

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF KUMPULAN KITACON BERHAD (“KITACON” OR THE “COMPANY”) DATED 28 DECEMBER 2022 (“ELECTRONIC PROSPECTUS”)

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

Website

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

Availability and Location of 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, RHB Investment Bank, or the Issuing House. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

Jurisdictional Disclaimer

The IPO and the distribution of the Electronic Prospectus are subject to the laws of Malaysia. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, the Company, the Directors, the Promoter, the Offerors, the Principal Adviser, the Sole Underwriter and the Sole Placement Agent named in the Prospectus have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic Prospectus may not be used for the purpose of and does not constitute an offer for the subscription or purchase of, or an invitation to subscribe for or purchase, the IPO Shares to any person outside Malaysia or in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves, and to observe such restrictions.

Close of Application

Applications for the IPO Shares offered under the Retail Offering will open at 10.00 a.m. on 28 December 2022 and will close at 5.00 p.m. on 9 January 2023. Any change to the timetable will be advertised by Kitacon in a widely circulated English and Bahasa Malaysia daily newspapers in Malaysia, and will be announced on the 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 as provided by the Company to Bursa Securities are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.



KUMPULAN KITACON BERHAD

(Registration No. 202201006838 (1452535-V))
(Incorporated in Malaysia under the Companies Act 2016)

24, Jalan Rengas
Taman Selatan
41200 Klang
Selangor
Tel: 03-3372 4162
E-mail: info@kitacon.com.my

www.kitacon.com.my



KUMPULAN KITACON BERHAD

PROSPECTUS

PROSPECTUS



KUMPULAN KITACON BERHAD

(Registration No. 202201006838 (1452535-V))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“**IPO**”) OF 138,588,500 ORDINARY SHARES IN KUMPULAN KITACON BERHAD (“**KITACON**”) (“**SHARES**”) IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED SHARE CAPITAL OF KITACON ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING:

- (I) PUBLIC ISSUE OF 76,088,500 NEW SHARES (“**ISSUE SHARES**”) IN THE FOLLOWING MANNER:
- 10,000,000 ISSUE SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
 - 8,588,500 ISSUE SHARES FOR APPLICATION BY THE ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF KITACON AND ITS SUBSIDIARY; AND
 - 57,500,000 ISSUE SHARES BY WAY OF PRIVATE PLACEMENT TO INSTITUTIONAL AND SELECTED INVESTORS; AND
- (II) OFFER FOR SALE OF 62,500,000 EXISTING SHARES (“**OFFER SHARES**”) BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS AS SET OUT IN THE PROSPECTUS, AT AN ISSUE/OFFER PRICE OF RM0.68 PER ISSUE/OFFER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sole Underwriter and Sole Placement Agent

RHB Investment

RHB INVESTMENT BANK BERHAD

(Registration No. 197401002639 (19663-P))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

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

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

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

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 213.

THIS PROSPECTUS IS DATED 28 DECEMBER 2022

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

RESPONSIBILITY STATEMENTS

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

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

STATEMENTS OF DISCLAIMER

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

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

You should rely on your own evaluation to assess the merits and risks of your investment in our Shares. If you are in any doubt as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

You should not take the agreement by the Sole Underwriter named in this Prospectus to underwrite our IPO Shares as an indication of the merits of our Shares being offered.

OTHER STATEMENTS

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

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

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

This Prospectus is prepared and published solely for our IPO. Our Shares being offered in our IPO are offered solely on the basis of the information contained and representations made in this Prospectus. Our Company, Directors, Promoter, Offerors, Principal Adviser, Sole Underwriter and Sole Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoter, Offerors, Principal Adviser, Sole Underwriter and Sole Placement Agent, or any of their respective directors or any other persons involved in our IPO.

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

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

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

It is your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO as stated in this Prospectus and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected. We will further assume that you had accepted our IPO in Malaysia and will be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

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

ELECTRONIC PROSPECTUS

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

You are advised that the internet is not a fully secured medium. Your Internet Share Application may be subject to risks in data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. These risks cannot be borne by the Internet Participating Financial Institutions. If you are in any doubt about the validity or integrity of an electronic Prospectus, you should immediately request from us or our Issuing House, a paper/printed copy of this Prospectus. If there are any discrepancies between the contents of the electronic Prospectus and the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which are identical to the copy of this Prospectus registered with the SC, shall prevail.

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

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

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

- (i) the Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of the electronic Prospectus, to the extent of the contents of the electronic Prospectus on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institutions are not responsible for the integrity of the contents of the electronic Prospectus which has been obtained from the web server of the Internet Participating Financial Institutions and subsequently communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the electronic Prospectus, the accuracy and reliability of the electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium; and
- (iii) the Internet Participating Financial Institutions are not liable (whether in tort or contract or otherwise) for any loss, damages or costs, that you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

An indicative timetable for our IPO is set out below:

Event	Tentative date
Issuance of Prospectus/Opening of application for our IPO Shares	10.00 a.m., 28 December 2022
Closing of application for our IPO Shares	5.00 p.m., 9 January 2023
Balloting of application for our IPO Shares	11 January 2023
Allotment of our IPO Shares to successful applicants	16 January 2023
Listing	17 January 2023

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

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PRESENTATION OF INFORMATION

All references to “our Company” or “Kitacon” in this Prospectus are to Kumpulan Kitacon Berhad. All references to “our Group” or “Kitacon Group” in this Prospectus are to our Company and our subsidiary, taken as a whole. All references to “we”, “us”, “our” or “ourselves” are to our Company, and where the context requires, our Company and our subsidiary.

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

Unless the context otherwise requires, references to “management” in this Prospectus are to our Directors and Key Senior Management as at the date of this Prospectus. Statements as to our beliefs, expectations, estimates and opinions are those of our management.

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

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

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

All reference to dates and times are references to dates and times in Malaysia unless otherwise stated. All references to the “LPD” in this Prospectus are to 30 November 2022, which is the latest practicable date prior to the registration of this Prospectus with the SC.

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

We believe that the information on the industry as contained in this Prospectus and other statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the market and industry in which we operate. Third party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurance can be given that the estimated figures will be achieved, and you should not place undue reliance on the third party projections cited in this Prospectus.

The information on our website or any website, directly or indirectly, linked to our website does not form part of this Prospectus. If there is any discrepancy between the contents of such website relating to our Group and this Prospectus, the information contained in this Prospectus shall prevail.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Group for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, our performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current views with respect to future events and do not guarantee future performance.

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

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

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

Should we become aware of any subsequent significant 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 will issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

DEFINITIONS

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

COMPANIES WITHIN OUR GROUP

Kitacon or Company	: Kumpulan Kitacon Berhad (Registration No. 202201006838 (1452535-V))
Kitacon Group or Group	: Collectively, Kitacon and KSB
KSB	: Kitacon Sdn Bhd (Registration No. 199001003572 (195139-D))

GENERAL

ACCA	: Association of Chartered Certified Accountants
Acquisition of KSB	: Acquisition by Kitacon of the entire issued share capital of KSB of RM30,000,000 comprising 30,000,000 ordinary shares for a total purchase consideration of RM184,401,459, which was satisfied via the issuance of 423,911,400 new Shares at an issue price of RM0.435 per Share, and was completed on 21 October 2022
Act	: Companies Act 2016
ADA	: Authorised Depository Agent, a person appointed by Bursa Depository under the Rules of Bursa Depository
AGM	: Annual general meeting
Application	: Application for our IPO Shares under the Retail Offering by way of the Application Form, Electronic Share Application or Internet Share Application
Application Form	: Application form for the application of our IPO Shares under the Retail Offering accompanying this Prospectus
ATM	: Automated teller machine
Authorised Financial Institution	: Authorised financial institution participating in the Internet Share Application in respect of the payment for our IPO Shares
Benteng Etika	: Benteng Etika Sdn Bhd (Registration No. 200301031845 (634266-X))
Board	: Board of Directors of our Company
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
By-Laws	: By-laws governing the ESOS
CDS	: Central Depository System
CFO	: Chief Financial Officer
CIDB	: Construction Industry Development Board Malaysia
CIDB Act	: Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994

DEFINITIONS (CONT'D)

CJ Century	:	CJ Century Logistics Holdings Berhad (Registration No. 199701008845 (424341-A))
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
COO	:	Chief Operating Officer
COVID-19	:	Coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019 and has been declared as pandemic affecting many countries globally by the World Health Organization
Director	:	Director of our Company and within the meaning given in Section 2 of the Act
Disposal of QLB	:	Disposal by KSB of its 49.0% equity interest in QLB comprising 1,960,000 ordinary shares to Lim Peng Hong for a cash consideration of RM2,418,068, which was completed on 14 June 2022
DOSH	:	Department of Occupational Safety and Health
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
Eco World Development Group	:	Collectively, Eco World Development Group Berhad and its group of companies
Electronic Share Application	:	Application for our IPO Shares made available to the Malaysian Public under the Retail Offering through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, eligible directors and employees of our Group and persons who have contributed to the success of our Group
EMSH	:	Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (as amended by the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019)
EOT	:	Extension of time
EPS	:	Earnings per Share
ESOS	:	Employees' share option scheme
ESOS Committee	:	A committee comprising directors and/or officers of our Group to be appointed and authorised by our Board in accordance with the By-Laws
ESOS Options	:	Rights to subscribe for new Shares under the ESOS and the contract constituted by the acceptance of an offer made in accordance with the terms and conditions of the offer and the By-Laws
Executive Directors	:	Collectively, Tan Ah Kee, Gam Boon Tin and Goh Yin Huat
Financial Years/Period Under Review	:	Collectively, the FYE 2019, FYE 2020, FYE 2021 and FPE 2022
FPE	:	6-month financial period ended 30 June
FYE	:	Financial year ended/ending 31 December, as the case may be

DEFINITIONS (CONT'D)

GM	:	General Manager
GP	:	Gross profit
I & P Group	:	Collectively, I & P Group Sdn Berhad (a wholly-owned subsidiary of S P Setia Berhad) and its group of companies
IMR Report	:	Independent market research report on the Independent Assessment of the Construction Industry in Malaysia prepared by Vital Factor Consulting Sdn Bhd as set out in Section 8 of this Prospectus
Institutional Offering	:	Offering of 120,000,000 IPO Shares at the IPO Price, subject to the clawback and reallocation provisions, to institutional and selected investors as well as Bumiputera investors approved by the MITI
Internet Participating Financial Institutions	:	Participating financial institutions for the Internet Share Application, which is set out in Section 16.6 of this Prospectus
Internet Share Application	:	Application for our IPO Shares under the Retail Offering through an Internet Participating Financial Institution
IPO	:	Initial public offering comprising the Public Issue and Offer for Sale, collectively
IPO Price	:	Issue/offer price of RM0.68 per IPO Share pursuant to our IPO
IPO Shares	:	Collectively, the Issue Shares and Offer Shares
Issue Shares	:	76,088,500 new Shares to be issued by our Company pursuant to the Public Issue
Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
Key Senior Management	:	Key senior management of our Group, namely Gam Boon Tin, Goh Yin Huat, Chooi Kuen Wah, Kwo Hwa Sung, Tan Yoke Huay, Ng Teok Kiean, Liw Fei Jy and Tan Wei Khim
LAD	:	Liquidated ascertained damages
Kiharta	:	Kiharta Sdn Bhd (Registration No. 199401024640 (310318-U))
Kiharta Development	:	Kiharta Development Sdn Bhd (Registration No. 200101015170 (550927-P))
Kiharta Properties	:	Kiharta Properties Sdn Bhd (formerly known as Kitacon Properties Sdn Bhd) (Registration No. 200001004671 (507276-K))
Kireka Resources	:	Kireka Resources Sdn Bhd (Registration No. 201101007866 (936005-P))
Lembah Reka	:	Lembah Reka Sdn Bhd (Registration No. 199601010054 (382402-P))
Listing	:	Listing of and quotation for the entire enlarged issued share capital of Kitacon on the Main Market of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	30 November 2022, being the latest practicable date prior to the registration of this Prospectus with the SC

DEFINITIONS (CONT'D)

Malaysian Public	: Malaysian citizens, companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day	: A day on which Bursa Securities is open for trading in securities
MCCG	: Malaysian Code on Corporate Governance
MCO	: Movement control order implemented under the Prevention and Control of Infectious Diseases Act 1988 and Police Act 1967 as a preventive measure to curb the spread of COVID-19 in Malaysia
MITI	: Ministry of International Trade and Industry
NA	: Net assets
NBV	: Net book value
NRP	: National recovery plan, a four-phase exit strategy from the COVID-19 crisis
Offer for Sale	: Offer for sale of the Offer Shares by our Offerors at the IPO Price
Offer Shares	: 62,500,000 existing Shares to be offered pursuant to the Offer for Sale
Offerors	: Collectively, Tan Ah Kee and Teow Choo Hing
Official List	: A list specifying all securities listed on Bursa Securities
Participating Financial Institutions	: Participating financial institutions for the Electronic Share Application, which are set out in Section 16.5 of this Prospectus
PAT	: Profit after taxation
PBT	: Profit before taxation
Pink Form Allocations	: Allocation of 8,588,500 Issue Shares to the Eligible Persons
PNB Development Group	: Collectively, PNB Development Sdn Berhad and its group of companies
Promoter	: Tan Ah Kee
Prospectus	: This prospectus dated 28 December 2022 in relation to our IPO
Prospectus Guidelines	: Prospectus Guidelines issued by the SC
Public Issue	: Public issue of the Issue Shares at the IPO Price
QLB	: QL Builder Sdn Bhd (formerly known as Pembinaan KSB Sdn Bhd) (Registration No. 199701039198 (454698-M))
Retail Offering	: Offering of 18,588,500 Issue Shares at the IPO Price, subject to the clawback and reallocation provisions, to the Malaysian Public and Eligible Persons
RHB Investment Bank or Principal Adviser or Sole Underwriter or Sole Placement Agent	: RHB Investment Bank Berhad (Registration No. 197401002639 (19663-P))

DEFINITIONS (CONT'D)

RM and sen	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
Rules of Bursa Depository	:	Rules of Bursa Depository as issued under the SICDA
S P Setia Group	:	Collectively, S P Setia Berhad and its group of companies
SAC	:	Shariah Advisory Council of the SC
SC	:	Securities Commission Malaysia
Share Registrar	:	Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))
Share Transfer	:	Transfer of a total of 30,870,100 Shares held by Tan Ah Kee and Lembah Reka to Suan Neo Capital during the prescription period (one day after the launching date of this Prospectus up to a period of 30 days)
Shares	:	Ordinary shares in our Company
SICDA	:	Securities Industry (Central Depositories) Act 1991
Sime Darby Property Group	:	Collectively, Sime Darby Property Berhad and its group of companies
SPAN	:	Suruhanjaya Perkhidmatan Air Negara or National Water Services Commission
sq ft	:	Square feet
sq m	:	Square metres
Suan Neo	:	Suan Neo Sdn Bhd (Registration No. 201601019183 (1190120-M))
Suan Neo Capital	:	Suan Neo Capital Sdn Bhd (formerly known as Kiharta Resources Sdn Bhd) (Registration No. 201601012522 (1183453-V))
Suan Neo Resources	:	Suan Neo Resources Sdn Bhd (formerly known as Kitacon Resources Sdn Bhd) (Registration No. 199701032135 (447634-D))
Substantial Shareholders	:	Collectively, Tan Ah Kee, Teow Choo Hing and Suan Neo Capital
Terang Pertiwi	:	Terang Pertiwi Sdn Bhd (Registration No. 201001038104 (922028-X))
UCSI Campio Builders	:	UCSI Campio Builders Sdn Bhd (Registration No. 200701013672 (771677-K))
UCSI Group	:	UCSI Group Holdings Sdn Bhd (Registration No. 201001020395 (904164-U))
Underwriting Agreement	:	Underwriting agreement dated 9 December 2022 entered into between our Company and our Sole Underwriter for the underwriting of 18,588,500 Issue Shares under the Retail Offering
USA	:	United States of America
Worldwide Group	:	Collectively, Worldwide Holdings Berhad and its group of companies

GLOSSARY OF TECHNICAL TERMS

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

- Building construction** : Physical construction of buildings and structures which typically includes new works, repairs, additions and alterations as well as erection of prefabricated buildings or structures on the site
- Cast in situ** : A building construction technique where building structures such as walls, columns, slabs or beams are cast at the site
- CCC** : Certificate of completion and compliance issued by the relevant authority or person under the Street, Drainage and Building Act 1974 and any by-laws made under it or such relevant legislation applicable at the material time or any certificate of the same nature issued or approved by the relevant authority in Malaysia
- CMGD** : Certificate of Making Good Defects is issued to the contractor by the architect who is appointed by the customer at the expiry of the DLP when all the defects notified have been rectified. However, it shall not prejudice any other rights in regards to latent defects or other breaches of the building construction contract
- CPC** : Certificate of Practical Completion issued by the architect on behalf of the customer when the contractor has completed his contractual obligations and has handed over the works to the customer
- DLP** : Defects liability period is a warranty period where a contractor is required to repair or make good defects at their own cost and expenses for defects in the work performed
- Final account** : The agreed statement of account of the final sum to be paid by the employer to the contractor at the end of a construction project
- Formwork** : Temporary structures made of steel/aluminium/wood materials to serve as moulds for concrete to be poured in
- Hoarding works** : Set up of temporary fencing or panels which are usually made of wood or metal that surround the perimeter of a construction site
- ISO** : International Organization for Standardization
- Main contractor** : A person or a firm appointed by the property developer or building owner and is generally responsible for overseeing and completing the entire construction job. The main contractor may engage subcontractors to carry out certain portions of the construction works relating to specialised works such as foundation works, tiling works. In some situations, the main contractor may have to engage subcontractors that are nominated by the property developer or owner
- QLASSIC** : Quality Assessment System in Construction, a system introduced by CIDB to measure and evaluate the quality of workmanship of building construction based on the Construction Industry Standard (CIS 7:2021). QLASSIC serves as a benchmark for the quality of construction works against industry standards based on a scoring system
- Rectification works** : Also known as remedial works, refers to any improvements or correction of defects in workmanships which are identified during the DLP to make good our works

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Reinforced concrete	: Concrete with embedded steel, including rods, bars and mesh, to provide reinforcement
Residential buildings	: Buildings intended for human habitation and examples include apartments, condominiums, detached houses, link houses, flats, semi-detached houses, terraced houses and townhouses
SHASSIC	: Safety and Health Assessment System in Construction, a system introduced by CIDB to assess and evaluate the safety and health performance of contractors in construction works/projects based on the Construction Industry Standard (CIS 10:2020). SHASSIC serves as a benchmark for the level of occupational safety and health performance of the construction industry in Malaysia using a scoring system
Show village	: Generally, this refers to a purpose-built area with show houses and sales gallery. Sometimes, it also includes management office and/or guard house
Subcontractor	: A person or a firm appointed by the property developer, building owner or main contractor to carry out certain portions of a construction project
Substructure	: The bottom part of a building or structure below the ground level which comprises the foundation including piles, retaining walls and basements
Superstructure	: The building or structure above the ground level
Variation order	: A variation order is issued when there is an alteration in the original construction agreement which may include, among others, design, scope of work and/or contract value

PROJECTS

- Alam Impian Project** : Refers to the construction of residential and non-residential buildings for I & P Group (where QLB is our customer as the main contractor) in Alam Impian, Shah Alam, Selangor, comprising:
- Alam Impian (Phase A2-05) Project : Completed 127 units of 2-storey terrace houses in February 2019
 - Alam Impian (Phase A3-05) Project : Completed 49 units of 2-storey terrace houses in February 2019
 - Alam Impian (Phase A4-01) Project : Completed 32 units of 2-storey semi-detached houses in November 2019
 - Alam Impian (Nadi Niaga) Project : Completed 12 units of 2-storey shop offices in June 2019
- Alam Perdana Project** : Refers to the construction of residential buildings for Worldwide Group in Alam Perdana, Bandar Puncak Alam, Selangor, comprising:
- Alam Perdana (Halya @ Daunan Worldwide - Phase 1) Project : Completed 147 units of 2-storey terrace houses in August 2021
 - Alam Perdana (Halya @ Daunan Worldwide - Phase 2) Project : Ongoing 205 units of 2-storey terrace houses
- Bandar Ainsdale Project** : Refers to the construction of 116 units of 2-storey terrace houses which was completed in September 2015 for Sime Darby Property Group in Bandar Ainsdale, Seremban, Negeri Sembilan
- Bandar Bukit Raja Project** : Refers to the construction of residential and non-residential buildings for Sime Darby Property Group in Bandar Bukit Raja, Klang, Selangor, comprising:
- Bandar Bukit Raja (Azira) Project : Completed 111 units of 2-storey terrace houses in January 2020
 - Bandar Bukit Raja (Rumah Selangorku) Project : Ongoing 236 units of 2-storey townhouses
 - Bandar Bukit Raja (3 Avenue) Project : Completed 21 units of 2-storey link shop offices, 8 units of 2-storey semi-detached shop offices and a 2-storey detached shop office in October 2020

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PROJECTS (CONT'D)

- Bandar Enstek Project** : Refers to the construction of residential buildings for THP Enstek Development Sdn Bhd under Lembaga Tabung Haji (where QLB is our customer as the main contractor for Bandar Enstek (Pristine, Pristine 2 and Pristine 3) Projects) in Bandar Enstek, Negeri Sembilan, comprising:
- Bandar Enstek (Pristine) Project : Completed 43 units of 2-storey terrace houses in March 2019
 - Bandar Enstek (Pristine 2) Project : Completed 48 units of 2-storey terrace houses in March 2020
 - Bandar Enstek (Pristine 3) Project : Completed 35 units of 2-storey terrace houses in June 2022
 - Bandar Enstek (Pristine 4) Project : Ongoing 51 units of 2-storey terrace house Project
- Bandar Seri Coalfields Project** : Refers to the construction of residential buildings for KL-Kepong Country Homes Sdn Bhd in Bandar Seri Coalfields, Kuala Selangor, Selangor, comprising:
- Bandar Seri Coalfields (Jardin Residences) Project : Completed 109 units of 2-storey terrace houses in April 2019
 - Bandar Seri Coalfields (Hampton Residences) Project : Completed 108 units of 2-storey terrace houses, 56 units of 2-storey semi-detached houses, 15 units of 1-storey detached houses and 12 units of 2-storey detached houses in August 2021
- Bandar Seri Putra Project** : Refers to the construction of non-residential buildings for Bangi Heights Development Sdn Bhd in Bandar Seri Putra, Bangi, Selangor, comprising:
- Bandar Seri Putra (Putra Sentral) Project : Completed 42 units of 3-storey shop offices in July 2021
 - Bandar Seri Putra (Putra Sentral 2) Project : Ongoing 32 units of 3-storey shop offices
- Bandar Tasik Puteri Project** : Refers to the construction of residential buildings for Rawang Lakes Sdn Bhd in Bandar Tasik Puteri, Rawang, Selangor, comprising:
- Bandar Tasik Puteri (Acacia Park) Project : Completed 115 units of 2-storey terrace houses in February 2021
 - Bandar Tasik Puteri Show House Project : Completed 2 units of 2-storey terrace show houses in March 2020
- Bandar Universiti Pagoh Project** : Refers to the construction of non-residential buildings for Sime Darby Property Group in Bandar Universiti Pagoh, Johor, comprising:
- Bandar Universiti Pagoh (Sarjana Promenade) Project : Completed 65 units of 2-storey shop offices and 8 units of 3-storey shop offices in May 2021
 - Bandar Universiti Pagoh (Sarjana Square) Project : Completed 29 units of 2-storey shop offices and 6 units of 3-storey shop offices in June 2017
 - Pagoh Restaurant Project : Ongoing single-storey drive-thru restaurant

PROJECTS (CONT'D)

- Bangi (Residensi Purun) Project** : Refers to the construction of 69 units of 2-storey terrace houses which was completed in November 2021 for Worldwide Group in Sungai Purun, Semenyih, Selangor
- Benteng Etika (Piling) Project** : Refers to the piling works which were completed in February 2022 for Benteng Etika under Benteng Etika Warehouse Project in Bandar Bukit Raja, Klang, Selangor
- Benteng Etika Warehouse Project** : Refers to the ongoing construction of a single-storey warehouse with a 2-storey office, and a single-storey store for Benteng Etika in Bandar Bukit Raja, Klang, Selangor
- Bukit Bandaraya (Dillenia) Project** : Refers to the construction of 102 units of 2-storey semi-detached houses and 5 units of 2-storey detached houses which was completed in April 2022 for Worldwide Group in Bukit Bandaraya, Shah Alam, Selangor
- Bukit Bandaraya (Infrastructure) Project** : Refers to the infrastructure works which were completed in January 2022 for Worldwide Group under Bukit Bandaraya (Dillenia) Project
- Bukit Jelutong Project** : Refers to the construction of residential buildings for Sime Darby Property Group in Bukit Jelutong, Shah Alam, Selangor, comprising:
- Bukit Jelutong (Tara) Project : Completed 14 units of semi-detached houses in October 2019
 - Bukit Jelutong (Trilia) Project : Ongoing 46 units of 3-storey semi-detached houses
- Bukit Puchong (Andira Park) Project** : Refers to the construction of 66 units of 2-storey terrace houses and 74 units of 3-storey terrace houses which was completed in October 2019 for Bukit Hitam Development Sdn Bhd in Bandar Bukit Puchong 2, Sepang, Selangor

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PROJECTS (CONT'D)

- City of Elmina Project** : Refers to the construction of residential and non-residential buildings as well as other related services for Sime Darby Property Group in Elmina, Shah Alam, Selangor, comprising:
- City of Elmina (Elmina Gardens - Hoarding works) Project : Completed hoarding works in May 2021
 - City of Elmina (Elmina Green Five) Project : Ongoing 208 units of 2-storey terrace houses
 - City of Elmina (Elmina Valley 3B) Project : Completed 151 units of 2-storey terrace houses in August 2018
 - City of Elmina (Elmina Valley 5A) Project : Completed 168 units of 2-storey terrace houses in October 2021
 - City of Elmina (Elmina Valley 5B) Project : Completed 205 units of 2-storey terrace houses in October 2021
 - City of Elmina (Liana) Project : Completed 72 units of 2-storey terrace houses in November 2019
 - Elmina East (Temu) Project : Completed 70 units of 2-storey and 3-storey shop offices in September 2022
 - City of Elmina (Ilham Residence 2 - Phase 3A) Project : Ongoing 143 units of 2-storey terrace houses
 - City of Elmina (Ilham Residence 2 - Phase 3B) Project : Ongoing 134 units of 2-storey terrace houses
 - City of Elmina Mall Project : Ongoing commercial complex comprising 8 blocks of single-storey and 2-storey shop units with a block of 2-storey sales gallery and offices
 - Elmina Business Park (Low Cost Factory and Shop) Project : Completed 8 units of low cost terrace factories and 6 units of low cost shops in August 2021
 - Elmina Business Park (The Twin Factories) Project : Ongoing 40 units of semi-detached factories
 - Elmina East (Ilham Residence) Project : Ongoing 290 units of 2-storey terrace houses
- Delloyd Industrial Project** : Refers to the ongoing construction of 3 units of factories with offices for Delloyd Holdings (M) Sdn Bhd in Kuala Langat, Selangor
- Denai Alam (Saffron Hill) Project** : Refers to the rectification work which was completed in November 2021 for a residential project under Sime Darby Property Group in Denai Alam, Shah Alam, Selangor
- Dengkil (Primrose) Project** : Refers to the ongoing construction of 63 units of 2-storey terrace houses for Magical Sterling Sdn Bhd in Dengkil, Sepang, Selangor
- Dengkil (Taman Casa Mekar) Project** : Refers to the construction of 61 units of 2-storey terrace houses which was completed in May 2022 for Worldwide Group in Dengkil, Sepang, Selangor

PROJECTS (CONT'D)

- Eco Ardence Project** : Refers to the construction of residential buildings for Eco World Development Group in Eco Ardence, Shah Alam, Selangor, comprising:
- Eco Ardence (Aeres) Project : Completed 212 units of 2-storey semi-detached houses and 12 units of 2-storey detached houses in October 2019
 - Eco Ardence (Ember) Project : Ongoing 48 units of 2-storey cluster semi-detached houses and 24 units of 3-storey cluster semi-detached houses
- Eco Forest Project** : Refers to the construction of residential and non-residential buildings for Eco World Development Group in Eco Forest, Semenyih, Selangor, comprising:
- Eco Forest (Birchpark) Project : Ongoing 145 units of 2-storey terrace houses
 - Eco Forest (Ebony Lane - Phase 2) Project : Completed 94 units of 2-storey terrace houses in October 2020
 - Eco Forest (Ebony Lane - Phase 4) Project : Completed 149 units of 2-storey terrace houses in October 2020
 - Eco Forest (Hazelton) Project : Ongoing 53 units of 2-storey terrace houses and 57 units of 2-storey cluster houses
 - Eco Forest (Lindenway) Project : Completed 56 units of 2-storey shop units in February 2021
- Eco Grandeur Project** : Refers to the construction of residential buildings for Eco World Development Group in Eco Grandeur, Kuala Selangor, Selangor, comprising:
- Eco Grandeur (Avenham Garden) Project : Completed 218 units of 2-storey terrace houses in September 2019
 - Eco Grandeur (Norton Garden) Project : Completed 55 units of 2-storey detached houses in December 2021
- Eco Majestic Project** : Refers to the construction of residential and non-residential buildings for Eco World Development Group in Eco Majestic, Semenyih, Selangor, comprising:
- Eco Majestic (Mellowood) Project : Completed 176 units of 2-storey terrace houses in May 2019
 - Eco Majestic Mall Project : Completed single-storey shopping complex and 8 shop units in February 2022
- Emerald West Project** : Refers to the construction of residential buildings for GLM Emerald West (Rawang) Sdn Bhd in Emerald West, Rawang, Selangor, comprising:
- Emerald West (Chloe Residence) Project : Completed 142 units of 2-storey and 2½-storey terrace houses in July 2020
 - Emerald West (Garland Residence) Project : Completed 299 units of 2-storey terrace houses in September 2021

PROJECTS (CONT'D)

- Kiharta Development Facility (Infrastructure) Project** : Refers to the earthworks and infrastructure works which were completed in January 2022 for Kiharta Development in respect of a refurbishment facility in Klang, Selangor
- Kiharta Development Warehouse Project** : Refers to the ongoing construction of 2 units of factories with offices for Kiharta Development in Klang, Selangor
- Kiharta Development Warehouse (Infrastructure) Project** : Refers to the ongoing earthworks and infrastructure works for Kiharta Development under Kiharta Development Warehouse Project
- Kiharta Development Warehouse (Piling) Project** : Refers to the piling works which were completed in February 2022 for Kiharta Development under Kiharta Development Warehouse Project
- Kota Bayuemas Project** : Refers to the construction of residential buildings for I & P Group (where QLB is our customer as the main contractor) in Kota Bayuemas, Klang, Selangor, comprising:
- Kota Bayuemas (Areca) Project : Completed 84 units of 2-storey terrace houses in October 2022
 - Kota Bayuemas (Carissa) : Ongoing 82 units of 2-storey terrace houses Project
- Kota Seriemas (Cempaka Suria 3) Project** : Refers to the construction of 84 units of 2-storey terrace houses which was completed in October 2015 for PNB Development Group in Kota Seriemas, Negeri Sembilan
- Kota Seriemas (Mawar Indah) Project** : Refers to the construction of 182 units of 2-storey terrace houses which was completed in February 2019 for PNB Development Group (where QLB is our customer as the main contractor) in Kota Seriemas, Negeri Sembilan
- Methodist Church Project** : Refers to the renovation works at Port Dickson Methodist Centre which were completed in March 2020 for Gereja Methodist Malaysia in Port Dickson, Negeri Sembilan
- PNB Telok Datok Project** : Refers to the construction of residential buildings for PNB Development Group (where QLB is our customer as the main contractor) in Telok Datok, Kuala Langat, Selangor, comprising:
- PNB Telok Datok (Value Home - Phase 1A) Project : Ongoing 143 units of single-storey terrace houses, 140 units of single-storey semi-detached houses and 2 units of single-storey detached houses
 - PNB Telok Datok (Value Home - Phase 1B) Project : Ongoing 183 units of single-storey terrace houses, 172 units of single-storey semi-detached houses and 4 units of single-storey detached houses

PROJECTS (CONT'D)

- Puncak Bestari 2 (Azalea) Project** : Refers to the construction of 90 units of 2-storey terrace houses which was completed in October 2020 for Worldwide Group in Puncak Bestari 2, Bandar Puncak Alam, Selangor
- Saujana Perdana (Dahlia Sari) Project** : Refers to the ongoing construction of 120 units of 2-storey terrace houses for Kelana Kualiti Sdn Bhd in Saujana Perdana, Kuala Selangor, Selangor
- Seminari Theologi Malaysia Project** : Refers to repair and upgrading works at Seminari Theologi Malaysia Campus which were completed in March 2020 for Seminari Theologi Malaysia in Negeri Sembilan
- Serene Heights Project** : Refers to the construction of residential buildings and other related services for Symphony Hills Sdn Bhd in Serene Heights, Semenyih, Selangor, comprising:
- Serene Heights (Dahlia 2) Project : Completed 74 units of 2-storey terrace houses in May 2021
 - Serene Heights (Dahlia) Project : Completed 33 units of 2-storey terrace houses in May 2021
 - Serene Heights (Eugenia 1) Project : Completed 84 units of 2-storey terrace houses in December 2020
 - Serene Heights (Eugenia 2) Project : Completed 88 units of 2-storey terrace houses in December 2021
 - Serene Heights (Frischia) Project : Completed 47 units of 2-storey terrace houses in August 2022
 - Serene Heights (Outstanding works) Project : Completed outstanding works for turfing lots and roadworks in Serene Heights in September 2020
 - Serene Heights (Verna) Project : Ongoing 72 units of 2-storey terrace houses
 - Serene Heights (Verna Cluster and Twin Villas) Project : Ongoing 48 units of cluster houses and 24 units of semi-detached houses
 - Serene Heights (Verna Park Terrace) Project : Ongoing 76 units of 2-storey terrace houses
- Setia Alam Project** : Refers to the construction of residential buildings for S P Setia Group in Setia Alam, Shah Alam, Selangor, comprising:
- Setia Alam (Castana) Project : Completed 104 units of 2-storey terrace houses in July 2020
 - Setia Alam (Eximia) Project : Completed 48 units of 3-storey cluster houses in August 2018
 - Setia Alam (Zeyheri) Project : Completed 101 units of 3-storey terrace houses in August 2021
- Setia Eco Glades (Jewels of Grasmere) Project** : Refers to the construction of 117 units of 2-storey terrace houses which was completed in December 2019 for S P Setia Group in Setia Eco Glades, Cyberjaya, Selangor

PROJECTS (CONT'D)

- Setia Eco Park Project** : Refers to the construction of residential buildings for S P Setia Group in Setia Eco Park, Shah Alam, Selangor, comprising:
- Setia Eco Park (Arundina - Phase 1A) Project : Ongoing 118 units of 2-storey semi-detached houses
 - Setia Eco Park (Arundina - Phase 1B) Project : Ongoing 74 units of 2-storey semi-detached houses
 - Setia Eco Park (Hacienda) Project : Completed 52 units of semi-detached houses in February 2019
- Setia Safiro (Rosario) Project** : Refers to the construction of 166 units of terrace houses which was completed in November 2022 for S P Setia Group in Setia Safiro, Cyberjaya, Selangor
- Subang Bestari (Amber) Project** : Refers to the construction of 41 units of detached houses which was completed in July 2019 for Worldwide Group in Subang Bestari, Shah Alam, Selangor
- Taman Indah Puteri (The Jervis) Project** : Refers to the construction of 18 units of 2-storey semi-detached houses which was completed in December 2019 for GBE Properties Sdn Bhd in Taman Indah Puteri, Sepang, Selangor
- Taman Putra Prima (Diamond) Project** : Refers to the ongoing construction of 114 units of 2-storey terrace houses and 52 units of 3-storey terrace houses for Plenitude Permai Sdn Bhd in Taman Putra Prima, Sepang, Selangor
- Tamansari Project** : Refers to the construction of residential buildings for Pinggir Mentari Sdn Bhd in Tamansari, Rawang, Selangor, comprising:
- Tamansari (Dahlia) Project : Ongoing 173 units of 2-storey terrace houses
 - Tamansari (Jasmin) Project : Ongoing 173 units of 2-storey terrace houses
 - Tamansari Show House Project : Completed 2 units of 2-storey terrace show houses in June 2022
 - Tamansari Show Village Project : Completed show village comprising management office and guard house in January 2021
- Temasya Glenmarie (Alpine) Project** : Refers to the construction of 12 units of semi-detached factories which was completed in October 2020 for I & P Group (where QLB is our customer as the main contractor) in Temasya Glenmarie, Shah Alam, Selangor

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PROJECTS (CONT'D)

- Tropicana Aman Project** : Refers to the construction of residential and non-residential buildings for Tropicana Aman Sdn Bhd in Tropicana Aman, Kuala Langat, Selangor, comprising:
- SJK(C) Bukit Fraser Project : Completed 3-storey academic building, a 2-storey administrative building and a single-storey canteen in March 2022
 - Tropicana Aman (Dalia Residences) Project : Completed 166 units of 2-storey semi-detached houses and 41 units of 2-storey detached houses in March 2021
 - Tropicana Aman (Freesia Residences) Project : Ongoing 194 units of 2-storey semi-detached houses and 4 units of 2-storey detached houses
 - Tropicana Aman (Elemen Residences) Project : Ongoing 231 units of 2-storey terrace houses
 - Tropicana Aman (Sinaria) Project : Completed 152 units of 2-storey shop offices in January 2019
 - Tropicana Aman (Triana) Project : Completed 136 units of 2-storey shop offices and 8 units of 3-storey shop offices in February 2022
 - Tropicana Aman Clubhouse Project : Completed clubhouse with facilities comprising badminton hall, tennis court, swimming pool and gymnasium in August 2021
 - Tropicana Aman Show House (Freesia Residences) Project : Completed 4 units of 2-storey semi-detached show houses in December 2021
 - Tropicana Aman Show House (Elemen Residences) Project : Completed 2 units of 2-storey terrace show houses in February 2020
- Welloyd Industrial Park Project** : Refers to the construction of 32 units of single-storey semi-detached factories and 16 units of 2-storey terrace factories which was completed for Welloyd Properties Sdn Bhd in Welloyd Industrial Park, Klang, Selangor in October 2021
- Welloyd Setia Alam Project** : Refers to the ongoing construction of 43 units of 2-storey detached houses for Welloyd Properties Sdn Bhd in Setia Alam, Selangor

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name / (Designation)	Address	Nationality / Gender
Datuk Dr. Siti Hamisah Binti Tapsir (Independent Non-Executive Chairperson)	3, Jalan Telukan 8/25 40000 Shah Alam Selangor	Malaysian / Female
Tan Ah Kee (Non-Independent Executive Director / Managing Director)	68, Jalan Anjung U8/34 Bukit Jelutong 40150 Shah Alam Selangor	Malaysian / Male
Teow Choo Hing (Non-Independent Non-Executive Director)	11, Jalan Setiajaya Bukit Damansara 50490 Kuala Lumpur	Malaysian / Male
Gam Boon Tin (Non-Independent Executive Director / COO)	43, Jalan Birai U8/69 Taman Bukit Jelutong 40150 Shah Alam Selangor	Malaysian / Male
Goh Yin Huat (Non-Independent Executive Director / CFO)	102, Jalan Mahligai 2C Bandar Bukit Raja 41050 Klang Selangor	Malaysian / Male
Low Chin Ann @ Han Chin Ann (Independent Non-Executive Director)	1, Lorong BP 1/2 Taman Bukit Permata Sri Gombak 68100 Batu Caves Selangor	Malaysian / Male
Chang Sua Yean (Independent Non-Executive Director)	B-28-09, Windsor Tower Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur	Malaysian / Female
Nooriah Binti Hassan (Independent Non-Executive Director)	13, Jalan Adang U8/17 Bukit Jelutong 40150 Shah Alam Selangor	Malaysian / Female

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Low Chin Ann @ Han Chin Ann	Chairperson	Independent Non-Executive Director
Chang Sua Yean	Member	Independent Non-Executive Director
Nooriah Binti Hassan	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (CONT'D)**NOMINATION COMMITTEE**

Name	Designation	Directorship
Nooriah Binti Hassan	Chairperson	Independent Non-Executive Director
Teow Choo Hing	Member	Non-Independent Non-Executive Director
Chang Sua Yean	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Chang Sua Yean	Chairperson	Independent Non-Executive Director
Teow Choo Hing	Member	Non-Independent Non-Executive Director
Low Chin Ann @ Han Chin Ann	Member	Independent Non-Executive Director

COMPANY SECRETARIES	<p>Tai Yit Chan No. 79, Jalan SS22/32 Damansara Jaya 47400 Petaling Jaya Selangor</p> <p>SSM Practising Certificate No. : 202008001023 Professional qualification : Chartered Secretary, Malaysian Institute of Chartered Secretaries and Administrators (“MAICSA”) (MAICSA membership no. 7009143) Telephone no. : (03) 7890 4800</p> <p>Chen Bee Ling No. 11, Jalan Pipit 3 Bandar Puchong Jaya 47170 Puchong Selangor</p> <p>SSM Practising Certificate No. : 202008001623 Professional qualification : MAICSA (MAICSA membership no. 7046517) Telephone no. : (03) 7890 4800</p> <p>Ng Hao Ern No. 6, Solok Pegaga Satu Off Jalan Pegaga Taman Chi Liung 41200 Klang Selangor</p> <p>SSM Practising Certificate No. : 201908003771 Professional qualification : MAICSA (MAICSA membership no. 7072518) Telephone no. : (03) 3343 7145/52</p>
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1. CORPORATE DIRECTORY (CONT'D)

- REGISTERED OFFICE** : 12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
- Telephone no. : (03) 7890 4800
- HEAD OFFICE** : 24, Jalan Rengas
Taman Selatan
41200 Klang
Selangor
- Telephone no. : (03) 3372 4162
Website : www.kitacon.com.my
E-mail : info@kitacon.com.my
- PRINCIPAL ADVISER,
SOLE UNDERWRITER
AND SOLE PLACEMENT
AGENT** : RHB Investment Bank Berhad
Level 10, Tower One, RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
- Telephone no. : (03) 9287 3888
- SOLICITORS FOR OUR
IPO** : Christopher & Lee Ong
Level 22, Axiata Tower
No. 9, Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur
- Telephone no. : (03) 2273 1919
- AUDITORS AND
REPORTING
ACCOUNTANTS** : Crowe Malaysia PLT (201906000005 (LLP0018817-LCA) & AF 1018)
Suite 50-3, Setia Avenue
2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor
- Telephone no. : (03) 3343 0730
Partner : Ong Beng Chooi
Professional qualification : • Fellow member of the ACCA, United Kingdom
(Membership no. 1422917)
• Member of the Malaysian Institute of Accountants
(Membership no. 34708)
- SHARE REGISTRAR** : Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
- Telephone no. : (03) 7890 4700

1. CORPORATE DIRECTORY (CONT'D)

ISSUING HOUSE	: Malaysian Issuing House Sdn Bhd 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor
	Telephone no. : (03) 7890 4700
INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS	: Vital Factor Consulting Sdn Bhd V Square @ PJ City Centre (VSQ) Block 6, Level 6 Jalan Utara 46200 Petaling Jaya Selangor
	Telephone no. : (03) 7931 3188
	Person-in-charge : Wooi Tan
	Professional qualification : <ul style="list-style-type: none"> • Master of Business Administration from The New South Wales Institute of Technology (now known as University of Technology Sydney), Australia • Bachelor of Science from The University of New South Wales, Australia • Fellow of the Australia Marketing Institute and Institute of Managers and Leaders, Australia (formerly known as Australian Institute of Management)
	Please refer to Section 8 of this Prospectus for the profile of the firm and signing partner
LISTING SOUGHT	: Main Market of Bursa Securities
SHARIAH STATUS	: Approved by the SAC

2. PROSPECTUS SUMMARY

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

2.1 PRINCIPAL DETAILS OF OUR IPO

Number of new Shares to be issued under the Public Issue	:	76,088,500
Number of existing Shares to be offered under the Offer for Sale	:	62,500,000
Enlarged number of Shares upon Listing	:	500,000,000
IPO Price	:	RM0.68
Market capitalisation upon Listing (based on the IPO Price and enlarged number of Shares upon Listing)	:	RM340,000,000

In conjunction with our Listing, we have established an ESOS which entails the granting of ESOS Options to the eligible Directors and employees of our Group who fulfil the conditions of eligibility as stipulated in the By-Laws. However, we do not intend to grant any ESOS Option in conjunction with our Listing.

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

To consolidate part of the shareholdings in our Company held by Tan Ah Kee under a single investment holding company, Tan Ah Kee and Lembah Reka will transfer a total of 30,870,100 Shares to Suan Neo Capital during the prescription period (one day after the launching date of this Prospectus up to a period of 30 days). Further details of the Share Transfer are set out in Section 4.1.3 of this Prospectus.

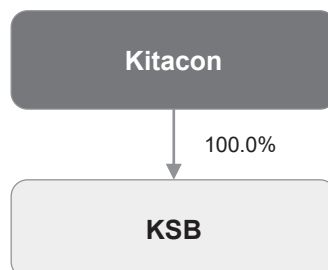
The entire shareholdings in our Company held by Tan Ah Kee, Teow Choo Hing and Suan Neo Capital after our IPO are subject to moratorium for 6 months from the date of our Listing. In addition, Tan Ah Kee, being the sole shareholder of Suan Neo Capital, has undertaken not to sell, transfer or assign any of his shareholding in Suan Neo Capital for 6 months from the date of our Listing.

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

2.2 OUR BUSINESS

We were incorporated in Malaysia under the Act on 24 February 2022 as a private limited company under the name of Kumpulan Kitacon Sdn Bhd. On 23 May 2022, we were converted into a public limited company and assumed our present name. Subsequently, on 21 October 2022, we completed the Acquisition of KSB which resulted in KSB becoming our wholly-owned subsidiary.

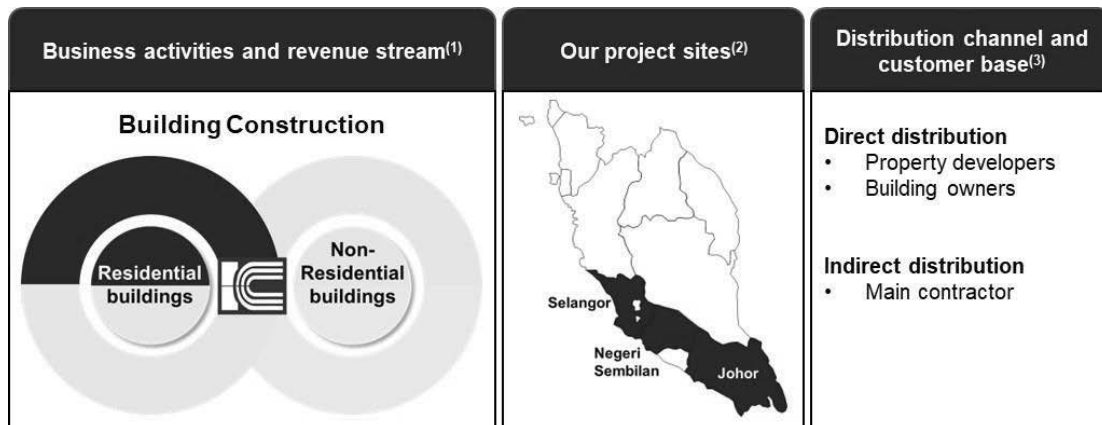
Our existing corporate structure is as follows:



We are an investment holding company. Through our subsidiary, we are principally involved in the provision of construction services.

2. PROSPECTUS SUMMARY (CONT'D)

Our business model is as follows:



Notes:

- Revenue from building construction accounted for more than 97.0% of our total revenue for the Financial Years/Period Under Review.
- We principally operate in Malaysia and carry out projects in various states in Malaysia.
- For the FYE 2019, FYE 2020, FYE 2021 and FPE 2022, revenue from our direct distribution channel accounted for 92.5%, 98.4%, 92.3% and 88.6% of our total revenue respectively, while revenue from indirect distribution channel accounted for 7.5%, 1.6%, 7.7% and 11.4% of our total revenue respectively.

Our revenue for the Financial Years/Period Under Review was derived from the construction of residential and non-residential buildings in Malaysia, the breakdown of which is set out below:

	<-----Audited----->						Unaudited		Audited	
	FYE 2019		FYE 2020		FYE 2021		FPE 2021		FPE 2022	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Residential	469,190	80.7	387,663	79.2	383,124	84.0	201,480	84.4	203,176	86.6
Non-residential										
• Commercial	66,548	11.4	66,519	13.6	42,682	9.4	25,943	10.9	6,177	2.6
• Industrial	40,778	7.0	20,909	4.3	22,357	4.9	5,012	2.1	18,207	7.8
• Others ⁽¹⁾	3,360	0.6	13,437	2.7	7,156	1.6	6,203	2.6	650	0.3
	110,686	19.0	100,865	20.6	72,195	15.9	37,158	15.6	25,034	10.7
Other related services ⁽²⁾	1,647	0.3	1,117	0.2	183	0.1	-	-	6,523	2.7
Total	581,523	100.0	489,645	100.0	455,502	100.0	238,638	100.0	234,733	100.0

Notes:

- 'Others' include institutional building such as school and purpose-built buildings such as show village and recreational hub which consists of, among others, banquet halls, cafeteria, gym, swimming pool as well as tennis and badminton courts.
- Other related services include, among others, earthworks, roadworks, hoarding works, rectification works, piling works and infrastructure works.

2. PROSPECTUS SUMMARY (CONT'D)

Our principal market is in Malaysia. The table below sets out our revenue by the geographical locations of our projects for the Financial Years/Period Under Review:

	-----Audited----->						Unaudited		Audited	
	FYE 2019		FYE 2020		FYE 2021		FPE 2021		FPE 2022	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Selangor	547,414	94.1	475,049	97.0	440,835	96.8	228,439	95.7	230,248	98.1
Negeri Sembilan	19,573	3.4	1,394	0.3	7,184	1.6	2,716	1.2	3,020	1.3
Johor	14,536	2.5	13,202	2.7	7,483	1.6	7,483	3.1	1,465	0.6
Total	581,523	100.0	489,645	100.0	455,502	100.0	238,638	100.0	234,733	100.0

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

2.3 COMPETITIVE STRENGTHS

Our competitive strengths are:

(i) We have an established track record of 32 years in the building construction industry

We have been operating in the building construction industry for approximately 32 years since the commencement of operation of our subsidiary, KSB, in 1990, where we started with various small-scale construction and subcontracting works including renovations and construction of an industrial building. We were registered with CIDB as a contractor since 1996 and subsequently we received the certificate of registration from CIDB in 1997 as a G7 contractor. Since 1990, we have completed a range of construction projects including residential, commercial, industrial, purpose-built and institutional buildings.

(ii) We specialise in township construction which enables us to continually bid for various phases or parcels within a township development

We have continued to leverage on our capabilities in the construction of township developments and this specialisation has resulted in continuing and long-term business relationships with our customers.

The key benefit of being involved in township development is the ability to bid for continuing work within the same township across different phases of the development. In such circumstances, our project completion in the initial phase of the development will provide us with an advantage of having a directly relevant reference site and experience with our customer to bid for subsequent phases of the development.

(iii) We emphasise on the quality of our construction as supported by our certifications and awards

As a contractor, we place significant emphasis on the quality of our construction works and this is demonstrated by our accreditations with ISO 9001:2015 (quality management systems) since 2007, and ISO 14001:2015 (environmental management systems) and ISO 45001:2018 (occupational health and safety management systems) since 2008.

The quality of our construction works is further supported by the awards and recognitions from CIDB for QLASSIC and SHASSIC.

Our ISO quality management systems as well as QLASSIC and SHASSIC achievements demonstrate the quality and safety of our building construction projects which serve as important references for our existing and potential customers.

2. PROSPECTUS SUMMARY (CONT'D)

(iv) We have established long-term business relationships with our customers

Over the years, we have established long-term business relationships with our customers. For the FPE 2022, we served a total of 20 customers. Out of our top 5 customers for the FPE 2022, 3 customers have been dealing with us for at least 4 years, while the other 2 have been dealing with us for more than 20 years. The customers whom we have been working with for more than 20 years as at the LPD include Sime Darby Property Group and S P Setia Group.

The long established business relationship is a reflection of customer loyalty and confidence that we have built over the years. As the nature of our industry is project-based (whereby we are engaged by our customer for a project and our engagement comes to an end after we have completed and handed over the project to the customer) and typically each project is for a duration of approximately 2 to 3 years, the long established business relationship with our customers demonstrate a continuity in the business relationships with repeat customers.

(v) We have experienced Executive Directors and Key Senior Management

We are led by our Managing Director, Tan Ah Kee, who has contributed significantly to the growth, development and strategic direction of our Group. He is supported by our COO, Gam Boon Tin, who is responsible for the day-to-day management of our Group. Tan Ah Kee and Gam Boon Tin bring with them approximately 38 and 27 years of experience in the construction industry respectively. They are supported by our Key Senior Management which include Goh Yin Huat (our CFO), Chooi Kuen Wah (our GM (Operation 1)) and Kwo Hwa Sung (our GM (Operation 2)).

Please refer to Section 7.3 of this Prospectus for further details of our competitive strengths.

2.4 STRATEGIES AND PLANS

Our strategies and plans are as follows:

(i) Continue to focus on our core competency in building construction

We will continue to focus on our core competency in building construction to sustain and grow our business based on our established track record of 32 years and the quality of our construction works. In this respect, we will be continuing to submit bids for projects with a view to building up our order book and leveraging on our strengths in building construction.

(ii) Purchase of aluminium formwork systems

We started using aluminium formwork systems for our construction projects since 2017 as we continuously explore and adopt construction techniques and systems to improve productivity and deliver projects within the time, cost and quality standards as required by our customers.

In this respect, we have earmarked RM18.0 million of the gross proceeds from the Public Issue to purchase an estimated 25,000 sq m of aluminium formwork systems progressively over a period of 36 months to support our expansion of the scale of construction work using aluminium formwork systems as well as replace our existing formwork systems which were damaged due to wear and tear.

(iii) Purchase of land and construction of a storage and refurbishment facility

We have earmarked RM20.0 million of the gross proceeds from the Public Issue to acquire a piece of land with an approximate area of 3 acres and construct a storage and refurbishment facility with an approximate built-up area of 65,000 sq ft. This facility will be used as a centralised storage and refurbishment facility to house all our aluminium formwork systems, cabins and scaffoldings that are not in use at our construction sites.

Please refer to Section 7.22 of this Prospectus for further details of our strategies and plans.

2. PROSPECTUS SUMMARY (CONT'D)

2.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in the Prospectus, certain risks and investment considerations that may affect our future financial performance. The following is a summary of the key risks relating to our business and operations that we are currently facing or that may develop in the future:

(i) Our financial performance is dependent on our ability to secure new projects and replenish our order book

As the nature of our construction business is project based, our revenue is derived from the execution and completion of projects. In this respect, our financial performance is dependent on our ability to secure new projects and replenish our order book, where we have to continually submit tenders to secure new projects.

If we are unable to secure new projects, our order book may reduce and this may adversely affect our results of operations and financial performance. In the event of any cancellation, delay or postponement of projects in our order book and if we are unable to secure new projects in a timely manner, this may also adversely affect the results of our operations and financial performance.

(ii) We are dependent on a certain group of customers and our ability to retain our major customers

For the Financial Years/Period Under Review, we were dependent on certain group of customers including Sime Darby Property Group, Tropicana Aman Sdn Bhd and S P Setia Group by virtue of their revenue contribution which exceeded 10.0% of our total revenue for the Financial Years/Period Under Review. Our dependency on certain group of customers was mainly due to our continuous involvement in the construction projects across different phases of the respective customers' township developments.

In the event of any reduction in the value of the contracts arising from a reduction in the scope of work, delay or postponement of projects, termination of contracts from the said customers or unfavourable financial performance of our customers leading to a delay in awarding new projects or termination of ongoing contracts, our future financial performance would be adversely affected. In addition, the loss in any one or more of our major customers above, if not replaced in a timely manner, would also adversely affect our results of operations and financial performance.

(iii) We may face unanticipated increase in the cost of construction for our projects including the cost of construction materials and labour costs as our projects are based on a fixed rate or lump sum contract

Our construction projects are typically based on a fixed rate or lump sum contract where the contract value and the price of the scope of work is agreed and stipulated in the contract. In the event of unanticipated cost increase during project execution where we are unable to pass on such increase to our customers, this would adversely affect our financial performance. Some of these unanticipated increase in the cost of construction may include increase in building material costs, labour costs and costs of subcontracted services. While we are experienced in estimating project costs for the submission of tenders, there is no assurance that we will not face any unanticipated cost increase which may adversely affect our financial performance.

(iv) We are dependent on foreign workers to undertake our construction activities

Our operations are highly dependent on foreign workers which are either under our employment or our subcontractors' employment. In addition, we also depend on foreign workers from our subcontractors for subcontracted works, the number of which will depend on each project's requirement which may change from time to time.

2. PROSPECTUS SUMMARY (CONT'D)

Any adverse changes to the policies relating to the employment of foreign workers in the construction industry between Malaysia and the countries from which our foreign workers are sourced or any significant increase in labour wages, may adversely affect our business operations and financial performance.

(v) We are dependent on our subcontractors to carry out certain works for our projects

We engage subcontractors to perform certain works such as, among others, building and structural works, mechanical and electrical works, architectural works and other related services. In this respect, we are subject to the risks associated with non-performance, late performance or poor performance by our subcontractors. In the event that we are unable to seek compensation from the relevant subcontractors or the amount of the claims from our customers cannot be recovered in full or at all from the subcontractors, we may be required to bear some or all the costs of the claims from our customers, which may in turn adversely affect our results of operations and financial performance. Furthermore, if our subcontractors' performance is not up to the expectations of our customers, our reputation may also be adversely affected.

(vi) Our projects may be subject to delays resulting in the risk of claims relating to LAD

Our construction works must be completed within the timeframe specified in the contracts with our customers. Any delay in the completion of our construction works will result in project cost overruns, as well as potential liquidated damages claims from our customers. We have outstanding trade receivables amounting to RM0.7 million which are pending finalisation and issuance of the EOT from our customer for a residential project. Further details of the outstanding trade receivables are set out in Section 12.4.8(i) of this Prospectus. In the event the EOT is not granted by our customer, this may give rise to potential LAD claims amounting to RM0.7 million from the said customer.

(vii) We are exposed to the risk of defect liability claims from our customers

The DLP for our contracts with our customers generally ranges from 12 to 36 months from the issuance of CPC. During the DLP, we shall repair, rectify and make good any defect which may surface or be identified at our own cost. For materials supplied by our suppliers or works undertaken by our subcontractors, we will require them to either replace defective materials or restore defective work to the required standard without additional cost to us. To the extent that we are unable to seek recourse from our suppliers and subcontractors, we would be liable for the repair costs and damages which will in turn increase our construction costs for the projects. If such defects are material, our business operations and financial performance will be materially and adversely affected.

(viii) Our business operations and financial performance may be affected by prolonged contagious or any virulent diseases such as COVID-19

The outbreak of COVID-19 or any epidemic or pandemic may potentially affect our business operations. Between March 2020 and the LPD, there were several MCO measures implemented including full and partial lockdown containment measures and restrictions imposed. Please refer to Section 7.14 of this Prospectus for further details on the material interruptions to our business and operations pertaining to the COVID-19 pandemic. In the event of a prolonged COVID-19 pandemic or any other outbreaks of contagious or virulent diseases in the future, our business operation and financial performance would be materially affected.

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

2. PROSPECTUS SUMMARY (CONT'D)

2.6 DIRECTORS AND KEY SENIOR MANAGEMENT

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

<u>Name</u>	<u>Designation</u>
<u>Directors</u>	
Datuk Dr. Siti Hamisah Binti Tapsir	Independent Non-Executive Chairperson
Tan Ah Kee	Managing Director
Teow Choo Hing	Non-Independent Non-Executive Director
Gam Boon Tin	Executive Director / COO
Goh Yin Huat	Executive Director / CFO
Low Chin Ann @ Han Chin Ann	Independent Non-Executive Director
Chang Sua Yean	Independent Non-Executive Director
Nooriah Binti Hassan	Independent Non-Executive Director
<u>Key Senior Management</u>	
Gam Boon Tin	COO
Goh Yin Huat	CFO
Chooi Kuen Wah	GM (Operation 1)
Kwo Hwa Sung	GM (Operation 2)
Tan Yoke Huay	GM (Purchasing and Human Resource)
Ng Teok Kiean	Senior Account Manager
Liw Fei Jy	Senior Contract Manager (Pre-Contract)
Tan Wei Khim	Senior Contract Manager (Post-Contract)

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

2.7 PROMOTER AND SUBSTANTIAL SHAREHOLDERS

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

<u>Name / Nationality/ Country of incorporation</u>	<u>Before our IPO / After the Acquisition of KSB</u>				<u>Before our IPO / After the Share Transfer</u>			
	<u>Direct</u>		<u>Indirect</u>		<u>Direct</u>		<u>Indirect</u>	
	<u>No. of Shares</u>	<u>%⁽¹⁾</u>	<u>No. of Shares</u>	<u>%⁽¹⁾</u>	<u>No. of Shares</u>	<u>%⁽¹⁾</u>	<u>No. of Shares</u>	<u>%⁽¹⁾</u>
<u>Promoter and Substantial Shareholder</u>								
Tan Ah Kee / Malaysian	97,499,700	23.0	156,847,200 ⁽³⁾	37.0	79,346,900	18.7	175,000,000 ⁽⁴⁾	41.3
<u>Substantial Shareholders</u>								
Teow Choo Hing / Malaysian	169,564,600	40.0	-	-	169,564,600	40.0	-	-
Suan Neo Capital / Malaysia	144,129,900	34.0	-	-	175,000,000	41.3	-	-

2. PROSPECTUS SUMMARY (CONT'D)

Name / Nationality/ Country of incorporation	After the Public Issue				After the Offer for Sale			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Promoter and Substantial Shareholder								
Tan Ah Kee / Malaysian	79,346,900	15.9	175,000,000 ⁽⁴⁾	35.0	41,846,900	8.4	175,000,000 ⁽⁴⁾	35.0
Substantial Shareholders								
Teow Choo Hing / Malaysian	169,564,600	33.9	-	-	144,564,600	28.9	-	-
Suan Neo Capital / Malaysia	175,000,000	35.0	-	-	175,000,000	35.0	-	-

Notes:

- (1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.
- (2) Based on our enlarged total number of 500,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his shareholdings in Lembah Reka and Suan Neo Capital pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his shareholding in Suan Neo Capital pursuant to Section 8 of the Act.

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

2.8 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue amounting to approximately RM51.7 million in the following manner:

Details	RM'000	%	Estimated time frame for use of proceeds from the date of our Listing
Purchase of construction equipment			Within 36 months
- Aluminium formwork systems	18,000	34.8	
- Scaffoldings and cabins	6,000	11.6	
Purchase of land and construction of a storage and refurbishment facility	20,000	38.7	Within 36 months
Working capital	3,280	6.3	Within 24 months
Estimated listing expenses	4,460	8.6	Within 1 month
Total	51,740	100.0	

There is no minimum subscription to be raised from our IPO. The Offer for Sale will raise gross proceeds of RM42.5 million which will accrue entirely to our Offerors. Please refer to Section 4.4 of this Prospectus for further details of the use of proceeds arising from the Public Issue.

2. PROSPECTUS SUMMARY (CONT'D)

2.9 FINANCIAL HIGHLIGHTS

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

	<-----Audited----->			Unaudited FPE 2021 (RM'000)	Audited FPE 2022 (RM'000)
	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)		
Revenue	581,523	489,645	455,502	238,638	234,733
GP	100,297	81,838	80,862	42,165	43,681
PBT	72,187	52,762	52,336	27,818	33,831
PAT	54,794	39,201	41,833	21,339	26,127
NA	244,367	262,069	184,401	272,408	210,529
Total borrowings	2,747	2,489	7,733	8,584	1,863
Number of Shares in issue after our IPO ('000)	500,000	500,000	500,000	500,000	500,000
GP margin ⁽¹⁾ (%)	17.2	16.7	17.8	17.7	18.6
EBITDA ⁽²⁾	72,832	54,020	54,735	29,067	35,219
EBITDA margin ⁽³⁾ (%)	12.5	11.0	12.0	12.2	15.0
PBT margin ⁽⁴⁾ (%)	12.4	10.8	11.5	11.7	14.4
PAT margin ⁽⁵⁾ (%)	9.4	8.0	9.2	8.9	11.1
Basic and diluted EPS ⁽⁶⁾ (sen)	11.0	7.8	8.4	4.3	5.2
NA per Share ⁽⁷⁾ (sen)	48.9	52.4	36.9	54.5	42.1
Trade receivables turnover period (days)	86	109	102	104	70
Trade payables turnover period (days)	68	94	101	77	81
Current ratio (times)	1.8	1.7	1.4	2.0	1.9
Gearing ratio (times)	*	*	*	*	*

Notes:

* Less than 0.1 times.

(1) Computed as GP divided by revenue.

(2) Computed as follows:

	<-----Audited----->			Unaudited FPE 2021 (RM'000)	Audited FPE 2022 (RM'000)
	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)		
PAT	54,794	39,201	41,833	21,339	26,127
Add: Taxation	17,393	13,561	10,503	6,479	7,703
Depreciation	3,585	4,077	4,513	2,367	2,081
Interest expense	132	158	265	76	110
Less: Interest income	(3,072)	(2,977)	(2,379)	(1,194)	(802)
EBITDA	72,832	54,020	54,735	29,067	35,219

(3) Computed as EBITDA divided by revenue.

(4) Computed as PBT divided by revenue.

2. PROSPECTUS SUMMARY (CONT'D)

- (5) Computed as PAT divided by revenue.
- (6) Computed as PAT divided by the enlarged total number of 500,000,000 Shares after our IPO.
- (7) Computed as NA divided by the enlarged total number of 500,000,000 Shares after our IPO.

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

2.10 DIVIDEND POLICY

It is the intention of our Board to recommend and distribute dividends of at least 25.0% of our annual audited PAT attributable to our shareholders. This will allow our shareholders to participate in the profits of our Group while leaving adequate reserves for the future growth of our Group.

Notwithstanding our intention above, as we are a holding company, our income and ability to pay dividends are dependent upon the dividends received from our subsidiary. The payment of dividends by our subsidiary is dependent on, among others, its distributable profits, financial performance and cash flow requirements for operations and capital expenditures as well as the covenants in its existing loan agreements with the respective financial institutions.

For information purposes, the dividends declared and paid by our Group for the Financial Years/Period Under Review are as follows:

	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FPE 2022 (RM'000)
Dividends declared	78,100	21,500	129,500	-
Dividends paid	78,100	21,500	85,370	44,130 ⁽²⁾
PAT attributable to our shareholders	54,794	39,201	41,833	26,127
Dividend payout ratio ⁽¹⁾	142.5%	54.8%	309.6%	-

Notes:

- (1) Computed as dividends declared divided by PAT attributable to our shareholders.
- (2) Represents payment of balance dividends payable in respect of the FYE 2021. Out of the RM44.1 million, RM21.7 million was paid via cash and the remaining RM22.4 million was offset against part of the proceeds received from the disposal of our properties.

On 17 October 2022, we declared an interim dividend amounting to RM10.0 million for the FYE 2022. The said dividend was paid on 19 October 2022 via our internally generated funds which are in excess of our Group's funding requirements for our business operations and not expected to affect our business strategies and plans moving forward. Save as disclosed, there is no other dividend declared by us or our subsidiary to our shareholders.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our Company's future dividends which are subject to modification (including non-declaration) thereof at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that further dividends declared by our Board, if any, will not differ materially from historical payouts. Please refer to Section 9.3.5 of this Prospectus for the risk factor which may affect our ability to pay dividends. No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

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

3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 SC

The SC has, via its letter dated 27 June 2022, approved the relief sought from complying with a requirement of the Equity Guidelines issued by the SC as follows:

Relief sought	Condition imposed
<u>Paragraph 2(a) of Appendix 4, Part IV</u>	-

Relief from having to comply with the requirement in respect of placement of our IPO Shares to be offered under the Institutional Offering to:

- (i) RHB Asset Management Sdn Bhd; and
- (ii) RHB Islamic International Asset Management Berhad.

The SC has, via its letter dated 13 October 2022, approved our IPO and Listing under Section 214(1) of the CMSA, subject to the following condition:

Condition imposed	Status of compliance
RHB Investment Bank and Kitacon to fully comply with the requirements of the SC's Equity Guidelines and Prospectus Guidelines pertaining to the implementation of our Listing	To be complied

The SC has, via the same letter dated 13 October 2022, approved the resultant equity structure of our Company pursuant to our Listing under the Bumiputera equity requirement for public listed companies. The effects of our Listing on the equity structure of our Company are as follows:

Category of shareholders	As at 31 May 2022		After our IPO	
	No. of Shares	%	No. of Shares	%
Bumiputera				
- Malaysian Public via balloting	-	-	5,000,000 ⁽¹⁾	1.0
- Bumiputera investors to be approved by the MITI	-	-	62,500,000 ⁽¹⁾	12.5
Total Bumiputera	-	-	67,500,000	13.5
Non-Bumiputera	100	100.0	432,500,000	86.5
Total Malaysian	100	100.0	500,000,000	100.0
Foreigner	-	-	-	-
Total	100	100.0	500,000,000	100.0

Note:

- (1) Assuming all the Shares allocated to Bumiputera investors to be approved by the MITI under the Institutional Offering and Bumiputera public investors via balloting under the Retail Offering are fully subscribed.

3. APPROVALS AND CONDITIONS (CONT'D)

3.1.2 Bursa Securities

Bursa Securities has, via its letter dated 25 October 2022, approved the admission of Kitacon to the Official List, our Listing and the listing of and quotation for such number of new Shares, representing up to 15.0% of our total number of issued Shares, to be issued pursuant to the exercise of our ESOS Options, subject to the following conditions:

Condition imposed	Status of compliance
Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Practice Note 21 of the Listing Requirements.	To be complied
To furnish Bursa Securities on the first day of our Listing a copy of the schedule of distribution showing compliance with the public share spread requirements based on the entire issued share capital of Kitacon	To be complied
To submit a confirmation to Bursa Securities on the full compliance of the ESOS pursuant to Paragraph 6.43(1) of the Listing Requirements and together with the disclosure on the effective date of implementation	To be complied
To provide a summary of the total number of Shares listed on a quarterly basis pursuant to the ESOS as at the end of each quarter together with a detailed computation of listing fees payable	To be complied

3.1.3 MITI

MITI has, via its letter dated 26 August 2022, stated that it has taken note and has no objection to our Listing.

3.1.4 SAC

The SAC has, via its letter dated 2 August 2022, classified our Shares as Shariah-compliant securities based on our latest audited combined financial information for the FYE 2021.

3.2 MORATORIUM ON OUR SHARES

In accordance with the Equity Guidelines issued by the SC, our shareholders whose securities are subject to moratorium are not allowed to, and have undertaken not to, sell, transfer or assign any of their aggregate shareholdings of 361,411,500 Shares, which represents approximately 72.3% of the enlarged total number of Shares as at the date of our Listing, for 6 months from the date of our Listing.

In this respect, our Shares that are subject to moratorium for 6 months from the date of our Listing are set out below:

Name	No. of Shares to be held under moratorium	%⁽¹⁾
Tan Ah Kee	41,846,900	8.4
Teow Choo Hing	144,564,600	28.9
Suan Neo Capital	175,000,000	35.0
Total	361,411,500	72.3

Note:

(1) Based on our enlarged total number of 500,000,000 Shares after our IPO.

3. APPROVALS AND CONDITIONS (CONT'D)

In addition, Tan Ah Kee, being the sole shareholder of Suan Neo Capital, has undertaken not to sell, transfer or assign any of his shareholding in Suan Neo Capital for 6 months from the date of our Listing.

The moratorium, which has been fully accepted by our shareholders whose securities are subject to moratorium, is specifically endorsed on the share certificates representing their shareholdings which are under moratorium to ensure that our Share Registrar does not register any transfer that is not in compliance with the moratorium restrictions. In compliance with the restrictions, Bursa Depository will, on our Share Registrar's instructions in the prescribed forms, ensure that the trading of these Shares is not permitted during the moratorium period.

4. DETAILS OF OUR IPO

4.1 PARTICULARS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares are expected to be allocated or transferred in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus:

4.1.1 Public Issue

Our Public Issue of 76,088,500 Issue Shares, representing approximately 15.2% of our enlarged number of issued Shares, at the IPO Price is subject to the terms and conditions of this Prospectus and shall be allocated in the following manner:

(i) Malaysian Public

10,000,000 Issue Shares, representing 2.0% of our enlarged number of issued Shares, will be made available for application by the Malaysian Public by way of balloting, of which 50.0% will be set aside for Bumiputera investors.

(ii) Eligible Persons

8,588,500 Issue Shares (being Pink Form Allocations), representing approximately 1.7% of our enlarged number of issued Shares, will be reserved for application by the Eligible Persons as follows:

Eligible Persons	Number of Eligible Persons	Aggregate number of Pink Form Allocations
Eligible Directors of our Group	4	275,000
Eligible employees	216	5,313,500
Persons who have contributed to the success of our Group	27	3,000,000
Total	247	8,588,500

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

Eligible Directors	Designation	No. of Pink Form Allocations
Datuk Dr. Siti Hamisah Binti Tapsir	Independent Non-Executive Chairperson	100,000
Low Chin Ann @ Han Chin Ann	Independent Non-Executive Director	75,000
Chang Sua Yean	Independent Non-Executive Director	50,000
Nooriah Binti Hassan	Independent Non-Executive Director	50,000
Total		275,000

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

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

4. DETAILS OF OUR IPO (CONT'D)

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

Key Senior Management	Designation	No. of Pink Form Allocations
Gam Boon Tin	COO	1,000,000
Goh Yin Huat	CFO	400,000
Chooi Kuen Wah	GM (Operation 1)	400,000
Kwo Hwa Sung	GM (Operation 2)	400,000
Tan Yoke Huay	GM (Purchasing and Human Resource)	200,000
Ng Teok Kiean	Senior Account Manager	200,000
Liw Fei Jy	Senior Contract Manager (Pre-Contract)	200,000
Tan Wei Khim	Senior Contract Manager (Post-Contract)	200,000
Total		3,000,000

The allocation to the persons who have contributed to the success of our Group such as, among others, our business associates, suppliers and subcontractors, shall be based on their length of business relationship with our Group and the level of support and contribution to the success of our Group.

(iii) Private placement

57,500,000 Issue Shares, representing 11.5% of our enlarged number of issued Shares, will be made available for subscription by way of private placement to institutional and selected investors.

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4. DETAILS OF OUR IPO (CONT'D)

4.1.2 Offer for Sale

Our Offerors will offer 62,500,000 Offer Shares, representing approximately 14.7% of our existing total number of Shares as at the LPD and 12.5% of our enlarged number of issued Shares, at the IPO Price by way of private placement to Bumiputera investors approved by the MITI. Details of our Offerors are as follows:

Name/Address	Nature of relationship	Shareholdings after the Acquisition of KSB but before the Share Transfer and our IPO		Offer for Sale			Shareholdings after the Share Transfer and our IPO	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	% ⁽²⁾	No. of Shares	% ⁽²⁾
Tan Ah Kee 68, Jalan Anjung U8/34 Bukit Jelutong 40150 Shah Alam Selangor	Promoter, Substantial Shareholder and Managing Director	97,499,700	23.0	37,500,000	8.8	7.5	41,846,900 ⁽³⁾	8.4
Teow Choo Hing 11, Jalan Setiajaya Bukit Damansara 50490 Kuala Lumpur	Substantial Shareholder and Non-Independent Non-Executive Director	169,564,600	40.0	25,000,000	5.9	5.0	144,564,600	28.9
				62,500,000	14.7	12.5		

Notes:

- (1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.
- (2) Based on our enlarged total number of 500,000,000 Shares after our IPO.
- (3) Tan Ah Kee will transfer 18,152,800 Shares to Suan Neo Capital under the Share Transfer.

Based on the IPO Price, the Offer for Sale will raise gross proceeds of RM42.5 million, which will accrue entirely to our Offerors. The Offer Shares are not underwritten as they will be made available for subscription by way of private placement to Bumiputera investors approved by the MITI, the expenses of which will be fully borne by our Offerors.

4. DETAILS OF OUR IPO (CONT'D)

4.1.3 Share Transfer

During the prescription period (one day after the launching date of this Prospectus up to a period of 30 days), Tan Ah Kee and Lembah Reka will transfer a total of 30,870,100 Shares to Suan Neo Capital for a purchase consideration of approximately RM21.0 million. Further details of the Share Transfer are set out below:

Shareholders	No. of Shares							
	Before our IPO and Share Transfer	% ⁽¹⁾	To be transferred to Suan Neo Capital	% ⁽²⁾	After the Share Transfer and our Public Issue	% ⁽²⁾	After our Offer for Sale	% ⁽²⁾
Tan Ah Kee	97,499,700	23.0	(18,152,800)	(3.6)	79,346,900	15.9	41,846,900 ⁽³⁾	8.4
Lembah Reka	12,717,300	3.0	(12,717,300)	(2.6)	-	-	-	-
Suan Neo Capital	144,129,900	34.0	30,870,100	6.2	175,000,000	35.0	175,000,000	35.0
Total	254,346,900	60.0	-	-	254,346,900	50.9	216,846,900	43.4

Notes:

- (1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.
- (2) Based on our enlarged total number of 500,000,000 Shares after our IPO.
- (3) Tan Ah Kee will offer 37,500,000 Offer Shares under the Offer for Sale.

Suan Neo Capital and Lembah Reka are investment holding companies which are wholly-owned by Tan Ah Kee. Suan Neo Capital holds investment in shares, while Lembah Reka invests in properties and shares. The purpose of the Share Transfer is to consolidate 35.0% of equity interest in Kitacon to be held by Tan Ah Kee under a single investment holding company, namely Suan Neo Capital.

4.1.4 Underwriting and allocation of the IPO Shares

A summary of our IPO Shares offered under the Retail Offering and Institutional Offering (subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus) is as follows:

	Issue Shares		Offer Shares		IPO Shares	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Retail Offering						
Malaysian Public (via balloting)						
• Bumiputera	5,000,000	1.0	-	-	5,000,000	1.0
• Non-Bumiputera	5,000,000	1.0	-	-	5,000,000	1.0
Eligible Persons	8,588,500	1.7	-	-	8,588,500	1.7
Institutional Offering						
Private placement						
• Institutional and selected investors	57,500,000	11.5	-	-	57,500,000	11.5
• Bumiputera investors approved by the MITI	-	-	62,500,000	12.5	62,500,000	12.5
Total	76,088,500	15.2	62,500,000	12.5	138,588,500	27.7

Note:

- (1) Based on the enlarged total number of 500,000,000 Shares after our IPO.

4. DETAILS OF OUR IPO (CONT'D)

The Retail Offering has been fully underwritten, while the Institutional Offering is not underwritten. Irrevocable undertakings have been or will be obtained from investors who subscribe for our IPO Shares made available under the Institutional Offering.

Our IPO is subject to the public spread requirements as stipulated under the Listing Requirements.

The number of IPO Shares will not increase via any over-allotment or “greenshoe” option.

4.1.5 Clawback and reallocation

The Retail Offering and Institutional Offering shall be subject to the following clawback and reallocation provisions:

- (i) if our IPO Shares allocated to Bumiputera investors approved by the MITI (“**MITI Tranche**”) are not fully taken up by such Bumiputera investors, such IPO Shares will be made available for subscription by institutional investors under the Institutional Offering. After such reallocation, if the MITI Tranche is still not fully taken up under the Institutional Offering, and there is a corresponding over-subscription for our IPO Shares by Bumiputera public investors under the Retail Offering, our IPO Shares will be clawed back from the remaining MITI Tranche and allocated to the Bumiputera public investors under the Retail Offering;
- (ii) subject to item (i) above, if there is an under-subscription in the Institutional Offering and there is an over-subscription in the Retail Offering, our IPO Shares not taken up may be clawed back from the Institutional Offering and reallocated to the Retail Offering in the following order of priority (subject to each of them having applications for our IPO Shares which have not been fully satisfied):
 - (a) firstly, to the Malaysian Public; and
 - (b) secondly, to the Eligible Persons allocated in the manner as set out in item (iv) below;
- (iii) if there is an under-subscription in the Retail Offering and there is an over-subscription in the Institutional Offering, our IPO Shares not taken up may be clawed back from the Retail Offering and reallocated to the Institutional Offering. However, if there is an under-subscription in the Retail Offering but no over-subscription in the Institutional Offering, such remaining IPO Shares available under the Retail Offering will be underwritten by the Sole Underwriter; and
- (iv) any IPO Shares not taken up by the respective Eligible Persons based on their pre-determined allocations shall be made available for application by the other Eligible Persons who have applied for excess IPO Shares in addition to their pre-determined allocation (“**Excess IPO Shares**”). Such Excess IPO Shares will be allocated to these other Eligible Persons on a fair and equitable basis in the following priority:
 - (a) firstly, allocation on a pro-rata basis to the Eligible Persons who have applied for Excess IPO Shares based on the number of Excess IPO Shares applied for; and
 - (b) secondly, to minimise odd lots.

Any IPO Share not fully taken up by Eligible Persons (after reallocation of the Excess IPO Shares to other Eligible Persons) will be made available for application by the Malaysian Public. Any IPO Share under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by the Sole Underwriter.

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

4. DETAILS OF OUR IPO (CONT'D)

Notwithstanding the above, in the event there is an under-subscription for our IPO Shares, the subscriptions received for our IPO Shares will first be applied towards subscribing in full the Issue Shares under the Public Issue. Thereafter, any additional subscription for our IPO Shares will be allocated from the Offer Shares offered by the Offerors under the Offer for Sale and any remaining Offer Shares not subscribed for after the aforementioned allocation will be retained by the Offerors. For the avoidance of doubt, the Public Issue will take priority over the Offer for Sale in the event of an under-subscription of our IPO Shares.

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

As at the LPD, to the best of our knowledge and belief:

- (i) there are no substantial shareholder, Director or Key Senior Management who have indicated that they intend to subscribe for the IPO Shares, save for the IPO Shares made available for application under the Pink Form Allocation; and
- (ii) there is no person who intends to subscribe for more than 5.0% of our IPO Shares.

4.1.6 ESOS

In conjunction with our Listing, we have established an ESOS which involves the granting of ESOS Options to the eligible Directors and employees of our Group who fulfil the conditions of eligibility as stipulated in the By-Laws. However, we do not intend to grant any ESOS Option in conjunction with our Listing.

The ESOS shall be administered by the ESOS Committee and governed by the By-Laws. The salient terms of the ESOS are as follows:

(i) **Maximum number of new Shares available under the ESOS**

The total number of new Shares which may be made available under the ESOS shall not exceed 15.0% of our total number of issued Shares (excluding treasury shares, if any) at any one time during the duration of the ESOS.

(ii) **Eligibility**

An employee or Director of any company within our Group who fulfils the following criteria as at the date the offer is made in writing by the ESOS Committee to him/her shall be eligible for participation in the ESOS:

- (a) a Malaysian citizen who has attained 18 years of age;
- (b) is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (c) he/she has been confirmed in service on a full-time basis and has served at least 1 year of employment in any company within our Group which is not dormant (unless the ESOS Committee under certain circumstances and at its sole discretion reduces the period of 1 year to a lesser period as it deems fit);
- (d) where he/she is under an employment contract, the contract is for a duration of at least 2 years and shall have not expired within 6 months from the date of offer;

4. DETAILS OF OUR IPO (CONT'D)

- (e) where our Director or employee has attained the mandatory retirement age of 60 years old, such Director or employee shall have served for a continuous period of at least 1 year in any corporation within our Group prior to attaining the said mandatory retirement age, and subsequently offered continued employment with such corporation for a minimum period of 1 year and at the time of consideration for the offer, he/she continues to be employed;
- (f) in the event the director or employee of a corporation which is acquired by our Group during the period of 10 years from the date on which the ESOS comes into force and such corporation becomes a subsidiary of our Company upon completion of such acquisition, the director or employee must have completed a continuous period of employment of at least 1 year in our Group from the date of confirmation of employment (which for the avoidance of doubt, shall exclude any probation period) following the date that such corporation becomes or is deemed to be a subsidiary of our Company (unless the ESOS Committee under certain circumstances and at its sole discretion reduces the period of 1 year to a lesser period as it deems fit); and
- (g) must have complied with any other criteria imposed by the ESOS Committee from time to time,

provided always that the selection of any eligible Director or employee for participation in the ESOS shall be at the discretion of the ESOS Committee and the decision of the ESOS Committee shall be final and binding. Other eligibility and allocation criteria shall be determined by the Board after recommendation from the ESOS Committee.

(iii) Basis and allotment of maximum allowable allocation

Subject to any adjustments which may be made under By-Laws, the aggregate number of new Shares that may be offered and allotted to any selected eligible Director or employee of our Group ("**Selected Employee**") under the ESOS shall be at the discretion of the ESOS Committee, after taking into consideration, among others, the Selected Employee's performance, contribution, employment grade, seniority, length of service and fulfillment of the eligibility criteria under the By-Laws or such other matters which the ESOS Committee may in its sole discretion deem fit, subject to the following:

- (a) no eligible Director or employee of our Group shall participate in the deliberation or discussion of his own allocation and the allocation to any person(s) connected with them;
- (b) any offer, allocation of ESOS Options under the ESOS and the related allotment of Shares to any person who is a Director, major shareholder or chief executive officer of our Company and any person connected with them shall require the prior approval of our shareholders in a general meeting. The foregoing persons shall not vote on the resolution approving their respective offer, allocation and allotment;
- (c) not more than 10% of the Shares available under the ESOS shall be allocated to any individual Selected Employee who, either singly or collectively through persons connected with him/her, holds 20% or more of our total number of issued Shares (excluding treasury shares, if any);
- (d) at any point in time when an offer is made, not more than 70% of the Shares made available under the ESOS shall be allocated, in aggregate, to the Directors and senior management of our Group; and
- (e) any performance target to be achieved before the ESOS Options can be granted and/or exercised by an eligible Director or employee shall be determined by the ESOS Committee.

4. DETAILS OF OUR IPO (CONT'D)**(iv) Option price**

Subject to any adjustments which may be made under the By-Laws and pursuant to the Listing Requirements, the price at which the Selected Employee who has accepted the offer by the ESOS Committee shall be entitled to subscribe for each new Share shall be determined by the ESOS Committee and in any case, shall be based on the 5-day volume weighted average market price of our Shares, immediately preceding the date of offer of the ESOS Options, with a discount of not more than 10% or such other percentage of discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time at the discretion of the ESOS Committee.

The option price as determined in the manner set out above shall be conclusive and binding on the Selected Employee who has accepted the offer by the ESOS Committee.

(v) Duration of the ESOS

The ESOS shall be in force for a period of 10 years commencing from the effective date.

4.1.7 Share capital

	No. of Shares	RM
Issued share capital after the Acquisition of KSB	423,911,500	184,401,509
New Shares to be issued under the Public Issue	76,088,500	50,760,180 ⁽¹⁾
Enlarged issued share capital upon Listing	500,000,000	235,161,689
Existing Shares to be offered under the Offer for Sale	62,500,000	42,500,000
IPO Price per IPO Share		0.68
Market capitalisation upon Listing (based on the IPO Price and enlarged number of issued Shares after our IPO)		340,000,000
Pro forma combined NA per Share (based on the pro forma combined statements of financial position as at 30 June 2022)		0.50 ⁽²⁾

Notes:

- (1) After deducting the estimated listing expenses of approximately RM1.0 million which is directly attributable to the issuance of our IPO Shares and offset against our share capital. These expenses comprise brokerage fee, underwriting commission and placement fee of approximately RM0.1 million, RM0.2 million and RM0.7 million respectively.
- (2) Computed based on the pro forma NA after our IPO and adjusting for the use of proceeds from our Public Issue, and the enlarged total number of 500,000,000 Shares after our IPO.

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

4.1.8 Classes of shares and ranking

As at the date of this Prospectus, we have only 1 class of shares in our Company, namely ordinary shares.

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

4. DETAILS OF OUR IPO (CONT'D)

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

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

At our general meeting, each shareholder shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. Subject to the Listing Requirements, any resolution put to vote at the meeting shall be decided by way of poll. On a poll, each shareholder present either in person or by proxy, attorney or other duly authorised representative, shall have 1 vote for every Share held or represented. A proxy may but need not be a member of our Company.

4.1.9 Minimum subscription level

There is no minimum subscription in terms of the amount of proceeds to be raised from our IPO. However, in order to comply with the public spread requirements of the Listing Requirements, the minimum subscription level in terms of the number of Shares will be the number of Shares required to be held by public shareholders. Under the Listing Requirements, we are required to have at least 25.0% of the total number of our Shares in the hands of a minimum number of 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the aforementioned public shareholding spread requirement is not met, we may not be able to proceed with our Listing. In such event, monies paid in respect of all applications for our IPO Shares will be returned in full without interest. If such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply whereby in addition to our liability, our officers shall be jointly and severally liable to repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC from the expiration of that period. Please refer to Section 9.3.4 of this Prospectus for details in the event there is a delay in or termination of our Listing.

4.2 BASIS OF ARRIVING AT THE IPO PRICE

Our Directors, Promoter and Offerors have determined the IPO Price of RM0.68 per IPO Share in consultation with our Principal Adviser, Sole Underwriter and Sole Placement Agent, based on the following factors:

- (i) our Group's EPS of approximately 8.4 sen based on our audited combined PAT of approximately RM41.8 million for the FYE 2021 and our enlarged total number of 500,000,000 Shares after our IPO, which translates into a price-to-earnings multiple of approximately 8.1 times;
- (ii) our pro forma combined NA per Share of RM0.50 as at 30 June 2022 based on our enlarged total number of 500,000,000 Shares after our IPO and after taking into consideration the use of proceeds from our Public Issue;
- (iii) our operating history and financial performance as set out in Sections 6 and 12 of this Prospectus respectively;
- (iv) our competitive strengths as set out in Section 7.3 of this Prospectus; and
- (v) our strategies and plans as set out in Section 7.22 of this Prospectus.

4. DETAILS OF OUR IPO (CONT'D)

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

4.3 DILUTION

Dilution is the amount by which the IPO Price exceeds our pro forma combined NA per Share after our IPO. Our pro forma combined NA per Share as at 30 June 2022 after the declaration of interim dividend amounting to RM10.0 million for the FYE 2022, which was paid on 19 October 2022, was RM0.47 per Share, based on our total number of 423,911,500 Shares after the Acquisition of KSB but prior to our Listing. After taking into account our enlarged number of Shares from the issuance of 76,088,500 Issue Shares and after adjusting for the use of the proceeds from our IPO, our pro forma combined NA per Share as at 30 June 2022 would be RM0.50 per Share. This represents:

- (i) an immediate increase in pro forma combined NA per Share of RM0.03 or 6.4% to our existing shareholders; and
- (ii) an immediate dilution in pro forma combined NA per Share of RM0.18 or 26.5% from the IPO Price to our new investors.

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

	RM
IPO Price	0.68
Audited combined NA per Share as at 30 June 2022	0.50 ⁽¹⁾
Pro forma combined NA per Share as at 30 June 2022 after the declaration of interim dividend amounting to RM10.0 million for the FYE 2022, which was paid on 19 October 2022	0.47 ⁽¹⁾
Pro forma combined NA per Share as at 30 June 2022 after the Public Issue and the use of proceeds	0.50
Increase in pro forma combined NA per Share to existing shareholders	0.03
Dilution in pro forma combined NA per Share to new investors	0.18
Dilution in pro forma combined NA per Share to new investors as a percentage of the IPO Price	26.5%

Note:

- (1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.

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

	No. of Shares held after the Share Transfer but before our IPO	Total consideration (RM)	Average cost per Share (RM)
<u>Promoter/Director/Substantial Shareholder</u>			
Tan Ah Kee	79,346,900	34,515,908	0.44
<u>Director/Substantial Shareholder</u>			
Teow Choo Hing	169,564,600	73,760,601	0.44
<u>Substantial Shareholder</u>			
Suan Neo Capital	175,000,000	83,688,175	0.48

4. DETAILS OF OUR IPO (CONT'D)

4.4 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue amounting to approximately RM51.7 million in the following manner:

Details	RM'000	%	Estimated time frame for use of proceeds from the date of our Listing
Purchase of construction equipment			Within 36 months
- Aluminium formwork systems	18,000	34.8	
- Scaffoldings and cabins	6,000	11.6	
Purchase of land and construction of a storage and refurbishment facility	20,000	38.7	Within 36 months
Working capital	3,280	6.3	Within 24 months
Estimated listing expenses	4,460	8.6	Within 1 month
Total	51,740	100.0	

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

4.4.1 Purchase of construction equipment

We have earmarked RM24.0 million, representing approximately 46.4% of the gross proceeds raised from the Public Issue, for the purchase of construction equipment, comprising aluminium formwork systems, scaffoldings and cabins to cater to our current construction projects and to facilitate the anticipated growth in our construction operations.

Generally, we offer aluminium formwork system as a construction technique when tendering for a project depending on the parameters such as number of buildings to be constructed as well as the design of the buildings. Aluminium formwork system is a common construction technique used for a large number of buildings of at least 100 units and when the buildings have standard design for the specific project to achieve overall efficiency and cost effectiveness in terms of better quality finishes. However, if aluminium formwork system is not suitable to be used, we will use conventional timber formwork. In some cases, our customers would request the use of aluminium formwork system in our construction work and under such circumstances, the use of aluminium formwork system would be a prerequisite in the tender document.

Aluminium formwork system is a lightweight modular formwork system which comprises various components such as, among others, wall panels, slab panels, beam side panels and components, deck panels and components, exterior and interior corners for wall panels. It is an advanced formwork system made of aluminium components that has great strength and durability, and is used for forming the cast-in-place concrete structures of a building (such as walls, columns, beams, staircases, slabs, floors, balconies and window hoods) at the construction site.

The advantage of using aluminium formwork system compared to conventional timber formwork is to enable us to improve our overall efficiency and cost effectiveness in terms of better quality finishes and higher standards of accuracy, as we place significant emphasis on the quality of our construction works. Compared to conventional timber formwork, the use of aluminium formwork system allows us to achieve a shorter turnaround time, reduce wastages (such as timber debris) at our construction sites which contributes to a cleaner environment, and reduce site labour as aluminium formwork system requires lesser manpower to assemble or dismantle. The uniform quality and smooth surface finishing from using aluminium formwork system eliminates the need for plastering work, which can be costly and time consuming. Furthermore, the aluminium panels are removable and can be reused with minimal maintenance, while those disposed can be recycled, thereby achieving sustainable construction.

4. DETAILS OF OUR IPO (CONT'D)

Generally, the use of aluminium formwork system would lower our estimated project cost during tender bid by approximately 1.0% to 1.5% as compared to using conventional timber formwork. These advantages of using aluminium formwork system enable us to be competitive in our tender bid, which is expected to enhance our financial performance and results of operations.

The aluminium formwork will be removed once the concrete is cured and developed the required strength. They are then cleaned, and if required, will undergo repair and maintenance. The aluminium formwork can then be reused for our subsequent construction projects. Generally, aluminium formwork can be used for the construction of residential as well as non-residential buildings. Typically, the aluminium formwork has a useful life of up to 10 years and can be used for approximately 300 cycles, subject to proper repair and maintenance after each use as compared to conventional timber formwork which can only be used for up to 5 cycles. The installation of aluminium formwork is carried out by our skilled construction workers.

We continuously explore and adopt construction techniques and systems to improve productivity and deliver projects within the time, cost and quality standards as required by our customers. To that end, we started using aluminium formwork systems in our construction projects since 2017, and we intend to apply this formwork system in construction projects going forward, whichever is feasible. During the Financial Years/Period Under Review, we have been increasing the usage of our aluminium formwork systems in our construction projects as follows:

	Aluminium formwork		Conventional timber formwork		Total	
	No. of projects secured	%	No. of projects secured	%	No. of projects secured	%
FYE 2019	5	26.3	14	73.7	19	100.0
FYE 2020	6	42.9	8	57.1	14	100.0
FYE 2021	5	45.5	6	55.5	11	100.0
FPE 2022	4	57.1	3	42.9	7	100.0

As at the LPD, we have a total of 29,017 sq m of aluminium formwork systems. Our purchase of aluminium formwork system during the Financial Years/Period Under Review up to the LPD is set out below:

	Quantity
As at 1 January 2019	1,765 sq m
Aluminium formwork systems purchased during:	
• FYE 2019	4,380 sq m
• FYE 2020	5,231 sq m
• FYE 2021	7,846 sq m
• FPE 2022 and up to the LPD	9,795 sq m
Total	29,017 sq m

During the Financial Years/Period Under Review and up to the LPD, we did not dispose of any aluminium formwork system.

We intend to utilise RM18.0 million to purchase an estimated 25,000 sq m of aluminium formwork systems progressively over a period of 36 months to support our expansion of the scale of construction work using aluminium formwork systems as well as to replace our existing formwork systems which were damaged due to wear and tear.

Please refer to Section 7.22.2 of this Prospectus for further details of our Group's strategies and plans on the purchase of aluminium formwork systems.

4. DETAILS OF OUR IPO (CONT'D)

Scaffoldings are temporary structures used as working platforms to support workers or formwork structure during construction, while cabins are used as workers' accommodation at construction sites. We plan to utilise RM5.0 million to purchase an estimated 95,000 sq m of scaffoldings and RM1.0 million to purchase 150 units of cabins to replace our existing scaffoldings and cabins which have reached the end of their useful life of up to 5 years.

The construction equipment will be sourced via local suppliers and the estimated purchase cost are subject to changes. In the event the allocated proceeds are insufficient for the purchase of these construction equipment, any shortfall will be funded via internally generated funds and/or bank borrowings.

4.4.2 Purchase of land and construction of a storage and refurbishment facility

We have earmarked RM20.0 million, representing approximately 38.7% of the gross proceeds raised from the Public Issue, for the purchase of land to construct a storage and refurbishment facility.

In line with our plan to purchase additional aluminium formwork systems, details of which are provided in Section 4.4.1 above, we intend to acquire a piece of land with an approximate area of 3 acres to construct a storage and refurbishment facility with an approximate built-up area of 65,000 sq ft which will be used as a centralised storage facility to house all our aluminium formwork systems, scaffoldings and cabins that are not in use at our construction sites. The remaining land area comprises setback area of the new facility while the rest of the open area will be used to store the cabins.

As at the LPD, we store our aluminium formworks that are not in use at a rented storage facility located in Port Klang, Selangor. Meanwhile, the repair and refurbishment works of our aluminium formwork systems are outsourced to external party. The objective of having our own storage and refurbishment facility is to cater for the additional aluminium formwork systems that we intend to purchase to support our expansion in construction works using these systems. We will also be able to carry out in-house repair and refurbishment works on our aluminium formwork systems, save for certain modification works which are more cost effective to be outsourced to external party. These in-house repair and refurbishment works do not require technical skills and may be performed by our unskilled workers.

In addition, the storage and refurbishment facility would provide additional space to house our other construction equipment including scaffoldings and cabins as well as allow us to carry out in-house repair and refurbishment works. As at the LPD, we store our scaffoldings and cabins at the project sites. Upon the completion of the storage and refurbishment facility, we will undertake the repair and refurbishment of all our construction equipment such as aluminium formwork systems, scaffoldings and cabins in-house, save for certain modification works which are more cost effective to be outsourced to external party.

We anticipate to complete the land acquisition within 18 months from the date of our Listing, and commence construction of the storage and refurbishment facility immediately thereafter. The construction of the storage and refurbishment facility is estimated to take up to another 18 months to complete. As at the LPD, we are still in the midst of identifying the land to construct our storage and refurbishment facility. The exact location and size of the land are subject to changes depending on the price and availability. Other criteria for selection of location and size of the facility would include proximity to our on-going project sites while the size of the land would have to take into consideration an area to carry out repair and refurbishment works as well as storage space.

We estimate the land cost and the construction cost to be RM15.0 million and RM5.0 million respectively. In the event the allocated proceeds are insufficient for the purchase of land and construction of a storage and refurbishment facility, any shortfall will be funded via internally generated funds and/or bank borrowings.

Please refer to Section 7.22.3 of this Prospectus for further details of our Group's strategies and plans.

4. DETAILS OF OUR IPO (CONT'D)

4.4.3 Working capital

We have earmarked approximately RM3.3 million, representing approximately 6.3% of our gross proceeds from the Public Issue, for our working capital requirements. The proposed allocation of the proceeds is set out below:

Details	RM'000
Payment to subcontractors	2,300
Purchase of construction materials	980
Total	3,280

Subcontractor costs and construction materials are major components of our cost of sales which collectively contributed approximately 86.8%, 87.5%, 86.7% and 89.0% to our cost of sales for the Financial Years/Period Under Review respectively. As such, we have allocated the proceeds raised for working capital requirements to pay our subcontractors and to purchase building materials for new and existing projects over a period of 24 months from our Listing. The working capital allocation is expected to enhance our liquidity and cash flow position to support our day-to-day operations as well as better position ourselves in negotiating for more favourable commercial terms with our suppliers and subcontractors, such as rebates for bulk purchase or early payment discount.

Typically, the number and size of construction projects that we can undertake at any point in time is dependent on the availability of our working capital. As such the increase in cash reserves can be used for our upfront preliminary project mobilisation costs and disbursements, such as procurement of materials, appointment of subcontractors, sourcing of labour as well as rental of machinery and equipment, to allow us to tender for more projects to support the growth of our business operations. Depending on the terms of the contract, we may or may not be required to take out a performance bond of 5% of the contract sum in the form of bank guarantee. We may also be required to submit tender bond when tendering for new projects, the amount of which is specified in the tender document as determined by our customers.

4.4.4 Estimated listing expenses

Approximately RM4.5 million of the gross proceeds from the Public Issue is intended to be used for our listing expenses as follows:

Details	RM'000
Professional fees	2,711
Fees to authorities	395
Underwriting commission, placement fees and brokerage fees	980
Miscellaneous expenses and contingencies ⁽¹⁾	374
Total	4,460

Note:

- (1) This includes any other incidental charges or related expenses in connection with our IPO, such as translation services, printing and advertising expenses, applicable service tax and IPO event expenses.

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

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

4. DETAILS OF OUR IPO (CONT'D)

We will not receive any proceeds from the Offer for Sale. The Offer for Sale will raise gross proceeds of RM42.5 million which will accrue entirely to our Offerors. Our Offerors will be bearing their own placement fee in respect of our IPO.

4.5 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.5.1 Brokerage fee

We will pay brokerage fee in respect of the Issue Shares under the Retail Offering at a rate of 1.0% (exclusive of any applicable tax) of the IPO Price for all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

Our Sole Placement Agent is entitled to charge brokerage commission of up to 1.0% to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission will be paid by successful applicants under the Institutional Offering and will not be borne by us nor the Offerors.

4.5.2 Underwriting commission

As stipulated in the Underwriting Agreement, we will pay our Sole Underwriter an underwriting commission of the rate of 1.65% (exclusive of any applicable tax) of the total value of the underwritten 18,588,500 Issue Shares under the Retail Offering.

4.5.3 Placement fee

The Offerors for the Offer Shares and us for the Issue Shares will pay the Sole Placement Agent a placement fee of up to 1.65% (exclusive of applicable tax) and may pay a discretionary incentive fee of up to 0.35% (exclusive of applicable tax) of the value of the 62,500,000 Offer Shares and 57,500,000 Issue Shares successfully placed out under the Institutional Offering.

4.6 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with the Sole Underwriter to underwrite 18,588,500 Issue Shares under the Retail Offering ("**Underwritten Shares**"), subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus and upon the terms and subject to the conditions of the Underwriting Agreement.

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

- (i) the obligation of the Sole Underwriter to underwrite the Underwritten Shares is conditional on, among others, the following:
 - (a) all necessary approvals required for our IPO and Listing remaining in full force and effect and that all conditions to these approvals (except for those which can only be complied with after our IPO has been completed) have been complied with and such approvals have not been withdrawn;
 - (b) the Sole Underwriter being satisfied that we have complied with and that our IPO is in compliance with the CMSA, policies, guidelines and requirements of Bursa Securities, the SC and all other applicable securities laws and regulations, including all revisions, amendments and/or supplements to it;

4. DETAILS OF OUR IPO (CONT'D)

- (c) there being no occurrence on or prior to the closing date of our IPO ("**Closing Date**") any breach of and/or failure to perform any of our undertakings contained in the Underwriting Agreement;
 - (d) there being no any investigation, direction or action by any judicial, governmental or regulatory authority in relation to our Listing or in connection with our Group which is still subsisting or not resolved to the satisfaction of the Sole Underwriter; and
 - (e) as at the Closing Date, there is no registration or lodgement of any supplementary or replacement Prospectus with the SC or the Registrar of Companies without the prior written approval of the Sole Underwriter; and
- (ii) notwithstanding anything contained in the Underwriting Agreement, the Sole Underwriter may terminate the Underwriting Agreement and withdraw its underwriting commitment upon the occurrence of any of the following:
- (a) there is a breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement or which is contained in any certificate, statement or notice under or in connection with the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Sole Underwriter within such number of days as stipulated within the notice after notice of such breach has been given to our Company or by the Closing Date, whichever is earlier;
 - (b) there is failure on the part of our Company to perform any of our obligations contained in the Underwriting Agreement;
 - (c) there is withholding of information from the Sole Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of the Sole Underwriter, would have or can reasonably be expected to have a material adverse effect on the business or operations of our Group, the success of our IPO or the distribution or sale of our Shares issued or offered under our IPO, and if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach has been given to us;
 - (d) there shall have occurred or happened any material and adverse change in the business or financial condition of our Group;
 - (e) the Closing Date does not occur within 3 months from the date of the Underwriting Agreement ("**Agreement Date**"), subject to the extension of Closing Date which may be approved by the Sole Underwriter;
 - (f) our Listing does not take place by 25 January 2023 or such other extended date as may be agreed in writing by the Sole Underwriter;
 - (g) the occurrence of any force majeure event or any event or series of events beyond the reasonable control of the Sole Underwriter including, but not limited to, acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), acts of terrorism, strikes, national disorder, declaration of a state of emergency, lock outs, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents which 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 which prevents the processing of applications and/or payments pursuant to our IPO or pursuant to the underwriting of the Underwritten Shares;

4. DETAILS OF OUR IPO (CONT'D)

- (h) any material adverse 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 in both Malaysia and overseas) or foreign exchange controls or currency exchange rates or the occurrence of any combination of the foregoing which would or is likely to have a material adverse effect on the value or price of the IPO Shares. For the avoidance of doubt, any material adverse change in financial conditions shall include stock market conditions and interest rates. For this purpose, a material adverse change in the stock market condition shall mean the FTSE Bursa Malaysia KLCI (“**Index**”) has dropped 15.0% between the Index level on the Agreement Date and the Closing Date (both dates inclusive) at any point in time during the Agreement Date and the Closing Date;
- (i) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court/authorities which has/likely to have material adverse effect on our Group and/or materially prejudice the business or the operations of our Group, the success of our IPO or our Listing or the conditions generally or which has or is likely to have the effect of making the Underwriting Agreement incapable of performance in accordance with its terms;
- (j) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities due to exceptional financial circumstances or otherwise;
- (k) any government requisition or occurrence of any other nature which materially and adversely affect or will materially or adversely affect the business, operations and/or financial position or prospects of our Group or the success of our IPO;
- (l) in the event that our Listing is withdrawn;
- (m) any of the resolutions or approvals for our IPO and Listing is revoked, suspended or ceased to have any effect whatsoever, or is varied or supplemented upon terms that would have or is reasonably likely to have a material adverse effect;
- (n) any commencement of legal proceedings or action against any member of our Group or any of our Directors, which in the opinion of the Sole Underwriter, would have or is reasonably likely to have a material adverse effect or making it impracticable to market our IPO or to enforce contracts to allot and/or transfer our IPO Shares;
- (o) this Prospectus or the Application Forms (i) having terminated or rescinded in accordance with its terms; (ii) ceased to have any effect whatsoever; or (iii) varied or supplemented upon terms and such variation or supplementation would have or likely to have a material adverse effect; or
- (p) any other event which, in the reasonable opinion of the Sole 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, the success of our IPO or our Listing or market conditions generally or making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

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

5.1 PROMOTER AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoter's and Substantial Shareholders' shareholdings

The shareholdings of our Promoter and Substantial Shareholders before and after our IPO are as follows:

Name	Nationality/ Country of incorporation	Before our IPO / After the Acquisition of KSB				Before our IPO / After the Share Transfer			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
<u>Promoter and Substantial Shareholder</u>									
Tan Ah Kee	Malaysian	97,499,700	23.0	156,847,200 ⁽³⁾	37.0	79,346,900	18.7	175,000,000 ⁽⁴⁾	41.3
<u>Substantial Shareholders</u>									
Teow Choo Hing	Malaysian	169,564,600	40.0	-	-	169,564,600	40.0	-	-
Suan Neo Capital	Malaysia	144,129,900	34.0	-	-	175,000,000	41.3	-	-
Name	Nationality/ Country of incorporation	After the Public Issue				After the Offer for Sale			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
<u>Promoter and Substantial Shareholder</u>									
Tan Ah Kee	Malaysian	79,346,900	15.9	175,000,000 ⁽⁴⁾	35.0	41,846,900	8.4	175,000,000 ⁽⁴⁾	35.0
<u>Substantial Shareholders</u>									
Teow Choo Hing	Malaysian	169,564,600	33.9	-	-	144,564,600	28.9	-	-
Suan Neo Capital	Malaysia	175,000,000	35.0	-	-	175,000,000	35.0	-	-

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

Notes:

- (1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.
- (2) Based on our enlarged total number of 500,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his shareholdings in Lembah Reka and Suan Neo Capital pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his shareholding in Suan Neo Capital pursuant to Section 8 of the Act.

Our Promoter and Substantial Shareholders do not have different voting rights from the other shareholders of our Company.

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

5.1.2 Profile of Promoter and/or Substantial Shareholders

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

Tan Ah Kee

Promoter, Substantial Shareholder and Managing Director

Tan Ah Kee, a Malaysian aged 62, is our Promoter, Substantial Shareholder and Managing Director. He is our co-founder and was appointed to our Board on 24 February 2022.

He graduated with Diploma in Technology (Building) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 1984 and has been a member of the Chartered Institute of Building since 2005.

He started his career with Chi Liung Realty (M) Sdn Bhd, a construction company, in 1984 as Technical Assistant, where he was involved in site monitoring as well as managing the tender process and housing projects. He left the company in 1988. However, between 1988 and 1990, he continued to work with Chi Liung Realty (M) Sdn Bhd on a part-time basis to assist the company in completing its remaining projects which were previously under his purview.

In October 1990, he co-founded KSB together with Teow Choo Hing, both of whom are directors and shareholders of KSB. Throughout the years, Tan Ah Kee is responsible for the day-to-day management and business operations, and providing guidance and direction to our management team. Together with Teow Choo Hing, he is also responsible for the formulation of overall business expansion strategies and direction of our Group.

He has approximately 38 years of experience in the construction industry and has undertaken construction work for many township development projects including Eco Grandeur, Eco Majestic and Eco Forest under Eco World Development Group, City of Elmina under Sime Darby Property Group, Tropicana Aman under Tropicana Corporation Berhad, as well as Setia Eco Glades, Setia Safiro and Setia Eco Park under S P Setia Group.

As the Managing Director, he is responsible for the overall management and business operations of our Group as well as the strategic planning, formulation and implementation of our Group's strategies. He is also a director of several private limited companies, details of which are set out in Section 5.2.4 of this Prospectus.

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

Teow Choo Hing*Substantial Shareholder and Non-Independent Non-Executive Director*

Teow Choo Hing, a Malaysian aged 62, is our Substantial Shareholder and Non-Independent Non-Executive Director. He was appointed to our Board on 12 May 2022. He is also a member of our Nomination and Remuneration Committees.

He obtained a Bachelor of Science in Civil Engineering and a Master of Science in Civil Engineering from the University of Oklahoma, USA in 1984 and 1985, respectively. While he was in the USA, he worked as Project Engineer in LaForge & Budd Construction Company Inc, USA, and was involved in an interstate highway project in Oklahoma. He is also a Fellow member of the Institute of Corporate Directors Malaysia since September 2022.

In 1990, he was appointed as Director and became shareholder of Kindah Construction Sdn Bhd, where he dedicated most of his time in the construction industry. Subsequently in 1991, he was also appointed as Director of Storewell (M) Sdn Bhd, a company principally involved in bonded warehousing.

In 1996, he was appointed as Director of Century Logistics Sdn Bhd, a company principally involved in freight forwarding, warehousing and container haulage, where he was responsible for charting the direction and development of the company. In 1997, he was appointed as Managing Director of Century Logistics Holdings Sdn Bhd (now known as CJ Century Logistics Holdings Berhad, a logistics company listed on the Main Market of Bursa Securities). In 2020, he was re-designated as Chief Executive Officer of CJ Century and continues to hold the position as at the LPD where he is responsible for the overall management and business operations of the company including strategic planning, formulation and implementation of strategies, overseeing the financial performance and the investment and ventures development of the company.

In October 1990, Teow Choo Hing co-founded KSB together with Tan Ah Kee, both of whom are directors and shareholders of KSB, to venture into the construction business. Since the inception of KSB, Teow Choo Hing has left the day-to-day management of the company to Tan Ah Kee. However, in fulfilling his oversight responsibility, he participates in board matters in a non-executive role such as the formulation of overall business expansion strategies and direction of our Group together with Tan Ah Kee. Apart from attending meetings of the board of directors, he is not involved in the day-to-day operations of KSB.

He is also a director of several private limited companies, details of which are as set out in Section 5.2.4 of this Prospectus.

Suan Neo Capital*Substantial Shareholder*

Suan Neo Capital was incorporated in Malaysia under the Companies Act 1965 on 13 April 2016 as a private limited liability company under the name of Kiharta Resources Sdn Bhd and is deemed registered under the Act. It assumed its present name on 3 June 2022. The principal activity of Suan Neo Capital is investment holding (in shares). As at the LPD, the issued share capital of Suan Neo Capital is RM250,000 comprising 250,000 ordinary shares and Tan Ah Kee is the sole director and shareholder.

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5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)
5.1.3 Changes in our Promoter's and Substantial Shareholders' shareholdings

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

Name	As at 24 February 2022 (date of incorporation)				After the Acquisition of KSB				After the Share Transfer			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
<u>Promoter and Substantial Shareholder</u>												
Tan Ah Kee	100	100.0	-	-	97,499,700	23.0	156,847,200 ⁽³⁾	37.0	79,346,900	18.7	175,000,000 ⁽⁴⁾	41.3
<u>Substantial Shareholder</u>												
Teow Choo Hing	-	-	-	-	169,564,600	40.0	-	-	169,564,600	40.0	-	-
Suan Neo Capital	-	-	-	-	144,129,900	34.0	-	-	175,000,000	41.3	-	-
Name	After the Public Issue				After the Offer for Sale							
	Direct		Indirect		Direct		Indirect					
	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾				
<u>Promoter and Substantial Shareholder</u>												
Tan Ah Kee	79,346,900	15.9	175,000,000 ⁽⁴⁾	35.0	41,846,900	8.4	175,000,000 ⁽⁴⁾	35.0				
<u>Substantial Shareholder</u>												
Teow Choo Hing	169,564,600	33.9	-	-	144,564,600	28.9	-	-				
Suan Neo Capital	175,000,000	35.0	-	-	175,000,000	35.0	-	-				

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

Notes:

- (1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.
- (2) Based on our enlarged total number of 500,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his shareholdings in Suan Neo Capital and Lembah Reka pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his shareholding in Suan Neo Capital pursuant to Section 8 of the Act.

5.1.4 Amounts or benefits paid to our Promoter and Substantial Shareholders

Save for the issuance of our Shares as consideration for the Acquisition of KSB, the dividends paid by KSB as disclosed in Section 12.7 of this Prospectus, and the aggregate remuneration and benefits paid and proposed to be paid for services rendered in all capacities to our Group as disclosed in Section 5.2.3 of this Prospectus, there are no other amounts or benefits that have been paid or intended to be paid to our Promoter and Substantial Shareholders within the 2 years preceding the date of this Prospectus.

5.2 DIRECTORS

Our Board comprises the following members:

Name / Designation	Age	Date of appointment
Datuk Dr. Siti Hamisah Binti Tapsir / Independent Non-Executive Chairperson	61	25 May 2022
Tan Ah Kee / Managing Director	62	24 February 2022
Teow Choo Hing / Non-Independent Non-Executive Director	62	12 May 2022
Gam Boon Tin / Executive Director / COO	51	25 May 2022
Goh Yin Huat / Executive Director / CFO	41	25 May 2022
Low Chin Ann @ Han Chin Ann / Independent Non-Executive Director	42	25 May 2022
Chang Sua Yean / Independent Non-Executive Director	37	25 May 2022
Nooriah Binti Hassan / Independent Non-Executive Director	59	25 May 2022

Save for Tan Ah Kee who is the sole shareholder of Suan Neo Capital, none of our Directors represents any corporate shareholder on our Board. Please refer to Section 5.5 of this Prospectus for details on the family relationships and associations between our Promoter, Substantial Shareholders, Directors and Key Senior Management.

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

5.2.1 Directors' shareholdings

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

Name	Nationality	Before our IPO / After the Acquisition of KSB				After the Share Transfer and our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Datuk Dr. Siti Hamisah Binti Tapsir	Malaysian	-	-	-	-	100,000	*	-	-
Tan Ah Kee	Malaysian	97,499,700	23.0	156,847,200 ⁽³⁾	37.0	41,846,900	8.4	175,000,000 ⁽⁴⁾	35.0
Teow Choo Hing	Malaysian	169,564,600	40.0	-	-	144,564,600	28.9	-	-
Gam Boon Tin	Malaysian	-	-	-	-	1,000,000	0.2	-	-
Goh Yin Huat	Malaysian	-	-	-	-	400,000	0.1	-	-
Low Chin Ann @ Han Chin Ann	Malaysian	-	-	-	-	75,000	*	-	-
Chang Sua Yean	Malaysian	-	-	-	-	50,000	*	-	-
Nooriah Binti Hassan	Malaysian	-	-	-	-	50,000	*	-	-

Notes:

* Negligible.

(1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.

(2) Based on our enlarged total number of 500,000,000 Shares after our IPO.

(3) Deemed interested by virtue of his shareholdings in Suan Neo Capital and Lembah Reka pursuant to Section 8 of the Act.

(4) Deemed interested by virtue of his shareholding in Suan Neo Capital pursuant to Section 8 of the Act.

Subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus, our Directors (save for Tan Ah Kee and Teow Choo Hing) may subscribe for excess Issue Shares under those allocated for other Eligible Persons as well as the IPO Shares under the Public Issue.

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

5.2.2 Profile of our Directors

The profiles of our Directors are as follows:

Datuk Dr. Siti Hamisah Binti Tapsir
Independent Non-Executive Chairperson

Datuk Dr. Siti Hamisah Binti Tapsir, a Malaysian aged 61, is our Independent Non-Executive Chairperson. She was appointed to our Board on 25 May 2022.

She graduated with Diploma in Civil Engineering with Institut Teknologi MARA (now known as Universiti Teknologi MARA) in 1982, Bachelor of Science in Civil Engineering from New England College, USA in 1984 and a Master of Science in Civil Engineering from the University of Lowell (now known as University of Massachusetts Lowell), USA in 1987. She also obtained a Doctor of Philosophy in Civil Engineering from the University of Leeds, United Kingdom in 1994.

She is a registered professional engineer with the Board of Engineers, Malaysia since 2001, a Fellow member of the Institution of Engineers, Malaysia since 2007 and a Professional Technologist of the Malaysia Board of Technologists since 2017. She is also a President of the Malaysia Board of Technologists since 2021 and a member of the Institute of Corporate Directors Malaysia since September 2022. In November 2022, she was appointed as a member of the Board of Governors for UCSI Hospital Sdn Bhd.

She started her career with Universiti Teknologi Malaysia (“**UTM**”) as Lecturer in 1987. Between 1991 and 1994, she was granted leave to pursue her Doctor of Philosophy in Civil Engineering from the University of Leeds, United Kingdom. During her tenure with UTM, she held various positions which include, among others, Head of Laboratory, Associate Professor, Assistant Director, Programme Director, Dean and Deputy Vice-Chancellor, and she was mainly responsible for lecturing, research, consultancy and management.

She left UTM as Campus Director of UTM International Campus in 2009 to join the Ministry of Higher Education as Deputy Director General in the same year. She was promoted to Director General of Higher Education in 2016, where she was responsible for overseeing the implementation of higher education policies at both public and private universities.

She left the Ministry of Higher Education and was appointed as Secretary General of the Ministry of Energy, Science, Technology, Environment and Climate Change (now known as the Ministry of Science, Technology and Innovation) in 2019, where she was responsible for developing and overseeing the roll-out of national policy on energy, science, technology, innovation and climate change in Malaysia. Following the restructuring of the said ministry by the Government in March 2020, she continued to hold the position of Secretary General up until March 2021. During this period, she was appointed as Adjunct Professor of UTM in January 2020 until her departure in January 2021.

In March 2021, she was re-appointed as Secretary General of the Ministry of Science, Technology and Innovation on a 6-month contract basis, where she was developing and overseeing the national agenda of science, technology and innovation of all the ministries. In addition, she was assigned to lead the roll-out of the COVID-19 Vaccination Plan under the COVID-19 Immunisation Task Force in Malaysia before her retirement in September 2021.

Upon retirement from her full time civil service in September 2021, she was appointed as Group Chief Executive Officer of UCSI Group and Vice-Chancellor of UCSI University in October 2021, where she mainly oversees the strategic agenda of the education, technology, hotels and travel segments as well as monitoring the performance and fiduciary duties of the UCSI Group and its group of companies. In May 2022, she was appointed as the Chairman of the Healthcare Work Culture Improvement Task Force established by the Ministry of Health Malaysia to cover aspects of work culture as well as human resources management of healthcare personnel. The task force has ended in August 2022.

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

Tan Ah Kee*Managing Director*

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

Teow Choo Hing*Non-Independent Non-Executive Director*

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

Gam Boon Tin*Executive Director / COO*

Gam Boon Tin, a Malaysian aged 51, is our Executive Director/COO. He was appointed to our Board on 25 May 2022.

He graduated with Diploma in Technology (Building) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 1995.

He started his career with KSB as Assistant Quantity Surveyor in 1995, where he was involved in general quantity surveyor work, such as providing estimation on quantities, costs and time scales for materials and labour, and drawing up budget reports. He was promoted to Contract Executive in 1997 and was subsequently promoted to Contract Manager in 1997, where he was entrusted to monitor and control overall project cost, operational activities of our construction projects and oversee the tender process as well as contract management.

He was promoted to Senior Manager (Tender, Budget and Cost Control Department) in 2002, GM (Contract and Implementation) in 2005, Senior GM in 2016 and COO in 2022. Throughout his career with KSB, he was responsible for the overall project management and daily operations, including overseeing the tender process, contract management and implementation of projects, as well as administration and procurement. As COO, he also oversees the entire Contracts Department of our Group.

In his capacity as our Executive Director, Gam Boon Tin plays a vital role in assisting our Managing Director in ensuring that the strategic planning, formulation and strategies of our Group are successfully and viably implemented.

Goh Yin Huat*Executive Director / CFO*

Goh Yin Huat, a Malaysian aged 41, is our Executive Director/CFO. He was appointed to our Board on 25 May 2022.

He graduated with a degree in Bachelor of Arts in Accounting from the University of Hertfordshire, United Kingdom in 2002. He has been a member of the Malaysian Institute of Accountants since 2008 and a Fellow member of the ACCA since 2012.

He started his career with Thiang & Co, an audit firm, as Audit Assistant in 2002, where he was involved in the audit of various private limited companies, mainly responsible for audit planning, resolving audit issues and review of statutory accounts. He subsequently left the firm as Audit Senior in 2005.

He joined Crowe Horwath (now known as Crowe Malaysia PLT) in 2005 as Audit Senior and was promoted to Audit Manager in 2010. During his tenure with the firm, he was responsible for managing the audit of both public and private limited companies and conducting financial due diligence in relation to business acquisition.

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

He left the audit firm to join Gabungan AQRS Berhad, a construction and property development company listed on the Main Market of Bursa Securities, as Finance Manager in 2012. He was subsequently promoted to Senior Finance Manager in 2015 and Deputy Group Financial Controller in 2018. During his tenure with the company, he was responsible for accounting and financial matters including, among others, planning of the yearly audit, preparing quarterly reports, annual cash flow budget and profit forecast, updating risk register and risk presentation at board meetings and compilation of the annual report. He also oversees tax matter and funding needs.

In 2019, he left Gabungan AQRS Berhad and joined KSB as CFO. He heads the Accounts and Finance Department where he is responsible for overseeing all aspects of accounting functions of KSB, including financial reporting, budgeting, taxation and cash flow management.

In his capacity as our Executive Director, Goh Yin Huat plays a vital role in assisting our Managing Director in ensuring that the strategic planning, formulation and strategies of our Group are successfully and viably implemented.

Low Chin Ann @ Han Chin Ann *Independent Non-Executive Director*

Low Chin Ann @ Han Chin Ann, a Malaysian aged 42, is our Independent Non-Executive Director. He was appointed to our Board on 25 May 2022. He is also the Chairperson of our Audit and Risk Management Committee and a member of our Remuneration Committee.

He graduated with Diploma in Computer Science from Institut Latihan FTMS-ICL (now known as FTMS College) and completed the Certified Accounting Technician programme in 1999. He has been a member and Fellow member of the ACCA since 2005 and 2010 respectively, and a member of the Malaysian Institute of Accountants since 2021. He is also a member of the Institute of Corporate Directors Malaysia since September 2022.

He started his career with RKT Tax Consultants Sdn Bhd, a tax consultancy firm, as Tax Executive in 2001. He left the firm in 2001 and joined KLC Centre for Higher Studies in 2002 as Lecturer prior to him leaving the institute in 2002. Between 2003 and 2006, he joined Kasturi College International (now known as Malvern International Academy) as Course Director for the Certified Accounting Technician programme where he was responsible for conducting lectures and managing the said programme. He left the college in 2006 and joined both FTMS Consultants (M) Sdn Bhd and FTMS Global (Singapore) Ltd as Lecturer in 2007. He left the companies in 2007.

Since 2007, Mr Low has been the Director of Accentury Development Sdn Bhd, providing accountancy related training and conducting courses for ACCA programme for working adults. He has also been the Course Advisor for the ACCA programme at Methodist College Kuala Lumpur since 2017.

Mr Low sat on the board of Analabs Resources Berhad, a company listed on the Main Market of Bursa Securities, as Independent Non-Executive Director, a position he had held since 2012, prior to his re-designation as Senior Independent Non-Executive Director in 2015 and his retirement in October 2022.

As at the LPD, he also sits on the boards of several private limited companies as disclosed in Section 5.2.4 of this Prospectus.

Chang Sua Yean *Independent Non-Executive Director*

Chang Sua Yean, a Malaysian aged 37, is our Independent Non-Executive Director. She was appointed to our Board on 25 May 2022. She is also the Chairperson of our Remuneration Committee and a member of our Nomination and Audit and Risk Management Committees.

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

She graduated with a Bachelor of Laws degree from the University of Malaya in 2008 and was admitted to the High Court of Malaya as Advocate and Solicitor in 2009. She is also a member of the Institute of Corporate Directors Malaysia since September 2022.

She began her legal career in 2009 as Legal Assistant with Abraham Ooi & Partners, where her main area of practice was conveyancing. She left the firm in 2012 and joined Armyi Rais as Legal Assistant before she rejoined Abraham Ooi & Partners in the same year. She left the firm in 2013 to join Amir Faezal Norzela & Chong as Legal Assistant and was subsequently promoted to Partner in 2014 to head the Real Estate and Property Practice Group. She has gained extensive experience in real estate matters including property acquisition and divestment, development projects, commercial leasing, property financing, commercial and retail banking.

She left the law firm and joined Chuah & Yong as Partner in 2015, where her main area of practice was conveyancing and banking. Apart from her vast experience in real estate matters, she has also been advising and representing banks on legal documentation in banking transactions including refinancing and financing purchase of property.

Nooriah Binti Hassan

Independent Non-Executive Director

Nooriah Binti Hassan, a Malaysian aged 59, is our Independent Non-Executive Director. She was appointed to our Board on 25 May 2022. She is also the Chairperson of our Nomination Committee and a member of our Audit and Risk Management Committee.

She graduated with Bachelor of Architecture from The University of New South Wales, Australia in 1989. She has been a member of the Malaysian Institute of Architects and has been registered with the Board of Architects Malaysia since 2012. She is also a certified Project Management Professional with the Project Management Institute, USA since 2017 and a member of the Institute of Corporate Directors Malaysia since September 2022.

She started her career with Arkitek Kawasan Sekutu as Design Architect in 1989, where she was responsible for designing and assisted in various commercial and housing development projects. She left the firm and joined Arkitek Sama in 1991 as Project Architect until her departure in 1995. In 1995, she joined Arkitek N. Kang as Project Architect, where she was responsible for project management. She left the firm in 2007 and took a break thereafter.

In 2009, she joined Palm Grove Development Sdn Bhd as Project Architect / Master Planner, where she was the key personnel for the overall development of Bandar Nusaputra. She left the firm in 2012 and joined UEM Group Berhad group of companies as Senior Manager, Development, where she was in charge of the projects in the southern region of Malaysia. Subsequently, she was responsible for the management and development of the Serene Heights, Bangi township. She held the position of Project Team Leader prior to her retirement in 2021.

In 2014, she set up and registered Noori Hassan Architect with the Board of Architects Malaysia to provide architectural consultancy services.

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

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

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

FYE 2021

<u>Director</u>	<u>Salaries⁽¹⁾ (RM'000)</u>	<u>Fees (RM'000)</u>	<u>Benefits- in-kind (RM'000)</u>	<u>Other emoluments⁽²⁾ (RM'000)</u>	<u>Total (RM'000)</u>
Tan Ah Kee	7,980	300	17	958	9,255
Teow Choo Hing	-	300	-	-	300

Proposed for the FYE 2022

<u>Director</u>	<u>Salaries⁽⁴⁾ (RM'000)</u>	<u>Fees (RM'000)</u>	<u>Benefits- in-kind (RM'000)</u>	<u>Other emoluments⁽²⁾ (RM'000)</u>	<u>Total (RM'000)</u>
Datuk Dr. Siti Hamisah Binti Tapsir	-	84 ⁽³⁾	-	-	84
Tan Ah Kee	3,180	-	17	382	3,579
Teow Choo Hing	-	300	-	-	300
Gam Boon Tin	612	-	17	73	702
Goh Yin Huat	276	-	9	33	318
Low Chin Ann @ Han Chin Ann	-	42 ⁽³⁾	-	-	42
Chang Sua Yean	-	35 ⁽³⁾	-	-	35
Nooriah Binti Hassan	-	35 ⁽³⁾	-	-	35

Notes:

- (1) Including bonuses paid.
- (2) Comprise contributions to Employees Provident Fund, Social Security Organisation, Employment Insurance System, and allowances.
- (3) Being director's fees from the date they were appointed to our Board.
- (4) Excluding bonuses which will be determined at a later date depending on performance of the individuals and our Group.

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

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

5.2.4 Directorships and principal business activities outside our Group

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

(i) Datuk Dr. Siti Hamisah Binti Tapsir

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as director</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Present involvement</u>						
<ul style="list-style-type: none"> Malaysian Industry-Government Group for High Technology 	To prospect and promote the process of development for industries through the strategic application of science and technology, for the benefit of the socio-economic development of Malaysia	Director	10 July 2020	-	-	-
<ul style="list-style-type: none"> Oppstar Berhad 	Investment holding, while its subsidiaries are involved in the provision of integrated circuit design and other related services	Independent Non-Executive Chairman	21 January 2022	-	-	-
<u>Past involvement</u>						
<ul style="list-style-type: none"> Malaysia Venture Capital Management Berhad 	To establish, administer and manage venture capital for information and technology, and venture funds other than for information and technology, and to carry out activities related to venture capital management	Director	1 March 2020	15 September 2021	-	-

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

Company	Principal activities	Position held	Date of appointment as director	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
• Malaysian Technology Development Corporation Sdn Bhd	Venture capital activities, management of government grants, technology incubation management and technology support services	Director	6 April 2020	15 September 2021	-	-
• MIMOS Berhad	Research and development in the field of information and communication technologies	Director	1 July 2020	15 September 2021	-	-
• Mranti Corporation Sdn Bhd	Provision of infrastructure, facilities and services; lending and advancing money or providing credit to persons or companies	Director	6 January 2020	15 September 2021	-	-
• Unitem Sdn Bhd	Operates Open University Malaysia and provides distance learning courses	Director	7 December 2017	29 January 2019	-	-
• Yayasan Inovasi Malaysia	Develop and promote creative skills in the fields of science and technology, nurture and support scientific innovation and conduct educational and awareness programmes	Director	30 June 2020	15 September 2021	-	-

5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)
(ii) Tan Ah Kee

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as director</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Present involvement</u>						
• Benteng Etika	Investment holding (investment in property)	Director and shareholder	20 March 2004	-	76.0	-
• D3 Properties Sdn Bhd	Investment holding (investment in property)	Director and shareholder	21 June 2021	-	100.0	-
• Delloyd Plantation Sdn Bhd	Cultivation of oil palms	Director and shareholder	15 March 1999	-	-	10.0 ⁽¹⁾
• Kheng Property Sdn Bhd	Investment holding (investment in property)	Director and shareholder	6 May 2021	-	49.0	-
• Kiharta Development	Property development	Director and shareholder	21 June 2001	-	60.0	-
• Kiharta Land Sdn Bhd	Investment holding (investment in property)	Director and shareholder	21 August 2020	-	-	100.0 ⁽²⁾
• Kiharta Properties	Investment holding (investment in property) and property development	Director and shareholder	7 March 2000	-	50.0	-
• Kiharta	Investment holding (investment in property and shares)	Director and shareholder	3 August 1994	-	60.0	-
• Kireka Resources	Investment holding (investment in property)	Director and shareholder	11 March 2011	-	50.0	-

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

Company	Principal activities	Position held	Date of appointment as director	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
• Kireka Sdn Bhd	Investment holding (investment in property)	Director and shareholder	24 July 2003	-	90.0	-
• Lembah Reka	Investment holding (investment in property and shares)	Director and shareholder	4 April 1996	-	-	100.0 ⁽³⁾
• Magnavision (M) Sdn Bhd	Servicing and repairing motor vehicles	Shareholder	-	-	8.0	-
• PT Rebinmas Jaya	Cultivation of oil palms	Director	26 September 2014	-	-	-
• Sawah Bersatu Sdn Bhd	Investment holding (investment in property)	Director and shareholder	11 May 1994	-	50.0	-
• Suan Neo	Investment holding (investment in property)	Director and shareholder	3 June 2016	-	29.0	-
• Suan Neo Capital	Investment holding (investment in shares)	Director and shareholder	13 April 2016	-	100.0	-
• Suan Neo Resources	Investment holding (investment in shares)	Director and shareholder	22 September 1997	-	100.0	-
• Taipan Hectares Sdn Bhd	Investment holding (investment in property and shares)	Director and shareholder	3 January 2005	-	14.3	-
• Terang Pertiwi	Investment holding (investment in property)	Director and shareholder	18 May 2012	-	50.0	-

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

Company	Principal activities	Position held	Date of appointment as director	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
• Welloyd Land Sdn Bhd	Property investment	Director and shareholder	10 July 2012	-	20.0	-
<u>Past involvement</u>						
• Kheng Realty Sdn Bhd	Investment holding (Investment in property)	Director	15 April 2004	28 February 2022	-	-
• Pembinaan Lembah Reka Sdn Bhd	Dormant	Director	28 March 1994	25 January 2018	-	-
• QLB	Provision of construction services	Director	25 January 2018	14 June 2022	-	-
• Welloyd Properties Sdn Bhd	Property development	Director	3 January 2012	3 March 2022	-	-

Notes:

- (1) Deemed interested by virtue of his shareholding in Kiharta pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of his shareholding in Kiharta Development pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of his shareholding in Suan Neo Resources pursuant to Section 8 of the Act.

5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)
(iii) Teow Choo Hing

Company	Principal activities	Position held	Date of appointment as director	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
Present involvement						
• Brightberry Sdn Bhd	Investment holding (investment in shares)	Shareholder	-	-	37.5	-
• Century Logistics Sdn Bhd ⁽¹⁾	Investment holding (investment in shares)	Director	10 April 1996	-	-	-
• CJ Century (listed on the Main Market of Bursa Securities)	Investment holding, while its subsidiaries are involved in total logistics services, procurement logistics services, freight forwarding and shipping agency, bonded warehousing, warehousing services, trading in resin products and data management solutions	Director and shareholder	28 July 1997	-	8.3	0.4 ⁽²⁾
• CJ Century Logistics Sdn Bhd ⁽¹⁾	Total logistics provider	Director	25 August 2003	-	-	-
• CJ Century Technology Sdn Bhd ⁽¹⁾	Procurement logistics services	Director	2 September 2014	-	-	-
• CJ Procurement Sdn Bhd ⁽¹⁾	Procurement logistics services (in the midst of winding up)	Director	9 June 2010	-	-	-
• Fortress Hub Sdn Bhd	Dormant ⁽³⁾	Director and shareholder	6 July 2020	-	75.0	-

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

Company	Principal activities	Position held	Date of appointment as director	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
• Kiharta	Investment holding (investment in property and shares)	Director and shareholder	8 March 1999	-	20.0	-
• Kiharta Development	Property development	Director and shareholder	21 June 2001	-	20.0	-
• Kiharta Land Sdn Bhd	Investment holding (investment in property)	Director and shareholder	21 August 2020	-	-	100.0 ⁽⁴⁾
• Kiharta Properties	Investment holding (investment in property) and property development	Director and shareholder	7 March 2000	-	25.0	-
• Rancak Beta Sdn Bhd	Investment holding (investment in property)	Director and shareholder	23 February 2009	-	33.3	-
• Sawah Bersatu Sdn Bhd	Investment holding (investment in property)	Director and shareholder	11 May 1994	-	25.0	-
• Storewell (M) Sdn Bhd ⁽¹⁾	Bonded warehousing	Director	2 November 2015	-	-	-
<u>Past involvement</u>						
• Andaian Angkasa Sdn Bhd	Dormant (wound up on 8 July 2019)	Director	2 October 2013	-	-	-
• Century Logistics (Johore) Sdn Bhd	Dormant (dissolved on 7 February 2020)	Director	5 October 2000	-	-	-

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

Company	Principal activities	Position held	Date of appointment as director	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
• Century Logistics (Sarawak) Sdn Bhd	Dormant (dissolved on 7 February 2020)	Director	16 December 2008	-	-	-
• Detik Juara Sdn Bhd	Dormant (dissolved on 14 June 2018)	Director	21 April 2011	-	-	-
• Firstland Development (M) Sdn Bhd	Dormant (dissolved on 8 June 2018)	Director	7 March 2006	-	-	-
• Kindah Property Sdn Bhd	Property investment (dissolved on 2 May 2018)	Director	26 February 2003	-	-	-
• Lembah Reka	Investment holding (investment in property and shares)	Director	8 July 2009	1 November 2021	-	-
• Northstar Commerce Sdn Bhd	Dormant (dissolved on 4 January 2020)	Director	19 September 2017	-	-	-
• Nusa Purnama Sdn Bhd	Dormant (dissolved on 12 September 2022)	Director	26 October 2020	-	-	-
• Pembinaan Lembah Reka Sdn Bhd	Dormant	Director	23 October 2012	25 January 2018	-	-
• QL B	Provision of construction services	Director	25 January 2018	14 June 2022	-	-

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

Company	Principal activities	Position held	Date of appointment as director	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
• Senyuman Fajar Sdn Bhd	Dormant (dissolved on 27 September 2019)	Director	2 October 2013	-	-	-
• Suan Neo Capital	Investment holding (investment in shares)	Director	13 April 2016	1 November 2021	-	-
• Suan Neo Resources	Investment holding (investment in shares)	Director	22 September 1997	1 November 2021	-	-

Notes:

- (1) Subsidiaries of CJ Century.
- (2) Deemed interested by virtue of the shareholding of his spouse pursuant to Section 59(11)(c) of the Act.
- (3) Its intended principal activity is real estate activity on a fee or contract basis. However, there is no immediate plan for the commencement of business for this company.
- (4) Deemed interested by virtue of his shareholding in Kiharta Development pursuant to Section 8 of the Act.

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

(iv) Gam Boon Tin

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as partner</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Past involvement</u>						
• Gabung Satu Properties PLT	Dormant (wound up on 15 March 2022)	Partner	9 July 2015	-	-	-

(v) Low Chin Ann @ Han Chin Ann

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as director/partner</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Present involvement</u>						
• Accentury Development Sdn Bhd	Education services	Director and shareholder	14 June 2007	-	75.0	-
• Glorious Manna Sdn Bhd	Wholesale of fish and other seafood, farming of frogs and freshwater aqua culture	Director and shareholder	21 December 2017	-	33.3	-
• Passion Rise PLT	Operation of restaurant business	Partner	10 November 2021	-	-	-
• Peace Vista PLT	Dormant ⁽¹⁾	Partner	21 July 2021	-	-	-
• Trinity Genesis Origo Development Sdn Bhd	Online education and trading of education materials	Director and shareholder	20 August 2019	-	100.0	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as director/partner</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Past involvement</u>						
• Analabs Resources Berhad (listed on the Main Market of Bursa Securities)	Investment holding and provision of management services to its subsidiaries which are mainly involved in recycling and manufacturing	Senior Independent Non-Executive Director	1 December 2012	5 October 2022	-	-
• CA Advisory	Training and development professional consultancy, professional management (expired on 16 August 2017)	Sole Proprietor	-	-	-	-
• Caprikalon Computers and Peripherals	Selling and repairing computers and computers accessories (expired on 16 August 2017)	Partner	15 August 1998	-	-	-
• Yong San Construction & Hardware Sdn Bhd	General constructions	Director	14 August 2008	5 August 2020	-	-

Note:

- (1) Its intended principal activity is growing of fruits and bearing of vegetables. However, there is no immediate plan for the commencement of business for this company.

5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(vi) Chang Sua Yean**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as partner</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Present involvement</u>						
• Chuah & Yong	Provision of legal services	Partner	2 November 2015	-	-	-

(vii) Nooriah Binti Hassan

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as director</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Present involvement</u>						
• Amisan Products (M) Sdn Bhd	Manufacture and sale of food products	Shareholder	-	-	0.2	-
• Noori Hassan Architect	Architectural consultancy services	Sole proprietor	-	-	-	-

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

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

5.3 BOARD PRACTICES

5.3.1 Directorship

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

Name	Date of expiration of current term of office	No. of years in office up to the LPD
Datuk Dr. Siti Hamisah Binti Tapsir	At our 1 st AGM to be held in 2023	Less than 1 year
Tan Ah Kee	At our 1 st AGM to be held in 2023	Less than 1 year
Teow Choo Hing	At our 1 st AGM to be held in 2023	Less than 1 year
Gam Boon Tin	At our 1 st AGM to be held in 2023	Less than 1 year
Goh Yin Huat	At our 1 st AGM to be held in 2023	Less than 1 year
Low Chin Ann @ Han Chin Ann	At our 1 st AGM to be held in 2023	Less than 1 year
Chang Sua Yean	At our 1 st AGM to be held in 2023	Less than 1 year
Nooriah Binti Hassan	At our 1 st AGM to be held in 2023	Less than 1 year

In accordance with our Constitution, all Directors shall retire from office at our 1st AGM and an election of Directors shall take place every year. At every AGM of our Company, 1/3 of our Directors who are subject to retirement by rotation for the time being or if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office and be eligible for re-election, provided that all Directors shall retire from office at least once in every 3 years. A retiring Director shall be eligible for re-election. A Director retiring at a meeting shall retain office until the conclusion of the meeting.

5.3.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee comprises the following members:

Name	Position	Directorship
Low Chin Ann @ Han Chin Ann	Chairperson	Independent Non-Executive Director
Chang Sua Yean	Member	Independent Non-Executive Director
Nooriah Binti Hassan	Member	Independent Non-Executive Director

The main functions of our Audit and Risk Management Committee are as follows:

- (i) review the appointment and performance of external auditors and recommend the appointment and reappointment of the external auditors;
- (ii) review with the external auditors, the audit scope and plan;
- (iii) review internal audit performance on an annual basis;
- (iv) review the adequacy of the internal audit scope and plan;
- (v) review major audit findings and management's response during the year with the management, external auditors and internal auditors;
- (vi) review the non-audit services provided by the external auditors and/or its network firms to our Company;

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

- (vii) review the risk profile of our Group and the risk management plans to mitigate business risks identified;
- (viii) review the quarterly results and the year-end financial statements, prior to approval by our Board;
- (ix) review any related party transaction and conflict of interest situation that may arise within our Group;
- (x) review the adequacy, integrity and effectiveness of risk management and internal control systems/framework, management information system, and the evaluation of the said systems by the internal auditors and/or external auditors;
- (xi) review the procedures established to address allegations raised by whistle-blowers, ensure independent investigation is conducted and follow-up action is taken and highlighted to the Audit and Risk Management Committee;
- (xii) review the effectiveness of anti-corruption measures; and
- (xiii) obtain regular updates from the management regarding compliance matters.

5.3.3 Nomination Committee

Our Nomination Committee comprises the following members:

Name	Position	Directorship
Nooriah Binti Hassan	Chairperson	Independent Non-Executive Director
Teow Choo Hing	Member	Non-Independent Non-Executive Director
Chang Sua Yean	Member	Independent Non-Executive Director

The main functions of our Nomination Committee are as follows:

- (i) identify and nominate, for the approval of our Board, candidates to fill our Board vacancies;
- (ii) recommend to our Board, Directors to fill the seats on board committees, size and balance, and gender composition of our Board;
- (iii) assess the training needs of each Director;
- (iv) review and make recommendations to our Board on succession planning for management;
- (v) develop, maintain and review the criteria to be used in the recruitment process and annual assessment of our Directors;
- (vi) assess annually the effectiveness of our Board as a whole, the committees of our Board and the contribution of each individual Director vide a formal and objective assessment; and
- (vii) review, at least once a year, its term of office, performance, constitution and terms of reference and recommend any changes it considers necessary to our Board for approval.

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

5.3.4 Remuneration Committee

Our Remuneration Committee comprises the following members:

Name	Position	Directorship
Chang Sua Yean	Chairperson	Independent Non-Executive Director
Teow Choo Hing	Member	Non-Independent Non-Executive Director
Low Chin Ann @ Han Chin Ann	Member	Independent Non-Executive Director

The main functions of our Remuneration Committee are as follows:

- (i) set the remuneration policy for all Directors and Key Senior Management;
- (ii) assist our Board in developing and administering fair and transparent procedures for setting policy on remuneration;
- (iii) formulate policies, procedures, guidelines and set criteria for such packages;
- (iv) recommend to our Board appropriate remuneration packages and ensure that our Board and Key Senior Management are fairly and appropriately remunerated according to the general market conditions;
- (v) ensure that all necessary actions are taken expediently by the Board to offer appropriate rewards, benefits, compensation and remuneration to ensure that the Company attracts and retains the individuals of our Board and Key Senior Management needed to run our Company successfully;
- (vi) ensure that all remuneration packages and benefits given are in compliance with all laws, rules, requirements, regulations and guidelines set by the relevant authorities and our Board from time to time;
- (vii) review the fees and benefits payable to Directors including any severance payment/compensation for loss of employment of Director or former Director and recommend to our Board and thereafter to be approved at a general meeting;
- (viii) recommend the engagement of external professional advisors to assist and/or advise our Remuneration Committee on remuneration matters, where necessary; and
- (ix) review, at least once a year, its own performance, constitution and terms of reference and recommend any changes it considers necessary to our Board for approval.

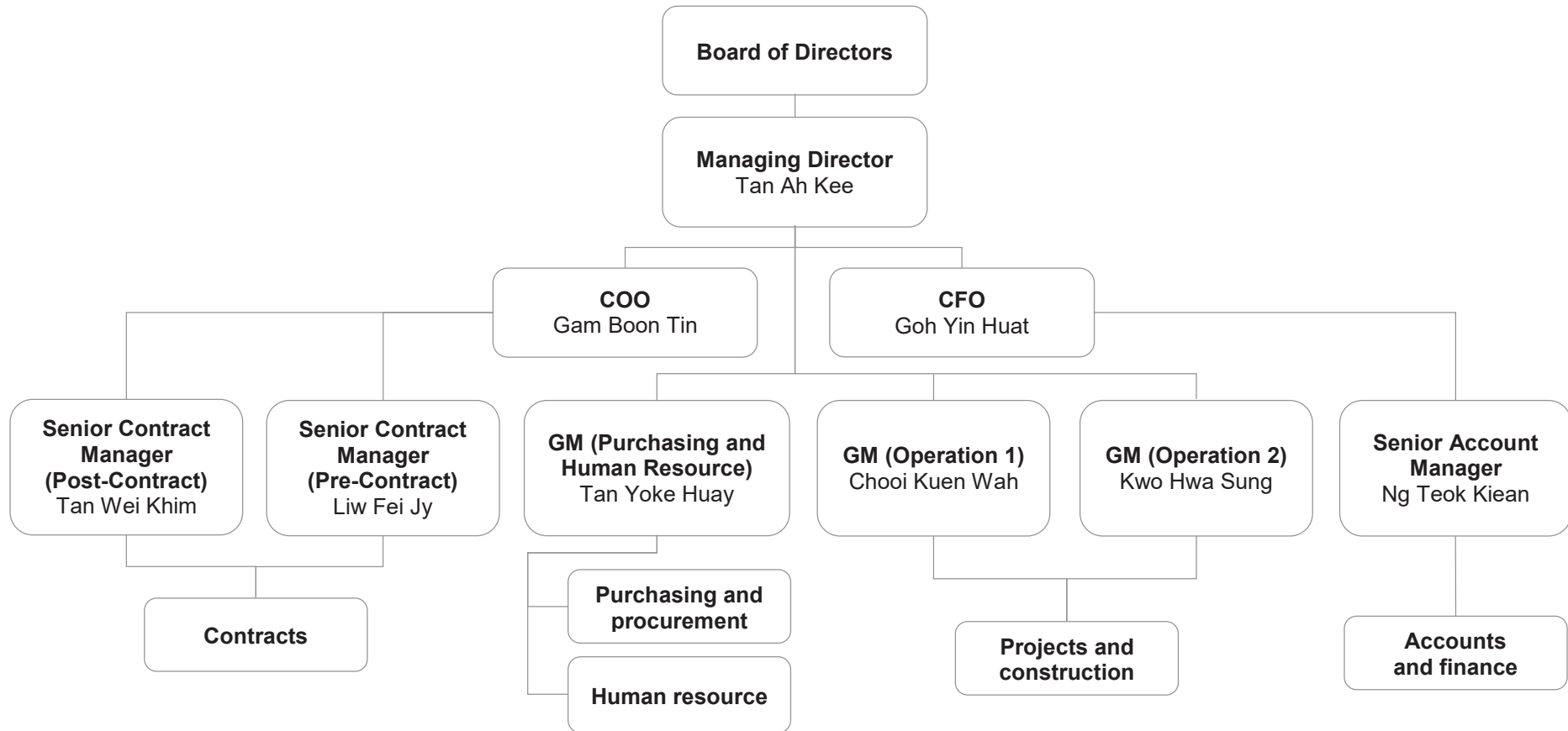
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5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.4 KEY SENIOR MANAGEMENT

5.4.1 Management Reporting Structure

The management reporting structure of our Group is as follows:



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

5.4.2 Key Senior Management's shareholdings

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

Name	Nationality	Before our IPO / After Acquisition of KSB				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Gam Boon Tin	Malaysian	-	-	-	-	1,000,000	0.2	-	-
Goh Yin Huat	Malaysian	-	-	-	-	400,000	0.1	-	-
Chooi Kuen Wah	Malaysian	-	-	-	-	400,000	0.1	-	-
Kwo Hwa Sung	Malaysian	-	-	-	-	400,000	0.1	-	-
Tan Yoke Huay	Malaysian	-	-	-	-	200,000	*	-	-
Ng Teok Kiean	Malaysian	-	-	-	-	200,000	*	-	-
Liw Fei Jy	Malaysian	-	-	-	-	200,000	*	-	-
Tan Wei Khim	Malaysian	-	-	-	-	200,000	*	-	-

Notes:

* Negligible.

(1) Based on our total number of 423,911,500 Shares after the Acquisition of KSB but before our IPO.

(2) Based on our enlarged total number of 500,000,000 Shares after our IPO.

Subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus, our Key Senior Management may subscribe for excess Issue Shares under those allocated for other Eligible Persons as well as the IPO Shares under the Public Issue.

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

5.4.3 Profiles of our Key Senior Management

The profiles of our Key Senior Management are as follows:

Gam Boon Tin
COO

Please refer to Section 5.2.2 of this Prospectus for his profile.

Goh Yin Huat
CFO

Please refer to Section 5.2.2 of this Prospectus for his profile.

Chooi Kuen Wah
GM (Operation 1)

Chooi Kuen Wah, a Malaysian aged 52, is our GM (Operation 1). He is responsible for our Group's project management in terms of construction progress, quality, safety and environmental management, and contract administrative works.

Mr Chooi graduated with Certificate in Technology (Architecture) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 1991 and he started his career with Low Yat Construction Co. Sdn Bhd as Trainee Draughtsman in the same year, where he was involved in the preparation of drawings.

He left the company in 1991 to join Comtrac Sdn Bhd as Assistant Quantity Surveyor in the same year and was involved in contract administration. In 1994, he was promoted to Quantity Surveyor, where his main responsibilities involved subcontractor management and preparing claims and bills to the clients and subcontractors.

In 1995, he joined KSB as Contract Executive and was involved in contract administration. He was subsequently promoted to Assistant Project Manager in the same year, where he was primarily involved in project tracking and monitoring and overseeing construction projects at the sites, ensuring that the work carried out was in accordance with the drawings. In 1997, he was promoted to Project Manager.

Thereafter in 2002, he was promoted to Senior Manager (Project Implementation Department) and was responsible for expanding the Project Department, providing training to the team members, and liaising with clients, consultants and authorities. He was promoted to GM (Operation 1) in 2016 to lead the Projects and Construction Department.

Kwo Hwa Sung
GM (Operation 2)

Kwo Hwa Sung, a Malaysian aged 50, is our GM (Operation 2). He is responsible for our Group's overall project management which includes overseeing project managers and project monitoring.

Mr Kwo graduated with Diploma in Technology (Building) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 1997. He obtained a Master of Science in Construction of Management from the University of Bath, United Kingdom, in 1999.

He began his career with KSB in 1999 as Project Executive where he was involved in project tracking and monitoring as well as preparation of progress reports for projects. He was promoted to Project Manager in 2004 and Senior Project Manager in 2009, where he was responsible for project planning and monitoring which included managing the projects, planning of manpower and schedule, site management, costing and monitoring the progress of projects.

In 2016, he was promoted to GM (Operation 2) to lead the Projects and Construction Department.

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

Tan Yoke Huay*GM (Purchasing and Human Resource)*

Tan Yoke Huay, a Malaysian aged 64, is our GM (Purchasing and Human Resource). She is responsible for the overall purchasing and procurement, human resource and administrative matters of our Group.

She attended her secondary education at Sekolah Menengah Kebangsaan (Perempuan) Bukit Kuda in Klang, Selangor. She began her career with Lim Eng Chuan OPEL Company in 1977 as Admin Clerk where she was involved in general administrative works. She left the company to join Federal Auto Cars Sdn Bhd in 1984 as Admin and Accounts Clerk, where she was involved in general administrative and accounting works. She left the company and joined KSB in 1994 as Administration Executive, where she was responsible for general administrative works such as preparation of documents for purchasing and payroll administration.

In 2002, she was promoted to Purchasing and Administration Manager, where her main responsibilities included overseeing the Purchasing and Procurement Department and the Human Resource Department, the overall purchasing and procurement matters, human resource matters and administrative matters such as liaising with suppliers to obtain quotes, sourcing for materials and handling suppliers' accounts with KSB and reviewing of purchase orders. In 2022, she was re-designated to assume her present role.

Ng Teok Kiean*Senior Account Manager*

Ng Teok Kiean, a Malaysian aged 58, is our Senior Account Manager. She is responsible for the overall finance and accounting matters which includes overseeing the Accounts and Finance Department.

She obtained her Unified Examination Certificate from Sekolah Menengah Hin Hua in Klang, Selangor in 1982. Upon her graduation, she assisted in her family-owned business which is involved in palm trees and orchards. She began her career with Eetak Brick Factory Sdn Bhd, a brick manufacturer, as General Accountant in 1984, where she was responsible for the preparation of the company's accounts. She left the company in 1990.

She joined KSB as Accounts Clerk in 1991, where she was responsible for the preparation of the company's accounts. She was promoted to Accounts Executive in 1993 and Accounts Manager in 2002, where she was responsible for the day-to-day operations of our Group's finance and accounting functions including timely preparation of financial statements, submission of tax filing and monitoring of credit control. She reports to Goh Yin Huat, our CFO. She was promoted to Senior Account Manager in 2022.

Liw Fei Jy*Senior Contract Manager (Pre-Contract)*

Liw Fei Jy, a Malaysian aged 40, is our Senior Contract Manager (Pre-Contract). She is responsible for leading the pre-contract team in preparing tender bids for submission.

Ms Liw graduated with Diploma in Technology (Quantity Surveying) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 2003. She began her career with L'Grande Development Sdn Bhd, a construction and civil engineering company, in 2003 as Junior Contract Executive, where she assisted her superior on quantity surveying works. She left the firm in 2004 and joined Dayatera Engineering Sdn Bhd, a subcontractor of roof trusses, in 2005 as Estimator, where she was responsible for preparing estimation of quantity for production purposes, providing quotation to clients and handling progress claim. She left the company in the same year.

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

In 2005, she joined KSB as Contract Executive, where she was responsible for post-contract works and quantity surveying works. In 2011, she left KSB and joined Kimly Construction Pte Ltd, a construction company based in Singapore, as Contract Executive, where she worked for 3 years and was responsible for post-contract works and quantity surveying works.

Upon returning to Malaysia, she re-joined KSB in 2014 as Senior Contract Executive (Pre-Tender) and was subsequently promoted to Assistant Contract Manager in 2015, where she was responsible for analysing project requirement and specification of products and materials, obtaining quotations from subcontractors to prepare tender bids, submitting tender bids to developers, conducting interviews and meetings with clients, maintaining vendor database and submitting financial capabilities to clients.

She was promoted to Contract Manager in 2018 and to Senior Contract Manager (Pre-Contract) in 2022 with additional responsibility that includes planning and scheduling the efficient use of aluminium formwork.

Tan Wei Khim

Senior Contract Manager (Post-Contract)

Tan Wei Khim, a Malaysian aged 43, is our Senior Contract Manager (Post-Contract). She is responsible for leading the post-contract team in handling the supply of materials.

She graduated with Diploma in Technology (Building) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 2000 and began her career in 2001 as Estimator in Kambat Engineering Sdn Bhd, a company involved in the fabrication and installation of roof truss, where she was involved in the measurement and costing of roof trusses for construction works.

She left Kambat Engineering Sdn Bhd and joined KSB in 2003 as Assistant Quantity Surveyor, where she was responsible for assisting in quantity surveyor routine works, preparing budget and quotation, handling subcontractor claims and taking measurements at project sites. In 2008, she was promoted to Contract Executive, where she was primarily involved in quantity surveying works which includes drawing measurements, submission of progress claims, preparing variation orders and final accounts, and preparing subcontractor claims.

In 2013, she was promoted to Assistant Contract Manager, where she was responsible for the negotiation of material prices, monitoring contract executives on the submission of progress claims, preparation of variation orders and the final accounts. She was subsequently promoted to Contract Manager in 2015 and to Senior Contract Manager (Post-Contract) in 2022 and assumes her present role and responsibilities.

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

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

Save as disclosed below and in Section 5.2.4 of this Prospectus, none of our Key Senior Management has any directorships or any principal business activities outside our Group for the past 5 years up to the LPD:

(i) Chooi Kuen Wah

Company	Principal activities	Position held	Date of appointment as partner	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
<u>Past involvement</u>						
• Gabung Properties PLT	Satu Dormant (wound up on 15 March 2022)	Partner	9 July 2015	-	-	-
• Jongking Sdn Bhd	Trading in recreational equipment (dissolved on 3 August 2020)	Shareholder	-	-	-	-

(ii) Kwo Hwa Sung

Company	Principal activities	Position held	Date of appointment as partner	Date of resignation	Equity interest held	
					Direct (%)	Indirect (%)
<u>Past involvement</u>						
• Gabung Properties PLT	Satu Dormant (wound up on 15 March 2022)	Partner/ Compliance Officer	9 July 2015	-	-	-

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

(iii) Tan Yoke Huay

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as director/partner</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Present involvement</u>						
• Kheng Realty Sdn Bhd	Investment holding (investment in property)	Director and shareholder	7 June 2004	-	50.0	-
<u>Past involvement</u>						
• Gabung Properties PLT	Satu Dormant (wound up on 15 March 2022)	Partner	9 July 2015	-	-	-

(iv) Ng Teok Kiean

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as partner</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Past involvement</u>						
• Gabung Properties PLT	Satu Dormant (wound up on 15 March 2022)	Partner	9 July 2015	-	-	-

(v) Liw Fei Jy

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment as director</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct (%)</u>	<u>Indirect (%)</u>
<u>Present involvement</u>						
• Cskon Sdn Bhd	Earthwork, infrastructure, plumbing and construction works	Shareholder	9 July 2015	26 June 2019	19.6	-

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

The involvement of our Key Senior Management in the business activities outside our Group as stated above:

- (i) does not give rise to any conflict of interest situation with our business; and
- (ii) does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve.

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

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

Key Senior Management	Remuneration Band (RM'000)	
	FYE 2021	Proposed for the FYE 2022 ⁽¹⁾
Gam Boon Tin	1,550 - 1,600	600 - 650
Goh Yin Huat	250 - 300	250 - 300
Chooi Kuen Wah	550 - 600	350 - 400
Kwo Hwa Sung	400 - 450	300 - 350
Tan Yoke Huay	200 - 250	150 - 200
Ng Teok Kiean	200 - 250	150 - 200
Liw Fei Jy	200 - 250	150 - 200
Tan Wei Khim	200 - 250	150 - 200

Note:

- (1) Excluding bonuses which will be determined at a later date depending on performance of the individuals and our Group.

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

Save as disclosed below, there is no other family relationship and/or association between any of our Promoter, Substantial Shareholders, Directors and Key Senior Management as at the LPD:

- (i) Tan Ah Kee, who is our Promoter, Substantial Shareholder and Managing Director, is the sole shareholder of Suan Neo Capital and the brother of Tan Yoke Huay;
- (ii) Tan Yoke Huay, who is our GM (Purchasing and Human Resource), is the sister of Tan Ah Kee;
- (iii) Chooi Kuen Wah, who is our GM (Operation 1), is the spouse of Tan Wei Khim; and
- (iv) Tan Wei Khim, who is our Senior Contract Manager (Post-Contract), is the spouse of Chooi Kuen Wah.

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

5.6 DECLARATIONS BY OUR PROMOTER, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, as at the LPD, none of our Promoters, Directors, or Key Senior Management have been involved in any of the following events, whether in or outside Malaysia:

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

Tan Ah Kee, our Promoter, Substantial Shareholder and Managing Director and Teow Choo Hing, our Substantial Shareholder and Non-Independent Non-Executive Director were charged in 2018 under the Destruction of Disease-Bearing Insects Act 1975 as Directors of KSB, for failure to prevent the breeding of aedes mosquito larvae on 2 construction sites, namely the City of Elmina (Elmina Valley 3B) Project and Setia Alam (Eximia) Project. Tan Ah Kee and Teow Choo Hing were both found guilty and were each imposed a fine of RM5,000 and RM4,000 by the court respectively.

As at the LPD, the matter had been settled before the court and all fines imposed had been duly paid. Since the occurrence of these events, we have strengthened our internal control policies in preventing the breeding of aedes mosquito larvae at our construction sites. Please refer to Section 7.25.3 of this Prospectus for further details of our breaches of the Destruction of Disease-Bearing Insects Act 1975.

Our Directors are of the view that the above cases will not affect the discharge of their duties and obligations as our Managing Director and Non-Independent Non-Executive Director.

5.7 SERVICE CONTRACTS

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

6. INFORMATION ON OUR GROUP

6.1 OUR GROUP

We were incorporated in Malaysia under the Act on 24 February 2022 as a private limited company under the name of Kumpulan Kitacon Sdn Bhd. On 23 May 2022, we were converted to a public limited company and assumed our present name. We are an investment holding company. Through our subsidiary, we are principally involved in the provision of construction services. Please refer to Section 6.5 of this Prospectus for further information on our subsidiary.

After the Acquisition of KSB, our issued share capital is RM184,401,509 comprising 423,911,500 Shares. Save as disclosed below, there has been no change in our issued share capital since the date of our incorporation up to the LPD:

Date of allotment	No. of Shares allotted	Nature of transaction	Consideration	Cumulative issued share capital	
				RM	No. of Shares
24 February 2022	100	Subscriber shares	Cash	50	100
21 October 2022	423,911,400	Acquisition of KSB	Other than cash	184,401,509	423,911,500

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of our Shares as at the LPD.

6.1.1 Acquisition of KSB

On 11 May 2022, we entered into a conditional share sale agreement with Tan Ah Kee, Teow Choo Hing, Suan Neo Capital and Lembah Reka to acquire the entire equity interest in KSB comprising 30,000,000 ordinary shares for a total purchase consideration of RM184,401,459.

The purchase consideration was wholly satisfied via the issuance of 423,911,400 new Shares at an issue price of RM0.435 per Share to the vendors as follows:

Vendors	No. of shares acquired	% of share capital	Purchase consideration (RM)	No. of new Shares issued
Teow Choo Hing	12,000,000	40.0	73,760,601.00	169,564,600
Suan Neo Capital	10,200,000	34.0	62,696,506.50	144,129,900
Tan Ah Kee	6,900,000	23.0	42,412,326.00	97,499,600
Lembah Reka	900,000	3.0	5,532,025.50	12,717,300
Total	30,000,000	100.0	184,401,459.00	423,911,400

The purchase consideration of RM184,401,459 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the adjusted NA of KSB as at 31 December 2021 of RM184,401,476 as follows:

	RM
Audited NA of KSB as at 31 December 2021	184,401,476
Adjusted for the Disposal of QLB ⁽¹⁾	
Add: Disposal consideration	2,418,068
Add: Entitlement to the dividend declared by QLB amounting to RM10.0 million after 31 December 2021	4,900,000
Less: 49.0% of the equity interest attributable to the audited NA of QLB as at 31 December 2021 of RM14,934,833	(7,318,068)
Adjusted NA of KSB as at 31 December 2021	184,401,476

6. INFORMATION ON OUR GROUP (CONT'D)

Note:

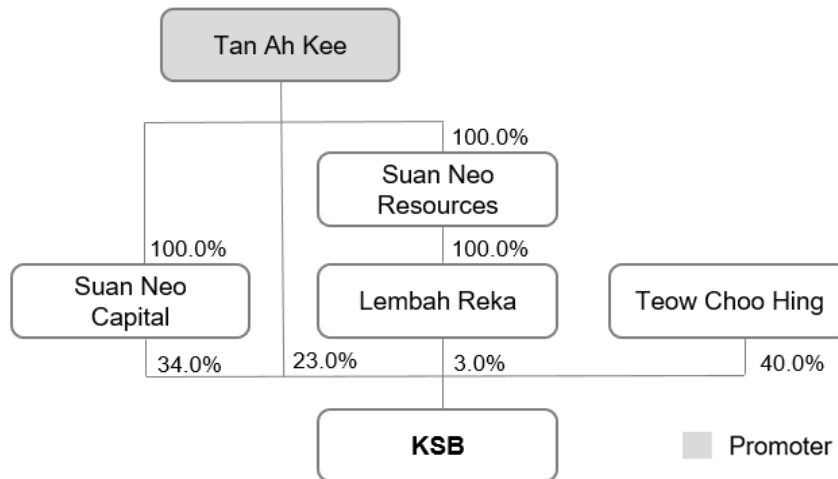
- (1) KSB entered into a conditional share sale agreement dated 6 May 2022 with Pembinaan Lembah Reka Sdn Bhd and Lim Peng Hong for the disposal of 49.0% and 51.0% equity interest in QLB by KSB and Pembinaan Lembah Reka Sdn Bhd respectively, to Lim Peng Hong, a non-related party. The share sale agreement was completed on 14 June 2022 and QLB ceased to be an associate of KSB thereafter. For information purposes, Pembinaan Lembah Reka Sdn Bhd was an investment holding company (investment in shares) which was jointly owned by non-related parties, namely Sabarin Bin Ibrahim (40.0%) and Zamri Bin Salleh (60.0%) immediately prior to the completion of the Disposal of QLB.

The Acquisition of KSB was completed on 21 October 2022.

6.2 OUR GROUP STRUCTURE

Our group structure before and after our IPO are set out below:

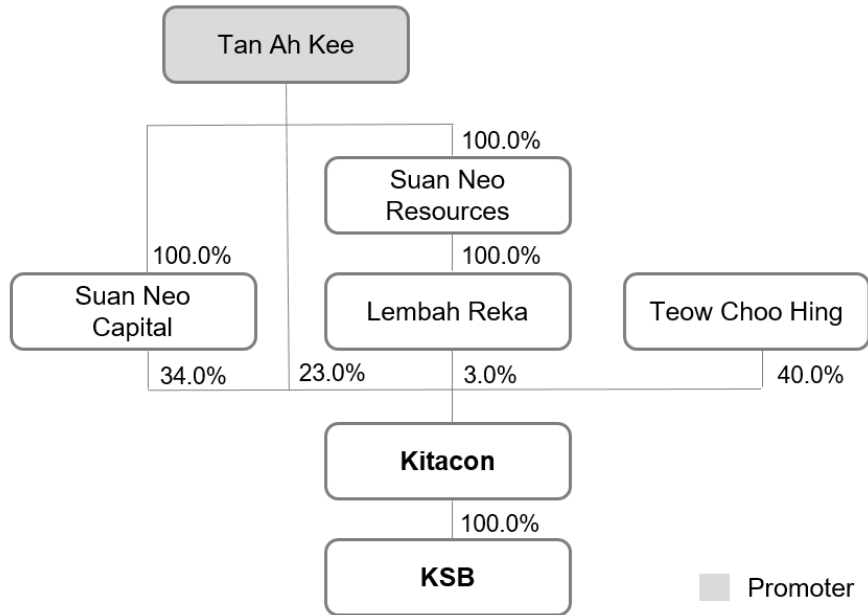
6.2.1 Before the Acquisition of KSB



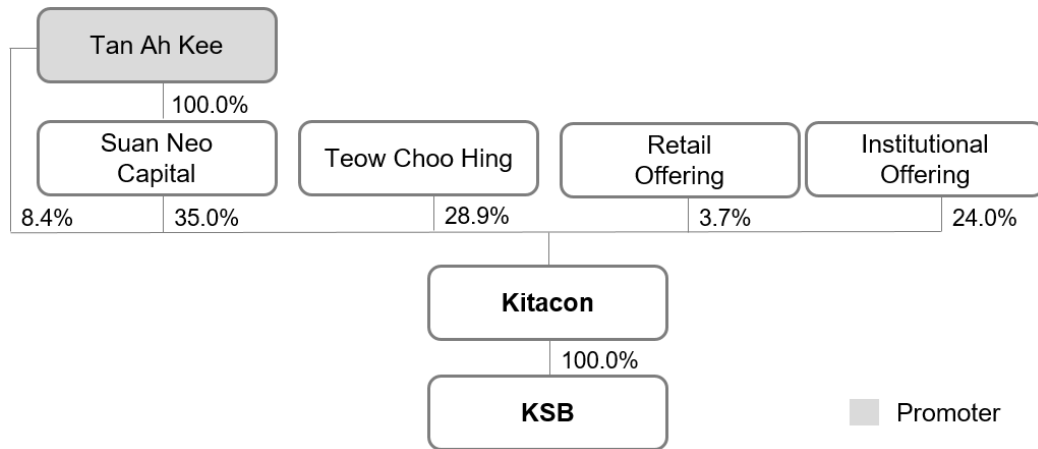
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6. INFORMATION ON OUR GROUP (CONT'D)

6.2.2 As at the LPD / After the Acquisition of KSB but before our IPO



6.2.3 After the Share Transfer and our IPO



6.3 BUSINESS HISTORY AND MILESTONES OF OUR GROUP

We are primarily involved in the provision of construction services where we construct residential and non-residential buildings. Residential buildings consist of landed buildings such as terrace, semi-detached and detached houses, cluster houses as well as townhouses, while non-residential buildings mainly consist of commercial, industrial, purpose-built and institutional buildings.

6. INFORMATION ON OUR GROUP (CONT'D)

Our history can be traced back to October 1990 when our Managing Director, Tan Ah Kee, acquired 50.0% equity interest in KSB (formerly known as Aqua Gourmet Sdn Bhd, a company that was incorporated by Teow Choo Hing, our Non-Independent Non-Executive Director and Substantial Shareholder, his uncle and business associates with the intention of undertaking restaurants and catering business) from the subscriber shareholders for RM2 and commenced business as a construction services provider. At the same time, the remaining 50.0% equity interest was acquired by Kindah Construction Sdn Bhd, in which Teow Choo Hing held 30.0% equity interest, for RM2. In December 1996, Kindah Construction Sdn Bhd transferred its entire shareholding in KSB to be held directly by Teow Choo Hing, which resulted in Tan Ah Kee and Teow Choo Hing each holding 50.0% equity interest in KSB.

Between 1998 and 2017, KSB has undertaken various shareholding restructuring exercise involving the disposal of shares in KSB by Tan Ah Kee and Teow Choo Hing to a few shareholders who were associated with Tan Ah Kee and Teow Choo Hing, mainly to explore the expansion of KSB's construction business. These shareholders were employees of Tan Ah Kee and Teow Choo Hing, and had subsequently disposed of their shareholdings back to Tan Ah Kee and Teow Choo Hing. Notwithstanding the changes in the shareholding structure, our Group remains under the control of Tan Ah Kee and Teow Choo Hing since incorporation, and Tan Ah Kee had remained as the main driving force behind the business growth, development and the strategic direction of KSB together with the support and guidance of Teow Choo Hing throughout the period.

In January 2018, subsequent to another shareholding restructuring exercise undertaken by KSB involving the transfer of 4.0% equity interest in KSB by QLB to Lembah Reka, Tan Ah Kee and Teow Choo Hing each held 50.0% effective equity interest in KSB, represented by their direct shareholding of 23.0% each, and indirect shareholding via Suan Neo Capital (50.0%) and Lembah Reka (4.0%), both of which were equally owned by Tan Ah Kee and Teow Choo Hing.

In April 2018, KSB subscribed for 49% equity interest comprising 1,960,000 shares in QLB through the issuance of new shares at RM1.00 each for a total consideration of RM1,960,000. QLB was incorporated in December 1997, and is principally involved in the provision of construction services. The company served a small clientele base which included I & P Group, THP Enstek Development Sdn Bhd and PNB Development Group. During the Financial Years/Period Under Review, QLB subcontracted all of its projects awarded by its customers to KSB, which contributed between 1.6% and 11.4% to our total revenue.

In order to consolidate QLB's clientele base and construction services under KSB for cost effectiveness reason and to improve operational efficiency of our Group, KSB undertook the Disposal of QLB in May 2022. Prior to the Disposal of QLB, the directors of QLB were Tan Ah Kee, Teow Choo Hing, Sabarin Bin Ibrahim and Zamri Bin Salleh, and the shareholders of QLB were KSB (49.0%) and Pembinaan Lembah Reka Sdn Bhd (51.0%, previously an investment holding company which was jointly owned by Sabarin Bin Ibrahim (40.0%) and Zamri Bin Salleh (60.0%)). The Disposal of QLB was completed in June 2022 and is not expected to affect KSB in securing future projects as KSB would participate directly in all tenders, including the tender for projects from QLB's customers.

In November 2021, following the issuance of 10,000,000 new shares by KSB at an issue price of RM1.00 each (of which 2,600,000 shares were subscribed in cash by Tan Ah Kee, Suan Neo Capital and Lembah Reka collectively, while the remaining 7,400,000 shares were subscribed in cash by Teow Choo Hing), Teow Choo Hing held 40.0% equity interest in KSB directly, while the remaining 60.0% equity interest in KSB was held by Tan Ah Kee, whereby 23.0% was held directly while 34.0% and 3.0% were held indirectly through Suan Neo Capital and Lembah Reka respectively. Both Suan Neo Capital and Lembah Reka were wholly-owned by Tan Ah Kee. The above new share issuance by KSB was mainly intended to restructure the shareholders' shareholdings in KSB.

6. INFORMATION ON OUR GROUP (CONT'D)

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

Year	Key events and milestones
1990	KSB commenced operations in 1990 as a construction services provider where we started with various small-scale construction and subcontracting works including renovations and construction of an industrial building.
1993	We secured the first parcel of a township development in Bandar Sri Damansara, Selangor from our customer, Sri Damansara Sdn Bhd, a wholly-owned subsidiary of Land & General Berhad. Our first contract with this customer started with the construction of show houses for Sri Damansara Home Village followed by an additional 4 contracts for the construction of 388 units of double-storey terrace houses and 32 units of double-storey shop offices between 1993 and 1998. The total contract value for the 5 contracts was RM50.3 million and these contracts were completed between 1993 and 2000.
1996	<ul style="list-style-type: none"> We were registered with CIDB as a contractor since 1996 and subsequently we received the certificate of registration from CIDB in 1997 as a G7 contractor. As a G7 registered contractor we are allowed to tender for projects without any limitation in size or value. We secured the first parcel of the Kota Kemuning township development for the construction of terrace houses in Kota Kemuning, Selangor from Hicom-Gamuda Development Sdn Bhd, the then associate of Gamuda Berhad. Subsequently between 1997 and 2000, we continued to secure an additional 7 contracts within the same township development. The total value for the 8 contracts was RM103.3 million comprising 636 units of terrace houses, 678 apartment units and a school. The contracts were completed between 1998 and 2002.
1998	<ul style="list-style-type: none"> We secured the first parcel of the Bukit Jelutong township development from Guthrie Property Development Holding Sdn Bhd, a subsidiary of Kumpulan Guthrie Berhad. Subsequently between 1999 and 2004, we continued to secure an additional 6 contracts for the construction of 637 units of terrace houses and 704 apartment units within the same township development. The total contract value for the 7 contracts was RM156.1 million and these contracts were completed between 2000 and 2006. Subsequent to the merger between Kumpulan Guthrie Berhad, Sime Darby Berhad and Golden Hope Plantations Berhad in 2007, we continued to secure an additional 4 contracts within the same Bukit Jelutong township development for the construction of 80 units of semi-detached houses and 26 units of detached houses with a total contract value of RM137.7 million between 2009 and 2021 from Sime Darby Property Group. Out of the 4 contracts, we have completed 3 contracts between 2011 and 2019 with an ongoing residential project as at the LPD, namely the Bukit Jelutong (Trilia) Project, which is expected to be completed by July 2023.
2000	We secured the first parcel of the Alam Damai township development from Syarikat Perumahan Pegawai Kerajaan Sdn Bhd under I & P Group for the construction of terrace houses in Alam Damai, Selangor. Subsequently between 2002 and 2016, we continued to secure an additional 5 contracts within the same township development. The total contract value for the 6 contracts was RM79.8 million comprising 348 units of terrace houses, 72 units of semi-detached houses, and a sales gallery. These contracts were completed between 2002 and 2017.
2001	We secured our first construction contract in Negeri Sembilan from TH Properties Sdn Bhd under Lembaga Tabung Haji, for the construction of 103 units of terrace houses in Kota Warisan, Negeri Sembilan with a contract value of RM10.0 million. The project was completed in 2002.

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Key events and milestones
2002	<ul style="list-style-type: none"> We secured the first parcel of the Ara Damansara township development from Sime Darby Property Group. Between 2003 and 2004, we secured an additional 2 contracts within the same township development. The total contract value of the 3 projects was RM56.2 million comprising 306 units of terrace houses and 48 units of semi-detached houses and these contracts were completed between 2003 and 2006. We secured the first parcel of the Desa Coalfields township development from KL-Kepong Property Development Sdn Bhd, a subsidiary of Kuala Lumpur Kepong Berhad. Subsequently between 2002 and 2007, we continued to secure an additional 4 contracts within the same township development. The total contract value of the 5 contracts was RM91.9 million which comprised the construction of 765 units of terrace houses, 260 units of townhouses, and 54 units of shop offices. These contracts were completed between 2003 and 2009.
2005	<ul style="list-style-type: none"> We secured the first parcel of the Bandar Enstek township development from THP Enstek Development Sdn Bhd under Lembaga Tabung Haji for the construction of residential buildings in Bandar Enstek, Negeri Sembilan. Subsequently between 2005 and 2012, we continued to secure additional 9 contracts within the same township development. The total contract value of the 10 contracts was RM149.2 million which comprised the construction of 658 units of terrace houses, 60 units of semi-detached houses, 115 units of detached houses and a show village. These contracts were completed between 2007 and 2014. In September 2022, we secured a residential project in Bandar Enstek, Negeri Sembilan, namely the Bandar Enstek (Pristine 4) Project with a contract value of RM20.0 million which commenced construction in October 2022 and is expected to be completed by April 2024. We secured the first parcel of the Bandar Bukit Raja township development from Sime Darby Property Group. Between 2006 and 2021, we continued to secure 19 other contracts within the same township development with a total contract value of RM377.9 million comprising 1,701 units of terrace houses, 69 units of shop offices and 84 units of low-cost factories. These contracts were completed between 2007 and 2020. As at the LPD, we have an ongoing residential project in Bandar Bukit Raja, namely the Bandar Bukit Raja (Rumah Selangorku) Project with a contract value of RM30.5 million which commenced in April 2021 and subject to the EOT being approved, the project is expected to be completed by March 2023.
2007	We secured the first parcel of the Alam Impian township development from Syarikat Perumahan Pegawai Kerajaan Sdn Bhd under the I & P Group. Between 2009 and 2017, we continued to secure another 7 contracts, of which 4 contracts were secured through QLB for the construction within the same development. The total contract value of these 8 contracts was RM186.3 million which comprised the construction of 502 units of terrace houses, 32 units of semi-detached houses and 12 units of shop offices. The contracts were completed between 2010 and 2019.
2010	<ul style="list-style-type: none"> We secured the first parcel of the Kota Seriemas township development from Seriemas Development Sdn Bhd under PNB Development Group. Between 2011 and 2017, we continued to secure 4 other contracts within the same township development including 2 contracts which were secured through QLB. The total contract value of these 5 contracts was RM151.5 million comprising 552 units of terrace houses and these contracts were completed between 2012 and 2019. We secured the first parcel of the Subang Bestari township development from Worldwide Holdings Berhad. Between 2010 and 2015, we continued to secure 3 other contracts within the same township development. The total contract value of the 4 contracts was RM110.1 million comprising 46 units of semi-detached houses, 42 units of detached houses as well as 40 units of shop offices. These contracts were completed between 2011 and 2019.

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Key events and milestones
2014	We secured the first parcel of the Setia EcoHill township development from Setia Ecohill Sdn Bhd under S P Setia Group for the construction of residential buildings in Setia EcoHill, Selangor. Subsequently in 2015, we secured another contract for the construction of residential buildings within the same township development. The total contract value of the 2 contracts was RM36.6 million which comprised the construction of a total of 163 units of terrace houses and the construction of both contracts were completed in 2016.
2015 to 2022	<ul style="list-style-type: none"> • Having established our track record in completing numerous projects, we continued to secure contracts from Sime Darby Property Group, including: <ul style="list-style-type: none"> (i) our first construction project in Johor where we secured the first parcel of the Bandar Universiti Pagoh township development in 2015, followed by 3 other contracts within the same township development between 2016 and 2021. Out of the 4 contracts, we completed 3 contracts with a total contract value of RM94.9 million comprising 206 units of terrace houses and 108 units of shop offices between 2017 and 2021. As at the LPD, we have an ongoing commercial project in Bandar Universiti Pagoh, namely the Pagoh Restaurant Project with a contract value of RM2.8 million which commenced in January 2022 and subject to the EOT being approved, this project is expected to be completed by March 2023; (ii) the first parcel of the City of Elmina township development in 2015, followed by 12 other contracts within the same township development between 2016 and January 2022. We completed 8 contracts with a total contract value of RM338.9 million comprising 732 units of terrace houses, 70 units of shop offices and 14 units of factories between 2016 and up to the LPD. As at the LPD, we have 6 ongoing residential, commercial and industrial projects in City of Elmina with a total contract value of RM383.3 million which are expected to be completed between 2022 and 2024. • In 2015, we secured the first parcel of the Tropicana Aman township development from Tropicana Aman Sdn Bhd, a subsidiary of Tropicana Corporation Berhad. Since our first project with this customer, we continued to secure another 10 contracts for the construction of residential as well as non-residential buildings within the same township development. Between 2015 and 2022, we completed 9 contracts with a total contract value of RM421.7 million comprising 337 units of terrace houses, 170 units of semi-detached houses, 41 units of detached houses, 288 units of shop offices, a clubhouse and a school. As at the LPD, we have 2 ongoing residential projects in Tropicana Aman, namely the Tropicana Aman (Elemen Residences) Project and Tropicana Aman (Freesia Residence) Project, with a total contract value of RM246.9 million which are expected to be completed in 2023. • In 2015, we secured the first parcel of the Eco Majestic township development from Eco Majestic Sdn Bhd under Eco World Development Group. Since our first project with this customer, we continued to secure 4 other contracts within the same township development. Between 2016 and up to the LPD, we completed 5 contracts with a total contract value of RM136.1 million comprising 290 units of terrace houses, 192 units of cluster houses, a shopping complex with 8 shop units as well as extension works for an existing sales gallery.

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Key events and milestones
2015 to 2022	<ul style="list-style-type: none"> • In 2015, we secured the first parcel for the Serene Heights township development from Symphony Hills Sdn Bhd, a wholly-owned subsidiary of UEM Sunrise Berhad. Since our first project with this customer, we continued to secure 9 other contracts within the same township development. Between 2018 and up to the LPD, we have completed 7 contracts comprising 479 units of terrace houses with a total contract value of RM148.0 million. As at the LPD, we have 3 ongoing residential projects in Serene Heights with a total contract value of RM62.9 million which are expected to be completed by 2023. • In 2018, we secured the first parcel of the Kota Emerald township development from GLM Emerald West (Rawang) Sdn Bhd, a joint venture entity of GuocoLand (Malaysia) Berhad. Since our first project with this customer, we continued to secure another contract in 2019 for the construction of residential buildings within the same township development. The total contract value of the 2 projects was RM114.4 million comprising 441 units of terrace houses and these contracts were completed in 2019 and 2021 respectively.

6.4 AWARDS AND RECOGNITION

During the Financial Years/Period Under Review up to the LPD, we obtained the following certifications, awards and recognitions:

6.4.1 ISO certifications

As at the LPD, we obtained the following ISO certifications awarded by SIRIM QAS International Sdn Bhd:

Year	Certifications
2007	ISO 9001:2015 (quality management systems) for the provision of construction services for building and civil engineering works which was subsequently renewed in September 2022 with validity period up to August 2025
2008	<ul style="list-style-type: none"> • ISO 14001:2015 (environmental management systems) for the provision of construction services for building and civil engineering works which was subsequently renewed in 2020 with validity period up to December 2023 • ISO 45001:2018 (occupational health and safety management systems) for the provision of construction services for building and civil engineering works which was subsequently renewed in 2020 with validity period up to December 2023

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6. INFORMATION ON OUR GROUP (CONT'D)

6.4.2 QLASSIC Awards

Over the last 5 years from 2018 up to the LPD, we have obtained the following QLASSIC awards from CIDB:

Year	Awards
2018	<ul style="list-style-type: none"> Best QLASSIC Achievement Awards 2018 (Residential) and High QLASSIC Achievement Awards 2018 for Bandar Universiti Pagoh (Sarjana Square) Project with a score of 82% High QLASSIC Achievement Awards 2018 for a residential project known as Avanti Residences located at Shah Alam, Selangor with a score of 80% High QLASSIC Achievement Awards 2018 for an industrial project known as Gateway 16 located at Bandar Bukit Raja, Selangor with a score of 80% High QLASSIC Achievement Awards 2018 for a residential project known as Aleya Twin Villas located at Bukit Jelutong, Selangor with a score of 85% High QLASSIC Achievement Awards 2018 for a residential project known as Anika located at Bandar Ainsdale, Negeri Sembilan with a score of 82%
2020	<ul style="list-style-type: none"> Construction Quality Excellence Awards 2020 for High QLASSIC Achievement (Landed Residential Development) for the Bandar Bukit Raja (Azira) Project with a score of 83% Construction Quality Excellence Awards 2020 for High QLASSIC Achievement (Landed Residential Development) for the City of Elmina (Liana) Project with a score of 83%
2022	<ul style="list-style-type: none"> QLASSIC Excellence Award for the City of Elmina (Elmina Valley 5B) Project with a score of 87%

The QLASSIC scores for our other projects from 2018 up to the LPD are as follows:

Year	Project	Score
2018	<ul style="list-style-type: none"> Setia Alam (Eximia) Project Setia Alam (Opacus) residential project Bandar Tasik Puteri (Phase 3A) residential project Bandar Tasik Puteri (Phase 3B) residential project Bandar Universiti Pagoh (Harmoni Vista) residential project City of Elmina (Elmina Green 3B) residential project City of Elmina (Elmina Valley 3B) Project Tropicana Aman (Arahsia Residences) residential project Serene Heights (Begonia) residential project 	77% 75% 77% 76% 80% 81% 84% 80% 77%
2019	<ul style="list-style-type: none"> Bandar Seri Putra (SP Retail Centre) commercial project Bukit Jelutong (Tara) Project Tropicana Aman (Sinaria) Project Subang Bestari (Amber) Project 	77% 81% 75% 80%
2020	<ul style="list-style-type: none"> Bandar Bukit Raja (3 Avenue) Project Bukit Puchong (Andira Park) Project Emerald West (Chloe Residence) Project 	82% 81% 83%

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Project	Score
2021	• Bandar Tasik Puteri (Acacia Park) Project	80%
	• Emerald West (Garland Residence) Project	81%
	• City of Elmina (Elmina Valley 5A) Project	82%
	• Bandar Seri Coalfields (Hampton Residences) Project	85%
	• Serene Heights (Dahlia 2) Project	80%
	• Serene Heights (Eugenia 1) Project	84%
	• Tropicana Aman (Dalia Residences) Project	80%
	• Tropicana Aman Clubhouse Project	82%
	• Alam Perdana (Halya @ Daunan Worldwide - Phase 1) Project	80%
	• Bangi (Residensi Purun) Project	85%
	• Puncak Bestari 2 (Azalea) Project	80%
2022	• Bandar Universiti Pagoh (Sarjana Promenade) Project	69%
	• Tropicana Aman (Triana) Project	78%
	• Serene Heights (Eugenia 2) Project	86%
	• Dengkil (Taman Casa Mekar) Project	81%
	• Bukit Bandaraya (Dillenia) Project	84%
	• Elmina East (Temu) Project	78%

QLASSIC is a system introduced by CIDB to measure and evaluate the quality of workmanship of building construction work based on the Construction Industry Standard. It serves as a benchmark for the quality of construction works against industry standards based on a scoring system. According to CIDB, the overall average QLASSIC score for 2019 and 2020 (being the latest available information) was 69% and 71% respectively while the average QLASSIC score for our projects was 78% and 82% for 2019 and 2020 respectively.

6.4.3 SHASSIC Awards

From 2018 up to the LPD, we have obtained the following SHASSIC awards from CIDB:

Year	Awards
2019	• "Five Star" SHASSIC Achiever for the Bandar Bukit Raja (Azira) Project
	• "Five Star" SHASSIC Achiever for the Bandar Universiti Pagoh (Sarjana Square) Project
	• "Five Star" SHASSIC Achiever for the Bandar Seri Coalfields (Hampton Residences) Project
	• "Five Star" SHASSIC Achiever for the Serene Heights (Eugenia 1) Project
2020	• "Five Star" SHASSIC Achiever for the Bandar Tasik Puteri (Acacia Park) Project
	• "Five Star" SHASSIC Achiever for the City of Elmina (Elmina Valley 5A) Project
	• "Five Star" SHASSIC Achiever for the City of Elmina (Elmina Valley 5B) Project
	• "Five Star" SHASSIC Achiever for the Serene Heights (Dahlia 2) Project
2022	• "Five Star" SHASSIC Excellence Award for the Elmina East (Ilham Residence) Project

6. INFORMATION ON OUR GROUP (CONT'D)

The SHASSIC scores for our other projects from 2018 up to the LPD are as follows:

Year	Project	Rating	Score
2018	• Bandar Seri Putra (SP Retail Centre) Project	3 Star ⁽¹⁾	57%
	• Taman Indah Puteri (The Jervis) Project	4 Star ⁽¹⁾	75%
	• Tropicana Aman (Sinaria) Project	3 Star ⁽¹⁾	63%
	• Eco Majestic (Mellowood) Project	4 Star ⁽¹⁾	84%
	• Setia EcoHill2 (Frossa) residential project	3 Star ⁽¹⁾	63%
2019	• Bandar Bukit Raja (3 Avenue) Project	4 Star ⁽¹⁾	84%
	• Bandar Seri Putra (Putra Sentral) Project	2 Star ⁽²⁾	66%
	• Setia Alam (Castana) Project	4 Star ⁽²⁾	87%
	• Eco Forest (Ebony Lane - Phase 4) Project	3 Star ⁽²⁾	78%
	• Eco Forest (Lindenway) Project	3 Star ⁽²⁾	74%
	• Eco Forest (Ebony Lane - Phase 2) Project	3 Star ⁽¹⁾	68%
	• Emerald West (Chloe Residence) Project	3 Star ⁽¹⁾	60%
	• Bangi (Residensi Purun) Project	4 Star ⁽²⁾	86%
	• Bandar Universiti Pagoh (Sarjana Promenade) Project	5 Star ⁽²⁾	96%
2020	• Emerald West (Garland Residence) Project	4 Star ⁽²⁾	85%
	• Bukit Bandaraya (Dillenia) Project	3 Star ⁽²⁾	79%
2021	• Setia Eco Park (Arundina - Phase 1A) Project	4 Star ⁽³⁾	83%
	• Eco Forest (Hazelton) Project	2 Star ⁽³⁾	68%
	• Elmina East (Temu) Project	4 Star ⁽³⁾	85%
	• Setia Safiro (Rosario) Project	4 Star ⁽³⁾	83%
	• Serene Heights (Eugenia 2) Project	5 Star ⁽³⁾	90%
	• Tropicana Aman (Elemen Residences) Project	3 Star ⁽³⁾	76%
2022	• Serene Heights (Frischia) Project	5 Star ⁽³⁾	91%
	• Setia Eco Park (Arundina - Phase 1B) Project	5 Star ⁽³⁾	95%
	• Bandar Bukit Raja (Rumah Selangorku) Project	5 Star ⁽³⁾	95%
	• Saujana Perdana (Dahlia Sari) Project	5 Star ⁽³⁾	96%
	• Elmina Business Park (The Twin Factories) Project	5 Star ⁽³⁾	98%
	• Taman Putra Prima (Diamond) Project	5 Star ⁽³⁾	97%
	• Tropicana Aman (Freesia Residences) Project	4 Star ⁽³⁾	89%
	• Tamansari (Dahlia) Project	5 Star ⁽³⁾	96%
	• Serene Heights (Verna) Project	5 Star ⁽³⁾	96%

Notes:

- (1) Based on the CIS 10:2008 standard, which was introduced by CIDB in 2008.
- (2) Based on the CIS 10:2018 standard, which was effective from 1 June 2019.
- (3) Based on the CIS 10:2020 standard, which was effective from 4 January 2021.

6. INFORMATION ON OUR GROUP (CONT'D)

SHASSIC is a system introduced by CIDB to assess and evaluate the safety and health performance of contractors in construction works/projects based on the Construction Industry Standard (CIS 10:2020). It serves as a benchmark for the level of occupational safety and health performance of the construction industry in Malaysia using a scoring system.

The star rating system based on CIS 10:2018 and CIS 10:2020 standards is as set out below:

- (i) 49% and below = certificate of participation
- (ii) 50% to 59.9% = 1 star
- (iii) 60% to 69.9% = 2 star
- (iv) 70% to 79.9% = 3 star
- (v) 80% to 89.9% = 4 star
- (vi) 90% to 100% = 5 star

Meanwhile, the star rating system based on CIS 10:2008 standard is set out below:

- (i) 39% and below = 1 star
- (ii) 40% to 54% = 2 star
- (iii) 55% to 69% = 3 star
- (iv) 70% to 84% = 4 star
- (v) 85% to 100% = 5 star

6.5 INFORMATION ON OUR SUBSIDIARY

The details of our subsidiary are as follows:

<u>Name and registration no.</u>	<u>Date and place of incorporation</u>	<u>Principal place of business</u>	<u>Issued share capital (RM)</u>	<u>Effective equity interest (%)</u>	<u>Principal activities</u>
KSB (199001003572 (195139-D))	19 March 1990/ Malaysia	Malaysia	30,000,000	100.0	Provision of construction services

We do not have any joint venture or associated company.

6.5.1 KSB

(a) Background and principal activities

KSB was incorporated in Malaysia under the Companies Act 1965 on 19 March 1990 as a private limited company under the name of Aqua Gourmet Sdn Bhd and is deemed registered under the Act. It assumed its present name on 26 October 1990.

KSB is principally involved in the provision of construction services. KSB commenced operations in 1990 with its principal place of business in Malaysia.

(b) Share capital

As at the LPD, the issued share capital of KSB is RM30,000,000 comprising 30,000,000 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of KSB for the Financial Years/Period Under Review up to the LPD:

<u>Date of allotment</u>	<u>No. of ordinary shares allotted</u>	<u>Consideration</u>	<u>Cumulative issued share capital (RM)</u>
1 November 2021	10,000,000	Cash	30,000,000

6. INFORMATION ON OUR GROUP (CONT'D)

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in KSB as at the LPD.

(c) Substantial shareholder

The details of the substantial shareholders of KSB and their respective shareholdings in KSB before the Acquisition of KSB and as at the LPD / after the Acquisition of KSB are as follows:

Before the Acquisition of KSB

Substantial Shareholder	Nationality/ Country of Incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Tan Ah Kee	Malaysian	6,900,000	23.0	11,100,000 ⁽¹⁾	37.0
Teow Choo Hing	Malaysian	12,000,000	40.0	-	-
Suan Neo Capital	Malaysia	10,200,000	34.0	-	-

As at the LPD / After Acquisition of KSB

Substantial Shareholder	Nationality/ Country of Incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Kitacon	Malaysia	30,000,000	100.0	-	-
Tan Ah Kee	Malaysian	-	-	30,000,000 ⁽²⁾	100.0
Teow Choo Hing	Malaysian	-	-	30,000,000 ⁽²⁾	100.0
Suan Neo Capital	Malaysia	-	-	30,000,000 ⁽²⁾	100.0

Notes:

- (1) Deemed interested by virtue of his shareholdings in Lembah Reka and Suan Neo Capital pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of his/its shareholding in Kitacon pursuant to Section 8 of the Act.

(d) Directors

As at the LPD, the directors of KSB are Tan Ah Kee and Teow Choo Hing.

(e) Subsidiary, associate and joint venture

KSB does not have any subsidiary, associate or joint venture.

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6. INFORMATION ON OUR GROUP (CONT'D)**6.6 MATERIAL INVESTMENTS AND DIVESTITURES**

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

	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FPE 2022 (RM'000)	1 July 2022 up to the LPD (RM'000)
<u>Material investments</u>					
Properties ⁽¹⁾	7,252	6,368	10,585	2,163	1,191
Aluminium formwork systems ⁽²⁾	2,959	2,928	4,438	3,433	3,023
Unit trusts ⁽³⁾	-	41,912	45,892	-	20,000
	10,211	51,208	60,915	5,596	24,214
<u>Material divestitures</u>					
Properties ⁽¹⁾	-	6,550	37,702	24,638	-
Unit trusts ⁽³⁾	8,385	14,000	49,824	25,500	10,000
Disposal of QLBS ⁽⁴⁾	-	-	-	2,418	-
Total	8,385	20,550	87,526	52,556	10,000

Notes:

- (1) During the Financial Years/Period Under Review, we had entered into transactions with our customers to purchase residential, commercial and industrial properties from their development projects as and when opportunities arose. These properties were either directly related to the construction projects undertaken by us, or from other property projects developed by our customers. They were financed by surplus funds which were in excess of our working capital requirements.

We had acquired these properties primarily as an investment for capital appreciation purposes and rental income. The acquisitions would also support the long term business relationship with our customers, provided that the properties fulfil our criteria for investment such as the location and accessibility of the identified property, the prevailing conditions of the local property market, population growth in the area in which the property is located and the potential capital appreciation rate of the said property upon realisation. In some cases, we had purchased the properties from our customers to fulfil the terms of the letter of award from our customers. These terms stipulated in the letters of award with our customers are normal commercial terms which required us to purchase properties of specified value under their property development projects within a stipulated period.

To the best of our knowledge, it is a practice in the construction industry for property developers to seek the mutual business support of contractors for their property development projects. This is practised to ensure that contractors, being property buyers, deliver the project and adhere to the high standards and quality expected by a property buyer.

Such purchase of properties is usually agreed upfront with our customers during the tender negotiation stage, provided the properties fulfill our criteria for investment such as strategic location, accessibility and potential capital appreciation, and the agreed term will be stipulated in the letter of award to be issued by our customers.

6. INFORMATION ON OUR GROUP (CONT'D)

For the avoidance of doubt, we acquired these properties by cash and none of these properties were acquired as a result of contra arrangement with our customers in respect of outstanding progress payments due from them, save for 2 units of commercial property which were acquired in 2001 and 2005 for approximately RM0.6 million and RM2.2 million respectively. These properties were acquired as part of the terms and conditions of the letters of award from our customers, whereby the progress payments from our customers shall be deducted against the purchase prices for the properties.

During the Financial Years/Period Under Review, the total cost of properties acquired from the customers as compared to the contract value of the projects that were awarded to our Group is set out below:

	FYE 2019	FYE 2020	FYE 2021	FPE 2022
No. of properties acquired	3	8	1	-
Total cost ⁽¹⁾ of properties acquired (RM'000)	5,052	16,690	762	-
Contract value ⁽²⁾ (RM'000)	188,004	575,131	47,350	-
% of cost of properties acquired over the contract value	2.7%	2.9%	1.6%	-

Sub-notes:

- (1) Based on the total purchase consideration stipulated in the respective sale and purchase agreements which were to be paid progressively based on the stages of completion for the respective projects.
- (2) Based on the contract value of the construction projects awarded to us. We generally purchase properties under the construction projects that are awarded to us, save for 2 industrial properties which were acquired during the FYE 2020 from other property projects developed by the Eco World Development Group for capital appreciation purposes, rather than a fulfilment of the terms of the letter of award from our customer. These properties meet our criteria for investment such as strategic location, accessibility and potential capital appreciation.

During the Financial Years/Period Under Review, we had also agreed with some of our customers for the outstanding progress payments to be set off against part of the purchase consideration for certain properties that we had acquired from our customers prior to the respective Financial Years/Period Under Review, as set out below. This was intended to expedite collection of the outstanding progress payments and had no material impact on the cash flows requirements for our operations. While there was no settlement agreement entered into with the customers, such set off arrangements were agreed either through exchange of letters or application forms.

	FYE 2019	FYE 2020	FYE 2021	FPE 2022
Total amount of progress payments set off against purchase prices of properties (RM'000)	(i)4,700	(ii)1,239	(iii)6,186	-
Amount of set-off as a percentage of revenue	0.8%	0.3%	1.4%	-

Sub-notes:

- (i) Set off against 3 residential properties and 1 commercial property which were acquired from Eco World Development Group between 2017 and 2018. These properties had been disposed of during the FYE 2021.

6. INFORMATION ON OUR GROUP (CONT'D)

- (ii) Set off against 1 commercial property which was acquired from Eco World Development Group in 2017. This property had been disposed of during the FYE 2021.
- (iii) Set off against 2 residential properties and 2 industrial properties which were acquired from Worldwide Group and Eco World Development Group respectively in 2020. The 2 residential properties had been disposed of in May 2022, while the construction of the 2 industrial properties has been completed as at the LPD.

In conjunction with our Listing, we have decided to dispose of our investment properties to focus solely on our construction business. We had disposed of a total of 3 units, 25 units and 8 units of properties (which were acquired during the period between 1999 and 2020) during the FYE 2020, FYE 2021 and FPE 2022 respectively. As at the LPD, the carrying value of our remaining investment properties, comprising 4 units of properties (of which 2 out of 4 properties are under construction), stood at approximately RM6.5 million, representing approximately 1.6% of our total assets as at 30 June 2022. We intend to hold the properties for capital appreciation purposes.

Future investment in properties, if any, will be undertaken only if there are commercial benefits in support of the long term growth of our Group and where required, will be subject to deliberation by our Board in accordance with our investment policy to ensure that the total cost of our investment properties does not exceed 20% of our Group's NA.

- (2) We acquire aluminium formwork system from time to time for use in our construction projects. As at the LPD, we have a total of 29,017 sq m of aluminium formwork systems. We will continue to purchase aluminium formwork systems, and have allocated part of the proceeds from our IPO for the said purchase to support our expansion of the scale of construction work using aluminium formwork systems and to replace our formwork systems which were damaged due to wear and tear.
- (3) We place our surplus cash in unit trusts in Malaysia with bank backed-fund management companies licensed under the CMSA. These unit trusts are redeemable on demand at a redemption value based on the share of net assets of the unit trust. As at the LPD, the fair value of our investment in these unit trusts amounted to approximately RM30.8 million.
- (4) KSB entered into a conditional share sale agreement dated 6 May 2022 with Pembinaan Lembah Reka Sdn Bhd and Lim Peng Hong for the disposal of 49.0% and 51.0% equity interest in QLB by KSB and Pembinaan Lembah Reka Sdn Bhd respectively, to Lim Peng Hong. The share sale agreement was completed on 14 June 2022 and QLB ceased to be an associate of KSB thereafter.

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