

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF HE GROUP BERHAD (“HE GROUP” OR “COMPANY”) DATED 12 JANUARY 2024 (“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, Alliance Islamic Bank Berhad (“AIS”) or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

Jurisdictional Disclaimer

The IPO and the distribution of the Electronic Prospectus are subject to the laws of Malaysia. Bursa Securities, AIS and HE Group have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase, any of our IPO Shares in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves and to observe such restrictions.

Close of Application

Applications for the IPO Shares will be accepted from **10.00 a.m.** on **12 January 2024** and will close at **5.00 p.m.** on **18 January 2024**. Any change to the timetable will be advertised by HE Group in a widely circulated Bahasa Malaysia and English daily newspapers within Malaysia, and will make the relevant announcement through Bursa Securities.

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

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

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

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



HE GROUP BERHAD



PROSPECTUS



HE GROUP BERHAD
(Registration No. 202301016404 (1510326-M))
(Incorporated in Malaysia under the Companies Act 2016)

PROSPECTUS



HE GROUP BERHAD
(Registration No. 202301016404 (1510326-M))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“IPO”) IN CONJUNCTION WITH THE LISTING OF HE GROUP BERHAD (“HE GROUP” OR “COMPANY”) ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) COMPRISING:

- (I) **PUBLIC ISSUE OF 86,889,700 NEW ORDINARY SHARES IN THE COMPANY (“HE GROUP SHARES” OR “SHARES”) IN THE FOLLOWING MANNER:**
 - (A) **22,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;**
 - (B) **11,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF HE GROUP; AND**
 - (C) **53,889,700 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS, AND**
 - (II) **OFFER FOR SALE OF 44,000,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS;**
- AT AN IPO PRICE OF RM0.28 PER SHARE PAYABLE IN FULL UPON APPLICATION.**

Principal Adviser, Sponsor, Sole Underwriter and Placement Agent



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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 169.

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

BURSA SECURITIES HAS APPROVED OUR IPO AND THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. THE APPROVAL FOR THE ADMISSION OF OUR COMPANY TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES, AND 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 OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

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

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

THIS PROSPECTUS IS DATED 12 JANUARY 2024

RESPONSIBILITY STATEMENTS

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

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

STATEMENTS OF DISCLAIMER

Approval has been granted by Bursa Securities for the listing of and quotation for the securities being offered. Admission to the Official List of ACE Market of Bursa Securities is not to be taken as an indication of the merits of the offering, our Company or our shares.

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

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

OTHER STATEMENTS

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

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

Our Shares are classified as Shariah compliant by the Shariah Advisory Council of the Securities Commission Malaysia. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the Shariah Advisory Council of the Securities Commission Malaysia. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

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

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

This Prospectus is prepared and published solely for our IPO in Malaysia under the laws of Malaysia. Our IPO shares are issued/offered in Malaysia solely based on the contents of this Prospectus. Our Directors, Promoters, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Directors, our Promoters and our Principal Adviser, Sponsor, Sole Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus.

It shall be your sole responsibility, if you are or may be subject to the laws of any country or jurisdiction other than Malaysia, to consult your legal and/or other professional advisers as to whether your application for our IPO would result in the contravention of any law of such country or jurisdiction which you may be subject to. Neither we nor our Principal Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any other application made by you shall be illegal, unenforceable, voidable or void in any such country and jurisdiction.

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 and would not be in contravention of any law of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted our IPO in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus (as defined in this Prospectus) and the copy of this Prospectus registered by Bursa Securities are the same.

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

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

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

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

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

- (iii) any data, information, files or other materials downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, files, information or other materials.

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

- (i) the Internet Participating Financial Institutions are 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 which may be viewed via your web browser or other relevant software;
- (ii) the Internet Participating Financial Institutions 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
- (iii) 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 cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an electronic Prospectus which may arise in connection with or as a result of any 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

The following events are intended to take place on the following tentative dates:

Event(s)	Tentative Date(s)
Opening of the application period for our IPO	12 January 2024
Closing of the application period for our IPO	18 January 2024
Balloting of applications	22 January 2024
Allotment of Issue Shares / Transfer of Offer Shares to successful applicants	29 January 2024
Listing on the ACE Market	30 January 2024

In the event there is any change to the indicative timetable above, we will advertise a notice of change in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia and will also announce it on Bursa Securities' website accordingly.

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DEFINITIONS

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

COMPANIES WITHIN OUR GROUP

- Group** : HE Group and Hexatech Engineering, collectively
- HE Group or Company** : HE Group Berhad (202301016404 (1510326-M))
- Hexatech Engineering** : Hexatech Engineering Sdn Bhd (199501008607 (337805-T))

GENERAL

- ACE Market** : ACE Market of Bursa Securities
- Act** : Companies Act 2016, including amendments from time to time and any re-enactment thereof
- Acquisition of Hexatech Engineering** : Acquisition by HE Group of the entire issued share capital of Hexatech Engineering from the Vendors for a purchase consideration of RM15,889,918.50, which was entirely satisfied by the issuance of 353,109,300 new Shares at an issue price of RM0.045 each, which was completed on 22 November 2023
- ADA** : Authorised Depository Agent, a person appointed by Bursa Depository under the Rules of Bursa Depository
- AIS or Principal Adviser or Sponsor or Sole Underwriter or Placement Agent** : Alliance Islamic Bank Berhad (200701018870 (776882-V))
- Application(s)** : The application(s) for our IPO Shares by way of Application Form, the Electronic Share Application and/or the Internet Share Application
- Application Form(s)** : The printed application form for the application of our IPO Shares accompanying this Prospectus
- ATM** : Automated Teller Machine
- Authorised Financial Institution** : Authorised financial institution participating in the Internet Share Application with respect to payments for our IPO Shares
- Board** : Board of Directors of HE Group
- Bursa Depository** : Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
- Bursa Securities** : Bursa Malaysia Securities Berhad (200301033577 (635998-W))
- CAGR** : Compound annual growth rate
- CDS** : Central Depository System

DEFINITIONS (CONT'D)

CDS Account(s)	: Account(s) established by Bursa Depository for a depositor for the recording of deposits or securities and for dealings in such securities by the Depositor
CIDB	: Construction Industry Development Board
CIDB Act 1994	: Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994
CMSA	: Capital Markets and Services Act 2007, including amendments from time to time and any re-enactment thereof
Constitution	: Constitution of HE Group
COVID-19	: An infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
Depositor	: A holder of a CDS Account
Director(s)	: Director(s) of our Company and within the meaning given in Section 2 of the CMSA
EBITDA	: Earnings before interest, taxation, depreciation and amortisation
EIS	: Employment Insurance System
Electronic Prospectus	: A copy of this Prospectus that is issued, circulated or disseminated via the Internet and/or an electronic storage medium, including but not limited to CD-ROMs (<i>compact disc read-only memory</i>)
Electronic Share Application	: An application for our IPO Shares through a Participating Financial Institution's ATM
Eligible Person(s)	: Eligible Directors, employees and persons who have contributed to the success of our Group, as further detailed in Section 4.1.1(b)(ii) of this Prospectus
EPF	: Employees Provident Fund
EPS	: Earnings per Share
EOT	: Extension of time
ESA 1990	: Electricity Supply Act 1990
Financial Years and Period Under Review	: FYE 2020, FYE 2021, FYE 2022 and FPE 2023, collectively
Financial Years Under Review	: FYE 2020, FYE 2021 and FYE 2022, collectively
FPE	: 8-month financial period ended 31 August
FYE	: Financial year ended / ending 31 December, as the case may be
Government	: Government of Malaysia
GP	: Gross profit

DEFINITIONS (CONT'D)

HEC	:	Hexatech Energy Consolidated Sdn Bhd (199601039159 (411512-P))
H.S.(D)	:	Hakmilik Sementara Pendaftar
H.S.(M)	:	Hakmilik Sementara Pejabat Tanah
IMR or Vital Factor	:	Vital Factor Consulting Sdn Bhd (199301012059 (266797-T)), the independent business and market research consultants
IMR Report	:	Independent Assessment of the Power Distribution Systems at End-User Premises Industry in Malaysia prepared by Vital Factor as set out in Section 8 of this Prospectus
Internet Participating Financial Institution(s)	:	Participating financial institution(s) for the Internet Share Application, as listed in Section 16 of this Prospectus
Internet Share Application	:	Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institution(s)
IPO	:	Initial public offering of the IPO Shares in conjunction with the Listing comprising the Public Issue and Offer for Sale
IPO Price	:	The price of RM0.28 per IPO Share
IPO Share(s)	:	The Issue Share(s) and Offer Share(s), collectively
ISO	:	International Organisation for Standardisation
Issue Share(s)	:	86,889,700 new Shares, representing 19.75% of the enlarged issued share capital, which are to be issued pursuant to the Public Issue and subject to the terms and conditions of the Prospectus
Issuing House and Share Registrar	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
Key Senior Management	:	Key senior management personnel of our Group comprising Lim Soo Cheng, Tang Kok Wai, Nelson Lim Koon Cheong, Seng Keng Theng and Chua Geok Ping
Listing	:	The admission of HE Group to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital of RM40,219,080 comprising 440,000,000 HE Group Shares on the ACE Market of Bursa Securities
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
Listing Scheme	:	The Acquisition of Hexatech Engineering, Public Issue, Offer for Sale and Listing, collectively
Lot 7743	:	A single-storey detached factory with a double-storey office annexe, a store, a TNB substation, a guard house and a pump house held under Lot 7743, PM 2908, Mukim Kelemak, District of Alor Gajah, State of Melaka and bearing the postal address of No. 58, Jalan Industri 13, Kawasan Perindustrian Alor Gajah, 78000 Alor Gajah, Mukim Kelemak, Melaka

DEFINITIONS (CONT'D)

LPD	: 15 December 2023, being the latest practicable date prior to the issuance of this Prospectus
Malaysian Public	: Malaysian citizens and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day(s)	: Any day(s) on which Bursa Securities is open for trading of securities, which may include a Surprise Holiday
MCO	: The nationwide Movement Control Order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 as a measure to contain the outbreak of COVID-19 pandemic
MFRS	: Malaysian Financial Reporting Standards, as issued by the Malaysian Accounting Standards Board
MITI	: Ministry of Investment, Trade and Industry of Malaysia
N/A	: Not applicable or not available
NA	: Net assets
NBV	: Net book value
NTA	: Net tangible assets
Offer for Sale	: Offer for sale of the Offer Shares at the IPO Price by the Offerors by way of private placement to selected investors
Offer Share(s)	: 44,000,000 existing Shares, representing 10.00% of our enlarged issued share capital, which are to be offered pursuant to the Offer for Sale and subject to the terms and conditions of this Prospectus
Offerors or Selling Shareholders	: HEC, Haw Chee Seng and Eng Choon Leong, collectively
Official List	: A list specifying all securities which have been admitted for listing on the ACE Market and not removed
Participating Financial Institutions(s)	: Participating financial institution(s) for the Electronic Share Application, as listed in Section 16 of this Prospectus
PAT	: Profit after taxation
PBT	: Profit before taxation
PE Multiple	: Price earnings multiple
Pink Form Allocation	: The allocation of 11,000,000 Issue Shares to the Eligible Persons
PO	: Purchase order
PPE	: Property, plant and equipment
Promoters	: Haw Chee Seng and Eng Choon Leong, collectively
Prospectus	: This prospectus dated 12 January 2024 in relation to the IPO

DEFINITIONS (CONT'D)

Prospectus Guidelines	: Prospectus Guidelines issued by the SC
Public Issue	: The public issue of 86,889,700 Issue Shares at the IPO Price comprising: <ul style="list-style-type: none"> (a) 22,000,000 new Shares, representing 5.00% of our enlarged issued share capital, made available for application by the Malaysian Public; (b) 11,000,000 new Shares, representing 2.50% of our enlarged issued share capital, made available for application by the Eligible Persons; and (c) 53,889,700 new Shares, representing 12.25% of our enlarged issued share capital, made available by way of private placement to selected investors
QC	: Quality control
Record of Depositors	: A record provided by Bursa Depository to the Company under Chapter 34 of the Rules of Bursa Depository
ROU	: Right-of-use
Rules of Bursa Depository	: Rules of Bursa Depository as issued pursuant to the SICDA
SAC	: Shariah Advisory Council of the SC
SC	: Securities Commission Malaysia
Share(s) or HE Group Share(s)	: Ordinary share(s) in HE Group
SICDA	: Securities Industry (Central Depositories) Act, 1991
Simosynergy	: Simosynergy Sdn Bhd (201201024614 (1009104-W))
SOCSO	: Social Security Organisation, also known as PERKESO (Pertubuhan Keselamatan Sosial)
Solicitors	: Cheang & Ariff
SOP(s)	: Standard Operating Procedure(s)
Specified Shareholders	: Haw Chee Seng, Eng Choon Leong, HEC, Yong Chong Cheang and Yong Chong Lim, collectively
SSA	: Conditional shares sale agreement dated 12 May 2023 for the Acquisition of Hexatech Engineering
ST	: Energy Commission
Surprise Holiday	: A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year

DEFINITIONS (CONT'D)

TGS	:	TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), our Auditors and Reporting Accountants
TNB	:	Tenaga Nasional Berhad
Underwriting Agreement	:	The underwriting agreement dated 26 December 2023 entered into between our Company and AIS pursuant to our IPO
Vendors	:	HEC, Haw Chee Seng, Eng Choon Leong, Tang Kok Wai, Lim Soo Cheng, Seng Keng Theng, Chua Geok Ping and Yong Chong Lim, collectively

CURRENCIES AND UNITS

RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
USD	:	United States Dollar, the lawful currency of United States of America
km	:	Kilometre
sq. ft.	:	Square feet
%	:	Per centum

CUSTOMERS OF OUR GROUP

The following are details of our customers whose names have been redacted for confidentiality throughout this Prospectus:

Customer A	:	Customer A is a manufacturer of semiconductor components located in Malaysia. It is a subsidiary of a public listed company on the Frankfurt Stock Exchange with headquarters in Munich, Germany. Customer A's holding company is a leading global provider of semiconductors. Customer A's name has not been disclosed as consent was not provided by them. It is one of our major customers for FYE 2020, FYE 2021, FYE 2022 and FPE 2023.
Customer B	:	Customer B is a manufacturer of data storage devices located in Malaysia. It is a subsidiary of a public listed company on the Nasdaq Stock Market with headquarters in California, the United States of America. Customer B's holding company is a leading developer, manufacturer and provider of data storage devices. Customer B's name has not been disclosed as consent was not provided by them. It is one of our major customers for FYE 2021 and FYE 2022.
Customer C	:	Customer C is a manufacturer of electrodeposited copper foil used as input material in the production of batteries and is located in Malaysia. It is a subsidiary of a public listed company on the Korean Stock Exchange with headquarters in Seoul, South Korea. Customer C's name has not been disclosed as consents were not provided by them. It is one of our major customers for FYE 2021 and FPE 2023.

DEFINITIONS (CONT'D)

Customer X : Customer X is a company involved in the mechanical and engineering services for buildings including high-rise buildings, factories and commercial buildings with headquarter in Kuala Lumpur and operational offices in Penang and Johor, Malaysia. Customer X's name has not been disclosed as consents were not provided by them.

Customer Y : Customer Y is a company involved in providing engineering services for the industrial, commercial and medical sectors with headquarter in Penang and operational office in Selangor, Malaysia. Customer Y's name has not been disclosed as consents were not provided by them.

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GLOSSARY OF TECHNICAL TERMS

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

Air conditioning and mechanical ventilation (ACMV)	:	It refers to a system designed to control and maintain the required temperature, humidity and air quality in a building.
Air insulated switchgear	:	It is a type of electrical switchgear used to control, protect and isolate electrical equipment in high-voltage power systems. Air insulated switchgear uses air as the insulating and arc extinguishing medium. An electrical arc is a sudden high-energy discharge of electricity that occurs when there is an interruption in the normal flow of current through a conductor, such as a cut in a cable. Air insulated switchgear is used in high-voltage power systems such as substations, power plants and large industrial plants. Compared to GIS, air insulated switchgear requires a larger footprint and is cheaper and easier to maintain, however, it is less reliable due to exposure to moisture and pollution.
Ampere	:	A unit of measurement for the flow of electric current through a conductor. 1 ampere is equal to 1 coulomb of electric charge that flows past a given point in one second.
Battery	:	A device that stores direct current. Batteries may be single-use or rechargeable.
Battery charger	:	A device to charge up or to ensure a battery is always charged-up for continuous operation.
Building information modelling (BIM)	:	It is an application software used to create digital representations of building designs and their associated systems and processes. It allows architects, engineers, contractors and other stakeholders to collaborate on coordinated models which provides a better insight into how their work fits into the overall project.
Busbar	:	An electrical conductor, commonly copper, aluminium or brass strip or bar, used for the transmission of electricity from one location or device to one or more locations or devices typically within a localised area. A busbar functions similarly to an electrical cable except it is the preferred method for the distribution of high current within a localised area.
Busway system	:	A busway system is used to transmit power from a power source to various loads or devices in a building or facility. It consists of a prefabricated, enclosed metal housing that contains conductors or busbars for carrying electrical current.
Computer-aided design (CAD)	:	CAD is the use of computer-based software to aid in the creation of digital design in 2D and 3D models.
Certificate of completion and compliance (CCC)	:	Certificate of completion and compliance is issued by the relevant authority or person under the Street, Drainage and Building Act 1974 and any by-laws made under it or such relevant legislation applicable at the material time or any certificate of the same nature issued or approved by the relevant authority in Malaysia.

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Certificate of fitness for occupation (CF)	: A Certificate of Fitness is issued by a qualified person being the professional architect or professional engineer or registered building draughtsman who is registered with the Board of Architects Malaysia or Board of Engineers Malaysia to certify that the development project is completed in accordance with the approved building plans and is safe and fit for occupation.
Certificate of Making Good Defects (CMGD)	: Certificate of Making Good Defects is issued to the contractor by the architect who is appointed by the customer at the expiry of the DLP when all the defects notified have been rectified. However, it shall not prejudice any other rights regarding latent defects or other breaches of the contract.
Certificate of Practical Completion (CPC)	: Certificate of Practical Completion issued by the architect on behalf of the customer when the contractor has completed his contractual obligations and has handed over the works to the customer.
Circuit breaker	: An automatically operated electrical switch that will shut itself off (trips) and stop the flow of electricity if it detects overcurrent.
Commercial developments	: In the context of this Prospectus, it refers to shopping mall and office buildings.
Critical machinery, equipment and devices	: It refers to machinery, equipment and devices that is critical to the safety, health or well-being of people, environment or infrastructure where its failure can cause significant harm, damage or disruption. Examples include manufacturing machinery that involve hazardous materials, high temperatures and pressure, as well as data centres and cellular towers that provide critical services for emergency responses and public safety.
Current	: It is the flow of electricity in a conductor measured in amperes.
Defect liability period (DLP)	: It is a warranty period where a contractor is required to repair or make good defects at their own cost and expenses for defects in the work performed.
Direct current (DC)	: Refers to the flow of electricity in one direction only, namely from the negative terminal through the circuit and to the positive terminal. Electricity generated by solar PV systems is in DC. DC has to be converted into AC (using an inverter) before it can be used by most electrical machinery and equipment. Additionally, DC can be stored while AC cannot be stored. As such, for the storage of electric energy, AC is converted into DC for storage.
Distribution substation	: A type of electrical substation that is used to distribute electrical power to consumers at lower voltages. It is typically located closer to the end users such as residential and commercial areas, and are responsible to reduce or step down the voltages of the power to levels that are safe and suitable for use in homes and businesses. Distribution substations are injection points from 11kV, 22kV and sometimes 33kV systems to the low voltage network (415 volts and 230 volts). It is also referred to as <i>Pencawang Elektrik (P/E)</i> according to TNB's terminology.
Electrical system	: A connection of machinery, equipment and/or devices that requires electricity to perform work.

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Electricity	: It is a power source to, among others, operate electrical machines, equipment and devices. Electricity is a secondary energy source derived from electromagnetism, one of the natural forces. As a secondary energy source, the generation of electricity relies on primary energy sources such as solar, wind, fossil fuels, hydropower, and radioactive materials. In the context of this Prospectus, it is used synonymously with “power”, unless indicated otherwise.
End-user premises	: Refers to a designated area comprising built environments that may incorporate buildings, amenities and facilities. End-user premises include, among others, industrial, commercial, institutional, residential, entertainment and public amenity developments, properties or facilities.
Extension of time (EOT)	: Extension of time resulting from a delay which could not be reasonably foreseen at the time of contract signing. The granting of an EOT relieves the contractor from liability of damages such as LAD from the original date of contract completion.
Extra Low Voltage (ELV)	: A voltage less than or equal to 50V.
Faults	: It refers to a problem in an electrical system that can cause disruption or failure in the normal flow of electricity. A fault may be due to factors, including equipment failure, damage to wires or cables, or a short circuit.
Frequency	: In electricity, it refers to the number of cycles per second in an alternating current, measured in hertz. The frequency of AC power can affect the performance of some electrical equipment, such as motors and generators. Many electrical equipment and devices are designed to operate at a specific frequency, and deviations exceeding certain upper or lower limits can affect the efficiency and performance of the electrical equipment or devices.
Gas insulated switchgear (GIS)	: It is a type of electrical switchgear used to control, protect and isolate electrical equipment in high voltage power systems. It is a compact and modular design that utilises sulphur hexafluoride (SF ₆) gas as an insulating and arc-extinguishing medium. An electrical arc is a sudden high-energy discharge of electricity that occurs when there is an interruption in the normal flow of current through a conductor, such as a cut in a cable. GIS is used in high voltage power systems such as in substations and large industrial plants. Compared to air insulated switchgear, GIS is more compact and highly reliable due to its enclosed design, however it is generally more expensive and requires specialised maintenance due to the usage of SF ₆ gas.
High voltage (HV)	: A voltage of more than 50kV but less than or equal to 230kV.
Hook-up and retrofitting	: In the context of this Prospectus, it refers to the process of connecting plant and machinery, and various electrical equipment and component to a power source to form a functional system.
Interconnection	: In the context of this Prospectus, it refers to the electrical connection of an end-user substation to the power grid or from a solar PV system to a main distribution board in end-user premises.

GLOSSARY OF TECHNICAL TERMS (CONT'D)

kilovolt (kV)	:	Equivalent to one thousand volts.
kilowatt (kW)	:	Equivalent to one thousand watts.
kilowatt peak (kWp)	:	The maximum output of solar PV panels of one thousand watts.
Liquidated and ascertained damages (LAD)	:	Liquidated and ascertained damages are damages payable to a client when a contractor fails to deliver the completed work within the stipulated period in the contract. The damages payable is calculated at a rate stated in the contract.
Loads	:	In the context of this Prospectus, it refers to any machine, equipment or device that uses electricity.
Low voltage (LV)	:	A voltage of more than 50 volts but less than or equal to 1kV.
Main intake substation	:	It is the first electrical substation that receives high voltage power from the power generation station or from the power transmission lines. Its main function is to step down the high voltage power to a lower voltage for further transmission and distribution. The main intake substation is also referred to as <i>Pencawang Masuk Utama</i> (PMU) according to TNB's terminology.
Main switchboard	:	A type of power distribution panel that is directly connected to the main source of external electrical power, commonly connected to a substation in industrial plants or large commercial and residential developments. It functions mainly to distribute incoming power safely to other power distribution panels, other types of panels such as MCC and process control panels, as well as individual loads (user machines, equipment, and devices).
Mechanical system	:	It is a group of interconnected physical parts and components that work together to perform a specific task or series of tasks. The movements and interaction of these parts and components require an energy source such as electricity. Examples of mechanical systems include air conditioning and mechanical ventilation, elevators and fire fighting system.
Medium voltage (MV)	:	A voltage of more than 1kV but less than or equal to 50 kV.
Megawatt (MW)	:	Equivalent to one million watts.
Megawatt peak (MWp)	:	The maximum output of solar PV panels of one million watts.
Motor control centre (MCC) panel	:	A type of power distribution panel that is used to provide power and control electric motors from a central location. It functions to control the starting, stopping, and operational speed of electric motors as well as protect the motors from overcurrent, low voltage and electrical faults.
Overcurrent	:	An electrical current in excess of what was originally expected, specified or allowed.
Photovoltaic (PV)	:	Refers to the conversion of sunlight into electricity.
Power	:	In the context of this Prospectus, it is used synonymously with "electricity", unless indicated otherwise.

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Power distribution system	:	Power distribution system refers to a network of electrical systems, equipment and components used to distribute and control the flow of electricity from the main power sources to the various electrical load within a building or facility.
Power factor	:	It is a measure of the efficiency of an electrical machine, equipment, device or system. It is defined as the ratio of the real power (measured in watts) to the apparent power (measured in volt-amperes). A low power factor means that the machine, equipment, device or system is not operating efficiently, as some of the energy being supplied is being wasted.
Power grid	:	It refers to the transmission and distribution network from the power generation source to the end-user premises substation. The power grid in Peninsular Malaysia is owned and operated by TNB.
Programmable logic controllers (PLC)	:	PLC can be programmed to read input data, process the data based on conditions and instructions, and send output data for display or further action. In a manufacturing and processing environment, sensors are linked to the PLC to continuously provide input data, while on the output side, it is linked to the distributed control system to integrate with other processes, actuators to initiate an action, switches to turn on or off power supply, and display panels as part of human-machine-interface.
Protection devices	:	Electrical devices that prevent overcurrent in an electrical circuit, thus protecting premises from fire, lives from electrocution, and equipment and machinery from damage.
Relay	:	A switch that opens and closes circuits electromechanically or electronically.
Remote terminal unit (RTU)	:	RTU functions like a PLC with the added function to provide communications between the sensors, instrumentations and control devices placed at the operations as well as communications to a remote command centre. RTU commonly uses wireless transmission to communicate and transmit data in a SCADA system due to the large geographic area covered by the operations such as a natural gas pipeline.
Residential developments	:	In the context of this Prospectus, it refers to high-rise residential buildings and their associated amenities and facilities.
SCORE	:	<i>Program Penilaian Keupayaan dan Kemampuan Kontraktor</i> is a programme introduced by the CIDB and SME Corp to measure the capability of local and foreign contractors in Malaysia. It is part of CIDB's ongoing effort to raise the profile of the local construction industry and provide a basis for the development of Malaysian contractors by identifying areas for improvement.
Sensitive machinery, equipment and devices	:	It refers to machinery, equipment and devices that are sensitive to changes in temperature, humidity, pressure, vibration or electromagnetic interference. As such, it requires special care, handling or protection to prevent damage or malfunction. Examples include precision manufacturing machinery, laboratory equipment and medical devices.
Sensors	:	A device that senses or detects various environmental conditions such as heat, pressure or moisture, and produces an output signal to another device or display monitor.

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Solar PV system	:	An electric power system designed with one or more solar panels combined with an inverter or controller and other electrical and mechanical hardware to generate power by means of photovoltaics using solar cells.
Stability	:	In the context of power in this Prospectus, it refers to the flow of electricity where its parameters such as voltage, current, frequency and waveform fluctuations within a very narrow and defined upper and lower limit.
Substation	:	Its function is to either step-up or step-down power, as well as to distribute power to other substations or locations within a power grid.
Sub-switchboard	:	A type of power distribution panel that functions as the second level of power distribution where it takes incoming electrical power from the main switchboard and distributes the power to several distribution boards or direct to individual loads.
Supervisory control and data acquisition (SCADA)	:	It is a control system with a central processing unit that monitors and controls a complete site or commonly a system or facility (such as a gas pipeline) spread out over a long distance. The bulk of the site control is performed automatically by a PLC (for localised control) or a RTU (for remote control).
Switchboard	:	An electrical device that distributes electricity from an electrical source to another device or location. It is made up of several electric panels. Each electric panel contains some combination of relays, regulators, transformers and switches that safely divert or distribute electricity to devices and pathways that require the electricity. It also incorporates electrical protection devices.
Switchgear	:	Similar to switchboard with the exception that it handles high and medium voltage power. See switchboard.
Switching substation	:	A type of electrical substation that is primarily used to transfer or switch electrical power between different circuits, to redirect power flow during outages or maintenance, and to isolate the system from faults or overloads. It also functions to supply power to dedicated bulk or large power consumers (33kV, 22kV and 11kV), or to provide bulk capacity transfer from a transmission main intake or primary substation to a load centre for further localised distribution. The switching station is also referred to as <i>Stesen Suis Utama</i> (SSU) according to TNB's terminology.
Transformers	:	An electrical equipment that functions to change the voltage of electricity flowing in the circuit. Step-up transformers are used to increase the voltage of electricity, while step-down transformers are used to reduce the voltage of electricity in AC circuits.
Uninterruptible Power Supply (UPS)	:	It is a type of electrical power backup system that provides emergency power to critical equipment in the event of a power outage or voltage fluctuations. It is designed to ensure that important electrical devices such as computers, servers and other sensitive equipment, remain powered and operational during power interruptions.
Variation order	:	A variation order is issued when there is an alteration in the original contract agreement which may include, among others, design, scope of work and/or contract value.
Volt (V)	:	A unit of measure of electrical potential difference.

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Watt (W) : A unit of measure for energy within an electrical current with a potential difference of one volt and current of one ampere.

Waveform : In the context of the supply of electricity, it refers to the shape of a flowing alternating current (AC). The AC flows in a sinusoidal waveform, which means that the voltage and current levels fluctuate in a smooth and repetitive pattern. The frequency of the waveform is standardised, typically at 50 or 60 Hertz (Hz).

The waveform of the AC is important as it affects the performance of electrical machine, equipment and devices as they are designed to work most efficiently within a certain upper and lower limit of the sinusoidal waveform. However, some electrical equipment, for example electronic equipment, is particularly sensitive and may fail if the waveform fluctuates outside their tolerance of upper and lower limits.

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PRESENTATION OF INFORMATION

Any reference to words such as “we”, “us”, “our” and “ourselves” in this Prospectus shall be a reference to our Company, our Group or any member company of our Group as the context requires, unless otherwise stated. All references to “our Company” or “HE Group” in this Prospectus are to HE Group, references to “our Group” are to our Company and our subsidiary taken as a whole. 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.

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

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

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

All reference to dates and times are references to dates and times in Malaysia unless otherwise stated.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding growth and performance of the industry on which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where there is no source stated, it can be assumed that the information originates from us or is extracted from the Independent Market Research Report prepared by Vital Factor which is included in Section 8 of this Prospectus. Vital Factor has been appointed to provide an Independent Market Research Report. In compiling its data for the review, Vital Factor had relied on its research methodology, industry sources, published materials, its own private databases and direct contacts within the industry. Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot assure you that the projections will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

If there are any discrepancies or inconsistencies between the English and Bahasa Malaysia versions of this document, the English version shall prevail.

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

FORWARD LOOKING STATEMENTS

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

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

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

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

- (i) the general economic, business, social, political and investment environment in Malaysia and globally;
- (ii) government policy, legislation and regulation;
- (iii) interest rates, tax rates and exchange rates;
- (iv) the competitive environment in the industry in which we operate;
- (v) reliance on approvals, licences and permits;
- (vi) availability and fluctuations in prices of raw materials; and
- (vii) fixed and contingent obligations and commitments.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to those discussed in Section 9 of this Prospectus on "Risk Factors" and Section 12.3 of this Prospectus on "Management's Discussion and Analysis of Financial Conditions, Results of Operations and Prospects". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised.

FORWARD LOOKING STATEMENTS (CONT'D)

These forward-looking statements are based on information available to us as at the LPD and are made only as at the LPD. Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of the IPO Shares / transfer of the Offer Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name / (Designation)	Address	Nationality
Datuk Christopher Wan Soo Kee <i>(Independent Non-Executive Chairman)</i>	No. 51, SS 2/4 47300 Petaling Jaya Selangor	Malaysian
Haw Chee Seng <i>(Managing Director)</i>	No. 39, Jalan DP 7 Taman Datuk Palembang Bukit Baru 75150 Melaka	Malaysian
Eng Choon Leong <i>(Executive Director)</i>	No. 84, Jalan Wawasan 4/6 Pusat Bandar Puchong 47160 Puchong Selangor	Malaysian
Andrea Huang Jia Mei <i>(Independent Non-Executive Director)</i>	546, Jalan 7 Taman Ampang Utama 68000 Ampang Selangor	Malaysian
Ir. Dr. Ng Kok Chiang <i>(Independent Non-Executive Director)</i>	No. 79, Jalan 1/8 Villa Heights 43000 Kajang Selangor	Malaysian
Christine Toh Hung Mei <i>(Independent Non-Executive Director)</i>	No. 6, Jalan SL 9/10C Bandar Sungai Long 43000 Kajang Selangor	Malaysian

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1. CORPORATE DIRECTORY (CONT'D)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Andrea Huong Jia Mei	Chairperson	Independent Non-Executive Director
Ir. Dr. Ng Kok Chiang	Member	Independent Non-Executive Director
Christine Toh Hung Mei	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Ir. Dr. Ng Kok Chiang	Chairperson	Independent Non-Executive Director
Andrea Huong Jia Mei	Member	Independent Non-Executive Director
Christine Toh Hung Mei	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Christine Toh Hung Mei	Chairperson	Independent Non-Executive Director
Andrea Huong Jia Mei	Member	Independent Non-Executive Director
Ir. Dr. Ng Kok Chiang	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (CONT'D)

COMPANY SECRETARIES :

Tea Sor Hua
75C, Jalan SS21/60
Damansara Utama
47400 Petaling Jaya
Selangor

Telephone No. : (03) 7725 1777

SSM Practicing : 201908001272
Certificate No.

Professional : Malaysian Association of Company
Qualification Secretaries ("**MACS**")
(Membership No. MACS 01324)

Lee Siew Fun
75C, Jalan SS21/60
Damansara Utama
47400 Petaling Jaya
Selangor

Telephone No. : (03) 7725 1777

SSM Practicing : 202008000735
Certificate No.

Professional : Malaysian Institute of Chartered
Qualification Secretaries and Administrators
("**MAICSA**")
(Membership No. MAICSA 7063623)

REGISTERED OFFICE :

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor

Telephone No. : (03) 7725 1777
Facsimile No. : (03) 7722 3668
Website : <https://www.cospec.com.my/>
Email : cms_cospec@yahoo.com

HEAD OFFICE :

No. 42, Jalan OP 1/5
Pusat Perdagangan One Puchong
47160 Puchong
Selangor

Telephone No. : (03) 8068 1811
Facsimile No. : (03) 8068 1721
Website : <https://www.hexatech.com.my/>
Email : corporate@hexatech.com.my

1. CORPORATE DIRECTORY (CONT'D)

AUDITORS AND REPORTING ACCOUNTANTS : TGS TW PLT
(Registration No.: 202106000004 (LLP0026851-LCA) & AF002345))
Unit E-16-2B
Level 16, Icon Tower (East)
No. 1, Jalan 1/68F
Jalan Tun Razak
50400 Kuala Lumpur

Telephone No. : (03) 9771 4326
Partner-in-charge : Ooi Poh Lim
Approval No. : 03087/10/2025J
Professional : Chartered Accountant,
Qualification : Member of Malaysian Institute of Accountants
(Membership No. 32145)

SOLICITORS FOR THE LISTING : Cheang & Ariff
Loke Mansion
273A, Jalan Medan Tuanku
50300 Kuala Lumpur

Telephone No. : (03) 2691 0803

PRINCIPAL ADVISER, SPONSOR, SOLE UNDERWRITER AND PLACEMENT AGENT : Alliance Islamic Bank Berhad
(Registration No.: 200701018870 (776882-V))
Level 3, Menara Multi-Purpose
Capital Square
8, Jalan Munshi Abdullah
50100 Kuala Lumpur

Telephone No. : (03) 2604 3333

ISSUING HOUSE AND SHARE REGISTRAR : 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
Malaysia

Telephone No. : (03) 2783 9299

1. CORPORATE DIRECTORY (CONT'D)

**INDEPENDENT BUSINESS
AND MARKET RESEARCH
CONSULTANTS**

: Vital Factor Consulting Sdn Bhd
(Registration No. 199301012059 (266797-T))
V Square @ PJ City Centre (VSQ)
Block 6, Level 6
Jalan Utara
46200 Petaling Jaya
Selangor

Telephone No. : (03) 7931 3188

Person-in-charge : Wooi Tan

Qualification : Master of Business Administration from The
New South Wales Institute of Technology (now
known as University of Technology, Sydney),
Australia, Bachelor of Science from The
University of New South Wales, Australia and
a Fellow of the Australian Marketing Institute,
and Institute of Managers and Leaders,
Australia

*(Please refer to Section 8 of this Prospectus for the profile of the firm
and signing partner)*

LISTING SOUGHT

: ACE Market of Bursa Securities

SHARIAH STATUS

: Approved by the SAC

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2. APPROVALS AND CONDITIONS

2.1 APPROVALS FROM RELEVANT AUTHORITIES

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 6 November 2023 (“**Approval Letter**”), approved:

- (i) the admission of our Company to the Official List of the ACE Market; and
- (ii) the listing of and quotation for our entire enlarged issued share capital comprising 440,000,000 Shares on the ACE Market.

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

Details of conditions imposed	Status of compliance
1. Submission of the following information with respect to the moratorium on the shareholdings of the specified shareholders to Bursa Depository: <ol 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. 	To be complied prior to Listing.
2. Confirmation that approvals from other relevant authorities have been obtained for implementation of the Listing;	Complied.
3. Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon;	To be complied.
4. Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of Listing Requirements;	To be complied prior to Listing.
5. Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of HE Group on the first day of Listing;	To be complied upon Listing.
6. In relation to the public offering to be undertaken by HE Group, to announce at least 2 Market Days prior to the Listing date, the result of the offering including the following: <ol style="list-style-type: none"> (i) Level of subscription of public balloting and placement; (ii) Basis of allotment / allocation; (iii) A table showing the distribution for placement tranche as per the format in Appendix I of the Approval Letter; and (iv) Disclosure of placees who become substantial shareholders of HE Group arising from the public offering, if any. 	To be complied prior to Listing.
AIS to ensure that the overall distribution of the Company's securities is properly carried out to mitigate any disorderly trading in the secondary market; and	

2. APPROVALS AND CONDITIONS (CONT'D)

Details of conditions imposed	Status of compliance
7. HE Group / AIS to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of HE Group to the Official List of the ACE Market.	To be complied upon Listing.

2.1.2 SC

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

The SC had, vide its letter dated 8 November 2023, approved the resultant equity structure of HE Group under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to the following conditions:

Details of conditions imposed	Status of compliance
1. HE Group to make available at least 50.00% of the Shares offered to the Malaysian Public investors via balloting to Bumiputera public investors at the point of Listing;	To be complied upon Listing.
2. HE Group to allocate 12.50% of its enlarged number of issued shares to Bumiputera investors to be approved or recognised by MITI within 1 year after achieving the profit requirement for companies seeking listing on the Main Market of Bursa Securities or 5 years after being listed on the ACE Market of Bursa Securities, whichever is earlier (" Compliance Date ");	To be complied.
3. HE Group to submit to the SC a proposal to comply with the equity condition stated in paragraph 2 above, at least 6 months prior to the Compliance Date; and	To be complied.
4. AIS or HE Group to submit HE Group's equity structure to the SC upon completion of the Listing.	To be complied upon Listing.

2.1.3 SAC

The SAC had, vide its letter dated 20 July 2023, classified our Shares as Shariah-compliant based on the latest audited combined financial statements of HE Group for FYE 2022.

2.2 MORATORIUM ON SALE OF SHARES

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

- (i) the moratorium applies to our Specified Shareholders' entire shareholdings 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, we must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.00% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) remain under moratorium for a further 6 months ("**Second 6-Month Moratorium**"); and
- (iii) upon the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3rd per annum (on a straight-line basis) of their Shares held under moratorium.

2. APPROVALS AND CONDITIONS (CONT'D)

The Shares of the following Specified Shareholders which will be subject to moratorium are as follows:

Name of Specified Shareholder	Year 1 after Listing		Year 2 after Listing		Year 3 after Listing			
	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium		Moratorium shares			
	No. of Shares ⁽¹⁾	% of enlarged issued share capital ⁽²⁾	No. of Shares	% of enlarged issued share capital ⁽²⁾	No. of Shares	% of enlarged issued share capital ⁽²⁾		
HEC	108,243,720	24.60	77,775,708	17.68	51,850,472	11.78	25,925,236	5.89
Haw Chee Seng	89,840,011	20.42	64,552,202	14.67	43,034,802	9.78	21,517,401	4.89
Eng Choon Leong	65,122,360	14.80	46,791,977	10.63	31,194,651	7.09	15,597,325	3.55
Yong Chong Lim	12,358,826	2.81	8,880,113	2.02	5,920,075	1.35	2,960,038	0.67
Total	275,564,917	62.63	198,000,000	45.00	132,000,000	30.00	66,000,000	15.00

Notes:

(1) After the Offer for Sale.

(2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.

Our Specified Shareholders above have furnished a letter of undertaking to Bursa Securities that they will not sell, transfer or assign any part of their interest in the Shares during the moratorium period. In addition, the shareholders of HEC namely, Yong Chong Cheang and Ralph Krattli have each furnished a letter of undertaking to Bursa Securities that they will not sell, transfer or assign any part of their shareholdings in HEC during the moratorium period.

The moratorium, which is fully accepted by our Specified Shareholders above, is specifically endorsed on our share certificate representing their shareholdings, which is under moratorium to ensure that our Share Registrar will not register any transfer and sale that are not in compliance with the aforesaid restriction imposed.

3. PROSPECTUS SUMMARY

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

3.1 PRINCIPAL DETAILS OF OUR IPO

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:

Number of Shares to be issued under the Public Issue	86,889,700
- <i>Malaysian Public</i>	22,000,000
- <i>Eligible Persons</i>	11,000,000
- <i>Private placement to selected investors</i>	53,889,700
Number of Shares to be offered under the Offer for Sale	44,000,000
Enlarged issued share capital upon Listing	RM40,219,080 comprising 440,000,000 Shares
IPO Price	RM0.28
Market capitalisation upon Listing (based on the IPO Price and our enlarged issued share capital after the IPO)	RM123,200,000

Our Specified Shareholders' entire shareholdings after IPO will be held under moratorium for 6 months from the date of our Listing. Thereafter, our Specified Shareholders' shareholdings amounting to 45% of our total number of Issue Shares (adjusted for any bonus issue or subdivision of shares) will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3rd per year (on a straight line basis) of their Shares held under moratorium upon expiry of the second 6-month period. Further details on moratorium on our Shares and our IPO are set out in Sections 2.2 and 4.1 of this Prospectus, respectively.

3.2 BACKGROUND INFORMATION OF OUR GROUP AND BUSINESS OPERATIONS

Our Company was incorporated in Malaysia on 2 May 2023 under the Act as a private company limited by shares under the name of HE Group Sdn Bhd and was subsequently converted into a public company on 23 May 2023.

Our principal activity is investment holding while the principal activities of our subsidiary, Hexatech Engineering is the provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and trading.

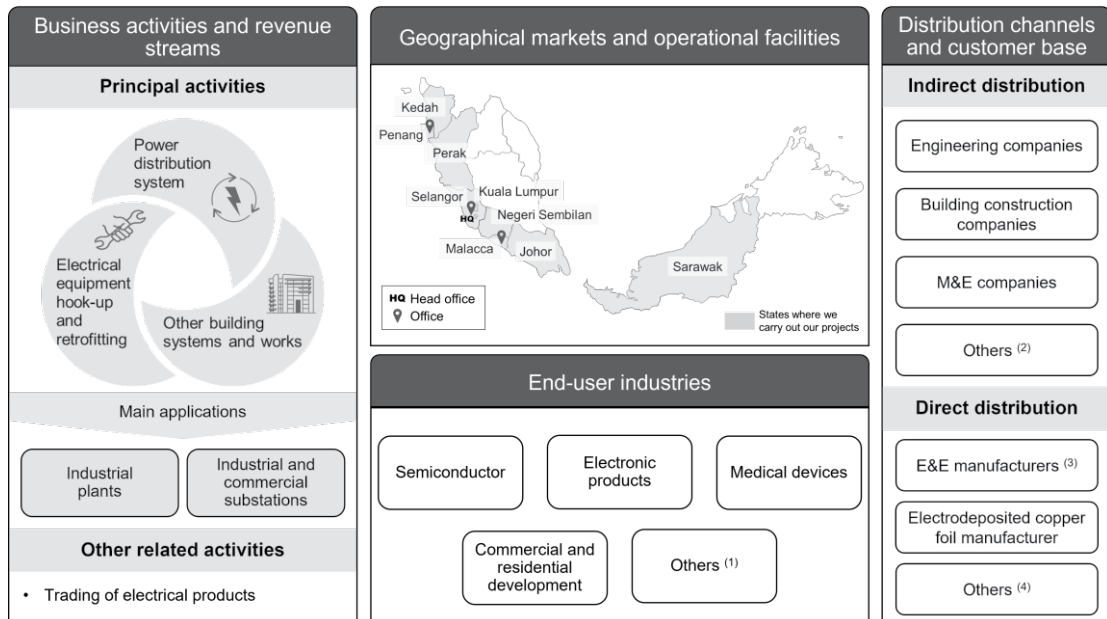
Hexatech Engineering is an electrical engineering service provider focusing on the provision of power distribution systems for end-user premises such as industrial plants, and industrial and commercial substations. It is involved in the design, supply, installation, testing and commissioning of HV, MV, LV and ELV power distribution systems, as well as equipment hook-up and retrofitting which includes the installation of machinery and equipment, and providing upgrades and modifications of electrical equipment.

In addition, Hexatech Engineering also provides other building systems and works including mechanical systems, control and instrumentation systems, as well as civil, structural and architectural works, which they outsourced these works to third parties under their supervision and project management. Hexatech Engineering is also involved in trading of electrical products.

3. PROSPECTUS SUMMARY (CONT'D)

Please refer to Section 7 of this Prospectus for further details on our Group's business operations.

Our Group's business model is depicted in the following diagram:



Notes:

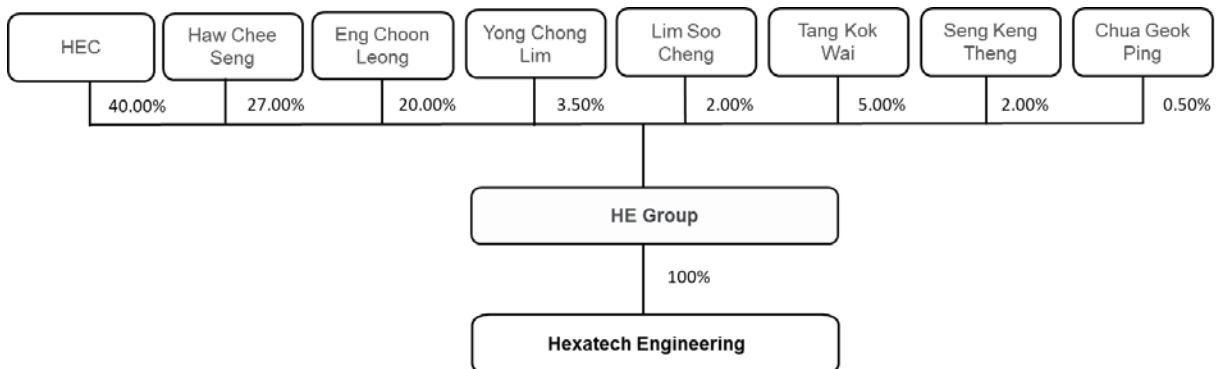
- (1) Includes electrodeposited copper foil, battery cell manufacturing, telecommunications, chemical products, gas, solar, education, food and beverage, and glove industries.
- (2) Includes mainly manufacturers and suppliers of M&E equipment, electrical contractor, and water treatment service providers.
- (3) Includes manufacturers of semiconductor and electronic products.
- (4) Includes mainly manufacturers of chemical products, solar PV modules, and gloves, as well as property developers.

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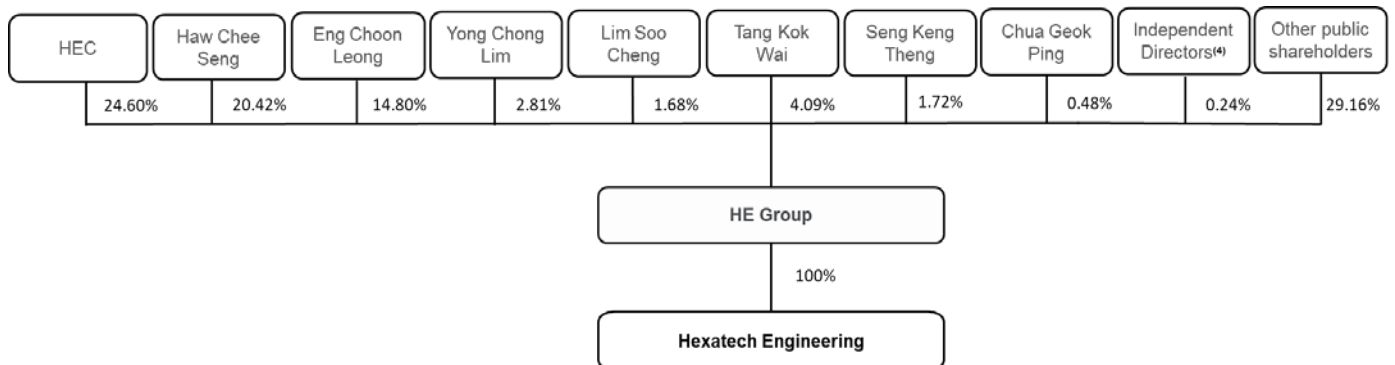
3. PROSPECTUS SUMMARY (CONT'D)

Our Group structure upon Listing is as follows:

After the Acquisition of Hexatech Engineering but before our IPO⁽¹⁾



After our IPO⁽²⁾⁽³⁾



Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.
- (2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.
- (3) Assuming our Independent Non-Executive Directors / Key Senior Management will fully subscribe for their respective allocation under the Pink Form Allocation.
- (4) Assuming each of our Independent Non-Executive Director will hold 250,000 Shares or 0.06% of the enlarged issued share capital after our IPO, respectively.

Further details of our Group are set out in Section 6 of this Prospectus.

3. PROSPECTUS SUMMARY (CONT'D)

3.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

A summary of our Group's competitive advantages and key strengths is set out below:

- (i) We have an established track record of 16 years as an electrical engineering service provider to serve as a platform for business sustainability and growth;
- (ii) We have a track record in the provision of HV, MV, LV and ELV power distribution systems for end-user premises that provide us with a wide addressable market;
- (iii) We service growth end-user industries including semiconductors, medical devices and electronic product industries that provide us with opportunities to sustain and drive our business growth;
- (iv) We have both indirect and direct distribution channels to maximise our sales and marketing coverage;
- (v) We are a registered CIDB Grade 7 (G7) and Class A electrical contractor that allow us to undertake electrical installation works in Malaysia with no limitation on project size; and
- (vi) We have experienced Managing Director, Executive Director and Key Senior Management to grow our business.

Further details of our competitive advantages and key strengths are set out in Section 7.3 of this Prospectus.

3.4 BUSINESS STRATEGIES AND PLANS

A summary of our Group's business strategies and plans is set out below:

- (i) **Expand our capabilities to be an integrated mechanical, electrical and process utility (MEP) engineering service provider**

We intend to expand our internal capabilities to be an integrated MEP engineering service provider. Mechanical and process utility systems are often combined with electrical systems to form integrated systems in various applications such as industrial manufacturing processes and building services.

In the past, any project which involves the provision of mechanical and process utility systems as part of the scope of our contract was entirely subcontracted out to experts in their field under our supervision and project management. Moving forward, we plan to develop this expertise in-house by hiring a team of mechanical engineers, chemical engineers, and process engineers with experience in carrying out the design and engineering of the mechanical and process utility systems.

Essentially, by bringing this expertise in-house, we can bid as an integrated MEP engineering service provider for large industrial and commercial projects. As an integrated MEP engineering service provider, we aim to position ourselves as a single point of contact and responsibility to provide better quality in interfacing these systems and increasing convenience to our customers.

3. PROSPECTUS SUMMARY (CONT'D)

(ii) Set-up physical offices in Kedah and Johor

We currently have offices in Selangor, Malacca and Penang. Our business strategy is to increase our coverage and presence in other states. By setting up physical offices in Kulim, Kedah and Johor Bahru, Johor, we will be able to improve our customer and technical support services promptly due to proximity, and the effectiveness of our sales and marketing activities to capture potential business opportunities in the respective states.

(iii) Expand our end-user industry coverage to include data centres

For the Financial Years and Period Under Review, our focus on industrial plants mainly covers the semiconductor, medical device and electronic product industries. Moving forward, we plan to expand our end-user industry coverage to include data centres.

The provision of reliable and stable power is crucial for the efficient operation of a data centre. As such, our business strategy is to leverage our track record in providing power distribution systems to similar industries that require high-quality power supply such as semiconductors, medical devices and electronic products to service the data centre industry.

Meanwhile, mechanical and process utility system such as ACMV systems are also integral to the development of the data centre as it helps maintain a consistent and optimal temperature and humidity level for equipment to function efficiently.

Further details of our business strategies and plans are set out in Section 7.15 of this Prospectus.

3.5 RISK FACTORS

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

- (i) Our business and financial performance are dependent on our ability to secure new and sizeable projects promptly to ensure the continuity of our order book to sustain our business;
- (ii) We may face unanticipated increases in project costs including material, subcontractor and labour costs as our projects are typically based on fixed lump sum contracts;
- (iii) We have exhibited some degree of reliance on Customer A and the loss of revenue from this customer, if not replaced promptly, may affect our financial performance;
- (iv) We are dependent on our subcontractors to carry out certain works for our projects;
- (v) Our projects may be subject to delays resulting in the risk of claims relating to LAD;
- (vi) We are exposed to the risk of defect liability claims from our customers;
- (vii) We may not be able to renew or obtain material licences and permits required to carry out our projects;
- (viii) We cannot assure that our business strategies and plans will be commercially successful;
- (ix) There is no assurance that our insurance coverage would be adequate;

3. PROSPECTUS SUMMARY (CONT'D)

- (x) We may not be able to sustain our revenue growth rate and our financial performance in the future;
- (xi) We are dependent on our Managing Director, Executive Director and Key Senior Management for our business continuity; and
- (xii) We are subject to foreign exchange fluctuation risks which may impact the profitability of our Group.

Further details on the full list of risk factors are set out in Section 9 of this Prospectus which should be considered before investing in our Shares.

3.6 IMPACT OF COVID-19

During the Financial Years Under Review, our Group's business and onsite operations faced temporary suspension and slowdown of work pursuant to the outbreak of the COVID-19 virus in Malaysia. However, we have sought EOT from our customers for several projects in Kuala Lumpur, Selangor and Penang respectively. As at LPD, all these projects have been completed and handed over to customers.

For the Financial Years and Period Under Review and up to the LPD, we have not encountered any situation where customers had imposed LADs on us due to delays caused by the pandemic. Since 18 March 2020 and up to the LPD, we did not experience any cancellation of contracts or work orders by customers due to the pandemic.

Further details on the impact of COVID-19 to our business and operations are set out in Section 7.10 of this Prospectus.

3.7 DIRECTORS AND KEY SENIOR MANAGEMENT OF OUR GROUP

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

Name	Designation
<u>Directors</u>	
Datuk Christopher Wan Soo Kee	Independent Non-Executive Chairman
Haw Chee Seng	Managing Director
Eng Choon Leong	Executive Director
Andrea Huang Jia Mei	Independent Non-Executive Director
Ir. Dr. Ng Kok Chiang	Independent Non-Executive Director
Christine Toh Hung Mei	Independent Non-Executive Director
<u>Key Senior Management</u>	
Lim Soo Cheng	Chief Financial Officer
Tang Kok Wai	Project and Technical Director
Nelson Lim Koon Cheong	Hook-up and Retrofitting Manager
Seng Keng Theng	Finance and Credit Manager
Chua Geok Ping	Human Resources Manager

Further details of our Directors and Key Senior Management are set out in Sections 5.2 and 5.4 of this Prospectus, respectively.

3. PROSPECTUS SUMMARY (CONT'D)

3.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS OF OUR GROUP

The details of our Promoters and/or substantial shareholders, and their respective shareholdings in our Company before our IPO and after our IPO are as follows:

Name	Nationality / Country of incorporation	Before our IPO / As at LPD ⁽¹⁾				After our IPO ⁽²⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)
Promoters and substantial shareholders									
Haw Chee Seng	Malaysian	95,340,011	27.00	-	-	89,840,011	20.42	-	-
Eng Choon Leong	Malaysian	70,622,360	20.00	-	-	65,122,360	14.80	-	-
Substantial shareholders									
HEC	Malaysia	141,243,720	40.00	-	-	108,243,720	24.60	-	-
Yong Chong Cheang	Malaysian	-	-	141,243,720 ⁽³⁾	40.00	-	-	108,243,720 ⁽³⁾	24.60

Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.
- (2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his interest in HEC pursuant to section 8 of the Act.

Further details of our Promoters and substantial shareholders and their shareholdings in our Company as well as moratorium imposed on their Shares are set out in Sections 5.1 and 2.2 of this Prospectus, respectively.

3. PROSPECTUS SUMMARY (CONT'D)**3.9 USE OF PROCEEDS**

Based on the IPO Price of RM0.28, the total gross proceeds of RM24.33 million from our Public Issue will be utilised by our Group in the following manner:

Description of use	RM'000	%	Estimated time frame for use (from our Listing date)
Business expansion	3,650	15.00	Within 30 months
Capital expenditure	1,750	7.19	Within 24 months
Working capital	15,129	62.19	Within 36 months
Estimated listing expenses	3,800	15.62	Within 1 month
Total	24,329	100.00	

There is no minimum subscription level in terms of the proceeds to be raised from our IPO. Our Company will not receive any proceeds from the Offer for Sale. Further details on the utilisation of proceeds are set out in Section 4.5 of this Prospectus. The financial impact of the use of proceeds from our Public Issue is illustrated in our Pro Forma Combined Statements of Financial Position as at 31 August 2023 as set out in Section 13 of this Prospectus.

3.10 FINANCIAL HIGHLIGHTS

The following table sets out a summary of our Group's audited combined financial statements for the Financial Years and Period Under Review:

	Audited			Unaudited	Audited
	FYE 2020 RM'000	FYE 2021 RM'000	FYE 2022 RM'000	FPE 2022 RM'000	FPE 2023 RM'000
Revenue	31,388	100,461	107,573	51,404	138,577
Cost of sales	(27,833)	(89,869)	(92,569)	(43,365)	(122,613)
GP	3,555	10,592	15,004	8,039	15,964
Other income	1,919	414	770	423	414
PBT	1,941	5,479	7,982	4,211	9,951
PAT	1,698	4,134	6,169	3,258	7,255
Total assets	20,490	61,706	89,267	*	110,609
Total equity	9,086	12,720	15,890	*	23,145
Total liabilities	11,404	48,986	73,377	*	87,464

The key financial ratios of our Group are as follows:

	FYE 2020	FYE 2021	FYE 2022	FPE 2022	FPE 2023
GP margin ⁽¹⁾ (%)	11.33	10.54	13.95	15.64	11.52
PBT margin ⁽²⁾ (%)	6.18	5.45	7.42	8.19	7.18
PAT margin ⁽³⁾ (%)	5.41	4.12	5.73	6.34	5.24
Effective tax rate (%)	12.52	24.55	22.71	22.63	27.09
Trade receivables turnover period ⁽⁴⁾ (days)	77	111	111	*	88
Trade payables turnover period ⁽⁵⁾ (days)	70	156	145	*	124

3. PROSPECTUS SUMMARY (CONT'D)

	FYE 2020	FYE 2021	FYE 2022	FPE 2022	FPE 2023
Inventories turnover period ⁽⁶⁾ (days)	2	2	3	*	2
Current ratio ⁽⁷⁾ (times)	1.37	1.14	1.13	*	1.18
Gearing ratio ⁽⁸⁾ (times)	0.50	0.52	0.59	*	0.13

* Not available as there is no comparative figure being prepared for the statements of financial position as at 31 August 2023.

Notes:

- (1) GP margin is calculated based on GP divided by revenue.
- (2) PBT margin is calculated based on PBT divided by revenue.
- (3) PAT margin is calculated based on PAT divided by revenue.
- (4) Computed based on net trade receivables (excluding retention sum and expected credit losses) of the respective financial year over the revenue of the respective financial year, multiplied by 366 days for FYE 2020, 365 days for FYE 2021 and FYE 2022, and 243 days for FPE 2023.
- (5) Computed based on trade payables (excluding retention sum) of the respective financial year over the cost of sales of the respective financial year, multiplied by 366 days for FYE 2020, 365 days for FYE 2021 and FYE 2022, and 243 days for FPE 2023.
- (6) Computed based on inventories of the respective financial year over the cost of sales of the respective financial year, multiplied by 366 days for FYE 2020, 365 days for FYE 2021 and FYE 2022, and 243 days for FPE 2023.
- (7) Computed based on current assets divided by current liabilities.
- (8) Computed based on total borrowings divided by total equity.

Further details of our Group's financial information are set out in Section 12 of this Prospectus.

3.11 DIVIDEND POLICY

Our Group presently does not have a fixed dividend policy. Our Group's ability to distribute dividends or make other distributions to our shareholders is subject to various factors, such as profit recorded and excess of funds not required to be retained for working capital of our business.

Our subsidiary, Hexatech Engineering had declared and paid dividend amounting to RM0.30 million, RM0.50 million and RM3.00 million for FYE 2020, FYE 2021 and FYE 2022, respectively. For FPE 2023, there was no dividend declared, made or paid by our Group or our subsidiary to shareholders. As at LPD, Hexatech Engineering has no intention to declare further dividends prior to the Listing.

Further details of our dividend policy are set out in Section 12.8 of this Prospectus.

4. DETAILS OF OUR IPO

4.1 DETAILS OF OUR IPO

4.1.1 Listing Scheme

Our Listing Scheme in conjunction with and as an integral part of the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities involves the following:

- (a) Acquisition of Hexatech Engineering;
- (b) Public Issue;
- (c) Offer for Sale; and
- (d) Listing.

(a) Acquisition of Hexatech Engineering

On 12 May 2023, HE Group entered into the SSA to acquire the entire issued share capital of Hexatech Engineering of RM1,000,000 comprising 1,000,000 ordinary shares from the Vendors set out below for a total purchase consideration of RM15,889,918.50. The purchase consideration was entirely satisfied by the issuance of 353,109,300 new Shares at an issue price of RM0.045 per Share to the Vendors as follows:

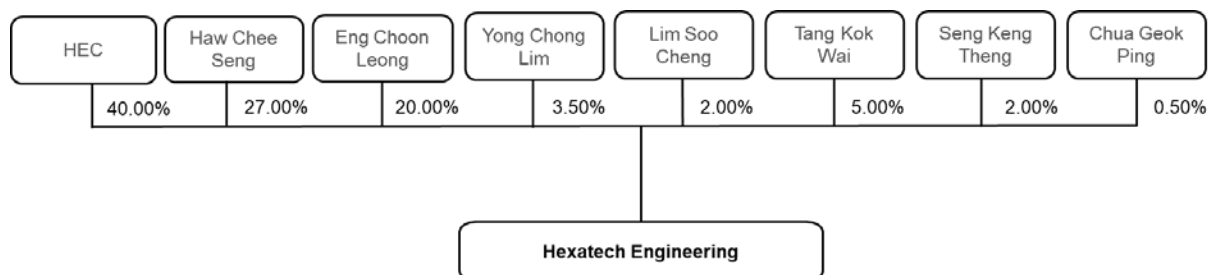
Vendors	Shareholdings held in Hexatech Engineering (%)	Purchase consideration (RM)	No. of HE Group Shares issued
HEC	40.00	6,355,967.40	141,243,720
Haw Chee Seng	27.00	4,290,278.00	95,339,511
Eng Choon Leong	20.00	3,177,983.70	70,621,860
Tang Kok Wai	5.00	794,495.90	17,655,465
Yong Chong Lim	3.50	556,147.20	12,358,826
Lim Soo Cheng	2.00	317,798.40	7,062,186
Seng Keng Theng	2.00	317,798.40	7,062,186
Chua Geok Ping	0.50	79,449.50	1,765,546
Total	100.00	15,889,918.50	353,109,300

The purchase consideration of RM15,889,918.50 was arrived at on a willing buyer-willing seller basis and after taking into account the audited NA of Hexatech Engineering as at 31 December 2022 of RM15,889,915.

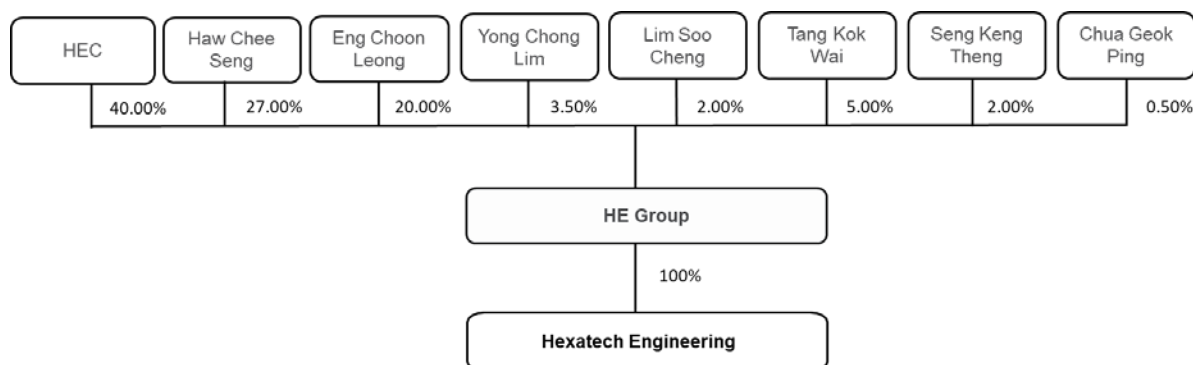
Following the completion of the Acquisition of Hexatech Engineering, our issued share capital increased from 1,000 to 353,110,300 Shares.

4. DETAILS OF OUR IPO (CONT'D)

Before the Acquisition of Hexatech Engineering



After the Acquisition of Hexatech Engineering but before our IPO ⁽¹⁾



Note:

(1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.

(b) Public Issue

The Public Issue of 86,889,700 Shares at the IPO Price representing 19.75% of our enlarged issued share capital will be made available for Application in the following manner:

(i) Malaysian Public (via balloting)

22,000,000 Issue Shares, representing 5.00% of our enlarged issued share capital, will be made available for application by the Malaysian Public through a balloting process, of which 50.00% will be set aside for Bumiputera investors. Any Issue Shares reserved under the Malaysian Public balloting portion which are not fully subscribed for by the Malaysian Public will be made available for subscription as follows:

- (a) firstly, by the Eligible Persons (excluding the eligible Directors) under the Pink Form Allocation as described in Section 4.1.1(b)(ii) of this Prospectus;
- (b) secondly, by our selected investors as described in Section 4.1.1(b)(iii) of this Prospectus; and
- (c) lastly, by our Sole Underwriter based on the terms of the Underwriting Agreement.

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

11,000,000 Issue Shares, representing 2.50% of our enlarged issued share capital will be made available for Application by the Eligible Persons.

Details of the Pink Form Allocation to the Eligible Persons are as follows:

Eligible Persons	No. of persons	Pink Form Allocation (No. of Shares)
Directors ⁽¹⁾	4	1,000,000
Employees ⁽²⁾	54	6,500,000
Persons who have contributed to the success of our Group	44	3,500,000
Total	102	11,000,000

Notes:

- (1) The criteria of allocation to our eligible Directors are based on, among others, their respective roles and responsibilities in our Group.

Our Managing Director and Executive Director have opted not to participate in the Pink Form Allocation as they are undertaking the Offer for Sale. The Directors who are entitled to the Pink Form Allocation are as follows:

Name	Designation	No. of Shares
Datuk Christopher Wan Soo Kee	Independent Non-Executive Chairman	250,000
Andrea Huong Jia Mei	Independent Non-Executive Director	250,000
Ir. Dr. Ng Kok Chiang	Independent Non-Executive Director	250,000
Christine Toh Hung Mei	Independent Non-Executive Director	250,000
		<u>1,000,000</u>

- (2) The criteria of allocation to the eligible employees of our Group, which includes our Key Senior Management, are based on, among others, the following factors:
- the eligible employee must be a full time and confirmed employee of our Group;
 - the eligible employee must be on our Group's payroll;
 - seniority and position;
 - length of service;

4. DETAILS OF OUR IPO (CONT'D)

- (e) past performance and respective contribution made to our Group;
and
(f) the eligible employee must be at least 18 years of age.

The Key Senior Management who are entitled to the Pink Form Allocation are as follows:

Name	Designation	No. of Shares
Lim Soo Cheng	Chief Financial Officer	346,000
Tang Kok Wai	Project and Technical Director	346,000
Nelson Lim Koon Cheong	Hook-up and Retrofitting Manager	386,000
Seng Keng Theng	Finance and Credit Manager	486,000
Chua Geok Ping	Human Resources Manager	346,000
		1,910,000

Please also see Sections 5.2.1 and 5.4.3 for further details of our Directors' and Key Senior Management's shareholdings in our Company as at LPD and after our IPO.

Any Issue Shares reserved under the Pink Form Allocation which are not taken up will be made available for subscription as follows (subject always to the availability of the Issue Shares):

- (a) firstly, by other Eligible Persons (excluding the eligible Directors);
- (b) secondly, by the Malaysian Public and our selected investors as described in Sections 4.1.1(b)(i) and 4.1.1(b)(iii) of this Prospectus, respectively; and
- (c) lastly, by our Sole Underwriter based on the terms of the Underwriting Agreement.

As at LPD, save for the allocation made available for application as disclosed in Section 4.1.1(b)(ii) of this Prospectus, to the extent known to our Company, our Company is not aware as to whether any of our substantial shareholders, Directors or Key Senior Management have the intention to subscribe for our IPO Shares allocated under Section 4.1.1(b)(i) of this Prospectus for the Malaysian Public. Our Company is also not aware as to whether there is any person intending to subscribe for more than 5.00% of our IPO Shares allocated under Section 4.1.1(b)(i) of this Prospectus for the Malaysian Public.

4. DETAILS OF OUR IPO (CONT'D)

(iii) Private placement to selected investors

53,889,700 Issue Shares, representing 12.25% of our enlarged issued share capital, will be made available by way of private placement to selected investors.

The Issue Shares reserved under the private placement to selected investors are not underwritten as written irrevocable undertakings to subscribe for the Issue Shares have been obtained from the respective identified investors.

The basis of allocation of our Issue Shares shall take into account the desirability of distributing our Issue Shares to a reasonable number of applicants with a view of broadening the shareholding base of our Company to meet the public spread requirements and to establish a liquid and adequate market for our Shares. Applicants will be selected on a fair and equitable manner.

There is no over-allotment or “greenshoe” option that will result in an increase in the amount of our Issue Shares.

The salient terms of the Underwriting Agreement are set out in Section 4.6 of this Prospectus.

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4. DETAILS OF OUR IPO (CONT'D)

(c) Offer for Sale

Concurrent with our Public Issue, the Offerors will offer 44,000,000 Offer Shares representing 10.00% of our enlarged issued share capital by way of private placement to selected investors. The Offer Shares to be offered by the Offerors and their shareholdings in our Company before and after our IPO are as follows:

Name	Correspondence address	Relationship with our Group	Before our IPO / As at LPD		Offer for Sale			After our IPO	
			No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾ Before IPO	% ⁽²⁾ After IPO	No. of Shares	% ⁽²⁾
HEC	No. 27-1, Jalan TTC 26B, Taman Teknologi Cheng, 75250 Melaka	Substantial shareholder	141,243,720	40.00	33,000,000	9.35	7.50	108,243,720	24.60
Haw Chee Seng	No. 39, Jalan DP 7, Taman Datuk Palembang, Bukit Baru, 75150 Melaka	Promoter, substantial shareholder and Managing Director	95,340,011	27.00	5,500,000	1.56	1.25	89,840,011	20.42
Eng Choon Leong	No. 84, Jalan Wawasan 4/6, Pusat Bandar Puchong, 47160 Puchong, Selangor	Promoter, substantial shareholder and Executive Director	70,622,360	20.00	5,500,000	1.56	1.25	65,122,360	14.80

Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.
- (2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.

4. DETAILS OF OUR IPO (CONT'D)**(d) Listing**

Upon completion of our IPO, our Company's entire enlarged issued share capital of RM40,219,080 comprising 440,000,000 Shares shall be listed on the ACE Market of Bursa Securities.

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

	No. of Shares	Share capital (RM)
Issued share capital as at the date of this Prospectus	353,110,300	15,889,964
New Shares to be offered pursuant to the Public Issue	86,889,700	24,329,116
Enlarged issued share capital upon Listing	440,000,000	40,219,080
Offer for Sale ⁽¹⁾	44,000,000	12,320,000
IPO Price		RM0.28
Pro forma combined NA per Share as at 31 August 2023 <i>(based on our enlarged issued share capital after our IPO, the use of proceeds raised from our Public Issue and net of listing expenses)</i>		RM0.10
Market capitalisation upon Listing <i>(based on the IPO Price and our enlarged issued share capital after our IPO)</i>		RM123,200,000

Note:

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

The IPO Price is payable in full upon Application.

We only have 1 class of shares, being ordinary shares, all of which rank equally with each other. Our Issue Shares will, upon allotment and issuance, rank equally in all respects with our existing issued share capital, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our Issue Shares.

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

Subject to special rights attaching to any Share which may be issued by us in the future, our shareholders shall, in proportion to the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions, and the whole of any surplus in the event of our liquidation, such surplus to be distributed among the shareholders in proportion to the issued share capital at the commencement of the liquidation, in accordance with our Constitution and provisions of the Act.

4. DETAILS OF OUR IPO (CONT'D)

At any general meeting of our Company, each shareholder shall be entitled to vote in person, or by proxy, or by his / its representative under the instrument of proxy or certificate of appointment of corporate representative or power of attorney (“**Representative**”). On a vote by show of hands, each shareholder present (either in person, or by proxy, or by Representative) shall have 1 vote. On a vote by way of poll, each shareholder present (either in person, or by proxy, or by Representative) shall have 1 vote for each Share held. A proxy may but need not be a shareholder of our Company.

4.2 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price was determined and agreed upon by our Directors and Promoters and together with AIS, being our Principal Adviser, Sponsor, Sole Underwriter and Placement Agent after taking into consideration the following factors:

(i) Financial and operating history

Based on our historical audited combined statements of profit or loss and other comprehensive income of our Group for FYE 2022, we recorded a PAT of approximately RM6.17 million representing an EPS of approximately 1.75 sen (based on the existing issued share capital of 353,110,300 Shares) and 1.40 sen (based on the enlarged issued share capital of 440,000,000 Shares upon Listing) resulting in PE Multiple of approximately 16 times and 20 times, respectively.

For illustrative purposes, our EPS of approximately 1.65 sen based on our PAT for FPE 2023 of approximately RM7.26 million and our enlarged issued share capital of 440,000,000 Shares which translate into an annualised PE Multiple of approximately 11 times.

(ii) Order book

Our order book as at LPD of RM211.91 million as set out in Section 12.6 of this Prospectus, which is estimated to be recognised progressively in FYE 2023 and FYE 2024.

(iii) Growth in our revenue and PAT

High growth in our revenue and PAT which was demonstrated by a CAGR of 85.13% and 90.61%, respectively from the FYE 2020 to FYE 2022.

(iv) Business strategies

Our business strategies and future plans as described in Section 7.15 of this Prospectus.

(v) Competitive advantages and key strengths, and the industry overview

Our competitive advantages and key strengths as described in Section 7.3 of this Prospectus, and the industry overview and prospects as set out in the IMR Report in Section 8 of this Prospectus.

4. DETAILS OF OUR IPO (CONT'D)**(vi) Pro forma combined NA**

The pro forma combined NA per Share of approximately RM0.10 as at 31 August 2023 based on the enlarged issued share capital of 440,000,000 Shares, after our IPO and subsequent to the use of proceeds from our Public Issue as set out in Section 4.5 of this Prospectus.

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

4.3 DILUTION

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

	RM
IPO Price	0.28
Pro forma combined NA per Share as at 31 August 2023 before our Public Issue	0.07
Pro forma combined NA per Share as at 31 August 2023 after our Public Issue and use of proceeds	0.10
Increase in NA per Share attributable to existing shareholders	0.03
Dilution in NA per Share to new investors	0.18
Dilution in NA per Share to new investors as a percentage of our IPO Price	64.29%

Further details of our Group's pro forma combined NA per Share as at 31 August 2023 are set out in Section 13 of this Prospectus.

Save as disclosed below, there has been no acquisition of any of our Shares by our Promoters, Directors, substantial shareholders, Key Senior Management or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares since our incorporation up to the LPD:

Name	No. of Shares held before our IPO⁽¹⁾	No. of Shares from our IPO	Total consideration RM	Effective cost for each Share RM
Promoters, Directors and substantial shareholders				
Haw Chee Seng	95,340,011	-	4,290,300.50	0.045
Eng Choon Leong	70,622,360	-	3,178,006.20	0.045
Substantial shareholder				
HEC	141,243,720	-	6,355,967.40	0.045

4. DETAILS OF OUR IPO (CONT'D)

Name	No. of Shares held before our IPO ⁽¹⁾	No. of Shares from our IPO	Total consideration RM	Effective cost for each Share RM
Independent Non-Executive Directors				
Datuk Christopher Wan Soo Kee	-	250,000 ⁽²⁾	70,000.00	0.280
Andrea Huong Jia Mei	-	250,000 ⁽²⁾	70,000.00	0.280
Ir. Dr. Ng Kok Chiang	-	250,000 ⁽²⁾	70,000.00	0.280
Christine Toh Hung Mei	-	250,000 ⁽²⁾	70,000.00	0.280
Key Senior Management				
Lim Soo Cheng	7,062,186	346,000 ⁽²⁾	414,678.37	0.056
Tang Kok Wai	17,655,465	346,000 ⁽²⁾	891,375.93	0.050
Seng Keng Theng	7,062,186	486,000 ⁽²⁾	453,878.37	0.060
Nelson Lim Koon Cheong	-	386,000 ⁽²⁾	108,080.00	0.280
Chua Geok Ping	1,765,546	346,000 ⁽²⁾	176,329.57	0.084
Persons connected to substantial shareholder⁽³⁾				
Yong Chong Lim	12,358,826	-	556,147.17	0.045

Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.
- (2) Assuming our Independent Non-Executive Directors / Key Senior Management will fully subscribe for their respective allocation under the Pink Form Allocation.
- (3) Yong Chong Lim is the brother of Yong Chong Cheang, controlling shareholder of our substantial shareholder, namely HEC.

4.4 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (i) to enable our Group to raise funds for purposes set out in Section 4.5 of this Prospectus;
- (ii) to provide an opportunity for the Malaysian Public and Eligible Persons to participate in our equity;
- (iii) to gain recognition through our listing status to enhance our corporate reputation in terms of marketing our projects and to retain and attract new and skilled employees from the M&E industry; and
- (iv) to enable us to gain access to the capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities, as and when they arise.

4. DETAILS OF OUR IPO (CONT'D)**4.5 USE OF PROCEEDS**

Based on our IPO Price, the total gross proceeds of RM24.33 million from our Public Issue will be utilised by our Group in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from our Listing date)
Business expansion	3,650	15.00	Within 30 months
Capital expenditure	1,750	7.19	Within 24 months
Working capital	15,129	62.19	Within 36 months
Estimated listing expenses	3,800	15.62	Within 1 month
Total	24,329	100.00	

There is no minimum subscription level in terms of the proceeds to be raised from our IPO. Our Company will not receive any proceeds from the Offer for Sale.

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

4.5.1 Business expansion

We intend to allocate RM3.65 million, representing 15.00% of the gross proceeds from our Public Issue for the hiring of additional engineers and other personnel, purchase and upgrade of equipment and software including computer-related devices such as desktops and laptops, and BIM software for project management, setting up of new offices, as well as marketing, advertising and business development expenses.

The breakdown of the business expansion costs is as follows:

Business expansion	RM'000
Hiring of additional engineers and other personnel	1,340 ⁽¹⁾
Purchase and upgrade of equipment and software	500 ⁽²⁾
Setting up of new offices	1,510 ⁽³⁾
Marketing, advertising and business development expenses	300 ⁽⁴⁾
Total	3,650

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

- (1) We have earmarked RM1.34 million for the expansion of our workforce and to strengthen our internal capabilities. Part of our Group's business strategies and plans is to expand our internal capabilities to be an integrated mechanical, electrical and process utility (MEP) engineering service provider by hiring a team of engineers with experience in carrying out the design and engineering of the mechanical and process utility systems as well as to hire new employees to support our current business expansion plans.

The details and number of engineers and other personnel to be hired are as follows:

Engineers

Positions	No. of headcount	Estimated salary for 2 years (RM)
Project Manager	1	360,000
Supervisor	2	308,000

Other personnel

Positions	No. of headcount	Estimated salary for 2 years (RM)
Computer-Aided Design Operator	2	192,000
Account Executive	2	288,000
Human Resource and Administrative Executive	2	192,000

- (2) We intend to allocate RM0.50 million to purchase and upgrade equipment and software including desktops, laptops, servers, large format printers and BIM software for mechanical and electrical system designs. The estimated breakdown of the costs for these purchases is as follows:

IT software	No. of concurrent users	No. of subscription years	Description / Purpose	RM'000
BIM software subscription	10	2	For mechanical and electrical system designs	300
Accounting software	10	2	Upgrade of accounting system	60
Primavera P6	2	2	For project management	30
HR system	100 ^(a)	2	For HR management	20
Total				410

Sub-note:

- (a) The HR system that our Company intends to purchase which allows for 100 concurrent users is primarily for all of our Group's employees to access the HR system.

4. DETAILS OF OUR IPO (CONT'D)

IT hardware	Description / Purpose	RM'000
Desktops, laptops, servers and large format printers	For office use	90
Total		90

- (3) We intend to allocate RM1.51 million for setting up 2 new offices in Kulim, Kedah and Johor Bahru, Johor, which will mainly cover rental expenses for 2 years as well as renovation and interior fit-outs, and hiring of additional engineers. By setting up physical offices in Kedah and Johor, we will be able to improve our customer and technical support services due to close proximity, and the effectiveness of our sales and marketing activities to capture potential business opportunities in the respective states.

The estimated breakdown of the costs for setting up new offices is as follows:

New offices	RM'000
Set-up of Kedah office	
- Rental of office for 2 years (1,500 to 2,000 sq. ft.)	80
- Renovation and interior fit-out	80
- Hiring of 3 additional engineers for 2 years	580
Set-up of Johor office	
- Rental of office for 2 years (1,500 to 2,000 sq. ft.)	100
- Renovation and interior fit-out	90
- Hiring of 3 additional engineers for 2 years	580
Total	1,510

- (4) We intend to allocate RM0.30 million for marketing, advertising and business development expenses. We intend to carry out proactive marketing activities including sponsorships, further details are set out in the table below:

Activities	RM'000
Advertisements with the M&E industry association such as Penang Electrical Merchants Association, The Electrical & Electronics Association of Malaysia (TEEAM) and Institute of Engineers Malaysia (IEM), and sponsorships of relevant events	200
Marketing and business development expenses such as producing corporate video, printing marketing brochures as well as travelling costs for client site visits	100
Total	300

Any excess amount required for business expansion will be funded by internally generated funds. Please refer to Section 7.15 of this Prospectus for further details on our business strategies and plans in relation to our business expansion.

4. DETAILS OF OUR IPO (CONT'D)

By hiring a team of engineers with experience in carrying out the design and engineering of the mechanical and process utility systems, we can bid as an integrated MEP engineering service provider for large industrial and commercial projects. We also aim to raise market awareness of our Group and our capabilities through marketing activities which may allow us to capture potential business opportunities. Further, we will be able to improve the effectiveness of our sales and marketing activities by setting up physical offices in Kulim and Johor. Premised on the above, our business expansion is expected to generate business opportunities for us, which in turn, will contribute positively to our future revenue and earnings.

4.5.2 Capital expenditure

We intend to allocate approximately RM1.75 million, representing 7.19% of the gross proceeds from our Public Issue, to purchase trucks for delivery of materials and goods to project sites, and construction equipment such as boom lift, scissor lift and forklift for installation of electrical equipment. The breakdown of the said purchases is as follows:

Capital expenditure	RM'000
Purchase of trucks	750 ⁽¹⁾
Purchase of construction equipment	1,000 ⁽¹⁾
Total	1,750

Note:

- (1) The estimated breakdown of the costs for the purchase of trucks and construction equipment is as follows:

Name	No. of unit(s)	Description / Purpose	RM'000
Trucks	5	For transportation of materials	750
Construction equipment			
- Scissor lift	8	For personnel working at height	560
- Boom lift	2	For personnel working at height	240
- Forklift	2	For loading and unloading of materials	200
Total			1,750

The estimated cost for the purchase of trucks and construction equipment was derived based on suppliers' quotations.

As at LPD, we currently owned 2 units of trucks for delivery of materials and goods to project sites. We do not own any construction equipment as we rent construction equipment on project basis from external parties.

4. DETAILS OF OUR IPO (CONT'D)

In line with the growth of our business and in anticipation of future projects, the availability of new and additional trucks and construction equipment to be owned by us would result in cost savings and improve our operational efficiencies in the planning and coordination of our projects and less dependent on the rental of construction equipment on project basis from external parties.

Any excess amount required for capital expenditure will be funded by internally generated funds. Please refer to Section 7.15 of this Prospectus for further details on our business strategies and plans in relation to our capital expenditure.

4.5.3 Working capital

A total of RM15.13 million representing 62.19% of the gross proceeds from our Public Issue, has been earmarked to supplement the working capital requirements of our Group. Our Group's working capital requirements are expected to increase in tandem with the expected growth in our business. The breakdown of which is as follows:

Working capital	RM'000
Performance bonds and warranty bonds for projects ⁽¹⁾	8,000
Payment to suppliers and/or subcontractors ⁽²⁾	7,000
General working capital ⁽³⁾	129
Total	15,129

Notes:

- (1) As at LPD, our Group has an order book amounting to RM211.91 million as set out in Section 12.6 of this Prospectus. We intend to allocate RM8.00 million of the gross proceeds from our Public Issue for performance bonds and warranty bonds, for our existing and future projects to be utilised within 36 months from our Listing date.

A performance bond is to provide guarantee to the customer or project owner that the bidder will meet its contractual obligations (particularly, to meet the project deadline and any other specific requirements set out in the contract). A warranty bond is a financial guarantee made by a contractor to protect the owner of a project from defects in materials or workmanship that might arise during DLP.

Performance bonds and warranty bonds are usually required by our customer or project owner. These bonds typically come in the form of bank guarantees issued by financial institutions. In order for a financial institution to issue a bank guarantee for performance bonds and warranty bonds in favour of our customers, we are required to maintain a security deposit in the form of fixed deposits pledged with licensed banks. These security deposits generally amount up to 30% of the value of the performance bonds and warranty bonds ("**Security Margin**"). As such, this results in the lock-up of a portion of our Group's working capital thereby affecting our liquidity, during the duration of the project.

The performance bond and warranty bond required by the customer or project owner generally range between 5% and 10% of the total project value. The amount to be maintained by us with licensed banks for Security Margin purposes is expected to increase in line with the growth of our business and the value of contracts awarded to us.

4. DETAILS OF OUR IPO (CONT'D)

Taking into consideration the Security Margin requirement as well as the value of existing contracts and potential contracts we are currently pursuing, we have earmarked RM8.00 million of the IPO proceeds to meet the Security Margin requirement, of which RM5.15 million or 64.38% will be allocated for warranty bonds for our existing projects, while the remaining will be allocated for performance bonds for our future projects. The allocation of RM8.00 million of the IPO proceeds for performance bonds and warranty bonds is expected to free up our internally generated funds for business growth, which would otherwise be used to meet the Security Margin requirement.

- (2) We intend to allocate RM7.00 million of the gross proceeds from our Public Issue for payment to subcontractors engaged for, among others, M&E works, and suppliers for electrical components and accessories supplied. We expect to utilise the proceeds for the payment to suppliers and/or subcontractors within 24 months from our Listing date.
- (3) General working capital includes payment for administration and operating expenses such as office related expenses, which will be utilised within 24 months from our Listing date.

Our Group had in the past and currently been funding its working capital via bank borrowings and internally generated funds. Therefore, the above working capital allocation from our Public Issue is expected to enhance our Group's liquidity and cash flow position to support the expected growth in our daily operations.

4.5.4 Estimated listing expenses

Our listing expenses are estimated to be RM3.80 million, details of which are as follows:

Estimated listing expenses	RM'000
Professional fees ⁽¹⁾	2,445
Estimated underwriting, placement and brokerage fees	670
Printing and advertising	200
Fees to authorities	85
Miscellaneous expenses and contingencies ⁽²⁾	400
Total	3,800

Notes:

- (1) Includes professional and advisory fees for, among others, Principal Adviser, Solicitors, Reporting Accountants and IMR.
- (2) Includes other incidental or related expenses in connection with our IPO such as fees to translators, media related expenses and IPO event expenses, and funds reserved for contingency purposes.

If the actual listing expenses are higher than budgeted, the deficit will be funded by the amount allocated for working capital purposes. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes.

4. DETAILS OF OUR IPO (CONT'D)

4.6 UNDERWRITING COMMISSION, BROKERAGE AND PLACEMENT FEES

4.6.1 Underwriting commission

AIS, as our Sole Underwriter, has agreed to underwrite 22,000,000 Issue Shares made available for application by the Malaysian Public and 11,000,000 Pink Form Allocation made available to the eligible Directors, employees and business associates of our Group as set out in Sections 4.1.1(b)(i) and 4.1.1(b)(ii) of this Prospectus. We will pay our Sole Underwriter an underwriting commission at the rate of 2.50% of the total value of the underwritten Shares based on the IPO Price.

4.6.2 Brokerage fee

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

4.6.3 Placement fee

Our Placement Agent has agreed to place out 53,889,700 Issue Shares and 44,000,000 Offer Shares to be issued and/or offered to selected investors at the rate of up to 2.25% of the value of Shares placed out to selected investors at the IPO Price.

The Offerors will bear the placement fee for the 44,000,000 Offer Shares.

4.7 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

On 26 December 2023, we have entered into an Underwriting Agreement with AIS, being the Sole Underwriter to underwrite 33,000,000 Issue Shares ("**Underwritten Shares**") on the terms and conditions as set out in the Underwriting Agreement.

4.7.1 The obligations of the Sole Underwriter are conditional on, amongst others, the following:

- (a) the approvals referred to in Section 2.1 of this Prospectus remaining valid and have not been revoked or amended and all the conditions imposed therein which have to be complied by the Company prior to Listing, have been complied by the Company;
- (b) the receipt by the Sole Underwriter of all relevant documentation and placement monies in respect of the Offer for Sale;
- (c) all other necessary approvals and consents required in relation to the IPO and the IPO Shares including but not limited to governmental approvals having been obtained and are in full force and effect;
- (d) the issue of the IPO Shares having been approved by the shareholders of the Company in an extraordinary general meeting;
- (e) the issue and subscription of the IPO Shares in accordance with the provisions of the Underwriting Agreement is 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);

4. DETAILS OF OUR IPO (CONT'D)

- (f) the Prospectus having been lodged with the Registrar of Companies and registered with Bursa Securities together with all the required documents in accordance with the CMSA, the Act and the relevant laws and regulations;
- (g) there having been, on or prior to the last date and time for the receipt of applications and payment for the Issue Shares in accordance with the Prospectus or such later date as the Company and the Sole Underwriter may mutually agree upon consultation with the Bursa Securities ("**Closing Date**") or the extended closing date for the receipt of applications and payment for the Issue Shares pursuant to the Public Issue which will be notified in a widely circulated Bahasa Malaysia and English daily newspaper in Malaysia ("**Extended Closing Date**"), as the case may be, no material breach of any representation, warranty, covenant, undertaking or obligation of the Company in the Underwriting Agreement or which is contained in any certificate, statement, or notice provided under or in connection with the Underwriting Agreement or which proves to be incorrect in any material respect;
- (h) there having been, on or prior to the Closing Date or the Extended Closing Date, as the case may be, no material adverse change, or any development involving a prospective material adverse change, in the financial condition or business or operations of the Group or in the prospects or future financial condition or business or operations of the Group (which in the reasonable opinion of the Sole Underwriter, is or will be material in the context of the Public Issue and the sale of any Underwritten Shares) from that set forth in the Prospectus, nor the occurrence of any event nor the discovery of any fact rendering materially inaccurate, untrue or incorrect to such extent which is or will be material in any of the representations, warranties, covenants and undertakings and obligations of the Company contained in the Underwriting Agreement;
- (i) the Sole Underwriter receiving a copy certified by a director or secretary of the Company to be a true resolution of the Board approving the Listing, the Prospectus and the Underwriting Agreement, the issue and offer of the IPO Shares and authorising a person or persons to sign the Underwriting Agreement on behalf of the Company; and
- (j) the Sole Underwriter having been satisfied that arrangements have been made by the Company to ensure payment of the expenses referred to in the Underwriting Agreement.

4.7.2 The Sole Underwriter may terminate, cancel or withdraw its commitment before the Closing Date or the Extended Closing Date, if:

- (a) the approval of Bursa Securities and other relevant authorities for the Listing is revoked, withdrawn or procured but subject to the conditions not acceptable to the Sole Underwriter;
- (b) there is any material breach by the Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice given to the Company;
- (c) there is a material failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement;
- (d) there is withholding of information of a material nature from the Sole Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the IPO or Listing, or the distribution or sale of the IPO Shares;

4. DETAILS OF OUR IPO (CONT'D)

- (e) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Group;
- (f) the Listing does not take place within 3 months from the date of the Underwriting Agreement or such other extended date as may be agreed by the Sole Underwriter;
- (g) the imposition of any moratorium, suspension or material restriction on trading in securities generally on ACE Market of Bursa Securities due to exceptional financial circumstances which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the IPO, or the distribution or sale of the IPO Shares;
- (h) a material adverse change in the stock market condition occurs, and for the purposes of this clause, a material adverse change in the stock market condition shall be deemed to have occurred if the FTSE Bursa Malaysia Kuala Lumpur Composite Index (“**Index**”) is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (i) on or after the date of the Underwriting Agreement; and
 - (ii) prior to the close of the offering of the Public Issue,

lower than eighty-five per centum (85%) of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least three (3) consecutive Market Days or any other adverse change in the market conditions which the parties mutually agree to be sufficiently material and adverse to render it to be a terminating event; or
- (i) there shall have occurred, or happened any of the following circumstances:
 - (i) 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
 - (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Sole 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, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of the Group as a whole or the success of the IPO or Listing 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.

In the event that the Underwriting Agreement is terminated, the Sole Underwriter and the Company may confer with a view to deferring the Public Issue by amending the terms of the Underwriting Agreement and entering into a new underwriting agreement accordingly, but neither the Sole Underwriter nor the Company shall be under any obligation to enter into a fresh agreement.

4. DETAILS OF OUR IPO (CONT'D)

4.7.3 Upon any such notice(s) being given pursuant to Section 4.7.2 above, the Sole Underwriter shall be released and discharged from their obligations under the Underwriting Agreement whereupon the following shall take place within 3 Market Days of the receipt of such notice:

- (a) the Company shall make payment of Underwriting Commission to the Sole Underwriter in accordance with the Underwriting Agreement;
- (b) the Company shall pay or reimburse to the Sole Underwriter the costs and expenses referred to in the Underwriting Agreement; and
- (c) each party shall return all other monies (in the case of the Sole Underwriter, after deducting the Underwriting Commission due and owing to the Sole Underwriter under the Underwriting Agreement) including but not limited to the subscription monies paid to the other under the Underwriting Agreement (except for monies paid by the Company for the payment of the expenses as provided under the Underwriting Agreement),

and thereafter, the Underwriting Agreement shall be terminated and of no further force and effect and none of the parties shall have a claim against the other save and except in respect of any antecedent breaches.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters and substantial shareholders' shareholdings

The following table shows the shareholdings of our Promoters and substantial shareholders before and after our IPO:

Name	Nationality / Country of incorporation	Before our IPO / As at LPD ⁽¹⁾				After our IPO ⁽²⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)
Promoters and substantial shareholders									
Haw Chee Seng	Malaysian	95,340,011	27.00	-	-	89,840,011	20.42	-	-
Eng Choon Leong	Malaysian	70,622,360	20.00	-	-	65,122,360	14.80	-	-
Substantial shareholders									
HEC ⁽⁴⁾	Malaysia	141,243,720	40.00	-	-	108,243,720	24.60	-	-
Yong Chong Cheang	Malaysian	-	-	141,243,720 ⁽³⁾	40.00	-	-	108,243,720 ⁽³⁾	24.60

Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.
- (2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his interest in HEC pursuant to section 8 of the Act.
- (4) HEC's shareholders and their respective shareholdings in HEC are Yong Chong Cheang (90.00%) and Ralph Krattli (10.00%).

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

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

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

5.1.2 Profiles of Promoters and substantial shareholders

(i) **Haw Chee Seng**

Promoter, Specified Shareholder, substantial shareholder and Managing Director

Haw Chee Seng, Malaysian, aged 46 is the Promoter, Specified Shareholder, substantial shareholder and Managing Director of our Group. He was appointed to our Board on 2 May 2023.

He obtained an Engineering Diploma in Electrical and Electronics from Midas Institute of Technology, Malaysia in 2000.

He began his career with Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*) as a Wiring Technician in 1997 where he was primarily involved in carrying out electrical installation works. In 2003, he left Hexatech Sdn Bhd and joined Hexatech Engineering as a Project Executive and was tasked with project management responsibilities. In 2005, he was appointed as a director of Hexatech Engineering where he has been overseeing the business development aspect of the company and he still holds the position to date.

In 2006, whilst being a director of Hexatech Engineering with it only having a few ongoing projects during its transitional period to a Class A electrical contractor with ST, he was appointed as an Assistant Project Manager of Pembinaan & Kejuruteraan Hexa Sdn Bhd (*now known as Mepcon Sdn Bhd*) where he was responsible for overseeing the overall project management at the request of Yong Chong Cheang who was the common director and shareholder of Hexatech Engineering and Pembinaan & Kejuruteraan Hexa Sdn Bhd at the relevant time.

Following his acquisition of shares in Hexatech Engineering in 2006, he left Pembinaan & Kejuruteraan Hexa Sdn Bhd and rejoined Hexatech Sdn Bhd as an Assistant Project Manager in 2007 and was responsible for managing and overseeing the overall project management and costing, for a period of 8 months. In the same year, he left Hexatech Sdn Bhd and refocused on his role as a director of Hexatech Engineering to develop and expand its business operations and was responsible for the overall business strategy and direction of Hexatech Engineering. He was instrumental in expanding our Group's end-user industry into semiconductor, medical devices and electronic products industries as well as expanding our Group's geographical market into Northern region and strengthening our Group's presence in Southern region.

In 2023, he was appointed as the Managing Director of our Group and is responsible for the overall business strategic direction of our Group, driving the business development and marketing of our Group as well as overseeing the technical aspects of the projects undertaken by our Group.

Please see Section 5.2.3 for further details of Haw Chee Seng's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

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

(ii) **Eng Choon Leong**
Promoter, Specified Shareholder, substantial shareholder and Executive Director

Eng Choon Leong, Malaysian, aged 51 is the Promoter, Specified Shareholder, substantial shareholder and Executive Director of our Group. He was appointed to our Board on 2 May 2023.

He obtained an Engineering Diploma in Electrical Engineering from the Federal Institute of Technology, Malaysia in 1995, and a Full Technological Certificate for Electrical Engineering Technicians from the City and Guilds of London Institute, United Kingdom in 1995.

He began his career with Hexatech Engineering as a Junior Site Supervisor in 1995. In 1996, he left Hexatech Engineering and joined Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*) as a Project Executive and was involved in project planning, supervision and costing. He left Hexatech Sdn Bhd and joined M&E Hexatech Sdn Bhd in 1997 as a Contracts Executive to oversee new projects secured by M&E Hexatech Sdn Bhd where he focused on materials sourcing, project costing, as well as overall project budget. Upon completion of the relevant projects, he left M&E Hexatech Sdn Bhd and rejoined Hexatech Engineering in 2000 as an Operation Manager due to new projects secured by Hexatech Engineering. Subsequently, he left Hexatech Engineering and rejoined Hexatech Sdn Bhd in 2003 as Contracts Manager to oversee new projects secured by Hexatech Sdn Bhd. During his tenure in both companies, he was in charge of project tendering, project costing, procurement and project management. Prior to his acquisition of shares in Hexatech Engineering, Eng Choon Leong had moved between Hexatech Sdn Bhd, M&E Hexatech Sdn Bhd and Hexatech Engineering to oversee their respective new projects at the request of Yong Chong Cheang, who was the common director and shareholder of the relevant companies at the particular time.

Following his acquisition of shares in Hexatech Engineering in 2006, he left Hexatech Sdn Bhd and was appointed as a director of Hexatech Engineering, a position he holds to date, where he is in charge of overseeing the overall operations of our Group.

In 2023, he was appointed as the Executive Director of our Group and is responsible for the overall business operations of our Group, including project tendering, project engineering and management, costing and overseeing the finance and human resource departments of our Group.

Please see Section 5.2.3 for further details of Eng Choon Leong's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

(iii) **HEC**
Specified Shareholder and substantial shareholder

HEC, previously known as HE Consolidated Sdn Bhd was incorporated on 27 November 1996 in Malaysia under the Companies Act 1965 as a private limited company and is deemed registered under the Act. HEC adopted its present name on 8 March 2017.

As at LPD, the principal activity of HEC is investment holding which holds shares in 2 companies namely Hexatech Engineering and Simosynergy.

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

As at LPD, the issued share capital of HEC is RM5,000,000 comprising 5,000,000 ordinary shares.

As at LPD, the director of HEC is Yong Chong Cheang. The particulars of HEC's shareholders and their shareholdings as at LPD are as follows:

Shareholders	Nationality	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
Yong Chong Cheang	Malaysian	4,500,000	90.00	-	-
Ralph Krattli	Swiss	500,000	10.00	-	-

(iv) **Yong Chong Cheang**
Specified Shareholder and substantial shareholder

Yong Chong Cheang, Malaysian, aged 63 is the Specified Shareholder and substantial shareholder of our Group.

He obtained a Bachelor in Social Science (Management) from Universiti Sains Malaysia in 1986.

He began his career with McDonald's Corporation as a Training Manager in 1986. In 1989, he left McDonald's Corporation with last position held as an Operations Consultant.

In 1990, with the guidance and support of his brother who was involved in the business of printed circuit board designs and fabrication as well as the business of trading of electronic control components, he founded Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*). He has been a director of Hexatech Sdn Bhd since its incorporation and he was responsible for the company's overall business management and operations whereby the company was principally involved in the supply, installation and fabrication of electrical and electronic control components.

In 1995, he founded Hexatech Engineering and as a director he was in charge of the overall business operations of the company which was then principally involved in the supply and installation of electrical and electronic control components, mainly LV switchboard. Hexatech Sdn Bhd and Hexatech Engineering were involved in different business segments whereby Hexatech Sdn Bhd was a licensed electrical contractor undertaking electrical contracting works while Hexatech Engineering was involved in the supply and installation of electronic control components such as LV switchboards used in commercial developments.

In 1997, he acquired HEC from its previous shareholder and was appointed as a director in the same year. As a director he was in charge of the company's overall business operations which was then principally involved in the sale and trading of furniture.

Following the acquisition of the entire shareholding of Hexatech Engineering by Haw Chee Seng and Eng Choon Leong respectively in 2006, he resigned as a director of Hexatech Engineering.

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

As an entrepreneur, he owned and/or held directorships in various other private companies outside of our Group which had similar business as our Group in the past namely, Hexatech Sdn Bhd, M&E Hexatech Sdn Bhd and Hexatech Building Services Sdn Bhd (*subsequently known as Hexatech Energy International Sdn Bhd and Helios Energy International Sdn Bhd*). As at LPD, these companies are no longer involved in similar business as our Group directly or indirectly.

He also owned and/or held directorships in various other private companies outside of our Group which had similar business as our Group namely, Pembinaan & Kejuruteraan Hexa Sdn Bhd (*now known as Mepcon Sdn Bhd*), MES Technology Sdn Bhd (*now known as HX Solutions Sdn Bhd*) and Logikontrol Sdn Bhd. As at LPD, he has disposed of all his shareholdings and ceased as a director in these companies.

In view of the above, he is no longer involved in similar business as our Group directly or indirectly.

In addition, he also owned and/or held directorships in various other private companies including among others, Del-Flow Management Services Sdn Bhd (*now known as Noxel Consolidated Sdn Bhd*), Inovus Technology Sdn Bhd, Del-Flow Electric Sdn Bhd (*subsequently known as Del-Flow Marketing Sdn Bhd and DCSP Sales & Service Sdn Bhd*) and De Grande Leisure Sdn Bhd.

The involvement of Yong Chong Cheang in Hexatech Engineering is solely as a shareholder via HEC and he is not involved in the day-to-day operations and management of Hexatech Engineering.

As at LPD, he is a director and substantial shareholder of HEC. Please refer to Section 5.1.2(iii) of this Prospectus for further details on HEC.

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

5.1.3 Changes in our Promoters' and substantial shareholders' shareholdings

The changes in our Promoters' and substantial shareholders' shareholdings in our Company since our incorporation up to the LPD are as follows:

Name	Nationality / Country of incorporation	As at date of incorporation				Before our IPO / As at LPD ⁽¹⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)
Promoters and substantial shareholders									
Haw Chee Seng	Malaysian	500	50.00	-	-	95,340,011	27.00	-	-
Eng Choon Leong	Malaysian	500	50.00	-	-	70,622,360	20.00	-	-
Substantial shareholders									
HEC	Malaysia	-	-	-	-	141,243,720	40.00	-	-
Yong Chong Cheang	Malaysian	-	-	-	-	-	-	141,243,720 ⁽²⁾	40.00

Notes:

(1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.

(2) Deemed interested by virtue of his interest in HEC pursuant to section 8 of the Act.

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

Save for the dividends to be paid or proposed to be paid, if any, to our Promoters and substantial shareholders and the aggregate remuneration and benefits paid or proposed to be paid to our Promoters and substantial shareholders for services rendered to our Group in all capacities for FYE 2022 and proposed to be paid for FYE 2023 as set out in Sections 5.2.4 and 5.4.5 of this Prospectus, there are no other amount or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

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

5.2 BOARD OF DIRECTORS

Our Board comprises the following members:

Name	Age	Nationality	Date of appointment	Designation
Datuk Christopher Wan Soo Kee	73	Malaysian	26 May 2023	Independent Non-Executive Chairman
Haw Chee Seng	46	Malaysian	2 May 2023	Managing Director
Eng Choon Leong	51	Malaysian	2 May 2023	Executive Director
Andrea Huong Jia Mei	42	Malaysian	26 May 2023	Independent Non-Executive Director
Ir. Dr. Ng Kok Chiang	43	Malaysian	26 May 2023	Independent Non-Executive Director
Christine Toh Hung Mei	43	Malaysian	26 May 2023	Independent Non-Executive Director

5.2.1 Shareholdings of our Directors

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

Name	Before our IPO / As at LPD ⁽¹⁾				After our IPO ⁽²⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)
Datuk Christopher Wan Soo Kee	-	-	-	-	250,000 ⁽³⁾	0.06	-	-
Haw Chee Seng	95,340,011	27.00	-	-	89,840,011	20.42	-	-
Eng Choon Leong	70,622,360	20.00	-	-	65,122,360	14.80	-	-
Andrea Huong Jia Mei	-	-	-	-	250,000 ⁽³⁾	0.06	-	-
Ir. Dr. Ng Kok Chiang	-	-	-	-	250,000 ⁽³⁾	0.06	-	-
Christine Toh Hung Mei	-	-	-	-	250,000 ⁽³⁾	0.06	-	-

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

Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.
- (2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.
- (3) Assuming our Independent Non-Executive Directors will fully subscribe for their respective allocation under the Pink Form Allocation.

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

5.2.2 Profiles of our Directors

The profiles of our Directors, Haw Chee Seng and Eng Choon Leong, who are also our Promoters and substantial shareholders are disclosed in Section 5.1.2 of this Prospectus.

The profiles of our other Directors are as follows:

(i) **Datuk Christopher Wan Soo Kee**
Independent Non-Executive Chairman

Datuk Christopher Wan Soo Kee, Malaysian, aged 73 is the Independent Non-Executive Chairman of our Group. He was appointed to our Board on 26 May 2023.

He graduated from the Royal Melbourne Institute of Technology, Australia with a Bachelor in Business (Business Administration) in 1997. He subsequently completed his Master of Business Administration in Training and Human Resource Development from Newport University, United States of America in 1999.

He began his career with the Royal Malaysia Police in 1969 as an Inspector where he served as the Special Branch Officer and his duties were primarily on intelligence procurement. He rose through the ranks over the years and held the rank of Superintendent by 1992 before he was promoted to Assistant Commissioner of Police and served as Deputy Director of Management in 1997. In 2000, he was promoted to Senior Assistant Commissioner II and was made Head of Special Branch in Kuala Lumpur. In 2002, he was promoted to Senior Assistant Commissioner I and became the Chief Police Officer of Melaka. He was then promoted to Deputy Commissioner of Police and was assigned to be the Chief Police Officer of Penang in 2005. In 2006, he was made Commissioner of Police and was appointed as the Director of the Criminal Investigation Department in charge of national criminal investigation.

He retired from the Royal Malaysian Police in 2007 after 38 years of service. He was conferred the Panglima Jasa Negara (PJN) in 2007 by the Yang-di-Pertuan Agong in recognition of his service to the country.

After his retirement, he was appointed as a member of the Election Commission of Malaysia as Commissioner in 2008 and he subsequently retired in 2017. He was also an International Election Observer and had been invited to observe multiple elections including the Mozambique General Elections (2009), Australia General Elections (2010), Kyrgyzstan Parliamentary Elections (2015) and South Korea Legislative Election (2016). He currently is a Director of Development in Mestari Adjusters Sdn Bhd, a company involved in the provision of services as insurance adjusters and investigators where he provides advice and support on business development and act as liaison with Government departments and agencies.

Please see Section 5.2.3 for further details of Datuk Christopher Wan Soo Kee's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

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

(ii) Andrea Huong Jia Mei
Independent Non-Executive Director

Andrea Huong Jia Mei, Malaysian, aged 42, is the Independent Non-Executive Director of our Group. She was appointed to our Board on 26 May 2023.

She completed her Diploma in Commerce (Financial Accounting) in 2003 and obtained an Advanced Diploma in Commerce (Financial Accounting) in 2005 from Tunku Abdul Rahman College, Malaysia (*now known as Tunku Abdul Rahman University College*). She became a member of the Association of Chartered Certified Accountants (“**ACCA**”), United Kingdom in 2011. She has been a Chartered Accountant of the Malaysian Institute of Accountants (“**MIA**”) since 2018.

She started her career as an Audit Assistant with Sha, Tan & Co in 2005, and was promoted to Audit Semi-Senior in 2007. She was subsequently promoted and held the post of Audit Senior between 2008 and 2011, where she was responsible for audit assignments of private and public listed companies. Between 2011 to 2014, she was on a career break. In 2014, she was appointed as a director of T & S Secretarial Services Sdn Bhd and held this directorship until 2021. T & S Secretarial Services Sdn Bhd is involved in the provision of secretarial and management services.

She is currently a director of T&S Boardroom Sdn Bhd (since 2020), a company which provides secretarial support services. She is also a director of several private limited companies providing secretarial, tax, accounting and consultancy services. Andrea is also currently an Independent Non-Executive Director of Siab Holdings Berhad (since 2021), Ecoscience International Berhad (since 2021), Yew Lee Pacific Group Berhad (since 2021), and Unique Fire Holdings Berhad (since 2021), being companies listed on the ACE Market.

Please see Section 5.2.3 for further details of Andrea Huong Jia Mei’s involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

(iii) Ir. Dr. Ng Kok Chiang
Independent Non-Executive Director

Ir. Dr. Ng Kok Chiang, Malaysian, aged 43, is the Independent Non-Executive Director of our Group. He was appointed to our Board on 26 May 2023.

He graduated from The University of Western Australia, Australia with a Bachelor of Engineering (Electrical and Electronic Engineering) with first class honours in 2005 and Bachelor of Commerce in the same year majoring in Accounting, Finance (Investment), and Managerial Accounting. After his graduation, he pursued his Doctorate of Philosophy in Engineering (Research) and obtained the same from The University of Nottingham, United Kingdom in 2009.

He is a Professional Engineer with Practicing Certificate (Electrical) registered with the Board of Engineers Malaysia since 2011, a Corporate Member (Electrical) of The Institution of Engineers Malaysia since 2011. He is also a Chartered Engineer registered with the Engineering Council of United Kingdom since 2014, and a Chartered Engineer with The Institution of Engineering and Technology, United Kingdom since 2014. He has been a Professional Member of the Malaysia Green Building Confederation (*now known as the Malaysia Green Building Council*) since 2012, and registered as a Green Building Index Facilitator with the Green Building Index Accreditation Panel of Malaysia since 2012.

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

From 2010 to 2011, he took up the role of Consulting Engineer in ZED-G&P Sdn Bhd, an engineering consultancy company involved in green technology and building consultancy where he was responsible in establishing Green Building Index (GBI) goals for projects, preparing and submitting projects for GBI Completion and Verification Assessments (CVA) and was engaged in electrical designs, drawings and submissions to authorities. After leaving ZED-G&P Sdn Bhd in 2011, he joined MyBig Sdn Bhd, an engineering research company, as a Technical Consultant. In 2012, he was appointed as the Chief Technology Officer of MyBig Sdn Bhd, a position he still holds to-date, where he is responsible for the management of research projects, creation and protection of the company's intellectual properties, implementation of new innovations in the development of prototypes, and supervision of engineers and researchers under his care. He is also a director and shareholder of MyBig Sdn Bhd as at LPD. In 2016, he was also appointed as director of Wee Engineers, an engineering consultancy firm (registered with the Board of Engineers Malaysia) where he was responsible for all electrical designs, drawings, and submissions to the authorities for development projects. In 2018, he was appointed as a director of Wee Consulting Engineers Sdn Bhd, an engineering consultancy company, where he provides consultancy services for engineering projects. He continues to hold both directorships in Wee Engineers and Wee Consulting Engineers Sdn Bhd till current.

He was the Chairman of the Consulting Engineers Special Interest Group in the Institution of Engineers, Malaysia from 2017 to 2018 and the Honorary Auditor of the Institution of Engineering and Technology United Kingdom from 2016 to 2018. He is also an Industrial Advisory Board Member of the Heriot Watt University, Malaysia Campus since 2017 till current, an Industrial Advisory Board Member of The University of Nottingham, Malaysia Campus since 2013 till current, the Assistant Honorary Secretary of TEEAM for the term of 2019 – 2021 and the Honorary Secretary of TEEAM for the term of 2021 – 2023 before being elected as the Vice President of TEEAM for the term 2023 – 2025. He is also currently an Independent Non-Executive Director of ACO Group Berhad (since 2019), being a company listed on the ACE Market and Samaiden Group Berhad (since 2023), being a company listed on the Main Market of Bursa Securities.

Please see Section 5.2.3 for further details of Ir. Dr. Ng Kok Chiang's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

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

(iv) Christine Toh Hung Mei
Independent Non-Executive Director

Christine Toh Hung Mei, Malaysian, aged 43, is the Independent Non-Executive Director of our Group. She was appointed to our Board on 26 May 2023.

She graduated from Monash University with a Bachelor of Commerce and Bachelor of Business Systems in 2004 and was admitted as a member of the ACCA in 2009. She also obtained a Bachelor of Laws (Hons) from University of London (External) in 2012 and completed her Certificate of Legal Practice in 2013. She is currently a Fellow of the Chartered Institute of Arbitrators.

She began her career in BDO McCabe Lo Ltd in Hong Kong in 2006 as an Associate. She left BDO McCabe Co Ltd and joined BDO Binder in Malaysia as an Assistant Manager in 2008 where she focused on external audit. In 2009, she left BDO Binder and joined BDO Consulting Sdn Bhd as Assistant Manager where she was in charge of internal audit for listed companies. In 2010, she left BDO Consulting Sdn Bhd and joined Prestar Precision Tube Sdn Bhd as an Assistant Accounts Manager where she was responsible for submission of financial reports, preparing annual budgets and assisting in the company's internal and external reporting requirements. During her tenure with Prestar Precision Tube Sdn Bhd, she was studying her Bachelor of Laws on a part time basis. Upon obtaining her Bachelor of Laws in 2012, she left Prestar Precision Tube Sdn Bhd and commenced her pupillage at Vin & Isaac Lee in 2013. She was called to the Malaysian Bar in 2014 and thereafter continued as an Associate in Vin & Isaac Lee. She left Vin & Isaac Lee in 2016 to join MahWengKwai & Associates as a Legal Assistant and was promoted to Senior Associate in 2018 before being made a Partner in 2019. In 2023, she left MahWengKwai & Associates to set up her own firm, Christine Toh & Co where she currently holds the position of Managing Partner. Her primary practice areas include construction disputes, matrimonial disputes and general litigation.

Please see Section 5.2.3 for further details of Christine Toh Hung Mei's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

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

5.2.3 Principal directorships and business activities of our Directors outside our Group

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

(i) Datuk Christopher Wan Soo Kee

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest (%)</u>
Present Involvement					
Nil.					
Past Involvement					
OS Setia Security Sdn Bhd	To engage in the business of private security activities and other building and industrial cleaning activities.	Former director	1 August 2023	30 October 2023	Nil

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

(ii) Haw Chee Seng

Name of company	Principal activities	Nature of interest or involvement	Date of appointment	Date of resignation	Equity interest (%)
Present Involvement					
Nil.					
Past Involvement					
HEC	To carry on the business of investment holding in shares	Former director	6 November 2007	27 September 2019	Nil
HEC Pte. Ltd. Inc.	To engage in, conduct and carry on the business of contracting and providing complete and effective solutions in the field of electrical works and to provide total integrated support in electrical and mechanical supplies and operations as well as system maintenance ⁽¹⁾	Former director	5 September 2011	9 June 2023	Nil
Infinity Power Engineering Sdn Bhd	Business of construction of engineering projects	Former director	24 May 2016	21 November 2022	Nil
KYK Resources Sdn Bhd	Electrical and electronic control components (dissolved on 9 August 2019)	Former director	9 December 2009	9 August 2019 ⁽²⁾	Nil

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

Name of company	Principal activities	Nature of interest or involvement	Date of appointment	Date of resignation	Equity interest (%)
Simosynergy	To carry on the business of manufacturer of switchgear, electrical and electronic appliances and apparatus	Former director / shareholder	9 July 2012	27 January 2023	Direct: 5.00

Notes:

- (1) The company has retired pursuant to the Certificate of Business Retirement issued by the Business Permits and Licensing Office of the City of Muntinlupa, Republic of the Philippines dated 9 June 2023.
- (2) The date of resignation is based on the date in which the company was dissolved.

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

(iii) Eng Choon Leong

Eng Choon Leong does not have any directorships outside our Group at present and in the past 5 years preceding the LPD. His involvement outside our Group as a shareholder is as follows:

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
Involvement as shareholder only					
Simosynergy	To carry on the business of manufacturer of switchgear, electrical and electronic appliances and apparatus	Shareholder	N/A	N/A	Direct: 5.00

(iv) Andrea Huong Jia Mei

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
Present Involvement					
T&S Advisors Sdn Bhd	To act as consultant, advisors and marketeers and to provide advice, consultancy and marketing of the services in all fields, including insolvencies, mergers and acquisition, corporate recovery, corporate restructuring, initial public offering, secretarial and tax planning	Director / Shareholder	18 September 2014	N/A	Direct: 35.00 Indirect: 65.00 ⁽¹⁾

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

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
KK Sha Consulting Sdn Bhd	Provision of goods and services tax, accountancy and corporate management services.	Director / Shareholder	24 October 2014	N/A	Direct: 40.00 Indirect: 50.00 ⁽¹⁾
Sha Tax Services Sdn Bhd	Provision of taxation, accounting, and corporate management services.	Director	10 June 2018	N/A	Indirect: 90.00 ⁽¹⁾
Controlrisk Solutions Sdn. Bhd. <i>(formerly known as AK Bizz Platform Sdn Bhd)</i>	Provision of business management consultancy services, accounting, bookkeeping and auditing activities and tax consultancy.	Director / Shareholder	9 March 2020	N/A	Direct: 100.00
T&S Boardroom Sdn Bhd	Provision of secretarial support services.	Director / Shareholder	30 July 2020	N/A	Direct: 100.00
Siab Holdings Berhad ⁽²⁾	Investment holding, while its subsidiaries are principally involved in the provision of building construction services and other complementary services such as information and communications technology solutions and services.	Non-Executive Director	24 June 2021	N/A	Nil

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

Name of company	Principal activities	Nature of interest or involvement	Date of appointment	Date of resignation	Equity interest
Ecoscience International Berhad ⁽²⁾	Activities of holding companies while its subsidiaries are principally involved in construction of plants and facilities, fabrication of equipment, supply of materials and equipment, fabrication and supply of energy and environmental related equipment, supply of spare parts and construction materials and provision of maintenance services.	Non-Executive Director	2 August 2021	N/A	Nil
Yew Lee Pacific Group Berhad ⁽²⁾	Investment holding company while its subsidiaries are principally involved in manufacturing of industrial brushes and trading of industrial hardware and machinery parts.	Non-Executive Director	6 August 2021	N/A	Nil
Unique Fire Holdings Berhad ⁽²⁾	Activities of holding companies while its subsidiaries are principally involved in the assembly, manufacture and distribution of active fire protection systems, equipment and accessories for built environment and the distribution of custom graphics designed fire extinguishers, other active fire protection systems, equipment and accessories and related services.	Non-Executive Director	8 October 2021	N/A	Nil

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

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
Socialgreen Governance Sdn Bhd <i>(formerly known as T&S Governance Sdn Bhd)</i>	Accounting, bookkeeping and auditing activities, tax consultancy	Director / Shareholder	5 October 2021	N/A	Direct: 100.00
Past Involvement					
T & S Secretarial Services Sdn Bhd	Provision of secretarial and management services.	Former director	3 September 2014	12 March 2021	Indirect: 100.00 ⁽¹⁾

Notes:

- (1) Deemed interested by virtue of her spouse's direct shareholdings in the company.
- (2) A company listed on the ACE Market of Bursa Securities.

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

(v) Ir. Dr. Ng Kok Chiang

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
Present Involvement					
ACO Group Berhad ⁽¹⁾	Investment holding and activities of head offices while its subsidiaries are principally involved in management consultancy activities, distribution of electrical products and accessories	Non-Executive Director / shareholder	5 August 2019	N/A	Direct: 0.31
Mybig Sdn Bhd	Trade as engineering services, medical biotech, automation engineering	Director / shareholder	19 July 2012	N/A	Direct: 25.00
Wee Engineer	Engineering consulting firm	Director	14 January 2016	N/A	Nil
Wee Consulting Engineers Sdn Bhd	Engineering services, other architectural and engineering activities and related technical consultancy, research and development on engineering and technology	Director	19 July 2018	N/A	Nil
Samaiden Group Berhad ⁽²⁾	Investment holding while its subsidiaries are principally involved in engineering, procurement, construction, and commissioning of solar PV systems and power plants and provision of operations and maintenance services	Non-Executive Director / shareholder	30 August 2023	N/A	Direct: 0.01

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

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
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Past Involvement

Nil

Notes:

(1) A company listed on the ACE Market of Bursa Securities.

(2) A company listed on the Main Market of Bursa Securities.

(vi) **Christine Toh Hung Mei**

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
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Present Involvement

Platinum Leap Sdn Bhd	Investment holding company in shares of a company principally involved as contractors and sub-contractors of all kinds of constructional works	Director / shareholder	1 February 2018	N/A	Direct: 10.00
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Tall Innovations Sdn Bhd	Contractors and sub-contractors of all kinds of constructional works	Director	30 September 2020	N/A	Nil
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Past Involvement

Tall Group Berhad	Activities of holding companies (shares)	Former director	1 December 2018	25 October 2019	Nil
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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Save as disclosed above, our Directors are not involved in other businesses or corporations.

The involvement of our Directors mentioned above in other principal business activities outside of our Group will not affect their commitment and responsibilities to our Group in their respective roles as our Directors, as:

- (a) our Non-Executive Directors are not involved in the day-to-day operations of our Group. Their involvement in other business activities outside our Group will not affect their contributions to our Group as the principal activities of those companies are not similar to our Group's business; and
- (b) our Managing Director and Executive Director are not involved in the day-to-day operations of other business activities outside our Group. Their involvement, if any, will not affect their ability to perform their roles and responsibilities as well as their contribution to our Group.

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

5.2.4 Directors' remuneration and benefits-in-kind

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our current Directors for services rendered to our Group for FYE 2022 and proposed to be paid for FYE 2023 are as follows:

FYE 2022	Salaries RM'000	Fees and allowances RM'000	Bonuses RM'000	Statutory contributions ⁽¹⁾ RM'000	Benefits- in-kind RM'000	Total RM'000
Independent Non-Executive Directors						
Datuk Christopher Wan Soo Kee	-	-	-	-	-	-
Andrea Huong Jia Mei	-	-	-	-	-	-
Ir. Dr. Ng Kok Chiang	-	-	-	-	-	-
Christine Toh Hung Mei	-	-	-	-	-	-
Non-Independent Executive Directors						
Haw Chee Seng	256	21	94	46	6	423
Eng Choon Leong	225	11	87	39	3	364
FYE 2023	Salaries RM'000	Fees and allowances RM'000	Bonuses RM'000	Statutory contributions ⁽¹⁾ RM'000	Benefits- in-kind RM'000	Total RM'000
Independent Non-Executive Directors						
Datuk Christopher Wan Soo Kee	-	11	-	-	-	-
Andrea Huong Jia Mei	-	7	-	-	-	-
Ir. Dr. Ng Kok Chiang	-	7	-	-	-	-
Christine Toh Hung Mei	-	7	-	-	-	-
Non-Independent Executive Directors						
Haw Chee Seng	336	24	70	52	6	488

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

FYE 2023	Salaries RM'000	Fees and allowances RM'000	Bonuses RM'000	Statutory contributions ⁽¹⁾ RM'000	Benefits- in-kind RM'000	Total RM'000
Eng Choon Leong	276	24	51	42	3	396

Note:

(1) These comprise contributions to EPF, EIS and SOCSO.

The remuneration of our Directors, which includes salaries, fees and allowances, bonuses, as well as other benefits-in-kind, must be considered and recommended by our Remuneration Committee and subsequently, be approved by our Board, subject to the provisions of our Constitution. Our Directors' fees and benefits-in-kind must be further approved and endorsed by our shareholders at a general meeting.

5.3 BOARD PRACTICES

5.3.1 Directors' term of office

As at LPD, the date of expiry of the current term of office for each of our Director and the period that each of them has served in that office is as follows:

Directors	Date of appointment	Date of expiry of the current term of office	Approximate no. of years in office up to the date of this Prospectus
Datuk Christopher Wan Soo Kee	26 May 2023	At our first annual general meeting	less than 1 year
Haw Chee Seng	2 May 2023	At our first annual general meeting	less than 1 year
Eng Choon Leong	2 May 2023	At our first annual general meeting	less than 1 year
Andrea Huong Jia Mei	26 May 2023	At our first annual general meeting	less than 1 year
Ir. Dr. Ng Kok Chiang	26 May 2023	At our first annual general meeting	less than 1 year
Christine Toh Hung Mei	26 May 2023	At our first annual general meeting	less than 1 year

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

5.3.2 Audit and Risk Management Committee (“ARMC”)

The ARMC shall solely comprise Independent Non-Executive Directors. The ARMC was constituted on 29 May 2023 with the function of assisting our Board in fulfilling its oversight responsibilities. The composition of our ARMC is set out below:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Andrea Huong Jia Mei	Chairperson	Independent Non-Executive Director
Ir. Dr. Ng Kok Chiang	Member	Independent Non-Executive Director
Christine Toh Hung Mei	Member	Independent Non-Executive Director

The main functions of our ARMC as stated in its term of reference include, among others:

- (i) to consider any matters concerning the appointment and re-appointment, the audit and non-audit fees and any questions of resignation or dismissal of external auditors;
- (ii) to review with the external auditors:
 - (a) audit plan, scope and nature of the audit of our Group;
 - (b) evaluation and findings of the system of risk management and internal controls;
 - (c) the management letter and management's response with regard to the problems and reservations arising from their audits;
 - (d) audit reports on financial statements; and
 - (e) any other matters that the external auditors wish to discuss (in the absence of management where necessary);
- (iii) to review the internal audit plan, processes, the results of internal audit assessments or investigations undertaken and whether or not appropriate action is taken on the recommendations made;
- (iv) to review the adequacy and effectiveness of our Group's internal control systems, anti-corruption and whistle-blowing as evaluated, identified and reported by our management, internal or external auditors as well as to review whether actions taken to ratify the same are appropriate or timely;
- (v) to review the quarterly results and year end financial statements of our Group before the approval by our Board;
- (vi) to review and assess the adequacy and effectiveness of the systems of internal control, anti-corruption, whistle-blowing, governance process and accounting control procedures and appropriate systems in place to manage and mitigate risks;
- (vii) to review our Group's risk managing policy and implementation of the risk management framework;
- (viii) to consider and review any related-party transactions and potential conflict of interest that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (ix) to report promptly to Bursa Securities on any matter which has not been satisfactorily resolved resulting in a breach of the Listing Requirements;
- (x) to verify the allocation of options under a share issuance scheme or the allocation of Shares according to any incentive plan for employees of our Group, if any;

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

- (xi) to review and conduct an annual performance evaluation of the internal and external auditors in respect of each financial year under review;
- (xii) to prepare the ARMC Report at the end of the financial year for inclusion in the annual report of our Company; and
- (xiii) to carry out such other functions or assignments as may be delegated by our Board from time to time.

5.3.3 Nomination Committee ("NC")

The NC was constituted on 29 May 2023 by our Board. The composition of our NC is set out below:

Name	Designation	Directorship
Ir. Dr. Ng Kok Chiang	Chairperson	Independent Non-Executive Director
Andrea Huong Jia Mei	Member	Independent Non-Executive Director
Christine Toh Hung Mei	Member	Independent Non-Executive Director

The main functions of our NC as stated in its term of reference include, among others:

- (i) to review, assess, and recommend suitable candidates for appointment as Directors of our Company, as well as retiring Directors seeking re-election at the annual general meeting. When making recommendations to our Board regarding directorship or re-appointment, NC must consider the "Fit and Proper Criteria" outlined in our Company's Directors' Fit and Proper Policy. These criteria include, but are not limited to:
 - (a) diversity in skills, knowledge, expertise, experience, age, cultural background and gender;
 - (b) competence and professionalism;
 - (c) character and integrity;
 - (d) time and commitment;
 - (e) any business interest or relationship that may result in a conflict of interest that could affect the execution of the role; and
 - (f) in the case of candidates for the position of Independent Director, the committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Director;
- (ii) to evaluate the necessary mix of skills, experience, core competencies, and diversity (including age, cultural background, and gender) of our Board and Board Committees and may utilise independent sources to identify qualified candidates for our Board;
- (iii) to assess the contribution and performance of each Director to ensure our Board and Board Committees operate effectively and efficiently;
- (iv) to review the size, structure, balance, and composition of our Board and Board Committees to ensure optimal performance;
- (v) to identify and review the core competence, skills and other qualities including but not limited to the skills, knowledge, experience and diversity required by each of our Non-Executive Directors, that are essential to contribute towards the effectiveness and balance of our Board;

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

- (vi) to review and evaluate the contributions made by each member of our Board, including our Independent Non-Executive Directors and Chairman of our Board, as well as our Non-Independent Executive Directors;
- (vii) to assess each Director's ability to contribute to our Board's decision-making process and ensure that our Board operates actively, efficiently, and effectively in all its decision-making;
- (viii) to conduct an annual review of the term of office and performance of the ARMC and each of its members to assess whether the ARMC and its members have fulfilled their duties in accordance with their terms of reference;
- (ix) to evaluate annually the effectiveness of our Board and Board Committees as a whole for assessing the contribution to the effectiveness of the decision-making process of our Board;
- (x) to review and assess annually the independence of our Independent Non-Executive Directors;
- (xi) to review, consider and make recommendations regarding the continuation in office of Independent Non-Executive Directors who have served for more than 9 years;
- (xii) to oversee the development of succession planning of our Board and Key Senior Management;
- (xiii) to assess and recommend the re-election of Directors who are due to retire in accordance with our Constitution; and
- (xiv) to carry out such other functions or assignments as may be delegated by our Board from time to time.

5.3.4 Remuneration Committee ("RC")

The RC was constituted on 29 May 2023 by our Board. The composition of our RC is set out below:

Name	Designation	Directorship
Christine Toh Hung Mei	Chairperson	Independent Non-Executive Director
Andrea Huong Jia Mei	Member	Independent Non-Executive Director
Ir. Dr. Ng Kok Chiang	Member	Independent Non-Executive Director

The main functions of our RC as stated in its term of reference include, among others:

- (i) to review and recommend to our Board the appropriate remuneration packages for our Board members, with or without professional advice;
- (ii) to review and recommend fees and benefits payable to our Board members;
- (iii) to assist our Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus, and other benefits-in-kind for our Directors and Key Senior Management;

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

- (iv) to ensure that remuneration packages and benefits for our Directors and Key Senior Management align with our Company's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and our Board;
- (v) to develop and administer a fair and transparent procedure for setting policy on the remuneration of our Directors and Key Senior Management, which considers the demands, complexities, and performance of our Company, as well as the skills and experience required;
- (vi) to implement our Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of our Directors and Key Senior Management;
- (vii) to ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments, or conditions, and our Company's operating results, as well as our Directors and Key Senior Management's merit, qualification, competence, and individual performance;
- (viii) to ensure that appropriate rewards, benefits, compensation, and remuneration are offered to retain Directors, and structuring remuneration packages to link rewards to individual performance; and
- (ix) to carry out any other functions delegated by our Board that would benefit our Company and ensure the effective discharge of our RC's duties and responsibilities.

5.3.5 Malaysian Code on Corporate Governance ("MCCG")

Our Board acknowledges and takes cognisance of the 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 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 directors. Further, our Group has at least 30% women directors on our Board whereby we have 2 women directors out of a total of 6 Directors. Our Chairman is also not a member of our ARMC, NC and RC.

5.4 KEY SENIOR MANAGEMENT

5.4.1 Key Senior Management team

The composition of our Key Senior Management is set out below:

<u>Name</u>	<u>Age</u>	<u>Nationality</u>	<u>Designation</u>
Lim Soo Cheng	51	Malaysian	Chief Financial Officer
Tang Kok Wai	47	Malaysian	Project and Technical Director
Nelson Lim Koon Cheong	49	Malaysian	Hook-up and Retrofitting Manager
Seng Keng Theng	53	Malaysian	Finance and Credit Manager
Chua Geok Ping	50	Malaysian	Human Resources Manager

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

5.4.2 Profiles of our Key Senior Management

The profiles of our Key Senior Management are as follows:

(i) **Lim Soo Cheng**
Chief Financial Officer

Lim Soo Cheng, Malaysian, aged 51 is the Chief Financial Officer of our Group.

She was admitted to the Graduateship of the Institute of Chartered Secretaries and Administrators (“**ICSA**”) in 1998 and was elected as an Associate of the ICSA in 2002. She became a member of the Company Secretaries Practice Group in 1998 under the auspices of the Malaysian Association of the Institute of Chartered Secretaries and Administrators (*now known as the Malaysian Institute of Chartered Secretaries and Administrators*). She was elected as an associate with the designation Chartered Secretary and Chartered Governance Professional of the Chartered Governance Institute in 2002. She then obtained her certification as Certified Financial Planner from the Financial Planning Association of Malaysia in 2003. She became a qualified chartered accountant and was admitted as a member of ACCA in 2015 and subsequently was admitted as a fellow of ACCA in 2020. She was admitted as a chartered accountant with MIA in 2015.

She began her career with Purnama Prima Sdn Bhd as an Administration Officer in 1996 and was responsible for the company’s accounting matters. She then joined Kestrel Securities Sdn Bhd in 2000 as an Accounts Executive. Pursuant to the acquisition of Kestrel Securities Sdn Bhd by Allied Avenue Assets Securities Sdn Bhd, she was offered a position in Allied Avenue Assets Securities Sdn Bhd as an Accounts Executive in 2002 where she was responsible for financial management reporting and submission of statutory reports. In 2003, she left Allied Avenue Assets Securities Sdn Bhd and joined Del-Flow Management Services Sdn Bhd (*now known as Noxel Consolidated Sdn Bhd*) as an Accounts Manager and was subsequently promoted to Finance and Administrative Manager in 2005. During her tenure with Del-Flow Management Services Sdn Bhd, she was overseeing the company’s accounts and administrative matters. She left Del-Flow Management Services Sdn Bhd and joined Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*) in 2006 as a Finance and Administrative Manager overseeing all accounting and administrative matters of its group of companies.

In 2007, she left Hexatech Sdn Bhd and joined Inovus Technology Sdn Bhd as a Finance and Administrative Manager where she was in charge of overall finance & administration matters. She left Inovus Technology Sdn Bhd to join HEC in 2008 as Finance and Administrative Manager for her career development and to gain further experience in managing accounting and administrative matters for a group of companies. She was subsequently promoted to Senior Finance and Administrative Manager in 2013 where she was responsible for the group of companies’ finance and administrative matters as well as their legal and secretarial matters. In 2014, she was promoted to Financial Controller where she was given more responsibility to oversee the accounts, finance, legal and company secretarial matters of the group of companies.

She left HEC and joined Hexatech Engineering as Financial Controller in 2022 where she is in charge of the company’s finance, accounts, tax, legal and company secretarial departments.

In 2023, she was redesignated as the Chief Financial Officer of our Group and is currently overseeing the finance, accounts, tax, legal and company secretarial departments of our Group.

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

Please see Section 5.4.4 for further details of Lim Soo Cheng's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

(ii) Tang Kok Wai

Project and Technical Director

Tang Kok Wai, Malaysian, aged 47 is the Project and Technical Director of our Group.

He obtained a Certificate for Electrical Engineering (Power) from Port Dickson Polytechnic in 1997 and began his career with Siemens Components (Advanced Technology) Sdn Bhd as a Quality Technician in 1997. He left Siemens Components (Advanced Technology) Sdn Bhd in 1997 to further his studies and obtained his Diploma of Electrical Engineering (Power Electronics and Control) from Port Dickson Polytechnic in 1998. He joined Techsu Steel Corporation Sdn Bhd in 1999 as a Technician where he was responsible for handling and operating cold roll machines before leaving the company in 2000 to further his studies in Universiti Teknologi Malaysia. He obtained a Bachelor of Electrical & Electronic Engineering from Universiti Teknologi Malaysia in 2004.

Upon graduation from Universiti Teknologi Malaysia, he joined Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*) as a Project Engineer where he was involved in electrical installations and machinery hook-up projects and was responsible for the technical, regulatory, procurement and engineering aspects of the projects. In 2005, he was promoted to Assistant Manager. He left Hexatech Sdn Bhd and joined Hexatech Building Services Sdn Bhd (*now known as Helios Energy International Sdn Bhd*) in 2007 as an Assistant Manager and was appointed a director. He was promoted to Project Manager in 2008 where he was responsible for overall project management including overseeing the technical, regulatory, procurement and engineering aspects of electrical installations and machinery hook-up projects. In 2012, he left his position as Project Manager in Hexatech Building Services Sdn Bhd but remained as a director and joined HEC as a Project Director where he was responsible for tendering of projects as well as contract negotiations. In the same year, he left HEC and refocused in Hexatech Building Services Sdn Bhd as a director. In 2017, he resigned as a director of Hexatech Building Services Sdn Bhd and rejoined HEC as a Project Director. In 2021, while he was still an employee of HEC, he was seconded to Hexatech Engineering to oversee and manage a specific project. In 2022, he left HEC and joined Hexatech Engineering as a Project Director where he oversees the project management and technical aspects of projects.

In 2023, he was redesignated as the Project and Technical Director of our Group and is currently overseeing the engineering and technical aspects of our Group's projects.

Please see Section 5.4.4 for further details of Tang Kok Wai's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

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

(iii) Nelson Lim Koon Cheong
Hook-up and Retrofitting Manager

Nelson Lim Koon Cheong, Malaysian, aged 49 is the Hook-up and Retrofitting Manager of our Group.

He is currently a Registered Construction Personnel with CIDB.

After completing his secondary school education, he began his career with Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*) as a Wiring Technician in 1995 and assisted in project implementation and machinery hook-ups. He left Hexatech Sdn Bhd and joined Telesolve Sdn Bhd (*now known as Go Smart Consolidated Sdn Bhd*) as a Supervisor in 2002 and was responsible for supervision of the retrofitting and machinery hook-ups. He left Telesolve Sdn Bhd and rejoined Hexatech Sdn Bhd in 2003 as a Project Executive and took on more responsibilities in project supervision. He left Hexatech Sdn Bhd in 2006 and joined Hexatech Engineering as a Project Executive. He was promoted to Assistant Project Manager in Hexatech Engineering in 2008 where he was involved in project implementation and project supervision. He was subsequently promoted to Project Manager in 2010, where he was responsible for project supervision and implementation, costing and budgeting as well as project tendering. In 2011, he left Hexatech Engineering and joined MES Technology Sdn Bhd (*now known as HX Solutions Sdn Bhd*) as a Project Manager. He left MES Technology Sdn Bhd and rejoined Hexatech Engineering in 2014 where he assumed his previous role as Project Manager, a position he holds to date.

In 2023, he was redesignated as the Hook-up and Retrofitting Manager of our Group and is in charge of overseeing the hook-up and retrofitting works of our Group's projects.

Please see Section 5.4.4 for further details of Nelson Lim Koon Cheong's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

(iv) Seng Keng Theng
Finance and Credit Manager

Seng Keng Theng, Malaysian, aged 53 is the Finance and Credit Manager of our Group.

He obtained a Diploma in Accounting from RIMA College, Malaysia in 1993.

He began his career with Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*) as an Accounts Clerk in 1995 and was responsible for the company's accounting matters. He left Hexatech Sdn Bhd and joined Logikontrol Sdn Bhd in 1997 as an Accounts Executive. In 2000, he left Logikontrol Sdn Bhd and joined Del-Flow Marketing Sdn Bhd (*now known as DCSP Sales & Service Sdn Bhd*) as an Accounts Executive and was redesignated as a Finance Executive in 2002 where he was responsible for the company's accounting and purchasing matters. He left Del-Flow Marketing Sdn Bhd in 2003 and rejoined Hexatech Sdn Bhd in 2004 as an Accounts Executive in charge of accounting and finance matters. In 2006, he left Hexatech Sdn Bhd and rejoined Del-Flow Marketing Sdn Bhd where he assumed his previous position of Accounts Executive. In 2007, he left Del-Flow Marketing Sdn Bhd and joined Hexatech Engineering as an Assistant Manager, and was subsequently promoted to Finance Manager in 2010, where he oversees the finance and administrative matters of Hexatech Engineering.

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

In 2023, he was redesignated as the Finance and Credit Manager of our Group and is in charge of the finance, credit control and administrative matters of our Group.

Please see Section 5.4.4 for further details of Seng Keng Theng's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group

(v) **Chua Geok Ping**
Human Resources Manager

Chua Geok Ping, Malaysian, aged 50 is the Human Resources Manager of our Group.

She obtained her Professional Diploma in Entrepreneurship & Management from Entrepreneurship Institute International, Malaysia in 2017.

After completing her secondary school education in 1992, she began her career in 1993 with Emporium Formosa Sdn Bhd as a Consignment Clerk and assisted in the recording of accounting entries as well as preparation of purchase orders and invoices. She left Emporium Formosa Sdn Bhd and joined Hanjo Holding Sdn Bhd in 1994 as an Accounts Clerk responsible for daily recording of accounting entries and ensuring timely payments on invoices and purchase orders. In 1995, she left Hanjo Holding Sdn Bhd and joined Hexatech Sdn Bhd (*now known as Galaxy Quantum Vision Sdn Bhd*) as Administrative Clerk where she was responsible for the accounts and bookkeeping of the company. She left Hexatech Sdn Bhd and joined Pembinaan & Kejuruteraan Hexa Sdn Bhd (*now known as Mepcon Sdn Bhd*) in the same year as an Accounts Clerk. In 1999, she left Pembinaan & Kejuruteraan Hexa Sdn Bhd and joined Del-Flow Electric Sdn Bhd (*now known as DCSP Sales & Service Sdn Bhd*) as an Accounts Clerk. In 2000, she left Del-Flow Electric Sdn Bhd and joined De Grande Leisure Sdn Bhd as an Accounts Executive where she was responsible for the accounts of the company including recording of accounting entries and managing employees' claims. In 2001, she left De Grande Leisure Sdn Bhd and joined Del-Flow Management Services Sdn Bhd (*now known as Noxel Consolidated Sdn Bhd*) as an Accounts Executive. She left Del-Flow Management Services Sdn Bhd and rejoined Pembinaan & Kejuruteraan Hexa Sdn Bhd as an Accounts Executive in 2002. She left Pembinaan & Kejuruteraan Hexa Sdn Bhd and joined Hexatech Sdn Bhd in 2005 as an Accounts Executive. She left Hexatech Sdn Bhd and joined Hexatech Energy International Sdn Bhd (*now known as Helios Energy International Sdn Bhd*) in 2007 and was promoted to Senior Accounts Executive where she was responsible for preparation of accounts and payroll. In 2009, she left Hexatech Energy International Sdn Bhd and rejoined Hexatech Sdn Bhd as a Senior Accounts Executive where she was responsible for the full set of accounts, payroll and attendance of employees.

In 2013, she left Hexatech Sdn Bhd and joined HEC as a Human Resources Manager where she was in charge of all human resources matters relating to the group of companies including salary administration, labour relations and overall recruitment and employee management. She left HEC and joined Hexatech Engineering in 2022 as a Human Resources Manager overseeing the human resource department of our Group including managing employee life cycles, developing recruitment and retention strategies as well as overall recruitment and employee management.

In 2023, she was redesignated as the Human Resources Manager of our Group and is in charge of the human resources department of our Group.

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

Please see Section 5.4.4 for further details of Chua Geok Ping's involvement in principal business activities and directorships outside of our Group at present and in the past 5 years preceding the LPD. Please also see Section 5.6 of this Prospectus for further details of the family relationship between the Promoters, Specified Shareholders, substantial shareholders, Directors and Key Senior Management of our Group.

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

5.4.3 Shareholdings of our Key Senior Management

The direct and indirect shareholdings of our Key Senior Management before and after our IPO are as follows:

Name	Before our IPO / As at LPD ⁽¹⁾				After our IPO ⁽²⁾⁽³⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)
Lim Soo Cheng	7,062,186	2.00	-	-	7,408,186	1.68	-	-
Tang Kok Wai	17,655,465	5.00	-	-	18,001,465	4.09	-	-
Nelson Lim Koon Cheong	-	-	-	-	386,000	0.09	-	-
Seng Keng Theng	7,062,186	2.00	-	-	7,548,186	1.72	-	-
Chua Geok Ping	1,765,546	0.50	-	-	2,111,546	0.48	-	-

Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO.
- (2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.
- (3) Assuming our Key Senior Management will fully subscribe for their respective allocation under the Pink Form Allocation.

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

5.4.4 Principal directorship of our Key Senior Management and principal business activities performed outside of our Group

The principal activities performed outside of our Group at present and in the past 5 years preceding the LPD by our Executive Directors who are part of the Key Senior Management are set out in Section 5.2.3 of this Prospectus.

The following table sets out our Key Senior Management's Present Involvement and Past Involvement:

(i) Lim Soo Cheng

Lim Soo Cheng does not have any principal business activities outside our Group as at LPD or directorships outside our Group at present and in the past 5 years preceding the LPD.

(ii) Tang Kok Wai

Name of company	Principal activities	Nature of interest or involvement	Date of appointment	Date of resignation	Equity interest
Present Involvement					
Nil.					
Past Involvement					
HEC Pte. Ltd. Inc.	To engage in, conduct and carry on the business of contracting and providing complete and effective solutions in the field of electrical works and to provide total integrated support in electrical and mechanical supplies and operations as well as system maintenance ⁽¹⁾	Former director	5 September 2011	9 June 2023	Nil

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

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
HX Solutions Sdn Bhd (<i>formerly known as Hexatech Solutions Sdn Bhd</i>)	Company consist of carrying business as supplier, installers, maintainers, repairers of and dealers in electrical system	Former director	26 September 2017	20 September 2021	Nil

Note:

(1) The company has retired pursuant to the Certificate of Business Retirement issued by the Business Permits and Licensing Office of the City of Muntinlupa, Republic of the Philippines dated 9 June 2023.

(iii) Nelson Lim Koon Cheong

Nelson Lim Koon Cheong does not have any principal business activities outside our Group as at LPD or directorships outside our Group at present and in the past 5 years preceding the LPD.

(iv) Seng Keng Theng

Seng Keng Theng does not have any directorships outside our Group at present and in the past 5 years preceding the LPD. His involvement outside our Group as a shareholder is as follows:

<u>Name of company</u>	<u>Principal activities</u>	<u>Nature of interest or involvement</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest</u>
Involvement as shareholder only					
Simosynergy	To carry on the business of manufacturer of switchgear, electrical and electronic appliances and apparatus	Shareholder	N/A	N/A	Direct: 5.00

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

(v) Chua Geok Ping

Chua Geok Ping does not have any principal business activities outside our Group as at LPD or directorships outside our Group at present and in the past 5 years preceding the LPD.

The involvement of our Key Senior Management mentioned above in other principal business activities outside of our Group will not affect their commitment and responsibilities to our Group as they are not involved in the day-to-day operations of other business activities outside our Group. Their involvement, if any, will not affect their ability to perform their roles and responsibilities as well as their contribution to our Group.

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

5.4.5 Key Senior Management's remuneration and benefits-in-kind

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Managing Director and Executive Director who are part of the Key Senior Management for services rendered to our Group for FYE 2022 and proposed to be paid for FYE 2023 are set out in Section 5.2.4 of this Prospectus.

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our other Key Senior Management for FYE 2022 and proposed to be paid for FYE 2023 are as follows:

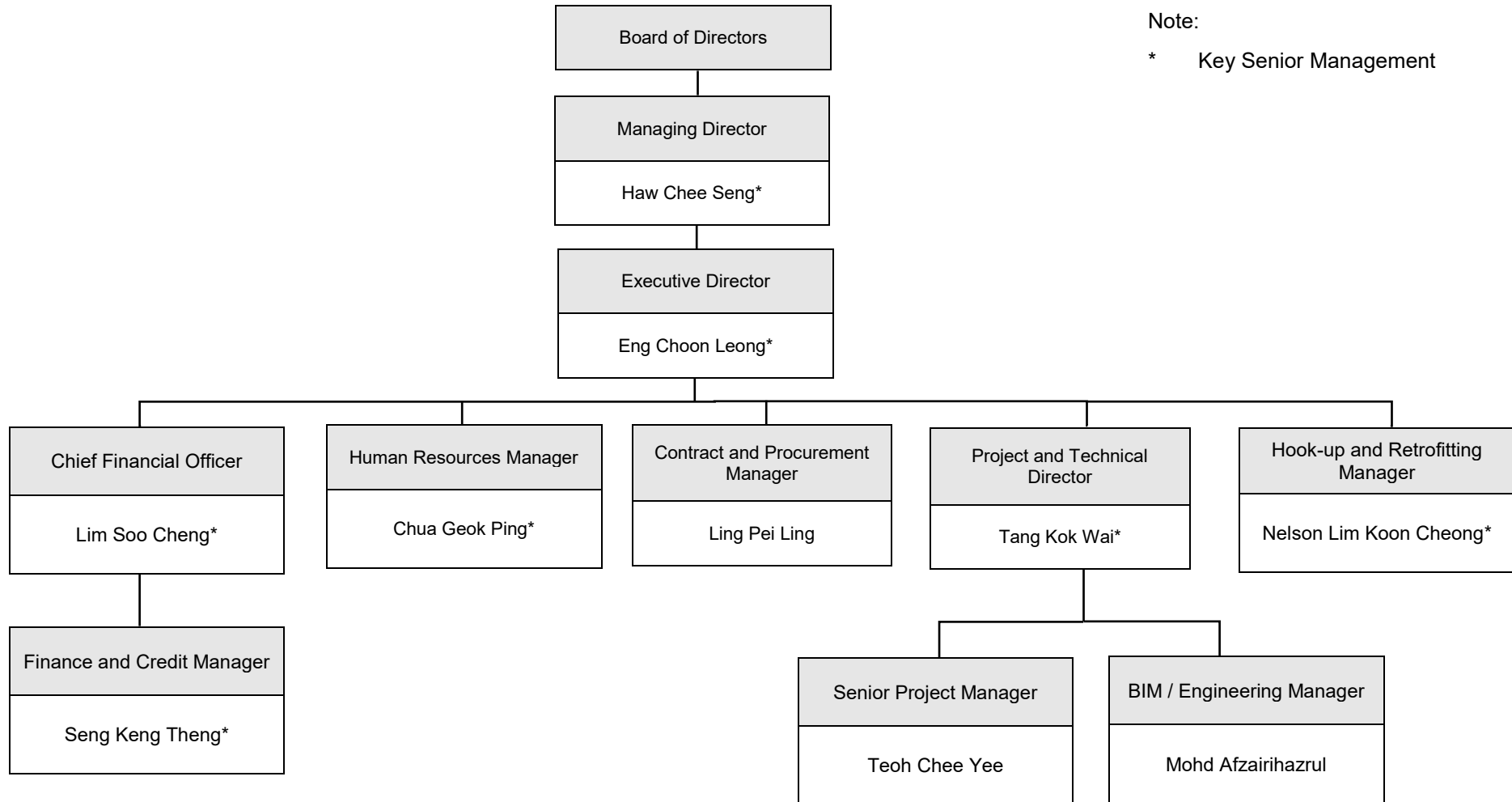
Name	Remuneration band (RM)	
	FYE 2022	FYE 2023 (proposed)
	RM'000	RM'000
Lim Soo Cheng	150-200	200-250
Tang Kok Wai	200-250	250-300
Nelson Lim Koon Cheong	100-150	150-200
Seng Keng Theng	100-150	150-200
Chua Geok Ping	50-100	100-150

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

5.4.6 Management reporting structure

The management reporting structure of our Group as at LPD is as follows:



Note:

* Key Senior Management

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

5.5 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against him or any partnership in which he was a partner or any corporation of which he was a director or member 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 judgement was entered against him, or finding at 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, he 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, judgement 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 an unsatisfied judgement against him/her.

5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

Save as disclosed below, there are no other family relationships and/or associations between any of our Promoters, substantial shareholders, Directors and Key Senior Management:

Yong Chong Lim, the Specified Shareholder of HE Group, is the brother of Yong Chong Cheang who is the Specified Shareholder and controlling shareholder of HEC.

5.7 EXISTING OR PROPOSED SERVICE AGREEMENTS

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

6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

Our Company was incorporated in Malaysia on 2 May 2023 under the Act as a private limited company under the name of HE Group Sdn Bhd and was subsequently converted to a public limited company on 23 May 2023 to facilitate our Listing.

Our principal activity is investment holding while the principal activities of our subsidiary, Hexatech Engineering is as disclosed in Section 6.4 of this Prospectus.

6.2 SHARE CAPITAL AND CHANGES IN SHARE CAPITAL

As at LPD, our issued share capital is RM15,889,964 comprising 353,110,300 Shares.

Details of the changes in the issued share capital of our Company since incorporation up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of Shares</u>	<u>Nature of transaction</u>	<u>Consideration</u>	<u>Cumulative issued share capital (RM)</u>	<u>Cumulative no. of Shares</u>
2 May 2023	1,000	Allotment	Cash	45	1,000
22 November 2023	353,109,300	Allotment	Non-cash	15,889,964	353,110,300

Upon completion of our Public Issue, our issued share capital will increase to RM40,219,080 comprising 440,000,000 Shares.

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

As at LPD, we are not involved in any winding-up, receivership or similar proceedings.

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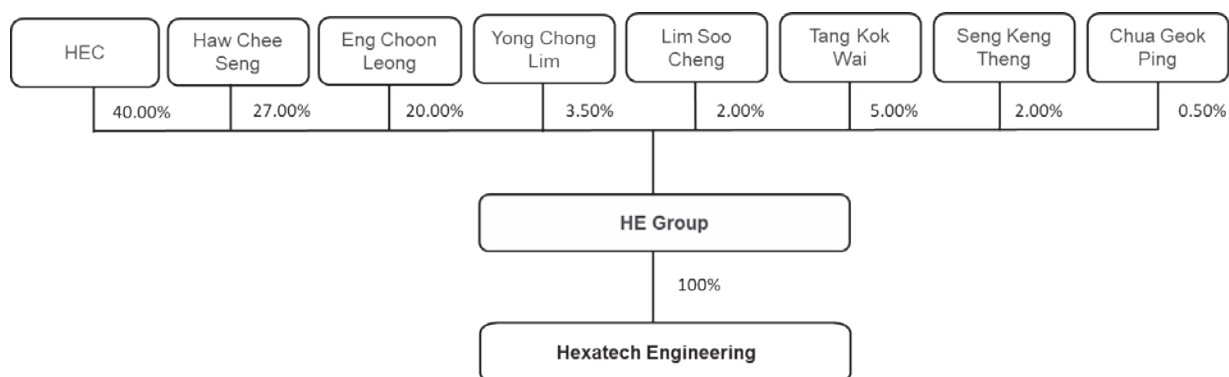
6. INFORMATION ON OUR GROUP (CONT'D)

6.3 OUR GROUP STRUCTURE

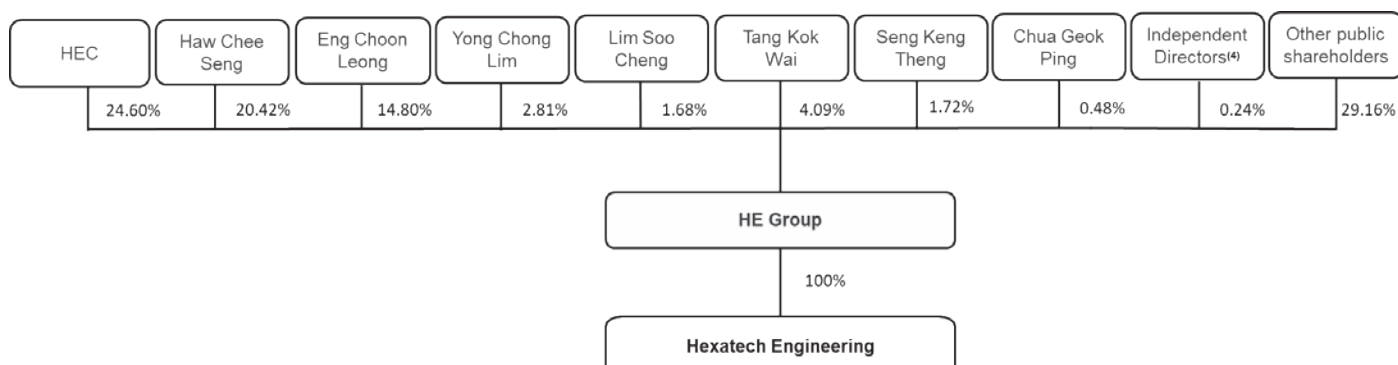
Our Group was formed on 22 November 2023 pursuant to the completion of the Acquisition of Hexatech Engineering whereby Hexatech Engineering became a wholly-owned subsidiary of our Company.

Our Group structure upon Listing is as follows:

After the Acquisition of Hexatech Engineering but before our IPO⁽¹⁾



After our IPO⁽²⁾⁽³⁾



Notes:

- (1) Based on the issued share capital of 353,110,300 Shares after the completion of the Acquisition of Hexatech Engineering but before our IPO .
- (2) Based on the enlarged issued share capital of 440,000,000 Shares after our IPO.
- (3) Assuming our Independent Non-Executive Directors / Key Senior Management will fully subscribe for their respective allocation under the Pink Form Allocation.
- (4) Assuming each of our Independent Non-Executive Director will hold 250,000 Shares or 0.06% of the enlarged issued share capital after our IPO, respectively.

6. INFORMATION ON OUR GROUP (CONT'D)

6.4 DETAILS OF OUR SUBSIDIARY

As at LPD, the details of Hexatech Engineering is as follows:

Name and registration no.	Date / Place of incorporation	Principal place of business	Effective equity interest (%)	Principal activities
Hexatech Engineering Sdn Bhd (199501008607) (337805-T)	29 March 1995 / Malaysia	Malaysia	100%	Provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and trading.

6.4.1 Hexatech Engineering

(i) Background and history

Hexatech Engineering was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 29 March 1995 and deemed registered under the Act, under the name of Hexatech Electric (M) Sdn Bhd and thereafter assumed its present name on 10 July 2000.

(ii) Principal place of business

Hexatech Engineering's principal place of business is at No. 42, Jalan OP 1/5, Pusat Perdagangan One Puchong, 47160 Puchong, Selangor.

(iii) Principal activities and products/services

Hexatech Engineering is principally involved in the provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and trading.

(iv) Share capital

As at LPD, the issued share capital of Hexatech Engineering is RM1,000,000 comprising 1,000,000 ordinary shares.

The changes in Hexatech Engineering's issued share capital since incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Consideration	Cumulative no. of shares	Cumulative share capital (RM)
3 April 1995	2	Cash	2	2
1 November 2001	99,998	Cash	100,000	100,000
20 September 2003	100,000	Cash	200,000	200,000
11 July 2005	100,000	Cash	300,000	300,000
26 November 2007	700,000	Cash	1,000,000	1,000,000

6. INFORMATION ON OUR GROUP (CONT'D)

(v) Shareholder

Upon completion of the Acquisition of Hexatech Engineering, Hexatech Engineering became our wholly-owned subsidiary.

(vi) Subsidiary or associated company

Hexatech Engineering does not have any subsidiary or associated company.

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

Save as disclosed below, there are no material investments and divestitures made by us within or outside Malaysia for the Financial Years and Period Under Review and up to the LPD:

	Audited				Unaudited
	FYE 2020 RM'000	FYE 2021 RM'000	FYE 2022 RM'000	FPE 2023 RM'000	1 September 2023 up to the LPD RM'000
Buildings	-	1,204	530	974	-
Tools and equipment	-	*	-	-	-
Computers	8	33	39	8	2
Motor vehicles	-	131	292	110	-
Office equipment	2	17	25	91	3
Furniture and fittings	-	15	47	263	3
Renovation	-	-	162	228	-
Electrical installation	-	-	-	15	-
Total	10	1,400	1,095	1,689	8

* Negligible.

Our material investments during the Financial Years and Period Under Review and up to the LPD mainly comprised of acquisition of buildings, purchase of motor vehicles and renovation works. Our material investments were primarily funded via a combination of bank borrowings and internally generated funds.

For FYE 2021, there was an addition of buildings of RM1.20 million comprising ROU assets arising from rental of properties amounted to RM0.08 million and 2 units of properties arising from partial settlement of contract price for a project amounted to RM1.12 million. The partial settlement is arising from payment for the supply, installation, testing, commissioning and maintenance of power distribution system for a residential development in Shah Alam, Selangor, and it was mutually agreed with the customer. Please refer to Section 6.6.1(No. 2 and 3) of this Prospectus for further details of the said 2 properties.

For FYE 2022, our capital expenditure incurred for buildings amounted to RM0.53 million was mainly due to rental of properties classified as ROU assets.

For FPE 2023, our capital expenditure incurred for buildings amounted to RM0.97 million was mainly due to rental of properties classified as ROU assets.

Subsequent to the Financial Years and Period Under Review and up to the LPD, we incurred capital expenditure mainly for office equipment, furniture and fittings, and computers amounted to RM0.008 million or approximately RM8,000.

6. INFORMATION ON OUR GROUP (CONT'D)

6.6 MATERIAL PROPERTIES

6.6.1 Owned properties

As at LPD, we own the following properties:

No.	Registered Beneficial owner	Title / Postal address	Tenure	Description / Existing use	Date of CF / CCC	Land area / Built-up area (approximate)	Category of land use / Express condition / Restriction in interest	Material encumbrances	NBV as at 31 August 2023 (RM'000)
1.	Hexatech Engineering ⁽¹⁾	Geran 334179, Lot 179014, M1-C-20-560, Mukim Klang, Daerah Klang, Negeri Selangor / 03-19-02 (Type B) Gaya Resort Homes, Unit 03-19-02, Persiaran Kemuning Damai, Seksyen 32, Bukit Rimau, 40460 Shah Alam, Selangor	Freehold	Description: Apartment unit Existing use: Vacant	1 December 2021	Land area: N/A Built-up area: 883 sq. ft.	Category of land use: N/A Express condition: For business use only Restriction in interest: Nil	Nil.	480
2.	Hexatech Engineering ⁽¹⁾	Geran 334179, Lot 179014, M1-C-19-548, Mukim Klang, Daerah Klang, Negeri Selangor / 03-18-10 (Type D) Gaya Resort Homes, Unit 03-18-10, Persiaran Kemuning Damai, Seksyen 32, Bukit Rimau, 40460 Shah Alam, Selangor.	Freehold	Description: Apartment unit Existing use: Vacant	1 December 2021	Land area: N/A Built-up area: 1,421 sq. ft.	Category of land use: N/A Express condition: For business use only Restriction in interest: Nil	Nil.	700

6. INFORMATION ON OUR GROUP (CONT'D)

Note:

- (1) Hexatech Engineering entered into a sale and purchase agreement dated 25 July 2019 with PDMC Property Sdn Bhd as developer for the purchase of this property. As at LPD, the vacant possession of this property has been delivered but is pending registration of transfer of legal ownership to Hexatech Engineering. We intend to sell and/or rent these properties subject to an acceptable offer.

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6. INFORMATION ON OUR GROUP (CONT'D)

6.6.2 Rented properties

As at LPD, the material properties rented by our Group are as follows:

Landlord	Tenant	Postal address	Description / Existing use	Built-up area (approximate)	Tenure	Rental per annum (RM'000)
Glamorous Symphony Sdn Bhd	Hexatech Engineering	3-A, Jalan Melaka Raya 19, Taman Melaka Raya, 75000 Melaka	Description: 3-storey shophot Existing use: Office	1,540 sq. ft.	1 April 2022 – 31 March 2024	12
LTH Services Sdn Bhd	Hexatech Engineering	No.47-1, Jalan Borealis 3, Pusat Commercial Borealis, 14110 Bandar Cassia, Batu Kawan, Penang	Description: 2-storey shophot Existing use: Office	1,300 sq. ft.	15 September 2022 – 14 September 2024	30
NGT Holdings Sdn Bhd	Hexatech Engineering	No. 42-G, 42-1, 42-2, (Basement), Jalan OP 1/5, Pusat Perdagangan One Puchong, 47160 Puchong, Selangor	Description: 3-storey shophot Existing use: Office	7,192 sq. ft.	1 February 2023 – 31 January 2026	144
Loh Bus Services Sdn Bhd	Hexatech Engineering	2 units of lodging at PMT 1596, Jalan Perusahaan Valdor, Kawasan Perindustrian Valdor, 14200 Sungai Jawi, Penang	Description: Hostel Existing use: Accommodation for foreign workers ⁽¹⁾	1,011 sq. ft.	1 June 2023 – 31 May 2024	108.24

Note:

- (1) We note that this property has been certified vide certificate of accommodation no. AC/10700/2021/42972 pursuant to Section 24(D) of the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 dated 19 November 2021 and that such certificate is issued to Passion Paradise Sdn Bhd as the centralised accommodation provider. A centralised accommodation provider under the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 is a person who provides and manages a centralised accommodation and supervises the services provided therein for one or more employers. Loh Bus Services Sdn Bhd is one of the tenants of Passion Paradise Sdn Bhd who is the landlord and owner of the property. Loh Bus Services Sdn Bhd has procured the consent of Passion Paradise Sdn Bhd as the centralised accommodation provider pursuant to a letter dated 25 May 2023 to enter into tenancy agreement with Hexatech Engineering.

7. BUSINESS OVERVIEW

7.1 OUR INCORPORATION AND HISTORY

7.1.1 History of our Group

Our Company was incorporated in Malaysia under the Act on 2 May 2023 as a private limited company under the name of HE Group Sdn Bhd. On 23 May 2023, it was converted to a public limited company and assumed its present name. Our Company is an investment holding company and was incorporated to facilitate our Listing on Bursa Securities.

We are an electrical engineering service provider focusing on power distribution systems for end-user premises such as industrial plants, and industrial and commercial substations. We are involved in the design, supply, installation, testing and commissioning of HV, MV, LV and ELV power distribution systems, as well as hook-up and retrofitting of electrical equipment which includes the installation of machinery and equipment, and providing upgrades and modifications of electrical equipment.

We also provide other building systems and works including mechanical systems, control and instrumentation systems, as well as civil, structural and architectural works, which we outsourced these works to third parties under our supervision and project management. We are also involved in trading of electrical products.

We principally operate in Malaysia where our head office is in Selangor with offices in Malacca and Penang.

The history of our Group can be traced back to 1995 when our subsidiary, Hexatech Engineering was incorporated and commenced operations to undertake the supply and installation of electrical and electronic control components mainly LV switchboard. Hexatech Engineering was incorporated under the initial name of Hexatech Electric (M) Sdn Bhd in 1995 before assuming its present name in 2000.

Hexatech Engineering was initially incorporated by two shareholders namely, Yong Chong Cheang and Ho Swee Geok, where each of them held a 50.00% equity interest in the company. In 2006, our Managing Director, Haw Chee Seng, and Executive Director, Eng Choon Leong, acquired 60.00% and 40.00% equity interests in Hexatech Engineering, respectively. Subsequently, in 2007, Hexatech Engineering increased its issued share capital by RM0.70 million resulting in HEC becoming the largest shareholder with 60.00% equity interest, followed by Haw Chee Seng (20.00%) and Eng Choon Leong (20.00%). Haw Chee Seng, our Managing Director and Eng Choon Leong, our Executive Director are the main driving force behind the business growth, development and strategic direction of Hexatech Engineering. Please refer to Section 5.1.2 of this Prospectus for the profiles of Haw Chee Seng, our Managing Director, and Eng Choon Leong, our Executive Director, respectively.

As at LPD, HEC holds a 40.00% equity interest in Hexatech Engineering together with Haw Chee Seng and Eng Choon Leong who holds 27.00% and 20.00% equity interests, respectively. The remaining 13.00% of equity interest is currently held by some of the Key Senior Management including our Chief Financial Officer, Lim Soo Cheng (2.00%), our Project and Technical Director, Tang Kok Wai (5.00%), our Finance and Credit Manager, Seng Keng Theng (2.00%), and our Human Resources Manager, Chua Geok Ping (0.50%) as well as the brother of Yong Chong Cheang, Yong Chong Lim (3.50%).

7. BUSINESS OVERVIEW (CONT'D)

7.1.2 Key events and milestones

The table below sets out the key events and milestones in the history and development of our business:

Year	Key Events and Milestones
1995 - 2005	<ul style="list-style-type: none"> Hexatech Engineering was incorporated under the former name of Hexatech Electric (M) Sdn Bhd which commenced operations in 1995 to undertake the supply and installation of electrical and electronic control components, mainly LV switchboard. Between 1995 and 2005, Hexatech Engineering was mainly involved in the supply and installation of power distribution systems including LV switchboards for commercial developments. In 2000, Hexatech Engineering assumed its present name. In 2001, Hexatech Engineering obtained ISO 9001 quality management system certification.
2005 - 2006	<ul style="list-style-type: none"> Our Group's current Managing Director, Haw Chee Seng, and current Executive Director, Eng Choon Leong were appointed as Directors of Hexatech Engineering in 2005 and 2006, respectively.
2007	<ul style="list-style-type: none"> Hexatech Engineering was registered as a Class A electrical contractor with ST for electrical works with no tender limitation on the size or value of the project. We secured our first contract for the industrial sector to supply and install an electrical busway system for a semiconductor plant in Kulim, Kedah. The project was secured through indirect distribution channel where the customer is an engineering company. The project has a total contract value of RM0.15 million and was completed within the same year. We secured a contract for the supply and installation of a power distribution system including an LV switchboard and busway system for a semiconductor manufacturing plant in Kulim, Kedah. The project was secured through indirect distribution channel where the customer is an engineering company. The project has a total contract value of RM9.79 million and was completed in 2008. We secured our first contract for the design, supply, installation, testing and commissioning a power distribution system including 33kV switchgear, LV electrical distribution system, emergency generator system, motor control centre and facility monitoring system for a semiconductor manufacturing plant in Senai, Johor. The project was secured through indirect distribution channel where the customer is a building construction company. The project has a total contract value of RM31.00 million and was completed in 2008.
2008	<ul style="list-style-type: none"> Hexatech Engineering was registered as a CIDB Grade 7 (G7) contractor for M&E engineering works with no tender limitation on the size or value of the project.
2009	<ul style="list-style-type: none"> We secured our first contract through direct distribution channel from a manufacturing plant owner totalling RM68.25 million for the supply, installation, testing and commissioning of an 11kV/415V distribution substation and power distribution system for a solar PV module manufacturing plant in Alor Gajah, Malacca. The project was completed in 2011.

7. BUSINESS OVERVIEW (CONT'D)

Year	Key Events and Milestones
2012	<ul style="list-style-type: none"> We secured our first HV power distribution system project involving the design and supply of major electrical equipment including GIS, main switchboard, substation control system, and DC battery charger for a 132/33/11kV main intake substation in Bandar Utama, Selangor. The project was secured through indirect distribution channel where the customer is an engineering company. The project has a total contract value of RM8.27 million and was completed in 2013. We secured our first contract to install a solar PV system for a 5MWp solar power plant at Kuala Perlis, Perlis. The project was secured through direct distribution channel from the solar PV company. The project has a total contract value of RM0.52 million and was completed within the same year.
2013	<ul style="list-style-type: none"> We invested in a rooftop solar PV system with an installed generating capacity of 172kWp on a factory building located in Alor Gajah, Malacca. We entered into a Renewable Energy Power Purchasing Agreement (REPPA) with Tenaga Nasional Berhad (TNB) and received Feed-in Approval from SEDA for 21 years.
2014	<ul style="list-style-type: none"> We secured a contract for the supply, installation, testing and commissioning of a power distribution system for a confectionery manufacturing plant and its 33kV MV substation in Senai, Johor. The project was secured through indirect distribution channel where the customer is an engineering company. The project has a total contract value of RM40.00 million and was completed in 2016.
2015	<ul style="list-style-type: none"> We secured a contract for the design, supply, installation, testing and commissioning of the power distribution system for a 33kV substation for a commercial development in Bandar Utama, Selangor. The project was secured through direct distribution channel from the commercial development company. The project has a total contract value of RM11.80 million and was completed in 2018.
2018	<ul style="list-style-type: none"> We secured our first project in East Malaysia for the supply and installation of a power distribution system including 33kV GIS and a DC system for an electrodeposited copper foil manufacturing plant in Kuching, Sarawak. The project was secured through direct distribution channel from the manufacturing company. The project has a total contract value of RM5.35 million and was completed within the same year.
2021	<ul style="list-style-type: none"> We secured our first project which involved the construction of a 3-storey 132kV main intake substation for an electronic products manufacturing plant in Batu Kawan, Penang. The scope of the project involves civil, structural and architectural works, as well as supply, installation, testing and commissioning of power distribution, ACMV, and fire protection systems for the substation. The project was secured through direct distribution channel from the manufacturing company. The project has a total contract value of RM55.32 million and was completed in 2022. We secured a project which involved the supply, installation, testing and commissioning of a power distribution system for a medical device manufacturing plant in Batu Kawan, Penang. The project was secured through indirect distribution channel where the customer is an engineering company. The project has a total contract value of RM43.35 million where the EOT application is pending approval from the customer. Please refer to Section 7.4.5.1 for further details on our on-going projects.

7. BUSINESS OVERVIEW (CONT'D)

Year	Key Events and Milestones
2022	<ul style="list-style-type: none"> <li data-bbox="408 271 1407 461">• We secured our largest contract to date totalling approximately RM240 million which involved the design, supply, installation, testing and commissioning of a power distribution system for a semiconductor manufacturing plant in Kulim, Kedah. The project was secured through direct distribution channel from the manufacturing company. This is an ongoing project which is expected to be completed by October 2024. <li data-bbox="408 483 1407 779">• We were appointed by Vertiv (Malaysia) Sdn Bhd (“Vertiv”) to become one of their authorised product reseller and service provider on a non-exclusive basis for Vertiv products in Malaysia for alternate current power system, and power monitoring and management system. Vertiv (Malaysia) Sdn Bhd (<i>formerly known as Emerson Network Power (Malaysia) Sdn Bhd</i>) is a subsidiary of Vertiv Holdings Co, an American provider of power, cooling and IT infrastructure for data centres, communication networks, and commercial and industrial facilities. We use Vertiv products for the provision of power distribution systems as well as for our trading business.

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7. BUSINESS OVERVIEW (CONT'D)

7.1.3 Our awards, recognitions and certifications

The awards, recognitions and certifications that our subsidiary, Hexatech Engineering, has received in the Financial Years and Period Under Review and up to the LPD include the following:

Year	Awards, recognitions and certifications
2022	Award from Vertiv (Malaysia) Sdn Bhd for having the highest growth achievement among all existing partners in the manufacturing sector category for the year 2022.
2022	Award from Vertiv (Malaysia) Sdn Bhd for having the highest sales achievement among all Diamond Partners (more than RM4 million) across all industries for the year 2022.
2023	Certificate of Environment, Health and Safety (EHS) Appreciation from Customer A for the contribution towards the achievement of 5 million safe manhours without lost time injury in July 2023.
	Certificate of Achievement from Exyte Malaysia Sdn Bhd for the achievement of 8 million cumulative injury-free manhours in June 2023.
	Certificate of Achievement from CIDB and SME Corp Malaysia for the achievement of 3-star SCORE rating for the year 2023 which shows that we have good management and technical capabilities, we are compliant to best practices and we have good project management.

As at LPD, we have also been accredited with the following quality management system:

Company within our Group	Accreditation	Scope	Issuing party	Validity period
Hexatech Engineering	ISO 9001:2015 Management System	Provision of supply, installation, maintenance and servicing of mechanical and electrical systems	Bureau Veritas	15 August 2023 to 7 August 2026

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