

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF KTI LANDMARK BERHAD ("KTI LANDMARK" OR THE "COMPANY") DATED 21 MAY 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, M & A Securities Sdn Bhd ("**M&A Securities**"), or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

Jurisdictional Disclaimer

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

Close of Application

Applications will be accepted from 10.00 a.m. on 21 May 2024 and will close at 5.00 p.m. on 4 June 2024.

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

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

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

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

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

KTI LANDMARK BERHAD

(Registration No. 201601008159 (1179087-X)) (Incorporated in Malaysia)

PROSPECTUS

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

(I) PUBLIC ISSUE OF 160,000,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:

- 40,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 40,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP; AND
- 80,000,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY ("MITI");

AND

(II) OFFER FOR SALE OF 45,000,000 EXISTING SHARES IN THE FOLLOWING MANNER:

- 20,000,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY MITI; AND
- 25,000,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

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

Adviser, Sponsor, Underwriter and Placement Agent



M & A SECURITIES SDN BHD

(Registration No. 197301001503 (15017-H))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

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

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 203.

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

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



Keep Transcending Ideas

KTI Landmark Berhad (1179087-X)

Lot 221 & 222, Taman Nelly 9, Phase 4, Shoplot,
Lorong Nelly Plaza, Jalan Nountun, Kolombong,
88844, Kota Kinabalu, Sabah

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

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

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

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

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

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 23 November 2023. Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. The valuation utilised for the purpose of the IPO should not be construed as an endorsement by Bursa Securities, on the value of the subject assets.

The Securities Commission Malaysia ("**SC**") had on 24 November 2023 approved the resultant equity structure of our Company under the Bumiputera equity requirements for public listed companies pursuant to our Listing (as defined herein).

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

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

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

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

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

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

ELECTRONIC PROSPECTUS

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

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

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

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

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

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

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

- (a) The Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions and shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties; and
- (b) While all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

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

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INDICATIVE TIMETABLE

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

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

Events	Indicative date
Issuance of this Prospectus / Opening of Application	21 May 2024
Closing of Application	4 June 2024
Balloting of Application	7 June 2024
Allotment / Transfer of IPO Shares to successful applicants	14 June 2024
Date of Listing	19 June 2024

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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

All references to "KTI Landmark" and "Company" in this Prospectus are to KTI Landmark Berhad (formerly known as KTI Property Berhad) (Registration No: 201601008159 (1179087-X)). Unless otherwise stated, references to "Group" are to our Company and our subsidiaries taken as a whole; and references to "we", "us", "our" and "ourselves" are to our Company, and, save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to "Management" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

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

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

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

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

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

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

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FORWARD-LOOKING STATEMENTS

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

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

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

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

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

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

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

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

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

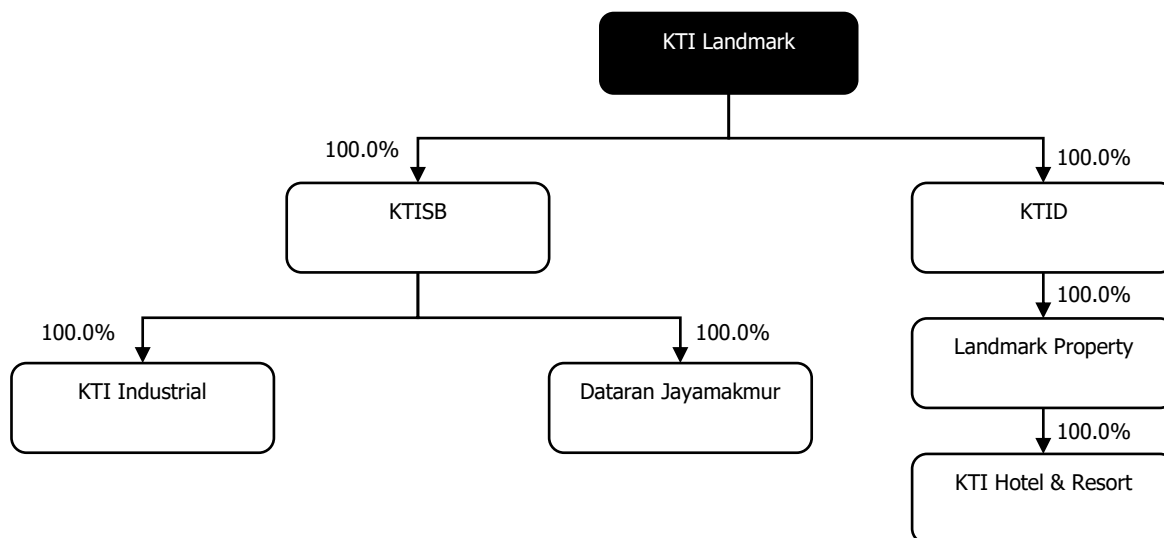
DEFINITIONS

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

COMPANIES WITHIN OUR GROUP:

"Dataran Jayamakmur"	: Dataran Jayamakmur Sdn Bhd (Registration No. 200201007977 (575640-T))
"KTID"	: K.T.I Development Sdn Bhd (Registration No. 199401000292 (285970-K))
"KTI Hotel & Resort"	: KTI Hotel & Resort Sdn Bhd (Registration No. 201601023531 (1194470-V))
"KTI Industrial"	: K.T.I. Industrial Sdn Bhd (Registration No. 199301017923 (272661-P))
"KTI Landmark" or the "Company"	: KTI Landmark Berhad (formerly known as KTI Property Berhad) (Registration No. 201601008159 (1179087-X))
"KTI Landmark Group" or "Group"	: KTI Landmark and its subsidiaries, collectively
"KTISB"	: K.T.I. Sdn Bhd (Registration No.198401013371 (125931-U))
"Landmark Property"	: Landmark Property Sdn Bhd (Registration No. 198101012707 (78837-V))

A diagrammatic illustration of our Group structure is as follows:



DEFINITIONS (Cont'd)

GENERAL:

"ACE Market"	:	ACE Market of Bursa Securities
"Acquisitions"	:	Acquisition of KTID and Acquisition of KTISB, collectively
"Acquisition of KTID"	:	Acquisition by our Company of the entire equity interest of KTID from Chin Mee Leen and Loke Theen Fatt for a purchase consideration of RM55,719,770 which was wholly satisfied by the issuance of 331,467,997 new Shares at an issue price of RM0.1681 per share, and completed on 2 April 2024
"Acquisition of KTISB"	:	Acquisition by our Company of the entire equity interest of KTISB from Chin Mee Leen and Loke Theen Fatt for a purchase consideration of RM51,864,229 which was wholly satisfied by the issuance of 308,532,000 new Shares at an issue price of RM0.1681 per share, and completed on 2 April 2024
"Act"	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
"ADA"	:	Authorised Depository Agent
"Adviser" or "Sponsor" or "Underwriter" or "Placement Agent"	:	M & A Securities
"AGM"	:	Annual general meeting
"Alamesra Lands"	:	4 individual parcels of lands measuring approximately 20.4 acres, located at Alamesra, Off Sulaman Coastal Highway, Kota Kinabalu, Sabah held under title particulars CL015719874, CL015719909, CL015719892, and CL015719918
"Application(s)"	:	Application(s) for IPO Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s)
"Application Form(s)"	:	Printed application form(s) for the application of our IPO Shares accompanying this Prospectus
"BNM"	:	Bank Negara Malaysia
"Board"	:	Board of Directors of KTI Landmark
"Bursa Depository" or "Depository"	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
"CAGR"	:	Compound annual growth rate
"CCC"	:	Certificate of Completion and Compliance
"CDS"	:	Central Depository System

DEFINITIONS (Cont'd)

"CDS Account"	: Account established by Bursa Depository for a depositor for the recording and dealing in securities by the depositor
"Central Depositories Act"	: Securities Industry (Central Depositories) Act 1991
"CIDB"	: A body corporate by the name of "Construction Industry Development Board Malaysia" established pursuant to Section 3 of the CIDB Act
"CIDB Act"	: Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994, as amended from time to time and any re-enactment thereof
"CMSA"	: Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
"Constitution"	: Our constitution
"COVID-19"	: Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
"Depository Rules" or "Rules of Bursa Depository"	: Rules of Bursa Depository and any appendices thereto, as amended from time to time
"Director(s)"	: An executive director or a non-executive director of our Company within the meaning of Section 2 of the Act
"EBIT"	: Earnings before interest and tax
"EBITDA"	: Earnings before interest, tax, depreciation and amortisation
"Electronic Prospectus"	: Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium
"Electronic Share Application(s)"	: Application(s) for IPO Shares through a Participating Financial Institution's ATM
"Eligible Person(s)"	: Collectively, the Director(s), employee(s) and person(s) who have contributed to the success of our Group who are eligible to participate in the Pink Form Allocations
"EPS"	: Earnings per share
"FYE"	: Financial year(s) ended/ending 31 December, as the case may be
"Government"	: Government of Malaysia
"GDV"	: Gross development value
"GDC"	: Gross development cost
"GP"	: Gross profit
"HDA 1981"	: Housing and Town Development Authority Enactment 1981, as amended from time to time and any re-enactment thereof

DEFINITIONS (Cont'd)

"HDE 1978"	: Housing Development (Control and Licensing) Enactment 1978, as amended from time to time and any re-enactment thereof
"IBS-IMPACT"	: IBS Manufacturer & Product Assessment & Certification
"IFRS"	: International Financial Reporting Standards
"IMR" or "Smith Zander"	: Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V)), our Independent Market Researcher
"IMR Report"	: Independent Market Research Report titled "Residential Property and Shop Market, Hotel Industry and Construction Industry in Sabah"
"Independent Valuer"	: Azmi & Co (Sabah) Sdn Bhd (Registration No. 200601012100 (731850-A)), our Independent Valuer
"Initial Public Offering" or "IPO"	: Our initial public offering comprising the Public Issue and Offer for Sale
"Internet Participating Financial Institution(s)"	: Participating financial institution(s) for Internet Share Application(s) as listed in Section 17.6
"Internet Share Application(s)"	: Application(s) for IPO Shares through an online share application service provided by Internet Participating Financial Institution(s)
"IPO Price"	: Issue / Offer price of RM0.30 per Share under our Public Issue and Offer for Sale
"IPO Share(s)"	: Issue Share(s) and Offer Share(s), collectively
"ISO"	: International Organisation for Standardisation
"Issue Share(s)"	: New Share(s) to be issued under the Public Issue
"Issuing House"	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
"Listing"	: Listing of and quotation for our entire enlarged share capital of RM155,584,002 comprising 800,000,000 Shares on the ACE Market
"Listing Requirements"	: ACE Market Listing Requirements of Bursa Securities, as amended from time to time
"Listing Scheme"	: Comprising the Public Issue, Offer for Sale and Listing, collectively
"LPD"	: 22 April 2024, being the latest practicable date for ascertaining certain information contained in this Prospectus
"LPPB"	: Lembaga Pembangunan Perumahan Dan Bandar (Housing and Town Development Board)
"M & A Securities"	: M & A Securities Sdn Bhd (Registration No. 197301001503 (15017-H))

DEFINITIONS (Cont'd)

"Malaysian Public"	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia, but excluding the Directors of KTI Landmark Group, substantial shareholders of KTI Landmark and persons connected or associated with them (as defined by the Listing Requirements)
"Market Day"	: Any day between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for the trading of securities. This may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
"MCCG"	: Malaysian Code on Corporate Governance, as amended from time to time
"MCO"	: The nationwide Movement Control Order implemented by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
"MFRS"	: Malaysian Financial Reporting Standards
"MHG"	: Minor Hotel Group Limited (Registration No. 0105531001613)
"MIDA"	: Malaysian Investment Development Authority
"MITI"	: Ministry of Investment, Trade and Industry
"NA"	: Net assets
"NBV"	: Net book value
"Offer for Sale"	: Offer for sale of 45,000,000 Offer Shares by our Selling Shareholders at our IPO Price
"Offer Share(s)"	: 45,000,000 existing Share(s) to be offered by our Selling Shareholders pursuant to the Offer for Sale
"Participating Financial Institution(s)"	: Participating financial institution(s) for Electronic Share Application(s) as listed in Section 17.5
"PAT"	: Profit after tax
"PBT"	: Profit before tax
"PE Multiple"	: Price-to-earnings multiple
"Permission to Transfer"	: The relevant land registry's written permission to transfer and charge the parcel of land with title particulars CL015719874 (which is being acquired by our Group from Millennium Amber Sdn Bhd, a non-related party) to our Group and our financier, respectively
"Pink Form Allocations"	: Allocation of 40,000,000 Issue Shares to Eligible Person(s), which forms part of our Public Issue

DEFINITIONS (Cont'd)

"PPAM"	: Perumahan Pejawat Awam Malaysia (formerly known as Perumahan Pejawat Awam 1 Malaysia (PPA1M))
"Promoter(s)"	: Chin Mee Leen, Loke Theen Fatt, Stella Loke Pei Wen, Wilson Loke Choon Syn and Loke Pei Lee, collectively
"Prospectus"	: This prospectus dated 21 May 2024 in relation to our IPO
"Public Issue"	: Public issue of 160,000,000 Issue Shares at our IPO Price
"ROC"	: Registrar of Companies
"SC"	: Securities Commission Malaysia
"Selling Shareholder(s)"	: Chin Mee Leen and Loke Theen Fatt, collectively
"Share(s)" or "KTI Share(s)"	: Ordinary share(s) in KTI Landmark
"SICDA"	: Securities Industry (Central Depositories) Act 1991, as amended from time to time and any re-enactment thereof
"SOP"	: Standard operating procedures
"Specified Shareholder(s)"	: Chin Mee Leen, Loke Theen Fatt, Stella Loke Pei Wen, Wilson Loke Choon Syn and Loke Pei Lee, collectively
"Underwriting Agreement"	: Underwriting agreement dated 16 April 2024 entered into between our Company and our Underwriter for the purpose of our IPO
"USA"	: United States of America

CURRENCY AND UNITS:

"RM" or "sen"	: Ringgit Malaysia and sen respectively
"m ³ "	: Cubic meter
"sq ft"	: Square feet

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TECHNICAL GLOSSARY

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

"APDL"	:	Advertising Permit and Developer License, an approval granted by the local housing ministry that allows developers to advertise and sell the particular property development applied under the APDL
"aggregate"	:	A category of construction material made out of a combination of, amongst others, sand, gravel, crushed stone and/or recycled concrete
"alfresco kiosk"	:	An outdoor kiosk for retail activities
"batching plant"	:	A facility to produce ready mix concrete
"beams"	:	Long horizontal concrete, manufactured or shaped for use as parts of structures
"CCTV"	:	Closed-circuit television, a system comprising surveillance cameras installed in specific places and a monitoring program (comprising various hardware and software) used for the purpose of security monitoring
"crusher run"	:	Crusher run is a blended mix of coarse aggregate and fine aggregate
"development order"	:	A permission granted by the local authorities to develop a proposed project
"defect liability period"	:	A period of time after a development project has been completed where the developer is obliged to return to the site to remedy defects, if any
"IBS"	:	Industrialised building system, a construction method that utilises techniques, products, components and/or building systems which involve prefabricated components and onsite installation
"LAD"	:	Liquidated and ascertained damages, damages due to a customer calculated at a rate as stated in the contract agreement when a developer fails to deliver the completed work within a period stipulated in the said contract agreement
"landbank"	:	Lands owned for future sale or development
"M&E"	:	Mechanical and electrical, a branch of engineering works involving the mechanical and electrical systems in buildings such as heat, ventilation and air-conditioning systems, fire protection systems, building control systems, escalators and lifts, plumbing works and electrical wiring works
"OC/CFO"	:	Occupation Certificate / Certificate of Fitness for Occupation, a certificate issued by local authority to certify that the building has been built in compliance with the building by-laws and is in a condition suitable for occupation

TECHNICAL GLOSSARY (Cont'd)

- "precast concrete" : A construction product produced by casting concrete in a mould offsite before sending to the construction site for installation
- "QLASSIC" : Quality Assessment System in Construction, a system or method to measure and evaluate the workmanship quality of a building construction work based on Construction Industry Standard (CIS7:2006). QLASSIC enables the quality of workmanship between construction projects to be objectively compared through a scoring system
- "slabs" : A large flat piece of concrete, manufactured or shaped for use as parts of structures
- "substation" : A subsidiary power station of a power generation, transmission and distribution system to distribute power to houses, shops and buildings
- "vacant possession" : The delivery of housekeys to home buyers

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Designation	Residential address	Nationality / Profession	Gender
Dato' Haji Hamzah Bin Haji Ghazalli	Independent Non-Executive Chairman	317, Lorong Rajawali 1 Taman Paroi Jaya 70400 Seremban Negeri Sembilan	Malaysian / Director	Male
Loke Theen Fatt	Managing Director (Non-Independent) / Chief Executive Officer	1, Lorong Bestari 2 Taman Bestari, Luyang 88300 Kota Kinabalu Sabah	Malaysian / Director	Male
Stella Loke Pei Wen	Executive Director (Non-Independent)	1, Lorong Bestari 2 Taman Bestari, Luyang 88300 Kota Kinabalu Sabah	Malaysian / Director	Female
Wilson Loke Choon Syn	Executive Director (Non-Independent)	1, Lorong Bestari 2 Taman Bestari, Luyang 88300 Kota Kinabalu Sabah	Malaysian / Director	Male
Datuk Tan Kok Liang	Independent Non-Executive Director	4, Lorong 2 Jalan Damai Taman Alpha 88300 Kota Kinabalu Sabah	Malaysian / Chartered Accountant	Male
Lim Guik Moi	Independent Non-Executive Director	11 Lorong Selungsung A Taman Sempelang Sembulan 88100 Kota Kinabalu Sabah	Malaysian / Chartered Accountant	Female
Chua Chai Hua	Independent Non-Executive Director	Unit 23A-3 Bay 21 Condominium Jalan Teluk Likas 88400 Kota Kinabalu Sabah	Malaysian / Director	Male

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Lim Guik Moi	Chairperson	Independent Non-Executive Director
Datuk Tan Kok Liang	Member	Independent Non-Executive Director
Chua Chai Hua	Member	Independent Non-Executive Director

NOMINATING AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Datuk Tan Kok Liang	Chairperson	Independent Non-Executive Director
Lim Guik Moi	Member	Independent Non-Executive Director
Chua Chai Hua	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARIES** : Wong Peir Chyun (MAICSA 7018710)
SSM Practising Certificate No.: 202008001742
(Chartered Secretary and Associate of the Malaysian Institute of Chartered Secretaries and Administrators)
- Lau Yen Hoon (MAICSA 7061368)
SSM Practising Certificate No.: 202008002143
(Chartered Secretary and Associate of the Malaysian Institute of Chartered Secretaries and Administrators)
- Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
- Telephone: 03-2783 9191
- REGISTERED OFFICE** : Lot 221 & 222, Taman Nelly 9
Phase 4 Shoplot, Lorong Nelly Plaza
Jalan Nountun, Kolombong
88844 Kota Kinabalu
Sabah
- Telephone: 088-431 366
- HEAD OFFICE** : Lot 220 (Ground Floor), 221 (Ground Floor and 1st Floor)
and 222 (Ground Floor to 3rd Floor), Taman Nelly 9
Phase 4 Shoplot, Lorong Nelly Plaza
Jalan Nountun, Kolombong
88844 Kota Kinabalu
Sabah
- Telephone: 088-431 366
- EMAIL ADDRESS AND WEBSITE** : Website: www.ktilandmark.com.my
Email address: info@ktproperty.com.my
- AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING** : **Moore Stephens Associates PLT**
(LLP0000963-LCA & AF002096)
- Unit 3.3A, 3rd Floor, Surian Tower
No 1, Jalan PJU 7/3, Mutiara Damansara
47810 Petaling Jaya
Selangor
- Telephone: 03-7724 1033
- Partner-in-charge: Tan Kei Hui (Chartered Accountant)
Approved number: 03429/04/2025 J
(Chartered Accountant, Member of Malaysian Institute of Accountants and Fellow of Association of Chartered Certified Accountants)

1. CORPORATE DIRECTORY (Cont'd)

- ADVISER, SPONSOR,
UNDERWRITER AND
PLACEMENT AGENT** : **M & A Securities Sdn Bhd**
(Registration No. 197301001503 (15017-H))

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

Telephone: 03-2284 2911
- SOLICITORS FOR OUR
LISTING** : **Rosli Dahlan Saravana Partnership**

Level 16, Menara 1 Dutamas
1, Jalan Dutamas 1
Solaris Dutamas
50480 Kuala Lumpur

Telephone: 03-6209 5400
- SOLICITORS FOR OUR
LISTING IN RESPECT OF
SABAH LAW** : **Jayasuriya Kah & Co**

Suite 208, 2nd Floor
Wisma Sabah
88000 Kota Kinabalu
Sabah

Telephone: 088-242 311
- SHARE REGISTRAR AND
ISSUING HOUSE** : **Tricor Investor & Issuing House Services Sdn Bhd**
(Registration No. 197101000970 (11324-H))

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone: 03-2783 9299
- INDEPENDENT MARKET
RESEARCHER** : **Smith Zander International Sdn Bhd**
(Registration No. 201301028298 (1058128-V))

15-01, Level 15
Menara MBMR
1, Jalan Syed Putra
58000 Kuala Lumpur

Person-in-charge: Dennis Tan Tze Wen
*(Bachelor of Science (major in Computer Science and minor
in Business Administration) from Memorial University of
Newfoundland, Canada)*

Telephone: 03-2732 7537

1. CORPORATE DIRECTORY (Cont'd)

INDEPENDENT VALUER : **Azmi & Co (Sabah) Sdn Bhd**
(Registration No. 200601012100 (731850-A))

Unit No. P1/D/19/3A, 4th Floor, Block D
KK Times Square, Signature Office
Off Coastal Highway
88100 Kota Kinabalu
Sabah

Telephone: 088-262 291

Valuer-in-charge: Sr. Wong Chaw Kok, MRICS, MRISM, ACIA
Registration number: V-0354
(Chartered Surveyor and Registered Valuer, Board of
Valuers, Appraisers, Estate Agents and Property Managers)

LISTING SOUGHT : ACE Market

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2. PROSPECTUS SUMMARY

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

2.1 PRINCIPAL DETAILS OF IPO

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

	Public Issue		Offer for Sale		Total	
	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %
Malaysian Public	40,000,000	5.0	-	-	40,000,000	5.0
Pink Form Allocations	40,000,000	5.0	-	-	40,000,000	5.0
Private placement:						
• Bumiputera investors approved by MITI	80,000,000	10.0	20,000,000	2.5	100,000,000	12.5
• Selected investors	-	-	25,000,000	3.1	25,000,000	3.1
	160,000,000	20.0	45,000,000	5.6	205,000,000	25.6

Enlarged no. of Shares upon Listing	800,000,000
IPO Price per Share	RM0.30
Market capitalisation (calculated based on our IPO Price and enlarged number of Shares upon Listing)	RM240,000,000

Note:

⁽¹⁾ Based on our enlarged share capital of 800,000,000 Shares after our IPO.

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

In compliance with Rule 3.19(1) of the Listing Requirements, our Specified Shareholders, namely Chin Mee Leen's and Loke Theen Fatt's entire shareholdings after our IPO will be held under moratorium for 6 months from the date of our admission to the Official List. Thereafter, their shareholdings amounting to 45.0% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight-line basis) of their shares held under moratorium upon expiry of the second 6 months period.

In relation thereto, our Specified Shareholders have provided undertaking not to sell, transfer or assign their shareholdings under moratorium during the abovesaid moratorium period from the date of our admission to the Official List.

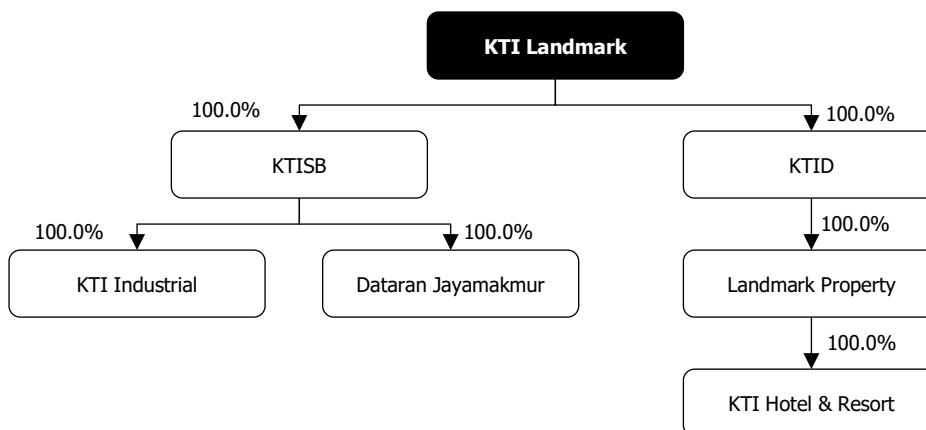
Further details on the moratorium on our Shares are set out in Section 3.2.

2.2 GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS

Our Company was incorporated in Malaysia under the Companies Act 1965 on 10 March 2016 as a public limited company under the name of KTI Property Berhad and is deemed registered under the Act. Subsequently on 14 July 2022, our Company changed its name to KTI Landmark Berhad.

2. PROSPECTUS SUMMARY (Cont'd)

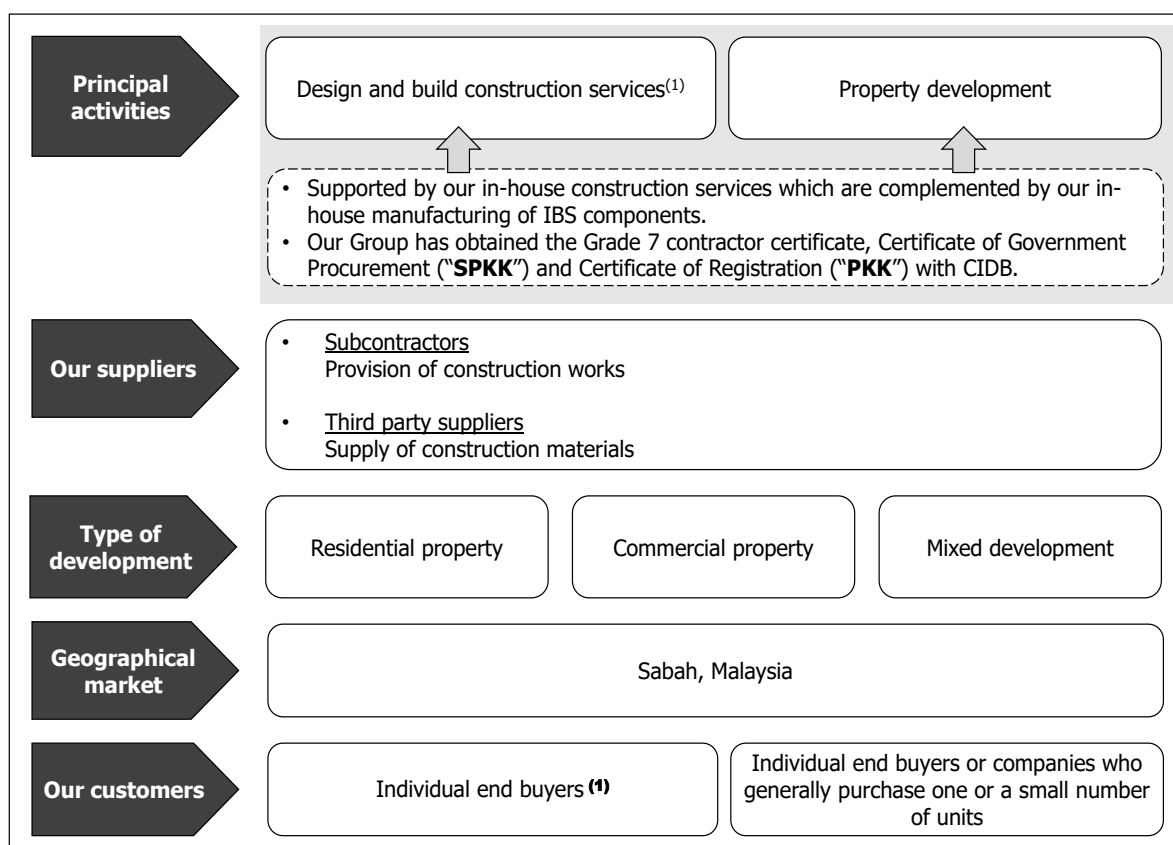
Our Company was incorporated to facilitate our Listing and our principal activities is that of an investment holding company. Our Group's structure as at LPD is as follows:



Through our subsidiaries, we are a property developer, principally involved in the provision of design and build construction services and property development. Our Group is involved in all aspects of property development activities comprising site selection, project design, submission of building plans to relevant authorities, sales and marketing of our projects and delivery of vacant possession to end buyers as well as in construction activities. Please refer to Section 7.3 for further details of our principal business activities.

Our design and build construction services and property development activities are supported by our in-house construction services, which is complemented by our in-house manufacturing of IBS components. We utilise the IBS construction technique for most of our design and build construction projects and property development projects. Further details on the manufacturing of IBS components are set out in Section 7.4.

We have 40 years of operating history in the property market and construction industry in Malaysia. Our Group's business model is depicted in the diagram below:



2. PROSPECTUS SUMMARY (Cont'd)**Note:**

- (1) While the property projects are sold to individual end buyers, our design and build construction services are a collaboration with LPPB to develop residential and commercial property projects for the general public and civil servants housing projects (i.e. PPAM). Further details on the arrangement with LPPB are as set out in Section 7.3.1.1.

For FYE 2020 to 2023, our Group's revenue was derived from our business activities in Sabah, Malaysia. The table below sets out our Group's revenue segmentation by type of development projects for FYE 2020 to 2023:

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%

(a) Provision of design and build construction services to LPPB**On-going developments**

Taman Seri Lemawang Phase 1A	8,328	9.2	(1)(110)	(0.1)	768	0.7	-	-
Taman Seri Lemawang Phase 1B ⁽²⁾	13,671	15.2	2,068	2.1	320	0.3	-	-
Taman Seri Lemawang Phase 1C	16,087	17.8	6,870	6.9	2,149	1.9	-	-
Taman Seri Lemawang Phase 1D	7,383	8.2	17,297	17.6	5,046	4.5	2,595	2.1
Taman Seri Lemawang Phase 1E	-	-	-	-	3,543	3.1	25,311	21.1
Taman Seri Lemawang Phase 1F	149	0.2	9,689	9.8	6,619	5.9	264	0.2
Taman Seri Lemawang Phase 1G	38	*	13,495	13.7	11,856	10.5	6,934	5.8
Taman Seri Lemawang Phase 1H	-	-	73	0.1	21,343	18.9	11,323	9.4
Taman Seri Lemawang Phase 1I	-	-	-	-	6,011	5.3	5,198	4.3
Plaza Seri Lemawang	-	-	3,650	3.7	5,710	5.1	-	-
Plaza Lemawang 2	-	-	-	-	-	-	96	0.1
Residensi Seri Akasia (Block A and B)	-	-	8,538	8.7	13,605	12.1	6,483	5.4
Residensi Seri Akasia (Block C and D)	-	-	-	-	860	0.8	15,835	13.2
Taman Bukit Alamanda	-	-	-	-	15,490	13.7	18,127	15.1
Puncak Gloxinia Phase 2 – Block D ⁽²⁾	13,299	14.8	-	-	-	-	-	-
Puncak Gloxinia Phase 2 – Block E ⁽²⁾	8,088	9.0	-	-	-	-	-	-
Puncak Gloxinia Phase 2 – Block F ⁽²⁾	12,823	14.2	-	-	-	-	-	-
Total on-going developments	79,866	88.6	61,570	62.5	93,320	82.7	92,166	76.7

Completed properties

Taman Nelly 8D	714	0.8	119	0.1	110	0.1	110	0.1
Taman Kota Phase 2A	188	0.2	-	-	-	-	-	-
Taman La Gloxinia Phase 1	480	0.5	-	-	-	-	-	-
Taman Seri Lemawang Phase 1B ⁽³⁾	-	-	-	-	255	0.2	-	-
Puncak Gloxinia Phase 1 – Block A	996	1.1	337	0.3	-	-	-	-
Puncak Gloxinia Phase 1 – Block B	1,011	1.1	(1)(24)	*	*	*	-	-
Puncak Gloxinia Phase 1 – Block C	296	0.3	-	-	-	-	-	-
Puncak Gloxinia Phase 2 – Block D ⁽³⁾	3,672	4.1	17,472	17.7	577	0.5	-	-
Puncak Gloxinia Phase 2 – Block E ⁽³⁾	1,419	1.6	12,789	13.0	1,211	1.1	-	-
Puncak Gloxinia Phase 2 – Block F ⁽³⁾	1,551	1.7	6,255	6.4	-	-	-	-
Plaza Seri Lemawang	-	-	-	-	-	-	1,806	1.5
Total completed properties	10,327	11.4	36,948	37.5	2,153	1.9	1,916	1.6

Land held for property development

Taman Lavender Land	-	-	-	-	-	-	6,714	5.6
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(b) Own property development**On-going developments**

Parkhill	-	-	-	-	13,026	11.5	10,095	8.4
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2. PROSPECTUS SUMMARY (Cont'd)

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Shorea ^a Astoria	-	-	-	-	4,381	3.9	9,276	7.7
Total on-going developments	-	-	-	-	17,407	15.4	19,371	16.1
Grand total	90,193	100.0	98,518	100.0	112,880	100.0	120,167	100.0

Notes:

- * Less than 0.1%
- (1) Being rebates granted to customers in relation to units sold, which were recognised based on credit notes that form part of the payments made by customers.
- (2) Revenue recognised for the units of the projects which were sold before the project was completed.
- (3) Revenue recognised for the units of the projects which were sold after the project was completed.

Our Group's revenue was mainly derived from our on-going developments, which accounted for 88.6%, 62.5%, 98.1% and 92.8% of our Group's total revenue for FYE 2020 to 2023 respectively.

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

2.3 INTERRUPTION TO BUSINESS AND OPERATIONS

Save for the interruption to our business and operations arising from the COVID-19 pandemic as disclosed below, we did not experience any other interruptions to our operations which had a significant effect on our business in the past 12 months up until LPD.

2.3.1 Impact of COVID-19 on the operations at our headquarters, sales galleries and IBS casting yard

Pursuant to the outbreak of the COVID-19 pandemic in 2020, the Government had implemented different forms of MCO from 18 March 2020 to 31 March 2022 to contain the spread of virus. During this period, our Group was required to comply with the changes in SOP (e.g. reduced workforce capacity) outlined by MITI throughout the period. The reduction in workforce capacity, as per MITI's SOP during these periods, did not result in material adverse impact to our business operations at our headquarters, sales galleries and IBS casting yard. Since December 2021, we have been operating at full workforce capacity after 80.0% of our employees obtained 2 doses of vaccination, as outlined by MITI.

In addition, there were no major disruptions in the procurement of supplies, or disruptions/delays in logistics which resulted in major shortages of supplies to carry out the operations at our IBS casting yard since March 2020. Despite the temporary disruption to our casting yard activities, there were no delays in the delivery of IBS components to our project sites and no delays on the delivery of our projects. Further, our Group's ability to complete our projects on time despite the disruptions to operations during the pandemic had demonstrated that the adoption of IBS construction technique is able to shorten construction times.

Beginning 1 April 2022, Malaysia entered into the "Transition to Endemic" phase. Among the relaxed rules and SOP include the abolishment of restrictions on business operating hours (i.e. business owners are allowed to set the hours of operation according to the terms of their business licence) and the abolishment of limits on the number of personnel allowed in workplace. The operations at our headquarters, sales galleries and IBS casting yards were not impacted by the enforcement of the "Transition to Endemic" phase beginning 1 April 2022.

2. PROSPECTUS SUMMARY (Cont'd)

2.3.2 Impact of COVID-19 on our construction activities and the delivery of our projects

The temporary disruptions to the construction activities at our project sites as well as the reduction in workforce capacity, as per MITI's SOP during these periods, did not result in material adverse impact to our Group's operations at our construction sites as well as on the delivery of our projects. As such, our Group did not encounter any delays in the delivery of vacant possessions to buyers which have had buyers initiating LAD claims against our Group.

In addition, there were no major disruptions in the procurement of supplies, or disruptions / delays in logistics which resulted in major shortages of supplies to carry out construction activities, as well as disruptions to our subcontracted services since March 2020.

Since December 2021, we have been operating at full workforce capacity after 80.0% of our employees and foreign workers obtained 2 doses of vaccination, as outlined by MITI.

There was no material impact to the construction activities at our project sites, receipt of supplies and subcontracted services upon the enforcement of the "Transition to Endemic" phase beginning 1 April 2022.

2.4 COMPETITIVE STRENGTHS

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

- (a) We have a well-established history and track record of 40 years since the commencement of our business operations in 1984. Our property development capabilities allow us to have better control on all aspects of the development of our design and build construction projects and property development projects;
- (b) We have extensive experience in the provision of design and build construction services as we have been collaborating with LPPB since 2010 whereby we provided design and build construction services to LPPB. In the provision of design and build construction services to LPPB, our Group is involved in all aspects of property development activities comprising site assessment and market feasibility study, project design, submission of building plans to relevant authorities, securing financing, construction, sales and marketing of the projects, delivery of vacant possession to end buyers and property management. With this, our ability to gain LPPB's confidence over the years since 2010 demonstrates our Group's capability and extensive experience in the provision of design and build construction services;
- (c) We manufacture IBS components and adopt IBS construction technique in our construction activities to optimise our project efficiencies and manage our construction cost; and
- (d) We have an experienced key management team headed by Loke Theen Fatt, our Managing Director / Chief Executive Officer and our Executive Directors, Stella Loke Pei Wen and Wilson Loke Choon Syn who respectively have approximately 46 years, 13 years and 12 years of relevant experience in the property development and construction industries. We are supported by other members of key management team with experience ranging from 12 to 40 years in their respective areas of responsibilities.

Further details of our competitive strengths are set out in Section 7.7.

2. PROSPECTUS SUMMARY (Cont'd)

2.5 BUSINESS STRATEGIES

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

- (a) We intend to expand our Group's property development business in Sabah through the acquisition of landbank for future projects that meets the demand of the property market in Sabah, primarily for residential properties. Our Group had on 9 January 2023 entered into a conditional sale and purchase agreement with Millennium Amber Sdn Bhd (non-related party) for the acquisition of Alamesra Lands, which is earmarked for our Ayuria Place project in Alamesra, Kota Kinabalu. Our Group had on 15 November 2023 completed the acquisition of Alamesra Lands. Further, we have also identified a parcel of land, measuring approximately 82.0 acres in Tuaran, for which we have commenced negotiations with the landowner to acquire the land;
- (b) We intend to further strengthen our market presence as an established property developer in Sabah by leveraging on the positive market acceptance of our projects, our long standing and extensive knowledge and experience on the economic prospects in Sabah, and our understanding of the residential, commercial and mixed development property market in Sabah;
- (c) We intend to expand the production capability of our casting activities with the addition of a new IBS production line to produce hollow core slabs to supplement our existing range of IBS components manufactured. In this regard, we intend to set up the new IBS production line (including a batching and mixing plant to support the operations of our IBS production line) in our Kinarut casting yard. The new IBS production line can also be used to manufacture our existing range of IBS components to cater to our projects, as and when required; and
- (d) We intend to upgrade our software and systems to support and enhance our business operations, which allows our Group to manage the production planning and inventory management of our IBS activities, enhance the operational efficiencies of our financial and accounting functions, and improve the administration of our human resource and staff payroll functions.

Further details of our business strategies are set out in Section 7.17.

2.6 RISK FACTORS

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

- (a) We are dependent on LPPB to sustain our pipeline of projects. A majority of the projects which contributed to our Group's revenue during FYE 2020 to 2023 were design and build construction services contracts awarded by LPPB. In the event that LPPB ceases to award design and build construction projects to our Group, our financial performance may be adversely affected;
- (b) We are subject to risks of possible delays in completing our design and build construction projects and property development projects. The timely completion of our design and build construction projects and property development projects is dependent on many external factors inherent in construction and property development, some of which may be beyond our control;
- (c) We are subject to potential liability claims for construction defects during the defect liability period. Unexpected levels of expenditure attributable to rectifying defects arising from a project may have a material adverse effect on the profitability generated from the particular project, which in turn may adversely affect our business and financial performance;

2. PROSPECTUS SUMMARY (Cont'd)

- (d) We are subject to risks associated with joint ventures as LPPB or our future joint venture partners may, in the future, have economic or business interests or goals that are not aligned with our Group; experience financial or other difficulties; be unable or unwilling to fulfil their contractual obligations such as not complying with requests in making payments during future capital calls; or take actions contrary to our instructions, requests, policies or objectives, amongst others;
- (e) Our business is capital intensive and is dependent on our ability to secure adequate financing. If we are unable to secure adequate credit facilities at competitive rates for the abovementioned requirements, our cash flows, operations, growth and expansion plans may be adversely affected;
- (f) The success of our Group is dependent on the experience, industry knowledge and domain expertise of our Executive Directors and key senior management;
- (g) Our construction works are dependent on the services of our subcontractors for timely completion and quality of our projects; and
- (h) We are subject to fluctuations in the prices and shortages of construction materials. Any increase in the cost of construction will increase our cost of sales and reduce our profit margin. In addition, shortages in construction materials may delay the timing of completion of our design and build construction projects or property development projects. This will ultimately affect our Group's business, cash flow and financial performance.

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Dato' Haji Hamzah Bin Haji Ghazalli	Independent Non-Executive Chairman
Loke Theen Fatt	Managing Director / Chief Executive Officer
Stella Loke Pei Wen	Executive Director
Wilson Loke Choon Syn	Executive Director
Datuk Tan Kok Liang	Independent Non-Executive Director
Lim Guik Moi	Independent Non-Executive Director
Chua Chai Hua	Independent Non-Executive Director
Key senior management	
Abdullah Azlan Bin Khalid	Chief Operating Officer
Chaw Ken Vun	Chief Financial Officer
Loke Pei Lee	Director of Management

Further details of our Directors and key senior management are set out in Section 5.

2. PROSPECTUS SUMMARY (Cont'd)

2.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

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

Name	Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders									
Chin Mee Leen	Malaysian	522,369,500	81.6	⁽⁴⁾ 117,630,500	18.4	485,640,500	60.7	⁽⁴⁾ 109,359,500	13.7
Loke Theen Fatt	Malaysian	⁽³⁾ 117,630,500	18.4	⁽⁴⁾ 522,369,500	81.6	109,359,500	13.7	⁽⁴⁾ 485,640,500	60.7
Promoters									
Stella Loke Pei Wen	Malaysian	-	-	-	-	-	-	-	-
Wilson Loke Choon Syn	Malaysian	-	-	-	-	-	-	-	-
Loke Pei Lee	Malaysian	-	-	-	-	-	-	-	-

Notes:

- (1) Based on our share capital of 640,000,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 800,000,000 Shares after our IPO.
- (3) Including 1 Share which was transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.
- (4) Deemed interested by virtue of his/her spouse's shareholdings in our Company.

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

2.9 UTILISATION OF PROCEEDS

The gross proceeds to be raised by our Company from the Public Issue of RM48.0 million shall be utilised in the following manner:

Utilisation of proceeds	RM'000	%	⁽¹⁾ Estimated timeframe for utilisation
Acquisition of land for development	18,000	37.5	Within 12 months
Upgrading existing / expansion of our casting yard / IBS facility for our building division	2,150	4.5	Within 24 months
Upgrading software and systems	350	0.7	Within 6 months
Working capital for project development	20,700	43.1	Within 12 months
Repayment of bank borrowings	3,000	6.3	Within 6 months
Estimated listing expenses	3,800	7.9	Within 1 month
Total	48,000	100.0	

Note:

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

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

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

2. PROSPECTUS SUMMARY (Cont'd)**2.10 FINANCIAL HIGHLIGHTS****2.10.1 Combined statements of comprehensive income**

The following table sets out the financial highlights based on our combined statements of comprehensive income for FYE 2020 to 2023:

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	90,193	98,518	112,880	120,167
GP	28,224	29,121	30,807	35,587
Other income	2,328	4,187	2,919	1,773
PAT	12,595	15,620	10,482	13,822
GP margin (%) ⁽¹⁾	31.3	29.6	27.3	29.6
PBT margin (%) ⁽²⁾	17.2	19.7	12.4	14.4
PAT margin (%) ⁽²⁾	14.0	15.9	9.3	11.5
EPS (sen) ⁽³⁾	1.6	2.0	1.3	1.7

Notes:

- (1) Calculated based on GP over revenue.
- (2) Calculated based on PBT or PAT over revenue.
- (3) Calculated based on PAT divided by our enlarged share capital of 800,000,000 Shares after our IPO.

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

2.10.2 Pro forma combined statements of financial position

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

	As at 31	After	I	II	III
	December	subsequent	After	After I and	After II and
	2023	(¹)event	Acquisitions	Public	utilisation of
	RM'000	RM'000	RM'000	Issue	proceeds
	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS					
Total non-current assets	70,177	70,177	70,177	70,177	70,527
Total current assets	306,350	291,350	291,350	339,350	314,200
TOTAL ASSETS	376,527	361,527	361,527	409,527	384,727
EQUITY AND LIABILITIES					
Share capital	-	-	107,584	155,584	155,123
Invested capital	2,000	2,000	-	-	-
Retained earnings	134,607	119,607	119,607	119,607	116,268
Merger reserve	-	-	(105,584)	(105,584)	(105,584)
TOTAL EQUITY	136,607	121,607	121,607	169,607	165,807

2. PROSPECTUS SUMMARY (Cont'd)

	As at 31 December 2023	After subsequent (¹)event	I After Acquisitions	II After I and Public Issue	III After II and utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	RM'000
Total non-current liabilities	29,649	29,649	29,649	29,649	29,649
Total current liabilities	210,271	210,271	210,271	210,271	189,271
TOTAL LIABILITIES	239,920	239,920	239,920	239,920	218,920
TOTAL EQUITY AND LIABILITIES	376,527	361,527	361,527	409,527	384,727
No. of Shares in issue ('000)	2,000	2,000	640,000	800,000	800,000
NA (RM'000)	136,607	121,607	121,607	169,607	165,807
NA per Share (RM)	68.3	60.8	0.2	0.2	0.2
Borrowings (RM'000)	173,178	173,178	173,178	173,178	152,178
Gearing (times)	1.3	1.4	1.4	1.0	0.9

Note:

- (1) KTID declared and paid an interim dividend of RM15.0 million on 31 January 2024 and 1 February 2024, respectively.

2.11 DIVIDEND POLICY

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

Dividends declared and paid by our subsidiaries for FYE 2020 to 2023 and up to LPD are as follows:

	FYE 2020	FYE 2021	FYE 2022	FYE 2023	1 January 2024 up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Dividend declared and paid	-	-	-	(1)15,000	(2)15,000

Notes:

- (1) An interim dividend of RM15.0 million was declared on 31 March 2023 and paid on 3 April 2023.
- (2) An interim dividend of RM15.0 million was declared on 31 January 2024 and paid on 1 February 2024.

The dividends declared and paid in FYE 2023 and up to LPD were funded via internally generated cash. The dividends will not affect the execution and implementation of our Group's future plans or business strategies. Together with the IPO proceeds, our Group believes that we have sufficient funding of cash from operations for the funding requirement for our operations and expansion plans. We do not intend to declare and pay any dividends from LPD up to the point of our Listing.

Further details of our dividend policy are set out in Section 12.17.

3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities approval

Bursa Securities had, vide its letter dated 23 November 2023, approved our admission to the Official List of the ACE Market, the listing of and quotation for our entire enlarged issued share capital on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(a)	Submit the following information with respect of the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares.	Complied
(b)	Confirmation that approvals from other relevant authorities have been obtained for implementation of the Listing;	Complied
(c)	The Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon;	Complied
(d)	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of the Listing Requirements;	To be complied
(e)	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 KTI Landmark on the first day of Listing;	To be complied
(f)	In relation to the Public Issue to be undertaken by KTI Landmark, to announce at least 2 market days prior to the Listing date, the result of the offering including the following: (i) Level of subscription of public balloting and placement; (ii) Basis of allotment / allocation; (iii) A table showing the distribution for placement tranche; and (iv) Disclosure of placees who become substantial shareholders of KTI Landmark arising from the Public Issue, if any.	To be complied
(g)	KTI Landmark / M & A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of KTI Landmark to the Official List of the ACE Market.	To be complied

3. APPROVALS AND CONDITIONS (Cont'd)

Further to the above, Bursa Securities had, vide its letter dated 27 March 2024 resolved to grant us an extension of time until 22 June 2024 to complete the implementation of our Listing.

3.1.2 SC approval

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

The SC had, vide its letter dated 24 November 2023, approved our resultant equity structure pursuant to our Listing under the Bumiputera equity requirement for public listed companies.

The approval from the SC is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(a)	KTI Landmark to allocate 12.5% of its enlarged number of issued shares at the point of Listing to Bumiputera investors to be approved by the MITI; and	To be complied
(b)	KTI Landmark to make available at least 50% of the shares offered to the Malaysian public investors via balloting to Bumiputera public investors at the point of Listing.	To be complied

The effect of our Listing on our equity structure is as follows:

Category of shareholders	As at 31 May 2023		After Listing	
	No. of Shares	%	No. of Shares	%
Bumiputera				
• Bumiputera investors to be approved by MITI	-	-	⁽¹⁾ 100,000,000	12.5
• Bumiputera public investors via balloting	-	-	⁽¹⁾ 20,000,000	2.5
• Others	-	-	⁽²⁾ 2,250,000	0.3
Total Bumiputera	-	-	122,250,000	15.3
Non-Bumiputera	3	100.0	677,750,000	84.7
Malaysians	3	100.0	800,000,000	100.0
Foreigners	-	-	-	-
Total	3	100.0	800,000,000	100.0

Notes:

- (1) Based on the assumption that the Shares offered to the Bumiputera investors to be approved by MITI and to Bumiputera public investors via balloting shall be fully subscribed.
- (2) Based on the assumption that the Shares offered to our Bumiputera investors not recognised or approved by MITI, shall be fully subscribed.

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

3.1.3 MITI approval

The MITI had, vide its letter dated 10 August 2023, taken note and has no objection to our Listing.

3.2 MORATORIUM ON OUR SHARES

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

- (a) The moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the ACE Market ("**First 6-Month Moratorium**");
- (b) Upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.0% of the total number of issued ordinary shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and
- (c) On the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight line basis) of those Shares held under moratorium.

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

Specified Shareholders	Year 1		Year 2		Year 3			
	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium		Moratorium shares		Moratorium shares	
	⁽¹⁾ No. of Shares	⁽²⁾ %	⁽¹⁾ No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %
Chin Mee Leen	485,640,500	60.7	293,832,908	36.7	195,888,605	24.5	97,944,303	12.2
Loke Theen Fatt	109,359,500	13.7	66,167,092	8.3	44,111,395	5.5	22,055,697	2.8
Total	595,000,000	74.4	360,000,000	45.0	240,000,000	30.0	120,000,000	15.0

3. APPROVALS AND CONDITIONS (Cont'd)

Notes:

- (1) After Offer for Sale.
- (2) Based on our enlarged share capital of 800,000,000 Shares after our IPO.

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

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

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4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 21 May 2024 and will remain open until 5.00 p.m. on 4 June 2024. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

Events	Indicative date
Issuance of this Prospectus / Opening of Application	21 May 2024
Closing of Application	4 June 2024
Balloting of Application	7 June 2024
Allotment / Transfer of IPO Shares to successful applicants	14 June 2024
Date of Listing	19 June 2024

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

4.3 DETAILS OF OUR IPO

4.3.1 Listing scheme

(a) Public Issue

A total of 160,000,000 Issue Shares, representing 20.0% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

40,000,000 Issue Shares, representing 5.0% of our enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

- (aa) 20,000,000 Issue Shares made available to public investors; and
- (bb) 20,000,000 Issue Shares made available to Bumiputera public investors.

(ii) Eligible Persons

40,000,000 Issue Shares, representing 5.0% of our enlarged share capital, are reserved for our Eligible Persons under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.3.3.

(iii) Private placement to Bumiputera investors approved by MITI

80,000,000 Issue Shares, representing 10.0% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

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

4. DETAILS OF OUR IPO (Cont'd)

Upon completion of our Public Issue, our share capital will increase from RM107,584,002 comprising 640,000,000 Shares to RM155,584,002 comprising 800,000,000 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

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

(b) Offer for Sale

Our Selling Shareholders will undertake an offer for sale of 45,000,000 Offer Shares, representing 5.6% of our enlarged share capital at our IPO Price. The Offer Shares shall be undertaken by way of private placement in the following manner:

- (i) 20,000,000 Offer Shares made available for selected Bumiputera investors approved by MITI; and
- (ii) 25,000,000 Offer Shares made available for selected investors.

Further details of our Selling Shareholders are set out in Section 4.3.2.

Our Offer for Sale is subject to the terms and conditions of this Prospectus.

(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM155,584,002 comprising 800,000,000 Shares shall be listed on the ACE Market.

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4. DETAILS OF OUR IPO (Cont'd)

4.3.2 Selling Shareholders

Details of our Selling Shareholders are as follows:

Name / Residential address	Relationship with our Group	⁽¹⁾ Before IPO / As at LPD		Offer Shares offered			After IPO	
		No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %	⁽³⁾ %	No. of Shares	⁽³⁾ %
Chin Mee Leen / 1, Lorong Bestari 2 Taman Bestari, Luyang 88300 Kota Kinabalu Sabah	Promoter and substantial shareholder	522,369,500	81.6	36,729,000	5.7	4.6	485,640,500	60.7
Loke Theen Fatt / 1, Lorong Bestari 2 Taman Bestari, Luyang 88300 Kota Kinabalu Sabah	Promoter, substantial shareholder and Managing Director / Chief Executive Officer	⁽⁴⁾ 117,630,500	18.4	8,271,000	1.3	1.0	109,359,500	13.7

Notes:

- (1) After completion of the Acquisitions but prior to our Public Issue.
- (2) Based on our share capital of 640,000,000 Shares before our IPO.
- (3) Based on our enlarged share capital of 800,000,000 Shares after our IPO.
- (4) Including 1 Share which was transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.

Further details of our Selling Shareholders, who are also our Promoters, substantial shareholders and/or Managing Director / Chief Executive Officer can be found in Section 5.1.

4. DETAILS OF OUR IPO (Cont'd)

4.3.3 Pink Form Allocations

We have allocated 40,000,000 Issue Shares under the Pink Form Allocations to Eligible Persons as follows:

Category	No. of Eligible Persons	Aggregate no. of Issue Shares allocated
Eligible Directors	3	2,050,000
Eligible employees	67	1,600,000
Persons who have contributed to the success of our Group	49	36,350,000
	119	40,000,000

Pink Form Allocations which are not accepted by certain Eligible Persons will be re-allocated to the other eligible Directors as set out in the table below and other eligible employees and persons who have contributed to the success of our Group at the discretion of our Board.

(a) Allocation to eligible Directors

The criteria for allocation to our eligible Directors are based on amongst others their anticipated contribution to our Group.

Loke Theen Fatt (our Managing Director / Chief Executive Officer), Stella Loke Pei Wen and Wilson Loke Choon Syn (both are our Executive Directors) have opted not to participate in the Pink Form Allocations as Loke Theen Fatt is already undertaking the Offer for Sale and both Stella Loke Pei Wen and Wilson Loke Choon Syn are his daughter and son, respectively. In addition, Lim Guik Moi (our Independent Non-Executive Director) has opted not to participate in the Pink Form Allocations.

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

Name	Designation	No. of Issue Shares allocated
Dato' Haji Hamzah Bin Haji Ghazalli	Independent Non-Executive Chairman	1,250,000
Datuk Tan Kok Liang	Independent Non-Executive Director	450,000
Chua Chai Hua	Independent Non-Executive Director	350,000
		2,050,000

(b) Allocation to our eligible employees

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

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

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

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

<u>Name</u>	<u>Designation</u>	<u>No. of Issue Shares allocated</u>
Abdullah Azlan Bin Khalid	Chief Operating Officer	1,000,000

Chaw Ken Vun (our Chief Financial Officer) has opted not to participate in the Pink Form Allocations. Loke Pei Lee (our Director of Management) has also opted out of the Pink Form Allocations as she is the child of our Promoters and substantial shareholders namely, Loke Theen Fatt and Chin Mee Leen, who are undertaking the Offer for Sale.

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

Persons who have contributed to the success of our Group include business associates, contractors and suppliers, whom are not related parties to our Group.

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

4.3.4 Placement and underwriting arrangement

Our Underwriter will underwrite 80,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 80,000,000 Issue Shares and 45,000,000 Offer Shares available for application by Bumiputera investors approved by MITI and selected investors will not be underwritten and will be placed out by our Placement Agent.

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

- (a) If any Issue Shares allocated to the Malaysian Public are undersubscribed, the balance portion will be allocated for excess application by our Eligible Persons. Likewise, any Issue Shares which are not taken up by our Eligible Persons, will be allocated to the Malaysian Public.
- (b) After (a) above, the remaining portion will be made available for application by way of private placement to selected investors to be identified.
- (c) Thereafter, any remaining Issue Shares that are not subscribed for will be subscribed by our Underwriter based on the terms and conditions of the Underwriting Agreement.

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

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

4. DETAILS OF OUR IPO (Cont'd)

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

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

4.3.5 Minimum and over-subscription

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

In the event of an over-subscription, acceptance of Applications by the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Directors.

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

As at LPD, save as disclosed in Section 4.3.3, to the extent known to our Company:

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

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS

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

	No. of Shares	RM
Share capital		
As at the date of this Prospectus	640,000,000	107,584,002
To be issued under our Public Issue	160,000,000	48,000,000
Enlarged share capital upon our Listing	800,000,000	155,584,002

4. DETAILS OF OUR IPO (Cont'd)

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

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

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

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

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

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. On poll, every shareholder present in person or by proxy or other duly authorised representative shall have one vote for each ordinary share held.

4.5 PURPOSES OF OUR IPO

The purposes of our IPO are as follows:

- (a) To enable our Group to raise funds for the purposes specified in Section 4.9 herein;
- (b) To gain recognition through our listing status to enhance our reputation in terms of marketing our development projects and retention of our employees;
- (c) To provide an opportunity for the Malaysian Public, including our Eligible Persons to participate in our equity; and
- (d) To enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise.

4.6 BASIS OF ARRIVING AT OUR IPO PRICE

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

- (a) Our pro forma NA per Share of RM0.2, calculated based on our pro forma NA after IPO and utilisation of proceeds as at 31 December 2023 of approximately RM165.8 million and enlarged share capital of 800,000,000 Shares upon Listing;
- (b) The PE Multiple of our IPO Price of approximately 17.4 times based on our EPS of approximately 1.7 sen for FYE 2023, calculated based on our PAT for FYE 2023 of RM13.8 million and enlarged share capital of 800,000,000 Shares upon Listing;

4. DETAILS OF OUR IPO (Cont'd)

(c) Our historical financial track record as follows:

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	90,193	98,518	112,880	120,167
GP	28,224	29,121	30,807	35,587
Other income	2,328	4,187	2,919	1,773
PAT	12,595	15,620	10,482	13,822

(d) Our competitive strengths as set out in Section 7.7; and

(e) Our business strategies and future plans as set out in Section 7.17.

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

4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and enlarged share capital of 800,000,000 Shares, our total market capitalisation upon Listing will be RM240,000,000.

4.8 DILUTION

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

IPO Price	<u>0.30</u>
Pro forma NA per Share as at 31 December 2023 after Acquisitions and before IPO	0.19
Pro forma NA per Share as at 31 December 2023 after Acquisitions, IPO and utilisation of proceeds	0.21
Increase in pro forma NA per Share attributable to existing shareholders	0.02
(Decrease) in pro forma NA per Share to our new public investors	(0.09)
(Decrease) in pro forma NA per Share as a percentage of our IPO Price	(30.0%)

Further details of our pro forma NA per Share as at 31 December 2023 is set out in Section 14.

4. DETAILS OF OUR IPO (Cont'd)

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

Name	⁽¹⁾ No. of Shares received	Total consideration	Average effective cost per Share
		RM	RM
Chin Mee Leen	522,369,500	87,810,313	0.1681
Loke Theen Fatt	117,630,500	19,773,689	0.1681
	640,000,000	107,584,002	

Note:

⁽¹⁾ Comprises Shares issued under the Acquisitions, 1 Share each held by Chin Mee Leen and Loke Theen Fatt and 1 Share transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.

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

4.9 UTILISATION OF PROCEEDS

4.9.1 Public Issue

The estimated gross proceeds from our Public Issue of RM48.0 million will accrue entirely to us and are planned to be utilised in the following manner:

Utilisation of proceeds	Notes	RM'000	%	⁽¹⁾ Estimated timeframe for utilisation
Acquisition of land for development	(a)	18,000	37.5	Within 12 months
Upgrading existing / expansion of our casting yard / IBS facility for our building division	(b)	2,150	4.5	Within 24 months
Upgrade software and systems	(c)	350	0.7	Within 6 months
Working capital for project development	(d)	20,700	43.1	Within 12 months
Repayment of bank borrowings	(e)	3,000	6.3	Within 12 months
Estimated listing expenses	(f)	3,800	7.9	Within 1 month
Total		48,000	100.0	

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

Note:

⁽¹⁾ From the date of our Listing.

(a) Acquisition of land for development

We have allocated RM18.0 million for acquisition of landbank in Sabah within the vicinity of our existing landbank for our development in Alamesra, Kota Kinabalu.

4. DETAILS OF OUR IPO (Cont'd)

We have on 9 January 2023, entered into a conditional sale and purchase agreement with Millennium Amber Sdn Bhd (non-related party) for the acquisition of Alamesra Lands, which is earmarked for our Ayuria Place project in Alamesra, Kota Kinabalu as set out in Section 7.3.2.3, for a cash consideration of RM74.0 million. The details of the lands are as follows:

No.	Description of properties	Land size (acres)	Purchase price (RM'000)	Allocation (RM'000)
1.	Alamesra Lands	20.4	73,999	18,000
				18,000

In relation to the acquisition of landbank above, we engaged an independent valuer to conduct a valuation of the land, which yielded an indicative market value of RM86.9 million. We intend to develop high rise residential properties considering the well-developed infrastructure and amenities within the surrounding area as well as good accessibility within Kota Kinabalu.

We had subsequently proposed amendments to the initial development order for this project, which was approved by the Sabah Town and Regional Planning Department during the meeting held on 27 February 2023. Our Group had received the approval for the revised Development Order and Building Plan on 13 September 2023 and 9 November 2023 respectively, from Dewan Bandaraya Kota Kinabalu. The initial development approval obtained in 2019 was for the development of 5 blocks of 16-storey condominium with a total of 1,600 units designed for college residence. However, following our Group's market survey conducted internally prior to the acquisition of such land, our Group had identified the needs to amend the development plan according to the latest market needs based on the location of the land. Our Group had on 15 November 2023 completed the acquisition of Alamesra Lands. Further details of our plan to expand our business through the acquisition of landbank for our projects in Kota Kinabalu are set out in Section 7.17.1.

We intend to allocate RM18.0 million from the proceeds to repay the revolving credit of RM20.0 million that was secured from Hong Leong Islamic Bank Berhad by way of a letter of offer dated 7 August 2023 to fund the acquisition of the said lands in Alamesra, Kota Kinabalu. The balance purchase price of RM54.0 million was funded via term loan which our Group has secured a letter of offer from Hong Leong Islamic Bank Berhad for such purpose.

(b) Upgrading existing / expansion of our casting yard / IBS facility for our building division

Our Group has been adopting the precast concrete system IBS construction technique which comprises the off-site manufacturing of IBS components at our casting yards, after which the ready IBS components will then be transported to our project sites for assembly and installation. As at LPD, our Group manufactures beams (i.e. parapet beam), floor slabs (i.e. staircases, landing slabs, and steps and half slabs) and exterior and interior wall panels (i.e. panel walls and parapet walls) using our existing IBS production lines.

Our Group has 2 casting yards located in Tuaran (2 lines) and Kinarut (3 lines), Sabah, respectively to manufacture the IBS components in which the existing 5 IBS production lines in Tuaran and Kinarut are able to manufacture all existing range of IBS components. As our Group's IBS components are manufactured for our own projects, the production and inventory are planned according to individual project needs which are dependent on factors such as type and volume required, daily manufacturing capacity, construction progress, delivery schedule and inventory space available. Our Group may store up to 3 months of inventory depending on construction requirements.

4. DETAILS OF OUR IPO (Cont'd)

Our casting yard in Tuaran has a land area of approximately 102,000 sq ft while our casting yard in Kinarut has a land area of approximately 653,000 sq ft. Ready mix concrete that are used in the manufacturing of our IBS components are produced in our batching plant that is assembled within our Tuaran and Kinarut casting yards, respectively. We have been operating from our casting yard in Tuaran which is located adjacent to our existing projects, to cater to the particular project needs and are also transported to our Group's other project sites for assembly and installation. The manufacturing of IBS components at our casting yard in Tuaran is supported by 2 IBS production lines. Our casting yard in Kinarut, Sabah is temporarily not in operations as at LPD as the supply of IBS components to its allocated project sites has been completed. Please refer to Section 7.4.2 for further details on the manufacturing capacity of our IBS casting yards.

Our Group intends to recommence the operations of our casting yard in Kinarut, Sabah in June 2024 to cater for our external general building construction project which our Group secured from Jawala Corporation Sdn Bhd (the main contractor), as an IBS specialist sub-contractor for the construction of 'Pembinaan RKAT Tambahan Pelbagai Kelas di Kem Lok Kawi, Sabah' in February 2024, as well as to begin producing hollow core slabs, which will expand our Group's production capability as it supplements our existing range of IBS components.

In this regard, we have allocated RM2.15 million from the proceeds raised from our Public Issue to purchase the new IBS production line (including a batching and mixing plant to support the operations of our IBS production line) which we plan to install at our Kinarut casting yard. We presently use conventional construction methods to construct parking podiums. Hence, by introducing the production of hollow core slab using IBS, we will be able to expedite the process and duration for the construction of parking podiums as well as reduce the dependency on on-site labour. Together with the IBS components that we currently produce, the production of hollow core slabs will collectively contribute to shorter overall construction time for our projects, thus underpinning our Group's future plan to invest in a new IBS production line to produce hollow core slabs to supplement our existing range of IBS components manufactured. The difference between our existing IBS production lines and the new IBS production line to be acquired is that the new IBS production line will have an additional prestressing machine. Prestressing is a process where tension is applied to the high tensile strength and low relaxation steel wire throughout the concrete drying process to reinforce the concrete, thus allowing the hollow core slabs to overcome the concrete's natural weakness in tension and facilitating longer spans between bearing points. As the hollow core slabs that our Group intends to manufacture require prestressing, we are required to invest in a new IBS production line in order to produce the hollow core slabs. Our Group had not outsourced the production of hollow core slabs prior to this as the planning and design of our completed and on-going projects does not involve the use of hollow core slabs. The installation and implementation of the new IBS production line is estimated to take approximately 6 to 9 months.

Further, despite the temporary disruption to our casting yard activities during the period of the COVID-19 pandemic, there were no delays in the delivery of IBS components to our project sites and no delays on the delivery of our projects. Our Group's ability to complete our projects on time despite the disruptions to operations during the pandemic had demonstrated that the adoption of IBS construction technique is able to shorten construction times, thus underpinning our Group's rationale to invest in a new IBS production line to produce hollow core slabs to supplement our existing range of IBS components manufactured. Further details on the benefits of the adoption of hollow core slabs can be found in Section 7.13.3.

4. DETAILS OF OUR IPO (Cont'd)

The new IBS production line is estimated to be able to achieve an annual manufacturing capacity of 16,100 m³ in a year (i.e. derived based on the assumption that 24,180 m³ of IBS components are manufactured in Kinarut in 2019 and an approximate 261,000 sq ft of land area was utilised to cater to the manufactured volume. This gives a calculation of 0.0926 m³ of IBS components manufactured per sq ft. As a start, we intend to utilise an approximate 174,000 sq ft of our casting yard in Kinarut for the new IBS production line. Based on the calculation of 0.0926 m³ of IBS component manufactured per sq ft, we will be able to achieve an estimated annual manufacturing capacity of 16,100 m³).

The breakdown of the estimated purchase cost for each type of machinery and equipment for the new IBS production line (including a new batching and mixing plant), all of which will be acquired from local suppliers, are as follows:

No.	Type of machinery and equipment	Description	Unit	RM'000
1.	Batching and mixing plant	To batch and mix concrete	1	2,100
2.	Shuttle	To transport concrete from batching and mixing plant to distributor that feeds the casting machine	1	7,560
3.	Distributor	To serve as an intermediate concrete storage between shuttle and casting machine	1	
4.	Preparer	To maintain, clean and apply oil on the casting beds and to pull the prestressing strands on the bed	1	
5.	Prestressing	To conduct pre-tensioning before casting of concrete by placing high tensile steel tendons in a desired profile in which the concrete is to be cast	1	
6.	Extruder	To produce hollow core slabs	1	
7.	Saw	To cut the IBS components	1	
8.	Lifting beam	To lift the cut slabs from the beds using an overhead crane with two hoists	1	
9.	Driller	To drill water holes on both ends of the slabs to allow water drainage from the voids during installation on site	1	
10.	Wagon	To transport wagons for transporting precast products to the storage area, pulled by steel wire	1	
11.	Storage clamp	Lifts and stack slabs, either one by one or in bundles, by storage crane with two hoists	1	
Total				9,660

The remaining RM7.5 million will be funded via our internally generated funds/bank borrowings.

4. DETAILS OF OUR IPO (Cont'd)

We intend to utilise approximately 174,000 sq ft of our Kinarut casting yard to house the new IBS production line as well as the manufactured IBS components. As our casting yard in Kinarut has a total land area of approximately 653,000 sq ft, there will be sufficient space in our Kinarut casting yard to house the new IBS production line.

We have allocated 24 months from our Listing to implement this plan although the exact timing of such purchase will depend on the final quotation from the suppliers, which is estimated to be issued within 3 to 7 working days upon request.

(c) Upgrade software and systems

As at LPD, the software and systems that are currently used by our Group are as follows:

No.	Type of software and systems	Description	Unit
1.	Marketing and property management software	A software that supports our sales and marketing activities whereby it comprises functions such as sales tracking, sales reporting, progress billing and the tracking of sales collections of the respective projects developed by our Group. The software also provides linkage to our panels of solicitors and financial institutions' platform to improve the flow and tracking of sales and payment status. In addition, the software also includes function for our Group to carry out the operations of our property management activities.	1
2.	Project planning software	A software used for project planning and scheduling to ensure that all development projects are progressing in accordance with our Group's targeted schedule for the delivery of vacant possessions, as well as to monitor construction progress to avoid any delays.	1
3.	Modelling software	A software used to develop 2-dimensional model visualisation of building designs and structures to provide a 2-dimensional perspective of the building plan. The software is also used to view third party consultants drawing on the measurement of the building design, for discussion and enhancement purposes.	1
4.	Virtual sales gallery	A virtual tour software platform that enables users to navigate through the 3D spaces of our show units and experience a holistic overview of the 3D spaces with dollhouse view feature. The platform functions by converting 360-degree panoramic images of our show units into a virtual 3D model. This converted form of virtual 3D model allows users to virtually walkthrough our physical show units, thereby reducing travel concerns and geographic restrictions of potential end buyers.	1

4. DETAILS OF OUR IPO (Cont'd)

No.	Type of software and systems	Description	Unit
		This platform is also able to capture a 360-degree aerial view from our project site which allows users to view the surrounding environment of the project site, including accessibility, infrastructure and amenities within the neighbourhood.	

We have allocated RM0.4 million of the proceeds raised from our Public Issue to upgrade our software and systems. We intend to upgrade to an integrated resource planning system to facilitate our business expansion. The integrated resource planning system will enable us to streamline our processes, eliminate redundant processes through automation, centralise our data and improve planning and reporting works. We have taken into consideration our scope of works for our on-going projects as well as our order books and tender books in determining the following software and systems to be purchased.

The details of the software and systems, all of which will be purchased from local supplier(s), are as follows:

No.	Type of software and systems	Description	Unit	RM'000
1.	ELIPLAN P7 precast production management system	Manages the precast production in one casting yard including support for the production management and storage management	1	100
2.	Unified human capital management system	Payroll and human resources system, ranging from capturing employees' information, calculation of salaries and documentation	1	100
3.	Financial accounting system	Digitalises the financial accounting system, including contract claims, purchasing, sales and trading / back charging	1	150
				350

4. DETAILS OF OUR IPO (Cont'd)

(d) Working capital for project development

A total of RM20.7 million of the proceeds raised from our Public Issue will be used to supplement our general working capital requirements for The Logg's project, which include construction costs (building and infrastructure cost), consultants' and professional fees, and local authority fees for our on-going projects. The Logg's project commenced in July 2019 and has an estimated GDC (excluding land cost) of RM686.2 million, as detailed below. The proposed allocations of the proceeds are for the following components of GDC:

No.	Description	Amount RM'000
1.	Construction costs (including materials, infrastructure, and building works)	591,758
2.	Professional fees	31,352
3.	Local authority fees	8,688
4.	Topography survey / Soil investigation report / Subdivision and subsidiary titles	1,855
5.	Marketing expenses	37,635
6.	Management cost	10,027
7.	Other fees ⁽¹⁾	4,888
		686,203

Note:

(1) Other fees include but are not limited to general administrative expenses such as staff-related costs, stamp duty and finance costs. The specific allocation of these fees has not been determined at this point and will depend on the funding needs at the time of utilisation.

The allocation of proceeds for our working capital requirements will reduce our dependency on external financing and allow us to undertake more projects concurrently. As at LPD, we have yet to determine the allocation to the specific GDC components as it will depend on the construction stage of the project at the point of utilisation.

(e) Repayment of bank borrowings

An amount of RM3.0 million is allocated to fully settle the existing term loan financing for the following assets. For illustrative purpose, the details of our borrowings in relation to these assets as at LPD are set out as follows, among which we have indicated which facilities that the RM3.0 million repayment will be made to:

Financial institution / Type of facility	Asset financed / Existing use	Interest rate per annum %	Maturity date	Principal amount RM'000	Balance as at LPD RM'000	Amount to be repaid RM'000	Annual interest savings RM'000
United Overseas Bank (Malaysia) Bhd / Term loan	3-storey shoplot, Lot 68 and 69, Taman Nelly /	6.8	January 2026	1,000	231	231	16

4. DETAILS OF OUR IPO (Cont'd)

Financial institution / Type of facility	Asset financed / Existing use	Interest rate per annum %	Maturity date	Principal amount RM'000	Balance as at LPD RM'000	Amount to be repaid RM'000	Annual interest savings RM'000
	As at LPD, Lot 68, Taman Nelly is vacant and Lot 69, Taman Nelly is rented by Viktori Holdings Sdn Bhd for office use						
Sabah Development Bank Bhd / Term loan ⁽¹⁾	Avani Luyang @ The Logg / Ongoing development	7.3	November 2026	50,000	39,144	2,769	202
Total				51,000	39,375	3,000	218

Note:

- (1) Our Group secured the term loan from Sabah Development Bank Bhd by way of a letter of offer dated 27 July 2020.

If the balance of the abovementioned term loan as at the time of repayment is less than the amount allocated, the excess amount allocated will be used to repay the other term loans.

As at LPD, our outstanding banking facilities amounted to RM217.7 million. However, we expect to drawdown further other term loans and bridging loans to support our working capital requirements as our business continues to grow. Nonetheless, the expected annual interest savings from the repayment of the bank borrowings is approximately RM0.2 million based on the interest rate ranging from 6.8% to 7.3% per annum as tabulated above. However, the actual interest savings may vary depending on the then applicable interest rates. Our Group is not subject to any early settlement fee from the repayment of bank borrowings above.

(f) Estimated listing expenses

An amount of RM3.8 million is allocated to meet the estimated cost of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Description	Estimated cost RM'000
Professional fees ⁽¹⁾	2,560
Underwriting, placement and brokerage fees	581
Fees payable to the authorities	111
Printing, advertising fees and contingencies ⁽²⁾	548
	3,800

4. DETAILS OF OUR IPO (Cont'd)

Notes:

- (1) Include advisory / professional fees for, amongst others, our Adviser, solicitors, reporting accountants, IMR, internal control reviewer, Independent Valuer, Share Registrar and Issuing House.
- (2) Other incidental or related expenses in connection with our IPO.

Any variations from the amounts budgeted above, save for item (d), shall be adjusted towards or against, as the case may be, the proceeds allocated for our general working capital requirements. Where applicable and required under Rule 8.24 of the Listing Requirements, we will seek shareholders' approval for any material variation to the intended utilisation of proceeds. Any further shortfall shall be funded from our internally-generated funds or bank borrowings, at a proportion to be determined at the point of funding.

4.9.2 Offer for Sale

The Offer for Sale is expected to raise gross proceeds of approximately RM13.5 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

Our Selling Shareholders shall bear all of the expenses relating to the Offer Shares, the aggregate of which is estimated to be approximately RM0.3 million.

4.10 BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION

4.10.1 Brokerage fees

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

4.10.2 Placement fees

Our Placement Agent will place out a total of 80,000,000 Issue Shares and 45,000,000 Offer Shares to Bumiputera investors approved by MITI and selected investors.

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

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

4.10.3 Underwriting commission

Our Underwriter has agreed to underwrite 80,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission of 2.5% of our IPO Price multiplied by the number of Shares underwritten.

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

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M & A Securities, to underwrite 80,000,000 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.4.

The salient terms in the Underwriting Agreement are as follows:

4.11.1 Conditions precedent

- (a) The obligations of the Underwriter under the Underwriting Agreement shall be conditional upon the following ("**Conditions Precedent**"):
- (i) the acceptance of the listing proposal from Bursa Securities and the lodgement of registrable prospectus with the Companies Commission of Malaysia respectively together with copies of all documents required under Section 154 of the Act prior to the issuance of this Prospectus to the public;
 - (ii) the issuance of the Prospectus (including all procedures, requirements, letters and documents) required under Section 154 of the Act to the public within 3 months from the date hereof or such extension as consented by the Underwriter;
 - (iii) there having been, as at any time hereafter up to and including the last date for acceptance and receipt of the Application ("**Closing Date**"), no material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise of our Group (which in the reasonable opinion of the Underwriter is or will be material in the context of the issue of the Issue Shares) from that set forth in this Prospectus, nor the occurrence of any event nor the discovery of any fact rendering inaccurate, untrue or incorrect to an extent which is or will be material in any of the representations, warranties and undertakings contained the Underwriting Agreement, if they are repeated on and as of the Closing Date;
 - (iv) the issue, offering and subscription of the Issue Shares in accordance with the provisions hereof and this Prospectus not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
 - (v) all necessary approvals and consents required in relation to the Public Issue including but not limited to governmental approvals having been obtained and are in full force and effect;
 - (vi) the Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;
 - (vii) the delivery to the Underwriter prior to the date of registration of the Prospectus of (i) a copy certified as a true copy by an authorised officer of our Company of all the resolutions of the Directors of our Company and the shareholders in general meeting approving this Underwriting Agreement, this Prospectus, the Public Issue and authorising the execution of this Underwriting Agreement and the issuance of the Prospectus; (ii) a certificate dated the date of the Prospectus signed by duly authorised officers of our Company stating that, after having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in Section 4.11.1(a)(iii) above;

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

- (viii) the delivery to the Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from the Board as the Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of this Underwriting Agreement that will adversely affect the performance or financial position of our Group nor the occurrence of any event rendering, untrue or incorrect, to a material extent any representations and/or warranties contained in the Underwriting Agreement as though they have been given and/or made on such date; and
 - (ix) the Underwriter being satisfied that our Company will, following completion of the Public Issue be admitted to the Official List of Bursa Securities and its issued share capital listed and quoted on the ACE Market without undue delay.
- (b) In the event any of the conditions precedent are not satisfied by the Closing Date, the Underwriter shall be entitled to terminate the Underwriting Agreement by notice given to our Company not later than 3 market days after the Closing Date and upon such termination our Company and the Underwriter shall be released and discharged from their obligations save for our Company's obligations pursuant to the Underwriting Agreement and none of the parties shall have a claim against the other save for antecedent breaches by our Company and claims arising therefrom. Each party shall in such event return all monies paid to the other under the Underwriting Agreement within 72 hours of the receipt of such notice (except for monies paid by our Company for the payment of the expenses as provided in the Underwriting Agreement).

4.11.2 Termination

- (a) Notwithstanding anything contained in the Underwriting Agreement, the Underwriter may by notice in writing to our Company given at any time on or before the allotment and issuance of the Issue Shares, terminate and cancel and withdraw its commitment to underwrite the underwritten Shares if:
- (i) there is any breach by our Company of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from the Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse change on the business or operations of our Group, the success of our IPO, or the distribution or sale of the Shares issued or offered under our IPO; or
 - (ii) there is withholding of information of a material nature from the Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group and the success of our IPO, or the distribution or sale of the Shares issued or offered under our IPO; or
 - (iii) there shall have occurred, happened or come into effect in the opinion of the Underwriter any material and/or adverse change to the business or financial condition of our Group due to or arising from our Company's default, negligence, fraud and/or omission; or

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

- (iv) there shall have occurred, or happened any material and/or adverse change to the business or financial condition of our Company or our Group which in the reasonable opinion of the Underwriter is through no fault of our Company and/or our Group; or
- (v) any commencement of legal proceedings or action against any member of our Group or any of our directors, which in the opinion of the Underwriter, would have or is reasonably likely to have a material adverse effect or make it impracticable to market our IPO or to enforce contacts to allot and/or transfer the Shares; or
- (vi) any material statements contained in this Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect, or matters have arisen or have been discovered which would, if any of this Prospectus were to be issued at that time, constitute a material omission therefrom as of the LPD of this Prospectus; or
- (vii) there shall have occurred, or happened any material adverse effect on the business or financial condition of our Group which is not attributable to our Company and/or our Group; or
- (viii) the closing date of the application of our IPO Shares does not occur within three (3) months from the date of the Underwriting Agreement, subject to the extension of Closing Date which is approved by the Underwriter; or
- (ix) the consents, approvals, authorisations or other orders required by our Company under the laws of Malaysia for or in connection with our IPO have not been obtained; or
- (x) the Listing does not take place by 22 June 2024 or such other extended date as may be agreed in writing by the Underwriter; or
- (xi) there shall have occurred, happened or come into effect any of the following circumstances:
 - (aa) 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
 - (bb) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Company and/or the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war, diseases, epidemics, pandemics, the imposition of lockdowns or similar measures to control the spread of any epidemic or pandemic or accidents); which, (in the reasonable opinion of the Underwriter), would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Group and the success of the IPO, or the distribution or sale of our IPO Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or

4. DETAILS OF OUR IPO (Cont'd)

- (cc) the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (1) on or after the date of the Underwriting Agreement; and
 - (2) prior to the allotment of the Issue Shares,
 - lower than 90.0% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least 3 Market Days;
 - or
- (dd) in the event of national disorder, outbreak of war or the declaration of a state of national emergency; or
- (xii) there is failure on the part of our Company to perform any of their respective obligations herein contained, which in the reasonable opinion of Underwriter would have or can reasonably be expected to result in a material adverse effect on the business or operations of our Group, the success of our IPO, or the distribution or sale of our IPO Shares, and such failure is not rectified by our Company within three (3) Market Days from our Company's receipt of the Underwriter's written notice requesting rectification of such non-performance; or;
- (xiii) any matter which arose immediately before the date of this Prospectus would have constituted a material and adverse omission in the context of our IPO; or
- (xiv) any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on our Company pursuant to the indemnities contained under the Underwriting Agreement.
- (b) Upon such notice(s) being given, the Underwriter shall be released and discharged of its obligations without prejudice to its rights whereby the Underwriting Agreement shall be of no further force or effect and no party shall be under any liability to any other in respect of the Underwriting Agreement, except that our Company shall remain liable in respect of its obligations and liabilities for the payment of the costs and expenses already incurred prior to or in connection with such termination, for the payment of any taxes, duties or levies or such outstanding fees, and for any antecedent breach, and its undertaking to indemnify the Underwriter.

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4. DETAILS OF OUR IPO (Cont'd)

4.12 TRADING AND SETTLEMENT IN SECONDARY MARKET

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

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

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

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

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

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

Name	Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders									
Chin Mee Leen	Malaysian	522,369,500	81.6	⁽⁴⁾ 117,630,500	18.4	485,640,500	60.7	⁽⁴⁾ 109,359,500	13.7
Loke Theen Fatt	Malaysian	⁽³⁾ 117,630,500	18.4	⁽⁴⁾ 522,369,500	81.6	109,359,500	13.7	⁽⁴⁾ 485,640,500	60.7
Promoters									
Stella Loke Pei Wen	Malaysian	-	-	-	-	-	-	-	-
Wilson Loke Choon Syn	Malaysian	-	-	-	-	-	-	-	-
Loke Pei Lee	Malaysian	-	-	-	-	-	-	-	-

Notes:

- (1) Based on our share capital of 640,000,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 800,000,000 Shares after our IPO.
- (3) Including 1 Share which was transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.
- (4) Deemed interested by virtue of his/her spouse's shareholdings in our Company.

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

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

5.1.2 Profiles of Promoters and/or substantial shareholders

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

(a) Chin Mee Leen

Chin Mee Leen, a Malaysian female, aged 66, is our Promoter and substantial shareholder.

She completed her Sijil Pelajaran Malaysia in Sekolah Menengah Datuk Mansor, Negeri Sembilan in 1977. With the working experience that she had accumulated over the years, she pursued further studies on a part-time basis and obtained her Master of Business Administration (not currently accredited by Malaysia Qualification Agency) from The National Australian Institute of Science and Technology, Australia in 2001.

In 1978, she began her career at a property development company in Negeri Sembilan where she was involved in clerical and administrative works. She left the company in 1980 and joined Future City Development (Sabah) Sdn Bhd as Accounts Executive where she was involved in carrying out accounting tasks. She left the company in 1984 and took a brief break.

In 1985, she joined our Group through our subsidiary, namely KTISB as Director where she was responsible for overseeing the overall business operations which included finance, administrative, compliance, human resource and sales and marketing functions of the company. In 1986, she became our shareholder when she acquired 50.0% equity interest in KTISB from Siaw Voon Chiat (non-related party). Over the years, she gradually reduced her involvement and relinquished her duties within our Company to Stella Loke Pei Wen (our Executive Director) on matters pertaining to sales and marketing in 2014, to Loke Pei Lee (Director of Management) on matters pertaining to administrative and human resource in 2014 and to Chaw Ken Vun (our Chief Financial Officer) on matters pertaining to finance in 2016. Since her gradual relinquishing of her executive roles in our Group from 2014 onwards, she has undertaken primarily an advisory role in our operations, by providing strategic advice for overall operational management as well as in staff payroll, board resolutions and letters pertaining to administrative matters.

She is presently a director of our subsidiaries, namely Dataran Jayamakmur, KTISB, Landmark Property, KTID, KTI Industrial and KTI Hotel & Resort. Her directorship in all our subsidiaries is non-executive in nature as she is not involved in the daily operations of our subsidiaries, which she has relinquished to other key senior management over the years. She carries out her fiduciary duties as director in our subsidiaries. As a Promoter and substantial shareholder, her involvement in our Company is only on an advisory level. Additionally, after the completion of our Listing, she will be retiring from our Group, and will relinquish her directorships and involvement in our Group thereon.

She presently holds directorship in a private limited company outside our Group.

(b) Loke Theen Fatt

Loke Theen Fatt, a Malaysian male, aged 65, is our Promoter, substantial shareholder and Managing Director / Chief Executive Officer. He was appointed to our Board on 10 March 2016. He is responsible for the overall day-to-day management and formulation of our Group' business plans and strategies, overseeing project development activities, providing strategic guidance and direction on the operations of our Group.

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

He completed his Sijil Pelajaran Malaysia in Sekolah Menengah Datuk Mansor, Negeri Sembilan in 1976. With the working experience that he had accumulated over the years, he pursued further studies on a part-time basis and obtained a Doctor of Philosophy in Management (not currently accredited by Malaysia Qualification Agency) from The National Australian Institute of Science and Technology, Australia in 2001.

In 1978, he began his career at a property development company in Bahau, Negeri Sembilan where he was involved in supervising site construction works. In 1979, he was transferred to Sabah as Site Manager where he was responsible for carrying out the appointment of contractors and supervising construction progress. In the same year, he was promoted to Office Manager and was subsequently appointed as Executive Director where he was involved in business development activities such as identifying suitable land for acquisition, overseeing project development, and sales and marketing. In 1982, he left the company.

In 1982, he joined Future City Development (Sabah) Sdn Bhd, a company previously involved in property development activities that co-founded by Loke Theen Fatt (25.0% upon incorporation, Lim Chong Lock (25.0% upon incorporation), Lim Soon Chye (25.0% upon incorporation) and Liew Nam Fatt (25.0% upon incorporation) in 1979. He was holding a non-executive role until he was appointed as Manager. During his tenure, he was involved in financial and administrative matters of the company as well as business development such as sourcing of prospective land for development, overseeing project development activities, sales and marketing, as well as overseeing construction activities.

He left Future City Development (Sabah) Sdn Bhd and joined our Group, through KTISB, as Manager in 1984. In the early years, he was primarily involved in business development, and sales and marketing as our Group was involved in the provision of construction services. Over the years, he managed and led the expansion of the business into property development whereby he was involved in the sourcing of prospective land for development in Sabah, managing project development activities and application for approvals from local authorities, coordinating and supervising construction works and managing sales and marketing activities. He also led the collaboration with LPPB since 2010 to provide design and build construction services to develop residential projects in Sabah. In 1990, he was appointed as Chief Executive Officer where he assumed his current responsibilities and subsequently in February 2013, he became our Group's shareholder when he acquired 11.3% equity interest in KTISB from Lok Kau Lin (non-related party).

On 1 August 2022, he was redesignated as Managing Director / Chief Executive Officer.

He presently holds directorships in a number of private limited companies. Kindly refer to Section 5.2.3(b) for his involvement in other business activities outside our Group.

(c) Stella Loke Pei Wen

Stella Loke Pei Wen, a Malaysian female, aged 38, is our Promoter and Executive Director. She was appointed to our Board on 1 August 2022. She is responsible for overseeing sales and marketing for our Group including setting sales targets for the sales team, monitoring sales performance and customer retention, implementing sales and marketing strategies, project branding and keeping abreast with market supply and demand.

She graduated with a Bachelor of Commerce (Accounting) from The University of Adelaide, Australia in 2008.

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

In 2010, she began her career as Junior Auditor at KPMG Kota Kinabalu where she was involved in audit works.

She left KPMG Kota Kinabalu and joined our Group as Accounts Executive in 2011 where she was involved in accounting matters, focusing on tasks pertaining to accounts payable.

In 2013, she was promoted to Assistant Sales Manager where she assisted in sales activities, managing sales team allocations in accordance to project requirements.

In 2014, she was promoted as Director of Sales and Marketing where she assumed her current responsibilities.

Presently, she does not hold directorship in any private and public limited companies outside our Group.

(d) Wilson Loke Choon Syn

Wilson Loke Choon Syn, a Malaysian male, aged 35, is our Promoter and Executive Director. He was appointed to our Board on 1 August 2022. He is responsible for sourcing of prospective land for development, carrying out market feasibility studies, overseeing project concept development and budgeting, project management as well as overseeing the IBS operations of our Group.

He graduated with a Bachelor of Applied Finance from the University of South Australia, Australia in 2011.

In 2012, he joined our Group as Assistant Project Manager where he assisted in overseeing project development activities and coordinating construction works, assisted in managing the IBS operations of our Group and supervising the adoption of IBS construction technique at project sites.

In 2014, he was promoted to Director of Projects where he assumed his current responsibilities. He also initiated the refurbishment and replacement of existing machinery in our casting yards in Kinarut and Tuaran, as well as the set up of a batching plant in both casting yards to enhance operational efficiencies. He is also actively involved in managing our Group's venture into the hotel industry where he is presently managing the development concept and construction of our Group's hotel namely Avani Luyang @ The Logg, leading plannings with the hotel operator that has been engaged to manage the hotel upon commencement of operations, as well as sales and marketing activities related to the hotel.

He is a director in a private limited company outside our Group. Kindly refer to Section 5.2.3(c) for his involvement in other business activities outside our Group.

(e) Loke Pei Lee

Loke Pei Lee, a Malaysian female, aged 40, is our Promoter and Director of Management. She is responsible for overseeing the corporate management aspects of our Group, with a focus on human resources and administration.

She graduated with a Bachelor of Commerce (Marketing) from The University of Adelaide, Australia in 2012.

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

In 2012, she began her career with our Group as Assistant Marketing Manager where she assisted in the sales and marketing activities as well as handling the administrative tasks pertaining to the sub-sale of properties developed by our Group such as managing the compilation and filing of loan documents, dealing with solicitors, end-financiers and end buyers on the sales and purchase agreement, handling of paperwork for the delivery of vacant possession to end buyers, customer relations, ensure timely generation of progress billing to end buyers, monitoring and ensuring progress payments are collected in a timely manner.

In 2014, she was appointed as Director of Management where she assumed her current responsibilities.

She presently holds directorships in a number of private limited companies.

Kindly refer to Section 5.3.4(b) for her involvement in other business activities outside our Group.

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

5.1.3 Changes in Promoters' and substantial shareholders' shareholdings

The changes in our Promoters and substantial shareholders' respective shareholdings for the last 4 financial years up to LPD is as follows:

Name	As at 31 December 2020				As at 31 December 2021				As at 31 December 2022			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders												
Loke Theen Fatt	1	33.3	(1)1	33.3	1	33.3	(1)1	33.3	1	33.3	(1)1	33.3
Chin Mee Leen	1	33.3	(1)1	33.3	1	33.3	(1)1	33.3	1	33.3	(1)1	33.3
Promoters												
Stella Loke Pei Wen	-	-	-	-	-	-	-	-	-	-	-	-
Wilson Loke Choon Syn	-	-	-	-	-	-	-	-	-	-	-	-
Loke Pei Lee	-	-	-	-	-	-	-	-	-	-	-	-

Name	As at 31 December 2023				As at LPD			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders								
Loke Theen Fatt	1	33.3	(1)1	33.3	(2)117,630,500	18.4	(1)522,369,500	81.6
Chin Mee Leen	1	33.3	(1)1	33.3	522,369,500	81.6	(1)117,630,500	18.4
Promoters								
Stella Loke Pei Wen	-	-	-	-	-	-	-	-
Wilson Loke Choon Syn	-	-	-	-	-	-	-	-
Loke Pei Lee	-	-	-	-	-	-	-	-

Notes:

- (1) Deemed interested by virtue of his/her spouse's shareholding in our Company.
- (2) Including 1 Share which was transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.

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

5.1.4 Persons exercising control over the corporation

Save for our Promoters as set out in Section 5.1.1, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. There are no arrangement which may, at a subsequent date, result in a change in control of our Company.

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

Save for the issuance of our Shares as disclosed in Section 6.1, the aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.4 and 5.3.5 and the dividends declared and paid as disclosed in Section 12.17, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

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

5.2 DIRECTORS

Our Board takes note of the recommendations under the MCGG released in April 2021 and intends to have our Group adhere to its recommendations. Specifically, on Practice Note 5.9, where it is recommended that our Board comprise 30.0% female members. As at the date of this Prospectus, our Board comprises 2 females out of 7 members, which represents 28.6% of our Board, and is a departure from Practice Note 5.9. We undertake to secure the appointment of an additional female Director within a year after Listing to meet the recommendation of 30.0% female Board members. Save for Practice Note 5.9, the composition of our Board presently adheres to the other recommendations of the MCGG.

5.2.1 Directors' shareholdings

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

Name	Designation / Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Haji Hamzah Bin Haji Ghazalli	Independent Non-Executive Chairman / Malaysian	-	-	-	-	⁽³⁾ 1,250,000	0.15	-	-
Loke Theen Fatt	Managing Director / Chief Executive Officer / Malaysian	⁽⁴⁾ 117,630,500	18.4	⁽³⁾ 522,369,500	81.6	109,359,500	13.7	⁽⁵⁾ 485,640,500	60.7
Stella Loke Pei Wen	Executive Director / Malaysian	-	-	-	-	-	-	-	-
Wilson Loke Choon Syn	Executive Director / Malaysian	-	-	-	-	-	-	-	-

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

Name	Designation / Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Datuk Tan Kok Liang	Independent Non-Executive Director / Malaysian	-	-	-	-	⁽³⁾ 450,000	<0.1	-	-
Lim Guik Moi	Independent Non-Executive Director / Malaysian	-	-	-	-	-	-	-	-
Chua Chai Hua	Independent Non-Executive Director / Malaysian	-	-	-	-	⁽³⁾ 350,000	<0.1	-	-

Notes:

- (1) Based on our share capital of 640,000,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 800,000,000 Shares after our IPO.
- (3) Assuming that our Directors will fully subscribe for their respective entitlements under the Pink Form Allocations.
- (4) Including 1 Share which was transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.
- (5) Deemed interested by virtue of his/her spouse's shareholdings in our Company.

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

5.2.2 Profiles of Directors

Save for the profiles of our Promoters, namely Loke Theen Fatt, Wilson Loke Choon Syn and Stella Loke Pei Wen, which are disclosed in Section 5.1.2, the profiles of our other Directors are as follows:

(a) Dato' Haji Hamzah Bin Haji Ghazalli

Dato' Haji Hamzah Bin Haji Ghazalli, a Malaysian male, aged 75, is our Independent Non-Executive Chairman. He was appointed to our Board on 1 August 2022.

In 1969, he obtained his Sijil Tinggi Pelajaran Malaysia from King George V School, Negeri Sembilan. In 1973, he graduated with a Bachelor of Arts from University of Malaya. He pursued further studies and obtained his Master of Arts from University of Ohio, USA in 1982.

In 1973, he was appointed as Administrative and Diplomatic Service Officer of the Government of Malaysia. During his 32 years of career, he held the following positions:

- In 1973, he held the position of Assistant Director of the Ministry of Culture, Youth and Sports Malaysia where he assisted in general administration, human resource and finance functions of the ministry.
- In 1977, he was promoted to Principal Assistant Director where he was involved in the finance functions and development of public amenities such as multipurpose complexes, sports facilities and training institutions.
- In 1978, he was transferred to the Department of Survey and Mapping as Principal Assistant Director, and was subsequently transferred to the Public Services Department as Principal Assistant Director in 1980. During this period, he was responsible for carrying out tasks pertaining to finance, human resource and administration. In 1981, he took a study break to pursue further studies in the University of Ohio, USA, where he completed his studies in 1982 and returned to Malaysia to resume his duties.
- In 1988, he was appointed as Deputy President of the Seremban Municipal Council, where he was involved in managing and overseeing the overall development, operations and administrative functions of the council.
- In 1992, he was redesignated as District Officer of Jelebu District Office and President of Jelebu District Council, Negeri Sembilan. During his tenure, he was involved in managing the development and allocation of resources (i.e. land and financial) in relation to the infrastructure development of the district as well as district administrative functions and local government functions.
- In 1996, he was appointed as Deputy Director General of the Federal Land and Mines Department as well as Commissioner of Land and Mines of the Ministry of Land and Cooperative Department. During his tenure, he was in charge of implementing the computerisation of the land registration system across Malaysia, as well as overseeing the development and administrative functions of federal lands.
- In 2003, he was appointed as State Secretary of the Negeri Sembilan State Secretary's Office where he was involved in managing and monitoring the implementation of state policies and overseeing state administrative functions.

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

In 2005, he retired from serving with the Government.

After his retirement in 2005, he has held directorships in several public listed companies in Malaysia. Between 2005 and 2008, he was a Non-Independent Non-Executive Director of Putera Capital Berhad (a company previously listed on Main Market of Bursa Securities and delisted on 12 June 2009). Between 2005 and 2010, he was an Independent Non-Executive Director of Halifax Capital Berhad (formerly known as Setron (Malaysia) Berhad, a company previously listed on Main Market of Bursa Securities and delisted on 25 July 2008). Between 2007 and 2012, he was an Independent Non-Executive Director of Zecon Berhad (formerly known as Zecon Engineering Berhad, a company listed on Main Market of Bursa Securities).

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

(b) Datuk Tan Kok Liang

Datuk Tan Kok Liang, a Malaysian male, aged 62, is our Independent Non-Executive Director. He was appointed to our Board on 1 August 2022.

In 1989, he obtained his Examination Certificate from the Malaysian Association of Certified Public Accountants. He has been a Member of the Malaysian Association of Certified Public Accountants (now known as the Malaysian Institute of Certified Public Accountants) since 1990; a Member of the Malaysian Institute of Taxation (now known as the Chartered Tax Institute of Malaysia) since 1994 and a Fellow since 2000; a Member of the Malaysian Institute of Accountants since 1991 and subsequently a Chartered Accountant since 2001; and a Professional Member of the Institute of Internal Auditors Malaysia since 2015.

In 2016, he obtained his Master in Tourism Management from the University Toulouse – Jean Jaurès, France. Further, he obtained his Certificate as a Certified Hotel Administrator from American Hotel and Lodging Association, USA in 2018. In 2017, he was appointed as President of the Malaysian Association of Tour and Travel Agents, and he completed his tenure in 2023. He is currently the Deputy Chairman of the Sabah Tourism Board (since February 2024) and is also the President of the Malaysia Tourism Federation (since August 2023).

In 1982, he began his career with Coopers & Lybrand (now known as PricewaterhouseCoopers) as an Audit Trainee. While attached to Coopers & Lybrand, he pursued his professional certification with the Malaysian Association of Certified Public Accountants, in which he completed his examination and obtained his qualification in 1989. During his tenure with Coopers & Lybrand, he was involved in business assurance assignments and related tasks. He was Audit Senior when he left the firm in 1988.

In 1988, he joined Ernst & Whinney (now known as Ernst & Young) as Audit Assistant where he was involved in business assurance assignments and related tasks. He was a Senior when he left Ernst & Whinney in 1990.

In 1990, he joined Discovery Tours (Sabah) Sdn Bhd in Sabah as Senior Manager, where he was involved in managing the accounting, finance, human resource and administrative operations of the company.

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

In 1993, he started his own practice when he set up Tan & Associates, an audit firm, to provide business assurance, audit and accounting services where he remains presently involved as Partner.

In 1998, he incorporated Tan & Associates Tax Services Sdn Bhd, to provide tax advisory and tax management services where he remains presently involved as Director.

In 2005, he set up McMillian Woods Koa & Tan, an audit firm, to provide business assurance, audit, accounting and consulting services where he remains presently involved as Partner.

In 2023, he incorporated Kota Kinabalu Hopon Hopoff Sdn Bhd to provide tour buses services for tourists, where he remains presently involved as Director.

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

(c) Lim Guik Moi

Lim Guik Moi, a Malaysian female, aged 64, is our Independent Non-Executive Director. She was appointed to our Board on 1 August 2022.

In 1979, she obtained her Sijil Tinggi Persekolahan Malaysia from Sabah College, Kota Kinabalu. In 1990, she obtained her professional qualification from the Malaysian Association of Certified Public Accountants. She has been a Member of the Malaysian Association of Certified Public Accountants (now known as the Malaysian Institute of Certified Public Accountants) since 1990; a Member of the Malaysian Institute of Accountants since 1991 and a Chartered Accountant since 2001.

In 1980, she joined KPMG (formerly known as Peat Marwick Mitchell & Co) Kota Kinabalu as Audit Trainee where she undertook a 4-year articleship to train in the field of audit and accounting to obtain her professional qualification from the Malaysian Association of Certified Public Accountants. Upon completing her articleship, she was promoted to Audit Senior where she was involved in audit works.

In February 1987, she left KPMG (formerly known as Peat Marwick Mitchell & Co) Kota Kinabalu and joined a commercial company as Personal Assistant to the company's director where she was responsible in assisting the director in the administrative functions of the overall business activities of the company.

In November 1987, she rejoined KPMG (formerly known as Peat Marwick Mitchell & Co) Kota Kinabalu as Audit Senior where she was involved in audit and other related assignments. In 1991, she was transferred to KPMG Peat Marwick Pittsburgh, USA as Audit Senior, where she was responsible for leading a team of auditors to perform audit works.

In 1993, she returned to KPMG (formerly known as Peat Marwick Mitchell & Co) Kota Kinabalu as Audit Manager. In 1997, she was promoted to Audit Director and subsequently to Audit Partner in 2011.

In 2015, she left KPMG Kota Kinabalu and started her own practice when she set up SLGM, an audit firm, to provide audit and accounting services where she remains presently as Partner.

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

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

(d) Chua Chai Hua

Chua Chai Hua, a Malaysian male, aged 67, is our Independent Non-Executive Director. He was appointed to our Board on 1 August 2022.

He graduated with a Polytechnic Diploma in Accountancy from Newcastle Upon Tyne Polytechnic (now known as Northumbria University), United Kingdom in 1978. In 1981, he obtained his Diploma in Management Studies from Derby Lonsdale College of Higher Education (now known as University of Derby), United Kingdom. In 1982, he obtained his Master of Business Administration from The University of Aston, United Kingdom.

In 1982, he began his career with Hoanbing (M) Sdn Bhd as Accountant where he was responsible for performing accounting, financial planning and tax management tasks of the company.

In 1984, he left Hoanbing (M) Sdn Bhd and joined Malaysia Borneo Finance Corporation (M) Berhad as Management Trainee where he was placed on a 6-month training programme to familiarise with the credit management functions of the company. Upon completing his management trainee program, he was assigned as Credit Officer where he was responsible for preparing loan proposals for the company's branch offices in Malacca, Negeri Sembilan and Sarawak. In 1985, he was posted to the branch office in Kuching and was promoted to Officer-In-Charge and subsequently to Branch Manager where he was involved in the assessment and approval of various types of loans products, as well as to oversee the management and business performance of the branch office.

In 1991, he left Malaysia Borneo Finance Corporation (M) Berhad and joined Oriental Bank Berhad as Branch Manager where he was based at the Kota Kinabalu branch office. He was responsible for overseeing the overall operation and management, including managing the business performance and approval of loans of the branch office. In 1995, he was appointed as Area Manager where he was overseeing the management and business performance of all branch offices in Sabah. In 1999, he was transferred to Johor Bahru branch office as Area Manager where he oversaw the management and business performance of all branch offices in Johor and Malacca.

In 1999, he left Oriental Bank Berhad and joined Overseas Union Bank (Malaysia) Berhad (now known as United Overseas Bank (Malaysia) Berhad) as Vice President and Manager of Kuching and Sandakan Branches where he was responsible for managing the operations and business performance of the branch offices in Kuching and Sandakan. In 2002, he was redesignated as Branch Manager of Kuching Branch where he focused on the overall management of the branch office in Kuching. In 2004, he was transferred to the Kota Kinabalu Branch as Vice-President and Manager where he performed similar responsibilities for the branch offices in Sandakan and Kota Kinabalu. In 2011, he was transferred to the East Malaysia Area Centre in Kota Kinabalu and was promoted to Senior Vice President - Area Manager, East Malaysia. He was involved in overseeing the operations of all branch offices in East Malaysia as well as in business development strategies to ensure sustainable growth of the business within the East Malaysia region. In 2013, he was promoted to Executive Director - Area Manager, East Malaysia, a position he held until his retirement in January 2020.

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

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

5.2.3 Principal business performed outside our Group

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

(a) Dato' Haji Hamzah Bin Haji Ghazalli

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
PCB Engineering Sdn Bhd	Dormant. Previously involved in the construction and management of water and sewerage treatment plant	Non-Executive Director	10 November 2006	-	-	-
Zecon Construction Services Sdn Bhd (subsidiary of Zecon Berhad, a company listed on Main Market of Bursa Securities)	Water infrastructure related services	Non-Executive Director	14 January 2016	-	-	-
Good Quantum Sdn Bhd	Dormant with no intended activity	Shareholder	-	-	20.0	-
Past involvement						
Nil						

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

(b) Loke Theen Fatt

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Cerajuta Sdn Bhd ⁽¹⁾	Property development	Non-Executive Director / Shareholder	29 November 2006	-	51.0	-
Future City Development (Sabah) Sdn Bhd	Dormant with intended activity of agricultural development. Previously involved in property development and provision of construction services (ceased property development and construction operations in 1984)	Non-Executive Director / Shareholder	10 October 1979	-	9.2	⁽²⁾ 9.2
Past involvement						
Pembangunan Buildharta Sdn Bhd (formerly known as Pembangunan K.T.I Sdn Bhd)	Property investment holding	Non-Executive Director	1 July 2006	22 February 2021	-	-
Urban Supreme Sdn Bhd	Dissolved on 15 July 2019	Non-Executive Director / Shareholder	21 September 2012	15 July 2019	50.0	-

Notes:

(1) Please refer to Section 11 for details of the potential conflict of interest and mitigating factors.

(2) Deemed interested by virtue of his spouse's shareholdings in Loke Theen Fatt Realty Sdn Bhd.

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

(c) Wilson Loke Choon Syn

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Cerajuta Sdn Bhd ⁽¹⁾	Property development	Non-Executive Director	27 November 2012	-	-	-
Kota Kinabalu Dental Sdn Bhd	Dental services	Shareholder	-	-	30.0	-
Mamam Eatery Sdn Bhd	Restaurants	Shareholder	-	-	26.8	-
Borneo Vision Holiday Sdn Bhd	Tour operator	Shareholder	-	-	5.0	-

Past involvement

Nil

Note:

⁽¹⁾ Please refer to Section 11 for details of the potential conflict of interest and mitigating factors.

(d) Datuk Tan Kok Liang

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Hernanres & Tan Consultancy Sdn Bhd (Sabah)	Accounting, bookkeeping, auditing, and tax consultancy	Shareholder	-	-	20.0	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Kota Kinabalu Hopon Hopoff Sdn Bhd	Tour operator	Non-Executive Director / Shareholder	8 August 2023	-	25.0	-
Borneo Nature Lodge Sdn Bhd	Resort operator	Non-Executive Director / Shareholder	1 November 2007	-	-	⁽¹⁾ 12.0
Borneo Trails Tours & Travel Sdn Bhd	Tour operator	Non-Executive Director / Shareholder	28 February 2006	-	50.0	-
Tan & Associates Tax Services Sdn Bhd	Tax agent, consultants and advisers	Executive Director / Shareholder	14 May 1998	-	50.0	-
Past involvement						
Matta Assets Sdn Bhd	Investment and realty holding	Non-Executive Director	17 July 2017	15 July 2023	-	-
Micem Sdn Bhd	Provide event management services	Non-Executive Director	17 July 2017	15 July 2023	-	-
Matta Academy Sdn Bhd	Providing training and conducting courses in relation to the travel and tourism industry	Non-Executive Director	17 July 2017	15 July 2023	-	-
Matta Properties Sdn Bhd	Property investment	Non-Executive Director	17 July 2017	15 July 2023	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Gaya Ecotourism Sdn Bhd	Hotels and resort hotels; tour operator activities	Non-Executive Director	9 October 2019	4 June 2020	-	-
Sri Pelancongan Sabah Sdn Bhd	Sales of handicraft, organising sports-tourism events	Non-Executive Director	25 June 2019	7 October 2021	-	-
Matta Technologies Sdn Bhd	Travel agency activities	Non-Executive Director	15 May 2018	27 November 2020	-	-

Note:

(1) Deemed interested by virtue of his shareholdings in Borneo Trails Tours & Travel Sdn Bhd pursuant to Section 8(4) of the Act.

(e) Lim Guik Moi

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Nil						
Past involvement						
Nansiga Holidays & Tours Sdn Bhd (formerly known as Jadi Holidays Sdn Bhd)	Eco-tourism; inbound and outbound travel	Shareholder	-	Ceased to be shareholder on 15 February 2023	30.0	-

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

(f) Chua Chai Hua

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Damai Golf & Country Club Berhad	Ownership and management of a golf course and other related activities	Shareholder	-	-	<0.1	-

Past involvement

Nil

As at LPD, the directorships of our Directors in other companies are in compliance with Rule 15.06 of the Listing Requirements as our Directors do not hold more than 5 directorships in public listed companies on Bursa Securities.

Save as disclosed in Section 11, the involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business. The involvement of our Executive Directors in those business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group as they do not hold executive roles and are not involved in the day-to-day operations of these companies as these companies are dormant as at LPD and have no intention for the companies to undertake any other business activities moving forward. Therefore, their involvement in these companies does not require significant amount of time, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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

5.2.4 Directors' and Promoters' remuneration and benefits

The remuneration of our Directors and Promoters including fees, salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Nominating and Remuneration Committee and subsequently, be approved by our Board. The Director's fees and any benefits payable to Directors shall be subject to annual approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution. Please refer to Section 16.3 for further details.

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors and Promoters for services rendered in all capacities to our Group for FYE 2021 to 2024 are as follows:

	<u>Directors' fees</u>	<u>Salaries</u>	<u>Bonuses</u>	<u>Other emolument</u>	<u>Benefits-in-kind</u>	<u>Total</u>
	RM'000					
FYE 2021 (Paid)						
Directors and Promoters						
Loke Theen Fatt	-	373	-	75	34	482
Wilson Loke Choon Syn	-	178	-	23	21	222
Stella Loke Pei Wen	-	184	-	23	11	218
Promoters						
Chin Mee Leen ⁽²⁾	-	249	-	48	-	297
Loke Pei Lee	-	186	-	23	15	224
FYE 2022 (Paid)						
Promoters and/or Directors						
Dato' Haji Hamzah Bin Haji Ghazalli	-	-	-	-	-	-
Loke Theen Fatt	-	540	-	118	39	697
Stella Loke Pei Wen	-	186	15	26	13	240
Wilson Loke Choon Syn	-	186	15	26	24	251
Datuk Tan Kok Liang	-	-	-	-	-	-
Lim Guik Moi	-	-	-	-	-	-
Chua Chai Hua	-	-	-	-	-	-

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

	<u>Directors' fees</u>	<u>Salaries</u>	<u>Bonuses</u>	<u>Other emolument</u>	<u>Benefits-in-kind</u>	<u>Total</u>
	RM'000					
Promoters						
Chin Mee Leen ⁽²⁾	-	360	-	71	-	431
Loke Pei Lee	-	186	15	26	17	244
FYE 2023 (Paid)						
Promoters and/or Directors						
Dato' Haji Hamzah Bin Haji Ghazalli	-	-	-	-	-	-
Loke Theen Fatt	-	756	-	153	39	948
Stella Loke Pei Wen	-	180	133	23	13	349
Wilson Loke Choon Syn	-	180	133	27	37	377
Datuk Tan Kok Liang	-	-	-	-	-	-
Lim Guik Moi	-	-	-	-	-	-
Chua Chai Hua	-	-	-	-	-	-
Promoters						
Chin Mee Leen ⁽²⁾	-	504	-	97	-	601
Loke Pei Lee	-	180	133	24	12	349
FYE 2024 (Proposed)						
Promoters and/or Directors						
Dato' Haji Hamzah Bin Haji Ghazalli	⁽¹⁾ 60	-	-	-	-	60
Loke Theen Fatt	-	876	-	177	39	1,092
Stella Loke Pei Wen	-	300	133	38	13	484
Wilson Loke Choon Syn	-	300	133	38	37	508
Datuk Tan Kok Liang	⁽¹⁾ 36	-	-	-	-	36
Lim Guik Moi	⁽¹⁾ 36	-	-	-	-	36
Chua Chai Hua	⁽¹⁾ 36	-	-	-	-	36

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

	<u>Directors' fees</u>	<u>Salaries</u>	<u>Bonuses</u>	<u>Other emolument</u>	<u>Benefits-in-kind</u>	<u>Total</u>
	RM'000					
Promoters						
Chin Mee Leen ⁽²⁾	-	126	-	24	-	150
Loke Pei Lee	-	300	133	36	12	481

Notes:

- (1) The Independent Non-Executive Directors' fees will be determined upon the date of our Listing. Such Directors' fees will be subject to shareholders' approval at a general meeting pursuant to Section 230 of the Act.
- (2) The remunerations and benefits paid and proposed to be paid to Chin Mee Leen (our Promoter and substantial shareholder) despite her non-executive role in our Group are in view of her past contributions to the success of our Group as well as her being a guarantor for some of the banking facilities undertaken by our Group as at LPD. Despite her non-executive role in our Group, there has been an increasing trend in the remuneration and benefits paid to Chin Mee Leen for FYE 2020 to 2023 as she has been providing strategic advice for overall operational management as well as in staff payroll, board resolutions and letters pertaining to administrative matters. The increase is also in view of her impending departure from our Group in 2024 after completion of our Listing, and will be her final compensation received from our Group.

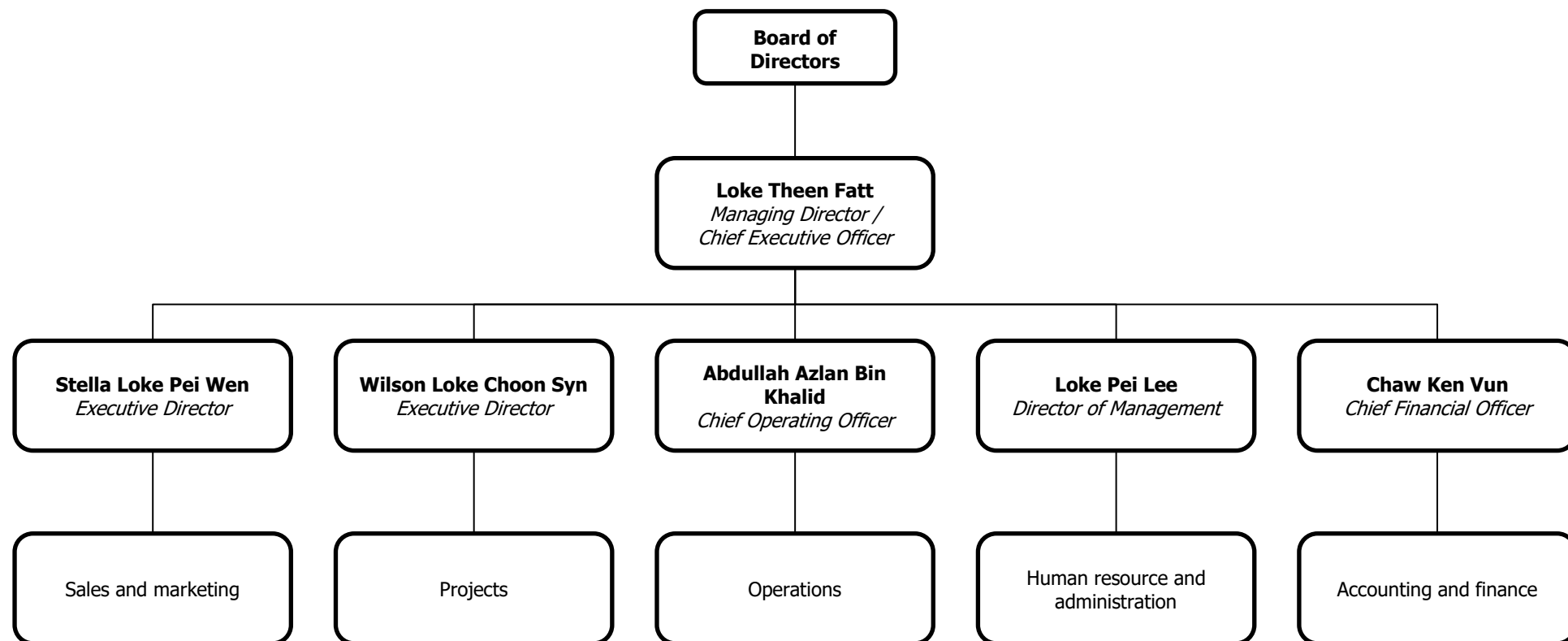
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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management structure

The management reporting structure of our Group is as follows:



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

5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Company before and after IPO, save for Loke Theen Fatt, Stella Loke Pei Wen, Wilson Loke Choon Syn and Loke Pei Lee, which are disclosed in Sections 5.1.1 and 5.2.1, are set out below:

Name	Designation / Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Abdullah Azlan Bin Khalid	Chief Operating Officer / Malaysian	-	-	-	-	⁽³⁾ 1,000,000	0.1	-	-
Chaw Ken Yun	Chief Financial Officer / Malaysian	-	-	-	-	-	-	-	-
Loke Pei Lee	Director of Management / Malaysian	-	-	-	-	-	-	-	-

Notes:

- (1) Based on our share capital of 640,000,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 800,000,000 Shares after our IPO.
- (3) Assuming that he will fully subscribe for his entitlements under the Pink Form Allocations.

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

5.3.3 Profiles of key senior management

Save for the profiles of our Executive Directors and Promoters which are disclosed in Section 5.1.2, the profiles of the other key senior management of our Group are as follows:

(a) **Abdullah Azlan Bin Khalid**

Abdullah Azlan Bin Khalid, a Malaysian male, aged 62, is our Chief Operating Officer. He is responsible for managing the overall construction operations of our Group.

He obtained his Diploma in Building from Institut Teknologi MARA in 1984. In 1987, he graduated with a Bachelor of Science in Construction Management from the University of Nebraska, USA. In 2021, he received his Professional Diploma in International Arbitration from the joint Academic Board of Brickfields Asia College and the Malaysian Institute of Arbitrators. In 2021, he was admitted as a Member of the Malaysian Institute of Property and Facility Managers.

In 1984, he began his career as Quantity Surveying Technical Assistant at Urus Bangunan Sdn Bhd where he assisted in the evaluation of construction contracts, providing cost and material estimates, processing of tenders received from contractors, liaising with contractors and governmental bodies, and monitoring construction costs. He left the company in 1985 to pursue further studies at the University of Nebraska, USA.

Upon returning from USA in 1987, he joined WTW Property Services Sdn Bhd as Property Executive where he was involved in providing real estate consultancy services.

He left WTW Property Services Sdn Bhd and joined Utusan Melayu (Malaysia) Berhad (a company then listed on the Main Market of Bursa Securities) in 1989, as Property Officer and was subsequently promoted to Acting Head of Property Division. He was responsible in leading the operations of the company's property department and overseeing construction activities.

He left Utusan Melayu (Malaysia) Berhad and joined Mayban Finance Berhad in September 1990 as Officer. He subsequently re-joined WTW Property Services Sdn Bhd in December 1990 as Building Manager where he was responsible for managing and supervising the general building security and maintenance of Menara MPPJ (now known as Menara MBPJ - Majlis Bandaraya Petaling Jaya).

He left WTW Property Services Sdn Bhd and joined Abdul Razak Holding in Brunei in 1992 as Property Manager where he managed the development of the company's portfolio of properties and hotels, as well as managing the operations of the company.

He left Abdul Razak Holding and joined CB Richard Ellis (Malaysia) Sdn Bhd in 2011 as Senior Vice President, Property Management Services where he was responsible for managing the overall operations of the property management division. In 2013, he was promoted to Associate Director where he was given the responsibility to manage a portfolio of property assets.

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

He left CB Richard Ellis (Malaysia) Sdn Bhd and joined Sawla International in Saudi Arabia in 2013 as Associate Partner, Real Estate Advisory Service where he oversaw the business operations of the real estate advisory division. In 2014, he left Sawla International to set up Azlan Asetkonsult, a sole proprietorship, to provide real estate advisory services in which the sole proprietorship has been terminated on 30 June 2023.

In 2015, he joined our Group as Senior Property Development and Marketing Manager where he was responsible for managing property development activities which included property development planning and budgeting, project management, and sales and marketing activities. In 2017, he was promoted to Acting Chief Operating Officer where he assisted our Chief Executive Officer in managing the general operations of our Group.

In 2018, he was promoted as our Chief Operating Officer where he assumed his current responsibilities.

Kindly refer to Section 5.3.4(a) for his involvement in other business activities outside our Group.

(b) Chaw Ken Vun

Chaw Ken Vun, a Malaysian male, aged 52, is our Chief Financial Officer. He is responsible for overseeing and managing the overall finance and accounting functions of our Group, which include accounting and taxation, preparing financial budgets, and providing financial advice to the management for decision making purposes.

In 2015, he graduated with a Bachelor of Business (Major in Accounting) from Edith Cowan University, Australia. In 1996, he was admitted as an Associate of Certified Practising Accountant (CPA) Australia and has been a Certified Practising Accountant since 2001. He has been a Chartered Accountant of the Malaysian Institute of Accountants since 2002.

In 1996, he joined KPMG Kota Kinabalu as Audit Assistant where he was involved in audit works. In year 2000, he was promoted to Audit Senior.

He left KPMG Kota Kinabalu and joined our Group in 2002 as Accountant where he was responsible for the accounting functions of our Group. He left in April 2005 and took a brief break.

In December 2005, he joined Otentik Sdn Bhd (presently known as Hap Seng Building Materials Sdn Bhd), a wholly-owned subsidiary of Hap Seng Consolidated Berhad (a company listed on the Main Market of Bursa Securities) as Accountant and subsequently promoted to Accounts Manager in 2007. During his tenure, he was responsible for the accounting functions of the quarry, building materials and trading divisions of the company. In 2008, he was transferred to Hap Seng Building Materials Holdings Sdn Bhd, and was promoted to Senior Account Manager where his responsibilities expanded to include managing capital expenditure and conducting costing analysis. In 2009, he was promoted to Financial Controller where he was involved in managing the overall finance and accounting functions of the company and its related entities.

He left Hap Seng Building Materials Holdings Sdn Bhd and re-joined our Group in 2010 as Accountant where he was involved in managing the finance, accounting, internal control and credit control functions of our Group.

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

He left our Group and re-joined Hap Seng Building Materials Holdings Sdn Bhd in 2011 as Commercial Manager (East Malaysia) where he was responsible for managing the operations, capital expenditure, budgeting and costing analysis of the quarry, building materials and trading divisions of the company. In 2014, he was promoted to Regional Sales Manager (Sabah) where he was involved in managing the company's sales and marketing activities in Sabah.

He left Hap Seng Building Materials Holdings Sdn Bhd and re-joined our Group in 2016 as Chief Financial Officer where he assumed his current responsibilities.

Presently, he does not hold directorships in any private and public limited companies.

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

5.3.4 Principal business performed outside our Group

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

(a) Abdullah Azlan Bin Khalid

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Nil						
Past involvement						
Azlan Asetkonsult	Sole proprietorship – involved in real estate advisory services. Terminated on 30 June 2023	Sole Proprietor	14 May 2014	30 June 2023	-	-
Kelisa Baiduri Sdn Bhd	Dissolved on 15 June 2020	Non-Executive Director / Shareholder	27 August 2002	15 June 2020	33.3	-
Koolkon Ventures Sdn Bhd	Property investment and land agents; General trading; Investment holdings	Non-Executive Director	29 September 2016	22 April 2022	-	-

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

(b) Loke Pei Lee

Company	Principal activities	Position held	Date of appointment	Date of resignation / cessation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Pembangunan Buildharta Sdn Bhd (formerly known as Pembangunan K.T.I Sdn Bhd) ⁽¹⁾	Property investment holding	Non-Executive Director / Shareholder	22 February 2021	-	24.6	-

Past involvement

Nil

Note:

⁽¹⁾ Please refer to Section 11 for details of the potential conflict of interest and mitigating factors.

The involvement of our key senior management in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Their involvement in those business activities does not require significant amount of time, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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

5.3.5 Key senior management remuneration and benefits

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

The aggregate remuneration and material benefits-in-kind (in bands of RM50,000) paid and proposed to be paid to our key senior management (save for our Directors which are disclosed in Section 5.2.4) for services rendered in all capacities to our Group for FYE 2021 to 2024 are as follows:

	⁽¹⁾ Remuneration band			
	FYE 2021 (Paid)	FYE 2022 (Paid)	FYE 2023 (Paid)	FYE 2024 (Proposed)
	RM'000			
Abdullah Azlan Bin Khalid	200 – 250	250 – 300	300 – 350	300 – 350
Chaw Ken Vun	200 – 250	250 – 300	300 – 350	300 – 350
Loke Pei Lee	200 – 250	200 – 250	300 – 350	⁽²⁾ 450 – 500

Notes:

- (1) The remuneration for key senior management includes salaries, bonuses, allowances and other emoluments.
- (2) Loke Pei Lee's proposed remuneration and benefits for FYE 2024 are higher in aggregate than the other key senior management as she is also a director of our subsidiaries, namely KTID, KTISB, Landmark Property and KTI Industrial.

Loke Pei Lee, as well as Stella Loke Pei Wen and Wilson Loke Choon Syn, have since 20 September 2012 been involved as fiduciary directors of our subsidiaries in addition to their roles in the business operations of our Company. Their appointments as directors of our subsidiaries are part of succession planning by Loke Theen Fatt and Chin Mee Leen.

5.4 BOARD PRACTICE

5.4.1 Board

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

- together with management, promoting good corporate governance culture within our Group which reinforces ethical, prudent and professional behaviour;
- reviewing and setting a strategic plan for our Group to ensure that the strategic plan of our Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- reviewing, challenging and deciding on management's proposals for our Group, and monitoring its implementation by management;
- overseeing the conduct of our Group's business to ensure it is properly managed, including supervising and assessing corporate behaviour and conduct of the business of our Group;

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

- (e) identifying the principal risks and ensuring implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks incurred and potential returns to the shareholders;
- (f) setting the risk appetite within which our Board expects management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risk;
- (g) reviewing the information and risk management and internal control system and the effectiveness of the management;
- (h) ensuring senior management has the necessary skills and experience, and there are measures for orderly succession planning for our Company's Board and key senior management which are reviewed on an annual basis, and to ensure that there are appropriate policies for training, appointment and performance monitoring of key senior management;
- (i) developing and implementing an investor relations programme or shareholders' communications policy for our Group to enable effective communication with stakeholders;
- (j) reviewing and approving financial statements;
- (k) reviewing and approving our Company's annual report;
- (l) ensuring the integrity of our Company's financial and non-financial reporting; and
- (m) undertaking a formal and objective annual evaluation to determine the effectiveness of our Board, our board committees and each individual Director.

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

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

Name	Date of appointment as Director	Date of expiration of the current term in office	Tenure up to LPD
Dato' Haji Hamzah Bin Haji Ghazalli	1 August 2022	At the 2024 AGM of our Company	Less than 2 years
Loke Theen Fatt	10 March 2016	At the 2024 AGM of our Company	Less than 9 years
Stella Loke Pei Wen	1 August 2022	At the 2025 AGM of our Company	Less than 2 years
Wilson Loke Choon Syn	1 August 2022	At the 2026 AGM of our Company	Less than 2 years

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

Name	Date of appointment as Director	Date of expiration of the current term in office	Tenure up to LPD
Datuk Tan Kok Liang	1 August 2022	At the 2025 AGM of our Company	Less than 2 years
Lim Guik Moi	1 August 2022	At the 2026 AGM of our Company	Less than 2 years
Chua Chai Hua	1 August 2022	At the 2026 AGM of our Company	Less than 2 years

The members of our Board are set out in Section 5.2.

5.4.2 Audit and Risk Management Committee

The main function of our Audit and Risk Management Committee is to assist our Board in fulfilling its responsibility on the oversight of the integrity of our Group's accounting and financial reporting matters. Our Audit and Risk Management Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

- (a) review the quarterly results and the year-end financial statements of our Group, before submission to our Board for approval;
- (b) ask probing questions to ascertain whether the financial statements are consistent with operational and other information known, where there are significant matters requiring judgement;
- (c) consider and recommend to our Board on the appointment or re-appointment of external auditors and to fix their fees (audit and non-audit), after assessing their independence and capabilities as well as the effectiveness of the external audit process;
- (d) review the following and report the same to our Board:
 - (i) letter of resignation from our external auditors or suggestions for their dismissal, including a copy of any written representations or statement of circumstances in relation with the resignation made by our external auditors, if applicable; and
 - (ii) whether there is reason (supported by grounds) to believe that our external auditors is not suitable for re-appointment;
- (e) assess the suitability, objectivity and independence of our external auditors on an annual basis based on the policies and procedures that have been established and the annual performance evaluation of the external auditors undertaken by the Audit and Risk Management Committee;
- (f) review the following with the external auditors and report the same to our Board:
 - (i) audit plan, its scope and nature;
 - (ii) audit report;
 - (iii) evaluation of the system of internal controls;
 - (iv) the assistance given by our employees to the external auditors, including any difficulties or disputes with management encountered during audit; and
 - (v) external auditors' management letter and management's response thereto;

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

- (g) review the adequacy of the scope, competency and resources of our internal audit function, and that it has the necessary authority to carry out its work;
- (h) review the findings of our internal auditor's reports, investigations undertaken and whether or not appropriate actions are taken by our management, based on the recommendations of our internal auditors;
- (i) establish an adequate and effective risk management and internal control framework, which includes identifying the principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- (j) review the enterprise risk management framework, policies and process, including identifying, managing, monitoring and mitigating the significant risks of our Group, and recommend for approval by our Board;
- (k) monitor, review and report to our Board any related party transactions, recurrent related party transactions and conflict of interest situation that arose, persist or may arise within our Company or Group, including any transaction, procedures or course of conduct that raises question on management integrity, and the measures taken to resolve, eliminate or mitigate such conflicts;
- (l) review the adequacy and appropriateness of our Anti-Bribery and Anti-Corruption Policy, and Whistleblowing Policy, when necessary; and
- (m) carry out any other functions that may be mutually agreed upon by our Audit and Risk Management Committee and our Board.

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

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

Name	Designation	Directorship
Lim Guik Moi	Chairperson	Independent Non-Executive Director
Datuk Tan Kok Liang	Member	Independent Non-Executive Director
Chua Chai Hua	Member	Independent Non-Executive Director

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

5.4.3 Nominating and Remuneration Committee

The duties and responsibilities as stated in the terms of reference of our Nominating and Remuneration Committee include the following:

(a) Nomination

- (i) identify, consider and recommend to our Board suitable candidates for appointment as Directors. Our Nominating and Remuneration Committee shall not solely rely on recommendations from our existing Board members, management or major shareholders, but will also utilise independent sources to identify suitably qualified candidates;
- (ii) facilitate achievement of our Board gender diversity policies and targets;

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

- (iii) develop and implement the fit and proper policy for the appointment and re-election of Directors of our Group that addresses the board quality and integrity;
- (iv) review and recommend to our Board the re-election of Directors who retired by rotation pursuant to our Company's Constitution and re-appointment of Directors who retired pursuant to relevant sections of the Act, subject to the conduct of the fit and proper assessment;
- (v) develop and review the performance criteria to evaluate the performance of our Board, board committees and individual Directors;
- (vi) assess annually the effectiveness of our Board as a whole, our board committees and the contribution of each individual Director as well as our Managing Director / Chief Executive Officer having regard to time commitment, character, experience, integrity, the required mix of skills, experience and other qualities, including core competencies which Non-Executive Directors should bring to our Board and thereafter, recommend its findings to our Board;
- (vii) review annually the performance of our Board and key senior management in addressing our Company's material sustainability risks and opportunities;
- (viii) review and assess the independence of Independent Directors annually;
- (ix) review the term of office and performance of our Audit and Risk Management Committee and each of its members annually to determine whether our Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference;
- (x) facilitate Board induction programme for newly appointed Directors and identify suitable educational and training programmes for continuous development of Directors to ensure the Directors keep abreast with development in the industry, regulatory changes and board business trends;
- (xi) review our Board and key senior management succession plans and overseeing the development of a diverse pipeline for our Board and key senior management succession; and
- (xii) carry out such other duties or functions as may be delegated by our Board from time to time or required by the regulatory authority.

(b) Remuneration

- (i) review our Group's policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of Directors and key senior management, and recommend to our Board for approval;
- (ii) review remuneration packages of Directors and key senior management, having regard to our Group's operating results, individual performance and comparable market statistics and recommend to our Board for approval;
- (iii) ensure fees and benefits payable to Directors, and any compensation for loss of employment of Executive Directors are approved by shareholders at general meetings;

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

- (iv) review and recommend to our Board, the remuneration packages of Non-Executive Directors for shareholders' approval at our AGM in accordance with the Act and ensure that remuneration and incentives for Independent Directors should not conflict with their obligation in bringing objectivity and independent judgment on matters discussed;
- (v) provide clarification to shareholders during general meetings on matters pertaining to remuneration of Directors and key senior management as well as the overall remuneration framework of our Company; and
- (vi) to carry out other responsibilities, functions or assignments as may be agreed by our Board from time to time.

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

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

Name	Designation	Directorship
Datuk Tan Kok Liang	Chairperson	Independent Non-Executive Director
Lim Guik Moi	Member	Independent Non-Executive Director
Chua Chai Hua	Member	Independent Non-Executive Director

5.5 RELATIONSHIPS AND/OR ASSOCIATIONS

Save as disclosed below, there are no family relationships (as defined under Section 197 of the Act) or association between or amongst our Promoters, substantial shareholders, Directors and key senior management:

- (a) Loke Theen Fatt and Chin Mee Leen are husband and wife; and
- (b) Stella Loke Pei Wen, Wilson Loke Choon Syn and Loke Pei Lee are siblings and are children of Loke Theen Fatt and Chin Mee Leen.

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at LPD, there are no existing or proposed service agreements entered into between our Company with any Directors; or between any companies within our Group with any key senior management which provide for benefits upon termination of employment.

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

5.7 DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

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

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6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated in Malaysia under the Companies Act 1965 on 10 March 2016 as a public limited company under the name of KTI Property Berhad and is deemed registered under the Act. Subsequently on 14 July 2022, our Company changed its name to KTI Landmark Berhad.

Our Company is principally an investment holding company. There has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD. Through our subsidiaries, we are a property developer, principally involved in the provision of design and build construction services and property development. Please refer to Section 7.1 for detailed information of our Group's history.

As at LPD, our issued share capital is RM107,584,002 comprising 640,000,000 Shares. The movements in our share capital since the date of our incorporation are set out below:

Date of allotment	No. of Shares allotted	Consideration / Types of issue	Cumulative share capital RM
10 March 2016	2	RM2 / Subscribers' shares	2
27 December 2018	1	RM1 / Cash	3
6 February 2024	639,999,997	RM107,583,999 / Consideration for the Acquisitions	107,584,002

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

Upon completion of our IPO, our enlarged share capital will increase to RM155,584,002 comprising 800,000,000 Shares.

6.2 DETAILS OF THE ACQUISITIONS

In preparation for our Listing, we have undertaken the Acquisitions. On 19 June 2023, we entered into the following agreements:

- (a) a conditional share sale agreement with Chin Mee Leen and Loke Theen Fatt to acquire the entire equity interest in KTID, comprising 1,000,000 ordinary shares for a purchase consideration of RM55.7 million which was satisfied by the issuance and allotment of 331,467,997 new Shares to Chin Mee Leen and Loke Theen Fatt at an issue price of RM0.1681 each, credited as fully paid up; and
- (b) a conditional share sale agreement with Chin Mee Leen and Loke Theen Fatt to acquire the entire equity interest in KTISB, comprising 1,000,000 ordinary shares for a purchase consideration of RM51.9 million which was satisfied by the issuance and allotment of 308,532,000 new Shares to Chin Mee Leen and Loke Theen Fatt at an issue price of RM0.1681 each, credited as fully paid up.

6. INFORMATION ON OUR GROUP (Cont'd)

Details of the Acquisitions and the number of Shares issued to the vendors under the Acquisitions are as follows:

(i) Acquisition of KTID

Vendors of KTID	Shareholdings in KTID		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
Chin Mee Leen	750,000	75.0	41,789,828	248,600,999
Loke Theen Fatt	250,000	25.0	13,929,942	82,866,998
	1,000,000	100.0	55,719,770	331,467,997

The purchase consideration for the Acquisition of KTID of RM55.7 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of KTID as at 31 December 2022 of RM55.7 million, after adjusting for the dividends declared and paid up to LPD of RM15.0 million and the dividends of RM15.0 million to be declared prior to the completion of our Listing.

(ii) Acquisition of KTISB

Vendors of KTISB	Shareholdings in KTISB		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
Chin Mee Leen	887,326	88.7	46,020,485	273,768,500
Loke Theen Fatt	112,674	11.3	5,843,744	34,763,500
	1,000,000	100.0	51,864,229	308,532,000

The purchase consideration for the Acquisition of KTISB of RM51.9 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of KTISB as at 31 December 2022 of RM51.9 million.

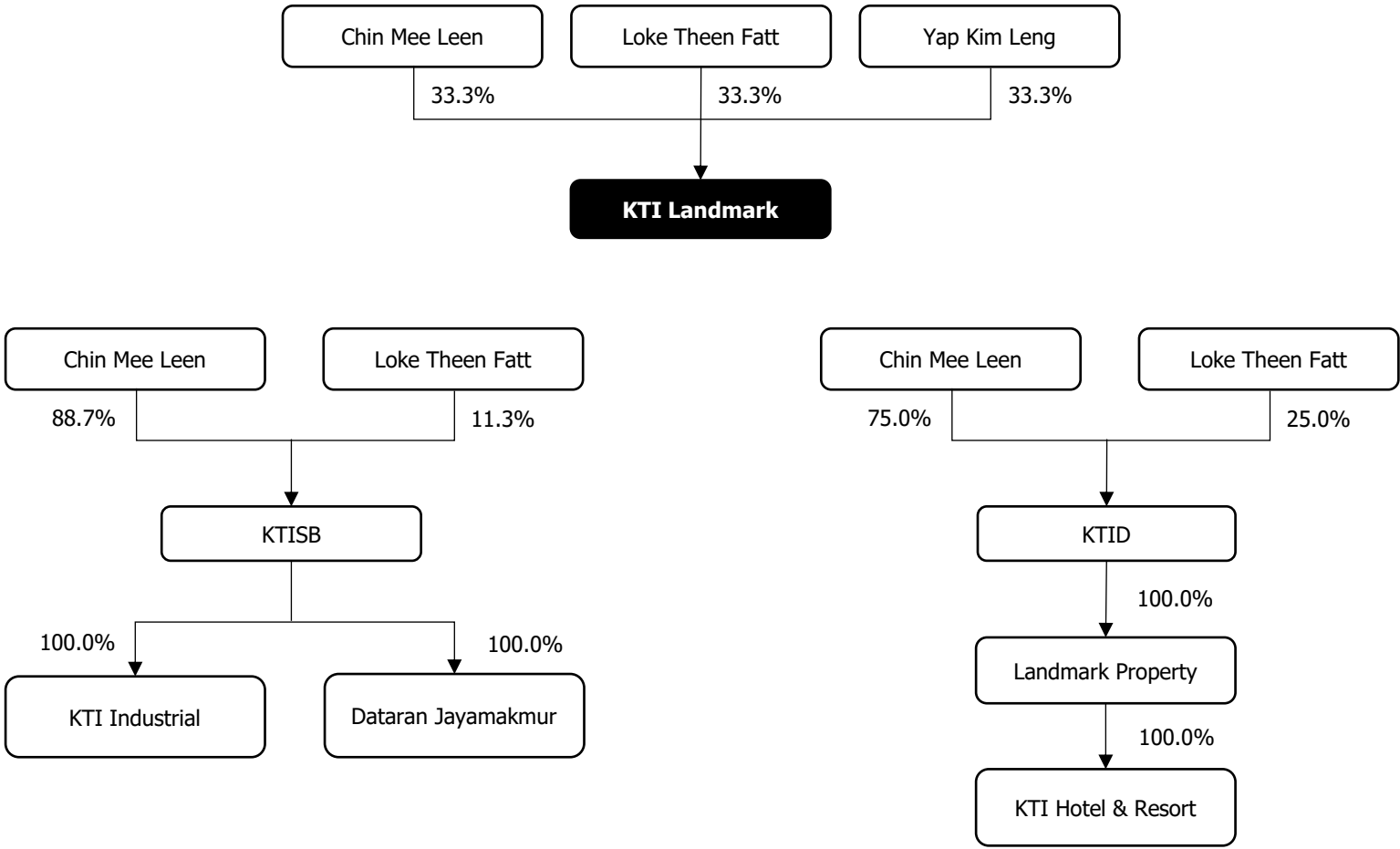
The Acquisitions were completed on 2 April 2024. Thereafter, KTID and KTISB became our wholly-owned direct subsidiaries. Accordingly, KTI Industrial and Dataran Jayamakmur became our wholly-owned subsidiaries through KTISB; Landmark Property became our wholly-owned subsidiary through KTID; and KTI Hotel & Resort became our wholly-owned subsidiary through Landmark Property.

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

6. INFORMATION ON OUR GROUP (Cont'd)

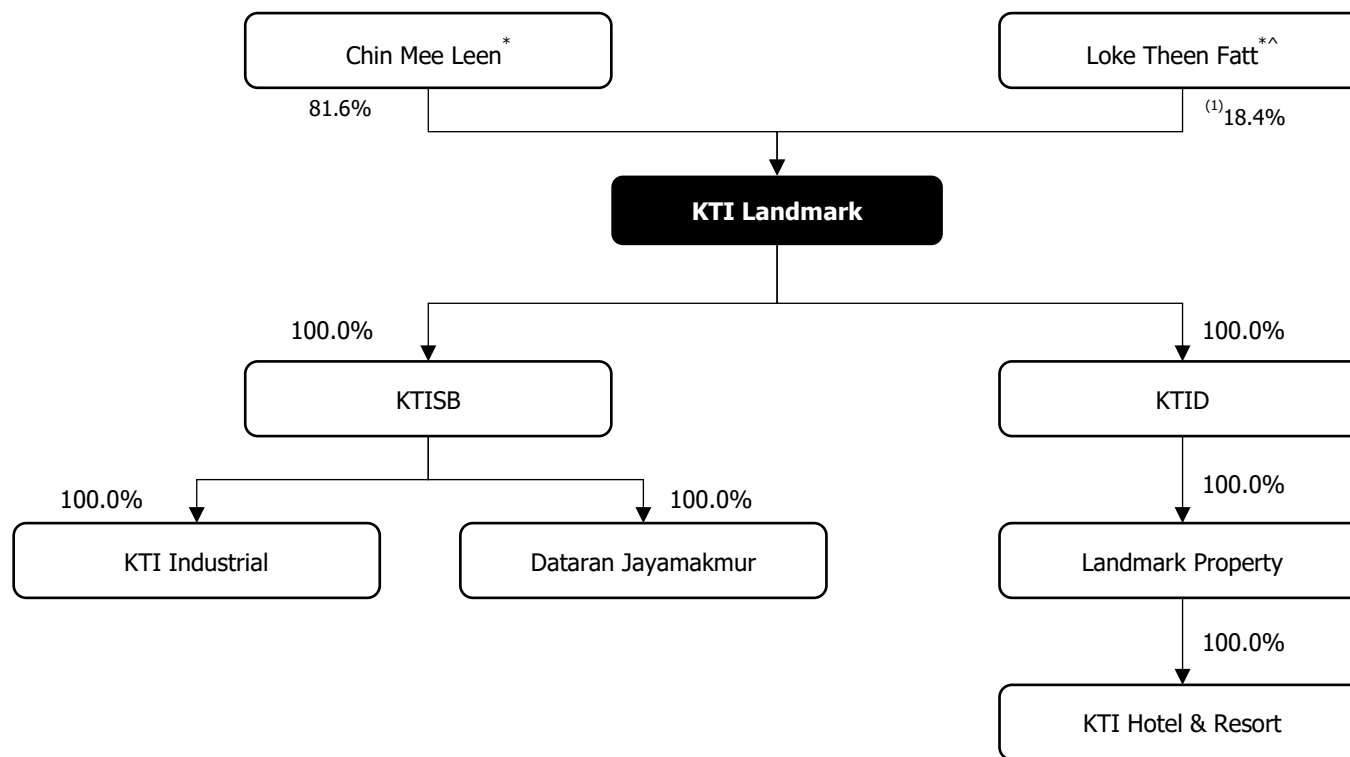
6.3 GROUP STRUCTURE

Before Acquisitions



6. INFORMATION ON OUR GROUP (Cont'd)

After Acquisitions but before our IPO



Notes:

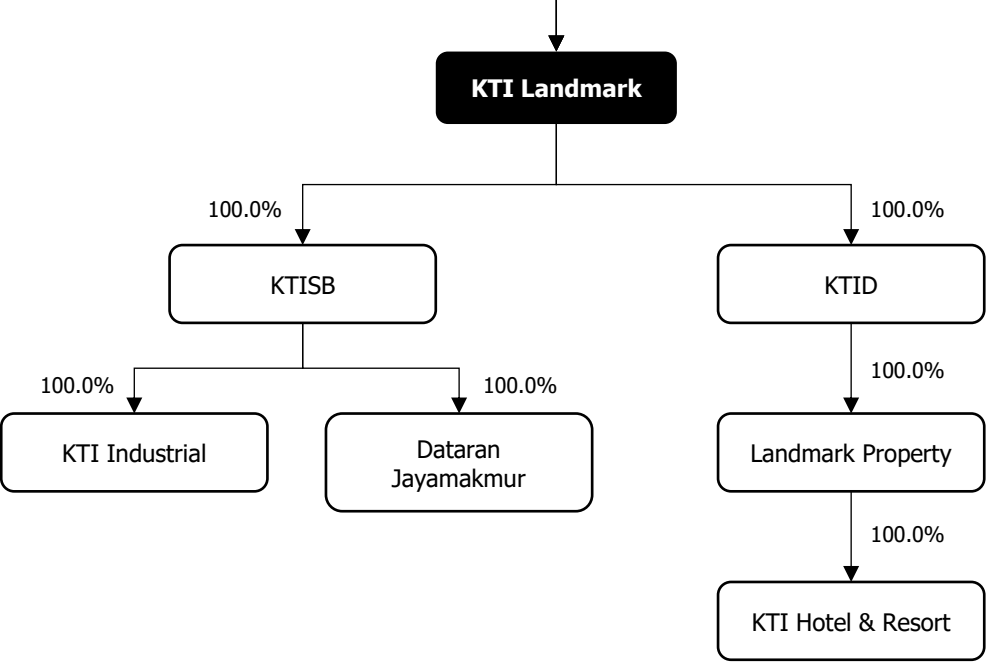
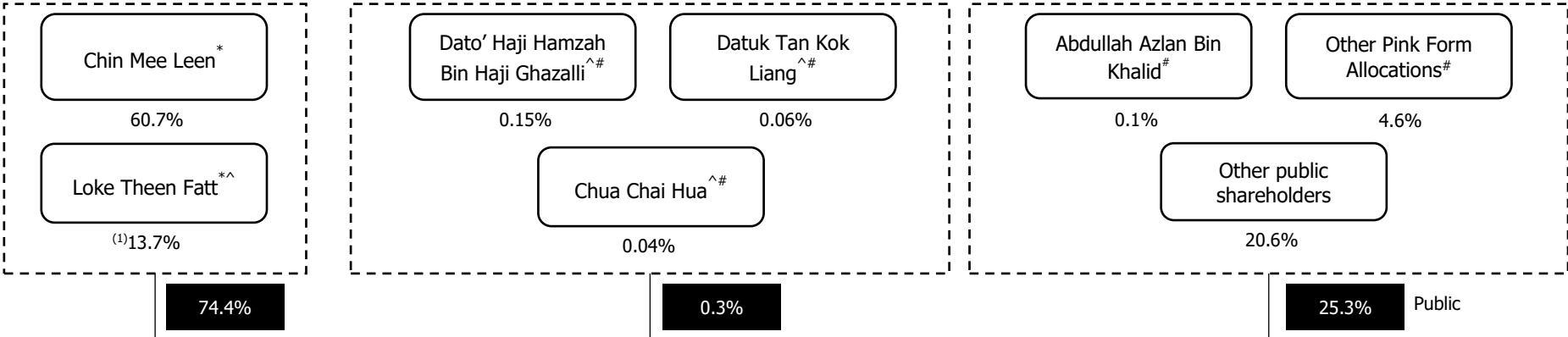
* Relates to our Promoters.

^ Relates to our Directors.

(1) Including 1 Share which was transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.

6. INFORMATION ON OUR GROUP (Cont'd)

After Acquisitions and our IPO



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

Notes:

- * Relates to our Promoters.
- ^ Relates to our Directors.
- # Assuming full subscription of Pink Form Allocations by all our Eligible Persons.
- (1) Including 1 Share which was transferred from Yap Kim Leng, a nominee shareholder, to Loke Theen Fatt.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.4 SUBSIDIARIES AND ASSOCIATED COMPANIES

Details of our subsidiaries as at LPD are summarised as follows:

Company / Registration Number	Date / Place of incorporation	Issued share capital RM'000	Effective equity interest %	Principal activities / Principal place of business
Held by KTI Landmark				
KTID / 199401000292 (285970-K)	5 January 1994 / Malaysia	1,000	100.0	Property development, carrying out construction work under contract and investment holding / Malaysia
KTISB / 198401013371 (125931-U)	27 August 1984 / Malaysia	1,000	100.0	Property development, carrying out construction work under contract, manufacturing of IBS and investment holding / Malaysia
Held through KTID				
Landmark Property / 198101012707 (78837-V)	7 December 1981 / Malaysia	2,000	100.0	Property development / Malaysia
Held through KTISB				
Dataran Jayamakmur / 200201007977 (575640-T)	1 April 2002 / Malaysia	1,000	100.0	Property development / Malaysia
KTI Industrial / 199301017923 (272661-P)	9 August 1993 / Malaysia	500	100.0	Dormant. Intended for property development / Malaysia
Held through Landmark Property				
KTI Hotel & Resort / 201601023531 (1194470-V)	14 July 2016 / Malaysia	20,000	100.0	Property investment and hotel owner / operator / Malaysia

Details of the share capital of our subsidiaries are set out in Section 16.2.

As at LPD, we do not have any associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.5 MATERIAL CONTRACTS

Save as disclosed below, there were no contracts which are or may be material (not being contracts entered into in the ordinary course of business) entered into by our Group for FYE 2020 to 2023 and up to LPD:

- (a) a conditional share sale agreement between our Company, Loke Theen Fatt and Chin Mee Leen dated 19 June 2023 to acquire the entire equity interest in KTID, comprising 1,000,000 ordinary shares for a purchase consideration of RM55.7 million which was satisfied by the issuance and allotment of 331,467,997 new Shares to Loke Theen Fatt and Chin Mee Leen at an issue price of RM0.1681 each, and completed on 2 April 2024;
- (b) a conditional share sale agreement between our Company, Loke Theen Fatt and Chin Mee Leen dated 19 June 2023 to acquire the entire equity interest in KTISB, comprising 1,000,000 ordinary shares for a purchase consideration of RM51.9 million which was satisfied by the issuance and allotment of 308,532,000 new Shares to Loke Theen Fatt and Chin Mee Leen at an issue price of RM0.1681 each, and completed on 2 April 2024;
- (c) a sale and purchase agreement dated 9 January 2023 entered into between KTID (as purchaser) and Millennium Amber Sdn Bhd (as vendor) (supplemented by an agreement dated 9 January 2023) for the acquisition of Alamesra Lands for a cash consideration of RM74.0 million, which was completed on 15 November 2023;
- (d) a sale and purchase agreement dated 23 June 2023 entered into between KTID (as vendor) and Wilson Loke Choon Syn (as purchaser) for the disposal of 1 piece of vacant land measuring approximately 3,213 sq ft at Lot No. 82, Taman Lavender for a total cash consideration of RM0.3 million, which was completed on 30 June 2023;
- (e) a sale and purchase agreement dated 23 June 2023 entered into between KTID (as vendor) and Wilson Loke Choon Syn (as purchaser) for the disposal of 1 piece of vacant land measuring approximately 3,207 sq ft at Lot No. 83, Taman Lavender for a total cash consideration of RM0.3 million, which was completed on 30 June 2023;
- (f) a sale and purchase agreement dated 22 December 2023 entered into between KTID (as vendor) and Yap Kim Leng (as purchaser), a then related party at the point of entering to the transaction, before his subscriber shares were transferred to Loke Theen Fatt, for the disposal of a detached house plot forming part of 4 adjoining detached house plots measuring approximately 9,963 sq ft erected thereon at Lot 202, Taman Lavender, Off Jalan Lintas, 88300 Kota Kinabalu, Sabah for a total cash consideration of RM2.2 million, which was completed on 29 December 2023;
- (g) a sale and purchase agreement dated 22 December 2023 entered into between KTID (as vendor) and Lee Hon Liong (as purchaser), a non-related party for the disposal of a detached house plot forming part of 4 adjoining detached house plots measuring approximately 19,985 sq ft erected thereon at Lot 203, Taman Lavender, Off Jalan Lintas, 88300 Kota Kinabalu, Sabah for a total cash consideration of RM4.0 million, which was completed on 29 December 2023;
- (h) Hotel management agreement entered into between KTISB and MHG dated 12 June 2018 for KTISB to engage MHG to operate and manage Avani Luyang @ The Logg under the brand name of "AVANI" for a term of 20 years from the opening date i.e. the date on which Avani Luyang @ The Logg is fully opened to the public pursuant to the terms and conditions in the agreement; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (i) Underwriting agreement dated 16 April 2024 between our Company and M & A Securities for the underwriting of 80,000,000 Issue Shares for an underwriting commission of 2.5% of the IPO Price multiplied by the number of Issue Shares underwritten.

Additionally, our Group is not materially dependent on any commercial or financial contracts for our business and profitability as at LPD.

6.6 PUBLIC TAKE-OVERS

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

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

6.7 PREVIOUS MATERIAL CORPORATE PROPOSAL

On 14 February 2004, General Soil Engineering Holdings Berhad ("**Gensoil**") had submitted an application to the SC in relation its proposed restructuring scheme via a proposed reverse take-over by a newly incorporated company ("**NewCo**"), which involved the proposed acquisitions of KTISB and Dataran Jayamakmur ("**Proposed Restructuring Scheme**").

Gensoil was an investment and property holding company listed on the then Second Board of Kuala Lumpur Stock Exchange ("**KLSE**") (presently known as ACE Market), which was subsequently de-listed on 27 April 2005. The company, through its subsidiaries, operated in property development, construction works, and foundation engineering services. It was intended that upon completion of the Proposed Restructuring Scheme, Gensoil, KTISB and Dataran Jayamakmur would be wholly-owned subsidiaries of the NewCo. Subsequently, the listing status of Gensoil on the Second Board of KLSE would be transferred to the NewCo.

The Proposed Restructuring Scheme was rejected by the SC vide its letter dated 26 October 2004.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.8 MAJOR APPROVALS AND LICENCES

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

No.	Licencee / Issuing authority / Registration no.	Date of issue / Date of expiry	Nature of approval / Licences			Equity and/or major conditions imposed	Compliance status
(a)	Landmark Property / CIDB / Certification No.: 0120170208-SB184714	29 March 2022 / 10 April 2025 ⁽¹⁾	Certificate of registration in respect of Grade 7 for categories of:			(i) The certificate is non-transferable;	Complied
			Grade	Category	Specialist	(ii) The contractor shall not participate in any tender or perform any construction work after the expiry of this certificate until it is renewed;	Noted
			Category	Description		(iii) The contractor shall not undertake to build any construction project that exceeds the value of construction work specified under the registered grade and shall be prohibited from carrying out any construction project outside its registration category;	Complied
			B	Construction building			
			CE	Civil engineering construction			
			ME	Mechanical and electrical			
						(iv) The contractor shall submit the information regarding any construction work or contract within a period of 14 days after being awarded or before work has begun whichever is earlier;	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee / Issuing authority / Registration no.	Date of issue / Date of expiry	Nature of approval / Licences		Equity and/or major conditions imposed	Compliance status	
			Specialist	Description			
			B04	Building construction works – construction works of any building and plant	(v) The contractor shall apply for renewal registration within 60 days prior to the expiry date specified in the certificate; and	Noted	
			CE21	Civil engineering construction – construction works, maintenance and repair of any civil engineering construction	(vi) The contractor shall appoint skilled construction workers and site supervisors accredited and certified by CIDB.	Complied	
			M15	Miscellaneous mechanical			
			Tender value / construction work value (RM): Unlimited				
(b)	KTISB / CIDB / Certification No.: 1990310-SB051266	1 February 2022 / 30 January 2025 ⁽¹⁾	Certificate of registration in respect of Grade 7 for categories of:		(i) The certificate is non- transferable;	Complied	
			Grade	Category	Specialist	(ii) The contractor shall not participate in any tender or perform any construction work after the expiry of this certificate until it is renewed;	Noted
			G7	B	B01 B04		
			G7	CE	CE01 CE21		
			G7	ME	M15		
			Category	Description		(iii) The contractor shall not undertake to build any construction project that exceeds the value of construction work specified under the registered grade and shall be prohibited from carrying out any construction project outside its registration category;	Complied
			B	Construction building			
			CE	Civil engineering construction			
			ME	Mechanical and electrical			

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee / Issuing authority / Registration no.	Date of issue / Date of expiry	Nature of approval / Licences		Equity and/or major conditions imposed	Compliance status
			Specialist	Description		
			B01	IBS: Prefab concrete system	(iv) The contractor shall submit the information regarding any construction work or contract within a period of 14 days after being awarded or before work has begun whichever is earlier;	Complied
			B04	Building construction works – construction works of any building and plant		
			CE01	Road & pavement construction	(v) The contractor shall apply for renewal registration within 60 days prior to the expiry date specified in the certificate; and	Noted
			CE21	Civil engineering construction – construction works, maintenance and repair of any civil engineering construction		
			M15	Miscellaneous mechanical	(vi) The contractor shall appoint skilled construction workers and site supervisors accredited and certified by CIDB.	Complied
			Tender value / construction work value (RM): Unlimited			
(c)	KTISB / CIDB / Certification No.: 1990310-SB051266	8 February 2022 / 30 January 2025 ⁽²⁾	Certificate of Government Procurement in respect of G7 for categories of:		(i) This certificate shall not be used as a license for commencing or undertaking any construction works. This certificate can only be used for government procurement works or other government agency procurement works;	Complied
			<u>Grade</u>	<u>Category</u>		
			G7	B		
			G7	CE		
			G7	ME		
					(ii) This certificate should be provided together with Certificate of registration when the company tenders for government contracts;	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee / Issuing authority / Registration no.	Date of issue / Date of expiry	Nature of approval / Licences		Equity and/or major conditions imposed	Compliance status
			Category	Description		
			B	Construction building	(iii) This certificate should be renewed together with the Certificate of registration issued by CIDB;	Noted
			CE	Civil engineering construction		
			ME	Mechanical and electrical		
					(iv) The company or certificate holder shall not lend, lease, transfer, allow or cause this certificate to be used by other persons not named in this certificate for the purpose of obtaining government procurement works; and	Complied
					(v) The contractor shall not be involved in tender or any construction works after the expiry of this certificate and until such time this certificate has been renewed.	Noted
(d)	KTISB / MITI / A024640	7 October 2022 ⁽³⁾ / Valid until revoked	Manufacturing licence for the manufacturing of IBS components (wall, slab, beam, column and staircase)		(i) The sale of the shares in KTISB must be notified to MITI and the MIDA;	Complied
			Licensed premise: Taman Seri Lemawang, KM 4, Jalan Tuaran – Kota Belud, 89208 Tuaran, Sabah		(ii) KTISB must train Malaysians to promote the transfer of technology and expertise at all levels of positions;	Noted
					(iii) KTISB must have Capital Investment Per Employee of at least RM140,000.00; and	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee / Issuing authority / Registration no.	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status												
				(iv) Total full-time workforce of KTISB must comprise at least 80.0% Malaysians by 31 December 2024. Employment of foreign workers including outsourced workers is subject to prevailing policies.	Complied												
(e)	KTISB / CIDB / Certification No.: 1220901SB0815	12 September 2023 / 11 September 2024 ⁽⁴⁾	<p>Certification for building materials which have received the standard compliance declaration ("PPS") can be used in construction projects</p> <p>Licensed premise: Taman Seri Lemawang, KM 4, Jalan Tuaran – Kota Belud, 89208 Tuaran, Sabah</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Type / Size</th> <th>Brand</th> <th>Standard</th> </tr> </thead> <tbody> <tr> <td>Ready mix concrete</td> <td>Ready mix concrete</td> <td>Nil</td> <td>MS EN 206:2016, CIS 21:2018</td> </tr> <tr> <td></td> <td>Ready-mixed concrete G35NM</td> <td></td> <td></td> </tr> </tbody> </table>	Category	Type / Size	Brand	Standard	Ready mix concrete	Ready mix concrete	Nil	MS EN 206:2016, CIS 21:2018		Ready-mixed concrete G35NM			<p>(i) This certificate cannot be transferred;</p> <p>(ii) This certificate must be renewed no later than 60 days before it's expiry;</p> <p>(iii) From time to time, CIDB is entitled to impose any instruction regarding the building materials and standards registered in the PPS; and</p> <p>(iv) CIDB is entitled to, at any time carry out inspection on any party dealing with any of the building materials listed in the fourth schedule.</p>	<p>Complied</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
Category	Type / Size	Brand	Standard														
Ready mix concrete	Ready mix concrete	Nil	MS EN 206:2016, CIS 21:2018														
	Ready-mixed concrete G35NM																

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee / Issuing authority / Registration no.	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
(f)	KTISB / CIDB / IBS025/04424	12 April 2024 / 20 October 2024 ⁽⁴⁾	IBS-IMPACT certificate for precast wall element pursuant to the CIDB Act Licensed premise: Taman Seri Lemawang, KM 4, Jalan Tuaran – Kota Belud, 89208 Tuaran, Sabah Category Manufacturer	This certificate is to be renewed within 60 days prior to the expiry.	Noted
			Reference standard CIS 24:2023 – BS EN 14992: 2007 + A1: 2012		
(g)	KTISB / CIDB / IBS025/04624	12 April 2024 / 2 February 2025 ⁽⁴⁾	IBS-IMPACT certificate for precast floor plates pursuant to the CIDB Act Licensed premise: Taman Seri Lemawang, KM 4, Jalan Tuaran – Kota Belud, 89208 Tuaran, Sabah Category Manufacturer	This certificate is to be renewed within 60 days prior to the expiry.	Noted
			Reference standard CIS 24:2023 – BS EN 13747: 2005 + A2: 2010		

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee / Issuing authority / Registration no.	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status				
(h)	KTISB / CIDB / IBS025/04524	12 April 2024 / 2 February 2025 ⁽⁴⁾	<p>IBS-IMPACT certificate for beam pursuant to the CIDB Act</p> <p>Licensed premise: Taman Seri Lemawang, KM 4, Jalan Tuaran – Kota Belud, 89208 Tuaran, Sabah</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Reference standard</th> </tr> </thead> <tbody> <tr> <td>Manufacturer</td> <td>CIS 24:2023 – BS EN 13225: 2013</td> </tr> </tbody> </table>	Category	Reference standard	Manufacturer	CIS 24:2023 – BS EN 13225: 2013	This certificate is to be renewed within 60 days prior to the expiry.	Noted
Category	Reference standard								
Manufacturer	CIS 24:2023 – BS EN 13225: 2013								
(i)	KTISB / CIDB / IBS025/04724	12 April 2024 / 9 March 2025 ⁽⁴⁾	<p>IBS-IMPACT certificate for precast concrete stairs pursuant to the CIDB Act</p> <p>Licensed premise: Taman Seri Lemawang, KM 4, Jalan Tuaran – Kota Belud, 89208 Tuaran, Sabah</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Reference standard</th> </tr> </thead> <tbody> <tr> <td>Manufacturer</td> <td>CIS 24:2023 – BS EN 14843: 2007</td> </tr> </tbody> </table>	Category	Reference standard	Manufacturer	CIS 24:2023 – BS EN 14843: 2007	This certificate is to be renewed within 60 days prior to the expiry.	Noted
Category	Reference standard								
Manufacturer	CIS 24:2023 – BS EN 14843: 2007								
(j)	KTISB / Department of Labour Sabah / JTK.H.KK.600-4/1/45409/012784	14 July 2023 / 17 July 2024 ⁽⁵⁾	Licence to employ non-resident employee (39 Indonesians and 9 Philippines employees)	<p>(i) This license is non-transferable and is only valid for the employment of a specified number of non-resident employees; and</p> <p>(ii) Application for the renewal of this licence must be submitted at least two months before the license period expires.</p>	<p>Complied</p> <p>Complied</p>				

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

Notes:

- (1) In the event these are not renewed by CIDB upon their respective expiry, it will have a material adverse impact on our Group as Landmark Property and KTISB would be unable to carry out the construction works for the respective ongoing projects. As such, our Group will apply for renewal registration within 60 days prior to the expiry date specified in the respective certificate. Our Group has not encountered any difficulty in renewing this licence in the past and the renewal process is administrative in nature. Our Group is of the view that the risk of the relevant authority rejecting the renewal application for this licence is remote.
- (2) In the event this is not renewed by CIDB upon its expiry, it will not have a material adverse impact on our Group as our Group is not submitting any tenders for government procurement works as at LPD.
- (3) The manufacturing licence is valid retrospectively from 28 July 2022.
- (4) In the event these are not renewed by CIDB upon their respective expiry, it will not have a material adverse impact on our Group as our Group is in the midst of relocating the 2 IBS production lines in our Tuaran casting yard to a temporary casting yard located within our new project site at Alamesra, and the relocation is expected to complete in August 2024. Our Group will apply for the requisite IBS-IMPACT certificates for the new yard prior to commencement of its operations. Further details on the relocation of our existing IBS production lines are set out in Section 7.17.3.
- (5) Our Group will submit the renewal application at least two months prior to the expiry date as per the requirement of the licence. In the event this is not renewed upon its expiry, it will not have a material adverse impact on our Group as we would be able to outsource the relevant works to subcontractors.

From 2012 to 2019, the IBS manufacturing operations in our casting yard in Kinarut were carried out without the relevant licences, the past non-compliances of which are set out in Section 6.11(a) and (b). However, as our casting yard in Kinarut is not in operations as at LPD, our Group will obtain the relevant license / approval / permits prior to the commencement of operations in the casting yard in Kinarut.

As at LPD, both KTISB and Landmark Property have obtained the Grade 7 certificate of registration issued by CIDB respectively as they are the only subsidiaries in our Group which carry out construction works, which allows Landmark Property and KTISB to participate in tenders for construction works of unlimited value.

As at LPD, our Group has obtained all the relevant approvals, licences and permits for our business operations.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9 TRADEMARKS

Save for the following, we do not own other trademarks as at LPD:

<u>Applicant</u>	<u>Trademarks</u>	<u>Date of application / Trademark No.</u>	<u>Class / Description</u>	<u>Place of registration</u>	<u>Status</u>	<u>Validity period</u>
KTI Landmark		17 January 2023 / TM2023001302	37 ⁽¹⁾	Malaysia	Registered	17 January 2023 to 17 January 2033
KTI Landmark		17 January 2023 / TM2023001306	43 ⁽²⁾	Malaysia	Registered	17 January 2023 to 17 January 2033
KTI Landmark		17 January 2023 / TM2023001307	36 ⁽³⁾	Malaysia	Registered	17 January 2023 to 17 January 2033

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

Notes:

- (1) Building and construction services; building construction and repair; construction and maintenance services relating to civil engineering; construction and renovation of buildings; construction and renovation of buildings and other structures; construction and repair of buildings; construction and repair of buildings and other structures; construction and repair of houses; construction and repair of residential buildings and houses; construction management (supervision); construction of building interiors; construction of buildings; construction of buildings and other structures; construction of commercial buildings; construction of office buildings; construction of residential and commercial buildings; construction of residential buildings.
- (2) Booking of hotel accommodation; café and cafeteria services; cafe, cafeteria and restaurant services; cocktail lounges; coffee and juice bar services; coffee house services; food kiosk services being services for providing food and drink; food preparation; hotel accommodation reservation services; hotel accommodation services; hotel and restaurant services; providing conference facilities; providing conference, exhibition and meeting facilities; providing convention facilities; providing facilities for conferences, exhibitions and meetings; providing food and drink.
- (3) Property investment and management services; property management; property management services; providing advice relating to real estate investment; providing advice relating to the arranging of mortgages; providing information on real estate; providing real estate listings and real estate information via a website; providing real estate listings and real estate information via a website; providing real estate listings and real estate information via the internet; provision of information relating to real estate; real estate and housing management; real estate management services; real estate services relating to the purchase of real estate; real estate services relating to the sale of real estate; real - estate management; rental of buildings.

Our Group's business and profitability are not dependent on above trademarks as our Group has established a strong presence in the industry through our track record of projects. In the event our Group's trademarks are unable to be renewed upon expiry for any reasons whatsoever, our Group will not be materially affected as our Group may still be able to initiate a passing off action against any person using a mark which is similar or identical to our Group's trademarks pursuant to common law principles.

6. INFORMATION ON OUR GROUP (Cont'd)**6.10 PROPERTY, PLANT AND EQUIPMENT****6.10.1 Properties owned by our Group**

The properties mentioned below are from the remaining units from our completed projects, ongoing projects as well as land held for development. Save as disclosed below, the completed units are currently vacant. Our strategy for investment properties is to dispose them in the secondary market or to deploy them for our own use such as for staff accommodation, if suitable. The timing for the disposal of these properties will depend on the market value of the investment properties, impact of real properties gain tax and whether we are able to identify suitable purchasers for these properties. Pending the disposal of such properties, we may rent those properties out to suitable tenants.

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

No.	Postal address / Title No.	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Beneficial Owner / Registered Owner	Land area / Built-up area sq ft	Date of purchase / Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
(a)	Lot 201, Taman Lavender Off Jalan Lintas 88300 Kota Kinabalu Sabah Title no.: CL015654743	A detached house plot forming part of 4 adjoining detached house plots / Vacant / Leasehold of 99 years expiring on 31 December 2103 (Approximately 79¾ years as at LPD) / For the purpose of erecting thereon for use as such one dwelling house	KTID	22,390 / Not applicable	Not applicable (9) / Not applicable (10)	Nil	596
(b)	Lot 204, Taman Lavender Off Jalan Lintas 88300 Kota Kinabalu Sabah Title no.: CL015654770	A detached house plot forming part of 4 adjoining detached house plots/ Vacant / Leasehold of 99 years expiring on 31 December 2103 (Approximately 79¾ years as at LPD) / For the purpose of erecting thereon for use as such one dwelling house	KTID	9,599 / Not applicable	Not applicable (9) / Not applicable (10)	Nil	255

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address / Title No.	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Beneficial Owner / Registered Owner	Land area / Built-up area sq ft	Date of purchase / Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
(c)	Lot 223 (Building No. 32A) Lorong Nelly 9/2 Taman Nelly 9 (Sub-Phase 1) Kampung Nountun Inanam 88844 Kota Kinabalu Sabah Title no.: CL015646867 ⁽¹⁾	Double-storey office / showroom with double volume storage space / Storage of documents / Leasehold of 99 years expiring on 31 December 2107 (Approximately 83¾ years as at LPD) / For the purpose of erecting thereon for use as such one 2-storey showroom	KTID / Edward S Jaip ⁽¹⁾	65,787 / 48,583	Nil ⁽⁹⁾ / 7 March 2018	Nil ⁽⁴⁾	1,169
(d)	Lot No. 69 Lorong Buah Pala 3 Wisma LTF Taman Nelly 88450 Kota Kinabalu Sabah Title no.: CL015479204	1 st and 2 nd floor of a 3-storey corner shopoffice / Rented by Viktori Holdings Sdn Bhd for office use / Leasehold of 999 years expiring on 16 June 2925 (Approximately 901¼ years as at LPD) / For the purpose of erecting thereon for use as such one 3-storey shop house	KTISB, Chong Nyuk Oi ⁽²⁾ , Kong En Leong ⁽³⁾ , Kong En Phin ⁽³⁾	1,587 / 3,174	2 June 2003 / March 1987	Charged to United Overseas Bank (Malaysia) Berhad	113
(e)	Lot No. 68 Lorong Buah Pala 3 Wisma LTF, Taman Nelly 88450 Kota Kinabalu Sabah Title no.: CL015479197	A corner 3-storey shopoffice / Vacant / Leasehold of 999 years expiring on 16 June 2925 (Approximately 901¼ years as at LPD) / For the purpose of erecting thereon for use as such one 3-storey shop house	KTISB	1,174 / 3,702	16 December 1997 / March 1987	Charged to United Overseas Bank (Malaysia) Bhd	169

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address / Title No.	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Beneficial Owner / Registered Owner	Land area / Built-up area sq ft	Date of purchase / Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
(f)	Lot 222, Taman Nelly 9 Phase 4 Shoplot Lorong Nelly Plaza Jalan Nountun, Kolombong 88444 Kota Kinabalu Sabah Title no.: CL015682130	A corner 4-storey corporate office building / Our headquarters / Leasehold of 99 years expiring on 31 December 2107 (Approximately 83¾ years as at LPD) / For the purpose of erecting thereon for use as such one 4-storey shop office	Landmark Property	3,607 / 14,072	Not applicable ⁽⁹⁾ / 10 September 2012	Charged to Hong Leong Islamic Bank Berhad	1,155
(g)	D-2-26 / D-2-28 / D-2-08 / D-3-05 / D-3-12, Taman Nelly Phase 8D Jalan Nountun Kolombong 88450 Kota Kinabalu Sabah Title no.: CL015605419 ⁽¹¹⁾	5 units of studio apartment in an establish locality / Rented out to non-related parties for residential use / Leasehold of 99 years expiring on 31 December 2101 (Approximately 77¾ years as at LPD) / 4-storey medium cost walk-up flats / shop	Edward S Jaip and Landmark Property	500,940 / 1,225	Not applicable ⁽⁹⁾ / 17 May 2013	Nil	438
(h)	Along Jalan Tuaran – Kota Belud 89208 Tuaran Sabah Title no.: CL045115919	Ongoing development of 9 phases 1A to 1I comprising 811 units of double storey terraced house known as "Taman Seri Lemawang" / Ongoing development / Leasehold of 999 years commencing from 12 February 1920 (Approximately 894 years as at LPD) / Nil	KTISB ⁽⁵⁾ / LPPB	2,279,495 / Not applicable	Not applicable ⁽⁹⁾ / Not applicable ⁽¹⁰⁾	Charged to Hong Leong Islamic Bank Berhad	305

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address / Title No.	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Beneficial Owner / Registered Owner	Land area / Built-up area sq ft	Date of purchase / Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
(i)		Ongoing development of 3 phases comprising 480 units in 6 blocks of 5-storey apartment known as "Residensi Seri Akasia" / Ongoing development / Leasehold of 999 years commencing from 12 February 1920 (Approximately 894 years as at LPD) / Nil	KTISB ⁽⁵⁾ / LPPB	737,289 / Not applicable	Not applicable ⁽⁹⁾ / Not applicable ⁽¹⁰⁾	Charged to Hong Leong Islamic Bank Berhad	16,316
(j)		Ongoing development of 3 blocks comprising 41 units of 2-storey shop houses known as "Plaza Lemawang 2" / Ongoing development / Leasehold of 999 years commencing from 12 February 1920 (Approximately 894 years as at LPD) / Nil	KTISB ⁽⁵⁾ / LPPB	204,265 / Not applicable	Not applicable ⁽⁹⁾ / Not applicable ⁽¹⁰⁾	Charged to Hong Leong Islamic Bank Berhad	2,596
(k)		Vacant land for future and proposed developments along Jalan Tuaran, Sabah / Vacant / Leasehold of 999 years commencing from 12 February 1920 (Approximately 894 years as at LPD) / Nil	KTISB ⁽⁵⁾ / LPPB	3,566,257 / Not applicable	Not applicable ⁽⁹⁾ / Not applicable ⁽¹⁰⁾	Charged to Hong Leong Islamic Bank Berhad	6,317

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address / Title No.	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Beneficial Owner / Registered Owner	Land area / Built-up area sq ft	Date of purchase / Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
(l)	Fronting Jalan Penampang - Papar Lama Kampung Nagapas 89600 Papar Sabah Title no.: CL025346507	Ongoing development of 107 units of 2- storey terraced houses known as Taman Bukit Alamanda / Ongoing development / Leasehold of 99 years expiring on 31 December 2088 (Approximately 65¼ years as at LPD) / Nil	Landmark Property ⁽⁶⁾ / LPPB	1,734,123 / Not applicable	Nil ⁽⁹⁾ / Not applicable ⁽¹⁰⁾	Charged to Hong Leong Islamic Bank Berhad	-
(m)	Lintas Commercial Area Luyang 88300 Kota Kinabalu Sabah Title no.: CL015721276	Ongoing mixed commercial / residential development known as The Logg comprising 1 block of 28 levels affordable homes (250 units), 2 levels of commercial lots, 9 levels of carparks cum 3 levels of offices, 1 level of basement carpark, 2 blocks of serviced suites (542 units) and 1 block of hotel suites (370 rooms) / Ongoing mixed development / Leasehold of 99 years expiring on 31 December 2115 with 91¾ years as at LPD / For the purpose of housing and commercial development	KTISB and KTI Hotel & Resort ⁽⁷⁾ / LPPB	190,357 / Not applicable	Nil ⁽⁹⁾ / Not applicable ⁽¹⁰⁾	Charged to Hong Leong Bank Berhad, Sabah Development Bank Berhad and caveat by CIMB Bank Berhad	172,933

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address / Title No.	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Beneficial Owner / Registered Owner	Land area / Built-up area sq ft	Date of purchase / Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
(n)	Off Jalan Airport 90000 Sandakan Sabah Title no.: CL075428027	A land parcel proposed for a landed housing scheme for 310 units of double-storey terraced houses / Proposed development / Leasehold of 99 years expiring on 31 December 2037 (Approximately 12¾ years as at LPD) / For the purpose of erecting thereon for use as such one dwelling house	Landmark Property ⁽⁸⁾ / LPPB	876,427 / Not applicable	Nil ⁽⁹⁾ / Not applicable ⁽¹⁰⁾	Nil	1,560
(o)	Alamesra, Off Jalan Sulaiman Coastal highway, Kota Kinabalu, Sabah Title no: One (1) residential lot under CL015719874 with infrastructure lot, CL015719909, CL015719892, CL015719918	A land parcel proposed for a landed housing scheme of 42 units of super link house, 4 units of double storey shophouses, 5 tower block comprise of 2,195 units in which comprise 439 units per block / Proposed development / Leasehold of 99 years expiring on 31 December 2098 (Approximately 74¾ years as at LPD) /	KTID ⁽¹²⁾ / CL01571987 4 – KTID, CL01571990 9, CL01571989 2, CL01571991 8 – Millennium Amber Sdn Bhd ⁽¹²⁾	887,497 / Not applicable	9 January 2023 / Not applicable ⁽¹⁰⁾	CL015719874 – Charged to Hong Leong Islamic Bank Berhad, CL015719909, CL015719892, CL015719918 – Caveat by Hong Leong Islamic Bank Berhad	86,042

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6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address / Title No.	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Beneficial Owner / Registered Owner	Land area / Built-up area sq ft	Date of purchase / Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
		CL015719874 (for the purpose of undertaking the development of residential buildings in accordance with such plans and specifications as may be approved by the local authority under the Local Government Ordinance 1961, the City of Kota Kinabalu Enactment 1966 and the Town and Country Planning Ordinance Cap 141), CL015719909 (for the purpose of road reserve, CL015719892 (for the purpose of power point unit), CL015719918 (for the purpose of sewerage treatment plant reserve)					
Total						289,964	

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

Notes:

- (1) The title has been issued and registered under Edward S Jaip's name, the original registered land owner and a former staff of our Group, subsequent to the surrender of the original master title deeds of Taman Nelly 9 for amalgamation, conversion and subdivision. The master title deeds of such properties were held under native titles prior to 2009, which cannot be registered in the name of company prior to conversion into country leases. The Lands and Survey Department of Sabah had on 5 August 2009 issued its offer for conversion of the native title into country leases and the premium chargeable for such conversion was fully settled by our Group on 30 November 2009.

The owner's covenant in the title deed requires the construction of the building on the land to be completed before January 2015. However, the construction was only completed in 2018. In view of the above, our Group has applied to the Director of Lands and Surveys, who has then issued an approval (in the form of an offer) to amend such owner's covenant by extending the completion period to the year 2019.

The Lands and Surveys Department of Sabah has issued an offer dated 2 January 2024 to extend the time period for fulfillment of land covenant from January 2015 to January 2019 ("**Offer**"). KTI has paid the premium chargeable, amounting to RM171,000 in accordance with the Offer. The transfer of the title from the registered owner, Edward S Jaip to KTID has been lodged with the relevant land register together with the Offer and the registration process has been lodged on 9 May 2024 and will be completed within 1 to 2 months from the date of lodgment.

For avoidance of doubt, the abovementioned process is legally valid.

- (2) On 4 July 2001, 1/6 portion of the land each was transferred to Chong Nyuk Oi and Kong Hien Chong (now deceased) (both of whom are non-related parties to our Group) by the previous owner, Loke Theen Fatt Realty Sdn Bhd.
- (3) On 1 June 2007, 1/6 portion of the land under Kong Hien Chong's estate was transferred to Kong En Leong and Kong En Phin, both of whom are non-related parties to our Group, in equal portions.
- (4) This property will be charged to Hong Leong Islamic Bank Berhad. The memorandum of charge in favour of Hong Leong Islamic Bank Berhad will be lodged together with the transfer in favour of KTID for registration after the premium in respect of the letter of offer on extension of time period for fulfillment of land covenant is paid.
- (5) Pursuant to the agreement between LPPB and KTISB dated 21 December 2016 to develop a mixed development, KTISB is the beneficial owner of the land.

6. INFORMATION ON OUR GROUP (Cont'd)

- (6) Pursuant to the agreement between LPPB and KTISB dated 21 December 2016 to develop Taman Bukit Alamanda and the deed of novation cum assignment between KTISB and Landmark Property dated 16 January 2020 to novate all its rights, benefits, interest and obligations pursuant to the agreement, Landmark Property is the beneficial owner of the land.
- (7) Pursuant to the agreement between LPPB and KTISB dated 22 April 2015 to develop The Logg and the trust deed between LPPB and KTISB dated 15 March 2019, KTISB has 60.0% beneficial ownership of the land. The beneficial ownership of a portion of the land (in respect of the hotel suite only) was subsequently transferred to KTI Hotel & Resort by way of a sale and purchase agreement dated 6 December 2021.
- (8) Pursuant to the agreement between LPPB and Landmark Property dated 7 January 2019 to develop the proposed development, Landmark Property is the beneficial owner of the land.
- (9) Date of purchase is not available / not applicable for properties our Group obtained as entitlement to the design and build contractor or property developer in a development project.
- (10) Date of CCC is not available / not applicable for properties which are vacant lands or ongoing developments.
- (11) The native title was approved to be converted to a country lease bearing title no. CL015605419 and was registered as a country lease on 22 June 2009.
- (12) It is common in practice that the title deeds to the infrastructure lots of a development project will be issued in the name of original landowner and that the title deeds would typically carry a standard term restricting the transfer of such title deeds, save to the relevant authority. The intention of such restriction on transfer is that the infrastructure lots would eventually be transferred / handed over to the relevant local authority for management after the completion of the development project. Due to the restriction in the title deeds, it is a common and accepted practice for the original landowner to grant such power of attorney to the subsequent owner for the purposes of developing the infrastructure lots. The original landowner, Millennium Amber Sdn Bhd has granted to KTID the full rights and benefits of the infrastructure lots to KTID pursuant to a power of attorney dated 9 January 2023. Upon the completion of the development of the project, such title deeds will be surrendered to the local authority by KTID.

For avoidance of doubt, the due diligence working group confirms that abovementioned process is legally valid.

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

6. INFORMATION ON OUR GROUP (Cont'd)

6.10.2 Properties rented by our Group

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

No.	Address	Landlord / Tenant	Description / Existing use	Land area / Built-up area sq ft	Period of tenancy / Rental per annum
(a)	Lot 221, Taman Nelly 9, Phase 4 Shoplot Jalan Nountun, Kolombong 88844 Kota Kinabalu Sabah	Chin Mee Leen ⁽¹⁾ / Landmark Property	Ground floor and first floor of a 2- storey commercial shop lot / Our headquarters	1,560 / 2,500	1 January 2024 to 31 December 2024 / RM48,000
(b)	Lot 220, Taman Nelly 9, Phase 4 Shoplot Jalan Nountun, Kolombong 88844 Kota Kinabalu Sabah	Chin Soo Wah ⁽²⁾ / KTISB	Ground floor of a 2-storey commercial shop lot / Our headquarters	1,243 / 1,250	1 August 2022 to 31 July 2027 / RM36,000
(c)	Lot 5, Ground Floor Kolam Centre, Jalan Lintas 88300 Kota Kinabalu Sabah	Chin Mui Yen @ Grace and Chin Vui Yin / KTISB	Ground floor of a 2-storey commercial shop lot / Sales gallery	1,200 / 2,400	10 June 2023 to 9 June 2026 / RM63,600
(d)	Lot 64, Taman New Far East Jalan Lintas, Luyang 88300 Kota Kinabalu Sabah	Wong Cheng Nam @ Mohsin Wong / KTISB	One storey detached lot of commercial unit / The Logg site office	9,120 / 4,424	1 July 2022 to 31 July 2025 / RM57,600

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Address	Landlord / Tenant	Description / Existing use	Land area / Built-up area sq ft	Period of tenancy / Rental per annum
(e)	A portion of master land (CL015693991) located in Alamesra Off Sulaman Coastal Highway 88300 Kota Kinabalu Sabah	Milemium Amber Sdn Bhd / KTIDSB	A portion of vacant land (CL015693991) measuring 4 acres / Intended to be used as batching and casting yard for Alamesra project	174,240 / Not applicable	1 December 2023 to 30 November 2029 / RM313,632

Notes:

- (1) Chin Mee Leen is our Promoter and substantial shareholder. As at LPD, she holds 522,369,500 shares, representing 81.6% equity interest in our Company. As such, the rental of this property is deemed a related party transaction. Our Audit and Risk Management Committee has reviewed the above related party transaction and are of the view that the transaction is fair, reasonable and on normal commercial terms and not detrimental to the interest of the non-interested shareholders of our Group and is in the best interest to our Group. Please refer to Section 10.1 for further details on such related party transaction.
- (2) Chin Soo Wah is the brother of Chin Mee Leen, who is our Promoter and substantial shareholder. As such, the rental of this property is deemed a related party transaction. Our Audit and Risk Management Committee has reviewed the above related party transaction and are of the view that the transaction is fair, reasonable and on normal commercial terms and not detrimental to the interest of the non-interested shareholders of our Group and is in the best interest to our Group. Please refer to Section 10.1 for further details on such related party transaction.

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6. INFORMATION ON OUR GROUP (Cont'd)

Apart from the above rented properties, our Group is occupying the following property pursuant to a temporary occupation licence issued by the Sabah Land and Survey Department as at LPD:

No.	Address	Issuing authority / Licensee	Description / Existing use	Land area / Built-up area sq ft	Licence validity / Rental per annum
(a)	A portion of state land measuring an area of 6.07 hectares located at Kinarut, District of Papar as delineated in the survey plan No. P.02128793 annexed in the Temporary Occupation Licence	Sabah Land & Survey Department / KTISB	Vacant land / Nil	653,369 / Not applicable	7 July 2021 to 6 July 2024 / Not applicable ⁽¹⁾

Note:

⁽¹⁾ The premium amounting to approximately RM0.1 million was paid to the Sabah Land & Survey Department on 29 September 2021 for the issuance of the temporary occupation licence to KTISB in respect of this parcel of land.

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

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6. INFORMATION ON OUR GROUP (Cont'd)

6.10.3 Material machinery

Details of our Group's material machinery are as follows:

<u>Machinery and equipment</u>	<u>Function</u>	<u>No. of units</u>	<u>Average lifespan years</u>	<u>Age years</u>	<u>Audited NBV as at 31 December 2023 RM'000</u>
Modular wet mic concrete batching plant	Ready mix concrete production	2	12	3 to 9	462
Dahan tower crane	High rise lifting building materials	4	15	5 to 9	1,601
Gantry crane (10,000 kilogram)	Lifting wall panel, slab panel, staircase and others	5	15	9	296
Gantry crane (15,000 kilogram)	Lifting wall panel, slab panel, staircase and others	1	15	9	69
Gondola	Lifting passenger for painting and touch up of building	10	7	6	139
Passenger hoist	Passenger lift for construction	2	7	6	289
Mobile crane / rough terrain crane / crawler crane	Lifting wall panel, slab panel, staircase and others for installation	9	12	3 to 13	1,202
Compactor	Earth compaction	1	12	6	-
Shovel	Lifting sand, aggregates and earth	2	12	6 to 9	-
Concrete mixer truck	Transport of ready-mix concrete	11	7	1 to 8	322
Prime mover	Transport of wall panel, slab panel, staircase and others	2	7	9	-

6. INFORMATION ON OUR GROUP (Cont'd)

Machinery and equipment	Function	No. of units	Average lifespan years	Age years	Audited NBV as at 31 December 2023 RM'000
Low loader trailer	Load of wall panel, slab panel, staircase and others	6	7	9	-
Hydraulic breaker	Breaking rock boulders	2	7	6	-
Concrete pump	Pumping ready mix concrete	1	5	6	-
Self loader and trucks	Transport of building materials	3	7	2 to 6	95
Excavator	Excavation of earth	9	10	1 to 12	623
Backhoe loader	Excavate and remove of earth for drain purposes	2	7	8	-
Total					5,098

We conduct periodic inspections and maintenance of our machinery and undertake certain repair works when necessary. Our maintenance procedures include oiling, corrosion prevention and cleaning. The machinery that we own are commonly used in the construction industry and are generally available from the local and overseas market. Machinery which is fully depreciated would have surpassed its useful life. However, although certain machineries are fully depreciated, they still can operate effectively and efficiently. If the machinery is well maintained and can operate efficiently and effectively, it will not be disposed. Fully depreciated machineries are disposed when they cannot operate effectively, or are functionally obsolete.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.10.4 Material capital expenditures and divestitures****(a) Material capital expenditures**

Save for the expenditures disclosed below, there were no other capital expenditures (including interests in other corporations) made by us for FYE 2020 to FYE 2023 and up to LPD:

Capital expenditures	At cost				1 January
	FYE 2020	FYE 2021	FYE 2022	FYE 2023	2024 up to
	RM'000	RM'000	RM'000	RM'000	LPD
					RM'000
Leasehold lands and buildings	-	2,127	-	-	-
Freehold land	-	-	-	-	-
Furniture, fittings and office equipment	75	35	139	343	46
Information technology equipment	44	9	253	213	-
Motor vehicles	3	40	128	542	105
Plant and machineries	838	2,923	2,033	6,161	877
Renovation	-	-	49	434	-
Lease of premises	-	-	497	201	-
Lease of land	-	-	-	1,572	-
Construction in progress	-	12,960	12,500	23,097	2,437
	960	18,094	15,599	32,563	3,465

The above capital expenditures were primarily financed by a combination of bank borrowings and internally generated funds. Our capital expenditures, particularly for building equipment and machineries are mainly driven by the construction projects awarded to us during the relevant year as well as for replacement purposes. Our primary capital expenditures are associated with the acquisition of building equipment and machineries for use in our construction projects, such as tower cranes, scaffolding, moulding, excavators and other related construction equipment and machineries required by our projects.

The purchase of motor vehicles is for day-to-day use in our project sites.

FYE 2020

In FYE 2020, our capital expenditures mainly comprised:

- (a) purchase of ready-mix concrete batching plant amounting to RM0.6 million and moulding amounting to RM0.3 million; and
- (b) computer and office equipment amounting to RM0.1 million.

FYE 2021

In FYE 2021, our capital expenditures mainly comprised:

- (a) purchase of 3 unit of cranes amounting to RM2.0 million, 4 units of mixer trucks amounting to RM0.6 million, steel bed and moulding amounting to RM0.5 million;
- (b) reclassification of land cost for Avani Luyang @ The Logg of RM2.1 million; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (c) capitalisation of work in progress in respect of the construction of Avani Luyang @ The Logg comprising legal and professional fees for MHG of RM1.0 million and construction work-in progress of RM11.9 million.

FYE 2022

In FYE 2022, our capital expenditures mainly comprised:

- (a) purchase of tower crane of RM0.9 million, 2 units of mobile crane of RM0.3 million, 1 unit of excavator of RM0.1 million, 1 unit of lorry crane of RM0.1 million and scaffolding together with accessories of RM0.6 million; and
- (b) capitalisation of construction work-in-progress of Avani Luyang @ The Logg of RM12.5 million.

FYE 2023

In FYE 2023, our capital expenditures mainly comprised:

- (a) capitalisation of construction work-in-progress of Avani Luyang @ The Logg of RM23.1 million;
- (b) purchase of 1 unit excavator of RM0.5 million, 1 unit of forklift of RM0.1 million, 3 units of motor vehicles of RM0.5 million, project site cabin of RM0.3 million, 1 unit of generator set of RM0.1 million, aluminium formwork of RM0.6 million, steel bed for wall panel of RM0.1 million, 1 set of podium lightrek formwork of RM1.7 million, 1 set of formwork system of RM0.9 million and scaffolding together with accessories of RM2.2 million; and
- (c) the lease of a land of RM1.6 million for Alamesra site casting yard.

(b) Material capital divestitures

Save for the divestitures disclosed below, there were no other capital divestitures (including interests in other corporations) made by us for FYE 2020 to FYE 2023 and up to LPD:

	At cost				1 January
	FYE 2020	FYE 2021	FYE 2022	FYE 2023	2024 up to
Capital divestitures	RM'000	RM'000	RM'000	RM'000	LPD
Motor vehicles	2	377	125	77	-
Plant and machineries	-	-	29	-	-
Furniture and fitting	-	-	27	-	-
Site equipment	-	-	-	22	-
	2	377	181	99	-

Over FYE 2020 to 2023, our capital divestitures are mainly for the disposal of 1 unit of motorcycle amounting to RM2,000 (FYE 2020), disposal of 1 unit of motor vehicle of amounting to RM0.4 million (FYE 2021), disposal of 1 unit of motor vehicle amounting to RM0.1 million (FYE 2022) and disposal of 2 units of motor vehicles and 1 unit of genset amount to RM0.1 million (FYE 2023).

6. INFORMATION ON OUR GROUP (Cont'd)

The above capital divestitures were carried out in the ordinary course of business as part of our periodic review of our fixed asset register to identify and eliminate those assets which have been fully depreciated or no longer in use or obsolete or surpassed their useful lives.

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

6.10.5 Material plans to construct, expand or improve our facilities

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

6.11 RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS

(a) CIDB Act

The CIDB Act and the regulations made thereunder govern the establishment of the CIDB and provide for its function in relation to the construction industry and all matters in connection therewith.

Section 25 of the CIDB Act prescribes that a contractor must register with the CIDB and hold a valid certificate of registration issued by the CIDB in order to carry out or complete, undertake to complete any construction works or hold himself as a contractor. Failure to comply with the above shall render a person liable to a fine of not less than RM10,000 but not more than RM100,000. As at LPD, our subsidiaries namely, KTISB and Landmark Property hold valid Grade 7 certificates of registration issued by CIDB (which allows them to participate in tenders for construction works of unlimited value), as they are the only subsidiaries in our Group which carry out construction works. Please refer to Section 6.8 for further details of these licences.

In addition, Section 33C of the CIDB Act provides that CIDB shall, in the manner determined by CIDB, certify the construction materials used in the construction industry and specified in the Fourth Schedule of the CIDB Act in accordance with the standards specified therein. Section 33D of the CIDB Act further provides that a person shall not deal or undertake to deal, whether directly or indirectly, with the construction materials specified in the Fourth Schedule unless the construction materials have been certified by CIDB. "Deal" is defined under the CIDB Act as "handle, use, manufacture, supply, market, transfer, sell or buy, whether wholesale or retail, import or export". Failure to comply with the above shall render a person liable to a fine of not less than RM10,000, but not more than RM500,000. This requirement came into force on 1 June 2015.

6. INFORMATION ON OUR GROUP (Cont'd)

KTISB started to produce its ready-mixed concrete in Tuaran casting yard since 2020 and Kinarut casting yard (ceased operations since 2019) since 2016. For avoidance of doubt, our Group already commenced operations in Tuaran and Kinarut casting yard in 2017 and 2012 respectively for the manufacturing of IBS products. KTISB was issued with the Certificate of Standard Compliance by CIDB Sabah on 1 September 2022 for ready-mixed concrete. Prior thereto since 2020, KTISB did not hold a valid certificate of standard compliance for its ready-mixed concrete produced at Tuaran casting yard, whereby cement, aggregates, sand and water are mixed together in the required quantities to produce the ready-mixed concrete. In respect of the casting yard in Kinarut which has ceased operations since 2019, KTISB was issued with the Certificate of Standard Compliance by CIDB Sabah on 14 April 2022. Prior thereto since 2016, KTISB did not hold a valid Certificate of Standard Compliance for its ready-mixed concrete produced at the Kinarut casting yard.

KTISB was not aware of such requirement under the CIDB Act, however after being duly advised by the due diligence solicitors, KTISB obtained the Certificate of Standard Compliance for ready-mixed concrete for both its Tuaran and Kinarut casting yards.

As at LPD, KTISB has not received any notices, penalties or compounds from CIDB for producing the ready-mixed concrete at the Tuaran casting yard without the Certificate of Standard Compliance. Our Directors are of the view that that our Group's business operations and financial position would not be materially and adversely affected.

Pursuant to Section 4(m) of the CIDB Act, the functions of CIDB shall include regulating the implementation of IBS in the construction industry. Further, Section 37 of the CIDB Act provides that CIDB may make such regulations as may be expedient or necessary, and the regulations may be made for prescribing the conditions and requirements for the implementation of IBS in the construction industry. The IBS-IMPACT program involves an application process, assessment procedure, application approval and certification before being recognized as a manufacturer of IBS components registered with CIDB.

IBS-IMPACT was launched on 17 January 2019. Any person who deals or undertakes to deal with IBS products without the IBS-IMPACT certificates shall be liable under Section 33D of the CIDB Act to a fine of not less than RM10,000 but not more than RM500,000. Prior to the launch of IBS-IMPACT, in order to conduct IBS related manufacturing, the manufacturer must have an IBS manufacturer status. As KTISB held the requisite IBS manufacturer status before the launch of IBS-IMPACT, KTISB wrote to CIDB on 28 April 2020 and 17 June 2020 in respect of the renewal of its IBS manufacturer status as the expiry date of the IBS manufacturer status was 14 July 2020. KTISB did not receive a response from CIDB in respect of their renewal application. In view of the newly launched IBS-IMPACT which replaces the previous requirement for the IBS manufacturer status, KTISB also sought to prepare all the requisite supporting documents required for such application. As part of the new application process, physical inspection by the independent conformity assessment body on KTISB's construction materials is required for KTISB to obtain the main technical document required for the consideration of the Certificate of Standard Compliance, which are both required to support its application for IBS-IMPACT. However, due to the various MCO imposed by the Government to curb the spread of COVID-19, inspections for such applications could not be carried out in a timely manner, thus resulting in a delay in KTISB obtaining the requisite supporting document for such application.

6. INFORMATION ON OUR GROUP (Cont'd)

KTISB furnished CIDB with the preliminary supporting documents for the IBS-IMPACT application on 11 May 2022 and received an interim IBS-IMPACT on 15 June 2022 (being a temporary certificate pending the issuance of the final IBS-IMPACT certificates, which was subject to additional supporting documents to be furnished to CIDB). KTISB was subsequently issued with the IBS-IMPACT certificates for precast wall element on 30 December 2022, precast floor plates and beam on 28 February 2023 and precast concrete stairs on 30 March 2023. CIDB has acknowledged a letter by KTISB dated 21 February 2023, confirming that no actions will be taken by CIDB against KTISB for the production of IBS products without a valid IBS-IMPACT certification. Moreover, CIDB acknowledged that the implementation of the IBS-IMPACT certification is recent, and the application process has been delayed due to the MCO. As at LPD, KTISB has obtained the IBS-IMPACT certificates for all types of IBS products manufactured by it.

As at LPD, KTISB has not received any notices, penalties or compounds from CIDB for manufacturing the IBS components without valid IBS-IMPACT certificates. Our Directors are of the view that that our Group's business operations and financial position would not be materially and adversely affected.

(b) Industrial Coordination Act 1975 ("ICA 1975")

The ICA 1975 provides for the co-ordination and orderly development of manufacturing activities in Malaysia, for the establishment of an Industrial Advisory Council and for other matters connected therewith or incidental thereto.

The ICA 1975 requires a person engaging in any manufacturing activity with the shareholders' funds of RM2.5 million and above or employing 75 or more full-time paid employees to obtain a manufacturing licence.

KTISB manufactures IBS products namely wall, slab, beam, column and staircase for its internal consumption to complement its construction activities, which supports its property development activities, at Tuaran casting yard. In this respect, this amounts to "manufacturing activity" under the ICA 1975.

Pursuant to Section 3(1) of the ICA 1975, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. KTISB did not apply for a manufacturing licence for its manufacturing activities at Tuaran casting yard even though its shareholders' funds have exceeded RM2.5 million.

Any person who fails to comply with the requirements of Section 3(1) of the ICA 1975 is guilty of an offence and is liable on conviction to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 for every day during which such default continues.

Section 19 of the ICA 1975 provides that where an offence under the ICA 1975 or any rule made thereunder has been committed by a person or a manufacturer being a company, partnership or body of persons, any person who at the time of the commission of the offence was a director, manager or other officer serving in a managerial capacity or was a partner of the company, partnership or body of persons or purported to act in any such capacity shall be deemed to be guilty of that offence unless he proves that the offence was committed without his knowledge, consent and connivance and that he had exercised all necessary diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his functions in that capacity and all the prevailing circumstances.

6. INFORMATION ON OUR GROUP (Cont'd)

KTISB manufactures the IBS products in its Tuaran yard since 2017 and previously in its Kinarut casting yard (from 2012 to 2019) for internal consumption to complement its construction services, which support its property development businesses. These IBS products are precast concrete construction components, whereby cement, aggregates, sand and water are mixed together in the required quantities to produce ready-mixed concrete. The ready-mixed concrete is then poured into the formwork, and left to harden. KTISB was not aware that such activities carried out at both casting yards amounted to "manufacturing activities" under the ICA 1975, and such activities were carried out solely for its internal consumption without supplying any of the IBS products to any external customers. However, after being duly advised by the due diligence solicitors, KTISB submitted its application for a manufacturing licence to MITI for its manufacturing operations in the Tuaran casting yard and have received a conditional letter of approval on 28 July 2022 and subsequently the manufacturing licence was issued by MITI on 7 October 2022 (valid from 28 July 2022). In respect of the Kinarut casting yard which is not in operations as at the LPD (previously the IBS manufacturing operations was carried out from 2012 to 2019), KTISB will apply for a manufacturing licence prior to commencing manufacturing operations. As at LPD, KTISB has not received any notices, penalties or compounds from MITI for operating its manufacturing activities previously in Kinarut casting yard without a valid manufacturing licence.

As at LPD, KTISB has not received any notices, penalties or compounds from MITI for operating its manufacturing activities without a valid manufacturing licence prior to the issuance of its manufacturing licence. Our Directors are of the view that the risk of being charged, convicted, penalized and/or compounded retrospectively for the abovementioned provisions of the ICA 1975 is low as MITI has issued the manufacturing licence to KTISB. Moreover, MIDA has provided written acknowledgement vide its letter dated 19 August 2022, stating that KTISB is deemed to have complied with the requirements of obtaining a manufacturing license, insofar as to all manufacturing of IBS products which have been carried out at the Tuaran casting yard up to the point of issuance of the manufacturing license. As such, it is an indication that no action will be taken against KTISB in respect of the abovementioned default.

Moving forward, the management of KTISB will prepare a checklist and schedule of all its permits, licences and registrations including the manufacturing licence which will be put under the purview of Wilson Loke Choon Syn, our Executive Director for monitoring purposes and will be reported periodically to the Audit and Risk Management Committee. In addition, alerts for renewal will also be set in our digital device calendar to remind our management of any requisite renewals in advance.

(c) Local Government Ordinance 1961 ("LGO 1961"), Trades Licensing Ordinance 1949 of Sabah and the by-laws of the respective local councils and authorities

Under the LGO 1961, the relevant local authority may exercise and perform within such area all or any powers and duties conferred on them under the LGO 1961 or by any by-laws, rules or regulations passed pursuant to the LGO 1961. The powers include the issuance of licences and the imposition of any conditions and restrictions (if any) on the licences as they deem fit.

6. INFORMATION ON OUR GROUP (Cont'd)

Pursuant to the Trades Licensing Ordinance 1948, a trading license shall be issued by the administrative officer or his assistant in charge of the district in which the premises to be licensed are situated, or if the business is not carried on in definite premises, in which the person carrying on the business usually resides or has his principal place of business or first lands in Sabah. Any person who contravenes the above shall be liable for each offence to a fine of four times the amount of the licence fee and to a further fine of RM10 for each day or part of a day subsequent to a conviction during which the contravention continues.

Under the respective by-laws of the Sabah local councils and authorities, no person shall exhibit or cause to be exhibited any advertisement without a license (other than those exempted under the by-law). By-law 3(1) of the Kota Kinabalu Municipal Council (Advertisement) By Laws 1983 provides that no person shall exhibit or cause to be exhibited any advertisement other than those exempted under by-law 9 without a licence issued by the council. By-law 18 provides that any person who contravenes any of the provisions of these by-laws or any condition in a licence shall be guilty of an offence and shall be liable to a fine not exceeding RM5,000 and in the case of a continuing offence, a fine not exceeding RM200 for everyday during which such offence is continued.

We require a trading license to carry out our business activities at our business premises. In the event we display our company name on the outer wall of our business premise, we would require an advertisement license. As at LPD, our subsidiaries hold valid trading licences and advertisement licence.

(d) HDE 1978

Under the Housing Development (Control and Licensing) Act 1966, no housing development in Peninsular Malaysia and the Federal Territory of Labuan shall be conducted except by a housing developer in possession of a license issued by the Controller of Housing. As the Housing Development (Control and Licensing) Act 1966 only applies in Peninsular Malaysia, it is not applicable to our Group and our Group is governed by the HDE 1978 instead.

Section 5 of the HDE 1978 provides that no housing development shall be engaged in, carried on or undertaken or caused to be undertaken except by a housing developer who is in possession of a licence issued under the HDE 1978. Any housing developer guilty of an offence shall on conviction be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding three years or to both. In addition, the licence issued to the housing developers under the HDE 1978 may also be suspended or revoked if the housing developer carries on its business in a manner detrimental to the interest of the purchasers or any member of the public or contravenes any of the provisions of the HDE 1978.

Notwithstanding Section 5 of the HDE 1978, Section 2 of the HDE 1978 provides that nothing in the HDE 1978 shall apply to any body or agency established and incorporated by statute and under the control of the Government or the government of any state.

6. INFORMATION ON OUR GROUP (Cont'd)

LPPB is a statutory body established under the HDA 1981. One of the objectives of LPPB is to construct and build affordable housing in Sabah for the benefit of the people in Sabah. The main functions and duties of LPPB are, amongst others, to prepare and execute proposals, plans and projects for the development of towns, redevelopment and extension of existing towns and such areas as designated by the minister, to manage all lands, houses and buildings or other property vested in or belonging to LPPB. As such, LPPB is a statutory body and is exempted from the requirement of having a housing developer licence under the HDE 1978 to undertake the development of the projects.

Our Group will be required to obtain an APDL in respect of the development projects undertaken by us and will be subject to the provisions and regulations as may be made by the Ministry of Local Government and Housing Sabah pursuant to the HDE 1978. However, as at LPD, our subsidiaries are not required to obtain an APDL as we are primarily involved in property development activities with LPPB as a design and build contractor i.e. where our Group provides design and build construction services to LPPB as well as provide financing for the construction of all projects undertaken (by securing financing facilities from financial institutions and/or by utilising internally generated funds. A design and build contractor in projects with LPPB is not required to obtain an APDL pursuant to the HDE 1978.

(e) Occupational Safety and Health Act, 1994 ("OSHA")

The OSHA regulates the safety, health and welfare of persons at work, protecting others against the risks of safety or health in connection with the activities of persons at work.

Pursuant to Section 29 of the OSHA, an occupier of a place of work to which this section applies shall employ a competent person to act as a safety and health officer at the place of work. An occupier who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to a term of imprisonment not exceeding 6 months or to both. The employer of the class or description of industries that shall employ a safety and health officer can be found under Order 3 of the Occupational Safety and Health (Safety and Health Officer) Order 1997, which includes any building operation where the total contract price of the project exceeds RM20.0 million.

Pursuant to Section 30 of the OSHA, every employer shall establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work or the Director General of the Department of Occupational Safety and Health directs the establishment of such a committee at the place of work. A person who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to imprisonment for a term not exceeding 6 months or to both.

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

6. INFORMATION ON OUR GROUP (Cont'd)

(f) Labour Ordinance (Sabah Cap. 67)

Section 118(1) of the Labour Ordinance (Sabah Cap. 67) provides that no person shall employ any non-resident employee unless he has obtained a Licence to Employ Non-Resident Employee. An employer who fails to comply with this section, or any person who forges, alters or tampers with a Licence to Employ Non-Resident Employee or any person in possession of a forged, altered or tampered Licence to Employ Non-Resident Employee, commits an offence and shall be liable on conviction to a fine not exceeding RM10,000 or to imprisonment for six months or to both.

Section 118(2) of the Labour Ordinance (Sabah Cap. 67) further provides that the power of the Director of the Labour Department of Sabah to issue a Licence to Employ Non-Resident Employee shall be subject to the laws on immigration applicable to Sabah and such licence shall be in such form and subject to such conditions as may be prescribed.

As at LPD, our subsidiary, namely KTISB holds a valid licence to employ non-resident employees. Save for KTISB, none of our other subsidiaries employ non-resident employees.

(g) Employment (Restriction) Act 1968 and Immigration Act 1959/63 ("Act 155") and all regulations made thereunder

Employment (Restriction) Act 1968 expressly prohibits a person from employing a non-citizen of Malaysia unless there has been issued in respect of that person a valid employment permit. Failure to obtain the valid employment permit shall be an offence which on conviction is punishable by a fine not exceeding RM5,000 or imprisonment for a term not exceeding 1 year or both.

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

Section 55B(1) of Act 155 provides that a person who employs one or more persons, other than a citizen or a holder of an entry permit, who is not in possession of a valid pass shall be guilty of an offence, and shall on conviction, be liable to a fine of not less than RM10,000 but not more than RM50,000 or to a term of imprisonment not exceeding 12 months or to both for each such employee. Where, in the case of an offence under Section 55B(1) of Act 155, if it is proved to the satisfaction of the court that the person has at the same time employed more than 5 such employees that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes.

As at LPD, all of our foreign employees are in possession of a valid work permit.

6. INFORMATION ON OUR GROUP (Cont'd)

(h) Environment Quality Act, 1974 ("EQA")

The EQA sets out provisions in respect of prevention, abatement, control of pollution and enhancement of the environment. Section 34A of the EQA states that any person intending to carry out any prescribed activity shall appoint a qualified person to conduct an environmental impact assessment and to submit a report thereof to the Director General in the manner as the Director General of the Department of Environment ("DG") may prescribe and shall not carry out such activity until the report required to be submitted has been submitted and approved.

Any person who contravenes this section shall be guilty of an offence and shall be liable to a fine not exceeding RM500,000 or to imprisonment for a period not exceeding five years or to both and to a further fine of RM1,000 for every day that the offence is continued after a notice by the DG requiring him to comply with the act specified therein has been served upon him. In addition, the DG may issue a prohibition order or stop work order to the person carrying out the prescribed activities without the approval under Section 34A of the EQA.

In exercise of the powers conferred by Section 34A of the EQA, housing development covering an area of 50 hectares or more was prescribed as an activity which may have significant environmental impact pursuant to the Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 1987.

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

(i) Factories and Machinery Act, 1967 ("FMA")

The FMA and the relevant regulations made thereunder, including the Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations, 1970 provide for the control of factories with respect to matters relating to the safety, health and welfare of persons in the factories, the registration and inspection of machinery and other matters connected therewith. Our Group is required to obtain a valid certificates of fitness pursuant to the FMA for the operation of steam boiler, unfired pressure vessel or hoisting machine other than a hoisting machine driven by manual power. Any person who contravenes this provision shall be served with a notice in writing prohibiting the operation of such machinery or may render such machinery inoperative until such time as a valid certificate of fitness is issued. In addition, such person shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM150,000 or to imprisonment for a term not exceeding 3 years or to both.

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

Save for the past non-compliances as disclosed in Section 6.11, there are no other non-compliances since inception of our Group of regulatory requirements and/or environmental issues which may materially affect our Group's operations arising from the utilisation of our assets. Our Group has not been issued with any penalties pursuant to the laws, regulations, rules or requirements as disclosed above.

6. INFORMATION ON OUR GROUP (Cont'd)

6.12 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES

(a) Environmental

Our Group is aware that our business has an impact, whether directly and indirectly, on the environment. As such, we strive to adopt environmentally sustainable practices to avoid or minimise environmental damage where possible. The following are some of the business activities we have carried out as part of our environmental sustainability and responsible practices:

- (i) minimise environmental impact of products developed and services provided by our Group, through the adoption of IBS in our construction operations;
- (ii) collaborate with government, private and educational bodies through knowledge transfer of our IBS technology for students and apprentices; and
- (iii) re-use or re-purpose rejected casted materials and other scraps generated from our Group's IBS processing plant, thus minimising general waste sent to landfills.

(b) Social

The success of our business is dependent on our employees who assist in managing and growing our business. We are also dependent on other stakeholders, such as, providers of supporting materials and products, contracting and other services as well as our customers for the properties that we develop. Accordingly, we have a social obligation to care for them and where possible assist in their welfare, as part of stakeholder management, in our business operations. The initiatives undertaken by our Group include:

- (i) enhancing development of our employees, through regular sponsors of skills training to support employees in fulfilling their roles and their personal development, as well as to comply with regulatory requirements;
- (ii) built affordable housing in the design and development of property products since our inception in 1984. As leaders in providing affordable homes for all, our Group has designed and built liveable homes which are economical yet spacious and practical for different income groups;
- (iii) built quality developments, which are affordable to the local community using IBS which achieved CIDB scores of up to 89.95% in our completed projects; and
- (iv) implementing strict health and safety policies and procedures at the development site to protect the health and safety of our employees, contractors and the surrounding communities.

(c) Governance

Our Group recognises the importance in promoting good corporate governance to ensure long term sustainability of our business. Accordingly, we are committed to uphold the required standards of corporate governance and ethical conduct in accordance with the principles and best practices of corporate governance as set out in the MCCG.

6. INFORMATION ON OUR GROUP (Cont'd)

6.13 EMPLOYEES

As at LPD, we have a total workforce of 208 employees, which consists of permanent and contractual employees. Local employees accounted for approximately 87.5% of total workforce while the remaining 12.5% were foreign workers. All of our foreign workers have valid working permits.

The breakdown of our employees as at 31 December 2023 and LPD are as follows:

Department	Permanent		Contract/Temporary		Total employees
	Local	Foreign	Local	Foreign	
As at 31 December 2023					
Director	4	-	-	-	4
Key senior management	2	-	1 ⁽²⁾	-	3
Corporate affairs	1	-	-	-	1
Project division	25	-	3	-	28
Contract and tenders and procurement divisions	12	-	-	-	12
Quality assurance, health, safety and environment divisions	7	-	1	-	8
Finance, accounting, human resource and administration divisions	22	-	-	-	22
Sales and marketing division	30	-	11	-	41
Surveying division	5	-	3	1	9
Machinery division	5	1	23	9	38
Construction site worker ⁽¹⁾	-	-	5	15	20
Total	113	-	47	25	186
As at LPD					
Director	4	-	-	-	4
Key senior management	2	-	1 ⁽²⁾	-	3
Corporate affairs	1	-	-	-	1
Project division	27	-	9	1	37
Contract and tenders and procurement divisions	12	-	-	-	12
Quality assurance, health, safety and environment divisions	8	-	3	-	11
Finance, accounting, human resource and administration divisions	23	-	-	-	23
Sales and marketing division	30	-	16	-	46
Surveying division	5	-	8	1	14
Machinery division	5	-	23	9	37
Construction site worker ⁽¹⁾	-	-	5	15	20
Total	117	-	65	26	208

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Includes 15 employees as at 31 December 2023 and 15 employees as at LPD that were involved in the operations at our IBS casting yards to manufacture IBS components. During FYE 2020 to 2023 and up to LPD, our Group, being the main contractor of our projects, were primarily involved in project management and overseeing construction progress. As such, construction works, including the installation of IBS components, were mainly outsourced to our subcontractors. Please refer to Section 7.9 for our subcontracted services.
- (2) Abdullah Azlan Bin Khalid's employment contract (effective from 1 May 2022 until 30 April 2025) is not a service agreement which provides for benefits upon termination of employment.

There were no significant changes in the number of employees of our Group for FYE 2023 and up to LPD.

None of our employees belong to any labour union and over FYE 2020 to 2023 and up to LPD, there is no labour dispute between our management and our employees. Additionally, over FYE 2020 to 2023 and up to LPD, there has not been any incident of work stoppage that has materially affected our operations.

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7. BUSINESS OVERVIEW

7.1 HISTORY AND BACKGROUND

Our Company was incorporated in Malaysia on 10 March 2016 as a public limited company under the name of KTI Property Berhad. Subsequently on 14 July 2022, we changed our Company's name to KTI Landmark Berhad. Our Company was incorporated to facilitate our Listing and our principal activities is that of an investment holding company. Through our subsidiaries, we are a property developer, principally involved in the provision of design and build construction services and property development. Please refer to Section 7.3 for further details on our principal business activities.

The key milestones and events of our Group's history and our business expansions are as set out below:

Year	Event
1984	<ul style="list-style-type: none"> • Loke Theen Fatt, our Managing Director / Chief Executive Officer, joined our Group through KTISB (i.e. a shelf company incorporated on 27 August 1984 which was subsequently acquired by Siaw Voon Chiat and Lim Hui Ling (non-related party) who exited in 1986 and 1989 respectively) as Manager. • KTISB was initially involved in the application of relevant licenses to carry out business operations and in tendering for general building construction projects from the public sector. General building construction services refer to the typical construction activities undertaken by contractors to construct buildings based on customer's building design.
1985	<ul style="list-style-type: none"> • Chin Mee Leen, our Promoter, joined our Group when she was appointed as Director on 6 June 1985.
1986	<ul style="list-style-type: none"> • Chin Mee Leen acquired 50.0% equity interest in KTISB from Siaw Voon Chiat (non-related party) on 1 October 1986, and Lim Hui Ling (non-related party) held the remaining 50% equity interest in KTISB. • We began providing general building construction services to the public sector. We secured our 1st project under the public sector for the construction of police staff quarters in Taman Nelly, Kolombong, Sabah, which was completed in 1988.
1993	<ul style="list-style-type: none"> • We began providing general building construction services to the private sector. Amongst the initial construction projects secured were as follows: <ol style="list-style-type: none"> (a) construction of a mosque in Ranau, Sabah (i.e. GDV of RM1.0 million and the construction was completed in 1995); (b) construction of a residential project comprising double storey terraced houses and double storey semi-detached houses in Taman Bestari Luyang, Sabah (i.e. GDV of RM4.3 million and the construction was completed in 1994); and (c) construction of a residential project comprising double storey terraced houses and double storey semi-detached houses in Taman Fabulosa Luyang, Sabah (i.e. GDV of RM11.0 million and the construction was completed in 1994).
1994	<ul style="list-style-type: none"> • We began our venture into property development. In the early years of business, our Group was mainly involved in the sourcing of land for development, initial-stage project planning, securing approvals from relevant authorities to proceed with project development, and making necessary preparations for the launching of new property development projects.

7. BUSINESS OVERVIEW (Cont'd)

Year	Event
	<ul style="list-style-type: none"> Achieved a new milestone when we secured a construction project, with a total GDV of RM30.0 million, under the public sector for the construction of police staff quarters in Kolombong, Sabah. The construction was completed in 1997.
1998	<ul style="list-style-type: none"> Developed our first commercial project under our property development business, which comprised 3 units of double-storey shops in Taman Ehsan, Tawau, Sabah. The project had a total GDV of RM1.0 million and the construction was completed in 2000.
1999	<ul style="list-style-type: none"> Developed our first residential project in Taman Orkid, Kudat, Sabah, in which the project was divided into 3 phases of development. The project also included the development of shops. Collectively, the development comprised the following: <ul style="list-style-type: none"> (a) 174 units of single-storey detached houses; (b) 101 units of double-storey semi-detached houses; (c) 145 units of double-storey terraced houses; and (d) 6 units of double-storey shops. <p>The project had a combined GDV of RM30.5 million. The development was completed progressively over the period between 2002 and 2004.</p> <ul style="list-style-type: none"> We first adopted IBS construction technique for the construction of the abovementioned residential project in Taman Orkid, Kudat, in which the technique adopted comprises on-site production of IBS components.
2000	<ul style="list-style-type: none"> Secured our first educational facility construction project to construct the facilities at Zone 2 and 3 of the Kota Kinabalu Polytechnics in Sepanggar, Sabah. The project had a total GDV of RM39.0 million and the construction was completed in 2003.
2002	<ul style="list-style-type: none"> Secured our first construction project outside Sabah to construct Kluang Prison Complex in Kluang, Johor. The project had a total GDV of RM35.7 million and the construction was completed in 2005.
2007	<ul style="list-style-type: none"> Achieved a new milestone when our property development project (i.e. development of Taman Nelly 8 in Kolombong, Sabah) exceeded a GDV of RM50.0 million. The project was divided into 4 phases of development. Collectively, the development comprised the following: <ul style="list-style-type: none"> (a) 92 units of double-storey terraced houses; (b) 64 units of 4-storey apartments; and (c) 280 units of studio apartments. <p>The development had a GDV of RM51.8 million. The development of Phase 1 to Phase 3 were completed in 2010 and Phase 4 was subsequently completed in 2013.</p>
2010	<ul style="list-style-type: none"> Entered into our first collaboration with LPPB to provide design and build construction services to develop a residential project in Taman Wawasan, Beaufort, Sabah. <p>This project comprised the development of Phase 3 and 4 of Taman Wawasan in Beaufort, Sabah, which collectively comprised 252 units of double-storey terraced houses, with a total GDV of RM34.2 million. The development was completed in 2014.</p>

7. BUSINESS OVERVIEW (Cont'd)

<u>Year</u>	<u>Event</u>
2012	<ul style="list-style-type: none"> • Achieved a new milestone in the provision of design and build construction services to LPPB when the GDV of our design and build project, namely Taman La Gloxinia, exceeded the RM100.0 million benchmark. Taman La Gloxinia is located in Kinarut, Sabah and the project was divided into 3 phases of development. <p>The development comprised a total of 472 units of double-storey terraced houses and 20 units of double-storey shops with a GDV of RM139.8 million. The development was completed in 2016.</p> <ul style="list-style-type: none"> • Began adopting the precast concrete system IBS construction technique which comprises the off-site manufacturing of IBS components at our casting yard and ready IBS components will then be transported to our project sites for assembly and installation. This is different from the IBS construction technique adopted since 1999 which employs on-site production of IBS components at project sites. • With that, our Group began manufacturing IBS components in our first off-site casting yard in Kinarut which is located opposite to Taman La Gloxinia, and we began supplying the IBS components to our Taman La Gloxinia project. Further details on our manufacturing of IBS components are as set out in Section 7.4.
2013	<ul style="list-style-type: none"> • Loke Then Fatt became our shareholder in February 2013 when he acquired 11.3% equity interest in KTISB, which were existing shares in KTISB, from Lok Kau Lin, a non-related party. The remaining shares of 88.7% were held by Chin Mee Leen.
2015	<ul style="list-style-type: none"> • Achieved a new milestone in the provision of design and build construction services to LPPB with the construction of our first design and build high-rise residential project, namely Puncak Gloxinia in Kinarut, Sabah. Puncak Gloxinia is a PPAM project which is a civil servant housing project located in Kinarut, Sabah and the project was divided into 2 phases of development. <p>The development comprised 6 blocks of 18-storey affordable housing units with a total of 1,296 units and a GDV of RM418.5 million. Construction works for Puncak Gloxinia Phase 1 (i.e. Block A, Block B and Block C) commenced in 2015 and was completed in 2018; while construction works for Puncak Gloxinia Phase 2 (i.e. Block D, Block E and Block F) commenced in 2017 and was completed in 2020.</p>
2017	<ul style="list-style-type: none"> • Commenced operations of a casting yard in Tuaran.
2019	<ul style="list-style-type: none"> • Achieved a new milestone in the provision of design and build construction services to LPPB with the construction of a residential project in Taman Seri Lemawang which exceeded the RM300.0 million GDV benchmark. The said project is located in Tuaran, Sabah and it also included the development of shops. The development comprises the following: <ul style="list-style-type: none"> (a) 833 units of double-storey houses; (b) 800 units of five-storey apartments; (c) 16 units of double-storey shophouses; and (d) 1 unit of double-storey detached shop.

7. BUSINESS OVERVIEW (Cont'd)

Year	Event
	The project has a GDV of RM357.0 million. Construction works commenced in 2019 and is expected to be completed in 2024. Further details of the project are as set out in Sections 7.3.1.3(a) and 7.3.1.3(b).
2021	<ul style="list-style-type: none"> • Achieved a new milestone with the development of our first mixed-development project, namely The Logg in Luyang, Sabah which is also our Group's first joint development project with LPPB. The development comprises the following: <ul style="list-style-type: none"> (a) 2 blocks of 28-storey condominiums; (b) 1 block of 28-storey apartment; (c) 1 block of 38-storey 4-star hotel, namely Avani Luyang @ The Logg, with 370 rooms; (d) 2 levels of retail space; and (e) 3 levels of purpose-built offices comprising 12 units of offices. <p>The project has a GDV of RM1.0 billion. Construction works commenced in 2019 and is expected to be completed by 2025. Further details of the project are as set out in Section 7.3.2.2(b).</p>

7.2 KEY ACHIEVEMENTS

As at LPD, we have received the following awards:

Year	Award	Category	Project	Awarding body	Objective
KTISB 2016	The Malaysian Construction Industry Excellence Awards 2016	Special Mention (IBS)	LA Gloxinia Garden Phase 1, Papar, Sabah	Ministry of Works and CIDB Malaysia	Recognition in the adoption of IBS construction techniques in construction activities for the project
2016	The Malaysian Construction Industry Excellence Awards 2016	Special Mention (IBS) – Project Manager	LA Gloxinia Garden Phase 1, Papar, Sabah	Ministry of Works and CIDB Malaysia	Recognition in the adoption of IBS construction techniques in construction activities for the project
2021	Majlis Penyampaian Anugerah Khas Kontraktor dan Pengilang Negeri Sabah	Kontraktor Cemerlang – Perumahan (IBS Score)	Not applicable	CIDB Malaysia	Outstanding performance through the adoption of IBS techniques

7. BUSINESS OVERVIEW (Cont'd)

Year	Award	Category	Project	Awarding body	Objective
2023	Shareda Excellence Award 2023	Sabah IBS Residential Masterpiece	Not applicable	Sabah Housing and Real Estate Developers Association (SHAREDA)	Recognition of excellent contribution in the Property Industry
Landmark Property					
2016	The Malaysian Construction Industry Excellence Awards 2016	Special Mention (IBS) – Project Client	LA Gloxinia Garden Phase 1, Papar, Sabah	Ministry of Works and CIDB Malaysia	Recognition in the adoption of IBS construction techniques in construction activities for the project

7.3 PRINCIPAL BUSINESS ACTIVITIES

We are a property developer, principally involved in the provision of design and build construction services and property development. Our Group is involved in all aspects of property development activities comprising site selection, project design, submission of building plans to relevant authorities, sales and marketing of our projects, and delivery of vacant possession to end buyers, as well as in construction activities. Our design and build construction projects and property development projects are located in Sabah, and it comprises the following types of properties:

- (a) residential property comprising detached houses, semi-detached houses, terraced houses, low-rise apartments, flats and high-rise condominiums / serviced apartments;
- (b) commercial property comprising shops; and
- (c) mixed development comprising a combined development of high-rise condominiums / serviced apartments, retail space and hotel.

Since 2010 and up to LPD, we have been providing our design and build construction services primarily to LPPB. LPPB is the state authority in Sabah involved in overseeing housing and township development, as well as the development of affordable housing in Sabah. We also provide general building construction services, which refer to the typical construction activities undertaken by contractors to construct buildings based on customer's building design, to the private and public sectors (i.e. other than LPPB) upon request and through tenders. Please refer to Section 7.3.1.1 for further details on the arrangement and process with LPPB, and Section 7.3.1.2 for further details on the arrangement and process with the private and public sectors under our design and build construction services segment. In FYE 2020 to 2023, we did not undertake any general building construction projects with the private and public sectors (i.e. other than LPPB) and there was no revenue derived from this segment.

Our design and build construction services and property development activities are also supported by our in-house construction services, which is complemented by our in-house manufacturing of IBS components. We utilise the IBS construction technique for most of our design and build construction projects and property development projects. Further details on the manufacturing of IBS components are set out in Section 7.4.

7. BUSINESS OVERVIEW (Cont'd)

We classify our design and build construction projects and property development projects into 3 categories based on their respective development stages as follows:

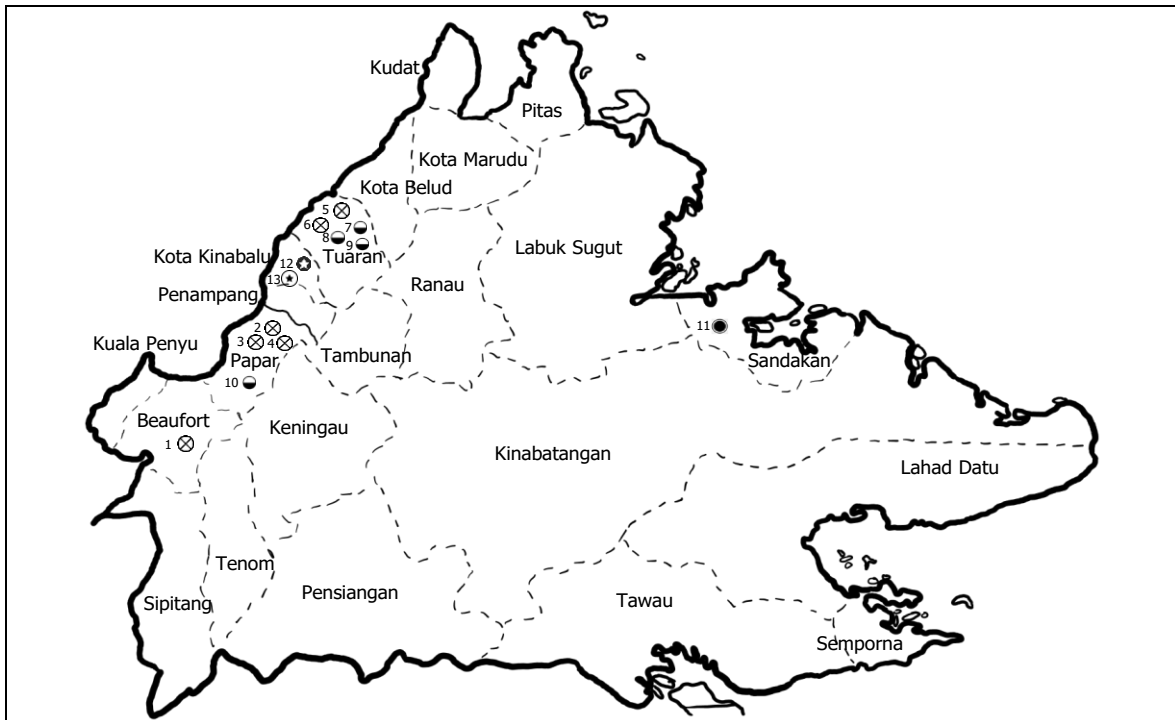
- (a) **Completed projects**, representing properties for which construction of all the constituents of the residential and commercial buildings have been completed based on the issuance of OC/CFO, subject to the requirement and approval procedures of the local authority;
- (b) **On-going projects**, representing projects where all necessary approvals and permits have been obtained and construction work has commenced but not completed; and
- (c) **Future projects**, representing projects where the planning permissions have been obtained but construction work has not commenced.

Under the provision of design and build construction services, there are no landbanks held for future development purposes due to the nature of the service provided. Further, as at LPD, other than 2 parcels of remaining detached lots from previous developments as set out in Section 6.10.1(a) to (b), our Group does not hold any land for future development under our property development projects. However, our Group had entered into a negotiation to secure a parcel of land for our property development activities. Further details on the acquisition of the landbank are set out in Section 7.17.1.

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7. BUSINESS OVERVIEW (Cont'd)

The following map sets out a summary of our completed projects, on-going projects and future projects, carried out under our design and build construction services for LPPB and our own property development activities in Sabah since 2010:



Map Legend	
Design and build construction projects with LPPB	
 Completed projects	1. Taman Wawasan Phase 3A, 3B, 4A and 4B (Residential) 2. Taman La Gloxinia Phase 1, 2A, 2C, 3A and 3B (Residential) 3. Gloxinia Avenue Phase 2B (Commercial) 4. Puncak Gloxinia Phase 1 and Phase 2 (Residential – PPAM) 5. Taman Seri Lemawang Phase 1A, 1B, 1C, 1D, 1E, 1F and 1G (Residential) 6. Plaza Seri Lemawang (Commercial)
 On-going projects	7. Taman Seri Lemawang Phase 1H and 1I (Residential) 8. Residensi Seri Akasia Block A, B, C, D, E and F (Residential) 9. Plaza Lemawang 2 (Commercial) 10. Taman Bukit Alamanda (Residential)
 Future projects	11. Sandakan Phase 1, 2, and 3 (Residential)
Our Group's own property development projects	
 On-going mixed development	12. The Logg, Luyang (Mixed development)
 Future project	13. Ayuria Place, Alamesra (Mixed development)

7. BUSINESS OVERVIEW (Cont'd)

7.3.1 Design and build construction services

Our Group provides design and build construction services primarily to LPPB, as well as general building construction services to the private and public sectors (i.e. other than LPPB) upon request and through tenders.

7.3.1.1 Provision of design and build construction services

Our Group is involved in all aspects of property development activities comprising site assessment and market feasibility study, project design, submission of building plans to relevant authorities, construction, sales and marketing of the projects, delivery of vacant possession to end buyers and property management; while LPPB is the land and project owner of the development. This is different from our Group's property development activities where we are the land and project owner of the development. Save for the ownership of the land and project as mentioned above, all aspects of property development activities for both design and build construction services and our Group's property development are similar.

We have been providing our design and build construction services primarily to LPPB since 2010, in which we focus on the development of residential and commercial property projects for the general public and civil servants housing projects (i.e. PPAM) in Sabah. Civil servants housing projects are aimed to assist civil servants to own homes.

Our Group has also been involved in financing the construction of all projects undertaken, whereby our Group secures financing facilities from financial institutions and/or utilises internally generated funds. Our Group will propose the selling prices for each type of unit of the project in a Technical and Financial Proposal (i.e. a proposal that sets out the details of a project and the obligations of LPPB and our Group in the project) to be submitted to LPPB. Upon mutual acceptance of the selling prices, our Group will enter into an agreement with LPPB setting out the terms and obligations of each party, in which the Technical and Financial Proposal will be enclosed as part of the appendices of the agreement, and we will commence the provision of design and build construction services to LPPB for the said project. Further, as our Group is involved in the sale of properties to end buyers, all proceeds received from the sale of property units to end buyers (e.g. cash payments and loan disbursements from banks) will be collected by our Group. Our Group will undertake continuous sales and marketing to sell the remaining units. In the event that the units continue to remain unsold, our Group may choose to retain the unsold units or to resell at higher value in the future.

Subsequently, onward payment in relation to the project will be made on a quarterly basis to LPPB, based on a 50:50 profit sharing arrangement. Prior to granting permission to our Group to design, construct, market and sell properties on behalf of LPPB, our Group is required to submit a Technical and Financial Proposal that sets out the estimated projected profits of the project for approval by the board of directors of LPPB. The profit share to LPPB shall be 50.0% of the profit generated from the agreed Technical and Financial Proposal (i.e. total return from sales of the project less the total development cost). This refers to the profit of the entire project, after all the projects' development costs are accounted for. For clarity, our Group bears the financing of the project costs. There are no incremental project costs that are expressly provided beyond the scope of the agreements entered into between our Group and LPPB.

7. BUSINESS OVERVIEW (Cont'd)

Our Group secures projects from LPPB by tender, and bids through the submission of the Technical and Financial Proposal to LPPB. LPPB publishes tender invitations on its official website which includes the details and types of lands available for development. Our Group responds to the tender invitation by submitting our proposal to LPPB for their consideration. LPPB often encourages and invites our Group to submit our proposals for development. Pursuant to the HDA 1981, LPPB is required to conduct a tendering process in such manner as the State Authority of Sabah may generally or in any particular case direct to securing its contractors, such as our Group.

LPPB may enter into contracts with its contractors in accordance with rules made under HDA 1981, which such rules would require notice of intention to enter such contracts to be published and tenders invited in the stipulated manner. Notwithstanding the aforementioned, HDA 1981 provides that any person entering into a contract with LPPB shall not be bound to inquire whether the rules under HDA 1981 have been complied with by LPPB, and all such contracts are valid notwithstanding any rules applicable under HDA 1981 have not been complied with. The contracts entered by our Group with LPPB have full force and effect and our Group is not bound to inquire whether the rules made under HDA 1981 have been complied with by LPPB in entering such contracts with our Group.

A summary of LPPB's obligations and our Group's obligations under such arrangement are as set out in the table below:

LPPB's obligations

- acts as the land and project owner;
- by way of a power of attorney for each project, grants our Group power to, among others, design and submit applications and drawings to the relevant authorities for approval, obtain financing for the projects, construct, market and sell the units in respect of the respective projects on LPPB's behalf;
- providing the project land(s) free of encumbrances and consenting to the creation of charge over the land(s) for purposes of securing banking facilities to finance the project;
- where applicable, paying the land premium levied by the Government in respect of any amalgamation, conversion and/or subdivision of the said land(s) in accordance with the development plans, subject to any maximum amount to be borne by LPPB as may be agreed by the parties in the agreement; and
- to do all things necessary to assist our Group for smooth implementation of the projects, including submission and obtaining approvals from authorities and any other matters required by law for LPPB to fulfil.

Our Group's obligations

- undertakes site assessment and market feasibility study, project design, as well as the submission of development plans and building plans to relevant authorities;
- carries out and oversees the construction of projects on LPPB's land;
- undertakes sales and marketing activities for the projects;
- manages the delivery of vacant possession to end buyers and property management;
- financing the construction of all projects undertaken, by securing financing facilities from financial institutions and/or utilising internally generated funds;
- proposes the selling prices of the properties to LPPB;
- collection of proceeds received from the sale of property units to end buyers (e.g. cash payments and loan disbursements from banks); and
- makes onward payment to LPPB on a quarterly basis, based on a 50:50 profit sharing arrangement.