentation services comprising the provision of pile static load test services as well as structural and ground instrumentation and monitoring services.

Between 1993 and 2006, Ir Dr Lee Sieng Kai, our Managing Director and Tan Ah Huat, our Executive Director acquired the shares in Spectest and became the only shareholders of Spectest on 6 December 2006 with equity interest of 70.00% and 30.00%, respectively.

On 11 November 2009, Ir Dr Lee Sieng Kai and Tan Ah Huat sold 49.00% and 21.00% equity interest respectively, amounting to a total of 70.00% equity interest in Spectest (at a consideration of RM4.81 million or RM19.64 per share) to Soil Investigation Pte Limited, a subsidiary of CSC Holdings Limited. CSC Holdings Limited is a foundation and piling company listed on the Singapore Exchange and is involved in foundation and geotechnical engineering services. The acquisition was initiated by CSC Holdings Limited to extend its business of soil investigation, geotechnical instrumentation and monitoring services to be offered to customers in Malaysia. Further, the disposal of shares was an opportunity for Spectest to expand into Singapore, by leveraging on its profile as a subsidiary of a Singapore-listed corporation. Our business operations remained as usual following the acquisition and Ir Dr Lee Sieng Kai and Tan Ah Huat retained their roles as Managing Director and Executive Director, respectively.

On 28 February 2013, Ir Dr Lee Sieng Kai and Tan Ah Huat re-acquired the 70% equity interest in Spectest (at a consideration of RM4.04 million or RM16.47 per share) from Soil Investigation Pte Limited as CSC Holdings Limited intended to focus their resources and efforts on growing their core business in foundation and piling.

On 16 January 2014, Aniza Binti Md Din, our Executive Director / Chief Financial Officer acquired 1.00% equity interest in Spectest from Ir Dr Lee Sieng Kai, while Tan Chze Keong, our Senior Operations Manager acquired 1.00% equity interest in Spectest from Ir Dr Lee Sieng Kai (0.40%) and Tan Ah Huat (0.60%), respectively.

On 29 May 2019, Li Haigang, our Director / General Manager – Glostrex Singapore acquired 1.00% equity interest in Spectest from Ir Dr Lee Sieng Kai (0.70%) and Tan Ah Huat (0.30%), respectively.

On 10 March 2022, Li Haigang and Chia Meng Hua (an employee of Glostrex Singapore) were allotted new shares in Spectest resulting from the Acquisition of shares in Glostrex Singapore. Kindly refer to Section 6.2.1(i) for further information on this allotment. As a

6. INFORMATION ON OUR GROUP (Cont'd)

result, Li Haigang and Chia Meng Hua's shareholdings in Spectest increased to 3.73% and 1.38%, respectively.

On 23 March 2022, Li Haigang and Chia Meng Hua subscribed for new shares in Spectest thereby increasing their shareholdings in Spectest to 4.74% and 1.42%, respectively.

Glostrex Technology

Glostrex Technology was incorporated on 21 April 2004 by Ir Dr Lee Sieng Kai (50.00%) and H.M Kamal Bin K.M Haneefa (50.00%). Glostrex Technology remained dormant until 2005. In 2005, we streamlined our business operations where Glostrex Technology assumed our pile instrumentation and static load test services while our structural and ground instrumentation and monitoring business remained under Spectest.

On 16 February 2005, H.M Kamal Bin K.M Haneefa disposed his 50.00% equity interest in Glostrex Technology to Spectest and ceased to be a shareholder.

On 7 March 2005, Ir Dr Lee Sieng Kai and Spectest both subscribed for new shares in Glostrex Technology. Their equity interest held in Glostrex Technology changed to Ir Dr Lee Sieng Kai (20.00%) and Spectest (80.00%).

On 2 May 2008, Spectest acquired 20.00% equity interest in Glostrex Technology from Ir Dr Lee Sieng Kai and Glostrex Technology became its wholly-owned subsidiary.

Glostrex Singapore

On 25 March 2009, Glostrex Singapore was incorporated by Glostrex Technology (50.00%) and Chong Yit Wah (50.00%) to carry out our service offerings in Singapore.

On 12 March 2010, Glostrex Technology acquired 50.00% equity interest in Glostrex Singapore from Chong Yit Wah. Thereafter, Glostrex Singapore became a wholly-owned subsidiary of Glostrex Technology.

On 30 September 2013, Li Haigang and Chia Meng Hua acquired 5.00% and 3.00% equity interests in Glostrex Singapore from Glostrex Technology.

On 30 October 2013, Glostrex Technology, Li Haigang and Chia Meng Hua subscribed for new shares in Glostrex Singapore. Their equity interest held in Glostrex Singapore changed to Glostrex Technology (92.00%), Li Haigang (5.00%) and Chia Meng Hua (3.00%).

On 20 June 2014, Li Haigang acquired 1.00% equity interest in Glostrex Singapore from Glostrex Technology. The shareholdings in Glostrex Singapore (as set out in Section 6.2.1(i)) changed to Glostrex Technology (91.00%), Li Haigang (6.00%) and Chia Meng Hua (3.00%).

On 10 March 2022, Li Haigang and Chia Meng Hua's shares in Glostrex Singapore were acquired by Glostrex Technology under the Acquisition of shares in Glostrex Singapore and Glostrex Singapore became the wholly-owned subsidiary of Glostrex Technology.

History and development of our Group and business operations

Upon the incorporation of Spectest in 1992, we commenced our business at a rented office located in Taman Salak South, Kuala Lumpur. In 1993, through Spectest, we secured our first major service engagement from Bachy Soletanche (M) Sdn Bhd which involved the provision

6. INFORMATION ON OUR GROUP (Cont'd)

of pile instrumentation services as well as structural and ground instrumentation and monitoring services covering amongst others, piles, pile rafts and basement excavations for the construction of the Petronas Twin Towers. In the same year, we also secured a major service engagement involving a hillside development at Genting Highlands, Pahang for the provision of structural and ground instrumentation and monitoring services for the construction of a new hotel and car park building.

In 1995, we relocated our office to a terrace factory in Serdang Lama, Selangor. Over the years, between 1995 and 2004, we provided pile instrumentation services as well as structural and ground instrumentation and monitoring services to numerous construction projects, including the construction of Pavilion Kuala Lumpur, Securities Commission Malaysia and Securities Industry Development Centre, light rail transit ("LRT") stations in Kuala Lumpur, KL Sentral, Kuala Lumpur International Airport and Ministry of Finance office, as well as multiple residential buildings, office buildings, hotels and amenities such as schools and hospitals, mainly in Malaysia. For the above projects, our customers included Pintaras Geotechnics Sdn Bhd, APG Geo-Systems Sdn Bhd, BST JV, I-P Foundations Ltd and Econpile (M) Sdn Bhd.

In 2004, Glostrex Technology was incorporated. Following which, we continued to secure pile instrumentation as well as structural and ground instrumentation and monitoring service engagements involving the construction of residential buildings, shop houses, office buildings, industrial buildings and power plants in Malaysia.

In 2009, Glostrex Singapore was incorporated. Since then, we have completed numerous pile instrumentation service engagements which involved the construction of residential buildings (including public housing developments), hotels, office buildings, industrial buildings, universities and schools, as well as infrastructure such as roads and highways in Singapore. Amongst the notable construction projects in Singapore that we have been involved in includes Johor Bahru – Singapore Rapid Transit System, New State Court Complex, Jewel Changi Airport and polder construction at Pulau Tekong.

In 2012, we expanded our service offerings to include the provision of pile static load test services using Bi-directional Static Load Test (BDSLT), where we provided BDSLT pile static load test services for the construction of a mass rapid transit ("MRT") station (i.e. Tampines Central Station) in Singapore. Subsequent to that, we continued to secure BDSLT pile static load test service engagements from construction projects involving residential buildings, commercial buildings, industrial buildings, MRT stations, electrical substations, roads, tunnels, schools and hospitals in Singapore. Amongst the notable service engagements that we have been involved in using BDSLT in Singapore include Tuas Water Reclamation Plant and Intra Airside Road Connection, Second Parallel Taxiway and Fire Station No. 2 for Changi East at Changi Airport. Since the incorporation of Glostrex Singapore, some of our major customers in Singapore are CS Bored Pile System Pte Ltd, Pintary Foundations Pte Ltd and Zap Piling Pte Ltd, where we provided pile instrumentation and pile static load test services.

In 2013, we secured our first BDSLT pile static load test service engagement in Malaysia, where we provided BDSLT pile static load test services for the construction of a MRT station (i.e. Bukit Bintang Station) in Kuala Lumpur. Subsequent to that, we continued to secure BDSLT pile static load test service engagements for construction projects involving residential buildings, shopping complexes, office buildings, industrial buildings, MRT lines and LRT lines in Malaysia. Amongst the notable service engagements that we have been involved in using BDSLT in Malaysia include Lalaport Bukit Bintang City Centre in 2017, HSBC head office at Tun Razak Exchange in 2017, East Coast Rail Link in 2018, Pan Borneo Highway in 2018, MRT2 from 2017 to 2018 and LRT3 from 2018 to 2019. Since the incorporation of Glostrex Technology, some of our major customers in Malaysia are Aneka Jaringan Sdn Bhd, Econpile

6. INFORMATION ON OUR GROUP (Cont'd)

(M) Sdn Bhd and Bauer (Malaysia) Sdn Bhd, where we provided pile instrumentation and pile static load test services.

In 2020, we moved to our current head office located in Shah Alam, Selangor, which was acquired by our Group in 2017. In addition, we also set up a laboratory at our head office in Malaysia in February 2020 and a laboratory at our office in Singapore in October 2021, where both laboratories are dedicated for our R&D activities and to calibrate instruments used in our operations.

In 2021, through an existing customer in Malaysia, we secured our first service engagement in Cambodia where we provided BDSLT pile static load test services for the construction of Naga 3 Integrated Entertainment Complex in Phnom Penh.

In 2022, we enhanced our structural and ground instrumentation and monitoring services when we began providing off-site monitoring services through the usage of our Glostrex WiNA platform. It allows geotechnical data to be collected and monitored remotely through the internet on a real time basis. Please refer to Section 6.6.1(ii)(b) for details of our Glostrex WiNA platform.

6.1.1 Share capital

As at LPD, our share capital is RM30,121,100.00 comprising 301,211,000 Shares. The movements in our share capital since the date of our incorporation are set out below:

Date of allotment	No. of Shares allotted	Consideration	Cumulative share capital
		RM	RM
15 February 2022	200	20.00	20.00
28 February 2023	301,210,800	30,121,080.00	30,121,100.00

6.2 OUR GROUP STRUCTURE

To formalise our listing group in preparation for our Listing, we undertook the following transactions:

6.2.1 Pre-IPO changes in our subsidiaries' shareholdings

(i) Acquisition of shares in Glostrex Singapore

Prior to 10 March 2022, the shareholders of Glostrex Singapore were as follows:

Shareholders	No. of shares	%
Glostrex Technology	910,000	91.0
Li Haigang	60,000	6.0
Chia Meng Hua	30,000	3.0
	1,000,000	100.0

On 10 March 2022, Glostrex Technology and Spectest entered into a share sale agreement with Li Haigang and Chia Meng Hua whereby Glostrex Technology acquired 9% equity interest in Glostrex Singapore from Li Haigang and Chia Meng Hua at a total consideration of RM1,252,879.11 (equivalent to SGD402,990) which

6. INFORMATION ON OUR GROUP (Cont'd)

was satisfied via the issuance of 43,314 new ordinary shares in Spectest at an issue price of RM28.9255 per share in the following manner:

Name	No. of shares	%
Li Haigang	28,876	66.67
Chia Meng Hua	14,438	33.33
	43,314	100.00

The purchase consideration was arrived at after taking into consideration the unaudited NA of Glostrex Singapore as at 31 January 2022 of RM13,921,084.14 or SGD4,506,080.19.

Subsequently on 23 March 2022, Li Haigang and Chia Meng Hua increased their shareholdings in Spectest via a subscription of 11,124 new shares and 562 new shares, respectively at an issue price of RM28.9255 per share which increased their shareholdings to 4.74% and 1.42%, respectively.

Resulting from the above, the shareholders and their shareholdings in Spectest are as follows:

Shareholders	No. of shares	%
Ir Dr Lee Sieng Kai	679,000	64.36
Tan Ah Huat	291,000	27.58
Li Haigang	50,000	4.74
Chia Meng Hua	15,000	1.42
Aniza Binti Md Din	10,000	0.95
Tan Chze Keong	10,000	0.95
	1,055,000	100.00

6.2.2 Acquisition of Spectest

In preparation for our Listing, we undertook the Acquisition of Spectest. On 28 July 2022, we entered into a conditional share sale agreement with the Vendors (as set out below) to acquire the entire equity interest in Spectest for a total purchase consideration of RM30,121,080.

The total purchase consideration of RM30,121,080 for the Acquisition of Spectest was arrived at after taking into consideration the combined audited NA of Spectest as at 31 March 2022 amounting to RM30,121,325 and was satisfied by the issuance of 301,210,800 new Shares to the Vendors at an issue price of RM0.10 per share.

The details of the Vendors and the number of Shares issued to them pursuant to the Acquisition of Spectest are as follows:

Vendors	No. of Spectest shares acquired	% of share capital in Spectest	Purchase consideration RM	No. of Shares issued
Ir Dr Lee Sieng Kai	679,000	64.36	19,385,980	193,859,800
Tan Ah Huat	291,000	27.58	8,308,280	83,082,800
Li Haigang	50,000	4.74	1,427,540	14,275,400
Chia Meng Hua	15,000	1.42	428,260	4,282,600

6. INFORMATION ON OUR GROUP (Cont'd)

Vendors	No. of Spectest shares acquired	% of share capital in Spectest	Purchase consideration RM	No. of Shares issued
Aniza Binti Md Din	10,000	0.95	285,510	2,855,100
Tan Chze Keong	10,000	0.95	285,510	2,855,100
	1,055,000	100.00	30,121,080	301,210,800

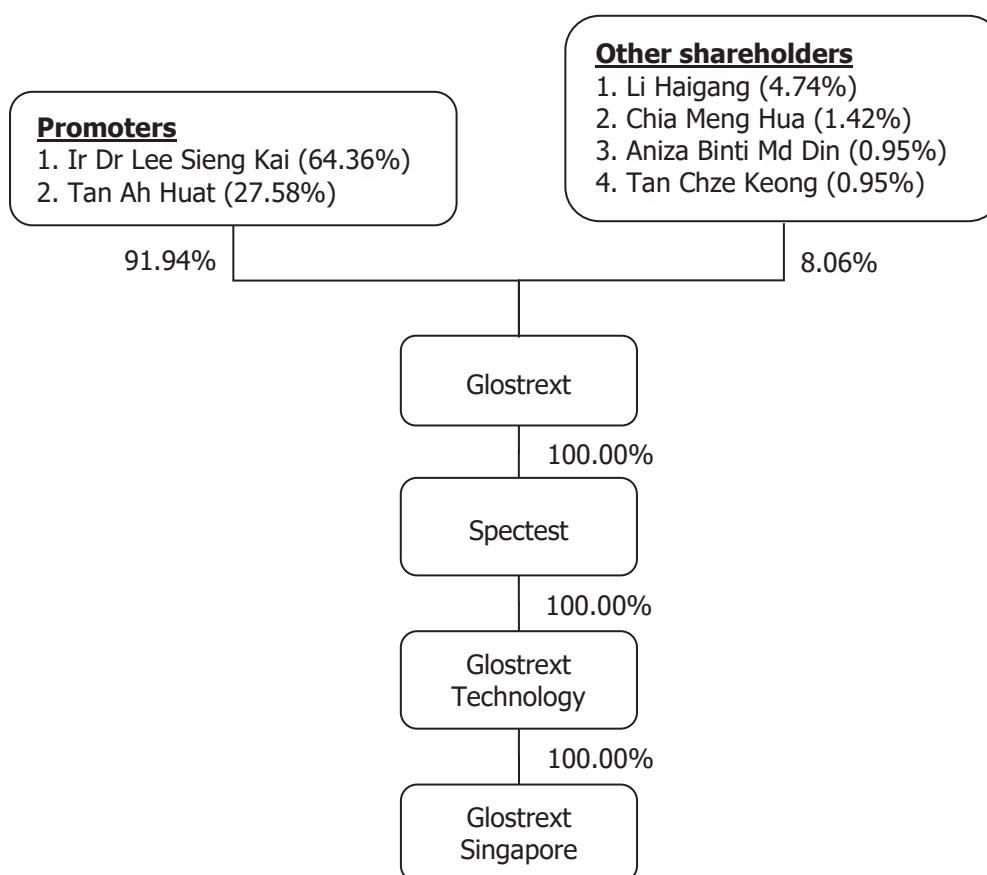
The Acquisition of Spectest was completed on 28 February 2023. Thereafter, Spectest became our wholly-owned subsidiary.

The new Shares issued pursuant to the Acquisition of Spectest rank equally in all respects with our existing Shares.

6.2.3 Our Group structure

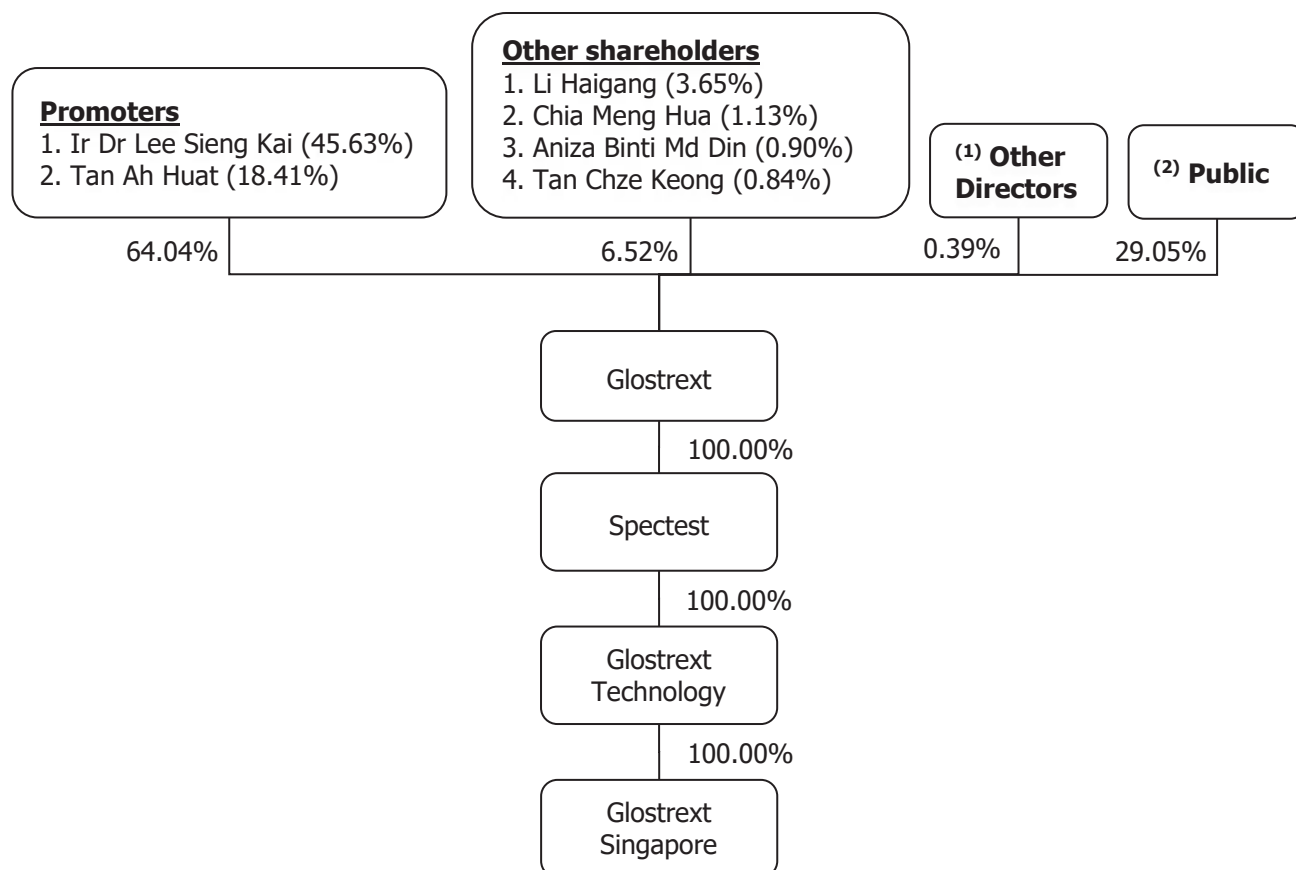
Our Group structure as at the LPD and after the Listing is set out below:

(i) As at the LPD



6. INFORMATION ON OUR GROUP (Cont'd)

(ii) After the Public Issue



Notes:

- (1) Comprising Pink Form Allocations to our eligible Directors who are not deemed as public shareholders. Further details of our Pink Form Allocations are set out in Section 4.4.3.
- (2) Comprising the Malaysian Public and selected investors as set out in Sections 4.4.1(i) and 4.4.1(iii) and Pink Form Allocations to our eligible employees as well as persons who have contributed to the success of our Group as set out in Section 4.4.3. These shareholders are deemed as public shareholders.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.3 SUBSIDIARIES

Details of our subsidiaries are set out below:

Company	Registration No. (Company No.)	Date / Place of incorporation	Principal place of business	Effective equity interest %	Principal activities
Spectest	199201005428 (236932-K)	24 March 1992 / Malaysia	Malaysia	100.0	Provision of structural and ground instrumentation and monitoring services
Subsidiary of Spectest					
Glostrex Technology	200401011370 (649873-V)	21 April 2004 / Malaysia	Malaysia	100.0	Provision of pile instrumentation and static load test services
Subsidiary of Glostrex Technology					
Glostrex Singapore	200905332R	25 March 2009 / Singapore	Singapore	100.0	Provision of pile instrumentation and static load test services*

Note:

- * The principal activities of Glostrex Singapore shall include the provision of structural and ground instrumentation and monitoring services upon the introduction of such services in Singapore as part of our future plans as set out in Section 6.19.1.

We do not have any associated companies.

6.4 MATERIAL INVESTMENTS AND DIVESTITURES

Save as disclosed below, there were no other material investment made by us for the past 4 FYEs 2020 to 2023 and up to the LPD:

Description	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment comprising:					
Buildings ⁽¹⁾	2,666	802	515	-	-
Furniture, fittings and office equipment	73	⁽²⁾ 601	68	178	40
Motor vehicles	100	37	-	⁽³⁾ 595	-
Plant and machinery ⁽⁴⁾	829	793	1,361	1,036	283
Renovation	⁽⁵⁾ 410	-	130	-	-
Capital work-in-progress ⁽⁶⁾	965	-	-	-	-
Investment properties comprising:					
Buildings ⁽⁷⁾	1,429	-	-	-	-
Right-of-use assets comprising: ⁽⁸⁾					
Motor vehicle	192	-	-	-	-
Worker accommodation	-	185	-	-	-
	6,664	2,418	2,074	1,809	323

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

Notes:

- (1) Buildings under property, plant and equipment:
 - (i) In FYE 2020, we acquired a factory unit in Singapore to store our inventory and equipment. Kindly refer to Sections 6.16(i) and 6.17.1(ix) for further details.
 - (ii) In FYE 2021, we incurred building improvement costs to expand the floor area of our head office in Shah Alam, Selangor. Kindly refer to Section 6.17.1(i) for further details.
 - (iii) In FYE 2022, we entered into a debt settlement agreement with a customer whereby the amount owing by the customer was set-off via the transfer of 1 unit of serviced apartment to our Group. Kindly refer to Sections 6.16(v)(a), 6.16(v)(b) and 6.17(vii) for further details.
- (2) Purchase of furniture, fittings and office equipment mainly for our head office during FYE 2021.
- (3) Purchase of 1 unit of pickup truck and 1 unit of passenger car for our Singapore operations in FYE 2023.
- (4) Purchase of key instruments such as hydraulic jacks, precise levels, linear variable displacement transducers, strain gauges, extensometers, load cells, data loggers, tilt sensors and other accessories.
- (5) Renovation works carried out on our office located in Singapore during FYE 2020.
- (6) Progress claims relating to the renovations carried out for our head office located in Shah Alam, Selangor.
- (7) Acquisition of a 3-storey shop lot located in Shah Alam, Selangor for investment purposes. Kindly refer to Sections 6.16(ii) and 6.17.1(iii) for further details.
- (8) Right-of-use assets resulting from the application on the MFRS 16 for leases entered into by our Group for tenure of more than 1 year comprising:
 - (i) Lease of 1 unit of passenger car under hire purchase arrangement in FYE 2020; and
 - (ii) Rental of apartment by Glostrex Singapore from Li Haigang for use as lodging by our Malaysian employees located in Singapore.

The above material investments were primarily financed by a combination of lease liabilities, term loans and internally generated funds.

6. INFORMATION ON OUR GROUP (Cont'd)

Material capital divestitures and write-offs (based on the carrying amount) made by our Group for the past 4 FYEs 2020 to 2023 and up to the LPD are as follows:

Description	FYE	FYE	FYE	FYE	Up to
	2020	2021	2022	2023	the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment comprising:					
Buildings	-	⁽¹⁾ 334	-	-	-
Office equipment	-	2	-	-	-
Plant and machinery ⁽²⁾	149	140	106	22	9
Motor vehicle	-	-	-	23	-
Investment property comprising:					
Building	-	-	-	⁽³⁾ 1,197	-
Right-of-use assets comprising:					
Leasehold land	-	⁽⁴⁾ 129	-	-	-
	149	605	106	1,242	9

Notes:

- (1) Disposal of 2 units of factory lots during FYE 2021. Kindly refer to Sections 6.16(iii) and 6.16(iv) for further details.
- (2) Comprising disposal of key instruments that were obsolete and writing-off of key instruments that were damaged.
- (3) Disposal of an investment property located in Singapore (15 Yishun Industrial Street 1 #06-28) during FYE 2023. Kindly refer to Section 6.16(viii) for further details.
- (4) De-recognition of right-of-use assets (under MFRS 16) resulting from the disposal of 2 units of factory lots which were built on leasehold lands.

There were no other material capital divestitures and write-offs (including interest in other corporations) for the past 4 FYEs 2020 to 2023 and up to the LPD.

Kindly refer to Section 11.6.1 for details of our material capital commitments as at the LPD.

6.5 PUBLIC TAKE-OVERS

Since our incorporation up to the LPD, there were:

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

As at LPD, we have not identified any other companies' shares for acquisition.

6. INFORMATION ON OUR GROUP (Cont'd)

6.6 PRINCIPAL BUSINESS ACTIVITIES AND PRODUCTS

We are a geotechnical instrumentation service provider, where we provide piling, structural and geotechnical related services, covering instrumentation, testing and monitoring services to construction projects as well as completed buildings and infrastructure.

Our service offerings can be categorised into 2 segments, as follows:

- (i) Provision of pile instrumentation and static load test services to construction projects; and
- (ii) Provision of structural and ground instrumentation and monitoring services to construction projects as well as completed buildings and infrastructures.

Our business activities can be summarised in the business model below, with further details set out in Section 6.6.1.

Glostrex Group		
Principal business activities	Pile instrumentation and static load test services (to construction projects)	Structural and ground instrumentation and monitoring services (to construction projects as well as completed buildings and infrastructures)
Service offerings	<ul style="list-style-type: none"> • Pile instrumentation services for pile static load test (kentledge, reaction method and BDSLT) using the following methods: <ul style="list-style-type: none"> ➢ conventional method ➢ retrievable method • Pile static load test services using BDSLT 	<ul style="list-style-type: none"> • On-site instrumentation and monitoring services • Off-site instrumentation and monitoring services (using Glostrex WINA platform)
Our customers	<ul style="list-style-type: none"> • Piling companies • Construction companies 	<ul style="list-style-type: none"> • Piling companies • Construction companies • High-rise building owners and management offices • Individual customers
Key geographical coverage*	Malaysia and Singapore	Malaysia

Note:

- * Our Group intends to continue to focus our operations in Malaysia and Singapore. Nevertheless, we recorded revenue contribution for projects located in Cambodia (FYE 2022: RM2.06 million; FYE 2023: RM1.66 million).

6.6.1 Our services

(i) Pile instrumentation and pile static load test services

We are principally involved in the provision of pile instrumentation and pile static load test services to construction projects. Our pile instrumentation and pile static load test services are provided to piling companies and construction companies on service engagement basis during the piling stage of a construction project.

6. INFORMATION ON OUR GROUP (Cont'd)

Pile static load test, also known as maintained load test, is a process that leverages on weights or reactions provided and applied through hydraulic jacks to test the load carrying or bearing capacity of foundation piles (typically concrete and/or metal columns inserted into the ground and serve as foundation to support the structure built on top of the piles). It is crucial in forming a solid foundation for construction works, as it examines the ground conditions as well as the design parameters and installation techniques of piles to ensure the piles bored or driven into the ground can withstand the designated load of the structure built on top.

Pile instrumentation forms part of the static load test process where a series of calibrated instruments including strain gauges and extensometers are installed within the pile body, while other calibrated instruments including displacement transducers and precise levels, are set up on ground to collect reaction data of the test piles during static load testing. Test piles are piles specified by our customers or their project consultants to undergo testing based on project specifications and/or requirements by authorities (i.e. BCA and JKR), which typically comprise preliminary test piles and working test piles.

In Singapore, pile load test (where pile static load test is a type of pile load test) is mandatory for all construction of buildings and infrastructure as specified under the Building Control Regulations 2003; and the records of pile load tests are required to be submitted to the Commissioner of Building Control (CBC), Singapore upon completion of pile testing. In Malaysia, pile static load test is mandatory for construction projects that are under the supervision of JKR as specified under the JKR Standard Specifications for Building Works 2020. Example of projects under supervision of JKR includes government buildings and infrastructure projects.

While pile static load test is not mandatory for construction projects that are not under the supervision of JKR, it is a common practice for project consultants to request for pile static load test to be done during piling stage as part of their standard operating procedures, professional conduct and/or safety requirements to ensure a solid foundation is formed prior to the construction of buildings/structures. By performing pile static load test, construction companies also demonstrate their emphasis on quality and safety which positions them as a trusted and reliable contractor.

As per industry practice, pile instrumentation works in pile static load test are typically performed by independent parties instead of the piling companies or construction companies to ensure independence in data collection in both Singapore and Malaysia.

We provide pile instrumentation services and BDSLT (a type of pile static load test) services to construction projects, with details as follows:

(a) Pile instrumentation services

We provide pile instrumentation services to test piles that are selected to undergo static load test, where we provide and install a series of calibrated instruments including strain gauges, extensometers, displacement transducers and precise levels, to collect data such as settlement level, distribution of shaft resistance and magnitude of base resistance. These data are used to assess whether the design parameters, pile length, installation method and technique of the test piles are appropriate to the ground conditions.

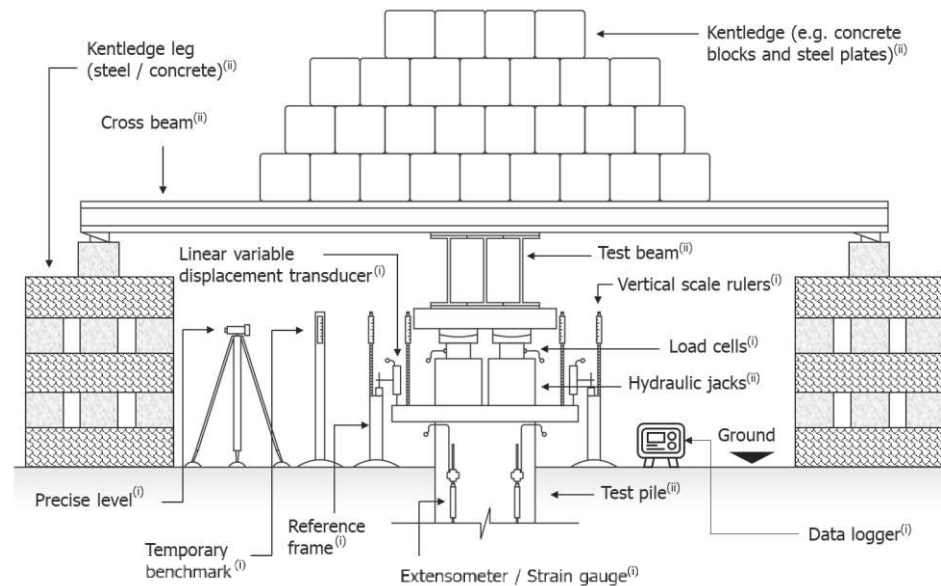
Our provision of pile instrumentation services covers 3 types of static load test, comprising kentledge, reaction method and BDSLT, as below:

6. INFORMATION ON OUR GROUP (Cont'd)

- **Kentledge:** Pile static load test using kentledge is carried out by placing kentledge such as concrete blocks, steel plates or other suitable dead weights on top of the setup of test piles. It is used to measure the performance of test piles such as load-settlement relationship, distribution of shaft resistance and magnitude of base resistance, by applying different degree of loads by hydraulic jacks.

Pile static load test using kentledge is suitable for piles that are injected vertically into the ground. However, it is not suitable for raking piles which are piles that are positioned at an inclination (i.e. piles that are tilted at a certain angle). Further, it may not be adopted in some construction projects due to safety concerns as the setup and dismantling involve workers working at a height which can be hazardous as the stacking of kentledge at a significant height gives rise to the risks of collapse. Further, it requires large amount of materials (e.g. concrete blocks or steel plates) and extensive manpower in stacking the kentledge, which is also time-consuming.

An illustration of an instrumented pile static load test using kentledge method is as below:



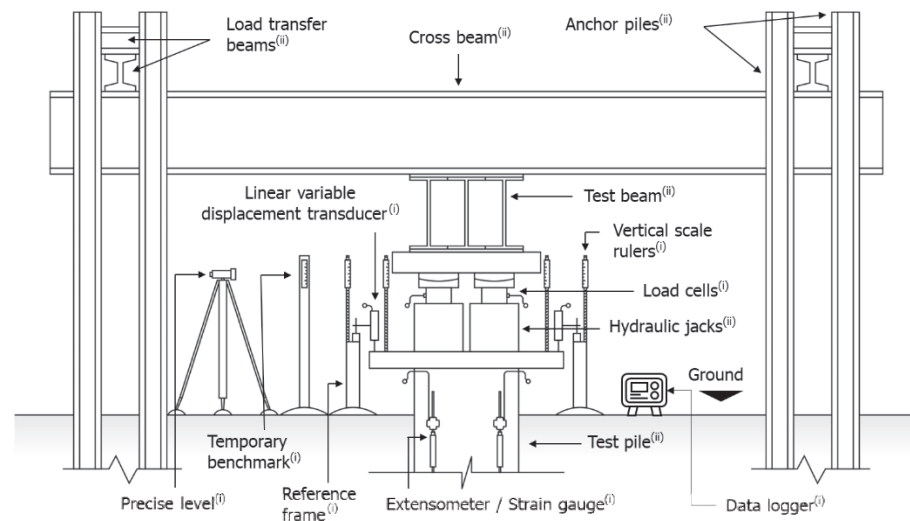
Notes:

- (i) The setup of these instruments and devices is carried out by our Group. These instruments are connected to a data logger through cables for data reading by our employees.
 - (ii) The setup of these equipment / instruments and the casting / insertion of test pile are handled by our customers.
- **Reaction method:** Pile static load test using reaction method is carried out by applying different degree of loads by hydraulic jacks, whereby the loads are created using reactive capacity transferred through the reaction anchors piles (also known as reaction piles) set up around the test piles.

6. INFORMATION ON OUR GROUP (Cont'd)

Pile static load test using reaction anchors is suitable for all pile types, including piles that are injected vertically or in an incline position (i.e. piles that are tilted at a certain angle). However, pile static load test using reaction anchors may not be adopted in some construction projects as more machinery and longer setup time are often required.

An illustration of an instrumented pile static load test using reaction method is as below:



Notes:

- (i) The setup of these instruments and devices is carried out by our Group. These instruments are connected to a data logger through cables for data reading by our employees.
 - (ii) The setup of these equipment / instruments and the casting/ insertion of test pile are handled by our customers.
- **Bi-directional Static Load Test (BDSLT):** BDSLT is carried out by welding a sacrificial hydraulic jack assembly within a test pile to test the load carrying or bearing capacity of the pile using bi-directional pressure applied to the upper and lower segments of the pile. Further details of BDSLT are set out in Section 6.6.1(i)(b).

In each of the above 3 types of static load test, we provide pile instrumentation which involves supply, installation and setup of numerous instruments for data collection during a static load test process. The raw data collected and the tabulated readings generated by our instruments which are authentic, will be compiled in a report internally and thereafter submitted to our customers for interpretation and analysis. Our Group is responsible for the accuracy of the raw data collected and tabulated readings submitted to our customers but we are not responsible for the accuracy of the analysis in the report submitted by our customers to the authority bodies.

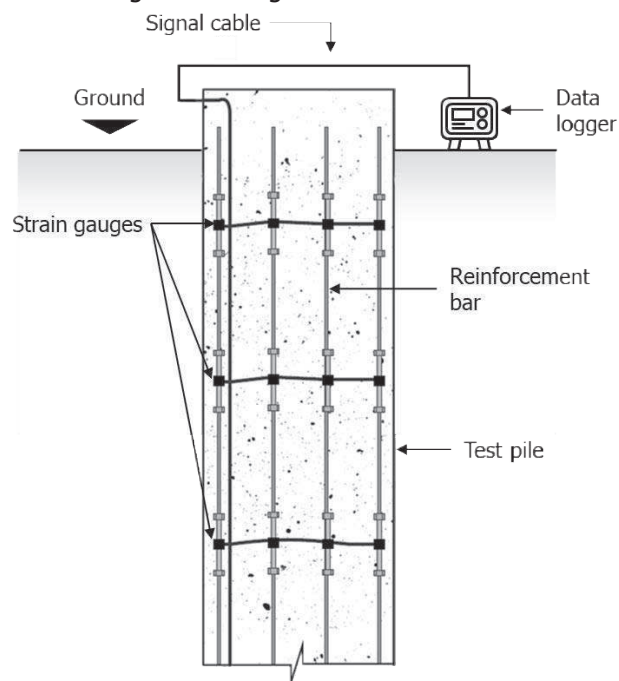
The duration of a pile instrumentation service engagement from confirmation of service engagement to submission of report typically ranges from 1 month to 3 months.

6. INFORMATION ON OUR GROUP (Cont'd)

Some instruments (including precise levels and linear variable displacement transducers) are set up on the ground surrounding the test piles, and some instruments (including strain gauges and extensometers) are inserted into the ground together with the test piles. The setup of these instruments, including instruments on the ground and under the ground, is carried out by our Group. Other works in static load test such as casting of test piles, stacking of kentledge and setup of anchor piles are handled by our customers, whereby we depend on the customers' supervising consultant who is responsible for verifying the proper installation of these works.

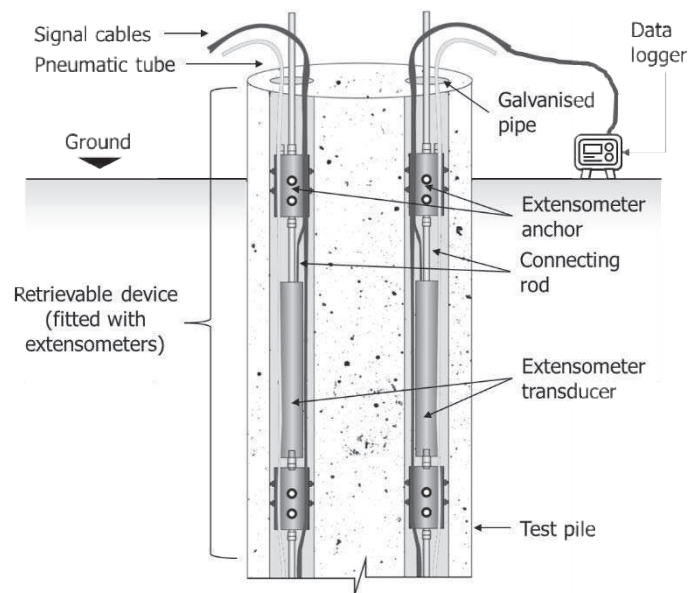
For instruments that are inserted into the ground together with the test piles, there are 2 installation methods, namely the conventional method which involves the usage of sacrificial instruments, where the instruments are left under the ground upon completion of pile instrumentation process; and the retrievable method where the instruments can be retrieved and reused in future service engagements, as follows:

- Conventional method :
- Sacrificial instruments (e.g. strain gauges) are installed on the test piles prior to be bored into the ground.
 - These instruments are connected to a data logger through signal cables for transmission of data.
 - Upon the completion of testing, these instruments will be disconnected from the data logger by cutting off the cables and left under the ground together with the test piles.
 - This method is suitable for cast-in-situ piles such as bored piles, barrettes and micropiles, however may pose a risk of damaging the instruments during concrete casting process of the test piles.
 - An illustration of the setup of instruments to be inserted into the ground using conventional method is as below:



6. INFORMATION ON OUR GROUP (Cont'd)

- Retrievable method :
- Instruments that are to be inserted into the ground (e.g. extensometers) are fitted to a retrievable device, and thereafter lowered down through an access pipe (e.g. galvanised pipe) embedded in the test piles to collect data.
 - An illustration of the setup of instruments to be inserted into the ground using retrievable method is as below:



- Several advantages of using the retrievable method are as follows:
 - The retrievable device along with these instruments will be retrieved upon the completion of data collection for reuse in future service engagements.
 - It minimises the risk of damaging the instruments during concrete casting process as the instruments are fitted to the retrievable device which is installed after the piles are casted.
 - It enables engineers to select instrumentation levels along the as-built depth of piles, whereas the conventional method has the instruments embedded before casting the piles and hence the instrumentation levels are fixed at where the instruments are embedded.
- This method is suitable for all types of cast-in-situ piles and driven piles including bored piles, barrettes, micropiles, spun piles and reinforced concrete square piles.

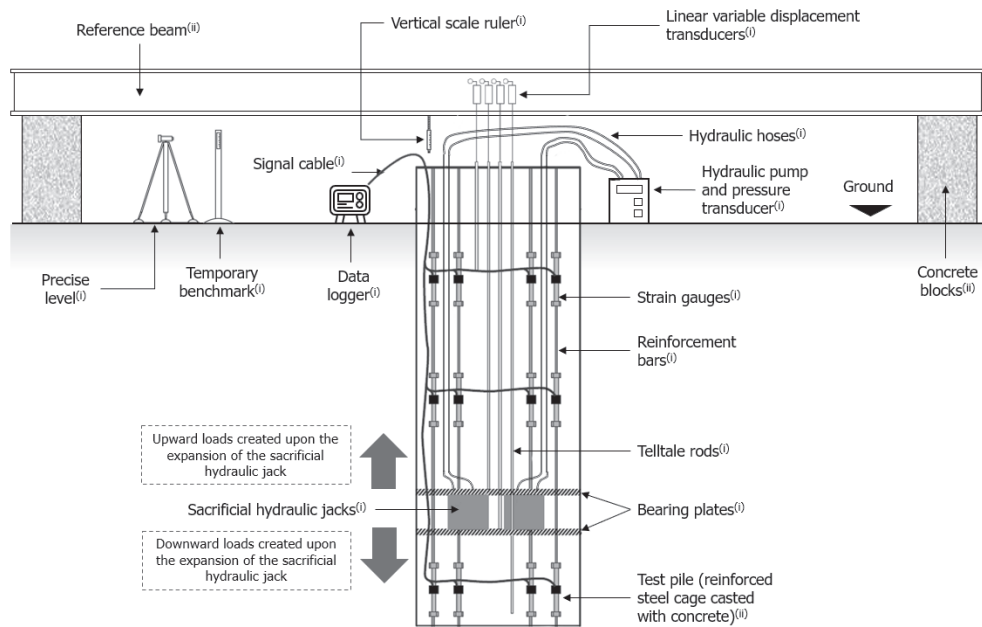
(b) Pile static load test services using Bi-directional Static Load Test (BDSLT) method

We are involved in the provision of pile static load test services using BDSLT method, where we supply and assemble sacrificial hydraulic jack assembly within test piles, and carry out testing on-site based on testing details and technical specifications provided by our customers. Other works in BDSLT such as manufacturing of reinforced steel cage and casting of concrete are handled by our customers. Our BDSLT pile static load test services are provided to piling companies and construction companies on service engagement basis. We do not provide pile static load test services for kentledge and reaction method.

6. INFORMATION ON OUR GROUP (Cont'd)

BDSLTL is carried out by welding a sacrificial hydraulic jack assembly within a test pile to test the load carrying or bearing capacity, distribution of shaft resistance and magnitude of base resistance of the pile using bi-directional pressure applied by sacrificial hydraulic jacks positioned between the upper and lower segments of the pile. BDSLTL is suitable for cast-in-situ piles as a sacrificial hydraulic jack assembly is required to be embedded in the reinforced steel cage prior to concrete casting.

An illustration of an instrumented pile static load test using BDSLTL is as below:



Notes:

- (i) The setup of these instruments, devices and equipment is carried out by our Group. These instruments may be connected to a data logger on the ground for data capturing/reading by our employees.
 - (ii) The casting of test pile is handled by our customers.
- Sacrificial hydraulic jacks are placed between 2 load bearing plates and welded into a reinforced steel cage to form a sacrificial hydraulic jack assembly, whereby the sacrificial hydraulic jack assembly will be positioned at a designated point in which equal pressure will be formed and received from the upper and lower segments of the pile. Other instruments such as telltale rods and strain gauges may also be welded onto the reinforced steel cage.
 - The reinforced steel cage welded with the sacrificial hydraulic jack assembly and other instruments is lowered into a bored hole in the ground, and thereafter followed by the casting of concrete to form the test piles.
 - Once the concrete is hardened to form adequate concrete strength, we will set up other instruments and devices above the ground such as hydraulic pump, pressure transducer, linear variable displacement transducer, precise level, temporary benchmark, vertical scale ruler and data logger; as well as other equipment and tools above the ground such as reference beam and concrete blocks.

6. INFORMATION ON OUR GROUP (Cont'd)

- Thereafter, force is applied to the sacrificial hydraulic jacks through the hydraulic pump and hydraulic hoses to expand the jack upward and downward, thereby creating bi-directional loads, i.e. upward loads and downward loads, to the upper and lower segments of the test pile respectively. The test will be conducted according to the recommended test schedule.

BDSLTL has a high load capacity and has minimal hazardous risks as it does not require workers to work at a height and does not involve load stacking which could result in the risks of collapse. It is also space efficient and time efficient due to the absence of surrounding equipment such as kentledge and reaction piles which are otherwise required for static load tests using kentledge or reaction methods.

The duration of a pile static load test service engagement using the BDSLTL method from confirmation of service engagement to submission of report typically ranges from 1 month to 3 months.

We provide pile instrumentation and static load test services to multiple types of construction projects, comprising landed buildings such as terrace and shop lots, low-rise buildings such as low-rise flats and shopping complexes, high-rise buildings such as condominiums, purpose-built offices and skyscrapers, industrial buildings as well as infrastructure such as power plants, highways and tunnels.

(ii) Structural and ground instrumentation and monitoring services

Structural and ground instrumentation and monitoring services are carried out to ensure the structural health of buildings and facilities as well as ground conditions of a site is safe from hazardous events such as collapse of buildings and/or structures and landslides due to soil erosion. It is widely used in monitoring of deep excavations, building basement, mining sites, hillside development, slopes and landslides, dams, tunnels and buildings.

In Singapore, structural and ground instrumentation and monitoring is mandatory for all construction of buildings and infrastructure as specified under the Building Control Regulations 2003; and the records of monitoring are required to be submitted to the Commissioner of Building Control (CBC), Singapore upon completion of monitoring. In Malaysia, structural and ground instrumentation and monitoring is mandatory for construction projects that are under the supervision of JKR as specified under the JKR Standard Specifications for Building Works 2020. Example of projects under supervision of JKR includes government buildings and infrastructure projects.

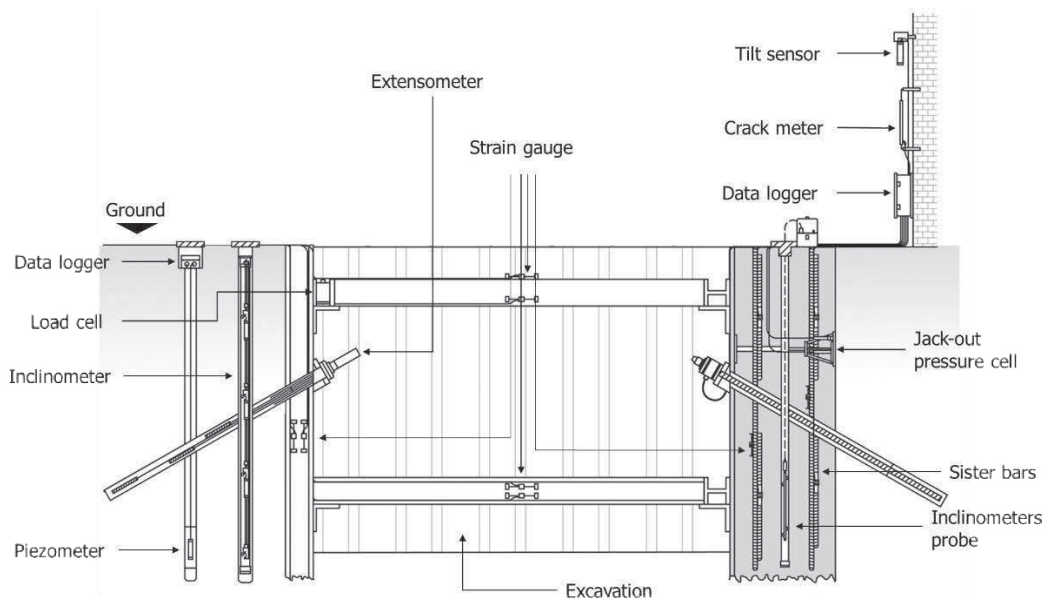
We provide structural and ground instrumentation and monitoring services to construction projects during the piling stage and building/infrastructure construction stage to observe the performance of geotechnical design and to ensure the safety of the construction sites and/or the building under construction (e.g. building basement) as the construction progresses. In a construction project, we may also be engaged to provide structural and ground instrumentation and monitoring services to existing buildings and facilities nearby, such as the overall structure of the building, tunnels, underground railways and bridges, to ensure that these buildings and facilities are not impacted by the on-going construction nearby.

Apart from construction projects, we also provide structural and ground instrumentation and monitoring services to other sites such as existing buildings, bridges, tunnels, dams and slopes to ensure the structural health and safety of these sites and infrastructure.

6. INFORMATION ON OUR GROUP (Cont'd)

Our structural and ground instrumentation and monitoring services are carried out through the supply and on-site installation of multiple calibrated instruments, such as tilt sensors, crack meters, extensometers, inclinometers and piezometers to collect raw relevant data and tabulated readings generated by our instruments which are authentic, related to, amongst others, ground and/or soil movements and structural movements of buildings/infrastructures, and will be compiled in a report internally and thereafter submitted to our customers, which will be used for analysis by our customers and/or their project consultants to derive results in relation to the structural health and ground conditions of the site. Our Group is responsible for the accuracy of the raw data collected and tabulated readings submitted to our customers but we are not responsible for the accuracy of the analysis in the report submitted by our customers to the authority bodies, if any.

The layout of a structural and ground instrumentation and monitoring setup for a construction site under excavation is illustrated as follows:



We provide on-site and off-site structural and ground instrumentation and monitoring services, as below:

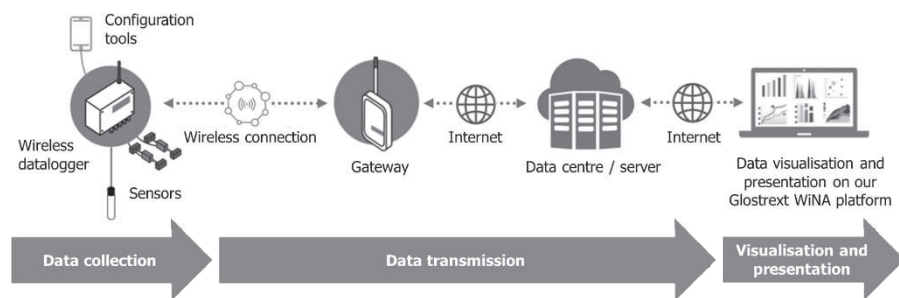
(a) On-site instrumentation and monitoring services

- The provision of on-site structural and ground instrumentation and monitoring services requires our employees to be present at the site for data collection upon setup and installation.
- Our on-site structural and ground instrumentation and monitoring services are provided to our customers over a pre-determined period or throughout the period of construction as agreed with our customers. Further, our employees will be present on-site as per the frequency agreed with our customers.
- The data collected will be submitted to our customers and/or their project consultants for review and analysis, and the results of the analysis reflect the structural health and ground conditions on the day when the data is collected. As such, the result is not real time due to the time lag between data collection and analysis.

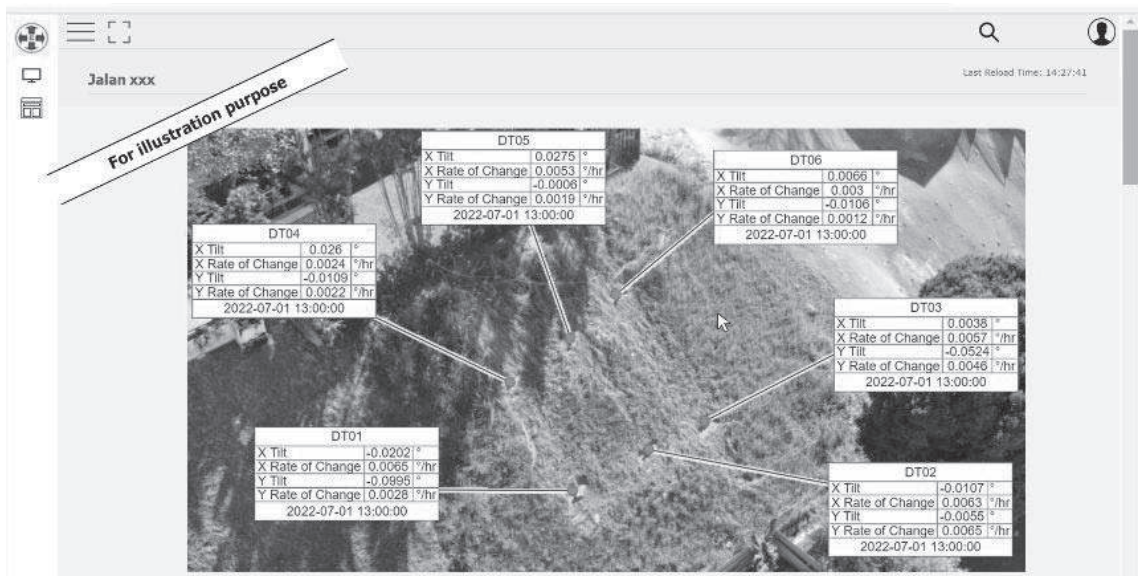
6. INFORMATION ON OUR GROUP (Cont'd)

(b) Off-site instrumentation and monitoring services
(with the usage of Glostrex WiNA platform)

- The provision of off-site structural and ground instrumentation and monitoring services is carried out using our Glostrex WiNA platform. Our Glostrex WiNA platform is a web-based platform which we developed in-house, and which we own, that leverages on a series of sensors including IoT-enabled sensors and third party data visualisation software for remote and real time structural and ground monitoring. These sensors collect and transmit data via the internet where the data will be visualised and presented using a third party data visualisation software.
- An illustration of the flow of our off-site structural and ground instrumentation and monitoring services using our Glostrex WiNA platform is as follows:



- The data collected is visualised and presented on our Glostrex WiNA platform as follows:



- Our off-site structural and ground instrumentation and monitoring services using Glostrex WiNA platform are provided to our customers over a pre-determined period or throughout the period of construction as agreed with our customers.

6. INFORMATION ON OUR GROUP (Cont'd)

- Several advantages of using Glostrex WiNA platform are as follows:
 - Our employees are only required to be present at the site at the beginning stage to set up, install and configure the instruments. Thereafter, these instruments can be controlled remotely and they will continuously collect data which will be transmitted to our Glostrex WiNA platform. This reduces the labour required on-site for the operation of instruments and data collection, therefore allowing us to better utilise and manage our human resources. This method is also favourable for construction projects that have access restrictions.
 - The result reflects real time structural health and geotechnical conditions of the site to allow our customers to detect and respond to any structural and geotechnical anomalies in a timely manner.
 - The data collected will be visualised and presented on our Glostrex WiNA platform together with several alert levels to alert our customers when outlier data are collected on a real time basis, thereby simplifying the monitoring process and identification of unusual events which could be hazardous. The alert levels are parameters pre-determined by our customers and/or their project consultants for automated monitoring.
 - As data collection is automated, it minimises the risk of errors in data collection which could arise from manual reading of measurement by our employees.
 - Data is collected on a continuous basis, thereby enabling our customers to perform data-driven analysis based on a large set of data which is useful to derive a data trend and identify any unusual events which could pose hazards to the sites.
- The disadvantage of using Glostrex WiNA platform is the dependency on wireless internet connection to operate.
- Data collected are hosted on our server and is only accessible by the respective customers' authorised users.

Our structural and ground instrumentation and monitoring services are provided to construction projects as well as completed buildings and infrastructures, whereby we are engaged by piling companies and construction companies as well as high-rise building owners and management offices and individual customers such as homeowners with houses located next to, amongst others, on-going construction sites and slopes which may be prone to landslides or movements.




The minimum period of our structural and ground instrumentation and monitoring services is 1 month and is renewable upon request from customers. As at the LPD, we have existing structural and ground instrumentation and monitoring service engagements for up to 4 years.

6. INFORMATION ON OUR GROUP (Cont'd)








6.6.2 Key instruments used in our services

Our Group uses a series of instruments in the provision of pile instrumentation and static load test services as well as structural and ground instrumentation and monitoring services. These instruments are required to be calibrated prior to be deployed for use. As at the LPD, our Group has 2 accredited laboratories, located at our Singapore and Malaysia offices respectively. Our Singapore laboratory is accredited under ISO/IEC 17025 (Scope of calibration: Dimensional) and our Malaysia laboratory is accredited under MS ISO/IEC 17025 (Scope of calibration: Dimensional and Force), and both laboratories perform calibration for certain instruments comprising extensometers, transducers, linear variable displacement transducers, vibrating wire strain gauges and force measuring instruments, for use in our service engagements. Please refer to Section 6.15.1 for details of the accreditations received by our laboratories.

The following sets out the details of the key instruments used in our pile instrumentation and pile static load test services as well as structural and ground instrumentation and monitoring services:

Key Instruments	Description
<p>Hydraulic jack</p> 	<p>A hydraulic jack is used to apply different degree of loads/pressure to test the load carrying or bearing capacity, distribution of shaft resistance and magnitude of base resistance of piles. In pile static load test using BDSLT, sacrificial hydraulic jacks are placed between 2 load bearing plates and welded within a test pile to create bi-directional loads, i.e. upward loads and downward loads, to the upper and lower segments of the pile respectively.</p> <p>Generally, a hydraulic jack is a retrievable instrument and can be reused. It is used in our pile instrumentation and pile static load test service engagements. For BDSLT, the sacrificial hydraulic jack is not retrievable and hence cannot be reused.</p>
<p>Precise level</p> 	<p>A precise level is a retrievable instrument and can be reused. It is used to check the movements of the reference frame and pile top movement against a temporary benchmark. It is also used in monitoring of ground and building settlement.</p>
<p>Linear variable displacement transducer</p> 	<p>A linear variable displacement transducer is a retrievable instrument and can be reused. It is attached to a reference frame or reference beam to monitor the pile movements during static load test.</p>

6. INFORMATION ON OUR GROUP (Cont'd)

Key Instruments	Description
<p data-bbox="279 286 438 324">Strain gauge</p> 	<p data-bbox="654 286 1418 414">A strain gauge is used on a one-off basis and it is used to measure the strain and load transfer at a particular level of the pile, as well as other structures such as beams, columns and slabs.</p>
<p data-bbox="279 470 454 504">Extensometer</p> 	<p data-bbox="654 470 1418 728">An extensometer is a retrievable instrument and can be reused. It is used to measure the elongation, which will be used to calculate the strain and load transfer of piles when pressure/loads are applied. In pile instrumentation using retrievable method, a retrievable extensometer (which is a specialised deformation monitoring device that uses pneumatically anchored extensometers) is used to monitor loads and displacements along the entire length of piles.</p>
<p data-bbox="279 761 406 795">Load cells</p> 	<p data-bbox="654 761 1418 828">A load cell is a retrievable instrument and can be reused. It is used to measure the loads during a pile static load test.</p>
<p data-bbox="279 963 430 996">Data logger</p> 	<p data-bbox="654 963 1418 1064">A data logger is a retrievable instrument and can be reused. It is configured to read and store data from multiple type of sensors.</p>
<p data-bbox="279 1198 526 1232">Robotic total station</p> 	<p data-bbox="654 1198 1418 1321">A robotic total station is a retrievable instrument and can be reused. It is an automated device that is used to measure vertical and horizontal angles as well as distance from an instrument to a particular point.</p>
<p data-bbox="279 1456 598 1489">Vibration and noise meter</p> 	<p data-bbox="654 1456 1418 1545">A vibration and noise meter is connected to a triaxial geophone for vibration measurement, and/or to a sound level meter or microphone for noise measurement.</p> <p data-bbox="654 1579 1418 1680">Vibration and noise meter is a retrievable instrument and can be reused. It is used in our structural and ground instrumentation and monitoring service engagements.</p>
<p data-bbox="279 1702 518 1736">Wireless tilt sensor</p> 	<p data-bbox="654 1702 1418 1825">A wireless tilt sensor is a triaxial micro electro-mechanical sensor used to monitor inclinations and differential settlements of slopes or infrastructures, as well as the geometry and stability of tunnels, railway tracks or bridges decks.</p> <p data-bbox="654 1859 1418 1960">A wireless tilt sensor is a retrievable instrument and can be reused. It is are used in our structural and ground instrumentation and monitoring service engagements.</p>

6. INFORMATION ON OUR GROUP (Cont'd)

Key Instruments

Description

Wireless laser tilt sensor



A wireless laser tilt sensor comprises a laser distance meter and a tilt sensor, where the laser distance meter measures the relative distance between pairs of reference points, and the tilt sensor measures the inclinations and differential settlements of slopes or infrastructures, as well as the geometry and stability of tunnels, railway tracks or bridges decks.

A wireless laser tilt sensor is a retrievable instrument and can be reused. It is used in our structural and ground instrumentation and monitoring service engagements.

Depending on the technical specifications/requirements of each service engagement, a majority of the instruments used by our Group can generally be used in pile instrumentation and pile static load test services, as well as in structural and ground instrumentation and monitoring services.

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

6.6.3 Our track record

We operate in Singapore and Malaysia. The following sets out the notable service engagements with approximate value above RM0.50 million secured/provided by our Group in the past 4 FYEs and up to the LPD:

Commencement/ completion FYE	Customer	Projects involved	Project location	Approximate value (RM'million)	Services provided
2016/2023	Samsung C&T Corporation UEM Construction JV Sdn Bhd	Merdeka PNB 118	Kuala Lumpur, Malaysia	2.70	Structural and ground instrumentation and monitoring
2020/2020	Aneka Jaringan Sdn Bhd	Mixed commercial development at Jalan Dutamas 2	Kuala Lumpur, Malaysia	0.68	Pile instrumentation and static load test services
2020/2022	China Communications Construction Company Limited (Singapore Branch)	Intra Airside Road Connection, Second Parallel Taxiway and Fire Station No. 2 for Changi East at Changi Airport	Singapore	1.70	Pile instrumentation and static load test services
2020/2021	Pintary Foundations Pte Ltd	Sengkang Mall	Singapore	1.50	Pile instrumentation and static load test services
2020/2021	Sunway Geotechnics (M) Sdn Bhd	Transit Oriented Development at Plot 7MD7, Precinct 7	Putrajaya, Malaysia	0.71	Pile instrumentation and static load test services

6. INFORMATION ON OUR GROUP (Cont'd)

Commencement/ completion FYE	Customer	Projects involved	Project location	Approximate value (RM'million)	Services provided
1. 2020/2022 2. 2023/on-going	Sunway Geotechnics (M) Sdn Bhd	Mixed development at Sunway South Quay, Bandar Sunway	Selangor, Malaysia	Total: 0.95 First service engagement: 0.76 Second service engagement: 0.19	Structural and ground instrumentation and monitoring
2020/2023	1. TPW Engineering Pte Ltd (for contract C2B) 2. Asia Piling Co Pte Ltd (for contract C3A) 3. China Harbour (Singapore) Engineering Company Pte Ltd (for contract C2A)	Tuas Water Reclamation Plant	Singapore	Total 4.50 C2B: 2.00 C3A: 1.50 C2A: 1.00	Pile instrumentation and static load test services
2021/2022	JF Foundation Pte Ltd	Condominium at Arthur Road	Singapore	0.68	Pile instrumentation and static load test services
2021/2022	Zap Piling Pte Ltd	Condominium at Cairnhill Road	Singapore	0.67	Pile instrumentation and static load test services
2022/2023	Econpile (M) Sdn Bhd	Naga 3 Integrated Entertainment Complex	Phnom Penh, Cambodia	2.40	Pile instrumentation and static load test services
2022/On-going	1. TPW Engineering Pte Ltd (for contract C7) 2. Asia Piling Co Pte Ltd (for contract C8)	Flats by the Housing and Development Board Singapore	Singapore	1.30	Pile instrumentation and static load test services

6. INFORMATION ON OUR GROUP (Cont'd)

Commencement/ completion FYE	Customer	Projects involved	Project location	Approximate value (RM'million)	Services provided
2023/2023	Asia Piling Co Pte Ltd	Polyclinic at Upper Serangoon Road	Singapore	0.51	Pile instrumentation and static load test services
2023/On-going	Bauer (Malaysia) Sdn Bhd	Punggol Interchange Station	Singapore	0.78	Pile instrumentation and static load test services

We also provided services for the construction of an MRT station in Singapore in 2012. We were also involved in MRT2 from 2017 to 2018 and LRT3 from 2018 to 2019 in Malaysia, where we provided BDSLT pile static load test services for the construction of the stations and lines. Nevertheless, we were not the sole static load test service provider and our services covered the construction of some, but not all stations and lines.

As at the LPD, we have secured total order book amounting to RM8.94 million, with further details set out in Section 11.11.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.6.4 Principal business segments and markets

The breakdown of our Group's revenue segmentation by principal business activities is as follows:

	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Pile instrumentation and static load test services	20,635	86.11	13,322	78.52	23,488	88.39	17,487	80.90
Structural and ground instrumentation and monitoring services	2,725	11.37	3,287	19.37	2,682	10.09	3,724	17.23
Others ⁽¹⁾	603	2.52	357	2.11	404	1.52	405	1.87
	23,963	100.00	16,966	100.00	26,574	100.00	21,616	100.00

Note:

- (1) Others comprise rental of load cells. The load cells are rented out to construction companies and piling companies to perform pile tests on their own, mainly for construction projects that do not require deep foundations (e.g. landed and low-rise buildings).

The breakdown of our Group's revenue segmentation by principal markets is as follows:

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Singapore	15,668	65.39	11,083	65.32	20,600	77.52	13,906	64.33
Malaysia	8,295	34.61	5,883	34.68	5,617 ⁽¹⁾	21.14	7,567 ⁽²⁾	35.01
Cambodia	-	-	-	-	357	1.34	143	0.66
	23,963	100.00	16,966	100.00	26,574	100.00	21,616	100.00

Notes:

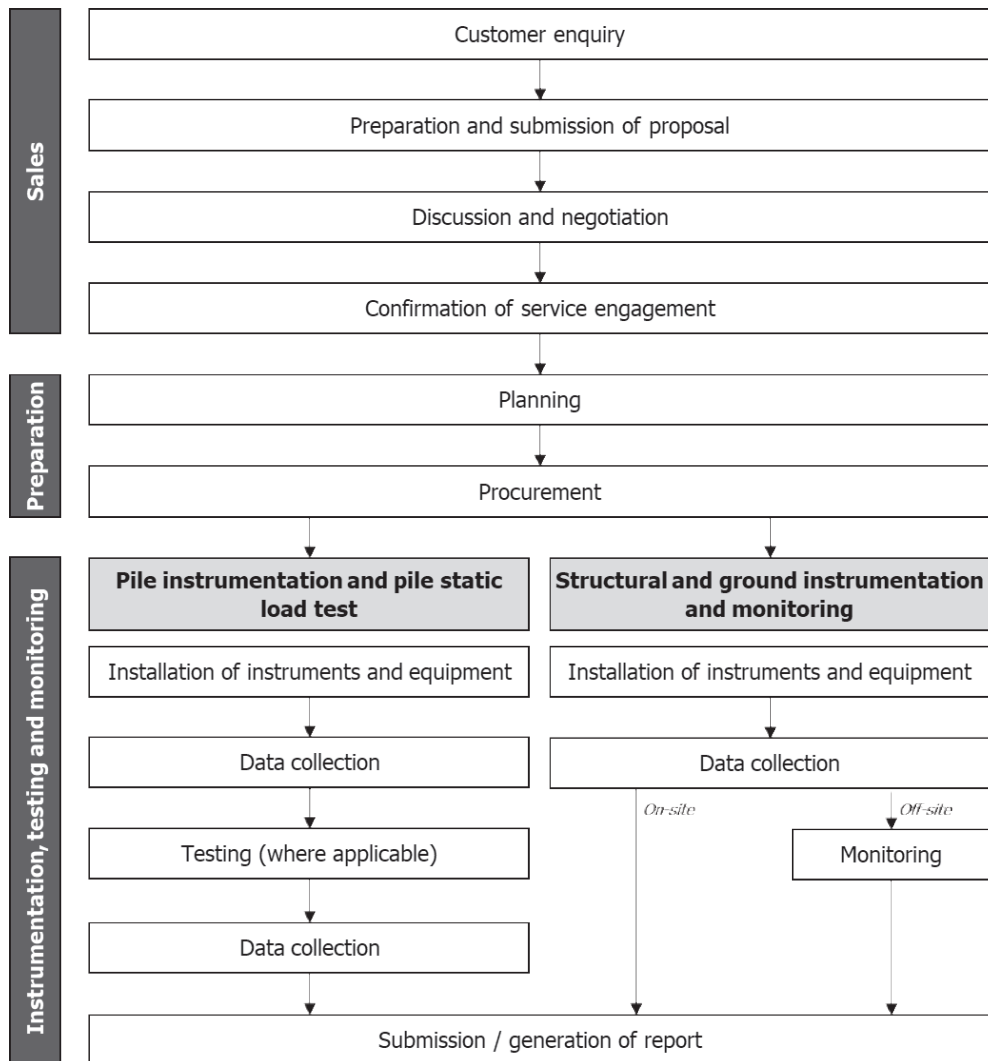
- (1) Includes 1 service engagement in Cambodia engaged by a Malaysian company amounting to RM1.70 million; and
- (2) Includes 2 service engagements in Cambodia engaged by 2 Malaysian companies in FYE 2023 amounting to RM1.52 million.

6. INFORMATION ON OUR GROUP (Cont'd)

6.7 DESCRIPTION OF OUR BUSINESS

6.7.1 Our business processes

The general process flow of our pile instrumentation and static load test as well as structural and ground instrumentation and monitoring businesses is depicted as follows:



Sales

Upon receiving enquiries from potential customers, we will communicate with the potential customers to prepare a proposal and estimated cost. A proposal typically contains a method statement covering amongst others, the instruments and equipment required, instrumentation layout plan, procedure of instrumentation, testing and monitoring services, sample report of testing and monitoring results and quality assurance processes.

Once the proposal is submitted, there may be discussions with the potential customers to fine tune the service details and negotiations to finalise the engagement cost. If our proposal is accepted by the customers, the customers will grant us a work order, or issue us a purchase order to confirm the engagement of our services.

6. INFORMATION ON OUR GROUP (Cont'd)

Preparation

- Planning

A project manager is assigned to each service engagement and the project manager will be responsible for leading a project team to oversee the management and implementation of all aspects of the service engagement, from procurement to installation of instruments, testing, monitoring and data collection as well as submission of reports to customers.

Our planning activities include preparation of detailed service plan and schedule; finalising the instruments and equipment required; preparation of safety plan; and resources planning in terms of human resources and inventory level of instruments and equipment.

- Procurement

We proceed to procure some required instruments and equipment as outlined in the planning stage from our suppliers. We also regularly plan and estimate the demand for some instruments and equipment that have to be purchased from overseas suppliers, such as load cells and sacrificial hydraulic jacks for BDSLT; and maintain an inventory level of these instruments and equipment of at least 3 months to ensure sufficient supply and prevent disruptions to our business.

We also source and appoint sub-contractors that meet our requirements on cost, quality and service deliverable timing. As at the LPD, we only engage a sub-contractor in works involving soil drilling.

Instrumentation, testing and monitoring

- Pile instrumentation and pile static load test

For pile static load test using kentledge or reaction method as well as using conventional installation method for instruments to be installed into the ground together with test piles, our customers will handle the installation of these instruments before concrete casting. For pile static load test using BDSLT, we will weld sacrificial hydraulic jacks into a reinforced steel cage together with 2 load bearing plates placed above and at the bottom of the sacrificial hydraulic jacks respectively. We will also install other instruments onto the reinforced steel cage if a conventional installation method is used for instruments to be installed into the ground together with test piles. Thereafter, the reinforced steel cage welded with the sacrificial hydraulic jack assembly and other instruments is lowered into a bored hole, and concrete casting which is handled by our customers will begin.

Thereafter, we will set up other instruments and devices including linear variable displacement transducers, precise levels, temporary benchmarks and vertical scale rulers surrounding the test piles, all of which are connected to a data logger to collect reaction data of the test piles during static load testing.

For pile static load test using retrievable installation method for instruments to be installed into the ground together with test piles, the retrievable device fitted with these instruments is lowered down through the galvanised pipe embedded in the test piles to collect data during the testing stage.

Following which, data collection process will commence prior to the test to obtain the base reading. Thereafter, testing will begin where different degree of loads will be applied by hydraulic jacks (which belong to our customers and the application of loads is handled by our customers except for BDSLT pile static load test where the hydraulic jacks belong to

6. INFORMATION ON OUR GROUP (Cont'd)

our Group and the application of loads is performed by our Group) to the test piles. Data will be collected in all stages of testing, whereby our personnel will be present on site to carry out data collection.

Thereafter, the data collected will be compiled in a report and submitted to our customers for analysis.

- **Structural and ground instrumentation and monitoring**

For on-site monitoring, once we receive all required instruments and equipment, and the construction site is ready for us to carry out our services, we will install the instruments and equipment on site as per our service plan. Following which, data collection process will commence, whereby our personnel will be present on site to carry out data collection. Thereafter, the data collected will be compiled in a report and submitted to our customers for analysis.

For off-site monitoring, we will install a series of sensors that are equipped with IoT features on site as per our service plan. These sensors will be configured to wirelessly connect to a gateway for data transmission to our Glostrex WiNA platform. As such, the data collection is automated. The data will also be automatically monitored where our customers will be alerted via our Glostrex WiNA platform in the event that any outlier data are collected based on the pre-determined alert levels, on a real time basis. From time to time, our customers can generate a data report from our Glostrex WiNA platform for analysis.

The duration of our provision of pile instrumentation and pile static load test services is generally short term which ranges from 1 month to 3 months from confirmation of service engagement to submission of report, as the services are typically provided during the piling stage of a construction project. On the other hand, the duration of our provision of structural and ground instrumentation and monitoring services is generally long term with a minimum period of 1 month and up to years (the longest service engagement as at the LPD is 4 years), as the services can be provided throughout a construction project or to existing buildings and infrastructure on an on-going basis.

6.7.2 Operating capacities and output

As an instrumentation, testing and monitoring service provider, we provide services to our customers. As such, the computation of operating capacities and output is not applicable to us.

6.7.3 Interruption to business and operations in the past 12 months before the LPD

Save for the interruptions to our business and operations arising from the COVID-19 pandemic, we did not experience any other interruptions to our operations which had a significant effect on our business in the past 12 months before the LPD. The impact on our business operations pursuant to the COVID-19 pandemic in the past 12 months before the LPD is detailed as follows:

6. INFORMATION ON OUR GROUP (Cont'd)

(i) Impact on our business operations

As our piling, structural and geotechnical related services are mainly provided to support construction projects, our operations are dependent on the construction industry. Any imposition of movement restrictions pursuant to the COVID-19 pandemic in Singapore and Malaysia which led to prohibitions or limitations in carrying out construction activities would have an impact on our Group's operations.

Singapore

Since the outbreak of the COVID-19 pandemic in Singapore in early 2020, various degrees of movement restrictions were imposed by the Government of Singapore, namely Circuit Breaker, Phase 1: Safe Re-opening, Phase 2: Safe Transition, Phase 3: Safe Nation, Phase 2 (Heightened Alert), Phase 3 (Heightened Alert), Preparatory Stage of Transition, Stabilisation Phase and Transition Phase. In February 2023, the Government of Singapore adjusted the Disease Outbreak Response System Condition (DORSCON) from a Yellow alert level to a Green alert level, indicating that the COVID-19 disease is mild and Singapore is to exit the acute phase of the pandemic.

During certain movement restriction periods, non-essential construction activities were not allowed, unless the company obtains approval from the relevant authorities, and/or fulfills the mandatory regular antigen rapid testing guidelines for unvaccinated workers outlined by the Government of Singapore.

As a geotechnical instrumentation service provider supporting the construction industry, our service provision typically relies on the operating status of each construction site to commence works. In 2020, between 7 April 2020 and 2 June 2020 where Circuit Breaker was imposed, we did not provide any services as the construction sites of all projects which our Group was involved in, were not allowed to operate. Subsequently as our customers gradually resumed operations and the construction sites of the projects which our Group was involved in resumed works, we began to resume our provision of services in July 2020. In 2021, despite the implementation of Phase 2 (Heightened Alert) and Phase 3 (Heightened Alert), we continued our provision of services as the construction sites of all the projects which our Group was involved in, were allowed to operate. In 2022, despite the resurgence of the COVID-19 confirmed cases due to the Omicron variant, construction activities in Singapore have been allowed and there has been no impact to our business and operations.

Consequential to the various movement restrictions imposed and closure of construction sites, our service engagements in Singapore were deferred for up to approximately 3 months. Nevertheless, there was no cancellation of service engagements by our customers in Singapore.

Malaysia

Since the outbreak of the COVID-19 pandemic in Malaysia in early 2020, various degrees of movement restrictions were imposed by the Government of Malaysia, namely movement control order ("MCO"), conditional MCO, recovery MCO, enhanced MCO and various phases of National Recovery Plan ("NRP"). These movement restrictions were imposed for different durations in each state, federal territory and area, depending on the severity of the COVID-19 infections in the respective states, federal territories and areas.

6. INFORMATION ON OUR GROUP (Cont'd)

During certain movement restriction periods, non-essential construction activities were not allowed, unless the company obtains approval from the relevant authorities, and/or fulfills the vaccination rate specified by the Government of Malaysia upon the commencement of mass vaccination programme by the Government of Malaysia.

As a geotechnical instrumentation service provider supporting the construction industry, our service provision typically relies on the operating status of each construction site to commence works. In 2020, between 18 March and 3 May where MCO 1.0 was imposed, we did not provide any services as the construction sites of all the projects which our Group was involved in, were not allowed to operate. Subsequently as our customers gradually resumed operations and the construction sites of the projects which our Group was involved in resumed works, we began to resume our provision of services in May 2020. In 2021, throughout periods whereby MCO 2.0, MCO 3.0 and Phase 1 and Phase 2 of the NRP were imposed, we continued our provision of services as the construction sites of the projects which our Group was involved in continued operations. In 2022, despite the resurgence of the COVID-19 confirmed cases due to the Omicron variant, construction activities in Malaysia have been allowed and there has been no impact to our business and operations.

Consequential to the various movement restriction imposed and closure of construction sites, our service engagements in Malaysia were deferred for up to approximately 6 weeks. Nevertheless, there was no cancellation of service engagements by our customers in Malaysia.

(ii) Impact on our business cash flows, liquidity, financial position and financial performance

As the construction industries in Singapore and Malaysia faced mandatory closure and operational restrictions during the COVID-19 pandemic, our Group's services were also interrupted due to deferment of service engagements. As such, from FYE 2020 to FYE 2021, our Group's total revenue decreased by 29.17%, with revenue from Singapore decreased by 29.26% and revenue from Malaysia decreased by 29.08%.

As at LPD, our Group has cash and bank balances of approximately RM6.47 million. Our Board is confident that, after taking into account our cash and bank balances, our working capital will be sufficient for our capital/operating expenditure and to sustain our business.

In addition, we do not anticipate any financial difficulties in meeting our debt obligations in the foreseeable future. We do not expect any material impairment to our assets, inventories or receivables.

Based on the above, we do not expect any material impact to our cash flows, liquidity, financial position and financial performance moving forward.

(iii) Impact to our business and earning prospects

Piling, structural and geotechnical related services covering instrumentation, testing and monitoring services are crucial in ensuring the safety of construction sites as well as completed buildings and infrastructures.

Notwithstanding that the COVID-19 pandemic had caused a slowdown in the construction sector and therefore causing a decline in our total revenue by 29.17% in the FYE 2021, our revenue rebounded quickly by 56.57% in the FYE 2022.

6. INFORMATION ON OUR GROUP (Cont'd)

Moving forward, we expect a continuous demand for our services due to the mandatory requirements or compliance on pile testing as well as structural and ground monitoring by the Governments of Singapore and Malaysia as set out in Section 6.8.4. Further, the awareness to validate the safety factors of ongoing construction projects as well as existing buildings and infrastructure driven by the increase in the occurrence of landslides in recent years in Malaysia, will also create demand for our services.

Premised on the above, we do not expect any material impact to our business and earning prospects.

(iv) Strategy and steps taken to address the impact of COVID-19 pandemic

In response to the COVID-19 pandemic, our Group had established a standard safety protocol prior to the endemic phase to protect employees and customers against COVID-19 infection which were according to the government's latest guidelines.

To comply with the standard operating procedures during the period, our Group had incurred expenses related to COVID-19 testing, disinfection and purchases of prevention items such as face masks, hand sanitisers and self-test kits amounting to approximately RM76,000, which is not material to our Group.

Since the outbreak of the COVID-19 pandemic and up to the LPD, we have not experienced any business interruptions resulting from any outbreak of COVID-19 cases among our employees.

As at the LPD, our Group has not in breach of any laws relating to COVID-19 restrictions which may lead to penalties by the relevant authorities.

(v) Impact of COVID-19 on our Group under the endemic phase of COVID-19

There is no material impact on our Group under the endemic phase of COVID-19 and we do not expect any material impact on our Group during this period. Notwithstanding, we will continue to implement stringent SOP as precautionary measures to avoid the spread of COVID-19 in our premises.

6.8 COMPETITIVE STRENGTHS

6.8.1 We have an established track record with customers who have long operating histories and have completed sizable and notable projects

Since the commencement of our business in 1992, we have completed many pile instrumentation and static load test as well as structural and ground instrumentation and monitoring service engagements in Singapore and Malaysia, some of which are construction projects involving piling and construction companies who have long operating histories and have completed sizable and notable projects. Our ability to continue securing service engagements over the years from these customers is a testament to our ability to deliver quality and reliable services, as well as our proven track record. For the past 4 FYEs 2020 to 2023, we have 111 customers, 102 customers, 108 customers and 110 customers respectively.

Amongst some of the piling and construction companies which we have secured service engagements from, are Asia Piling Co Pte Ltd, TPW Engineering Pte Ltd and Pintary Foundations Pte Ltd in Singapore, as well as Aneka Jaringan Sdn Bhd and Econpile (M) Sdn Bhd in Malaysia. Our business relationships with these customers range from 5 years to 20

6. INFORMATION ON OUR GROUP (Cont'd)

years, with further details set out in Section 6.21. As a supplier to these customers, we are required to comply with their service and safety / quality control requirements, which is a testament to our standing as an industry player with proven credentials.

Despite having long-standing relationships with these customers, our Group remains independent as data collection in each service engagement is carried out by our Group in an independent capacity. Our Group maintains our independent status with customers by adhering to our standard operating procedure in professional conduct in client engagement to manage actual, potential and perceived conflict of interest or issues and circumstances that give rise to the justifiable doubts of our independent status. At any point where potential conflicts of interest are identified, we will limit the person with conflict by, amongst others, abstaining him/her from the service engagements, limiting his/her access of information and/or rearranging his/her duties and responsibilities to a non-conflicting function.

As for service engagements that we have secured over the years, some are notable construction projects for landmark buildings in major cities such as Petronas Twin Towers and Merdeka PNB 118 in Kuala Lumpur, Malaysia; Tuas Water Reclamation Plant, and Intra Airside Road Connection, Second Parallel Taxiway and Fire Station No. 2 for Changi East at Changi Airport in Singapore; and Naga 3 Integrated Entertainment Complex in Phnom Penh, Cambodia. Please refer to Section 6.6.3 for the details of our track record.

Our success in the Singapore and Malaysia markets thus far is proven by our track record over the past 31 years since the commencement of our business in 1992, our competitive positions in the respective countries (with a market share of 3.58% in Singapore and 7.49% in Malaysia in 2020 and a market share of 5.54% in Singapore and 6.51% in Malaysia in 2021), and our ability to recover from the recent COVID-19 pandemic (with a rebound of 56.57% to RM26.57 million in total revenue in the FYE 2022, exceeding our revenue before the COVID-19 pandemic at RM23.96 million in the FYE 2020). All of these serve as a reference and foundation for our Group as we continue to secure new customers and new service engagements in Singapore and Malaysia, which will contribute to the growth and expansion of our business in the future.

For the past 4 FYEs, we have secured 13 new customers in FYE 2020, 20 new customers in FYE 2021, 14 new customers in FYE 2022 and 27 new customers in FYE 2023. According to the IMR Report, the geotechnical instrumentation and testing industry will continue to be driven by the construction and infrastructure sectors, as well as the regulatory, safety requirements and awareness on geotechnical instrumentation and testing. Our Group believes that these industry drivers, coupled with our competitive strengths, will drive our business expansion and growth in pile instrumentation and pile static load test services as well as structural and ground instrumentation and monitoring services.

Since commencement of our business and up to the LPD, our Group has not experienced any loss of customers or material disputes.

6. INFORMATION ON OUR GROUP (Cont'd)

6.8.2 Our experience and knowledge enable us to continuously improve our service offerings with the use of technologies

With 31 years of experience in the provision of pile instrumentation and static load test services as well as structural and ground instrumentation and monitoring services, our Group has accumulated relevant experience and industry knowledge which allow us to identify the gaps in the industry that can be fulfilled with the use of technologies, and thereafter integrate these technologies to improve our service offerings.

To stay abreast with industry trends and latest technologies, we regularly gather feedback from customers and business associates on our services. This allows us to identify any gaps or common issues faced in the industry, and thereafter fulfil these gaps and industry needs by enhancing our offerings along with the latest technology where applicable. For example, we launched the Glostrex WiNA platform in 2022, which is a system adopted for off-site and real time structural and ground instrumentation and monitoring services with the use of IoT. The Glostrex WiNA platform was launched after 2 years of R&D from first quarter of 2020 to first quarter of 2022 with a total R&D cost of approximately RM0.40 million. Please refer to Section 6.14 for further details of the focus of our R&D activities.

Our efforts and emphasis in enhancing our services with the use of technologies to improve our service offerings are in line with our Group's core values to continuously endeavour for improvement in order to remain competitive and at the forefront of the industry. We believe that this will continue to drive our business for growth and expansion in the future.

6.8.3 We are well-recognised in the industry and are accredited with various certifications as a testament to the quality of our services

We are accredited with various certifications (i.e. ISO 9001, ISO/IEC 17025 and ISO 45001) as detailed in Section 6.15.1. These certificates cover several aspects, which comprise the quality management system of our services, the competence of our laboratories in performing instrument calibration services, and the occupational health and safety management system in carrying out our services. These certificates attest to our ability in providing quality services whilst meeting the occupational health and safety standards in our service provision.

Further, our Managing Director, Ir Dr Lee Sieng Kai was a member of the technical committee under Jawatankuasa Kecil Bagi Menyemak Dan Mengemaskini Spesifikasi Piawai Jalan (Section 10: Piling Works) and was involved in setting the guidelines of year 2020 revision of Standard Specification (Section 10: Foundation Works 20400-0236-20) for JKR. Ir Dr Lee Sieng Kai served as a one-off member for over 2 years from July 2016 until the guidelines were finalised in October 2018. As a member of the technical committee, Ir Dr Lee Sieng Kai's role was to provide industry expert's view on static pile load tests. This demonstrates our reputation in the industry and proves that we are well recognised amongst the players in the construction industry as well as by a government agency.

Our accreditations and recognition within the construction industry provide confidence to our customers. It further enhances our market reputation which is crucial in driving our business growth and expansion in the future.

6. INFORMATION ON OUR GROUP (Cont'd)

6.8.4 We are well-positioned to benefit from the mandatory requirements or compliance on pile testing as well as structural and ground monitoring by the Governments of Singapore and Malaysia

In Singapore, pile static load test as well as structural and ground instrumentation and monitoring are mandatory for all construction of buildings and infrastructure as specified under the Building Control Regulations 2003; and the records of pile load tests and monitoring are required to be submitted to the Commissioner of Building Control (CBC), Singapore upon completion of pile testing and monitoring. In Malaysia, pile static load test as well as structural and ground instrumentation and monitoring services are mandatory for construction projects that are under the supervision of JKR as specified under the JKR Standard Specifications for Building Works 2020.

Although pile static load test as well as structural and ground instrumentation and monitoring services are still not mandatory for private construction projects in Malaysia, we believe that the awareness to validate the safety factors of ongoing construction projects as well as existing buildings and infrastructure in Malaysia is growing. This is due to the increase in the occurrence of landslides in recent years as a result of soil erosion caused by heavy and continuous rainfall, illegal excavation activities and underground water flow. All of these results in fatalities or injuries, as well as economic costs due to the destruction of buildings and infrastructure. As such, we believe that the awareness for geotechnical instrumentation and testing services is growing in ensuring the structural health and safety of buildings and infrastructure, as well as to determine immediate remedial actions required to prevent such catastrophic events. While the awareness for geotechnical instrumentation and testing services is growing, as at the LPD, there has been no changes or enhancements made to the mandatory requirements or compliance on pile testing as well as structural and ground monitoring for private construction projects by the Government of Malaysia.

As demand for geotechnical instrumentation and testing services is expected to grow, our Group is well-positioned to capture these business opportunities.

6.8.5 We have an experienced and hands-on key senior management team

We have an experienced key senior management team headed by Ir Dr Lee Sieng Kai, our Managing Director who have approximately 33 years of experience in the geotechnical instrumentation and testing industry particularly in pile instrumentation and static load test as well as structural and ground instrumentation and monitoring.

Ir Dr Lee Sieng Kai is supported by the following key senior management team:

Name	Designation	Years of relevant experience
Tan Ah Huat	Executive Director	32
Aniza Binti Md Din	Executive Director / Chief Financial Officer	22
Li Haigang	Director / General Manager – Glostrex Singapore	32
Tan Chze Keong	Senior Operations Manager	35
Diong Pu Chuan	Group Chief IT Officer	17

Our key senior management team has strong industry and functional expertise as a result of years of experience in their respective fields. As a geotechnical instrumentation service provider, it is crucial to have a team equipped with engineering expertise and sufficient human resources to carry out day-to-day business operations for our service engagements.

6. INFORMATION ON OUR GROUP (Cont'd)

Amongst our key senior management, Ir Dr Lee Sieng Kai, Li Haigang and Tan Chze Keong, have PhD, degree and diploma in engineering respectively and have been in the industry for over 30 years. Further, Tan Ah Huat and Diong Pu Chuan, have also been in the industry for 32 years and 17 years respectively. Please refer to Sections 5.1.2, 5.2.2 and 5.3.3 for the profiles of our key senior management. In addition, our business operations are supported by 9 engineers and 29 technicians as at the LPD. There are no specific memberships/certifications required by our key senior management and our employees for the provision of geotechnical instrumentation services.

Our key senior management team takes an active, hands-on role in spearheading their respective departments to support the growth of our Group, which demonstrates their strong commitment to our growth as we continue to expand. We believe that our key senior management team, with their respective experience and commitment to our Group, and coupled with teamwork between them, will provide impetus for the continuous growth of our Group in the future.

6.9 SEASONAL OR CYCLICAL EFFECTS

Our operations are generally not affected by seasonal or cyclical effects. Nevertheless, our operations are dependent on the construction industry. Please refer to the Section 8.2.1 for further details on our dependency on the construction industry.

6.10 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

The following are the types of input materials and services used in our business operations:

	Countries	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
		RM'000	%	RM'000	%	RM'000	%	RM'000	%
Instruments, equipment and consumables ^(a)		5,257	83.23	3,769	79.23	5,985	85.65	4,127	85.53
- Hydraulic jacks	Türkiye ⁽¹⁾ and China	2,253	35.67	1,355	28.48	2,312	33.09	1,546	32.04
- Strain gauges	United States of America ("USA"), South Korea	821	13.00	710	14.93	1,307	18.70	888	18.40
- Mild steel plates, coils and rebars	Malaysia, Singapore	348	5.51	349	7.34	554	7.93	400	8.29
- Hardware and tools	Malaysia, Singapore, USA, Spain	760	12.03	668	14.04	658	9.42	328	6.80
- Others ⁽²⁾	Malaysia, Singapore, China	1,075	17.02	687	14.44	1,154	16.51	965	20.00
Subcontractor costs ^(b)	Singapore	470	7.44	511	10.74	316	4.52	284	5.89
Instrument calibration services ^(c)	Malaysia, Singapore	589	9.33	477	10.03	687	9.83	414	8.58
		6,316	100.00	4,757	100.00	6,988	100.00	4,825	100.00

Notes:

(1) Formerly known as Turkey.

(2) Includes hydraulic hoses, electrical cables, pipes, caps, sockets, glues and other consumables.

6. INFORMATION ON OUR GROUP (Cont'd)

(a) Instruments, equipment and consumables

Instruments, equipment and consumables were the largest component of our costs of sales. This cost component varies depending on the technical specifications/requirements of each service engagement, amongst others, the types of static load tests used/required by our customers, the complexity and size of the construction project, the number of test piles involved, the types of installation methods used to insert instruments into the ground together with the test piles, and the type of structural and ground instrumentation and monitoring services required by our customers.

(b) Subcontractor costs

Subcontractor costs comprise costs for soil drilling work incurred for our structural and ground instrumentation and monitoring services segment.

(c) Instrument calibration services

We utilise the services of third party calibration centres for the calibration of instruments, comprising precise levels and vibration and noise meters, which do not fall within our accredited calibration scheme in both Singapore and Malaysia. These instruments have been excluded from our accredited calibration scheme in both Singapore and Malaysia as it is not cost effective to calibrate these instruments in-house. We also utilise the services of third party calibration centres for the calibration of instruments in the event of limited resources in our in-house accredited calibration centres.

These supplies and services are not subject to price fluctuations and we have not experienced any difficulties in sourcing these supplies and services from our suppliers in the past 4 FYEs 2020 to 2023 and up to the LPD.

6.11 SALES AND MARKETING ACTIVITIES

Our Group engages in the following sales and marketing activities:

(i) Referrals from customers and business associates

We secure new customers through referrals from our business associates and repeat customers. We regularly obtain feedback from our customers to better understand their requirements. Our goodwill in maintaining the quality of our services has brought in referrals of service engagements through our customers' recommendation. We are also dedicated to maintaining long term relationships with the customers, even after the completion of the service engagements.

(ii) Participation in exhibitions, seminars and webinars

Through participating exhibitions and seminars organised by third party organisers, we are able to showcase our capabilities in the services offered. We engage with them and provide detailed explanations on our pile instrumentation and static load test services as well as structural and ground instrumentation and monitoring services. Further, we would be updated with the latest industry trends and enhance our presence and exposure in the industry.

6. INFORMATION ON OUR GROUP (Cont'd)

The exhibitions and seminars that we have participated over the past 4 FYEs and up to the LPD are as follows:

FYE	Exhibition/ Seminar/ Webinar	Organiser	Location
2020	1 st MGS-GeoSS Geotechnical Conference 2019	Malaysian Geotechnical Society ("MGS")	Selangor, Malaysia
	GeoSS International Conference on Case Histories & Soil Properties	Geotechnical Society of Singapore ("GeoSS")	Singapore
2022	Webinar on "Borehole Stabilization" for Deep Excavation, An Essential Part in Bored Piling / Diaphragm Wall Construction	MGS	Online
	One Day Seminar and Exhibition on Geotechnical Engineering	MGS	Malaysia

Further, our Managing Director, Ir Dr Lee Sieng Kai also represents our Group to actively participate as a speaker in seminars to promote our service offerings, increase our brand awareness and enhance the profile of our Group. The seminars which Ir Dr Lee Sieng Kai has participated as a speaker over the years are as follows:

FYE	Seminar	Organiser	Location
2011	Geotechnical Seminar – Recent Development in Pile Instrumentation technology for Driven, Jacked-in and Bored Cast-in-Place Piles	GeoSS and National University of Singapore ("NUS")	NUS, Singapore
2015	Seminar on Pile Load Tests in Singapore – Different Methods and Good Practices	GeoSS	Singapore
	One Day Seminar on Pile Foundation-Testing Methods and Best Practice	MGS and The Institution of Engineers, Malaysia ("IEM")	Selangor, Malaysia
2016	GETD One Day Seminar on Advance Geotechnical Instrumentation	IEM	Sarawak, Malaysia
	Two-Day Seminar on Advancement in Ground Investigation and Geotechnical Instrumentation	Geotechnical Engineering Technical Division ("GETD"), IEM and The Malaysian Site Investigators Association (MSIA)	Selangor, Malaysia
2017	One Day Technical Seminar on Instrumentation and Subsurface Investigation	IEM, GETD	Penang, Malaysia
	One-day Technical Seminar on Instrumentation and Subsurface Investigation	IEM	Sabah, Malaysia

6. INFORMATION ON OUR GROUP (Cont'd)

FYE	Seminar	Organiser	Location
2018	International Conference on Advancement of Pile Technology and Pile Case Histories	Universitas Katolik Parahyangan, Indonesia	Bali, Indonesia
2019	Technical Talk on Recent Development in Pile Instrumentation Technology for Driven, Jacked-in, and Bored Cast-in Place Pile	UCSI University	Kuala Lumpur, Malaysia
2020	1st Malaysian Geotechnical Society (MGS) and Geotechnical Society of Singapore (GeoSS) Conference	MGS & GeoSS	Kuala Lumpur, Malaysia
2023	Geotechnical Engineering Seminar 2022	IEM	Penang, Malaysia

(iii) Corporate website

We have established our corporate website at www.glostrext.com which provides immediate searchable information on our Group as well as the details on our services. We utilise search engine optimisation services to increase the visibility of our corporate website to attract potential customers.

6.12 INTELLECTUAL PROPERTIES

Save for the trademarks disclosed below, we have not registered any brand names, patents, industrial design or other intellectual property rights:

No.	Trademark no. / Registered owner	Design/Mark	Validity	Place of registration
(i)	05017646 / Glostrext Technology		30 March 2015 – 18 October 2025	Malaysia
(ii)	40201514891X / Glostrext Technology		27 August 2015 – 27 August 2025	Singapore
(iii)	TM2022019456 / Glostrext Technology		1 August 2022 – 1 August 2032	Malaysia
(iv)	40202252804G / Glostrext Technology		1 August 2022 – 1 August 2032	Singapore

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