

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF FEYTECH HOLDINGS BERHAD ("FEYTECH HOLDINGS" OR "COMPANY") DATED 2 MAY 2024 ("ELECTRONIC PROSPECTUS")

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

Website

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

Availability and Location of 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, TA Securities Holdings Berhad ("**TA Securities**"), or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

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

Jurisdictional Disclaimer

The IPO and the distribution of the Electronic Prospectus are subject to the laws of Malaysia. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, TA Securities and Feytech Holdings have not authorised 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.

Close of Application

Applications for the IPO Shares will open at 10.00 a.m. on 2 May 2024 and will close at 5.00 p.m. on 8 May 2024. If there is any change to the timetable, the Company will advertise a notice of the changes in widely circulated daily English and Bahasa Malaysia daily newspapers within Malaysia and make the relevant announcement(s) 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 are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

P R O S P E C T U S

FEYTECH

FEYTECH HOLDINGS BERHAD

Registration No. 202301013791 (1507713-V)
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“**IPO**”) OF 252,940,800 ORDINARY SHARES IN FEYTECH HOLDINGS BERHAD (“**FEYTECH HOLDINGS**” OR “**COMPANY**”) (“**SHARES**”) IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED SHARE CAPITAL OF FEYTECH HOLDINGS ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“**BURSA SECURITIES**”) COMPRISING:

(A) A PUBLIC ISSUE OF 143,324,800 NEW SHARES IN THE FOLLOWING MANNER:

- (I) 42,160,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- (II) 25,296,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS AND EMPLOYEES AS WELL AS PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF FEYTECH HOLDINGS AND ITS SUBSIDIARIES; AND
- (III) 75,868,800 NEW SHARES AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS;

AND

(B) OFFER FOR SALE OF 109,616,000 EXISTING SHARES IN THE FOLLOWING MANNER:

- (I) 105,400,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY; AND
- (II) 4,216,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

AT AN IPO PRICE OF RM0.80 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Managing Underwriter, Joint Underwriter and Joint Placement Agent

TA SECURITIES
AN UNWAVERING COMMITMENT

TA SECURITIES HOLDINGS BERHAD
(Registration No. 197301001467 (14948-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Underwriter and Joint Placement Agent



AmInvestment Bank

AMINVESTMENT BANK BERHAD
(Registration No. 197501002220 (23742-V))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

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

THE SECURITIES COMMISSION MALAYSIA (“SC”) HAS APPROVED THE ISSUE, OFFER OR INVITATION FOR OFFERING UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT 2007. THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC. THE APPROVAL AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES 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 211.

**THIS PROSPECTUS IS
DATED 2 MAY 2024**

FEYTECH HOLDINGS BERHAD

PROSPECTUS

FEYTECH HOLDINGS BERHAD

Registration No: 202301013791 (1507713-V)
(Incorporated in Malaysia under the Companies Act 2016)

No. 1, Jalan Bayu 2/6,
Kawasan Perindustrian Tampoi Jaya,
81200 Johor Bahru,
Johor Darul Ta'zim

TEL : +607 217 9068
FAX : +607 217 9069
EMAIL : enquiry@feytech.com.my

www.feytech.com.my

All defined terms used in this Prospectus are defined under "Presentation of Financial and Other Information", "Definitions" and "Glossary of Technical Terms" commencing on pages ix, xi and xx of this Prospectus, respectively.

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholders 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.

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

It is to be noted that the role of AmInvestment Bank in our IPO is limited to being a Joint Underwriter and Joint Placement Agent for our IPO.

STATEMENTS OF DISCLAIMER

Our Company has obtained the approval of Bursa Securities for our Listing. 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 Forms, have also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

OTHER STATEMENTS

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

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

Our Shares are offered in Malaysia solely based on the contents of this Prospectus. Our Company, Directors, Promoters, Selling Shareholders, Principal Adviser, Managing Underwriter, Joint Underwriters and Joint Placement Agents take no responsibility for the distribution of this Prospectus outside Malaysia. Our Company, Directors, Promoters, Selling Shareholders, Principal Adviser, Managing Underwriter, Joint Underwriters and Joint Placement Agents have not authorised anyone to provide any information or to make any representation not contained in this Prospectus.

Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoters, Selling Shareholders, Principal Adviser, Managing Underwriter, Joint Underwriters and Joint Placement Agents, any of their respective directors, or any other persons involved in our IPO. This Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or an invitation to subscribe for or purchase the securities offered under our IPO in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or is unlawful or to any person to whom it is unlawful to make sure offer or invitation.

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

It shall be your sole responsibility to ensure your application for our IPO would be in compliance with the terms of our IPO as set out 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 to. It shall also be your sole responsibility to consult your legal and/or other professional advisers as to whether your application for our IPO would result in the contravention of any laws of the countries or jurisdictions other than Malaysia which you may be subject to.

Neither we nor our Promoters, the Selling Shareholders, our Principal Adviser, Managing Underwriter, Joint Underwriters and Joint Placement Agents 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, voidable or void in any country or jurisdiction.

We will further assume that you have accepted our IPO in Malaysia and will be subject 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 laws or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

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

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

If you are in doubt of the validity or integrity of the Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House, a paper/printed copy of this Prospectus. In the event of any discrepancies arising between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which are identical to the copy of this Prospectus registered by the SC, shall prevail.

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

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

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

- (i) the Internet Participating Financial Institutions are liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software.

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

- (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 as the internet is not a fully secured medium; and

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

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INDICATIVE TIMETABLE

The indicative timetable for our IPO is set out below:-

Event	Indicative time / date
Issuance of this Prospectus / Opening of Application	10.00 a.m. / 2 May 2024
Closing of Application	5.00 p.m. / 8 May 2024
Balloting of Applications	10 May 2024
Allotment of our Issue Shares/ Transfer of Offer Shares to successful Applicants	17 May 2024
Listing	21 May 2024

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "**Feytech Holdings**" or "**our Company**" in this Prospectus are to Feytech Holdings Berhad. All references to "**Feytech Group**" or "**our Group**" in this Prospectus are to our Company and our Subsidiaries taken as a whole. All references to "**we**", "**us**", "**our**" or "**ourselves**" in this Prospectus are to our Company, our Group or our Subsidiaries, as the context requires. Unless the context otherwise requires, references to "**Management**" are to our Directors and Key Senior Management personnel as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

All references to "**you**" are to our prospective investors.

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

References to dates and times in this Prospectus shall be references to dates and times in Malaysia, unless otherwise stated.

Other abbreviations and acronyms used in this Prospectus are defined in the "Definitions" section and technical terms used in this Prospectus are defined in the "Glossary of Technical Terms" section. Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include natural persons, firms, companies, body corporates and corporations.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding the growth and performance of the industry in which we operate and our estimated market share. This data is taken, extracted 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 no source is stated, it can be assumed that the information originates from us. Certain information in this Prospectus is extracted or derived by or from PROVIDENCE or IMR Report for inclusion in this Prospectus.

We have appointed PROVIDENCE as our IMR to provide an independent market and industry review of the industry in which we operate in or is exposed to. In compiling their data for the review, PROVIDENCE relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate. However, third party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Therefore, we give no assurance that the projected figures will be achieved and you should not place undue reliance on the statistical data and 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 and you should not rely on such information for the purposes of your decision whether or not to invest in our Shares.

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. As a result, any discrepancies in the tables or charts included in this Prospectus between the amounts listed and the totals thereof are due to rounding. Where information is presented in thousands or millions of units, amounts may have been rounded up or down. The word "**approximately**" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or 1 decimal place.

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

All information stated herein are as at the LPD unless otherwise specified.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements which include all statements other than statements of historical facts contained in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Management for future operations. Some of these statements can be identified by words that have a bias towards or are forward-looking such as "may", "will", "would", "could", "believe", "expect", "anticipate", "estimate", "aim", "plan", "forecast", "project", "intend" or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other important factors beyond our Group's control that could cause our actual results, performances or achievements, or industry results, to be materially different from any future results, performances or achievements, or industry results, expressed or implied by such forward-looking statements. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our products and general industry environment;
- (ii) our business strategies and competitive position;
- (iii) our future plans and potential growth opportunities;
- (iv) our future financial position, earnings, cash flows and liquidity; and
- (v) our ability to pay future dividends.

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

- (i) activities and financial position of our customers, suppliers and other business partners;
- (ii) delay in the supply of raw materials and shortages in labour;
- (iii) fluctuation in foreign exchange rates;
- (iv) outbreak of any major diseases in our manufacturing plants and pandemics of infectious diseases;
- (v) general economic, business, social, political and investment environment in countries where we operate or sell our products to or purchase our raw materials;
- (vi) government policy, legislation or regulation;
- (vii) delays or problems with the execution of our expansion plans;
- (viii) competitive environment of the industry in which we operate; and
- (ix) other factors beyond our control.

Such forward-looking statements are based on numerous assumptions regarding our Group's present and future business strategies and the environment in which we operate. Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to, those discussed in **Section 9** of this Prospectus on "Risk factors" and **Section 12.3** of this Prospectus on "Significant factors affecting our financial condition and results of operations". We cannot assure you that the forward-looking statements in this Prospectus will be realised. These forward-looking statements are based on information available to us as at the LPD and are made available only as at the LPD.

In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved. Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer of the IPO Shares, we shall issue a supplemental or replacement prospectus, as the case may be, in accordance with the provision of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

DEFINITIONS

The following terms shall apply throughout this Prospectus unless the term is defined otherwise or the context requires otherwise:

COMPANIES WITHIN OUR GROUP

- Feytech Group** or the **Group** : Collectively, Feytech Holdings and its Subsidiaries
- Feytech Holdings** or the **Company** : Feytech Holdings Berhad (Registration No. 202301013791 (1507713-V))
- Feytech SB** : Feytech Sdn Bhd (Registration No. 202101012079 (1412378-M)), a wholly-owned subsidiary of Feytech Holdings
- Gosford Malaysia** : Gosford Leather Industries Sdn Bhd (Registration No. 200201018361 (586024-T)), a wholly-owned subsidiary of Feytech Holdings
- Gosford Singapore** : Gosford Leather Trim (S) Pte Ltd (Registration No. 200716872G), a wholly-owned subsidiary of Feytech Holdings incorporated in Singapore under the laws of Singapore
- Subsidiaries** : Collectively, Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia
- Trimex Australia** : Trimex Automotive (Aus) Pty Ltd (Registration No. ACN131629957), a wholly-owned subsidiary of Feytech Holdings incorporated in Australia under the laws of Australia
- Trimex Malaysia** : Trimex Distribution (M) Sdn Bhd (Registration No. 200901034378 (877487-P)), a wholly-owned subsidiary of Feytech Holdings

GENERAL

- Acquisition of Feytech SB** : Acquisition by Feytech Holdings of all the 300,000 ordinary shares in Feytech SB, representing the entire issued share capital of Feytech SB, from the Feytech SB Vendors, for a total purchase consideration of RM1.00, which was entirely satisfied in cash, and was completed on 11 March 2024
- Acquisition of Gosford Malaysia** : Acquisition by Feytech Holdings of all the 600,100 ordinary shares in Gosford Malaysia, representing the entire issued share capital of Gosford Malaysia, from the Gosford Malaysia Vendors, for a total purchase consideration of RM77,549,399.00, which was entirely satisfied by the issuance of 77,549,399 new Shares at an issue price of RM1.00 per Share to the Gosford Malaysia Vendors, and was completed on 11 March 2024
- Acquisition of Gosford Singapore** : Acquisition by Feytech Holdings of all the 250,000 ordinary shares in Gosford Singapore, representing the entire issued share capital of Gosford Singapore, from the Gosford Singapore Vendors, for a total purchase consideration of RM1,165,500.00, which was entirely satisfied by the issuance of 1,165,500 new Shares at an issue price of RM1.00 per Share to the Gosford Singapore Vendors, and was completed on 11 March 2024
- Acquisition of Trimex Australia** : Acquisition by Feytech Holdings of all the 100 ordinary shares in Trimex Australia, representing the entire issued share capital of Trimex Australia, from Tan Sun Sun, for a total purchase consideration of RM478,600.00, which was entirely satisfied by the issuance of 478,600 new Shares at an issue price of RM1.00 per Share to Tan Sun Sun, and was completed on 11 March 2024

DEFINITIONS (CONT'D)

Acquisition of Trimex Malaysia	: Acquisition by Feytech Holdings of all the 80,000 ordinary shares in Trimex Malaysia, representing the entire issued share capital of Trimex Malaysia, from the Trimex Malaysia Vendors, for a total purchase consideration of RM8,290,900.00, which was entirely satisfied by the issuance of 8,290,900 new Shares at an issue price of RM1.00 per Share to the Trimex Malaysia Vendors and Connie Go (the nominated recipient by the Trimex Malaysia Vendors to receive part of the new Shares issued as consideration for the acquisition of Trimex Malaysia by Feytech Holdings), and was completed on 11 March 2024
Acquisitions	: Collectively, the Acquisition of Gosford Malaysia, Acquisition of Trimex Malaysia, Acquisition of Feytech SB, Acquisition of Gosford Singapore and Acquisition of Trimex Australia
Act	: Companies Act 2016
ADA(s)	: Authorised depository agent(s)
Adient companies	: Collectively, Adient Automotive Seating (M) Sdn Bhd (Registration No. 198301010960 (106278-V)) and Adient Automotive Components (M) Sdn Bhd (Registration No. 198301005499 (99903-A))
AGM	: Annual general meeting
AmInvestment Bank	: AmInvestment Bank Berhad (Registration No. 197501002220 (23742-V))
APM companies	: Collectively, Auto Parts Manufacturers Co. Sdn Bhd (Registration No. 197101001197 (11558-D)), APM Delta Seating Systems Sdn Bhd (Registration No. 201701000364 (1214514-M)) and APM Plastics Sdn Bhd (Registration No. 199001016855 (208524-P))
Applicants	: Applicants for the subscription of our IPO Shares by way of Application Forms or by way of Electronic Share Application or by way of Internet Share Application
Application(s)	: Application(s) for our Issue Shares by way of Application Form, Electronic Share Application and/or the Internet Share Application
Application Form(s)	: Printed application form(s) for the application of our Issue Shares accompanying this Prospectus
ATM	: Automated teller machine
Authorised Financial Institution	: Authorised financial institution participating in the Internet Share Application, in respect of payments for our Issue Shares
BNM	: Bank Negara Malaysia
Board	: Board of Directors of our Company
Bomba	: Malaysian Fire and Rescue Department
Bumiputera	: In the context of: <ul style="list-style-type: none"> (i) individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies, a company which fulfils, among others, the following criteria or such other criteria as may be imposed by the MITI:

DEFINITIONS (CONT'D)

- (a) registered under the Act as a private company;
 - (b) its shareholders are 100.0% Bumiputera; and
 - (c) its board of directors (including its staff) are at least 51.0% Bumiputera; and
- (iii) cooperatives, a cooperative whose shareholders or cooperative members are at least 95.0% Bumiputera or such other criteria as may be imposed by the MITI
- Bursa Depository** : Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
- Bursa Securities** : Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
- CAGR** : Compounded annual growth rate
- CCC or CF** : Certificate of completion and compliance or certificate of fitness for occupation or such certificate by any other name 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
- CCM** : Companies Commission of Malaysia
- CDS** : Central Depository System
- CDS Account(s)** : Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and dealings in such securities by the Depositor
- CMSA** : Capital Markets and Services Act 2007
- Constitution** : The constitution of our Company
- COVID-19** : Novel coronavirus disease 2019, an infectious respiratory disease
- Daewon** : Daewon San Up Co., Ltd., a company incorporated in South Korea
- Daewon Agreement** : Seat Assembly Technical Assistance Agreement dated 30 August 2021 between Daewon and Feytech SB
- Delloyd companies** : Collectively, Delloyd Industries (M) Sdn Bhd (Registration No. 198901007843 (185145-D)) and Delloyd Seatings (M) Sdn Bhd (Registration No. 200601016607 (736359-W))
- Depositor** : A holder of a CDS Account
- Director(s)** : Director(s) (executive and non-executive) of our Company and within the meaning given in Section 2 of the CMSA
- DOSH** : Department of Occupational Safety and Health Malaysia
- EBITDA** : Earnings before interest, taxation, depreciation and amortisation
- EIS** : Employment insurance system

DEFINITIONS (CONT'D)

Electronic Prospectus	: Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium including, but not limited to, compact disc read-only memory (CD-ROM)
Electronic Share Application	: Application for our Issue Shares through a Participating Financial Institution's ATM
Eleven Docks	: Eleven Docks Sdn Bhd (Registration No. 201101021649 (949787-P))
Eligible Person(s)	: Collectively, our Directors, employees of our Group and persons who have contributed to the success of our Group, who are eligible to participate in the Pink Form Allocation as further detailed in Section 4.2.1(ii) of this Prospectus
EPF	: Employees' Provident Fund Board
EPS	: Earnings per Share
Equity Guidelines	: Equity Guidelines issued by the SC
ESG	: Environmental, social and governance
Feytech SB Vendors	: Collectively, Tan Sun Sun and Careen Tan Kai Lin
FYE(s)	: Financial year(s) ended/ending 31 December, as the case may be
FY Under Review	: Collectively, the past 4 FYEs 2020, 2021, 2022 and 2023
GLSB	: Gosford Leather Sdn Bhd (Registration No. 201001014364 (898598-H)), which was dissolved on 4 September 2023
Go Auto	: Go Auto Industries Sdn Bhd (Registration No. 201901032896 (1342226-K))
Go Capital	: Go Capital Growth Sdn Bhd (formerly known as ACE Capital Growth Sdn Bhd) (Registration No. 200901037559 (880690-K))
Go Innovate	: Go Innovate Asia Berhad (formerly known as ACE Innovate Asia Berhad) (Registration No. 201901007350 (1316677-U)), a company listed on the Leading Entrepreneur Accelerator Platform Market (LEAP Market) of Bursa Securities
Gosford Malaysia Vendors or Gosford Singapore Vendors	: Collectively, Tan Sun Sun, Go Yoong Chang and Connie Go
Government	: Government of Malaysia
GP	: Gross profit
IFRS	: International Financial Reporting Standards as issued by the International Accounting Standards Board
IMR or PROVIDENCE	: Providence Strategic Partners Sdn Bhd (Registration No. 201701024744 (1238910-A)), being the independent market researcher appointed by our Company
IMR Report	: The Independent Market Research Report dated 3 April 2024 on the automotive seat and cover industries in Malaysia and the automotive market, prepared by PROVIDENCE and as set out in Section 8 of this Prospectus

DEFINITIONS (CONT'D)

Internet Participating Financial Institution(s)	: Participating financial institution(s) for the Internet Share Application as listed in Section 15 of this Prospectus
Internet Share Application	: Application for our Issue Shares through an online share application service provided by the Internet Participating Financial Institution
IPO	: Initial public offering of our IPO Shares, comprising our Public Issue and Offer for Sale
IPO Price	: RM0.80 per IPO Share, being the price payable by investors under the Public Issue and Offer for Sale
IPO Share(s)	: Collectively, the Issue Share(s) and the Offer Share(s)
Issue Share(s)	: New Share(s) to be issued by our Company under the Public Issue
Issuing House or Share Registrar	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
Joint Placement Agents	: Collectively, TA Securities and AmInvestment Bank
Joint Underwriters	: Collectively, TA Securities and AmInvestment Bank
Key Senior Management	: The key senior management of our Group as set out in Section 5.4 of this Prospectus
KIA Malaysia	: KIA Malaysia Sdn Bhd (Registration No. 202101013607 (1413906-T))
Kulim Plant 2	: Feytech SB's proposed new manufacturing plant, warehouse, annex office building and staff hostel to be built on a part of the vacant industrial land held under title no. HSD 83979, PT 1104, Pekan Sungai Karangan, Daerah Kulim, Negeri Kedah bearing postal address of No. 5, Lebuhr Globalview 2, Globalview Industrial Park @ KIC, 09400 Padang Meha, Daerah Kulim, Kedah
Kulim Plant 3	: Feytech SB's manufacturing plant, warehouse and annex office building built on a part of the industrial land held under title no. HSD 83978, PT 1103, Pekan Sungai Karangan, Daerah Kulim, Negeri Kedah bearing postal address of No. 6, Lebuhr Globalview 2, Globalview Industrial Park @ KIC, 09400 Padang Meha, Daerah Kulim, Kedah
Lease Agreement	: Lease agreement dated 6 September 2023 between Eleven Docks (as lessor) and Gosford Malaysia (as lessee) in relation to the leasing of a part of the industrial land held under Geran Hakmilik 488497 Lot 2052, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor and bearing postal address No. 1, Jalan Bayu 2/6, Kawasan Perindustrian Tampoi Jaya, 81200 Johor Bahru, Johor (measuring approximately 99,750.56 sq ft in land area where the Tampoi Plant is currently located) for a period of 30 years from 1 October 2023 to 30 September 2053 at a rental rate of RM29,900.00 per month or subject to the lessor's option to revise the rental rate in every term of 3 years
Listing	: Admission of our Company to the Official List and the listing of and quotation for our entire enlarged issued Shares on the Main Market of Bursa Securities
Listing Requirements	: Main Market Listing Requirements of Bursa Securities

DEFINITIONS (CONT'D)

Local OEM	: A local automotive vehicle OEM based in Malaysia that manufactures, assembles and sells its own brand of automotive vehicles and related products
LPD	: 3 April 2024, being the latest practicable date prior to the registration of this Prospectus with the SC
Main Market	: Main Market of Bursa Securities
Malaysian Public	: Citizens of Malaysia and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Market Day	: A day on which Bursa Securities is open for trading in securities
Masai Plant	: The old manufacturing facility of Gosford Malaysia which is located at Jalan Masai Lama, Masai, Johor
Mazda Malaysia	: Mazda Malaysia Sdn Bhd (Registration No. 201201031832 (1016319-P))
MCCG	: Malaysian Code on Corporate Governance
MCO	: The nationwide movement control order imposed by the Government of Malaysia under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 as a measure to contain the outbreak of the COVID-19
MFRS	: Malaysian Financial Reporting Standards
MIA	: Malaysian Institute of Accountants
MIDA	: Malaysian Investment Development Authority
MITI	: Ministry of Investment, Trade and Industry
MyIPO	: Intellectual Property Corporation of Malaysia
NA	: Net assets attributable to owners of our Company
NBV	: Net book value
Offer for Sale	: Offer for sale of 109,616,000 Offer Shares by the Selling Shareholders at the IPO Price in the following manner: <ul style="list-style-type: none"> (i) 105,400,000 Offer Shares available by way of private placement to Bumiputera investors approved by the MITI; and (ii) 4,216,000 Offer Shares available by way of private placement to Selected Investors
Offer Share(s)	: Existing Share(s) to be offered by the Selling Shareholders pursuant to the Offer for Sale
Official List	: A list specifying all securities listed on Bursa Securities
Participating Financial Institution(s)	: Participating financial institution(s) for the Electronic Share Application, as listed in Section 15 of this Prospectus
PAT	: Profit after tax attributable to owners of our Company

DEFINITIONS (CONT'D)

PBT	: Profit before tax
Peerless Steel	: Peerless Steel Sdn Bhd (Registration No. 201601029445 (1200386-H))
PE Multiple	: Price-to-earnings multiple
Pink Application Form(s)	: Application form(s) for the application of our Issue Shares under the Public Issue by the Eligible Persons accompanying this Prospectus
Pink Form Allocation	: The allocation of 25,296,000 Issue Shares to the Eligible Persons pursuant to the Public Issue
PKT companies	: Collectively, PKT Consolidation Services (M) Sdn Bhd (Registration No. 199601033888 (406240-K)), PKT Consolidation Services Pte Ltd (Registration No. 202003121H, a company incorporated in Singapore), PKT Logistics (M) Sdn Bhd (Registration No. 199601030353 (402705-W)) and PKT Consolidation Services (Thailand) Co., Ltd. (Registration No. 0105565187876, a company incorporated in Thailand)
PPE	: Property, plant and equipment
Pre-IPO Restructuring Exercise	: Pre-IPO restructuring exercise involving the Acquisitions and the Share Split
Promoters	: Collectively, Connie Go, Go Yoong Chang and Tan Sun Sun
Prospectus	: This Prospectus dated 2 May 2024 issued by our Company in relation to our IPO
Prospectus Guidelines	: Prospectus Guidelines issued by the SC
Public Issue	: Public issue of 143,324,800 Issue Shares at the IPO Price in the following manner: <ul style="list-style-type: none"> (i) 42,160,000 new Shares available for application by the Malaysian Public; (ii) 25,296,000 new Shares available for application by the Eligible Persons; and (iii) 75,868,800 new Shares available by way of private placement to Selected Investors
QA/QC	: Quality assurance and/or quality control
Record of Depositors	: A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
ROU	: Right-of-use
Rules of Bursa Depository	: Rules of Bursa Depository as issued pursuant to the SICDA
SAC	: Shariah Advisory Council of the SC
SC	: Securities Commission Malaysia
Selected Investors	: Being the investors, including institutional investors (if any), that are selected to subscribe for our IPO Shares through private placement

DEFINITIONS (CONT'D)

Selling Shareholders	: Collectively, Tan Sun Sun and Go Yoong Chang
Shares	: Ordinary shares in Feytech Holdings
Share Split	: Subdivision of every 1 existing Share into 8 Shares
SICDA	: Securities Industry (Central Depositories) Act 1991
SOCOSO	: Social Security Organisation
TA Securities or the Principal Adviser or the Managing Underwriter	: TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M))
Tampoi Hostel	: 4 units of double storey terrace factory bearing postal address of No. 17 and 19, Jalan Bayu 2/3 and No. 6 and 8, Jalan Bayu 2/4, Kawasan Perindustrian Tampoi Jaya, 81200 Johor Bahru, Johor rented by Gosford Malaysia from Eleven Docks as staff hostel
Tanjong Malim Plant	: Feytech SB's proposed new manufacturing plant, warehouse and annex office building to be built on a piece of vacant industrial land known as Plot 1 measuring approximately 9.76 acres or 425,145.60 sq ft in area forming part of the master land held under Hakmilik Sementara Daftar 5 (Hakmilik Pejabat Pendaftar) (formerly under H.S.(D) 20427), PT 16880, Mukim Hulu Bernam Timor, Daerah Muallim, Negeri Perak
Toyo	: Toyo Seat Co., Ltd., a company incorporated in Japan
Toyo Agreement	: Technical Assistance Agreement dated 5 September 2022 between Toyo and Feytech SB
Trimex Malaysia Vendors	: Collectively, Tan Sun Sun and Go Yoong Chang
Underwriting Agreement	: The underwriting agreement dated 18 April 2024 entered into between our Company, the Managing Underwriter and the Joint Underwriters for the underwriting of up to 67,456,000 Issue Shares under the Public Issue
United States	: The United States of America
White Application Form(s)	: Application form(s) for the application of our Issue Shares by the Malaysian Public accompanying this Prospectus

OUR OPERATING LOCATIONS

Kulim Plant 1	: Feytech SB's manufacturing plant bearing postal address of Block B, Lot 4332, PT 300, Padang Meha Industrial Estate, 09400 Padang Serai, Kedah
PJ Hub	: Trimex Malaysia's and Gosford Malaysia's sales and installation hub bearing postal address of Lot 8246, Jalan 225, 46100 Petaling Jaya, Selangor
Singapore Hub	: Gosford Singapore's sales and installation hub bearing postal address of No. 1, Kaki Bukit Rd 1, #03-38 Enterprise One, Singapore 415934

DEFINITIONS (CONT'D)

Tampoi Plant : Our Group's headquarters and Gosford Malaysia's manufacturing plant bearing postal address of No. 1, Jalan Bayu 2/6, Kawasan Perindustrian Tampoi Jaya, 81200 Johor Bahru, Johor

CURRENCY AND UNITS

AUD : Australian Dollar, the lawful currency of Australia

EUR : Euro, the lawful currency of the European Union

INR : Indian Rupee, the lawful currency of India

JPY : Japanese Yen, the lawful currency of Japan

KRW : South Korean won, the lawful currency of South Korea

NZD : New Zealand Dollar, the lawful currency of New Zealand

RM and sen : Ringgit Malaysia and sen, respectively, the lawful currency of Malaysia

RMB : Renminbi, the lawful currency of the People's Republic of China

SGD : Singapore Dollar, the lawful currency of Singapore

sq ft : Square feet

sq m : Square metres

USD : United States Dollar, the lawful currency of the United States

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GLOSSARY OF TECHNICAL TERMS

The following commonly used terms in our Group's business and operations shall apply throughout this Prospectus unless the term is defined otherwise or the context otherwise requires:-

2D	: 2-dimension
3D	: 3-dimension
Automotive cover installers	: Companies that specialise in installing and/or repairing covers in automotive vehicles
Automotive cover material	: Materials used to manufacture automotive covers. These materials include leather, synthetic leather and fabric
Automotive covers	: Covers installed on automotive seats and interior parts
Automotive dealers	: Companies that retail their vehicles and/or accessories in a particular country or territory
Automotive distributors	: Companies that purchase vehicles and/or accessories directly from automotive vehicle OEMs or importers to distribute vehicles and/or accessories to automotive dealers
Automotive seat parts	: Parts and components used in the automotive seat manufacturing process such as frames, seat belt buckles, polyurethane paddings and plastic parts
Automotive seats	: Seats specially designed and built for automotive vehicles
Automotive vehicle OEM	: Companies that design and manufacture their own brand of automotive vehicles
Automotive vehicles	: Any motorised and wheeled vehicle such as cars, trucks and vans
Car	: A four-wheeled vehicle powered by an engine that carries a small number of people
Car accessory retailers	: Companies that sell automotive accessories which can enhance the appearance, functionality and comfort of a vehicle. These companies typically have a retail front to facilitate the sale of these car accessories
Car owners	: Individuals or corporations that own cars, being the end-users
Importers	: Companies that import automotive vehicles from automotive vehicle OEMs in order to sell the automotive vehicles in other countries
Interior parts	: Components found in the interior of an automotive vehicle such as door ornaments, steering wheels, gear knobs, handbrake handles and consoles
OEM	: Original equipment manufacturer
PDI	: Pre-delivery inspection

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Principal automotive seat manufacturer	: The Tier 1 automotive seat manufacturer appointed by the automotive vehicle OEM to manufacture automotive seats in the origin country of the automotive vehicle OEM, who is typically tasked to provide the technical specifications and requirements for the automotive seats to other Tier 1 automotive seat manufacturers appointed in other countries
PVC	: Polyvinyl chloride
REM	: Replacement equipment manufacturer
Tier 1 automotive seat and/or interior part manufacturers	: Companies who manufacture and directly supply fully assembled automotive seats and/or interior parts to automotive vehicle OEMs. These companies appointed by automotive vehicle OEMs can be in any country
Used car dealers	: Companies that trade and sell pre-owned or second-hand cars

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name / (Designation)	Gender	Address	Nationality
Dato' Mazlan bin Mohamad <i>(Independent Non-Executive Chairman)</i>	Male	B3A-C07, Armanee Terrace II, No. 8, Jalan PJU 8/1, Damansara Perdana, 47820 Petaling Jaya, Selangor, Malaysia	Malaysian
Connie Go <i>(Non-Independent Executive Director / Chief Executive Officer)</i>	Female	Block E-15-05, Sky Condominium, Persiaran Puchong Jaya Selatan, Bandar Puchong Jaya, 47170 Puchong, Selangor, Malaysia	Malaysian
Go Yoong Chang <i>(Non-Independent Executive Director)</i>	Male	Block E-15-08, Sky Condominium, Persiaran Puchong Jaya Selatan, Bandar Puchong Jaya, 47170 Puchong, Selangor, Malaysia	Malaysian
Tan Sun Sun <i>(Non-Independent Executive Director)</i>	Female	No. 30, Armada Villa, Jalan 109F, Taman Danau Desa, 58100 Kuala Lumpur, Wilayah Persekutuan, Malaysia	Malaysian
Leou Thiam Lai <i>(Independent Non-Executive Director)</i>	Male	No. 2, Jalan SS23/4C, Taman Sea, 47400 Petaling Jaya, Selangor, Malaysia	Malaysian
Dato' Tan Yee Boon <i>(Independent Non-Executive Director)</i>	Male	No. 18, Jalan Mutiara Seputeh 2, Mutiara Seputeh, Taman Seputeh, 58000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia	Malaysian
Lee Wan Ning <i>(Independent Non-Executive Director)</i>	Female	No. 62, Jalan TR 8/3, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor, Malaysia	Malaysian

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1. CORPORATE DIRECTORY (CONT'D)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Leou Thiam Lai	Chairperson	Independent Non-Executive Director
Dato' Tan Yee Boon	Member	Independent Non-Executive Director
Lee Wan Ning	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Dato' Tan Yee Boon	Chairperson	Independent Non-Executive Director
Leou Thiam Lai	Member	Independent Non-Executive Director
Lee Wan Ning	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Lee Wan Ning	Chairperson	Independent Non-Executive Director
Dato' Tan Yee Boon	Member	Independent Non-Executive Director
Leou Thiam Lai	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (CONT'D)

- COMPANY SECRETARIES** : **Wong Siew Yeen** (MAICSA 7018749)
SSM Practicing Certificate No.: 202008001471
Company Secretary
Associate of the Malaysian Institute of Chartered Secretaries and Administrators
- Tee Thiam Chai** (MAICSA 7066679)
SSM Practicing Certificate No.: 202008002297
Company Secretary
Associate of the Malaysian Institute of Chartered Secretaries and Administrators
- Tricor Corporate Services Sdn Bhd**
Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia
- Telephone No. : +(603) 2783 9191
- REGISTERED OFFICE** : Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia
- Telephone No. : +(603) 2783 9191
Facsimile No. : +(603) 2783 9111
- HEAD OFFICE** : No. 1, Jalan Bayu 2/6
Kawasan Perindustrian Tampoi Jaya
81200 Johor Bahru
Johor Darul Ta'zim, Malaysia
- Telephone No. : +(607) 217 9068
Facsimile No. : +(607) 217 9069
Email : enquiry@feytech.com.my
Website : <https://www.feytech.com.my>
- SELLING SHAREHOLDERS** : **Tan Sun Sun**
No. 30, Armada Villa, Jalan 109F
Taman Danau Desa
58100 Kuala Lumpur
Wilayah Persekutuan, Malaysia
- Go Yoong Chang**
Block E-15-08, Sky Condominium
Persiaran Puchong Jaya Selatan
Bandar Puchong Jaya
47170 Puchong
Selangor, Malaysia

1. CORPORATE DIRECTORY (CONT'D)

**PRINCIPAL ADVISER AND
MANAGING UNDERWRITER** : **TA Securities Holdings Berhad**
32nd Floor, Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur
Wilayah Persekutuan, Malaysia

Telephone No. : +(603) 2072 1277

**JOINT UNDERWRITERS
AND JOINT PLACEMENT
AGENTS** : **TA Securities Holdings Berhad**
32nd Floor, Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur
Wilayah Persekutuan, Malaysia

Telephone No. : +(603) 2072 1277

AmInvestment Bank Berhad
8th Floor, Bangunan Ambank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Wilayah Persekutuan, Malaysia

Telephone No. : +(603) 2036 2633

**AUDITORS AND REPORTING
ACCOUNTANTS** : **Baker Tilly Monteiro Heng PLT**
LLP0019411-LCA
Firm No. AF 0117
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia

Telephone No. : +(603) 2297 1000
Partner-in-charge : Paul Tan Hong
Approval No. : 03459/11/2025 J
Professional : Chartered Accountant of the MIA (MIA
Qualification : membership no.: 40209) and Fellow
Member of the Association of Chartered
Certified Accountants

**DUE DILIGENCE :
SOLICITORS FOR OUR IPO** : **Olivia Lim & Co**
41-3 Plaza Damansara
Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Wilayah Persekutuan, Malaysia

Telephone No. : +(603) 2011 1386 / 6386

1. CORPORATE DIRECTORY (CONT'D)

INDEPENDENT MARKET : Providence Strategic Partners Sdn Bhd

RESEARCHER
67-1, Block D, The Suites, Jaya One
72A, Jalan Prof Diraja Ungku Aziz
46200 Petaling Jaya
Selangor, Malaysia

Telephone No. : +(603) 7625 1769
Person-in-charge : Melissa Lim Li Hua
Qualification : Bachelor of Commerce (Double major in
Marketing and Management) from
Murdoch University, Australia

Please refer to **Section 8** of this Prospectus for the profile of the
firm and person-in-charge.

ISSUING HOUSE AND : Tricor Investor & Issuing House Services Sdn Bhd

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

Telephone No. : +(603) 2783 9299

LISTING SOUGHT : Main Market

SHARIAH STATUS : Approved by the SAC

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2. APPROVALS AND CONDITIONS

2.1 APPROVALS AND CONDITIONS

2.1.1 SC

- (i) The SC had, vide its letter dated 2 February 2024, approved our IPO and our Listing under Section 214(1) of the CMSA and the resultant equity structure of our Company pursuant to our Listing under the Bumiputera equity requirement for public listed companies, subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	TA Securities and our Company to fully comply with the requirements of the Equity Guidelines and Prospectus Guidelines pertaining to the implementation of our Listing.	To be complied.

In the same letter, the SC had also noted the effects of our Listing on the equity structure of our Company are as follows:

Category of shareholders	As at 1 September 2023		After the Pre-IPO Restructuring Exercises		After our Listing	
	No. of Shares	% of our issued Shares	No. of Shares	% of our issued Shares	No. of Shares	% of our enlarged issued Shares
Bumiputera						
- Bumiputera investors to be approved by MITI	-	-	-	-	105,400,000 ⁽¹⁾	12.5
- Bumiputera public investors via balloting	-	-	-	-	21,080,000 ⁽¹⁾	2.5
Total Bumiputera	-	-	-	-	126,480,000	15.0
Non-Bumiputera	1	100.0	699,875,200	100.0	716,720,000	85.0
Total Malaysians	1	100.0	699,875,200	100.0	843,200,000	100.0
Foreigners	-	-	-	-	-	-
Total	1	100.0	699,875,200	100.0	843,200,000	100.0

Note:

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

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2. APPROVALS AND CONDITIONS *(CONT'D)*

- (ii) The SC had, vide its letter dated 21 September 2023, approved the relief application submitted by TA Securities on behalf of our Company from having to comply with certain requirements of the Prospectus Guidelines. Details of the reliefs sought and the conditions imposed by the SC are as follows:

No.	Reference to the Prospectus Guidelines	Details of relief sought	Conditions imposed
1.	Paragraph 5.02(h), Division 1 of Part II	Relief from having to disclose the following in the Prospectus, with regards to the agreement of supply chain terms with the Local OEM and the various letters of acceptance issued by the Local OEM: (i) Reference to the name of the Local OEM; (ii) Reference to the supply chain terms with the Local OEM; (iii) Reference to the letters of acceptance issued by the Local OEM; (iv) The rate of the liquidated ascertained damages; and (v) The rate and period of the warranty provided.	-
2.	Paragraph 5.02(h), Division 1 of Part II	Relief from having to disclose the details of the following agreements in the Prospectus: (a) Daewon Agreement: (i) the amount of the one-off technical fee paid; and (ii) the amount of the royalty fees to be paid per vehicle. (b) Toyo Agreement: (i) the amount of the lump-sum royalty fees paid; (ii) the amount of the running royalty fees to be paid per vehicle; and (iii) the amount of guaranteed minimum annual royalty fee to be paid.	-

2.1.2 Bursa Securities

Bursa Securities had, vide its letter dated 26 February 2024, approved our admission to the Official List and the listing of and quotation for our entire enlarged issued Shares on the Main Market of Bursa Securities.

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

No.	Details of conditions imposed	Status of compliance
1.	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Practice Note 21 of the Listing Requirements; and	To be complied.
2.	On the first day of Listing, to furnish Bursa Securities with a copy of the schedule of distribution showing compliance with the public shareholdings spread requirements based on our entire issued share capital.	To be complied.

2. APPROVALS AND CONDITIONS (CONT'D)

2.1.3 MITI

The MITI had, vide its letter dated 20 November 2023, taken note of and has no objection to our Listing.

2.1.4 SAC

The SAC had, vide its letter dated 16 April 2024, classified our Shares as Shariah-compliant securities based on our audited combined financial statements for the FYE 2023 and our Company's Pro Forma Combined Statement of Financial Position as at 31 December 2023.

2.2 MORATORIUM ON OUR SHARES

In accordance with the Equity Guidelines, 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 590,559,200 Shares, which represents approximately 70.0% of our enlarged issued Shares as at the date of our Listing, for a period of 6 months from the date of our Listing.

The details of our Shares which will be held under moratorium are set out below:

Name	As at the date of our Listing	
	No. of Shares to be held under moratorium	% ⁽¹⁾
Tan Sun Sun	295,129,600	35.0
Go Yoong Chang	225,142,000	26.7
Connie Go	70,287,600	8.3
Total	590,559,200	70.0

Note:

(1) Based on our enlarged number of 843,200,000 Shares after our IPO.

Tan Sun Sun, Go Yoong Chang and Connie Go have fully accepted the moratorium and provided written undertakings that they will not sell, transfer or assign their respective Shares held under moratorium during the moratorium period.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares held by Tan Sun Sun, Go Yoong Chang and Connie Go under moratorium to ensure that our Share Registrar will not register any sale, transfer or assignment that contravenes the aforesaid restrictions. In compliance with the restrictions, the Share Registrar will issue share certificates representing the moratorium block of shares with the moratorium clause endorsed on them together with a letter providing details of the moratorium to Bursa Depository.

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3. PROSPECTUS SUMMARY

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

3.1 PRINCIPAL DETAILS OF OUR IPO

Our IPO entails an offering of 252,940,800 IPO Shares at an IPO Price of RM0.80 each.

Our IPO Shares will be allocated in the following manner:

	Public Issue		Offer for Sale		Total	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Malaysian Public (via balloting)	42,160,000 ⁽²⁾	5.0	-	-	42,160,000 ⁽²⁾	5.0
Eligible Persons	25,296,000	3.0	-	-	25,296,000	3.0
Selected Investors	75,868,800	9.0	4,216,000	0.5	80,084,800	9.5
Bumiputera investors approved by the MITI	-	-	105,400,000	12.5	105,400,000	12.5
Total	143,324,800	17.0	109,616,000	13.0	252,940,800	30.0

Enlarged share capital upon Listing	RM202,144,240 comprising 843,200,000 Shares
IPO Price per IPO Share	RM0.80
Market capitalisation upon Listing ⁽³⁾	RM674,560,000

Notes:

- (1) Based on our enlarged number of 843,200,000 Shares upon Listing.
- (2) Including 21,080,000 Shares, representing 2.5% of the enlarged number of our Shares, made available to Bumiputera Malaysian Public.
- (3) Based on the IPO Price and our enlarged number of 843,200,000 Shares upon Listing.

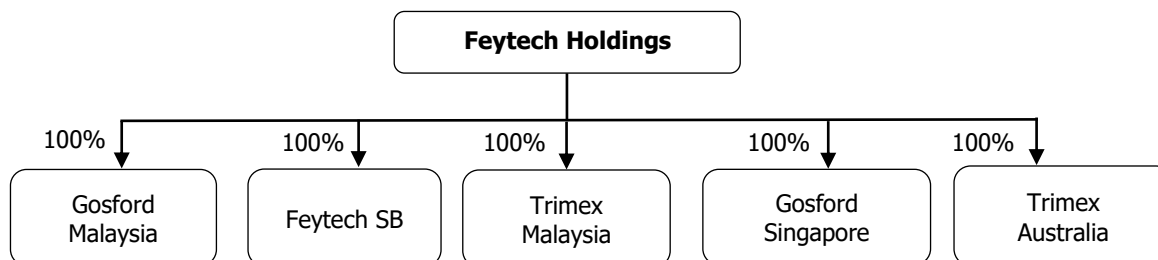
Further details on our IPO are set out in **Section 4** of this Prospectus.

The entire shareholdings of Tan Sun Sun, Go Yoong Chang and Connie Go will be held under moratorium for a period of 6 months from the date of our Listing. Please refer to **Section 2.2** of this Prospectus for further details on the moratorium on our Shares.

3.2 BACKGROUND AND OVERVIEW

Our Company was incorporated in Malaysia under the Act on 11 April 2023 as a private limited company under the name of Feytech Holdings Sdn Bhd. On 24 August 2023, our Company was converted into a public company and assumed our present name. Our Company became the investment holding company of Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia following the completion of the Acquisitions on 11 March 2024.

Through our Subsidiaries, we are principally an automotive cover manufacturer and automotive seat manufacturer based in Malaysia. Our Group structure is as follows:



Further details on our Subsidiaries are set out in **Section 6.5** of this Prospectus.

3. PROSPECTUS SUMMARY (CONT'D)

3.3 PRINCIPAL ACTIVITIES AND PRODUCTS

Our Group’s business model can be illustrated as follows:

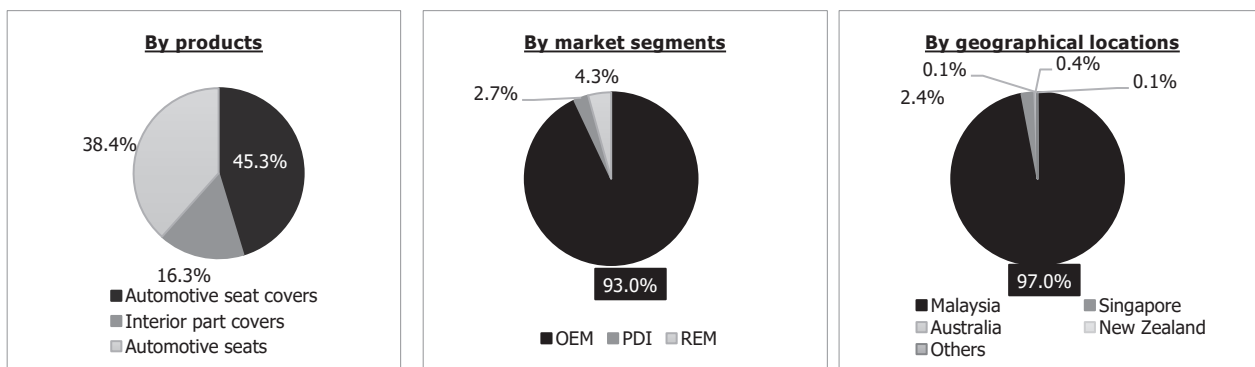
Principal activities	Manufacturing of automotive covers			Manufacturing of automotive seats
Products	<ul style="list-style-type: none"> Automotive seat covers Interior part covers 			Fully-assembled automotive seats
Supplier types	<ul style="list-style-type: none"> Automotive cover material suppliers Interior part suppliers Suppliers of parts, accessories and other supplies (e.g. zippers, plastic strips and hooks) 			<ul style="list-style-type: none"> Automotive cover manufacturers Suppliers of automotive seat supplies (e.g. padding, seatbelts, buckles, electrical parts, frames, side airbags)
Market segments	OEM	PDI	REM	OEM
Customer segments	<ul style="list-style-type: none"> Automotive vehicle OEMs Tier 1 automotive seat and/or interior part manufacturers 	<ul style="list-style-type: none"> Automotive distributors Car accessory retailers 	<ul style="list-style-type: none"> Car owners Used car dealers Importers Automotive dealers Car accessory retailers Automotive cover installers 	Automotive vehicle OEMs
Geographical markets	Malaysia		<ul style="list-style-type: none"> Malaysia Singapore Australia New Zealand Others ⁽¹⁾ 	Malaysia

Note:

(1) Others include the United States and Netherlands.

Further details on our Group’s principal activities and products are set out in **Section 7.2** of this Prospectus.

The revenue contribution from each of our products and market segments for the FYE 2023 is as follows:



3. PROSPECTUS SUMMARY (CONT'D)

3.4 COMPETITIVE POSITION**(a) We have an established track record and market reputation as an automotive cover manufacturer in Malaysia**

We possess 21 years of experience in the manufacturing of automotive covers since we commenced our business operations in 2002. We commenced our business serving the REM market segment and over the years, we have grown our market segments to include the OEM market segment since 2012 and PDI market segment since 2015. As at the LPD, our clientele from the OEM market segment includes established automotive vehicle OEMs such as the Local OEM, Mazda Malaysia and Kia Malaysia. Our track record over the years have enabled us to build our reputation in the automotive industry. We are the third largest automotive cover manufacturer in Malaysia in 2021, 2022 and 2023, based on our Group's revenues from our automotive cover division. We garnered a market share of 23.1%, 25.6% and 25.9% in 2021, 2022 and 2023, respectively (Source: IMR Report). Our track record and market reputation will serve as a foundation for us to secure new customers as well as new orders from existing customers in the future.

(b) We have demonstrated our ability to comply with the design and manufacturing requirements set by local and international automotive vehicle OEMs

We manufacture automotive covers and automotive seats for the OEM market segment. A large proportion of our sales from our automotive cover division was generated from the OEM market segment (i.e. between 84.6% and 88.6% of our Group's revenue for the automotive cover division during the FY Under Review). Meanwhile, all of our sales from our automotive seat division are derived from the OEM market segment.

Local and international automotive vehicle OEMs typically require automotive cover and automotive seat manufacturers to adhere to their design and manufacturing requirements. In addition, our manufacturing process for leather automotive covers also complies with the IATF 16949, which is an internationally recognised quality management system. Further, our Kulim Plant 1 is located in close proximity to one of our automotive vehicle OEM customers. This enables us to quickly and efficiently deliver the assembled automotive seats to the automotive vehicle OEM plants. As a testament to our ability to comply with the design and manufacturing requirements set by local and international automotive vehicle OEMs, we have managed to retain many automotive vehicle OEMs and Tier 1 automotive seat and/or interior part manufacturers as customers over the years. On average, our length of business relationship with our top 5 major customers, which comprised both local and international automotive vehicle OEMs and Tier 1 automotive seat and/or interior part manufacturers, were approximately 7 years as at FYE 2023.

(c) We can manufacture both automotive seats and automotive covers, and serve various market segments

We have expanded downstream in the industry value chain to venture into the manufacturing of automotive seats since 2021, which will allow us to provide a complementary range of services to manufacture both automotive seats and automotive covers to automotive vehicle OEMs. We also offer automotive covers to various market segments, i.e. the OEM, PDI and REM market segments, which allows us to expand our customer base to not only target automotive vehicle OEMs and Tier 1 automotive seat and/or interior part manufacturers, but also automotive dealers, automotive distributors, used car dealers, car owners, car accessory retailers, importers and automotive cover installers.

(d) Our Tampoi Plant is equipped to manufacture quality automotive covers efficiently

We utilise automated cutting machineries and automated nesting software in our automotive cover manufacturing processes to optimise material usage and reduce wastages of materials for our automotive cover division.

3. PROSPECTUS SUMMARY (CONT'D)**(e) We have an experienced and dedicated Key Senior Management team**

We have an experienced and dedicated Key Senior Management team, led by our Chief Executive Officer, Connie Go, who has 17 years' experience in the automotive industry. Collectively, our Key Senior Management has an average of approximately 16 years of relevant experience in their respective fields. Their experience and leadership capabilities are expected to continue contributing positively to our future growth and prospects.

Further details on our competitive position are set out in **Section 7.4** of this Prospectus.

3.5 BRIEF INFORMATION ON THE RELOCATION FROM KULIM PLANT 1 TO KULIM PLANT 3

On 8 December 2023, Feytech SB had received a letter from the landlord of Kulim Plant 1 whereby the Landlord has decided to discontinue with the tenancy agreement dated 20 April 2021 for the rental of Kulim Plant 1 which shall expire on 30 April 2024. The Landlord and Feytech SB had vide a letter dated 22 December 2023 agreed to extend the tenancy of Kulim Plant 1 from 1 May 2024 to 30 June 2024 to facilitate the relocation of Feytech SB's manufacturing plant to Kulim Plant 3. We have identified Kulim Plant 3 with a larger built-up area of approximately 125,895 sq ft (as compared to Kulim Plant 1 which has a built-up area of approximately 67,736 sq ft), which is located within the same vicinity of Kulim Plant 1. We have on 18 April 2024 entered into a tenancy agreement for the rental of Kulim Plant 3 with rental tenure commencing from 1 July 2024 to 30 June 2027 subject to a rent-free fit-out period from 1 May 2024 to 30 June 2024. In this regard, as a contingency plan in the event the CCC for Kulim Plant 3 is not obtained by the expected timing, Feytech SB had sought for further extension to the tenancy of Kulim Plant 1 from 1 July 2024 to 31 December 2024 which has been granted by the landlord of Kulim Plant 1 vide a letter dated 27 April 2024.

The CCC for the Kulim Plant 3 is expected to be obtained by May 2024 and we expect to fully operate from this Kulim Plant 3 by June 2024.

As at the LPD, we carry out our manufacturing of automotive seats in Kulim Plant 1 which generated a revenue of approximately RM81.05 million, representing approximately 38.4% of our Group's total revenue, based on the audited combined financial statements of our Group for the FYE 2023. However, the relocation of our operations at Kulim Plant 1 to Kulim Plant 3 is not expected to have a material adverse impact to our Group's operations and financial performance after taking into consideration factors such as the relocation from Kulim Plant 1 to Kulim Plant 3 will not disrupt our operations and immaterial estimated costs of relocations which are set out and detailed in **Section 7.27.1(a)** of this Prospectus. Notwithstanding the mitigating steps that can be taken by our Group to minimise disruptions to its operations during the said relocation, the maximum potential impact to the financial performance of our Group is approximately RM3.04 million (including the estimated costs of relocation of RM0.28 million), which represents less than 2% of the Group's revenue of RM211.22 million for the FYE 2023, as detailed in **Sections 7.27.1(a) and 9.1.5** of this Prospectus. However, we wish to highlight that, in addition to our mitigating steps that can be taken, in ensuring that the relocation of our operations at Kulim Plant 1 will not affect our supply of automotive seats to our customers nor the production schedules of our customers, our Group has notified our customers on the impending relocation of our operations at Kulim Plant 1 and carried out production planning with our customers to ensure their order requirements can be met according to agreed schedule.

Further details including the potential impact to the financial performance of our Group in relation to the relocation from Kulim Plant 1 to Kulim Plant 3 are set out in **Section 7.27.1(a)** of this Prospectus.

3.6 BUSINESS STRATEGIES AND FUTURE PLANS

Our Group's business strategies and future plans are as follows:

(a) Expansion of our automotive seat manufacturing operations to cater for increasing orders for automotive seats

We intend to construct Kulim Plant 2, which will comprise a new manufacturing plant, warehouse, annex office building and staff hostel. We have acquired a piece of land in Padang Serai, Kulim, Kedah, on which we will set up the Kulim Plant 2. Our Group intends to relocate

3. PROSPECTUS SUMMARY (CONT'D)

1 unit of our double conveyor lines for the manufacturing of automotive seats from Kulim Plant 3 to the manufacturing plant at the Kulim Plant 2 which will enable both the Kulim Plant 3 and Kulim Plant 2 to have additional manufacturing space and storage space to cater for higher order volume from both our existing and new customers. Our Group intends to operate from our own Kulim Plant 2 (upon completion of construction and commissioning) and the rented manufacturing plant (i.e. Kulim Plant 3) within the same vicinity to allow our Group to have flexibility in managing our production and storage space to cater for our operational needs.

(b) Expansion of our automotive covers division operations by setting up a new corporate office with manufacturing plant and warehouse

We intend to acquire a piece of land to set up our own new corporate office with manufacturing plant and warehouse in Klang Valley with larger space for installation of our automotive covers onto automotive seats and interior parts. Further, with the new sewing machines to be purchased and placed at the new manufacturing plant in Klang Valley, we will be able to carry out sewing of automotive cover material cut pieces at both the new manufacturing plant in Klang Valley and our Tampoi Plant. This would in turn improve our lead time and delivery schedule to better meet the requirements of our customers. In addition, our new corporate office with manufacturing facility will enable us to scale up operations through an increase in our Group's headcount in the Business Development department for OEM segment and Sales and Marketing department for REM and PDI segments. This will allow us to serve our existing customers in the central region of Malaysia better and secure new customers in the region as that is where most of the automotive companies' corporate offices are located.

Further details on our business strategies and future plans are set out in **Section 7.27** of this Prospectus.

3.7 RISK FACTORS

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

(a) We are dependent on contracts and agreements secured with automotive vehicle OEMs

As at the LPD, our Group's business or profitability is materially dependent on the contracts as set out in **Section 7.19** of this Prospectus. Our Group is dependent on automotive vehicle OEMs whom have appointed our Group for the supply of automotive covers and automotive seats, namely the Local OEM, Mazda Malaysia and Kia Malaysia. The termination or loss of any of our abovementioned contracts with the automotive vehicle OEMs will have material adverse impact to our business, financial condition, results of operations and prospects.

(b) We are dependent on our major customers and/or automotive vehicle OEMs that have appointed these major customers

Our Group is dependent on Tier 1 automotive seat and/or interior part manufacturers to the extent of the purchase orders received from them. We are also dependent on the automotive vehicle OEMs that have appointed them. Our Group's business would be impacted should these automotive vehicle OEMs' manufacturing facilities be disrupted or business face any loss in market share, financial difficulty and/or if an economic downturn impact demand for their products. The loss of the major customers as well as automotive vehicle OEMs that have appointed the Tier 1 automotive seat and/or interior part manufacturers who are our Group's major customers, could materially and adversely impact our Group's business, financial condition, results of operations and prospects.

(c) We are dependent on our Executive Directors and our Key Senior Management for the continuing success of our Group

Our Group's continuing success and growth are dependent upon the efforts and commitment our Executive Directors and Key Senior Management who play a pivotal role in our day-to-day

3. PROSPECTUS SUMMARY (CONT'D)

operations as well as developing and implementing strategies to drive the future growth of our Group. The loss of services from any of our Executive Directors and/or Key Senior Management personnel within a short period of time and without any suitable or prompt replacement may cause an adverse effect on our business, financial performance and prospects.

(d) We depend on our ability to secure new projects

Although we sign contracts with certain customers from the OEM market segment, there are no fixed volume of orders of automotive covers and automotive seats stated in these contracts. For our customers from the PDI and REM market segments, orders are secured on an as needed basis. Hence, our financial performance is dependent on our ability to continuously secure new orders, and there is a risk that we may not be able to secure sufficient new orders to sustain our business. Any adverse economic conditions or slowdowns in the automotive industry may also adversely impact our sales, which may adversely affect our Group's financial performance and business operations.

(e) We may face disruptions in our manufacturing activities

Our Group's manufacturing activities may be disrupted or delayed due to unforeseeable circumstances such as unplanned relocations due to termination of tenancy of any of our rented properties, natural disasters, fires, floods, power outage or outbreaks of diseases, which may result in the damage to, and/or destruction of all or part of our manufacturing plants, machineries and equipment, or manufactured products, and/or disruptions to our operations. Any prolonged disruption to our manufacturing activities may adversely affect our production schedule and timely delivery of our products. As a result, this will cause a negative impact on our industry reputation, relationships with our customers, business and financial performance.

(f) We are dependent on foreign workers in our operations

We are dependent on foreign workers in our operations. We are therefore vulnerable to changes in the availability and costs of employing foreign workers in Malaysia. Any changes in labour and immigration policies and regulations imposed by the Government of Malaysia, and visa restrictions on foreign workers may also lead to interruptions to our business operations. In the event where there is a shortage of foreign workers to meet our operational requirements, it may result in delays in the lead time required to manufacture automotive covers or automotive seats, and/or an increase in labour costs. As a result, it will cause an adverse effect on our business operations and financial conditions.

(g) We are exposed to price fluctuation of leather and synthetic leather automotive cover materials

Generally, leather and synthetic leather prices fluctuate according to the supply and demand conditions in the global market, and may fluctuate due to fluctuations in foreign currency exchanges as these materials are imported. Fluctuations in leather and synthetic leather automotive cover materials could impact our profit margins and/or selling prices of our automotive covers.

(h) We are dependent on some of our major suppliers for certain supplies

Our Group is required by automotive vehicle OEMs to purchase certain supplies, i.e., interior parts, automotive cover materials and/or automotive seat parts from PKT companies, Daewon and Toyo, for the manufacture of these automotive vehicle OEMs' automotive covers and/or automotive seats. Thus, in the event the automotive vehicle OEMs cease working with them and are not able to find a suitable replacement in a timely manner, our Group may face a temporary supply disruption.

Further details and the full list on the risk factors are set out in **Section 9** of this Prospectus.

3. PROSPECTUS SUMMARY (CONT'D)

3.8 IMPACT OF COVID-19 AND THE MCO ON OUR GROUP

The Malaysian Government had implemented various phases of MCO between 18 March 2020 and 1 November 2021 where mass gatherings were not allowed and businesses had to follow prescribed standard operating procedures to operate, in order to curb the spread of the COVID-19 disease, and the Total Lockdown, where there were closures of all economic sectors save for essential services and restrictions on movement, assembly and local travel, was implemented on 1 June 2021. The operations at our manufacturing plants were affected by the numerous standard operating procedures throughout the various phases of MCO and Total Lockdown. Malaysia entered into the Endemic phase of COVID-19 since 1 May 2022 and since then, all restrictions limiting the number of employees in a workplace have been uplifted and standard operating procedures were relaxed. Meanwhile, the installation of automotive covers at our Singapore Hub was disrupted during the circuit breakers implemented in Singapore from 7 April 2020 to 1 June 2020. Thereafter, our operations at Singapore Hub resumed at full capacity.

The implementation of the MCO in 2020 disrupted the manufacturing activities and the supply chain of the automotive industry, which saw the automotive cover industry size in Malaysia fell by approximately 23.0% from RM447.8 million in 2019 to RM345.0 million in 2020, as detailed in **Section 8** of this Prospectus. In view that our Group's business is tied to that of the automotive vehicle OEM's business and the automotive industry, our Group's financial results were adversely affected by the disruptions due to the MCO in the FYE 2020 whereby our Group recorded revenue of RM76.4 million. For information purposes only, Gosford Malaysia (being the largest contributor of our Group's revenue for our automotive cover division) had a total revenue of RM107.2 million in the FYE 2019 based on its audited financial statements for the FYE 2019. Nevertheless, our Group's automotive cover division has since registered positive growth in view of the gradual reopening of economy and upliftment of MCO restrictions in 2021 and 2022. Our Group's automotive cover division recorded revenues of approximately RM85.2 million and RM107.4 million for the FYE 2021 and FYE 2022 respectively.

Further details on the impact of COVID-19 on our Group are set out in **Section 7.15** of this Prospectus.

3.9 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and Key Senior Management are as follows:

NAME	DESIGNATION
<u>Directors</u>	
Dato' Mazlan bin Mohamad	Independent Non-Executive Chairman
Connie Go	Non-Independent Executive Director/ Chief Executive Officer
Go Yoong Chang	Non-Independent Executive Director
Tan Sun Sun	Non-Independent Executive Director
Leou Thiam Lai	Independent Non-Executive Director
Dato' Tan Yee Boon	Independent Non-Executive Director
Lee Wan Ning	Independent Non-Executive Director
<u>Key Senior Management</u>	
Connie Go	Non-Independent Executive Director/ Chief Executive Officer
Go Yoong Chang	Non-Independent Executive Director
Tan Sun Sun	Non-Independent Executive Director
Chua Khe Gee	Chief Operating Officer
Tan Ming Shing	Chief Financial Officer

Further details on our Directors and Key Senior Management are set out in **Section 5** of this Prospectus.

3. PROSPECTUS SUMMARY (CONT'D)

3.10 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

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

Name	Nationality	After the Pre-IPO Restructuring Exercise but before our IPO			After our IPO		
		Direct		Indirect	Direct		Indirect
		No. of Shares	% ⁽¹⁾	No. of Shares	No. of Shares	% ⁽²⁾	No. of Shares
Promoters and substantial shareholders							
Tan Sun Sun	Malaysian	349,937,600	50.0	-	295,129,600	35.0	-
Go Yoong Chang	Malaysian	279,950,000	40.0	-	225,142,000	26.7	-
Connie Go	Malaysian	69,987,600	10.0	-	70,287,600	8.3	-

Notes:

- (1) Based on our total number of 699,875,200 Shares after the completion of the Pre-IPO Restructuring Exercise but before our IPO.
(2) Based on our enlarged number of 843,200,000 Shares after our IPO.

Further details of our Promoters and substantial shareholders are disclosed in **Section 5.1** of this Prospectus.

3.11 USE OF PROCEEDS

The total gross proceeds of approximately RM114.7 million from the Public Issue will be used by our Group in the following manner:

Purposes	RM'000	%	Estimated timeframe for use from the date of our Listing
Acquisition of land	11,600	10.1	Within 6 months
Construction of new corporate office with new manufacturing plant and warehouse	21,125	18.4	Within 24 months
Construction of new Kulim Plant 2	18,760	16.4	Within 24 months
Purchase of new machineries	3,000	2.6	Within 12 months
Working capital	52,175	45.5	Within 12 months
Estimated listing expenses	8,000	7.0	Immediate
Total	114,660	100.00	

3. PROSPECTUS SUMMARY (CONT'D)

There is no minimum subscription level in terms of the proceeds to be raised from our IPO. The gross proceeds from the Offer for Sale of up to approximately RM87.7 million will accrue entirely to the Selling Shareholders. Further details on the use of proceeds are set out in **Section 4.5** of this Prospectus.

3.12 FINANCIAL HIGHLIGHTS

The key financial highlights of our Group's historical financial information for the FY Under Review are set out below.

(a) Historical combined statements of comprehensive income

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	79,368	85,179	126,877	211,223
GP	29,063	34,371	49,807	80,803
PBT	21,755	25,671	36,991	60,062
PAT	18,128	19,049	27,593	43,876
GP margin ⁽¹⁾ (%)	36.6	40.4	39.3	38.3
PBT margin ⁽²⁾ (%)	27.4	30.1	29.2	28.4
PAT margin ⁽³⁾ (%)	22.8	22.4	21.7	20.8

Notes:

- (1) Computed based on GP over revenue.
- (2) Computed based on PBT over revenue.
- (3) Computed based on PAT over revenue.

(b) Historical combined statements of financial position

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Total non-currents assets	27,086	29,433	29,159	50,614
Total current assets	70,523	84,217	116,643	150,563
Total assets	97,609	113,650	145,802	201,177
Total non-current liabilities	14,482	15,252	11,767	26,189
Total current liabilities	19,862	25,595	48,553	47,032
Total liabilities	34,344	40,847	60,320	73,221
Total equity	63,265	72,803	85,482	127,956
Total borrowings ⁽¹⁾	16,530	17,658	14,027	18,895
Current ratio ⁽²⁾ (times)	3.6	3.3	2.4	3.2
Gearing ratio ⁽³⁾ (times)	0.2	0.2	0.1	0.1

Notes:

- (1) Including bank borrowings and lease liabilities (excluding lease liabilities for the right-of-use assets).
- (2) Computed based on current assets over current liabilities.
- (3) Computed based on the total borrowings and lease liabilities (excluding lease liabilities for the right-of-use assets) over total equity.

3. PROSPECTUS SUMMARY (CONT'D)**(c) Historical combined statements of cash flows**

	Audited			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000	RM'000
Net cash generated from operating activities	13,723	24,102	16,835	52,418
Net cash used in investing activities	(7,450)	(1,557)	(2,713)	(17,987)^
Net cash generated from / (used in) financing activities	5,823	(20,922)*	(13,334)	(2,897)
Net increase in cash and cash equivalents	12,096	1,623	788	31,534
Cash and cash equivalents at the beginning of financial year	16,028	28,191	29,785	30,383
Effect of exchange rate changes on cash and bank balances	67	(29)	(190)	594
Cash and cash equivalents at the end of financial year	28,191	29,785	30,383	62,511

Note:

* Mainly due to, among others, the payment of dividend declared by Gosford Malaysia for the FYEs 2020 and 2021 of RM10.8 million and advance made to a related party, namely Go Capital, of RM10.0 million.

^ Mainly due to, among others, the purchase of land for Kulim Plant 2 of RM13.8 million and machinery and equipment of RM2.3 million as well as right-of-use assets of RM1.9 million.

Further details on our Group's financial information are set out in **Section 12** and **Section 13** of this Prospectus.

3.13 DIVIDEND POLICY

Our Board intends to recommend and distribute dividends of at least 40% of our net profits attributable to the owners of our Company for each financial year. However, our ability to pay dividends or make other distributions to our shareholders in the future years is subject to various factors such as having profits and excess funds, which are not required to be retained to fund our business. Our Board will consider the following factors (which may not be exhaustive) when recommending dividends for approval by our shareholders or when declaring any interim dividends:

- (i) the level of cash and level of indebtedness;
- (ii) required and expected interest expense, cash flows, profits, return on equity and retained earnings;
- (iii) our expected results of operations and future level of operations; and
- (iv) our projected levels of capital expenditure and other investment plans.

The payment and amount of any dividends or distributions to our shareholders will be at the discretion of our Board and will depend on factors stated above (which may not be exhaustive). There is no assurance as to whether the dividend distribution will occur as intended, the amount of dividend payment or timing of such payment.

The dividends declared and paid for the FYE 2020, 2021 and 2022 are RM11.9 million, RM9.8 million and RM15.0 million representing dividend payout ratio of approximately 65.7%, 51.4% and 54.3% respectively.

Further, our Group has declared and paid a total dividend of RM21.7 million for the FYE 2023 as detailed in **Section 12.13** of this Prospectus, representing dividend payout ratio of approximately 49.5%. As at the LPD, there are no dividends which have been declared by our Group but not paid.

Further details on our dividend policy and dividends declared and paid are set out in **Section 12.13** of this Prospectus.

4. DETAILS OF OUR IPO

4.1 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Indicative time / date
Issuance of this Prospectus / Opening of Application	10.00 a.m. / 2 May 2024
Closing of Application	5.00 p.m. / 8 May 2024
Balloting of Applications	10 May 2024
Allotment of our Issue Shares/ Transfer of Offer Shares to successful applicants	17 May 2024
Listing	21 May 2024

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

4.2 DETAILS OF OUR IPO

To facilitate our Listing, we undertook the Pre-IPO Restructuring Exercise comprising the following:

(i) Acquisitions

The Acquisitions, comprising the acquisitions of Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia as detailed in **Section 6.2.1** of this Prospectus, were completed on 11 March 2024. Thereafter, Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia became our wholly-owned subsidiaries.

(ii) Share Split

Following the completion of the Acquisitions, we subdivided our 87,484,400 Shares into 699,875,200 Shares on the basis of every one (1) existing Share was subdivided into eight (8) Shares to facilitate and enhance the liquidity of our Shares at the time of our Listing.

The Share Split was completed on 25 March 2024.

Please refer to **Section 6.2** of this Prospectus for further details of the Pre-IPO Restructuring Exercise.

Our IPO involves the offering of a total of 252,940,800, representing 30.0% of the enlarged number of our Shares, which comprises the Public Issue of 143,324,800 new Shares, representing 17.0% of the enlarged number of our Shares, and Offer for Sale of 109,616,000 Shares, representing 13.0% of the enlarged number of our Shares, at the IPO Price payable in full upon Application based on such terms and conditions as set out in this Prospectus and subject to the provisions on the clawback and reallocation of our IPO Shares as well as the underwriting and placement arrangement as set out in **Sections 4.2.4 and 4.2.5** of this Prospectus, respectively.

4. DETAILS OF OUR IPO (CONT'D)

4.2.1 Public Issue

The Public Issue of 143,324,800 new Shares at the IPO Price, representing 17.0% of the enlarged number of our Shares, will be made available for Application in the following manner:

(i) Malaysian Public via balloting

42,160,000 Issue Shares, representing 5.0% of the enlarged number of our Shares, will be made available for Application by the Malaysian Public by way of balloting process as follows:

- (a) 21,080,000 Issue Shares, representing 2.5% of the enlarged number of our Shares, will be made available to the Bumiputera Malaysian Public; and
- (b) 21,080,000 Issue Shares, representing 2.5% of the enlarged number of our Shares, will be made available to the other Malaysian Public.

(ii) Eligible Persons

25,296,000 Issue Shares, representing 3.0% of the enlarged number of our Shares, are reserved for application by the Eligible Persons under Pink Form Allocation in the following manner:

Eligible Persons	No. of Eligible Persons	Aggregate no. of Issue Shares allocated
Our Directors	5	1,500,000
Eligible employees of our Group	158	4,386,000
Persons who have contributed to the success of our Group	40	19,410,000
Total	203	25,296,000

(a) Allocation to our Directors

Tan Sun Sun and Go Yoong Chang, being the Selling Shareholders, have indicated that they will not subscribe for our IPO Shares as each of them will be offering 54,808,000 Shares respectively under the Offer for Sale. None of our Issue Shares will be allocated to them under the Pink Form Allocation.

The allocations to our Executive Director and Chief Executive Officer as well as our Independent Non-Executive Directors are based on, among others, their respective roles and responsibilities in our Company and collectively, a total of 1,500,000 Issue Shares are to be allocated to them as follows:

4. DETAILS OF OUR IPO (CONT'D)

Name of Directors	Designation	No. of Issue Shares allocated
Dato' Mazlan bin Mohamad	Independent Non-Executive Chairman	300,000
Connie Go	Executive Director and Chief Executive Officer	300,000
Leou Thiam Lai	Independent Non-Executive Director	300,000
Dato' Tan Yee Boon	Independent Non-Executive Director	300,000
Lee Wan Ning	Independent Non-Executive Director	300,000
Total		1,500,000

(b) Allocation to eligible employees of our Group

The Pink Form Allocation to our Group's eligible employees are based on the following criteria as approved by our Board:

- (i) the eligible employee must be at least 18 years old;
- (ii) the eligible employee must be a full-time and confirmed employee of our Group and on our Group's payroll;
- (iii) seniority, job grade or job responsibility;
- (iv) length of service with our Group;
- (v) performance and past contribution to our Group; and
- (vi) other factors deemed relevant by our Board.

The allocation of our Issue Shares to our eligible employees includes allocation to the following Key Senior Management:

Name of Key Senior Management	Designation	No. of Issue Shares allocated
Chua Khe Gee	Chief Operating Officer	300,000
Tan Ming Shing	Chief Financial Officer	300,000
Total		600,000

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

The criteria for the allocation to persons who have contributed to the success of our Group are based on, among others, their level of contribution, length of business relationship with our Group and support to the growth and success of our Group. These may include, among others, our suppliers, customers and business associates.

4. DETAILS OF OUR IPO (CONT'D)

(iii) Private placement to Selected Investors

75,868,800 Issue Shares, representing 9.0% of the enlarged number of our Shares, will be made available for application by way of private placement to Selected Investors.

4.2.2 Offer for Sale

Concurrent with the Public Issue, the Selling Shareholders will offer 109,616,000 Offer Shares (i.e. 54,808,000 Offer Shares by each Selling Shareholder), representing 13.0% of the enlarged number of our Shares, at the IPO Price in the following manner:

(i) Private placement to Bumiputera investors approved by MITI

105,400,000 Offer Shares, representing 12.5% of the enlarged number of our Shares, will be made available for Application by way of private placement to Bumiputera investors approved by MITI.

(ii) Private placement to Selected Investors

4,216,000 Offer Shares, representing 0.5% of the enlarged number of our Shares, will be made available for Application by way of private placement to Selected Investors.

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4. DETAILS OF OUR IPO (CONT'D)

The Offer Shares to be offered by our Selling Shareholders, their relationships and shareholdings in our Company before and after our IPO are as follows:

Name	Nature of relationship	Before our IPO		Offer for Sale		After our IPO	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Tan Sun Sun	Our Promoter, Non-Independent Executive Director and substantial shareholder	349,937,600	50.0	54,808,000	6.5	295,129,600	35.0
Go Yoong Chang	Our Promoter, Non-Independent Executive Director and substantial shareholder	279,950,000	40.0	54,808,000	6.5	225,142,000	26.7

Notes:

- (1) Based on our total number of 699,875,200 Shares after the completion of the Pre-IPO Restructuring Exercise but before our IPO.
- (2) Based on our enlarged number of 843,200,000 Shares after our IPO.

Our Offer for Sale is expected to raise gross proceeds of RM87.7 million and will accrue entirely to our Selling Shareholders. Our Selling Shareholders shall bear all expenses such as placement fee and miscellaneous fee relating to the Offer Shares. The Offer Shares are not underwritten by our Managing Underwriter and Joint Underwriters. Please refer to **Sections 5.1 and 5.2** of this Prospectus for further details of our Selling Shareholders.

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4. DETAILS OF OUR IPO (CONT'D)

In summary, our IPO Shares will be allocated, allotted and/or transferred in the following manner:

	Public Issue		Offer for Sale		Total	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Malaysian Public (via balloting)						
- Bumiputera	21,080,000	2.5	-	-	21,080,000	2.5
- Non-Bumiputera	21,080,000	2.5	-	-	21,080,000	2.5
Eligible Persons						
- Our Directors	1,500,000	0.2	-	-	1,500,000	0.2
- Eligible employees of our Group	4,386,000	0.5	-	-	4,386,000	0.5
- Persons who have contributed to the success of our Group	19,410,000	2.3	-	-	19,410,000	2.3
Private placement to Selected Investors	75,868,800	9.0	4,216,000	0.5	80,084,800	9.5
Private placement to Bumiputera investors approved by MITI	-	-	105,400,000	12.5	105,400,000	12.5
Total	143,324,800	17.0	109,616,000	13.0	252,940,800	30.0

Note:

(1) Based on our enlarged number of 843,200,000 Shares after our IPO.

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4. DETAILS OF OUR IPO (CONT'D)

4.2.3 Statement by our Board

As at the LPD:

- (i) there are no substantial shareholders, Directors or Key Senior Management who have indicated to us that they intend to subscribe for our IPO Shares, save for the Issue Shares made available for application under the Pink Form Allocation as disclosed in **Section 4.2.1(ii)** of this Prospectus; and
- (ii) to the best of our knowledge, there is no person that intends to subscribe for more than 5.0% of our IPO Shares.

4.2.4 Clawback and reallocation of our IPO Shares

Our IPO Shares shall be subject to the following clawback and reallocation provisions:

(i) Malaysian Public via balloting

If our Issue Shares allocated to the Bumiputera Malaysian Public are under-subscribed, such Issue Shares will be made available to the other Malaysian Public. Likewise, any Issue Shares allocated to the other Malaysian Public are under-subscribed, such Issue Shares will be made available to the Bumiputera Malaysian Public.

In the event that there are Issue Shares which are not subscribed by the Malaysian Public, the remaining portion unsubscribed will be made available for application and offered to the Selected Investors.

Any further Issue Shares which are not subscribed for after being allocated and offered to the Selected Investors, such Issue Shares shall be underwritten by our Managing Underwriter and Joint Underwriters in accordance with the salient terms of the Underwriting Agreement.

(ii) Eligible Persons

Any Issue Shares under Pink Form Allocation which are not subscribed by any of the Eligible Persons shall be re-offered to our Group's other Eligible Persons before being re-allocated to the Malaysian Public and/or to the Selected Investors by way of private placement.

Thereafter, any remaining Issue Shares under the Pink Form Allocation which are not subscribed for shall be underwritten by our Managing Underwriter and Joint Underwriters in accordance with the terms of the Underwriting Agreement.

(iii) Private placement to Selected Investors

In the event of under-subscription of the IPO Shares in respect of the allocation by way of private placement to the Selected Investors, the remaining unsubscribed portion will be clawed back and reallocated to the Malaysian Public.

(iv) Private placement to Bumiputera investors approved by MITI

In the event of under-subscription of the IPO Shares in respect of the allocation by way of private placement to Bumiputera investors approved by MITI ("**MITI Tranche**"), the unsubscribed IPO Shares under the MITI Tranche shall firstly be allocated to Malaysian institutional investors under the private placement to Selected Investors, if any. Any unsubscribed portion after the re-allocation shall be allocated to the over-subscribed portion of the Bumiputera Malaysian public, if any, and any balance remaining thereafter shall be made available for Application by the non-Bumiputera Malaysian Public and/or other investors under the private placement to Selected Investors.

4. DETAILS OF OUR IPO (CONT'D)

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

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

The number of Issue Shares offered under the Public Issue will not be increased via any over-allotment of "greenshoe" option.

4.2.5 Underwriting and placement arrangement

Our Managing Underwriter and Joint Underwriters have severally, i.e., not (i) jointly or (ii) jointly and severally, underwritten the following:

- (i) all the 42,160,000 Issue Shares made available to the Malaysian Public; and
- (ii) all the 25,296,000 Issue Shares made available to the Eligible Persons by way of Pink Form Allocation.

Please refer to **Section 4.7** of this Prospectus for the salient terms of the Underwriting Agreement.

All the 80,084,800 IPO Shares and 105,400,000 Offer Shares made available by way of private placement to the Selected Investors and the Bumiputera investors approved by MITI, respectively, are not underwritten by our Managing Underwriters and Joint Underwriters. Irrevocable written undertakings from the investors to subscribe for our IPO Shares available under the private placement will be obtained by our Joint Placement Agents.

4.2.6 Minimum subscription level

There is no minimum level of proceeds to be raised by us from our IPO. All our Issue Shares are either subscribed by the Malaysian Public, the Eligible Persons and/or the Selected Investors pursuant to their irrevocable undertakings or fully underwritten by our Managing Underwriter and Joint Underwriters.

However, in order to comply with the public shareholding spread requirement under 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 of our Company.

Under the Listing Requirements, we are required to have at least 25.0% of our Shares held by a minimum of 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the above public shareholding spread requirement is not met, we may not be able to proceed with our Listing. Please refer to **Section 9.3.4** of this Prospectus for further details in the event there is a delay in or termination of our Listing.

4.2.7 Priority of the offering

In the event the demand for our IPO Shares is less than 252,940,800 IPO Shares, our Public Issue shall take precedence over the Offer for Sale. The demand for our IPO Shares shall be firstly satisfied with the Issue Shares under our Public Issue, and following that, any excess demand will be satisfied with the Offer Shares under the Offer for Sale.

4. DETAILS OF OUR IPO (CONT'D)**4.2.8 Share capital**

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

Details	No. of Shares	RM
Share capital after the Pre-IPO Restructuring Exercise	699,875,200	87,484,400
New Shares to be issued under the Public Issue	143,324,800	114,659,840
Enlarged share capital upon Listing	843,200,000	202,144,240
IPO Price per IPO Share		RM0.80
Market capitalisation upon Listing ⁽¹⁾		RM674,560,000
Pro forma combined NA per Share (based on the pro forma combined statements of financial position as at 31 December 2023) ⁽²⁾		RM0.26

Notes:

- (1) Based on the IPO Price and the enlarged number of our Shares upon Listing.
- (2) Based on the pro forma NA after the Pre-IPO Restructuring Exercise, our Public Issue and adjusting for the use of proceeds from our Public Issue, and the enlarged number of our Shares upon Listing.

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

4.2.9 Classes of shares and ranking

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

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

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

Subject to any special rights attaching to any Shares we may issue in the future, our shareholders shall, in proportion to the Shares held by them, be entitled to share the profits paid out by our Company in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any) in proportion to our Shares held by them, after the satisfaction of any preferential payments and liabilities in accordance with the Constitution of our Company and provisions of the Act.

At every general meeting of our Company, each of our shareholders shall be entitled to vote (i) in person; (ii) by proxy; (iii) by attorney; or (iv) by other duly authorised representatives. Any resolution set out in the notice of any general meeting or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. On a poll, each shareholder present either in person, by proxy, by attorney or by other authorised representative shall have one (1) vote for each Share held or represented. A proxy may but need not be a shareholder of our Company.

4. DETAILS OF OUR IPO (CONT'D)

4.2.10 Price stabilisation mechanism

We will not be employing any price stabilisation mechanism (which is in accordance with the Capital Markets and Services (Price Stabilization Mechanism) Regulations 2008) for our IPO.

4.3 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price of RM0.80 per Share was determined and agreed upon by our Directors, Promoters and Selling Shareholders in consultation with the Principal Adviser, Managing Underwriter, Joint Underwriters and Joint Placement Agents after taking into consideration, among others, the following factors:

- (i) the PE Multiple of approximately 15.3 times based on our Group's EPS of 5.2 sen after taking into account our PAT for the FYE 2023 of RM43.9 million and the enlarged number of 843.2 million Shares upon our Listing. Our PAT after being adjusted for the Listing expenses (which are one-off expenses) incurred in FYE 2023 of RM3.1 million would be RM46.9 million, which translates into an adjusted EPS of 5.6 sen for the FYE 2023 and a PE Multiple of approximately 14.4 times;
- (ii) our Group's historical financial performance for the FY Under Review as set out in **Section 12** of this Prospectus and summarised below:

	Audited			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE2023 (RM'000)
Revenue	79,368	85,179	126,877	211,223
GP	29,063	34,371	49,807	80,803
PAT	18,128	19,049	27,593	43,876

- (iii) our pro forma combined NA per Share as at 31 December 2023 of RM0.26, which was calculated based on the pro forma combined NA after our IPO, after taking into account the use of proceeds from our Public Issue and our enlarged number of 843.2 million Shares upon our Listing;
- (iv) our competitive position as set out in **Section 7.4** of this Prospectus;
- (v) our business strategies and future plans as set out in **Section 7.27** of this Prospectus;
- (vi) the overview and prospects of the industry in which our Group operates based on the IMR Report as set out in **Section 8** of this Prospectus; and
- (vii) the prevailing market conditions, including but not limited to, the market performance of key indices and companies involved in similar businesses listed on Bursa Securities, and investors' sentiments.

YOU SHOULD NOTE THAT THE MARKET PRICE OF OUR SHARES UPON OUR LISTING IS SUBJECT TO THE UNCERTAINTIES OF MARKET FORCES AND OTHER FACTORS WHICH MAY AFFECT THE MARKET PRICE OF OUR SHARES. YOU SHOULD FORM YOUR OWN VIEWS ON THE VALUATION OF OUR SHARES BEFORE DECIDING TO INVEST IN OUR SHARES. YOU ARE REMINDED TO CONSIDER CAREFULLY THE RISK FACTORS AS SET OUT IN SECTION 9 OF THIS PROSPECTUS BEFORE DECIDING TO INVEST IN OUR SHARES.

4. DETAILS OF OUR IPO (CONT'D)

4.4 DILUTION

4.4.1 NA per Share

Dilution is the amount by which the IPO Price paid by investors for our IPO Shares exceeds our pro forma combined NA per Share after our IPO.

The following table illustrates the dilution effect on our Group's pro forma combined NA on a per Share basis:

	<u>Note</u>	<u>RM</u>
IPO Price	(A)	0.80
Pro forma combined NA per Share as at 31 December 2023, after the Pre-IPO Restructuring Exercise but before our IPO	(B)	0.15
Pro forma combined NA per Share as at 31 December 2023, after the Pre-IPO Restructuring Exercise, our Public Issue and the intended use of proceeds from our Public Issue	(C)	0.26
Increase in the pro forma combined NA per Share attributable to our existing shareholders	(C) – (B)	0.11
Dilution in the pro forma combined NA per Share to new investors	(D) = (A) – (C)	0.54
Dilution in the pro forma combined NA per Share to new investors as a percentage of the IPO Price	(D)/(A)	67.5%

Further details on our pro forma combined NA per Share as at 31 December 2023 are set out in **Section 12.14** of this Prospectus.

4.4.2 Effective cost per Share

None of our substantial shareholders, Directors and/or Key Senior Management or persons connected with them had acquired, obtained the right to acquire and/or subscribe for our Shares, from the date of our incorporation up to the LPD:

<u>Name</u>	<u>Date of investment</u>	<u>No. of Shares acquired</u>	<u>Total consideration (RM)</u>	<u>No. of Shares after the Share Split</u>	<u>Effective cost per Share (RM)</u>
<u>Directors, substantial shareholders and Key Senior Management</u>					
Connie Go	19 September 2023 / 11 March 2024	8,748,450 ⁽¹⁾	8,748,450 ⁽¹⁾	69,987,600	0.125
Go Yoong Chang	11 March 2024	34,993,750	34,993,750	279,950,000	0.125
Tan Sun Sun	11 March 2024	43,742,200	43,742,200	349,937,600	0.125

Note:

- (1) Including the 1 Share acquired from Koh Song Ho for RM1.00 which was completed on 19 September 2023.

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

The total gross proceeds of approximately RM114.7 million from our Public Issue will be used by our Group in the following manner:

Purposes	Section	RM'000	%	Estimated timeframe for use from the date of our Listing
Acquisition of land	4.5.1	11,600	10.1	Within 6 months
Construction of a new corporate office with manufacturing plant and warehouse	4.5.2	21,125	18.4	Within 24 months
Construction of new Kulim Plant 2	4.5.3	18,760	16.4	Within 24 months
Purchase of new machineries	4.5.4	3,000	2.6	Within 12 months
Working capital	4.5.5	52,175	45.5	Within 12 months
Estimated listing expenses	4.5.6	8,000	7.0	Immediate
Total		114,660	100.0	

Further details of the utilisation are set out below whilst our business strategies and future plans are set out in **Section 7.27** of this Prospectus.

While pending utilisation of the IPO proceeds raised, we will place the IPO proceeds in interest-bearing accounts with licensed financial institutions or short-term money market instruments.

4.5.1 Acquisition of land

We have earmarked RM11.6 million from the gross proceeds of our Public Issue for the acquisition of a piece of land to be identified to construct our new corporate office with manufacturing plant and warehouse in Klang Valley area (as detailed in **Section 4.5.2** below).

As at the LPD, for our operations in Malaysia, we are operating from 3 locations, namely our Tampoi Plant in Tampoi, Johor, our Kulim Plant 1 in Kulim, Kedah and our PJ Hub in Petaling Jaya, Selangor. Our PJ Hub serves our customers in the central region of Malaysia.

As at the LPD, our Group currently rents the PJ Hub (which is a factory with 2-storey office block having an approximate built-up area of 12,667.5 sq ft) from a third party as sales and installation hub. The PJ Hub mainly comprises the offices for our Sales and Marketing department for REM and PDI segments for central region and Business Development department for OEM segment as well as installation hub for repair and/or replacement of customised automotive seat covers that are sold to PDI and REM market segments. The PJ Hub has approximately 9,272.1 sq ft of storage space as at the LPD.

The current PJ Hub has been fully utilised and does not have sufficient space for us to increase our headcount and storage space. As part of our Group's expansion plan to better serve our customers in the central region of Malaysia, our Group intends to acquire a piece of land with an approximate land area of 3 acres or 130,680 sq ft to construct our new corporate office with manufacturing plant and warehouse. The land cost is estimated to be approximately RM32.7 million (approximately RM10.9 million per acre or RM250 per sq ft).

4. DETAILS OF OUR IPO (CONT'D)

As at the LPD, we are still in the midst of identifying the land to be acquired to construct our new corporate office with manufacturing plant and warehouse in Klang Valley area. 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 land would include strategic site and proximity to our customers' location in Klang Valley as well as sufficient land area to construct our new corporate office with manufacturing plant and warehouse to cater for larger space for our business expansion in the Klang Valley area. We anticipate to identify and complete the land acquisition within 6 months from the date of our Listing.

We intend to procure bank borrowings to finance approximately 70% of the purchase consideration for the land (i.e. approximately RM22.9 million based on the estimated land cost of RM32.7 million) while the remaining purchase consideration for the land of RM9.8 million and the relevant transaction costs such as stamp duty and legal fees shall be funded via the proceeds of RM11.6 million from our IPO allocated to fund part of the land cost. If the actual costs to be incurred for the acquisition of the land exceeds the allocated amount of proceeds from our IPO, the shortfall will be funded from the amount allocated for our working capital, our internally-generated funds and/or bank borrowings.

Please refer to **Section 7.27** of this Prospectus for further details of our Group's business strategies and future plans.

4.5.2 Construction of a new corporate office with manufacturing plant and warehouse

We have earmarked approximately RM21.1 million from the gross proceeds of our Public Issue for the construction of our new corporate office with manufacturing plant and warehouse on the land to be acquired in Klang Valley area as detailed in **Section 4.5.1** above.

In conjunction with our plan to expand our customer base which are mainly headquartered in central region of Malaysia, we intend to construct and set up our new corporate office with manufacturing plant and warehouse in Klang Valley with an approximate build-up area of 85,000 sq ft which will be used for:

<u>No.</u>	<u>Purpose</u>	<u>Estimated built-up area (sq ft)</u>
<u>Corporate office</u>		
(a)	Corporate office for Sales and Marketing department (for REM and PDI segments), Business Development (for OEM segment), future corporate finance and planning department as well as meeting rooms	25,000
(b)	Sales showroom and customer lounge area for REM segment	5,000
<u>Manufacturing plant and warehouse</u>		
(c)	Installation of automotive covers onto automotive seats and interior parts (e.g. door ornaments and console), sewing of automotive covers as well as storage space for automotive covers (with and without interior parts)	55,000
Total estimated built-up area		85,000

The remaining land area of approximately 69,680 sq ft will be used for guardhouse, waste chamber, electrical substation and car park as well as setback area of our new corporate office with manufacturing plant and warehouse.

4. DETAILS OF OUR IPO (CONT'D)

Upon completion of the construction of the new corporate office with manufacturing plant and warehouse, we intend to relocate all our operations at the PJ Hub to this new corporate office with manufacturing plant and warehouse.

Our PJ Hub serves our customers in the central region of Malaysia. Our Group currently rents the PJ Hub (which is a factory with 2-storey office block having an approximate built-up area of 12,667.5 sq ft) from a third party as sales and installation hub. The PJ Hub mainly comprises the offices for our Sales and Marketing department for central region and Business Development for OEM segment as well as installation hub for repair and/or replacement of customised automotive seat covers that are sold to PDI and REM market segments. Currently, some of our automotive covers, which are manufactured in our Tampoi Plant, will be stored at our PJ Hub prior to delivery to our customers. The current PJ Hub has been fully utilised and does not have sufficient space for us to increase our headcount and storage space as well as area for meetings with our customers.

Our new corporate office with manufacturing plant and warehouse will enable us to increase our Group's headcount in our Business Development department for OEM segment and Sales and Marketing department for REM and PDI segments and ease of conduct of meetings at our premises (as compared to our current headquarters at our Tampoi Plant in Johor Bahru, Johor) in order to serve our existing customers better and tap into the new customer base in the central region of Malaysia where most of the automotive companies' headquarters are located. We will also set up our new corporate finance and planning department at our new corporate office.

The new manufacturing plant and warehouse will have a larger area space for installation of automotive covers onto automotive seats and installation of automotive covers with interior parts (e.g. door ornaments and console). Currently sewing of automotive cover material cut pieces to form complete automotive covers is only undertaken at our Tampoi Plant. Our new manufacturing plant in Klang Valley will have up to 15 new sewing machines to be purchased under **Section 4.5.4** of this Prospectus. This will enable us to carry out sewing of automotive cover material cut pieces to form complete automotive covers at both the new manufacturing plant in Klang Valley and our Tampoi Plant. This would in turn improve our lead time and delivery schedule to better meet the requirements of our customers.

We intend to commence construction of our new corporate office with manufacturing plant and warehouse immediately after the completion of the land acquisition. The completion of the construction works and the commencement of our operation at the new corporate office with manufacturing plant and warehouse, subject to our Group obtaining the relevant licences and approvals from the regulatory authority, are estimated to be 18 months after the completion of the land acquisition. Further details on the construction of our new corporate office with manufacturing plant and warehouse are set out in **Section 7.27.2** of this Prospectus.

We estimate the total construction cost of the new corporate office with manufacturing plant and warehouse to be approximately RM21.1 million, comprising costs for construction of the building and installation of interior refurbishment of approximately RM19.1 million, which is estimated based on cost estimation procured by our Group from third party contractors of RM225 per sq ft of the built-up area, and installation of a rooftop solar photovoltaic system of approximately RM2.0 million. In the event the allocated proceeds are insufficient for the construction of the corporate office with manufacturing plant and warehouse, the shortfall will be funded from the amount allocated for our working capital, our internally-generated funds and/or bank borrowings.

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4. DETAILS OF OUR IPO (CONT'D)

4.5.3 Construction of new Kulim Plant 2

We have earmarked approximately RM18.8 million from the gross proceeds of our Public Issue to construct our Kulim Plant 2.

In 2021, our Group ventured into the manufacturing of automotive seats. As at the LPD, we occupy the rented Kulim Plant 1, which comprises a 1-storey production block located in Padang Serai, Kulim, Kedah with a total built-up area of approximately 67,736 sq ft, for the manufacturing of automotive seats as follows:

Purpose	Function	Existing built-up area at Kulim Plant 1 (sq ft)
Manufacturing space	Manufacturing of automotive seats with 2 units of double conveyor lines and the related offline processes or workstations (i.e., workstations set up out of the main production/assembly line to improve output for processes which have been identified as bottleneck on the main production/assembly line)	26,146
Storage space	Storage of automotive seats and automotive seat parts (including finished goods and incoming materials and supplies)	38,102
Office and meeting room	Office for our employees in the production, technical development, QA/QC, human resources and finance departments based in Kulim Plant 1 as well as a meeting room	3,488
Total approximate built-up area		67,736

As at the LPD, we have fully utilised 64,248 sq ft of the total manufacturing space and storage space in our Kulim Plant 1.

Based on the estimated maximum manufacturing capacity of our existing 2 units of double conveyor lines at the Kulim Plant 1, we can produce up to approximately 36,000 sets of automotive seats per annum. However, the actual capacity and output of our manufacturing of automotive seats are currently being limited by the manufacturing space and storage space available at our Kulim Plant 1. Furthermore, the use of our manufacturing space also depends on the type of automotive seat being produced whereby the layout of our manufacturing space is designed to meet the requirements of the assembly processes for specific automotive seat of a car model. Further details on the manufacturing capacity and utilisation rates based on the machining capacity and floor area space are set out in **Section 7.7** of this Prospectus.

The floor area space in Kulim Plant 1 has been fully utilised with the 2 double conveyor lines as well as storage of both finished goods and incoming materials and supplies for the manufacturing of automotive seats. The manufacturing space utilised also include manufacturing space for offline processes performed on workstations to prepare the necessary materials and supplies before they are assembled on the double conveyor lines, such as attaching automotive covers to paddings, affixing these paddings to frames and installing airbags in the specific position of an automotive seat which are carried out manually by our workers with specific tools and equipment. These processes typically take longer time to complete and as such, have been identified as bottleneck on the main production/assembly line. Thus, these offline processes are performed in workstations to improve operational efficiency of the processes performed on the double conveyor lines. In addition, the automotive seats and related parts manufactured are also quite large in size and thus, large space is required to store finished goods and incoming materials and supplies.

4. DETAILS OF OUR IPO (CONT'D)

In view of the foregoing, we require additional manufacturing space and storage space to cater for the increasing orders from our customers and new orders from our new customers.

On 8 December 2023, Feytech SB had received a letter from the landlord of Kulim Plant 1 whereby the landlord has decided to discontinue with the tenancy agreement dated 20 April 2021 for the rental of Kulim Plant 1 which expires on 30 April 2024. The said landlord and Feytech SB had vide a letter dated 22 December 2023 agreed to extend the tenancy of Kulim Plant 1 from 1 May 2024 to 30 June 2024 to facilitate the relocation of Feytech SB's manufacturing plant to Kulim Plant 3. In this regard, as a contingency plan in the event the CCC for Kulim Plant 3 is not obtained by the expected timing, Feytech SB had sought for further extension to the tenancy of Kulim Plant 1 from 1 July 2024 to 31 December 2024 which has been agreed by the said landlord vide a letter dated 27 April 2024.

In view of the foregoing and to cater to our current need for additional manufacturing space and storage space for our manufacturing of automotive seats, we have identified Kulim Plant 3 with a larger built-up area of approximately 125,895 sq ft (as compared to Kulim Plant 1 which has a built-up area of approximately 67,736 sq ft), which located within the same vicinity of Kulim Plant 1. We have on 18 April 2024 entered into a tenancy agreement with Green Estate Sdn Bhd, which is a third party, for the rental of Kulim Plant 3 with rental tenure commencing from 1 July 2024 to 30 June 2027 subject to a rent-free fit-out period from 1 May 2024 to 30 June 2024 ("**Fit-Out Period**"). The Fit-Out Period is to allow our Group to carry out the relocation of our operations from Kulim Plant 1 and renovation works at Kulim Plant 3 while pending the procurement of the CCC for the Kulim Plant 3. For the avoidance of doubt, prior to the obtainment of the CCC for the Kulim Plant 3, we will only carry out relocation and fitting works at Kulim Plant 3. The CCC for the Kulim Plant 3 is expected to be obtained by May 2024, upon which we will commence our operations at Kulim Plant 3. In this regard, our management is of the view that the extension of tenancy of Kulim Plant 1 until 31 December 2024 is adequate to facilitate the relocation to Kulim Plant 3, including the obtainment of CCC for the Kulim Plant 3, after taking into consideration that the risk of prolonged delay in obtaining the CCC for the Kulim Plant 3 is minimal in view that, among others, the construction of the Kulim Plant 3 is in compliance with the relevant building requirements approved by the relevant authorities as confirmed by the third party professional engineer appointed for the construction of Kulim Plant 3 and Bomba had on 31 March 2024 provided its release letter in support of the CCC for the Kulim Plant 3.

As at the LPD, we carry out our manufacturing of automotive seats in Kulim Plant 1 which generated a revenue of approximately RM81.05 million, representing approximately 38.4% of our Group's total revenue, based on the audited combined financial statements of our Group for the FYE 2023. However, the relocation of our operations at Kulim Plant 1 to Kulim Plant 3 is not expected to have material adverse impact to our Group's operations and financial performance after taking into consideration, among others, the following:

- (i) the relocation from Kulim Plant 1 to Kulim Plant 3 will not disrupt our operations, including the continuity of supply of automotive seats to our customers, in view that the production/assembly lines, equipment and tools as well as the equipment for its other functions such as office, technical development and QA/QC can be easily dismantled and re-installed at the new premise (i.e. Kulim Plant 3).

In this regard, we intend to relocate the 2 double conveyor lines from Kulim Plant 1 in stages over the Fit-Out Period, i.e. by firstly, relocating 1 double conveyor line to Kulim Plant 3, while continue to operate the other double conveyor line at Kulim Plant 1, and upon the first double conveyor line installed at the Kulim Plant 3 began production, the other double conveyor line will then be relocated from Kulim Plant 1 to Kulim Plant 3, to minimise disruptions to the operations of our manufacturing of automotive seats and we expect to fully operate from this Kulim Plant 3 by June 2024.

- (ii) Immaterial estimated costs of relocations, such as costs for dismantling and re-installation of production/assembly lines and equipment including testing and commissioning works as well as transportation costs, of approximately RM0.16 million (based on quotations obtained from third party service providers) and amount of impairment of renovation and fittings at Kulim Plant 1 as a result of the said relocation of approximately RM0.12 million.

4. DETAILS OF OUR IPO (CONT'D)

Further details on the relocation of our operations at Kulim Plant 1 to Kulim Plant 3 and its potential impact to the financial performance of our Group are set out in **Sections 7.27.1 and 9.1.5** of this Prospectus.

The estimated built-up area of Kulim Plant 3 of approximately 125,895 sq ft is detailed as follows:

Purpose	Function	Estimated built-up area at Kulim Plant 3 (sq ft)
Manufacturing space	Manufacturing of automotive seats with 2 units of double conveyor lines and the related offline processes or workstations (i.e., workstations set up out of the main production/assembly line to improve output for processes which have been identified as bottleneck on the main production/assembly line)	63,974
Storage space	Storage of automotive seats and automotive seat parts (including finished goods and incoming materials and supplies)	46,139
Office and meeting room	Office for our employees in the production, technical development, QA/QC, human resources and finance departments as well as meeting room(s)	15,782
Total approximate built-up area		125,895

In addition to the above, we also plan to increase the manufacturing space for additional offline processes or workstations to improve output for processes which have been identified as bottleneck on the main production/assembly line and storage space for both finished goods and incoming materials and supplies for our manufacturing of automotive seats as well as to operate at our own manufacturing plant, we have acquired a piece of land in Padang Serai, Kulim, Kedah with an approximate land area of 8.1 acres or 353,400.7 sq ft (which is in the vicinity of Kulim Plant 3) which is located close to the appointed assembly plant of our automotive seat customers to set up our Kulim Plant 2. The Kulim Plant 2 is envisaged to comprise a manufacturing plant, warehouse, annex office building and staff hostel, with a total estimated built-up area of 84,000 sq ft.

With the completion of the Kulim Plant 2, our Group intends to relocate 1 unit of our double conveyor lines for the manufacturing of automotive seats from Kulim Plant 3 to the manufacturing plant at the Kulim Plant 2 which will enable both the Kulim Plant 3 and Kulim Plant 2 to have additional manufacturing space and storage space to cater for increasing volume of automotive seats manufactured by our Group and input materials and supplies, as follows:

Purpose	Function	Estimated built-up area (after completion of Kulim Plant 2) (sq ft)		
		Kulim Plant 3	Kulim Plant 2	Total
Manufacturing space	Manufacturing of automotive seats with 1 unit of double conveyor lines at each manufacturing plant and the related offline processes or workstations (i.e., workstations set up out of the main production/assembly line to improve output for processes which have been identified as bottleneck on the main production/assembly line)	63,974	14,000	77,974

4. DETAILS OF OUR IPO (CONT'D)

Purpose	Function	Estimated built-up area (after completion of Kulim Plant 2) (sq ft)		
		Kulim Plant 3	Kulim Plant 2	Total
Storage space	Storage of automotive seats and automotive seat parts (including finished goods and incoming materials and supplies)	46,139	41,000	87,139
Office and meeting room(s)	Office for our employees in the production, technical development, QA/QC, human resources and finance departments as well as meeting room(s)	15,782	7,000	22,782
Staff hostel	Staff accommodation	-	22,000	22,000
Total approximate built-up area		125,895	84,000	209,895

With the relocation of 1 unit of our Group's double conveyor lines to the Kulim Plant 2, it is expected that our Group's combined manufacturing space for our manufacturing of automotive seats at both Kulim Plant 3 and Kulim Plant 2 will increase from 63,974 sq ft to 77,974 sq ft while the combined storage space for automotive seats and automotive seat parts at both Kulim Plant 3 and Kulim Plant 2 will increase from approximately 46,139 sq ft to approximately 87,139 sq ft. Such expansion of our manufacturing space and storage space for automotive seats and automotive seat parts will enable our Group to cater for higher order volume from both our existing and new customers as the additional offline processes or workstations are required to improve output to minimise bottleneck amidst the higher production volume expected and to cater for increasing volume of input materials and supplies as well as finished goods which are large in size. Further, we can also serve our customers better with availability of buffer stocks for materials and supplies required as well as finished goods to ensure short lead time to delivery can be achieved.

The total manufacturing space and storage space for our manufacturing of automotive seats will increase from approximately 110,113 sq ft (estimated at our Kulim Plant 3) to approximately 165,113 sq ft (at our Kulim Plant 3 and Kulim Plant 2) after the completion of construction of Kulim Plant 2.

As at the LPD, there is no staff accommodation provided in Kulim Plant 1 and 30 of our Group's employees at the Kulim Plant 1 are staying at a rented property near to the Kulim Plant 1. The new staff hostel to be constructed on the Kulim Plant 2 is expected to house up to 100 staff and cater for our increased headcount as part of our expansion plan as provided in **Section 7.27** of this Prospectus.

The annex office building will enable us to accommodate the increased number of employees for our automotive seat division in Kulim, Kedah in order to cater for our increasing operational activities.

We have acquired the land for Kulim Plant 2 in October 2023 which was funded by our Group's internally-generated funds and bank borrowings. As at the LPD, we are in the midst of preparing the planning permission and building plans for the construction of Kulim Plant 2 and expect to submit the same to the relevant authorities in May 2024.

4. DETAILS OF OUR IPO (CONT'D)

We expect to commence the construction works for the Kulim Plant 2 in the 3rd quarter of 2024, subject to our Group first obtaining approvals for the planning permission and building plans from the local council for the construction of the Kulim Plant 2. We anticipate to complete the construction works and commence our operation at the Kulim Plant 2 by the 4th quarter of 2025 (which is estimated to be within 24 months from the date of our Listing), subject to our Group obtaining the relevant licences and approvals from the regulatory authority. Further details on the construction of the Kulim Plant 2 are set out in **Section 7.27.1** of this Prospectus.

The Kulim Plant 2 as described above is envisaged to only occupy approximately 1.5 acres out of 8.1 acres of the land in Padang Serai, Kulim, Kedah acquired by our Group. Our Group does not have any immediate plans to develop the remaining land area of approximately 6.6 acres as at the LPD. Our Group will reserve the remaining undeveloped part of the land for future expansion, the timing and scale of which will depend on our Group's business expansion need and available funds.

The amount of proceeds from our Public Issue of RM18.8 million earmarked for Kulim Plant 2 includes the construction cost of the manufacturing plant, warehouse, annex office building and staff hostel (including the interior refurbishment and installation of a rooftop solar photovoltaic system). In the event the allocated proceeds are insufficient for the construction of the Kulim Plant 2, the shortfall will be funded from the amount allocated for our working capital, our internally-generated funds and/or bank borrowings.

Upon completion of the Kulim Plant 2, our Group intends to operate from both the Kulim Plant 3 and Kulim Plant 2 for the manufacturing of automotive seats. Our Group plans to operate from our own Kulim Plant 2 (upon completion of construction and commissioning) and a rented manufacturing plant (i.e. Kulim Plant 3) within the same vicinity to allow our Group to have flexibility in managing our production and storage space to cater for our operational needs, such as the ease of relocating our rented manufacturing plant to another rented manufacturing plant with larger production and storage space if the need arises depending on our customers' orders.

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4. DETAILS OF OUR IPO (CONT'D)

4.5.4 Purchase of new machineries

We have earmarked approximately RM3.0 million from the gross proceeds of our Public Issue to purchase new machineries for our manufacturing of automotive covers as follows:

Description of machineries	Estimated no. of units	Total estimated cost (RM'000)
Sewing machines	75	1,400
Automated leather cutting machine	1	1,300
Patterning machine	1	300
Total		3,000

The sewing machines comprise of general sewing machines (which are used for sewing and stitching leather, synthetic leather and/or fabric pieces into complete automotive covers as well as sewing parts and/or accessories onto the automotive covers) and double line sewing machines (which are used for single or double line stitches on the surface of automotive covers) which are essential for our manufacturing of automotive covers. We intend to purchase up to 15 units of new double line sewing machines and 60 units of new general sewing machines, of which 15 units of general sewing machines will be placed at our new manufacturing facility in Klang Valley (as detailed in **Section 4.5.2** of this Prospectus) and the remaining 15 units of new double line sewing machines together with 45 units of new general sewing machines will replace the 15 units of old double line sewing machines and 45 units of old general sewing machines for manufacturing of automotive covers at our Tampoi Plant. As at the LPD, we have 36 units of double line sewing machines (4 units of which are used for our technical development and not for production of automotive covers) and 126 units of general sewing machines (4 units of which are used for our technical development and not for production of automotive covers) at our Tampoi Plant which have an average age of 13 years.

The utilisation rate of our sewing machines was 53.5% for the FYE 2023 and 49.2% as at the LPD. The new sewing machines are not expected to increase the manufacturing capacity of our manufacturing of automotive covers as the manufacturing capacity is largely determined by the capacity of the automated multi-layer cutting machineries, which are used to cut PVC and foam materials, as detailed in **Section 7.7** of this Prospectus. Nevertheless, the 60 new replacement sewing machines at our Tampoi Plant will reduce maintenance frequency and cost incurred by our existing old sewing machines (15 units of double line sewing machines and 45 units of general sewing machines with an average age of 17 years) and experiencing high maintenance frequency. Meanwhile, the 15 new general sewing machines placed at our new manufacturing facility in Klang Valley will enable us to also carry out sewing processes at the new premises, which would in turn improve our lead time and delivery schedule.

As at the LPD, we have 6 units of automated multi-layer cutting machineries and 3 units of automated leather cutting machineries at our Tampoi Plant to cut automotive cover materials with an average age of 10 years. The utilisation rates of our automated multi-layer cutting machineries and automated leather cutting machineries for the FYE 2023 was 70.6% and 65.3% respectively, while as at the LPD are 55.1% and 66.8%, respectively. We intend to purchase a new automated leather cutting machine to replace 1 of our existing automated leather cutting machine to improve the efficiency of material usage and to reduce maintenance frequency and cost incurred by our existing old automated leather cutting machine which was purchased in 2008 and experiencing high maintenance frequency. Whilst the new automated leather cutting machine will have higher capacity of approximately 1.47 million sq ft per annum as compared to the old automated leather cutting machine to be replaced which has capacity of approximately 0.86 million sq ft per annum, the new replacement automated leather cutting machine is not expected to increase the manufacturing capacity of our manufacturing of automotive covers as the manufacturing capacity is largely determined by the capacity of the automated multi-layer cutting machineries whereby the volume of automotive covers that can be produced is limited by the volume of automotive cover materials such as PVC or foam that can be, or has been, cut by the automated multi-layer cutting machineries in view that the automotive covers typically require more PVC as compared to leather.

4. DETAILS OF OUR IPO (CONT'D)

We currently have 2 patterning machines which are used for pattern sewing. The additional patterning machine will enable our Group to take on more orders for precise and symmetrical pattern sewing. However, the additional patterning machine is not expected to increase the manufacturing capacity of our manufacturing of automotive covers as the manufacturing capacity is largely determined by the capacity of the automated cutting machineries.

In the event the allocated proceeds are insufficient for the purchase of new machineries as detailed above, the shortfall will be funded from the amount allocated for our working capital, our internally-generated funds and/or bank borrowings.

4.5.5 Working capital

We have earmarked approximately RM52.2 million from the gross proceeds of our Public Issue for our working capital:

Details	(RM'000)
Purchase of materials and supplies	39,000
General working capital	13,175
Total	52,175

A total of approximately RM39.0 million out of the proceeds allocated for working capital will be used to finance purchase of materials and supplies for our automotive cover division and automotive seat division.

The materials and supplies used by us for our automotive cover division include automotive cover materials, interior parts and parts, accessories and other supplies such as zippers, plastic strips and hooks.

The materials and supplies used by us for our automotive seat division include padding, seatbelts, buckles, electrical parts, frames, side airbags and automotive covers.

Please refer to **Section 7.8** of this Prospectus for the list of major materials and supplies utilised by our Group. The allocation of the purchase of each category of materials and supplies cannot be determined at this juncture. We have budgeted the materials and supplies purchase with reference to the average historical cost of materials and supplies purchase during the FYE 2023 that we require for our manufacturing of automotive covers and automotive seats, with the expected growth in our business.

Our Group plans to utilise the balance RM13.2 million working capital for our day-to-day operations, which include, among others, defrayment of administrative expenses such as staff cost, and selling and marketing expenses.

Our Group's working capital requirement is expected to increase in tandem with its production activities in line with the growth of our Group's businesses. Therefore, while our Group continues to generate positive cash inflows from its operations, the allocated proceeds from our IPO for our Group's working capital provide flexibility to our Group in managing its cashflows to support the expected growth in our scale of operations or businesses while reducing our reliance on bank borrowings.

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4. DETAILS OF OUR IPO (CONT'D)

4.5.6 Estimated listing expenses

We have earmarked approximately RM8.0 million from the gross proceeds of our Public Issue to defray the listing expenses of our IPO as follows:

Details	Estimated amount (RM'000)	%
Professional fees	3,123	39.1
Brokerage fees, underwriting commission and placement fees	3,060	38.2
Fees payable to authorities	543	6.8
Other fees and expenses such as printing, advertising and translation	563	7.0
Miscellaneous expenses and contingencies	711	8.9
Total	8,000	100.0

If the actual fees and expenses for our IPO and Listing are higher than budgeted, the shortfall will be funded out of the amount allocated for our working capital requirements. On the other hand, if the actual fees and expenses are lower than budgeted, the difference will be used to fund our working capital requirements.

Pending the receipt of the IPO proceeds, we may utilise our internally-generated funds for the listing expenses. When the IPO proceeds which have been allocated for the listing expenses are received, we will use the IPO proceeds allocated to replenish our working capital.

Any variations from the amounts budgeted above, save for the amount earmarked for working capital in **Section 4.5.5** of this Prospectus, shall be adjusted towards or against, as the case may be, the proceeds allocated for our working capital requirements. Any further shortfall will be funded via our internally-generated funds and/or bank borrowings. Where applicable and required under Paragraph 8.22 of the Listing Requirements, we will seek shareholders' approval for any material variation to the intended utilisation of proceeds.

We will not receive any proceeds from the Offer for Sale. The gross proceeds from the Offer for Sale of up to approximately RM87.7 million will accrue entirely to our Selling Shareholders. Our Selling Shareholders will bear their own expenses such as placement fee in respect of the Offer for Sale.

4.6 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.6.1 Brokerage fee

We will pay the brokerage fee in respect of our 67,456,000 Issue Shares made available for application by the Malaysian Public and our Eligible Persons, at the rate of 1.0% (exclusive of applicable tax) of the IPO Price in respect of 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 Joint Placement Agents are entitled to charge brokerage fee of up to 1.0% to the Selected Investors as set out in **Section 4.2.1(iii)** and **Section 4.2.2(ii)** of this Prospectus. For the avoidance of doubt, such brokerage fee will be paid by such Selected Investors and will not be borne by us nor the Selling Shareholders.

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

4.6.2 Underwriting commission

We have entered into the Underwriting Agreement with the Managing Underwriter and Joint Underwriters for the underwriting of 67,456,000 Issue Shares made available for application by the Malaysian Public and our Eligible Persons (“**Underwritten Shares**”).

We will pay a managing underwriting commission of 0.5% and an underwriting commission of 1.5% (exclusive of applicable tax) of the value of Underwritten Shares based on the IPO Price to our Managing Underwriter and Joint Underwriters.

4.6.3 Placement fee

The Selling Shareholders and us will pay the Joint Placement Agents a placement fee at the rate of 2.0% (exclusive of applicable tax) of the total value of IPO Shares successfully placed out by our Joint Placement Agents to the Selected Investors and Bumiputera investors approved by MITI based on the IPO Price.

The placement fees to be incurred on the Offer for Sale will be fully borne by the Selling Shareholders.

4.7 DETAILS OF THE UNDERWRITING AGREEMENT

We have on 18 April 2024 entered into the Underwriting Agreement with the Managing Underwriter and Joint Underwriters to underwrite the Underwritten Shares subject to the clawback and reallocation provisions as set out in **Section 4.2.4** of this Prospectus and the terms and conditions as set out in the Underwriting Agreement.

The following are the salient terms of the Underwriting Agreement are set out below:

4.7.1 Conditions precedent

- (a) The obligations of the Joint Underwriters to underwrite the Underwritten Shares under the Underwriting Agreement are conditional upon:
- (i) the Underwriting Agreement having been duly executed by all the parties to the Underwriting Agreement and duly stamped;
 - (ii) there having been on or prior to the closing date of our IPO, no occurrence of any event that is likely to result in any material adverse change in the condition (financial or otherwise) of our Company or our Subsidiaries, which is material in the context of our Public Issue from that set forth in this Prospectus, nor the occurrence of any event or the discovery of any fact which is inaccurate, untrue or incorrect to any extent which is or will be material in the reasonable opinion of the Managing Underwriter and the Joint Underwriters, which makes any of the representations and warranties contained in the Underwriting Agreement untrue and incorrect in any material respect as though they had been given and made on such date with reference to the facts and circumstances then subsisting, nor the occurrence of any breach of the undertakings contained in the Underwriting Agreement;
 - (iii) the delivery to the Managing Underwriter and the Joint Underwriters:
 - (aa) prior to the date of the registration of this Prospectus, a copy certified as a true copy by an authorised officer of our Company of all the resolutions of the Directors and the shareholders in general meeting (if required) approving the Underwriting Agreement, this Prospectus, our Public Issue and authorising the execution of the Underwriting Agreement and the issuance of this Prospectus; and

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

- (bb) a certificate, in the form or substantially in the form contained in the Underwriting Agreement, dated the date of this Prospectus signed by duly authorised officers of our Company stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as is referred to in **Section 4.7.1(a)(ii)** of this Prospectus;
- (iv) this Prospectus being in the form and substance satisfactory to the Managing Underwriter and the Joint Underwriters;
- (v) the delivery to the Managing Underwriter and the Joint Underwriters on the closing date of our IPO of such reports and confirmations dated the closing date of our IPO from our Directors as the Managing Underwriter and the Joint Underwriters may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group;
- (vi) the Managing Underwriter and the Joint Underwriters having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;
- (vii) our Public Issue not being prohibited by any statute, order, rule, regulation or directive promulgated or issued by any legislative, executive or regulatory body or authority in Malaysia;
- (viii) there is no investigation, directions or actions by any judicial, governmental or regulatory authority in relation to our Listing or in connection with our Group which is still subsisting or unresolved to the satisfaction of the Managing Underwriter and the Joint Underwriters;
- (ix) our Company having complied and that our Public Issue is in compliance with the policies, guidelines and requirements of Bursa Securities, the SC and/or any other relevant authorities and all revisions, amendments and/or supplements thereto;
- (x) our Company having fully complied with all the conditions which are required to be complied with prior to the issuance of this Prospectus or the closing date of our IPO imposed by the SC and/or any other relevant authorities in respect of our Public Issue and our Listing;
- (xi) the acceptance for registration by the SC of this Prospectus and such other documents as may be required in accordance with the CMSA in relation to our Public Issue and the lodgement of this Prospectus with the CCM on or before its release under our Public Issue;
- (xii) Bursa Securities has agreed and approved in principle on or prior to the closing date of our IPO to the admission to the Official List of Bursa Securities and the listing of and quotation for the entire enlarged issued share capital of our Company on the Main Market of Bursa Securities where the SC having approved this Prospectus and if such approvals shall be conditional, all conditions thereto being in terms acceptable to the Managing Underwriter and the Joint Underwriters on or prior to the closing date of our IPO being reasonably satisfied and such approval not being withdrawn, revoked, suspended, terminated or lapsed and that such listing and quotation shall be granted after the submission to the SC and Bursa Securities of the relevant documents including the receipt of confirmation from the Bursa Depository confirming that the Securities Accounts of all successful applicants have been duly credited and the Issuing House has confirmed that the notices of allotment have been despatched to entitled holders;

4. DETAILS OF OUR IPO (CONT'D)

- (xiii) this Prospectus having been issued within 2 months from the date of the Underwriting Agreement or within such extended period as may be determined by our Company, the Managing Underwriter and the Joint Underwriters from time to time in writing;
 - (xiv) the issue of our Issue Shares having been approved by the SC and any other relevant authorities and the shareholders of our Company in a general meeting and such authorisation has not been withdrawn, revoked, suspended, terminated or lapsed; and
 - (xv) all necessary approvals and authorisations required in relation to the Issue Shares including but not limited to governmental approvals having been obtained and are in full force and effect.
- (b) If any of the conditions set out in **Section 4.7.1(a)** of this Prospectus is not satisfied by the closing date of our IPO, the Managing Underwriter and the Joint Underwriters shall be entitled to terminate the Underwriting Agreement and in that event, except for the liability of our Company for the payment of costs and expenses as provided in the Underwriting Agreement incurred prior to the termination and any claims pursuant to the Underwriting Agreement, there shall be no further claims by the Managing Underwriter and the Joint Underwriters against our Company, and the Parties shall be released and discharged from their respective obligations under the Underwriting Agreement PROVIDED THAT the Managing Underwriter and the Joint Underwriters may at their discretion with respect to their obligations waive compliance with any of the provisions of **Section 4.7.1(a)** of this Prospectus.

4.7.2 Termination of the Underwriting Agreement

- (a) Notwithstanding anything contained in the Underwriting Agreement, the Managing Underwriter and the Joint Underwriters may by notice in writing to our Company given at any time before the closing date of our IPO, terminate, cancel or withdraw their commitment to underwrite the Underwritten Shares if:
- (i) there is any breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Managing Underwriter and the Joint Underwriters within such number of days as stipulated by the Managing Underwriter and the Joint Underwriters in writing to our Company or as stipulated in the notice informing our Company of such breach or by the closing date of our IPO, whichever is earlier; or
 - (ii) there is withholding of information which is required to be disclosed to the Managing Underwriter and the Joint Underwriters pursuant to the Underwriting Agreement, and if capable of remedy, is not remedied within such number of days as stipulated by the Managing Underwriter and the Joint Underwriters in writing to our Company or as stipulated in the notice informing our Company of such breach which, in the opinion of the Managing Underwriter and the Joint Underwriters, 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 Public Issue, or the distribution or sale of the Issue Shares; or
 - (iii) there shall have occurred, happened or come into effect any material and adverse change to the business or financial condition of our Company or our Group; or
 - (iv) there shall have occurred, happened or come into effect any of the following circumstances:

4. DETAILS OF OUR IPO (CONT'D)

- (aa) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
- (bb) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Managing Underwriter and the Joint Underwriters (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);

which, in the reasonable opinion of the Managing Underwriter and the Joint Underwriters, 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 Company or our Group, the success of our Public Issue or the distribution or sale of the Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or

- (v) any approvals, orders, consents, authorisations, registrations and/or permissions required in relation to the IPO is revoked, suspended, withdrawn or ceases 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; or
- (vi) the Listing does not take place within three (3) months from the date of the Underwriting Agreement or such other extended date as may be agreed by our Company, the Managing Underwriter and the Joint Underwriters; or
- (vii) any commencement of legal proceedings or action against any member of our Group or any of their directors, which in the opinion of the Managing Underwriter and the Joint Underwriters, would have or is reasonably likely to have a material adverse effect or make it impracticable to market the IPO or to enforce contracts to allot and/or transfer our Shares; or
- (viii) any material statements contained in this Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect; or
- (ix) the imposition of any moratorium, suspension or material restriction on trading in securities generally on Main Market of Bursa Securities due to exceptional financial circumstances which, in the reasonable opinion of the Managing Underwriter and the Joint Underwriters, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the IPO, or the distribution or sale of the Issue Shares; or
- (x) there is failure on the part of our Company to perform any of its obligations in the Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Managing Underwriter and the Joint Underwriters within such number of days as stipulated by the Managing Underwriter and the Joint Underwriters in writing to our Company or as stipulated in the notice informing our Company of such breach or by the closing date of our IPO, whichever is earlier.

4. DETAILS OF OUR IPO (CONT'D)

- (b) In the event of termination pursuant to **Section 4.7.2(a)** of this Prospectus, the respective parties to the Underwriting Agreement shall, save and except for any antecedent breach, be released and discharged from their obligations under the Underwriting Agreement and the Underwriting Agreement shall be of no further force or effect subject to the following:
- (i) the liability of our Company for the payment of costs and expenses as provided in the Underwriting Agreement incurred prior to or in connection with such termination shall remain;
 - (ii) the liability of our Company for the payment of the Underwriting Commission as provided in the Underwriting Agreement shall remain; and
 - (iii) subject thereto, our Company shall return any monies paid without interest to the Joint Underwriters within 3 Market Days of the receipt of such notice of termination from the Managing Underwriter and the Joint Underwriters,
- provided that the Managing Underwriter and the Joint Underwriters may at their discretion waive compliance with or modify any of the provisions of the Underwriting Agreement without prejudice to their powers, rights and remedies under the Underwriting Agreement.
- (c) In the event that the Underwriting Agreement is terminated pursuant to **Section 4.7.2(a)(iv)** of this Prospectus, our Company, the Managing Underwriter and the Joint Underwriters may confer with a view to defer our Public Issue by amending its terms or the terms of the Underwriting Agreement and may enter into a supplemental underwriting agreement accordingly, but neither the Managing Underwriter and the Joint Underwriters nor our Company shall be under any obligation to enter into a new or fresh agreement.

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4. DETAILS OF OUR IPO (CONT'D)

4.8 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to the subscribers or purchasers of the IPO Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain our Shares in CDS Accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective CDS Accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS Account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

Shares held in CDS Accounts may not be withdrawn from the CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;
- (iv) where a body corporate is removed from the Official List;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

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

It is expected that our Shares will commence trading on Bursa Securities approximately 10 Market Days after the close of the Application. Subscribers or purchasers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of book-entry transfer to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

Our Promoters' and substantial shareholders' shareholdings in our Company before and after our IPO are as follows:

Name	Nationality	After the Pre-IPO Restructuring Exercise but before our IPO				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Tan Sun Sun	Malaysian	349,937,600	50.0	-	-	295,129,600	35.0	-	-
Go Yoong Chang	Malaysian	279,950,000	40.0	-	-	225,142,000	26.7	-	-
Connie Go	Malaysian	69,987,600	10.0	-	-	70,287,600 ⁽³⁾	8.3	-	-

Notes:

- (1) Based on our total number of 699,875,200 Shares after the completion of the Pre-IPO Restructuring Exercise but before our IPO.
- (2) Based on our enlarged number of 843,200,000 Shares after our IPO.
- (3) Assuming all the 300,000 Issue Shares allocated to Connie Go under the Pink Form Allocation are fully subscribed.

The Shares held by our Promoters and substantial shareholders do not have and will not have different voting rights from the other shareholders of our Company. Save as disclosed above, there are no other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is no arrangement between our Company and our Promoters and substantial shareholders with any third party, which may result in a change in control of our Company at a date subsequent to our IPO and our Listing.

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

5.1.2 Profiles of Promoters and substantial shareholders

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

(i) Connie Go

Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer

Connie Go, a Malaysian female aged 49, is our Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer. She was appointed to our Board on 14 August 2023. She is presently the Chief Executive Officer of Gosford Malaysia, where she is responsible for our Group's strategic planning and overall business operations. She is also a Director of Gosford Malaysia, Trimex Malaysia, Feytech SB, Gosford Singapore and Trimex Australia.

She completed her Unified Examination Certificate for Independent Chinese Secondary Schools in Malaysia at Chinese High School Batu Pahat in 1992.

She began her career as a cabin crew member with Malaysian Airline System Berhad in January 1993. She left Malaysian Airline System Berhad in September 1995 to join Singapore Airlines Limited as a cabin crew member. In July 2001, she was promoted to Leading Stewardess in Singapore Airlines Limited. She resigned from Singapore Airlines Limited in September 2008. During her tenure in Malaysian Airline System Berhad and Singapore Airlines Limited as a cabin crew member and Leading Stewardess, she was responsible for the safety, comfort and welfare of passengers travelling on aircraft.

While she was Leading Stewardess with Singapore Airlines Limited, she saw the opportunity to expand Gosford Malaysia's business into Singapore. She thus co-founded Gosford Singapore in Singapore in September 2007 with her late brother, Go Yoong Fei, and was appointed as Director where she was in charge of overseeing the sale and marketing of automotive covers in Singapore.

In November 2018, she joined Gosford Malaysia when she was identified as a successor to her late brother, Go Yoong Fei, who was then the Director of Gosford Malaysia. She first took on the role of Head of Marketing REM and Export in November 2018, where she was in charge of the sales and marketing activities of automotive covers in international markets, including New Zealand, Australia, United States and Netherlands. She was re-designated as acting Chief Executive Officer since March 2019, and her role expanded to encompass overseeing the overall activities of Gosford Malaysia, Trimex Australia, Gosford Singapore and Feytech SB. She was appointed as Chief Executive Officer of Gosford Malaysia in April 2019. Under her leadership, our Group set up its present Tampoi Plant in Johor and ventured into the automotive seat division under Feytech SB.

In 2022, she was awarded with the 2022/2023 Achievements and Leadership of Women in Business Award by Aspiring Women Entrepreneurs.

Save for Tan Sun Sun (her sister-in-law) and Go Yoong Chang (her brother), she does not have any family relationship with our other Directors and/or substantial shareholders.

Connie Go's other principal directorships and involvement in other corporations are disclosed in **Section 5.2.3(ii)** of this Prospectus. As at the LPD, she does not sit on any board of directors of any listed companies or other private companies.

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

(ii) **Go Yoong Chang**

Promoter, substantial shareholder and Non-Independent Executive Director

Go Yoong Chang, a Malaysian male aged 44, is our Promoter, substantial shareholder and Non-Independent Executive Director. He was appointed to our Board on 27 September 2023. He is also a Director of Gosford Malaysia and Business Development Director in Feytech SB, where he is responsible for business development of our Group's OEM market segment, as well as a Director of Trimex Malaysia.

In 2003, he graduated with a Bachelor of Mechanical Engineering from Universiti Tenaga Nasional.

In May 2002, he joined Price Solutions Sdn Bhd, a wholly-owned subsidiary of Standard Chartered Holdings (Asia Pacific) BV, as Loan Officer where he was responsible for credit analysis on the bank's loan portfolio.

He left Price Solutions Sdn Bhd and co-founded E Tel Teleshop Centre (a partnership) in August 2003 where he was responsible for the selling and marketing of telecommunication products. He discontinued his partnership in E Tel Teleshop Centre when the registration of a business for partnership expired in November 2009. In March 2007, he was appointed as Director of ACE Marketing & Distribution Sdn Bhd, which was involved in the sale and marketing of telecommunication products at the time.

In November 2009, he co-founded Go Capital which was dormant until 2011. When Go Capital commenced its business in gold bullion trading in October 2011, he was appointed as Finance Manager and he spearheaded the business expansion. In December 2011, he was designated as the Chief Executive Officer of Go Capital. In January 2015, he co-founded ACE Global Metal Sdn Bhd, a wholly-owned subsidiary of Go Innovate, which is involved in the business of developing information technology. In May 2016, he co-founded and was appointed as a Director of ACE Reload Sdn Bhd, which is currently involved in the trading of telecommunication products. He subsequently co-founded Go Assay Sdn Bhd (formerly known as ACE Assay (M) Sdn Bhd) in April 2017, a wholly-owned subsidiary of Go Innovate, which is principally involved in technical testing and analysis as well as assaying and refining of precious metals.

Subsequently in March 2019, he was appointed as Director and Chief Executive Officer of Go Innovate, an investment holding company, and was responsible for overall strategic business planning. He was subsequently redesignated to Executive Chairman on March 2020 and thereafter he assumes his present position as Non-Independent Non-Executive Chairman in March 2023. He was redesignated to Non-Independent Non-Executive Chairman as he is deemed a major shareholder of Go Innovate through his direct shareholding and indirect shareholding via ACE Dynamic Team Sdn Bhd in Go Innovate. As at the LPD, he directly holds 1.0% and ACE Dynamic Team Sdn Bhd holds 87.0% of shares in Go Innovate.

In May 2018, he was appointed as a Business Development Officer of Gosford Malaysia and was made a Director of Gosford Malaysia in January 2019. In March 2019, he was also appointed as a Director in Trimex Malaysia, where he was tasked to oversee the Finance and Business Development departments of these 2 companies with the assistance of a Finance Manager and 2 Business Development General Managers. Since March 2023, he ceased his role of overseeing the Finance department of Gosford Malaysia and Trimex Malaysia after the appointment of our Group's Chief Financial Officer in the same month.

In March 2023, he was appointed as Business Development Director in Feytech SB.

Save for Connie Go (his sister) and Tan Sun Sun (his sister-in-law), he does not have any family relationship with our other Directors and/or substantial shareholders.

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

Go Yoong Chang's other principal directorships and involvement in other corporations are disclosed in **Section 5.2.3(iii)** of this Prospectus. As at the LPD, save for being the Non-Independent Non-Executive Chairman of Go Innovate, he does not sit on any board of directors of any listed companies.

(iii) Tan Sun Sun

Promoter, substantial shareholder and Non-Independent Executive Director

Tan Sun Sun, a Malaysian female aged 47, is our Promoter, substantial shareholder and Non-Independent Executive Director. She was appointed to our Board on 28 August 2023. She is presently also a Director of Trimex Malaysia where she is responsible for overseeing the Sales and Marketing department for the REM and PDI market segments in Malaysia.

She graduated from London Chamber of Commerce and Industry with a Diploma in Accounting in 2005.

In October 2004, she joined Mortgage Software Sdn Bhd as a Personal Assistant where she was responsible for performing secretarial work and provide senior-level staff members with day-to-day administrative support. She left Mortgage Software Sdn Bhd in June 2005.

In July 2005, she joined Gosford Leather Upholstering Sdn Bhd, a company which was involved in the sale of automotive covers, as an Administrative Executive where she was responsible for the company's administrative matters. Gosford Leather Upholstering Sdn Bhd was subsequently dissolved in November 2019.

In November 2009, she left Gosford Leather Upholstering Sdn Bhd to join Trimex Malaysia as Administrative Executive where she was responsible for the company's administrative matters. She was promoted to Administrative Manager in November 2014 where she was in charge of the company's administration department. In March 2018, she was transferred to Gosford Malaysia as Personal Assistant to Director to support and assist her late husband, Go Yoong Fei.

In April 2019, she was designated as a Personal Assistant to the present Chief Executive Officer, Connie Go, a position she held until March 2023.

In August 2018, she was appointed as Director of Trimex Malaysia and assumed her present role.

Save for Connie Go (her sister-in-law) and Go Yoong Chang (her brother-in-law), she does not have any family relationship with our other Directors and/or substantial shareholders.

Tan Sun Sun's other principal directorships and involvement in other corporations are disclosed in **Section 5.2.3(iv)** of this Prospectus. As at the LPD, she does not sit on any board of directors of any listed companies.

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

5.1.3 Changes in the shareholdings of our Promoters and substantial shareholders in our Company since incorporation

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

Name	As at 11 April 2023 (Date of incorporation)			(I) After the Acquisitions			(II) After (I) and the Share Split			
	Direct		Indirect	Direct		Indirect	Direct		Indirect	
	No. of Shares	%	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Promoters and substantial shareholders										
Tan Sun Sun	-	-	-	43,742,200	50.0	-	-	349,937,600	50.0	-
Go Yoong Chang	-	-	-	34,993,750	40.0	-	-	279,950,000	40.0	-
Connie Go	-	-	-	8,748,450	10.0	-	-	69,987,600	10.0	-
Substantial shareholders										
Koh Song Ho ⁽⁴⁾	1	100.0	-	-	-	-	-	-	-	-

Name	(III) After (II) and our IPO			
	Direct		Indirect	
	No. of Shares	% ⁽³⁾	No. of Shares	% ⁽³⁾
Promoters and substantial shareholders				
Tan Sun Sun	295,129,600	35.0	-	-
Go Yoong Chang	225,142,000	26.7	-	-
Connie Go	70,287,600 ⁽⁵⁾	8.3	-	-
Substantial shareholders				
Koh Song Ho ⁽⁴⁾	-	-	-	-

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

Notes:

- (1) Based on our total number of 87,484,400 Shares after the Acquisitions.
- (2) Based on our total number of 699,875,200 Shares after the Share Split.
- (3) Based on our enlarged number of 843,200,000 Shares after our IPO.
- (4) Koh Song Ho, being the holder of our subscriber's Share, is not related to any of our Promoters and substantial shareholders. He has resigned as our Director on 6 September 2023 and transferred his 1 Share to Connie Go on 19 September 2023. For the avoidance of doubt, upon completion of the said transfer of his 1 Share to Connie Go, Koh Song Ho does not have any role in our Company and/or our Group.
- (5) Assuming all the 300,000 Issue Shares allocated to Connie Go under the Pink Form Allocation are fully subscribed.

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

Save for the issuance of our Shares as consideration for the Acquisitions, the dividends paid and to be paid between the date of this Prospectus up to the Listing by our subsidiaries as disclosed in **Section 12.13** of this Prospectus, and the aggregate remuneration and material benefits in-kind paid or proposed to be paid for services rendered in all capacities to our Group as set out in **Section 5.2.4** of this Prospectus, there are no other amounts or benefits paid, intended to be paid or given to our Promoters and substantial shareholders within the two (2) years preceding the date of this Prospectus.

5.2 DIRECTORS

5.2.1 Directors' shareholdings

The direct and indirect shareholdings of our Directors in our Company before and after our IPO are as follows:

Directors	Designation	After the Pre-IPO Restructuring Exercise but before our IPO		After our IPO	
		Direct No. of Shares	Indirect No. of Shares	Direct No. of Shares	Indirect No. of Shares
Dato' Mazlan bin Mohamad	Independent Non-Executive Chairman	-	-	300,000 ⁽³⁾	-
		-	-		Neg

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

Directors	Designation	After the Pre-IPO Restructuring Exercise but before our IPO			After our IPO		
		Direct	Indirect	Indirect	Direct	Indirect	No. of Shares
		No. of Shares	No. of Shares		No. of Shares		
		% ⁽¹⁾	% ⁽¹⁾	% ⁽²⁾	% ⁽²⁾	% ⁽²⁾	
Connie Go	Non-Independent Executive Director and Chief Executive Officer	69,987,600	10.0	-	70,287,600 ⁽³⁾	8.3	-
Go Yoong Chang	Non-Independent Executive Director	279,950,000	40.0	-	225,142,000	26.7	-
Tan Sun Sun	Non-Independent Executive Director	349,937,600	50.0	-	295,129,600	35.0	-
Leou Thiam Lai	Independent Non-Executive Director	-	-	-	300,000 ⁽³⁾	Neg	-
Dato' Tan Yee Boon	Independent Non-Executive Director	-	-	-	300,000 ⁽³⁾	Neg	-
Lee Wan Ning	Independent Non-Executive Director	-	-	-	300,000 ⁽³⁾	Neg	-

Notes:

Neg Negligible, being less than 0.1%.

(1) Based on our total number of 699,875,200 Shares after the Pre-IPO Restructuring Exercise but before our IPO.

(2) Based on our enlarged number of 843,200,000 Shares after our IPO.

(3) Assuming he/she fully subscribes to his/her entitlement under the Pink Form Allocation.

None of our Directors represents any corporate shareholder on our Board.

For details on the association of family relationships between our Promoters, substantial shareholders, Directors and Key Senior Management, please refer to **Section 5.6** of this Prospectus.

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

5.2.2 Profiles of Directors

The profiles of our Directors are set out below:

(i) Dato' Mazlan bin Mohamad
Independent Non-Executive Chairman

Dato' Mazlan bin Mohamad, a Malaysian male aged 59, is our Independent Non-Executive Chairman. He was appointed to our Board on 28 August 2023.

He graduated with a Degree in Accounting from Universiti Utara Malaysia in 1988. In 1995, he was certified as a Member of the MIA.

Upon graduation, he held a position as a platoon commander REJ 105 AW in the Ministry of Defence Malaysia from August 1988 to February 1989. He began his career as a Senior Investigation Officer of the Anti-Corruption Agency (now known as the Malaysian Anti-Corruption Commission) in February 1989 where he was involved in the investigation and prosecution of white-collar crime. He then left the Anti-Corruption Agency in January 1994.

In January 1994, he joined the Penang Port Commission of the Ministry of Transport Malaysia as an Administrative Officer and was then promoted to Senior Manager of Finance and Administration in January 1998, where he was responsible for overseeing and managing port tariff, the operation of cruise ship and ferry as well as the statistics of container and cargo. He retired early from the Penang Port Commission of the Ministry of Transport Malaysia in March 2013.

In June 2014, he was appointed as the Executive Director of Harvest Court Industrial Berhad (now known as Anzo Holdings Berhad) where he was responsible for overseeing the operations of the company and its subsidiaries until November 2017.

As at the LPD, he does not sit on any board of directors of any listed companies. Presently, he sits on the board of directors of several private companies in Malaysia where he has an active role, among others, Kawalan Keselamatan Ikhlas Sdn Bhd, Pinnacle Homes Management Services Sdn Bhd and Meditours Sdn Bhd where he is responsible for overseeing, managing and handling the operations of these companies.

Alongside his career, he was appointed as the President of Association of Former Officers of the Malaysian Anti-Corruption Commission since 2021 and he is also a Commanding Officer for Joint Reserve Army at REJ 509 Askar Wataniah with rank Lieutenant Colonel since 2009, positions that he holds until present.

Dato' Mazlan bin Mohamad does not have any family relationship with any of our Directors and/or substantial shareholders.

Dato' Mazlan bin Mohamad's other principal directorships and involvement in other corporations are disclosed in **Section 5.2.3(i)** of this Prospectus.

(ii) Connie Go
Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer

The profile of Connie Go as our Non-Independent Executive Director and Chief Executive Officer, who is also our Promoter and substantial shareholder, is set out in **Section 5.1.2(i)** of this Prospectus.

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

(iii) **Go Yoong Chang**

Promoter, substantial shareholder and Non-Independent Executive Director

The profile of Go Yoong Chang as our Non-Independent Executive Director, who is also our Promoter and substantial shareholder, is set out in **Section 5.1.2(ii)** of this Prospectus.

(iv) **Tan Sun Sun**

Promoter, substantial shareholder and Non-Independent Executive Director

The profile of Tan Sun Sun as our Non-Independent Executive Director, who is also our Promoter and substantial shareholder, is set out in **Section 5.1.2(iii)** of this Prospectus.

(v) **Leou Thiam Lai**

Independent Non-Executive Director

Leou Thiam Lai, a Malaysian male aged 67, is our Independent Non-Executive Director. He was appointed to our Board on 28 August 2023.

He graduated from Tunku Abdul Rahman College with a Diploma in Commerce (Financial Accounting) in 1980. He became an Associate Member of the Association of Certified Accountants (now known as the Association of Chartered Certified Accountants ("**ACCA**")) in 1983 and the Malaysian Institute of Taxation (now known as the Chartered Tax Institute of Malaysia ("**CTIM**")) in 1988. He was subsequently made a Fellow Member of the ACCA in 1988 and the CTIM in 2006. He is also a Member of the MIA since 1984.

Upon graduation, he began his career with Aljefri, Siva, Heng and Monteiro (now known as Baker Tilly Monteiro Heng PLT) as an Audit Assistant in June 1980 where he was responsible for performing audit work. In September 1981, he left Aljefri, Siva, Heng and Monteiro to join Baharom Hamdan (now known as Grant Thornton Malaysia PLT) as Audit Senior where he was responsible for conducting audit work until his resignation in June 1984.

In July 1984, he joined Paper Product Berhad (now known as Insas Berhad) for a period of 2 years and then joined Kotak Kajang Industries Sdn Bhd in June 1986, both as Accountant in which he was responsible for handling financial related matters such as day-to-day financial operations.

In August 1988, he left Kotak Kajang Industries Sdn Bhd and founded Leou & Associates, a firm that offers auditing and tax consultancy services. He then founded Leou Associates PLT, a firm that offers auditing and tax consultancy services in 2014 and assumed his role as the Managing Partner where he is responsible for managing and overseeing the entire operations of the firm.

Currently, he is an Independent Non-Executive Director of Yong Tai Berhad (since July 2023) and BTM Resources Berhad (since August 2023), both companies are listed on the Main Market of Bursa Securities.

As at the LPD, he also sits on the board of directors of several private companies in Malaysia.

Leou Thiam Lai does not have any family relationship with any of our Directors and/or substantial shareholders.

Leou Thiam Lai's other principal directorships and involvement in other corporations are disclosed in **Section 5.2.3(v)** of this Prospectus.

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

(vi) Dato' Tan Yee Boon
Independent Non-Executive Director

Dato' Tan Yee Boon, a Malaysian male aged 48, is our Independent Non-Executive Director. He was appointed to our Board on 28 August 2023.

He graduated from the University of Glamorgan (now known as the University of South Wales), United Kingdom, with a Bachelor of Laws in 1997. In 1998, he obtained his Certificate of Legal Practice from the Legal Profession Qualifying Board of Malaysia. He was admitted as an Advocate and Solicitor in the High Court of Malaya and has been a member of the Bar Council Malaysia since 1999.

He began his legal practice by joining Ranjit Ooi and Robert Low (now known as Robert Low & Ooi) as a Legal Assistant in September 1999 until July 2000. He subsequently joined Khaw & Partners as a Legal Assistant in August 2000, and was made a Partner of the firm in January 2011. During his tenure in the said firm, he was involved in handling civil litigation cases. He left Khaw & Partners in April 2013.

In May 2013, he joined David Lai & Tan as a partner, where he is currently heading the Corporate Department of the firm. To date, he has accumulated approximately 24 years of experiences in contentious proceedings such as shareholders disputes, minority oppression suits, contractual disputes, securities laws and other related companies and commercial litigation matters as well as non-contentious matters including initial public offering, transactions involving public listed companies, mergers and acquisitions and matters relating to listing rules and the takeover code. His practice also involves compliance and advisory work for listed companies in Malaysia as well as general commercial work such as corporate restructuring and cross-border matters in particular foreign investment.

As at the LPD, he sits on the board of directors of public listed and private companies in Malaysia and Hong Kong, including EV Dynamics (Holdings) Limited (formerly known as China Dynamics (Holdings) Limited) (since 2016) and TIL Enviro Limited (since 2018) as an Independent Non-Executive Director, both of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited.

He is an Independent Non-Executive Director of Protasco Berhad (since 2013), and the Deputy Chairman and an Independent Non-Executive Director of Propel Global Berhad (since 2023⁽¹⁾, which has taken over the listing status of Daya Materials Berhad on 28 April 2022 in which Dato' Tan remains as a director), both companies are listed on the Main Market of Bursa Securities. He is also an Independent Non-Executive Chairman of Ecoscience International Berhad (since 2021), which is listed on the ACE Market of Bursa Securities.

As at the LPD, he also sits on the board of directors of several private companies in Malaysia.

Dato' Tan Yee Boon does not have any family relationship with any of our Directors and/or substantial shareholders.

Dato' Tan Yee Boon's other principal directorships and involvement in other corporations are disclosed in **Section 5.2.3(vi)** of this Prospectus.

Note:

- (1) He was appointed as the Acting Chairman and Independent Non-Executive Director on 8 April 2022 and redesignated as the Deputy Chairman and Independent Non-Executive Director on 22 September 2023.

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

(vii) Lee Wan Ning
Independent Non-Executive Director

Lee Wan Ning, a Malaysian female aged 41, is our Independent Non-Executive Director. She was appointed to the Board on 28 August 2023.

She graduated with a Bachelor of Laws from Cardiff University, the United Kingdom in 2005. In 2008, she obtained her Certificate in Legal Practice from Advance Tertiary College and she has been admitted as an Advocate and Solicitor in the High Court of Malaya and has been a member of the Bar Council Malaysia since 2009. She has over 13 years of experience spans across the legal aspects of commercial, banking and conveyancing.

Upon graduation, she joined Messrs Gideon Tan Razali Zaini in November 2008 as chambering student where she underwent her pupillage until November 2009. She then continued on with her legal practice as Legal Associate in January 2010 where she was involved in handling litigation matters. She resigned from Messrs Gideon Tan Razali Zaini in January 2011.

In February 2011, she joined Messrs Martin Cheah & Associates as Legal Associate where she was involved in handling conveyancing matters for a short period of time. In March 2011, she left Messrs Martin Cheah & Associates to join Messrs Abdullah Chan as a Legal Associate where she was involved in handling corporate and conveyancing transactions.

In June 2012, she left Messrs Abdullah Chan and co-founded a law firm named Alan Tan & Lee. Being the co-founder and co-Managing Partner of the firm, she manages the firm including overseeing and handling legal transactions relating to commercial, banking and conveyancing.

As at the LPD, she does not sit on any board of directors of any listed companies. She, however, sits on the board of directors of private companies in Malaysia.

Lee Wan Ning does not have any family relationship with any of our Directors and/or substantial shareholders.

Lee Wan Ning's other principal directorships and involvement in other corporations are disclosed in **Section 5.2.3(vii)** of this Prospectus.

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

5.2.3 Our Directors' principal directorships or principal business activities outside our Group

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

(i) Dato' Mazlan bin Mohamad

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Present involvement						
COA Consultancy & Advisory Sdn Bhd	Business management consultancy services	Director/ Shareholder	6 November 2020	-	100.0	-
Kawalan Keselamatan Ikhlas Sdn Bhd	Security systems service activities, information communication technology (ICT) systems security, and general cleaning of buildings	Director/ Shareholder	30 October 2020	-	70.0	-
Meditours Sdn Bhd	To carry on the business of importing, exporting, buying and selling hospital equipment, medicine, drugs and pharmaceutical/ hospital equipment, medical materials, hospital equipment and laboratory equipment; providing cleaning services and cleaning treatment of office buildings and cleaning contractors; providing all kinds of services relating to information communication technology (ICT) including the import, export, supply assemble, manufacture, sale and purchase of computer hardware and software and etc	Director/ Shareholder	17 April 2015	-	50.0	-
Pinnacle Homes Management Services Sdn Bhd	Human resource affairs; cleaning of buildings of all types; operation of parking facilities for motor vehicles (parking lots)	Director/ Shareholder	8 September 2017	-	66.7	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Sanjung Subur Sdn Bhd	Dormant ⁽¹⁾	Director	30 August 2013	-	-	-
<u>Past directorship</u>						
Kanger International Berhad ⁽²⁾	Investment holding. The principal activities of its subsidiaries are involved in construction and related activities, trading of medical and healthcare products, bamboo flooring products and construction materials, as well as property development and project management	Independent Non-Executive Director	4 January 2021	26 December 2023	-	-
Anzo Capital Sdn Bhd	Management consultancy activities and money lending business	Director	25 February 2021	31 July 2023	-	-
Anzo Construction Sdn Bhd	Contractors in construction and related maintenance services, and retail sale of construction materials, hardware, paints and glass	Director	25 July 2019	31 July 2023	-	-
Drahman Ventures Sdn Bhd	General contractor, general supplier and agriculture (Dissolved on 16 September 2022)	Director	22 August 2017	-	-	-
Sekolah Memandu Vela Sdn Bhd	Driving school of all classes of vehicles; to arrange, prepare, guide, set learners and students for both theory and practical trials, test and various examinations	Director	6 August 2020	30 March 2021	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Seribu Subur Sdn Bhd	Export and import of a variety of goods without any particular specialization; buying, selling, renting and operating of self-owned or leased real estate - residential buildings (Dissolved on 26 November 2019)	Director	22 December 2014	-	-	-
Simplicity Network Sdn Bhd	Investment holding company (Dissolved on 23 September 2019)	Director	16 May 2015	-	-	-
Teknologi Perintis Jaya (M) Sdn Bhd	To carry on business of administering, owning and running industries for plantation, manufacturing forest product, agricultural and horticultural products, etc, and general trading	Director	7 August 2017	8 January 2021	-	-
Ya Yin (M) Sdn Bhd	Other retail sale not in stores, stalls or markets; other transportation support activities	Director	5 August 2020	16 March 2022	-	-
Hasil Irama Sdn Bhd ⁽³⁾	Wholesale and retail of new motor vehicles (Dissolved on 27 September 2019)	Director	6 March 2018	-	-	-
Fook Ngiap Sawmill Sdn Bhd ⁽³⁾	Wholesale of logs, sawn timber, plywood, veneer and related products	Director	6 March 2018	12 March 2020	-	-
Cergaz Autohaus Sdn Bhd ⁽³⁾	Sales and distribution of new or used motor vehicles and provision of repair and maintenance services	Director	6 March 2018	5 February 2021	-	-
Quantum Automotive Studio Sdn Bhd ⁽³⁾	Auto detailing and related businesses	Director	6 March 2018	5 February 2021	-	-
Capital Intertrade Sdn Bhd ⁽³⁾	Sales and distribution of motor vehicles, and Provision of repair and maintenance services	Director	6 March 2018	5 February 2021	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Cergazam Sdn Bhd ⁽³⁾	Management services	Director	6 March 2018	5 February 2021	-	-
Autohaus Car Rental Sdn Bhd ⁽³⁾	Rental and leasing of motor vehicles including motorbikes and light commercials, business related to auto mobile industries and travel agency business	Director	6 March 2018	5 February 2021	-	-
Cergazam Autoworld (EV) Sdn Bhd ⁽³⁾	Trading of motor vehicles	Director	6 March 2018	5 February 2021	-	-
Permaju Plantation Sdn Bhd ⁽³⁾	Plantation related business	Director	6 March 2018	5 February 2021	-	-
Genbayu Gemilang Sdn Bhd ⁽³⁾	Tree plantation activity	Director	6 March 2018	5 February 2021	-	-
Iconworld Resources Sdn Bhd ⁽³⁾	Investment and other services activities	Director	6 March 2018	5 February 2021	-	-
Hardie Development Sdn Bhd ⁽³⁾	Property development	Director	28 May 2018	5 February 2021	-	-
Seacera Group Berhad	Trading of building materials	Executive Director	29 May 2019	29 November 2019 ⁽⁴⁾	-	-
Duta Skyline Sdn Bhd ⁽⁵⁾	Property investment holding	Director	11 October 2019	2 December 2019	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Duta Nilai Holdings Sdn Bhd ⁽⁵⁾	Property investment holding	Director	11 October 2019	2 December 2019	-	-
Seaceramart Sdn Bhd ⁽⁵⁾	Trading of building materials, mart and selling of rice, food & beverages and mart	Director	14 October 2019	2 December 2019	-	-
Seacera Care Sdn Bhd ⁽⁵⁾	Investment holding, supply of personal protective equipment and money lending service	Director	14 October 2019	2 December 2019	-	-
Seacera Ceramics Sdn Bhd ⁽⁵⁾	Marketing of all kinds of ceramic tiles and materials (Dissolved on 30 September 2020)	Director	14 October 2019	2 December 2019	-	-
Seacera Porcelain Sdn Bhd ⁽⁵⁾	Manufacturing and trading of ceramic tiles and related products	Director	14 October 2019	2 December 2019	-	-
Seacera Builders Sdn Bhd ⁽⁵⁾	Property development and building construction	Director	14 October 2019	2 December 2019	-	-
Seacera Hias Sdn Bhd ⁽⁵⁾	Trading of building materials	Director	14 October 2019	2 December 2019	-	-
Seacera Properties Sdn Bhd ⁽⁵⁾	Property development	Director	14 October 2019	2 December 2019	-	-

Notes:

- (1) The company does not have any plan to undertake any business as at the LPD. Previously, the company was involved in property development.
- (2) A company listed on the ACE Market of Bursa Securities.
- (3) The company is a wholly-owned subsidiary of Permaju Industries Berhad, a company listed on the Main Market.

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

- (4) Date of retirement as Director.
 (5) The company is a wholly-owned subsidiary of Seacera Group Berhad, a company listed on the Main Market.

(ii) Connie Go

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
<u>Present involvement</u>						
Ace Ecoland Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate land	Shareholder	-	-	12.5	-

(iii) Go Yoong Chang

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
<u>Present involvement</u>						
ACE Dynamic Team Sdn Bhd	Investment holding company and to carry on any other business	Director (resigned)/ Shareholder	6 March 2019	27 September 2021	62.5	-
Go Innovate ⁽¹⁾	Investment holding for its subsidiaries and its group of companies are primarily engaged in trading in precious metals	Non-Independent Non-Executive Chairman ⁽²⁾ / Shareholder	5 March 2019	-	1.0	87.0 ⁽³⁾

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Go Capital ⁽⁴⁾	Trading in precious metals	Director (resigned)/ Shareholder	30 April 2016	14 June 2023	-	100.0 ⁽⁵⁾
ACE Global Metal Sdn Bhd ⁽⁴⁾	Developing information technology (IT), dealing and trading in providing information, communication & technology (ICT) services and consultancy, deal, trade and provide software research & development businesses, dealing & trading in metals & precious metals ⁽⁶⁾	Director (resigned)/ Shareholder	7 January 2015	14 June 2023	-	100.0 ⁽⁵⁾
Go Assay Sdn Bhd (formerly known as ACE Assay (M) Sdn Bhd) ⁽⁴⁾	Technical testing and analysis. Assaying and refining of precious metals	Director (resigned)/ Shareholder	21 April 2017	14 June 2023	-	100.0 ⁽⁵⁾
Go Ikhlas Sdn Bhd (formerly known as ACE Ikhlas Gold Sdn Bhd) ⁽⁷⁾	Gold bullion dealers	Shareholder	-	-	-	51.0 ⁽⁵⁾
Go Ihsan Sdn Bhd (formerly known as ACE Ihsan Gold Sdn Bhd) ⁽⁷⁾	Promoting the marketing all kinds of gold products and services as buyers, sellers, traders, agents, commission, dealers and consultants of gold business.	Shareholder	-	-	-	51.0 ⁽⁵⁾
One Gold Sdn Bhd ⁽⁶⁾	Gold bullion dealers	Director (resigned)/ Shareholder	10 February 2021	14 July 2023	-	40.0 ⁽⁵⁾
ACE Ecoland Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate land	Director/ Shareholder	19 May 2017	-	12.5	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
ACE Marketing & Distribution Sdn Bhd	Property investment and business brokerage	Director/ Shareholder	14 March 2007	-	50.0	-
ACE Reload Sdn Bhd	Buy and sell U Mobile products, trading in various telecommunications products	Director/ Shareholder	10 May 2016	-	25.0	-
ACE2U Sdn Bhd	Trader in oil palm fruits	Shareholder	-	-	17.5	-
Eleven Docks Sdn Bhd	Property investors	Director	5 April 2019	-	-	-
NN Smartgo Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate (i.e. residential buildings, non-residential buildings and land)	Director/ Shareholder	27 June 2023	-	100.0	-
Peerless Steel Sdn Bhd	Investment in property	Director	5 April 2019	-	-	-
Eleven East Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate (i.e. residential buildings, non-residential buildings and land)	Director	22 January 2024	-	-	-
RBN Holdings Sdn Bhd	Investment holding. Currently, the company does not hold any investment in property or shares in company	Shareholder	-	-	25.0	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
<u>Past directorship</u> Go Auto	Manufacture of parts and accessories for motor vehicles	Director	13 September 2019	1 May 2023	-	-
GLSB	Trading and manufacturing of leather products (Dissolved on 4 September 2023)	Director	5 April 2019	-	-	-
Isla Gold Sdn Bhd	Gold bullion dealers (Dissolved on 30 December 2022)	Director	2 July 2021	-	-	-
Mobile Valley Sdn Bhd	Dormant (Dissolved on 20 December 2019)	Director	29 December 2003	-	-	-
SY Industries Sdn Bhd	Polymer Manufacturing, designing, processing and contract manufacturing of packaging materials and other related products.	Director	25 August 2014	8 March 2022	-	-

Notes:

- (1) A company listed on the LEAP Market of Bursa Securities.
- (2) He was redesignated from Executive Chairman to Non-Independent Non-Executive Chairman of Go Innovate on 17 March 2023.
- (3) Deemed interested by virtue of his shareholding in ACE Dynamic Team Sdn Bhd pursuant to Section 8(4) of the Act.
- (4) The company is a wholly-owned subsidiary of Go Innovate.
- (5) Deemed interested by virtue of his direct shareholding in Go Innovate and indirect shareholding in Go Innovate through ACE Dynamic Team Sdn Bhd pursuant to Section 8(4) of the Act.
- (6) The company has applied to be struck off under Section 550 of the Act on 23 November 2023. As at the LPD, the striking off is pending to be gazetted.

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

- (7) The company is a 51%-owned subsidiary of Go Innovate.
 (8) The company is an associate company of Go Innovate.

(iv) Tan Sun Sun

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
<u>Present involvement</u>						
Bringgit Motors Sdn Bhd	Dealers in motorcars and vehicles ⁽¹⁾	Director / Shareholder	30 April 2018	-	100.0	-
Eleven Docks Sdn Bhd	Property investment	Director / Shareholder	22 June 2011	-	33.4	66.6 ⁽²⁾
Eleven East Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate (i.e. residential buildings, non-residential buildings and land)	Director / Shareholder	30 June 2023	-	100.0	-
Peerless Steel Sdn Bhd	Investment in property	Director / Shareholder	1 September 2016	-	33.3	66.7 ⁽²⁾
Go Innovate	Investment holding for its subsidiaries and its group of companies are primarily engaged in trading in precious metals	Shareholder	-	-	3.0	-

Notes:

- (1) Inactive as there are no ongoing business activities as at the LPD.
 (2) Shares held in trust for her children.

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

(v) Leou Thiam Lai

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
<u>Present involvement</u>						
BTM Resources Berhad ⁽¹⁾	Investment holding and the provision of management services. The principal activities of its subsidiaries are logging, sawmilling, and trading of sawn timber, plywood and logs, kiln-drying operations, timber moulding, manufacturing and sale of wood pellets, finger jointed timber and lamination boards, and renewable energy business	Independent Non-Executive Director	8 August 2023	-	-	-
Yong Tai Berhad ⁽¹⁾	Investment holding company. The principal activities of its subsidiaries are property development	Independent Non-Executive Director	10 July 2023	-	-	-
Dragonhub Bhd	Real estate activities with own or leased property	Shareholder	-	-	10.0	90.0 ⁽²⁾
Dragonweb Bhd	Investment and letting of properties	Director/ Shareholder	29 July 2000	-	30.0	70.0 ⁽²⁾
Dragon Sphere Sdn Bhd	Investment in properties	Shareholder	-	-	37.5	62.5 ⁽²⁾
Leou Associates PLT	Accounting, bookkeeping, auditing and tax consultancy	Partner	14 October 2014	-	-	-
Leou & Associates	Auditing and tax consultancy services	Sole proprietor	21 June 1988	-	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
T. L. Leou Consultancy Services Sdn Bhd	Providing tax consultancy and related tax services	Director/ Shareholder	17 August 1990	-	100.0	-
Target Continental Sdn Bhd	Investment in properties	Director/ Shareholder	18 August 1992	-	50.0	50.0 ⁽²⁾
Tranzmart Sdn Bhd	Real estate activities with own or leased property	Shareholder	-	-	33.3	66.7 ⁽²⁾
<u>Past directorship</u>						
EA Holdings Berhad ⁽³⁾	Investment holding, consultancy services. The principal activities of its subsidiaries are provision of business intelligence software and development, information technology service management consultancy and system integration; hardware system integration, mechanical and engineering services; and food and beverage distribution	Independent Non-Executive Director	27 July 2017	11 November 2019	-	-
Menang Corporation Berhad ⁽¹⁾	(M) Investment holding and the provision of management services. The principal activities of its subsidiaries are property development, property construction, property investment, management services, undertaking of landscaping projects and turf farming, leasing and hire purchase	Independent Non-Executive Director	29 November 2016	17 December 2020	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Hextar Technologies Berhad (formerly known as Complete Logistics Services Berhad) ⁽¹⁾	Investment holding company. The principal activities of its subsidiaries are total logistics services, shipowner and provision of marine transportation services, lorry transport operator, insurance agents and provision of management services, general trading	Independent Non-Executive Director	24 February 2020	12 March 2021	-	-
Sern Resources Berhad ⁽¹⁾	Kou Investment holding and provision of management services. The principal activities of its subsidiaries are manufacturing, processing and trading all kinds of timber, wood, wooden furniture and related products	Independent Non-Executive Director	19 October 2010	16 December 2022	-	-
Degem Berhad ⁽¹⁾	Investment holding and provision of management services. The principal activities of its subsidiaries are trading in gold, diamonds and jewellery	Senior Independent Non-Executive Director	21 May 2001	1 September 2020	-	-

Notes:

- (1) A company listed on the Main Market.
- (2) Deemed interested by virtue of the shares held by his spouse and children pursuant to Section 8(4) of the Act.
- (3) A company listed on the ACE Market of Bursa Securities.

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

(vi) **Dato' Tan Yee Boon**

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
<u>Present involvement</u>						
AppAsia Berhad ⁽¹⁾	Provision of management services and investment holding. The principal activities of its subsidiaries are digital solutions business, e-commerce business, information technology security and training, and money lending services	Shareholder	-	-	4.1	-
David Lai & Tan Services Sdn Bhd	Other business support service activities	Director/ Shareholder	5 December 2019	-	33.3	-
Ecoscience International Berhad ⁽¹⁾	Activities of holding companies. The principal activities of its subsidiaries include construction of plants and facilities, fabrication of equipment, and supply of materials and equipment	Independent Non-Executive Chairman/ Shareholder	2 August 2021	-	0.1	-
Freshdotads Sdn Bhd	Activities of holding companies; advertising; export and import of a variety of goods without any particular specialisation ⁽²⁾	Director/ Shareholder	2 January 2018	-	99.0	-
Fruitsfarm In The City By Kerlin Global Sdn Bhd	Growing of fruits bearing vegetables; retail sale of fresh or preserved vegetables and fruits; wholesale of meat, fish, fruits and vegetables	Shareholder	-	-	15.0	-
Fruitsfarm In The City Holdings Sdn Bhd	Retail sale of fresh or preserved vegetables and fruits; wholesale of meat, fish, fruits and vegetables; growing of fruits bearing vegetables	Director/ Shareholder	3 October 2018	-	15.0	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Gemberry Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate - non-residential buildings, and other food service activities	Director/ Shareholder	23 April 2021	-	16.7	-
Maslog IT Solutions Sdn Bhd	Engaged as developer and provision of technical support of software system for the supply chain management in the logistics and forwarding industry	Shareholder	-	-	-(3)	-
OOB Productions Sdn Bhd	E-commerce media advertising services and other related activities	Shareholder	-	-	10.0	-
Propel Global Berhad ⁽⁴⁾ (taken over listing status of Daya Materials Berhad)	Activities of holding companies. The principal activities of its subsidiaries include provision of products and services for exploration, drilling and well intervention, improved and enhanced oil recovery, and production technologies for the oil & gas industry, supply of industrial and environmental chemicals for the oil & gas industry, installation and maintenance of air-conditioning and ventilation system as well as design, construction and management of industrial facilities	Deputy Chairman and Independent Non-Executive Director ⁽⁵⁾ / Shareholder	8 April 2022	-	1.4	-
Protasco Berhad ⁽³⁾	Investment holding. The principal activities of its subsidiaries include road construction, rehabilitation and maintenance, property development, engineering and consultancy services, construction, trading of road and construction materials, solar panel installation and supply of electricity from solar power plant, and provision of training and education services	Independent Non-Executive Director	18 January 2013	-	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Runningmind Sdn Bhd	Business management consultancy services; Advisory services in products branding; Other business support service activities	Director/ Shareholder	1 December 2016	-	100.0	-
TK Venture Capital Sdn Bhd	Activities of holding companies, export and import of a variety of goods without any particular specialisation ⁽²⁾	Director/ Shareholder	4 April 2018	-	100.0	-
David Lai & Tan	Legal firm	Partner	1 May 2013	-	-	-
EV Dynamics (Holdings) Limited (formerly known as China Dynamics (Holdings) Limited) ⁽⁶⁾	Investment holding. Its subsidiaries are principally involved in manufacturing and trading of electric buses, coaches and batteries; development of new energy technology and product, mining, and trading of metals and minerals	Independent Non-Executive Director	17 June 2016	-	-	-
TIL Enviro Limited ⁽⁶⁾	Investment holding. Its subsidiaries are principally involved in wastewater treatment services	Independent Non-Executive Director	4 October 2018	-	-	-
Past directorship Binasat Communications Berhad ⁽¹⁾	Investment holding. Its subsidiaries are principally involved in the provision of support services for satellite, mobile and fibre optic telecommunications networks	Independent Non-Executive Director	6 June 2017	30 November 2022 ⁽⁷⁾	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Central Global Berhad ⁽³⁾ (taken over listing status of Central Industrial Corporation Berhad)	Activities of holding companies. Its subsidiaries are principally involved in the manufacturing and sales of self-adhesive label stocks and tapes, construction of buildings and infrastructure, trading of building materials, and provision of information technology and related services.	Independent Non-Executive Director	10 June 2019	22 June 2021 ⁽⁷⁾	-	-
Central Industrial Corporation Berhad (listing status taken over by Central Global Berhad)	Manufacturing and sales of self-adhesive label stocks and tapes of its own brand and trading of other self-adhesive label stocks and tapes	Independent Non-Executive Director	16 June 2015	3 October 2019	-	-
Daya Materials Berhad (listing status taken over by Propel Global Berhad)	Investment holding company and provision of management services to the subsidiaries, which are involved in the offering a range of products and services to both the upstream and downstream sectors of the oil and gas industry as well as building construction of non-residential buildings and industrial facilities management services	Independent Non-Executive Director	30 November 2020	10 June 2022	-	-
Perfect Propel Sdn Bhd	Investment holding company	Director	22 April 2014	15 May 2020	-	-
Prevenances Corporate Advisory Sdn Bhd	Providing training management and consultancy into all kinds of insurance and property (Dissolved on 8 November 2022)	Director	20 December 2016	-	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect

PropelCMT Sdn Bhd	Providing industrial facilities management including builder works, facility operation and maintenance services, upgrades and retrofits as well as design and build plant facility	Director	17 July 2014	30 June 2022	-	-
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Notes:

- (1) A company listed on the ACE Market of Bursa Securities.
- (2) Inactive as there are no ongoing business activities as at the LPD.
- (3) A company listed on the Main Market.
- (4) He holds 375 preference shares in the company.
- (5) He was appointed as the Acting Chairman and Independent Non-Executive Director on 8 April 2022 and redesignated as the Deputy Chairman and Independent Non-Executive Director on 22 September 2023.
- (6) A company listed on the Main Board of the Stock Exchange of Hong Kong Limited.
- (7) Date of retirement as Director.

(vii) Lee Wan Ning

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect

Present involvement

Bestwell Sdn Bhd	Capital Japanese restaurant	Director/ Shareholder	18 September 2020	-	20.0	-
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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Instant Gold Pte Ltd	Investment holding in properties	Shareholder	-	-	20.0	-
Instant Gold Sdn Bhd	Investment holding in properties, and provision of forklift maintenance services	Director/ Shareholder	15 August 2006	-	1.0	-
Majuga Jaya Express Sdn Bhd	Investment holding in properties, and provision of forklift maintenance services	Director	12 April 2002	-	-	-

Past directorship

Arigatou Sdn Bhd	Online and offline trading of imported food and snacks	Director	4 December 2020	20 September 2023	-	-
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As at the LPD, the directorships of our Directors in other companies are in compliance with Paragraph 15.06 of the Listing Requirements as our Directors do not hold more than 5 directorships in public listed companies on Bursa Securities.

The involvement of our Directors in other directorships or those business activities outside our Group does not give rise to any conflict of interest situation with our Group's business.

Our Board is of the view that the involvement of our Directors in the other business activities outside our Group as set out above does not preclude them from allocating or committing their time and effort to our Group in their respective roles as our Directors, after taking into consideration the following:

- (i) the involvement of our Executive Director(s) in those business activities outside our Group does not require a significant amount of time or commitment as they are not involved in the day-to-day operations of the said businesses outside our Group. Hence, their involvement in those businesses outside our Group does not affect his/her ability to perform his/her executive roles and responsibilities to our Group; and
- (ii) our Independent Non-Executive Directors are not involved in our Group's day-to-day operations.

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

5.2.4 Directors' remuneration and material benefits in-kind

The details of the remuneration and material benefits in-kind paid and proposed to be paid to our Directors for services rendered to our Group in all capacities for the FYE 2023 and FYE 2024 are as follows:

(a) FYE 2023

Name/ Designation	Fixed and non-deferred remuneration				Variable and non-deferred remuneration		Total (RM'000)
	Directors' fee (RM'000)	Salary (RM'000)	Allowance (RM'000)	Other emolument ⁽¹⁾ (RM'000)	Bonus ⁽²⁾ (RM'000)	Benefits-in-kind (RM'000)	
<u>NON-INDEPENDENT EXECUTIVE DIRECTORS</u>							
Connie Go ⁽³⁾	336 ⁽⁷⁾	418	20	66	39	30	909
Go Yoong Chang ⁽⁴⁾	- ⁽⁸⁾	475	33	70	50	21	649
Tan Sun Sun ⁽⁵⁾	- ⁽⁸⁾	380	-	49	20	50	499
<u>INDEPENDENT NON-EXECUTIVE DIRECTORS</u>							
Dato' Mazlan bin Mohamad ⁽⁶⁾	20	-	1	-	-	-	21
Leou Thiam Lai ⁽⁶⁾	16	-	1	-	-	-	17
Dato' Tan Yee Boon ⁽⁶⁾	16	-	1	-	-	-	17
Lee Wan Ning ⁽⁶⁾	16	-	1	-	-	-	17

Notes:

- (1) Including employer's contribution to EPF, SOCSO and EIS (where applicable).
- (2) Including bonuses for the FYE 2022 which were paid in FYE 2023.
- (3) Appointed as the Non-Independent Executive Director on 14 August 2023.
- (4) Appointed as the Non-Independent Executive Director on 27 September 2023.

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

- (5) Appointed as the Non-Independent Executive Director on 28 August 2023.
- (6) Appointed as the Independent Non-Executive Director on 28 August 2023.
- (7) Comprising the director fee paid in SGD, based on the average exchange rate for FYE 2023 of SGD1:RM3.3764, for her directorship in Gosford Singapore.
- (8) Go Yoong Chang and Tan Sun Sun are not remunerated with directors' fees as their contributions to our Group are mainly remunerated via their respective salaries.

(b) Proposed for the FYE 2024

Name/ Designation	Directors' fee (RM'000)	Fixed and non-deferred remuneration			Variable and non-deferred remuneration		Total (RM'000)
		Salary (RM'000)	Allowance (RM'000)	Other emolument ⁽¹⁾ (RM'000)	Bonus ⁽²⁾ (RM'000)	Benefits-in-kind (RM'000)	
Connie Go	58 ⁽³⁾	762	53	111	182	17	1,183
Go Yoong Chang	- ⁽⁴⁾	585	56	88	163	28	920
Tan Sun Sun	- ⁽⁴⁾	360	50	57	105	35	607

NON-INDEPENDENT EXECUTIVE DIRECTORS

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dato' Mazlan bin Mohamad	60	-	4	-	-	-	64
Leou Thiam Lai	48	-	4	-	-	-	52
Dato' Tan Yee Boon	48	-	4	-	-	-	52
Lee Wan Ning	48	-	4	-	-	-	52

Notes:

- (1) Including employer's contribution to EPF, SOCSO and EIS (where applicable).

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

- (2) Including bonuses for the FYE 2023 which were and will be paid in FYE 2024. Bonuses for the FYE 2024 will be determined at a later date based on the individual's performance as well as our Group's performance, and will be subject to recommendation from our Remuneration Committee and approval by our Board.
- (3) Comprising the director fee paid in SGD, based on the average exchange rate from 1 January 2024 up to the LPD of SGD1:RM3.4975, for her directorship in Gosford Singapore.
- (4) Go Yoong Chang and Tan Sun Sun are not remunerated with directors' fees as their contributions to our Group are mainly remunerated via their respective salaries.

The remuneration of our Directors, which includes Directors' fees and such other allowances as well as other benefits of our Directors, must be considered and recommended by our Remuneration Committee and subsequently be approved by our Board. Thereafter, our Directors' fees must be approved by our shareholders in a general meeting.

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

5.3 BOARD PRACTICES

Our Board acknowledges and is aware of the MCCG which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture. Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively.

Our Chairman of the Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee, and our Company has adhered to the recommendation of having at least 30% women directors on our Board.

The Board will oversee our Group's adherence to its policies such as, among others, the Anti-Bribery and Anti-Corruption Policy in accordance with our Group's Code of Conduct and Ethics, which was adopted on 13 September 2023.

5.3.1 Directors' term of office

As at the date of this Prospectus, 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	Designation	Date of expiration of the current term of office	Approximate no. of years and months in office
Dato' Mazlan bin Mohamad	Independent Non-Executive Chairman	Subject to retirement at our second AGM	Less than 1 year
Connie Go	Non-Independent Executive Director and Chief Executive Officer	Subject to retirement at our second AGM	Less than 1 year
Go Yoong Chang	Non-Independent Executive Director	Subject to retirement at our fourth AGM	Less than 1 year
Tan Sun Sun	Non-Independent Executive Director	Subject to retirement at our third AGM	Less than 1 year
Leou Thiam Lai	Independent Non-Executive Director	Subject to retirement at our third AGM	Less than 1 year
Dato' Tan Yee Boon	Independent Non-Executive Director	Subject to retirement at our fourth AGM	Less than 1 year
Lee Wan Ning	Independent Non-Executive Director	Subject to retirement at our fourth AGM	Less than 1 year

According to our Constitution, all the Directors shall retire from office at the conclusion of the first AGM. At the AGM in every subsequent year, 1/3 of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office once at least in each 3 years, but shall be eligible for re-election.

The Directors to retire in each year shall be the Directors who have been longest in office since the Directors' last election, but as between persons who became Directors on the same day, the Directors to retire shall be determined by lot, unless they otherwise agreed among themselves. A retiring Director shall be eligible for re-election as if he is not disqualified under the Act at the AGM.

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

5.3.2 Board Committees

5.3.2.1 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established on 28 August 2023 and its members are appointed by our Board. Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Leou Thiam Lai	Chairperson	Independent Non-Executive Director
Dato' Tan Yee Boon	Member	Independent Non-Executive Director
Lee Wan Ning	Member	Independent Non-Executive Director

The main function of our Audit and Risk Management Committee is to assist our Board in fulfilling its statutory and fiduciary responsibilities relating to the financial reporting process, internal controls and risk management of our Group.

The duties and functions of our Audit and Risk Management Committee as stated in the terms of reference, comprise the following:

Financial Reporting

- (a) Review the quarterly results and the year-end financial statements of our Group, before submission to the Board for approval, focusing particularly on:
 - (i) changes in or implementation of major accounting policy changes;
 - (ii) significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions and how these matters are addressed;
 - (iii) significant adjustment arising from the audit;
 - (iv) major judgement areas;
 - (v) the going concern assumption; and
 - (vi) compliance with accounting standards, regulatory and other legal requirements.
- (b) Review and provide advice on whether the financial statements taken as a whole provide a true and fair view of the company's financial position and performance.
- (c) Ask probing questions to ascertain whether the financial statements are consistent with operational and other information known, where there are significant matters requiring judgement.
- (d) Understand non-financial information which is relevant in assisting the Committee to gain further insights on the Company's performance and enhance the integrity of financial reporting.
- (e) Ensure that the financial statements are consistent with operational and other information, where there are significant matters requiring judgement.

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

- (a) Assess the suitability, objectivity and independence of the external auditor on an annual basis based on established policies and procedures, and the annual performance evaluation of the external auditor undertaken by the Committee. The policies and procedures should include the following considerations:
- (i) criteria to decide on the appointment and re-appointment of the external auditor. The criteria should include an assessment of the competency, audit quality and resource capacity of the external auditor in relation to the audit. The assessment should also consider the information as presented in the Annual Transparency Report of the audit firm. If the Annual Transparency Report is not available, the Committee may engage the audit firm on matters typically covered in an Annual Transparency Report, including the audit firm's governance and leadership structure as well as measures undertaken by the firm to uphold audit quality and manage risks;
 - (ii) appropriateness of audit fees to support a quality audit;
 - (iii) non-audit services must be approved by the Committee before they rendered by the external auditor and its affiliates, while taking into account the nature of the non-audit services and the appropriateness of the level of fees;
 - (iv) obtain written assurance from the external auditor confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and
 - (v) annual evaluation on the performance of the external auditor by the management and the Committee.
- (b) Consider and recommend to the Board on the appointment or re-appointment of external auditor and to fix their fees (audit and non-audit), after assessing their independence and capabilities as well as the effectiveness of the external audit process.
- (c) Review the following and report the same to the Board:
- (i) any letter of resignation from the external auditor or proposal for their dismissal, including a copy of any written representations or statement of circumstances in relation with the resignation made by the external auditor, if applicable; and
 - (ii) whether there is reason (supported by grounds) to believe that the external auditor is not suitable for re-appointment.
- (d) Review the following with the external auditor and report the same to the Board:
- (i) audit plan, its scope and nature, including any changes to the scope of the audit plan;
 - (ii) audit report;
 - (iii) evaluation of the system of internal controls;
 - (iv) the assistance given by the employees and management to the external auditors, including any difficulties or disputes encountered during audit; and
 - (v) external auditor's management letter and management's response thereto.

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

Internal Audit Function

- (a) Mandate the Internal Audit function to report directly to the Committee;
- (b) Review the adequacy of the scope, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- (c) Review the internal audit plan or charter, programme, processes, and the reporting structure;
- (d) Review the findings of the internal auditor's reports, investigations undertaken and whether or not appropriate actions are taken by the management, based on the recommendations of the internal auditors;
- (e) Approve any appointment or termination of internal audit member of the Internal Audit function;
- (f) Review the appraisal or evaluation on the performance of the internal audit function on an annual basis;
- (g) Review or take cognisance of resignation of internal audit staff member (for in-house internal audit functional) and provide the internal auditors/ resigning staff member an opportunity to submit the reasons for resigning;
- (h) Review the assistance given by the employees and management to the internal auditors, including any difficulties or disputes encountered during internal audit; and
- (i) Review any special audit which the Committee deems necessary.

Risk Management and Internal Control

- (a) Establish an adequate and effective Group's risk management and internal control framework;
- (b) Review the risk management framework, policies and processes, include identifying, managing, monitoring and mitigating the significant risks of our Group, as well as evaluate the overall adequacy and effectiveness of the system of internal control and provide recommendations to the Board for approval;
- (c) Review and assess our Group's level of risk appetite and risk tolerance;
- (d) Review the significant risks identified (including operational, financial, regulatory compliance, sustainability reporting and reputational risks) and assess the adequacy and suitability of mitigating actions put in place to manage these risks; and
- (e) Review the adequacy of resources in managing the risk management and internal control framework.

Related Party Transactions ("RPT"), Recurrent RPT ("RRPT") and Conflict of Interest ("COI")

- (a) Establish comprehensive procedures for identifying, evaluating, approving and reporting all RPT and RRPT, and COI situations;
- (b) Review and report to the Board any RPT, RRPT and COI situation that arise, persist or may arise within our Group including any transaction, procedures or course of conduct that raises question on management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts;

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

- (c) Review and establish whether all RRPT have been carried out in accordance with the mandate approved by the shareholders and are on commercial terms no more favourable to the related parties than those available to the public and make recommendation to Board; and
- (d) Review all non-recurring transactions or corporate proposals involving related parties, to ensure that they are in the best interest of the Company and are not to the detriment of the minority shareholders and make recommendations to Board.

Others

- (a) Review all financial related reports including Audit and Risk Management Committee Report, Statement on Risk Management and Internal Control, Sustainability statement, Corporate Governance Overview Statement and Corporate Governance Report as required by the Listing Requirements for inclusion in the Annual Report;
- (b) Verify allocation of units or options issued pursuant to the various incentive or retention schemes implemented by our Group (if any);
- (c) Obtain regular updates from the management regarding compliance matters;
- (d) Review regulatory and compliance reports, and any other reports within the purview of the Committee;
- (e) Periodically review the adequacy and appropriateness of Anti-Bribery and Anti-Corruption Policy, and Whistleblowing Policy;
- (f) Review implementation and adequacy of Group's business continuity plan;
- (g) Report any suspected frauds/ irregularities, serious internal control deficiencies, suspected infringement of laws, rules and regulations that warrant the attention of the Board; and
- (h) Carry out any other functions that may be mutually agreed upon by the Committee and the Board.

5.3.2.2 Remuneration Committee

Our Remuneration Committee was established on 28 August 2023 and its members are appointed by our Board. Our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Dato' Tan Yee Boon	Chairperson	Independent Non-Executive Director
Leou Thiam Lai	Member	Independent Non-Executive Director
Lee Wan Ning	Member	Independent Non-Executive Director

The main function of our Remuneration Committee is to assist our Board to review the remuneration policies through a transparent and independent process for the Chief Executive Officer, Executive Directors, Non-Executive Directors and senior management; and to ensure that the compensation is competitive and consistent with the Company's culture, objectives and strategy.

The duties and functions of our Remuneration Committee as stated in the terms of reference, comprise the following:

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

- (a) Assist the Board to implement Group's policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of Directors and senior management and recommend to the Board for approval.
- (b) Review policies and procedures on remuneration of Directors and senior management, to ensure that remuneration packages are determined on the basis of individual's merit, qualification and competence, after taking into consideration the complexity of Group's business and performance, individual's responsibilities, comparable market statistics, and their roles in addressing the company's material sustainability risks and opportunities and achieving sustainability targets.
- (c) In determining the remuneration packages of Directors and senior management, the Committee should take into consideration the following:
 - (i) merit, qualification and professionalism;
 - (ii) technical competency, skills, expertise and experience;
 - (iii) roles and responsibilities;
 - (iv) alignment with the business and risks strategies, and long-term objectives of our Group; and
 - (v) fairness of the remuneration package to attract, retain and motivate quality talent and ensure the compensations offered are in line with market practice.
- (d) Review and recommend to the Board the compensation payable to Executive Directors and senior management, and ensure the compensations offered are in line with market practice.
- (e) Review the formulation of Key Performance Indicators ("KPIs") of the Executive Directors, Chief Executive Officer and senior management, and to assess on a periodic basis, their performance against the approved KPIs.
- (f) Recommend to the Board any performance related pay schemes for the Company or Group.
- (g) Recommend to the Board on the appointment of experts or consultants to assist the Committee on all remuneration matters, where necessary to fulfil its responsibilities.
- (h) Review major changes in employee remuneration and benefit structures throughout our Group.
- (i) Carry out other responsibilities, functions or assignments as may be prescribed by the Board from time to time.

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

5.3.2.3 Nomination Committee

Our Nomination Committee was established on 28 August 2023 and its members are appointed by our Board. Our Nomination Committee comprises the following members:

Name	Designation	Directorship
Lee Wan Ning	Chairperson	Independent Non-Executive Director
Dato' Tan Yee Boon	Member	Independent Non-Executive Director
Leou Thiam Lai	Member	Independent Non-Executive Director

The main function of our Nomination Committee is to assist our Board in reviewing the structure, size and composition of the Board and senior management.

The duties and functions of our Nomination Committee as stated in the terms of reference, comprise the following:

- (a) Review and recommend to the Board for approval, the appropriate size, composition, mix of skills and experience, and diversity (including gender diversity) of the Board and Board Committees to facilitate effective decision-making after taking into consideration the scope and nature of the operations of our Group.
- (b) Identify, consider and recommend to the Board suitable candidates for appointment of Directors. The Committee does not solely rely on recommendations from existing board members, management or major shareholders, but will also utilise independent sources to identify suitably qualified candidates. In making the recommendations, the Committee shall:
 - (i) assess the candidates' expertise, skills, knowledge, experience, professionalism, commitment, contribution, performance, integrity, competence and character based on, among others, the Fit and Proper Policy of the Company;
 - (ii) consider board diversity including age, gender and ethnicity;
 - (iii) consider the current composition and tenure of each Director on the Board;
 - (iv) in the case of candidates for the position of Independent Non-Executive Directors, evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and
 - (v) in the case of candidates filling seats in respect of the Audit and Risk Management Committee in particular, to ensure the candidate is financially literate and possesses a wide range of necessary skills to discharge his/her duties.
- (c) If the selection of candidates was solely based on recommendations made by existing Board, management or major shareholders, the Committee should explain why other sources were not used.
- (d) Review and assess the independence of Independent Directors on an annual basis and the Directors meet the identified independence criteria and are not disqualified under the relevant regulations.
- (e) Where there is an Independent Non-Executive Director whose term will exceed/has exceeded the nine (9) years tenure, the Committee shall justify the recommendation to retain the Independent Non-Executive Director after the ninth (9th) year to the Board for consideration to seek shareholders' approval through a two-tier voting process.

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

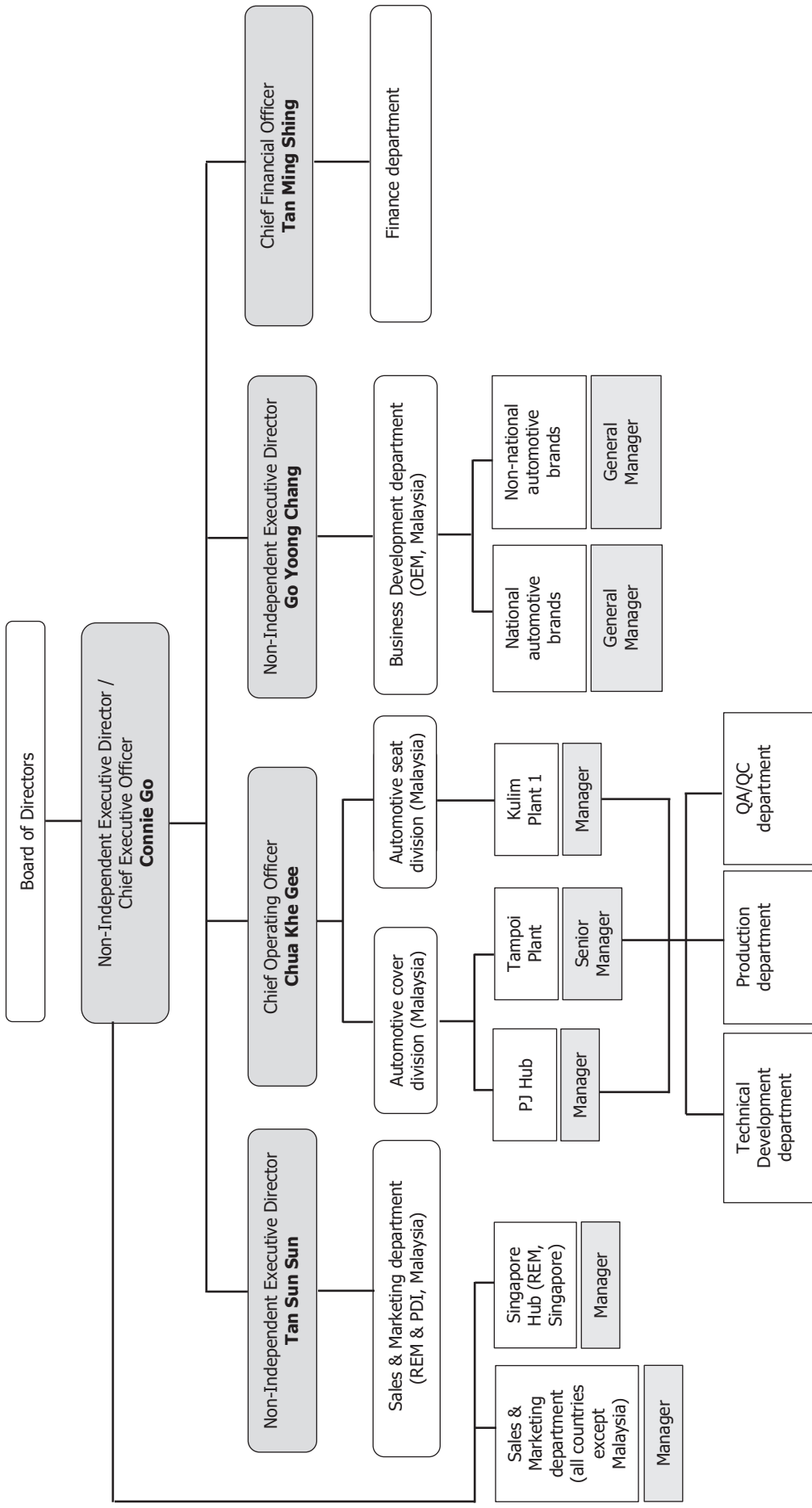
- (f) The tenure of office of an Independent Non-Executive Director must not be more than a cumulative period of twelve (12) years from the date of his/her first appointment as an Independent Non-Executive Director.
- (g) Review the tenure of each director and ensure that the annual re-election of a director is based satisfactory evaluation of the director's performance and contribution to the Board and meet the criteria as set out in the Directors' Fit and Proper policy.
- (h) Recommend to the Board the re-election of Directors who retired by rotation pursuant to the Company's Constitution.
- (i) Deliberate on matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of Executive Director as an employee of the Company subject to the provisions of the law and the service contract.
- (j) Assess and recommend to the Board's approval, new and reappointed nominees (where applicable) for directorship, chairpersonship and/or membership to the respective Board Committee.
- (k) Recommend to the Board any appointment, cessation, suspension, dismissal and/or any staff movement including re-designation, re-deployment, transfer or secondment of senior management of our Group.
- (l) Establish and recommend for board's approval a mechanism for formal assessment of the performance of the Board and senior management.
- (m) Assess and review on an annual basis the effectiveness of the Board as a whole, Board Committees, and the contribution of each individual Director and Chief Executive Office including his/her character, competence, experience, gender diversity and commitment. All the assessments and evaluation carried out by the Committee in the discharge of its duties shall be disclosed in the Annual Report.
- (n) Evaluate and review the performance of the Board and senior management including the performance of the Board and senior management in addressing the company's material sustainability risks and opportunities.
- (o) Review Board and senior management succession plans and oversee the development of a diverse pipeline for Board and management succession, including the future Chairman, Executive Directors and/or Chief Executive Officer.
- (p) Establish gender diversity policy for the Board and senior management and to ensure that the Company takes concrete action to achieve the numerical targets as stated in the policy.
- (q) Facilitate Board induction programme for newly appointed Directors.
- (r) Identify suitable educational and training programmes for continuous development of Directors to ensure the Directors keep abreast with development in the industry, regulatory changes and board business trends.
- (s) Review annually the term of office, effectiveness and performance of the Audit and Risk Management Committee and each of its members to determine whether the Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference.
- (t) Review periodically the job descriptions of Executive Directors and senior management.
- (u) Carry out such other duties or functions as may be delegated by the Board from time to time or required by the regulatory authority.

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

Our Group recognises the importance of attracting and retaining talent and continuously identifying prospective second liners across key functions to undergo development programmes such as mentoring and continuous technical training. In addition, our Group also offers competitive remuneration packages for all its employees to ensure continuity and sustainability in our Group's businesses. Further, our Group also has in place a management succession plan as detailed in **Section 5.7** of this Prospectus.

5.4.2 Key Senior Management's shareholdings

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

Key senior management	Designation	After the Pre-IPO Restructuring Exercise but before our IPO			After our IPO ⁽³⁾				
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Connie Go	Non-Independent Executive Director and Chief Executive Officer	69,987,600	10.0	-	-	70,287,600 ⁽³⁾	8.3	-	-
Go Yoong Chang	Non-Independent Executive Director	279,950,000	40.0	-	-	225,142,000	26.7	-	-
Tan Sun Sun	Non-Independent Executive Director	349,937,600	50.0	-	-	295,129,600	35.0	-	-
Chua Khe Gee	Chief Operating Officer	-	-	-	-	300,000 ⁽³⁾	Neg	-	-
Tan Ming Shing	Chief Financial Officer	-	-	-	-	300,000 ⁽³⁾	Neg	-	-

Notes:

Neg Negligible. Being less than 0.1%.

(1) Based on our total number of 699,875,200 Shares after the Pre-IPO Restructuring Exercise but before our IPO.

(2) Based on our enlarged number of 843,200,000 Shares after our IPO.

(3) Assuming he/she fully subscribes to his/her entitlement under the Pink Form Allocation.

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

5.4.3 Profiles of Key Senior Management

The profiles of our other Key Senior Management are as follows:

- (i) **Connie Go**
Non-Independent Executive Director and Chief Executive Officer

The profile of Connie Go, being our Key Senior Management, is set out in **Section 5.1.2(i)** of this Prospectus.

- (ii) **Go Yoong Chang**
Non-Independent Executive Director

The profile of Go Yoong Chang, being our Key Senior Management, is set out in **Section 5.1.2(ii)** of this Prospectus.

- (iii) **Tan Sun Sun**
Non-Independent Executive Director

The profile of Tan Sun Sun, being our Key Senior Management, is set out in **Section 5.1.2(iii)** of this Prospectus.

- (iv) **Chua Khe Gee**
Chief Operating Officer

Chua Khe Gee, a Malaysian male aged 45, is the Chief Operating Officer of Gosford Malaysia. He is responsible for managing and overseeing all project deliverables and our Group's Production, QA/QC and Technical Development departments.

He graduated from University of Plymouth, the United Kingdom in 2005 with a Bachelor's Degree in Mechanical Design and Manufacture.

Upon graduation, he joined APM Automotive Holdings Berhad (a company listed on the Main Market) as Product Development Engineer under Technical Department of the APM Seats Division in October 2005. He became the Assistant Manager of APM Automotive Holdings Berhad under its OEM department in July 2007. He was then promoted to Manager in January 2010 and Senior Manager in January 2013, which position he held until his resignation in January 2014. During his tenure there, he was in charge of business development where he was tasked to secure new OEM orders for the respective companies and assisted in the product planning activities for automotive seat manufacturing.

In February 2014, he joined Gosford Malaysia as General Manager where he was responsible for overseeing and managing project deliverables. Subsequently in April 2021, he was appointed as a Director of Feytech SB and was responsible for the setting-up of the company as well as business development of the company. Thus, together with the Business Development Director of Feytech SB, Go Yoong Chang, he played a pivotal role in securing new projects for our Group's automotive seat division. Chua Khe Gee assumed his present role as Gosford Malaysia's Chief Operating Officer in March 2023.

Alongside his career, he was also appointed as the Vice President of Mazda Malaysia Vendors' Association for year 2022 to 2024.

Chua Khe Gee does not have any family relationship with any of our Directors and/or substantial shareholders.

Chua Khe Gee's other principal directorship and involvement in other corporation are disclosed in **Section 5.4.4(i)** of this Prospectus.

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

(v) Tan Ming Shing
Chief Financial Officer

Tan Ming Shing, a Malaysian female aged 40, is the Chief Financial Officer of Gosford Malaysia. She is responsible for overseeing all accounting and finance related matters of our Group.

She graduated from Multimedia University in 2007 with a Bachelor's Degree in Accounting. In 2016, she was admitted as an affiliate of the Association of Chartered Certified Accountants. In March 2023, she was also admitted as a Chartered Accountant of the Malaysian Institute of Accountants.

Upon graduation, she began her career as Audit Assistant at Lo Hock Ling & Co in Singapore in June 2007, where she was responsible for performing general statutory audit, internal audit and external audit. In February 2010, she left Lo Hock Ling & Co and took a short career break before joining Baker Tilly TFW LLP as Senior Assurance Associate in August 2010. She was then promoted to Assurance Senior in July 2011. During her stint in Baker Tilly TFW LLP, she was in charge of carrying out the general statutory audit, assisting in coaching and training of attachment students from polytechnic and university as well as assisting clients to improve their internal control processes.

She left Baker Tilly TFW LLP in March 2012 and returned to Malaysia to take a short career break. In June 2012, she joined SCS Global Consulting (IDR) Sdn Bhd as Senior Audit Associate in which she was responsible for conducting general statutory audit. In September 2012, she was transferred to HYC & Co (now known as SCS Global & Co) as Senior Audit Associate, and then promoted to Assistant Manager in January 2013. During her tenure there, she led and managed a team to conduct general statutory audit. She resigned from SCS Global & Co in March 2014.

After taking a short career break, she joined BreadTalk Pte Ltd in Singapore in July 2014 as Accountant. She was later transferred to BreadTalk Group Ltd in January 2015 as Assistant Finance Manager. During her tenure in BreadTalk Pte Ltd and BreadTalk Group Ltd, she oversaw accounting related matters including accounts payable and receivable functions and cash flow planning management. In October 2016, she left BreadTalk Group Ltd.

Thereafter, she joined Acumen Bizcorp Pte Ltd and Alpha Corporate Services Pte Ltd in November 2016 as Manager where she assisted in the setting up of the Accounting department of the company. She was also in charge of providing audit and accounting consultancy services to clients. She left Acumen Bizcorp Pte Ltd and Alpha Corporate Services Pte Ltd in March 2018. She then took a career break until July 2018.

Tan Ming Shing joined Gosford Malaysia as Finance Manager in July 2018 and assumed her present position as Chief Financial Officer in Gosford Malaysia in March 2023.

Tan Ming Shing does not have any family relationship with any of our Directors and/or substantial shareholders.

Tan Ming Shing does not have any directorship or involvement in business activities outside of our Group as at the LPD as well as for the past 5 years up to the LPD, as disclosed in **Section 5.4.4(ii)** of this Prospectus.

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

5.4.4 Key Senior Management's principal directorships or principal business activities outside our Group

Save as disclosed below and the involvement of Directors which are detailed in **Section 5.2.3** of this Prospectus, our Key Senior Management does not have any principal directorships and principal business activities performed outside our Group as at the LPD or any other principal directorships outside of our Group that were held within the past 5 years up to the LPD:

(i) Chua Khe Gee

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shares held as at the LPD	
					Direct	Indirect
Bringgit Motors Sdn Bhd	Dealers in motorcars and vehicles ⁽¹⁾	Director	19 October 2016	-	-	-

Note:

(1) Inactive as there is no ongoing business activities as at the LPD.

(ii) Tan Ming Shing

Tan Ming Shing does not have any directorship or business activities performed outside of our Group as at the LPD as well as for the past 5 years and up to the LPD.

The involvement of our Key Senior Management in other directorships or business activities are not expected to affect their ability to perform their roles and responsibilities as Key Senior Management of our Group and will not affect their contributions to our Group as they are full-time employees of our Group and are principally involved in our Group's day-to-day operations.

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

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

The aggregate remuneration and material benefits-in-kind (including contingent or deferred remuneration) paid and proposed to be paid to Connie Go, Go Yoong Chang and Tan Sun Sun, who are also our Key Senior Management, for the FYE 2023 and FYE 2024 are set out in **Sections 5.2.4(i) and 5.2.4(ii)** of this Prospectus, respectively.

The aggregate remuneration and material benefits-in-kind (including contingent or deferred remuneration) (in bands of RM50,000) paid and proposed to be paid to our other Key Senior Management for services rendered in all capacities to our Group for the FYE 2023 and FYE 2024 are as follows:

Name	⁽¹⁾ Remuneration band	
	FYE 2023 (Paid)	⁽²⁾ FYE 2024 (Proposed)
	RM'000	
Chua Khe Gee	400 – 450	500 – 550
Tan Ming Shing	250 – 300	350 – 400

Notes:

- (1) The remuneration for Key Senior Management includes salaries, bonuses, allowances and other emoluments (such as employer's contribution to EPF, SOCSO and EIS).
- (2) Including bonuses for the FYE 2023 which were and will be paid in FYE 2024. Bonuses for the FYE 2024 will be determined at a later date based on the individual's performance as well as our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.

5.4.6 Service Contracts

As at the LPD, there are no existing and/or proposed service contracts entered or to be entered between our Group and our Directors or Key Senior Management, which provide for benefits upon termination of employment.

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

5.5 DECLARATION FROM OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

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

For information, there is an on-going litigation case involving Go Yoong Chang, our Non-Independent Executive Director, details as follows:

Kua Kee Koon (as "plaintiff" or "appellant") against ACE Dynamic Team Sdn Bhd ("ACE Dynamic") & Go Yoong Chang (collectively as the "defendants" or "respondents")

On 24 November 2021, the plaintiff (a minority shareholder of ACE Dynamic) filed an originating summons under Section 346 of the Act (Remedy in cases of an oppression), where he alleged that the affairs of ACE Dynamic conducted through or involving Go Innovate and Go Capital were carried out in an oppressive and/or unfair manner and Go Yoong Chang (as the Director of Go Innovate and the former Director of ACE Dynamic and Go Capital) had exercised his power oppressively and prejudicial to the plaintiff's rights as a minority shareholder of ACE Dynamic. The plaintiff had also sought a declaration that Go Yoong Chang is required to buy all of the plaintiff's shares in ACE Dynamic at a fair value to be determined by an independent valuer and/or alternatively, an order of winding up be given against ACE Dynamic and the assets of ACE Dynamic to be distributed based on shareholdings, as well as payment of general damages to the plaintiff to be assessed by the High Court.

On 25 July 2022, the plaintiff's claim was dismissed by the High Court based on, among others, the following grounds and the High Court delivered its decision in favour of the defendants ("**Decision**"):

- (a) there is no connection between the plaintiff's claim (which revolves around Go Capital) against the defendants as the plaintiff was not and is not a registered shareholder of Go Capital;

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

- (b) the non-joinder of Go Innovate, Go Capital, ACE Global Metal Sdn Bhd, Go Assay Sdn Bhd (formerly known as ACE Assay (M) Sdn Bhd) and Ong Li Ling (the plaintiff's spouse and who was a registered shareholder of Go Capital) is fatal to the plaintiff's case; and
- (c) there were no acts of oppression by the defendants against the plaintiff, based on the above basis.

On 17 August 2022, the plaintiff/appellant filed an appeal against the Decision at the Court of Appeal ("**Appeal**"). The appellant had also filed a notice of motion ("**Notice of Motion**") on 14 August 2023 to produce additional documents as fresh evidence for the Court of Appeal's consideration, which was allowed by the Court of Appeal on 13 March 2024. The Court of Appeal directed that the appellant is allowed to include his additional documents in the supplementary record of appeal and that the respondents may file their notice of motion if necessary.

During the case management on 23 April 2024, the Court of Appeal has set the hearing date for the Appeal on 14 April 2025. The Appeal case is expected to be concluded after the hearing of the Appeal and the decision of the Court of Appeal is expected to be delivered by the 2nd quarter of 2025.

The solicitors acting for the defendants/respondents ("**Defendants' Solicitors**") are of the view that there is a relatively good chance of success and likelihood that the Appeal will be dismissed on the basis that the High Court judge had sufficiently considered the evidence before him in deciding the Decision.

However, if the plaintiff/appellant is successful in his Appeal to the Court of Appeal, there is a likelihood that the Court of Appeal may order, among others, Go Yoong Chang to purchase the plaintiff's/appellant's shares held in ACE Dynamic at fair value to be assessed by an independent valuer.

Pending the outcome of the Appeal, the Defendants' Solicitors have opined that the High Court's Decision remains binding (until the Court of Appeal overturns the decision of the High Court) and therefore there is no minority oppression claim successfully made against the defendants/respondents, particularly towards Go Yoong Chang.

Based on the Decision and the opinion from the Defendants' Solicitors, our Company and our Board (save for Go Yoong Chang) do not foresee the abovementioned Appeal will affect Go Yoong Chang's integrity and suitability to be a Director of our Company in view that the High Court's Decision remains binding, being no conduct of minority oppression by Go Yoong Chang towards the plaintiff/appellant.

If the Appeal is successful and the Decision is overturned and after taking into consideration of the plaintiff/appellant's relief sought in the Appeal, our Company and our Board (save for Go Yoong Chang) are collectively of the view that it will not have any material impact on Go Yoong Chang to continue to act in the capacity as a Director of our Company, as one of the reliefs sought will be for Go Yoong Chang to buy the plaintiff/appellant's shares held in ACE Dynamic at fair value to be assessed by an independent valuer and/or ACE Dynamic to be wound up.

If ACE Dynamic is ordered to be wound up, our Company and our Board (save for Go Yoong Chang) are of the view that it also has no impact on Go Yoong Chang as he is merely a shareholder of ACE Dynamic and all assets of ACE Dynamic will be distributed among the shareholders of ACE Dynamic, which is part of the reliefs sought by the plaintiff/appellant in his claims.

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

5.6 RELATIONSHIPS AND/OR ASSOCIATIONS BETWEEN OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, there are no family relationships and associations among our Promoters, substantial shareholders, Directors and Key Senior Management as at the LPD:

Name	Position/ capacity	Relationship/ association
Connie Go	Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer	<ul style="list-style-type: none"> • Sister of Go Yoong Chang • Sister-in-law of Tan Sun Sun
Go Yoong Chang	Promoter, substantial shareholder and Non-Independent Executive Director	<ul style="list-style-type: none"> • Brother of Connie Go • Brother-in-law of Tan Sun Sun
Tan Sun Sun	Promoter, substantial shareholder and Non-Independent Executive Director	<ul style="list-style-type: none"> • Sister-in-law of Connie Go and Go Yoong Chang

5.7 MANAGEMENT SUCCESSION PLAN

Our Group has adopted a succession planning policy and succession plan, which is an ongoing strategic approach of our Group to ensure that the necessary talent and skills will be available when needed, and that essential knowledge and abilities will be maintained when employees in critical positions leave.

Our Group has put in place a process for:

- (a) identifying critical position to achieve operational and strategic goals;
- (b) anticipating gaps due to retirement and other factors;
- (c) defining the qualified and competencies required;
- (d) preparing employees to be "the best can be" for emerging opportunities; and
- (e) timely transfer of knowledge.

Our Group, in implementing this process, aims to:

- (i) ensure that our Group is prepared with a plan to support operation and service continuity when our Executive Director, Key Senior Management or key managers leave their positions;
- (ii) ensure a continued supply of qualified candidates to fill critical positions within our Group;
- (iii) deliver our Group's commitments and priorities and achieving operational and strategic goals for those positions which are instrumental;
- (iv) meet the competency for critical positions that have been identified through the succession planning process among high potential candidates who are being developed; and
- (v) develop career paths for employees which will facilitate our Group's ability to recruit and retain top-performing or high talent employees.

The Nomination Committee shall report to our Board once a year and may review the succession planning policy from time to time as the committee deems necessary.

6. INFORMATION ON OUR GROUP

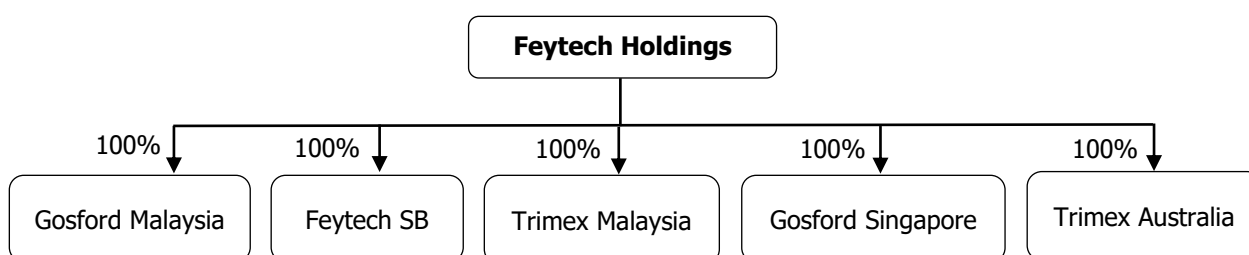
6.1 OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 11 April 2023 as a private limited company under the name of Feytech Holdings Sdn Bhd. On 24 August 2023, our Company was converted to a public limited company for our Listing and assumed our present name.

Our Company is an investment holding company. There has been no material change in the manner in which we conduct our business or activities since our incorporation and up to the LPD. Through our Subsidiaries, we are principally an automotive cover manufacturer and automotive seat manufacturer based in Malaysia. Please refer to **Section 6.5** for detailed information of our Subsidiaries.

As part of the Pre-IPO Restructuring Exercise, our Company had acquired the entire equity interest in Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia as set out in **Section 6.2** of this Prospectus.

As at the LPD, our Group's corporate structure is as follows:



6.2 DETAILS OF THE PRE-IPO RESTRUCTURING EXERCISE

To facilitate our Listing, we undertook the Pre-IPO Restructuring Exercise comprising the Acquisitions and the Share Split.

6.2.1 Acquisitions

(a) Acquisition of Gosford Malaysia

On 3 September 2023, our Company entered into a conditional share sale agreement to acquire all the 600,100 ordinary shares in Gosford Malaysia, representing the entire equity interest in Gosford Malaysia, held by the Gosford Malaysia Vendors for a total purchase consideration of RM77,549,399, which was fully satisfied by the allotment and issuance of 77,549,399 new Shares at an issue price of RM1.00 each to the Gosford Malaysia Vendors as follows:

Gosford Malaysia Vendors	Shareholdings in Gosford Malaysia		Purchase consideration RM	No. of new Shares issued
	No. of shares held	%		
Tan Sun Sun	300,050	50.0	38,774,699	38,774,699
Go Yoong Chang	252,042	42.0	32,570,748	32,570,748
Connie Go	48,008	8.0	6,203,952	6,203,952
Total	600,100	100.0	77,549,399	77,549,399

The total purchase consideration of RM77,549,399 for the Acquisition of Gosford Malaysia was arrived at after taking into consideration the audited NA of Gosford Malaysia as at 31 December 2022 of RM77,549,493.

6. INFORMATION ON OUR GROUP (CONT'D)**(b) Acquisition of Feytech SB**

On 3 September 2023, our Company entered into a conditional share sale agreement to acquire all the 300,000 ordinary shares in Feytech SB, representing the entire equity interest in Feytech SB, held by the Feytech SB Vendors for a total purchase consideration of RM1.00 which was fully paid and settled in cash as follows:

Feytech SB Vendors	Shareholdings in Feytech SB		Purchase consideration
	No. of shares held	%	RM
Tan Sun Sun	150,000	50.0	0.50
Careen Tan Kai Lin ⁽¹⁾	150,000	50.0	0.50
Total	300,000	100.0	1.00

Note:

(1) She is the spouse of Go Yoong Chang.

The total purchase consideration of RM1.00 for the Acquisition of Feytech SB was arrived at after taking into consideration the audited net liabilities of Feytech SB as at 31 December 2022 of RM1,347,202.

(c) Acquisition of Trimex Malaysia

On 3 September 2023, our Company entered into a conditional share sale agreement to acquire all the 80,000 ordinary shares in Trimex Malaysia, representing the entire equity interest in Trimex Malaysia, held by the Trimex Malaysia Vendors for a total purchase consideration of RM8,290,900.00, which was fully satisfied by the allotment and issuance of 8,290,900 new Shares at an issue price of RM1.00 each to the Trimex Malaysia Vendors and Connie Go (the nominated recipient by the Trimex Malaysia Vendors to receive part of the new Shares issued pursuant to the Acquisition of Trimex Malaysia) as follows:

Trimex Malaysia Vendors and nominated recipient	Shareholdings in Trimex Malaysia		Purchase consideration	No. of new Shares issued
	No. of shares held	%	RM	
Tan Sun Sun	56,000	70.0	5,803,630	3,906,151
Go Yoong Chang	24,000	30.0	2,487,270	2,189,902
Connie Go	-	-	-	2,194,847 ⁽¹⁾
Total	80,000	100.0	8,290,900	8,290,900

Note:

(1) The new Shares issued and received by Connie Go as the nominated recipient pursuant to the Acquisition of Trimex Malaysia.

The total purchase consideration of RM8,290,900 for the Acquisition of Trimex Malaysia was arrived at after taking into consideration the audited NA of Trimex Malaysia as at 31 December 2022 of RM8,290,977.

6. INFORMATION ON OUR GROUP (CONT'D)**(d) Acquisition of Gosford Singapore**

On 3 September 2023, our Company entered into a conditional share sale agreement to acquire all the 250,000 ordinary shares in Gosford Singapore, representing the entire equity interest in Gosford Singapore, held by Gosford Singapore Vendors for a total purchase consideration of RM1,165,500 which was fully satisfied by the allotment and issuance of 1,165,500 new Shares at an issue price of RM1.00 each to the Gosford Singapore Vendors as follows:

Gosford Singapore Vendors	Shareholdings in Gosford Singapore		Purchase consideration	No. of new Shares issued
	No. of shares held	%	RM	
Tan Sun Sun	125,000	50.0	582,750	582,750
Connie Go	75,000	30.0	349,650	349,650
Go Yoong Chang	50,000	20.0	233,100	233,100
Total	250,000	100.00	1,165,500	1,165,500

The total purchase consideration of RM1,165,500 for the Acquisition of Gosford Singapore was arrived at after taking into consideration the audited NA of Gosford Singapore as at 31 December 2022 of SGD355,988, equivalent to approximately RM1,165,505 based on the exchange rate of SGD1:RM3.2740 as at 31 December 2022.

(e) Acquisition of Trimex Australia

On 3 September 2023, our Company entered into a conditional share sale agreement to acquire all the 100 ordinary shares in Trimex Australia, representing the entire equity interest in Trimex Australia, held by Tan Sun Sun for a total purchase consideration of RM478,600 which was fully satisfied by the allotment and issuance of 478,600 new Shares at an issue price of RM1.00 each to Tan Sun Sun as follows:

Vendor	Shareholdings in Trimex Australia		Purchase consideration	No. of new Shares issued
	No. of shares held	%	RM	
Tan Sun Sun	100	100.00	478,600	478,600

The total purchase consideration of RM478,600 for the Acquisition of Trimex Australia was arrived at after taking into consideration the audited NA of Trimex Australia as at 31 December 2022 of AUD160,394, equivalent to approximately RM478,663 based on the exchange rate of AUD1:RM2.9843 as at 31 December 2022.

A summary of the number of new Shares issued to the vendors for the Acquisitions (including the new Shares issued pursuant to the Acquisition of Trimex Malaysia to Connie Go as nominated by the Trimex Malaysia Vendors) is as follows:

Vendors	No. of new Shares issued	%⁽¹⁾
Tan Sun Sun	43,742,200	50.0
Goh Yoong Chang	34,993,750	40.0
Connie Go	8,748,449	10.0
Total	87,484,399	100.0

Note:

- (1) Based on our total number of 87,484,400 Shares after the completion of the Acquisitions but before the Share Split.

6. INFORMATION ON OUR GROUP (CONT'D)

The Acquisitions were completed on 11 March 2024. Thereafter, Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia became our wholly-owned subsidiaries.

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

6.2.2 Share Split

Following the completion of the Acquisitions, we subdivided our 87,484,400 Shares into 699,875,200 Shares on the basis of every one (1) existing Share was subdivided into eight (8) Shares to facilitate and enhance the liquidity of our Shares at the time of our Listing.

The Share Split was completed on 25 March 2024, the resultant number of Shares in the issued share capital of our Company was 699,875,200 Shares and the number of Shares held by our Promoters had increased based on their respective shareholding in our Company after the Acquisitions. Nevertheless, the Share Split had not resulted in any change to our Company's cumulative value of issued share capital or the Promoters' effective shareholdings in our Company.

6.3 SHARE CAPITAL

As at the LPD, our issued share capital is RM87,484,400 comprising 699,875,200 Shares. Our Company does not have any treasury shares as at the LPD.

The details of changes in our issued share capital since the date of our incorporation up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Consideration	Nature of transaction	Cumulative issued share capital	
				No. of Shares	RM
11 April 2023	1	Cash	Subscriber's Share	1	1
11 March 2024	87,484,399	Otherwise than cash	Acquisitions	87,484,400	87,484,400
25 March 2024	-	-	Share Split ⁽¹⁾	699,875,200	87,484,400

Note:

(1) Subdivision of 1 existing Share into 8 Shares.

There were no discounts, special terms or instalment payment terms given in respect of the consideration for the allotments.

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in our Company.

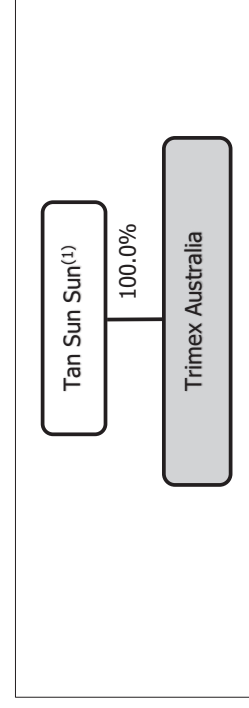
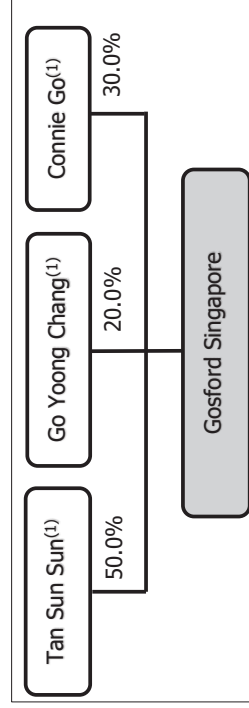
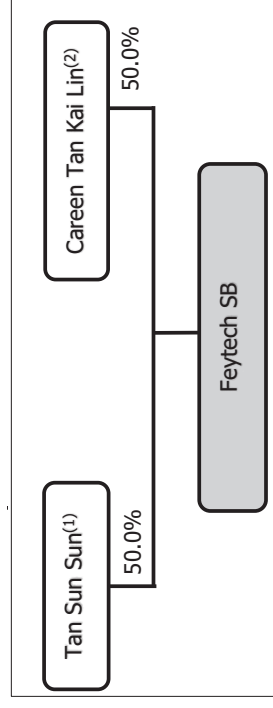
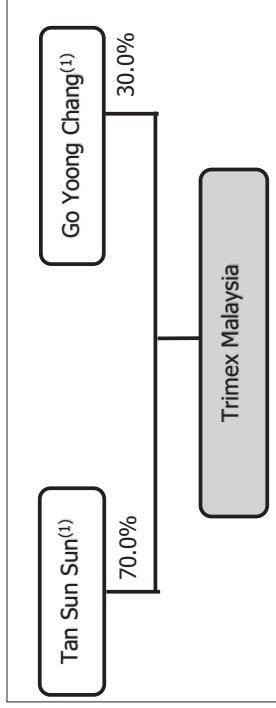
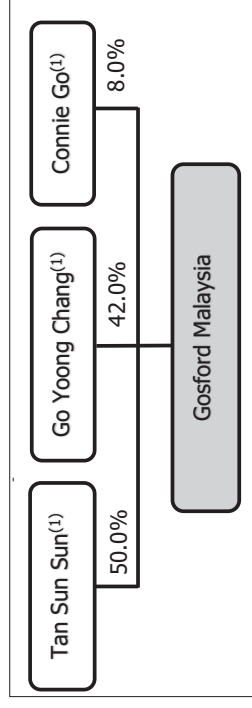
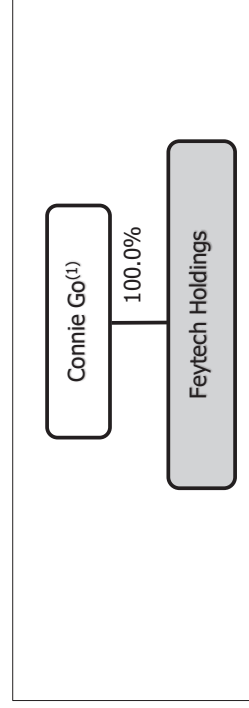
Upon the completion of our IPO, our enlarged issued share capital will increase from RM87,484,400 comprising 699,875,200 Shares to RM202,144,240 comprising 843,200,000 Shares.

6. INFORMATION ON OUR GROUP (CONT'D)

6.4 OUR SHAREHOLDERS AND GROUP STRUCTURE

Before the Pre-IPO Restructuring Exercise

Prior to the completion of the Pre-IPO Restructuring Exercise, the shareholding structures of Feytech Holdings, Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia are as follows:



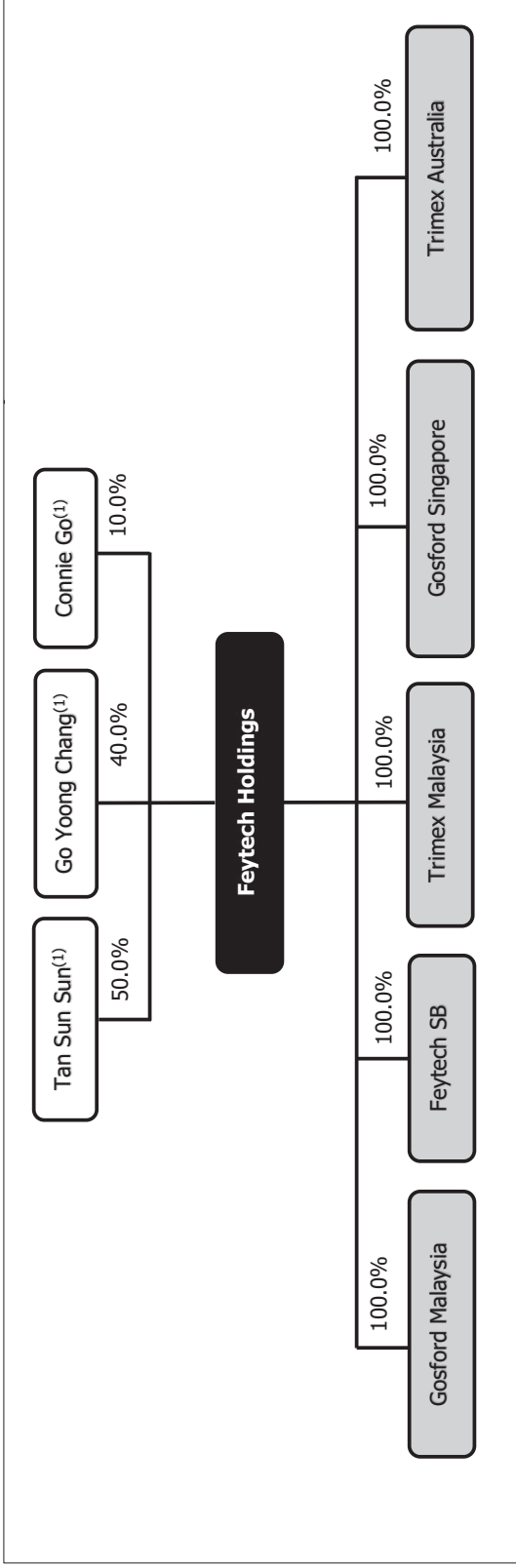
Notes:

- (1) Their respective profile is set out in **Section 5.1.2** of this Prospectus.
- (2) She is the spouse of Go Yoong Chang.

6. INFORMATION ON OUR GROUP (CONT'D)

After the Pre-IPO Restructuring Exercise but before our IPO

The Acquisitions and the Share Split were completed on 11 March 2024 and 25 March 2024 respectively and our Group structure and the shareholdings of our Promoters in our Company are as follows:



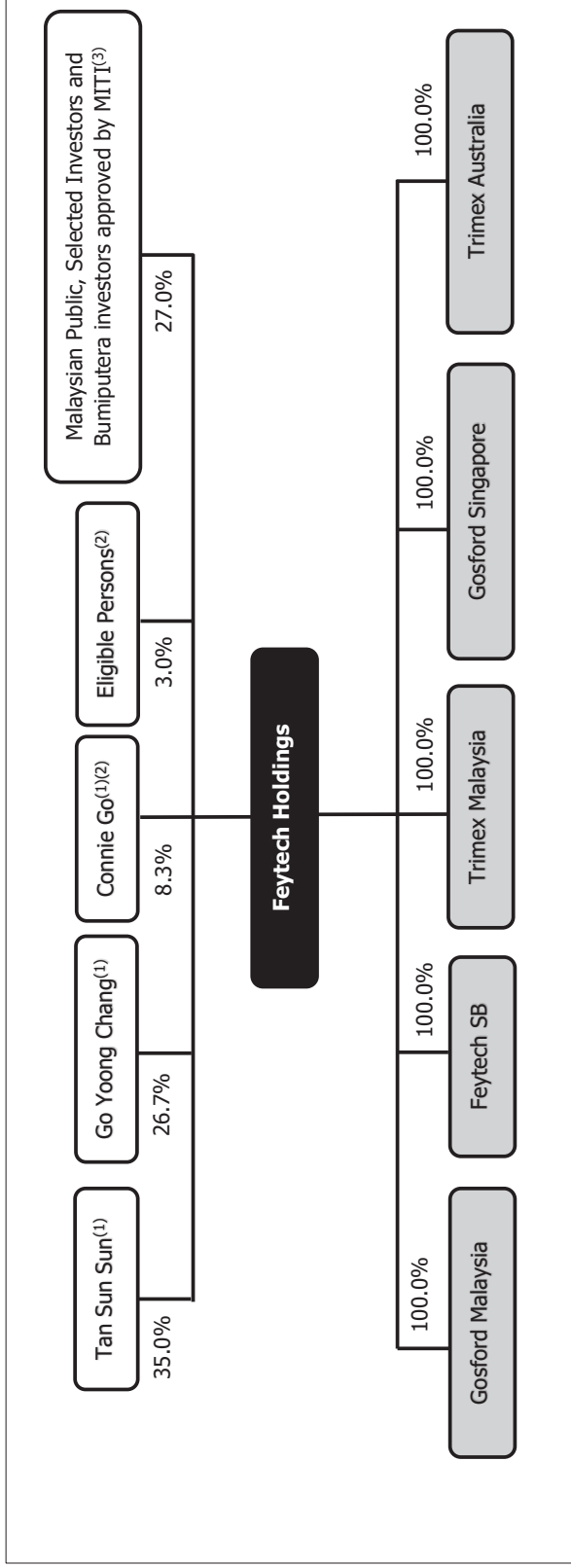
Note:

(1) Their respective profile is set out in **Section 5.1.2** of this Prospectus.

6. INFORMATION ON OUR GROUP (CONT'D)

After our IPO

Our Group structure following the completion of our IPO will be as follows:



Notes:

- (1) Their respective profile is set out in **Section 5.1.2** of this Prospectus.
- (2) Assuming the 25,296,000 Shares allocated to the Eligible Persons under the Pink Form Allocation are fully subscribed.
- (3) Assuming the 227,644,800 Shares allocated to the Malaysian Public via balloting and private placement to the Selected Investors and Bumiputera investors approved by MITI are fully subscribed.

6. INFORMATION ON OUR GROUP (CONT'D)**6.5 INFORMATION ON OUR SUBSIDIARIES**

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

Name and registration no.	Date / Place of incorporation	Principal place of business	Issued share capital	Equity interest	Principal activities
Gosford Malaysia 200201018361 (586024-T)	11 July 2002 / Malaysia	Johor Bahru, Malaysia	RM600,100 comprising 600,100 ordinary shares	100%	Manufacturing and installation of automotive upholstery products
Feytech SB 202101012079 (1412378-M)	1 April 2021/ Malaysia	Kedah, Malaysia	RM300,000 comprising 300,000 ordinary shares	100%	Manufacturing and sale of automotive seats and other parts
Trimex Malaysia 200901034378 (877487-P)	3 November 2009 / Malaysia	Selangor, Malaysia	RM80,000 comprising 80,000 ordinary shares	100%	Marketing and sale of automotive upholstery products and accessories
Gosford Singapore 200716872G	13 September 2007/ Singapore	Singapore	SGD250,000 comprising 250,000 ordinary shares	100%	Installation, marketing and sale of automotive upholstery products and accessories
Trimex Australia ACN131629957	16 June 2008/ Australia	Sydney, Australia	AUD100 comprising 100 ordinary shares	100%	Wholesale of automotive upholstery products and accessories

As at the LPD, our Company does not have any joint venture or associate company.

6.5.1 Gosford Malaysia**(i) History and business**

Gosford Malaysia was incorporated in Malaysia under the Companies Act 1965 on 11 July 2002 as a private limited company and is deemed registered under the Act.

Gosford Malaysia is principally involved in the manufacturing and installation of automotive upholstery products. Gosford Malaysia's principal place of business is in Tampoi, Johor Bahru, Malaysia.

6. INFORMATION ON OUR GROUP (CONT'D)**(ii) Share capital**

As at the LPD, the issued share capital of Gosford Malaysia is RM600,100 comprising 600,100 ordinary shares. There has been no change in the issued share capital of Gosford Malaysia during the FY Under Review and up to the LPD.

As at the LPD, Gosford Malaysia does not have any outstanding warrants, options, convertibles securities or uncalled capital.

(iii) Shareholder

As at the LPD, Gosford Malaysia is a wholly-owned subsidiary of our Company.

(iv) Directors

As at the LPD, the Directors of Gosford Malaysia are Connie Go and Go Yoong Chang.

(v) Subsidiary, joint venture and associate company

As at the LPD, Gosford Malaysia does not have any subsidiary, joint venture or associate company.

6.5.2 Feytech SB**(i) History and business**

Feytech SB was incorporated in Malaysia under the Act on 1 April 2021 as a private limited company.

Feytech SB is principally involved in the manufacturing and sale of automotive seats and other parts. Feytech SB's principal place of business is in Kulim, Kedah, Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of Feytech SB is RM300,000 comprising 300,000 ordinary shares.

The details of changes in the issued share capital of Feytech SB since its date of incorporation up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of shares allotted</u>	<u>Consideration</u>	<u>Nature of transaction</u>	<u>RM</u>	<u>No. of shares</u>
1 April 2021	100	Cash	Subscriber's shares	100	100
26 August 2021	299,900	Cash	Allotment of shares	299,900	299,900
			Total issued share capital	<u>300,000</u>	<u>300,000</u>

As at the LPD, Feytech SB does not have any outstanding warrants, options, convertibles securities or uncalled capital.

6. INFORMATION ON OUR GROUP (CONT'D)

(iii) Shareholder

As at the LPD, Feytech SB is a wholly-owned subsidiary of our Company.

(iv) Directors

As at the LPD, the Directors of Feytech SB are Connie Go and Chua Khe Gee.

(v) Subsidiary, joint venture and associate company

As at the LPD, Feytech SB does not have any subsidiary, joint venture or associate company.

6.5.3 Trimex Malaysia

(i) History and business

Trimex Malaysia was incorporated in Malaysia under the Companies Act 1965 on 3 November 2009 as a private limited company and is deemed registered under the Act.

Trimex Malaysia is principally involved in the marketing and sale of automotive upholstery products and accessories. Trimex Malaysia's principal place of business is in Petaling Jaya, Selangor, Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of Trimex Malaysia is RM80,000 comprising 80,000 ordinary shares. There has been no change in the issued share capital of Trimex Malaysia during the FY Under Review and up to the LPD.

As at the LPD, Trimex Malaysia does not have any outstanding warrants, options, convertibles securities or uncalled capital.

(iii) Shareholder

As at the LPD, Trimex Malaysia is a wholly-owned subsidiary of our Company.

(iv) Directors

As at the LPD, the Directors of Trimex Malaysia are Connie Go, Go Yoong Chang and Tan Sun Sun.

(v) Subsidiary, joint venture and associate company

As at the LPD, Trimex Malaysia does not have any subsidiary, joint venture or associate company.

6.5.4 Gosford Singapore

(i) History and business

Gosford Singapore was incorporated in Singapore as an exempt private limited company under the Singapore Companies Act 1967 on 13 September 2007.

6. INFORMATION ON OUR GROUP (CONT'D)

Gosford Singapore is principally involved in the installation, marketing and sale of automotive upholstery products and accessories. Gosford Singapore's principal place of business is in Singapore.

(ii) Share capital

As at the LPD, the issued share capital of Gosford Singapore is SGD250,000 comprising 250,000 ordinary shares. There has been no change in the issued share capital of Gosford Singapore during the FY Under Review and up to the LPD.

As at the LPD, Gosford Singapore does not have any outstanding warrants, options, convertibles securities or uncalled capital.

(iii) Shareholder

As at the LPD, Gosford Singapore is a wholly-owned subsidiary of our Company.

(iv) Director

As at the LPD, the Director of Gosford Singapore is Connie Go.

(v) Subsidiary, joint venture and associate company

As at the LPD, Gosford Singapore does not have any subsidiary, joint venture or associate company.

6.5.5 Trimex Australia**(i) History and business**

Trimex Australia was incorporated in Australia under the Australian Corporations Act 2001 on 16 June 2008 as a proprietary company limited by shares.

Trimex Australia is principally involved in the wholesale of automotive upholstery products and accessories. Trimex Australia's registered address is in Sydney, New South Wales, Australia.

(ii) Share capital

As at the LPD, the issued share capital of Trimex Australia is AUD100 comprising 100 ordinary shares. There has been no change in the issued share capital of Trimex Australia during the FY Under Review and up to the LPD.

As at the LPD, Trimex Australia does not have any outstanding warrants, options, convertibles securities or uncalled capital.

(iii) Shareholder

As at the LPD, Trimex Australia is a wholly-owned subsidiary of our Company.

(iv) Directors

As at the LPD, the Directors of Trimex Australia are Connie Go, Tan Sun Sun and Ng Joo Leong.

6. INFORMATION ON OUR GROUP (CONT'D)

(v) Subsidiary, joint venture and associate company

As at the LPD, Trimex Australia does not have any subsidiary, joint venture or associate company.

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7. BUSINESS OVERVIEW

7.1 HISTORY AND BACKGROUND

7.1.1 Overview of our Group

Our Company was incorporated in Malaysia under the Act on 11 April 2023 as a private limited company under the name of Feytech Holdings Sdn Bhd. On 24 August 2023, our Company was converted to a public limited company for our Listing and assumed our present name. Our Company became the investment holding company of Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia following the completion of the Acquisitions on 11 March 2024.

Through our Subsidiaries, we are principally an automotive cover manufacturer and automotive seat manufacturer based in Malaysia.

Automotive covers refer to the covers installed on automotive seats and interior parts. Automotive seats are seats specially designed and built for automotive vehicles. Meanwhile, interior parts refer to components found in the interior of an automotive vehicle such as door ornaments, steering wheels, gear knobs, handbrake handles and consoles. Automotive covers provide comfort and enhance the attractiveness of the vehicle, while ensuring the functionality of the components is not affected.

Our Group's products under its automotive cover division include both automotive covers (which are covers sold without the automotive seats and interior parts) and automotive covers sold with interior parts. For avoidance of doubt, the interior parts which form part of the automotive covers sold with interior parts by our Group, are procured by our Group from suppliers appointed by automotive vehicle OEMs and not manufactured by our Group.

We mainly manufacture automotive covers for the OEM market segment. Revenue from the automotive covers from the OEM market segment comprised between 84.6% and 88.6% of our Group's revenue for the automotive cover division during the FY Under Review. Customers in the OEM market segment comprises automotive vehicle OEMs such as Mazda Malaysia (for Mazda 3, CX-5, CX-8 and CX-30 car models) and Kia Malaysia (for Kia Carnival and Sorento car models), as well as Tier 1 automotive seat and/or interior part manufacturers which serve automotive vehicle OEMs for brands such as Local OEM, Mazda and Hyundai. Examples of Tier 1 automotive seat and/or interior part manufacturers include APM companies, Adient companies and Delloyd companies.

We also manufacture automotive covers for the PDI and REM market segments. The customer base for these market segments comprises automotive distributors, car owners, used car dealers, importers, automotive dealers, car accessory retailers and automotive cover installers.

Meanwhile, our Group's automotive seats are manufactured for automotive vehicle OEMs as Feytech SB is a Tier 1 automotive seat and/or interior part manufacturer.

The sales from our automotive cover division to the OEM and PDI market segments and sales from our automotive seat division to the OEM market segment are solely generated from Malaysia. Meanwhile, our Group sells its automotive covers to the REM market segment in Malaysia as well as international markets (which contributed approximately 12.5%, 9.5%, 5.2% and 3.0% to our Group's total revenue for the FY Under Review), namely Singapore, Australia, New Zealand, the United States and Netherlands.

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7. BUSINESS OVERVIEW (CONT'D)

7.1.2 Our history

Our Group's history can be traced back to the incorporation of Gosford Malaysia by our late co-founder and Director, Go Yoong Fei together with 2 other co-founders and shareholders, Goh Joo Sheong and Wong Seow Loo, in 2002. Goh Joo Sheong and Wong Seow Loo, who are relatives to the late Go Yoong Fei, were also Directors in Gosford Malaysia. At the point of incorporation, the late Go Yoong Fei, Goh Joo Sheong and Wong Seow Loo each held 35.0%, 35.0% and 30.0% equity shareholding in Gosford Malaysia. Goh Joo Sheong and Wong Seow Loo had in 2009, disposed part of their shares in Gosford Malaysia to the late Go Yoong Fei with remaining shareholdings in Gosford Malaysia of 10.0% respectively. In 2018, they resigned as Directors in Gosford Malaysia and disposed all their remaining shares in Gosford Malaysia to Go Yoong Chang and Tan Sun Sun.

At that time, Gosford Malaysia manufactured and sold automotive covers to the REM market segment, where automotive covers are replaced and/or repaired for used automotive vehicles for car owners, used car dealers, importers, automotive dealers, car accessory retailers and automotive cover installers. It operated out of a rented property with a manufacturing facility located at Jalan Tun Abdul Razak, Johor Bahru, Johor, Malaysia which had an annual manufacturing capacity of approximately 11,500 meters of automotive cover material. Its manufacturing facility then had 11 sewing machines and its material cutting process was carried out manually.

Gosford Malaysia began securing sales from the REM market segment in Malaysia upon its incorporation in 2002. In 2003, it began to secure orders for automotive covers from the REM market segment in international markets such as the United Kingdom and New Zealand.

In 2004, Gosford Malaysia set up another sales and installation hub in Kuchai Lama, Kuala Lumpur to cater for its customers in Kuala Lumpur and Selangor.

In 2005, the utilisation rate of Gosford Malaysia's manufacturing facility was approximately 86.0%. In light of its plan to expand into the REM market segment in Australia and increasing orders from its customers in Malaysia, Gosford Malaysia relocated its manufacturing facility from Jalan Tun Abdul Razak, Johor Bahru, Johor to Masai Plant, which is also a rented property, in 2006 and acquired 29 new sewing machines to facilitate further expansion of its operations. Accordingly, its annual manufacturing capacity of automotive cover material increased from approximately 31,350 meters in 2005 to approximately 41,800 meters in 2006, and its Technical Development and Production departments grew from 24 persons in 2005 to 61 persons in 2006. Gosford Malaysia began to secure orders for automotive covers from the REM market segment customers in Australia in 2006. Meanwhile, sales from customers in Malaysia continued to grow and its revenues grew from RM1.4 million in the FYE 2003 to RM9.0 million in the FYE 2006.

Despite the new addition of sewing machines at the Masai Plant in 2006, the utilisation rate of Gosford Malaysia's manufacturing facility was approximately 87.0%. In order to further expand its annual manufacturing capacity and improve operational efficiency, Gosford Malaysia began to automate the cutting process when it acquired its first automated cutting machinery in 2007. Gosford Malaysia later acquired another automated cutting machinery in the following year. The automated cutting machineries enabled it to enhance its operational efficiency and with the automatic nesting software integrated with the machineries, Gosford Malaysia was able to optimise the utilisation of its materials. By then, its manufacturing facility had increased to 58 sewing machines. With the acquisition of the new automated cutting machineries, the annual manufacturing capacity of its manufacturing facility increased from approximately 41,800 meters in 2006 to approximately 263,100 meters of automotive cover material in 2008. With an annual manufacturing capacity of 263,100 meters, the utilisation rate of Gosford Malaysia's manufacturing facility was approximately 49.0% in 2008.

In the meantime, recognising the potential to sell its automotive covers to the REM market segment in Singapore, the present Chief Executive Officer, Connie Go, who is also the sister of the late Go Yoong Fei, set up Gosford Singapore in 2007 to market and sell automotive covers to the REM market segment in Singapore. Gosford Singapore set up Singapore Hub in the same year, which allowed Gosford Singapore to market, sell and install automotive covers manufactured by Gosford Malaysia at its factory located at Masai Plant in Malaysia for customers based in Singapore.

7. BUSINESS OVERVIEW (CONT'D)

Meanwhile, the late Go Yoong Fei also set up Trimex Australia in 2008, to facilitate the marketing and sale of automotive covers to the REM market segment in Australia.

In 2009, the late Go Yoong Fei and late Ng Yew Chung, who was a relative of the late Go Yoong Fei, set up Trimex Malaysia to grow sales of automotive covers from customers in Kuala Lumpur and Selangor.

Subsequently, the sales and installation hub in Kuchai Lama, Kuala Lumpur was relocated to PJ Hub in 2010.

Gosford Malaysia secured its first order from the OEM market segment, when it first began to manufacture and supply automotive covers to one of the companies under APM companies, a Tier 1 automotive seat and/or interior part manufacturer in 2012. The order entailed manufacturing automotive covers for Mazda 3 car models. Gosford Malaysia's first order from the OEM market segment paved the way for Gosford Malaysia to fulfil other orders from the OEM market segment. Gosford Malaysia subsequently manufactured and supplied automotive covers for one of the Local OEM's car models in 2015.

In 2015, Gosford Malaysia secured its first order from the PDI market segment when it first secured an order from Perodua Sales Sdn Bhd, an automotive distributor. Later in the year, Trimex Malaysia secured an order from the PDI market segment from Ilusi Mantap Sdn Bhd, a car accessory retailer. The orders from the PDI market segment entails replacing and restyling automotive covers for automotive vehicles prior to the automotive vehicle being registered with the Road Transport Department Malaysia (i.e. Jabatan Pengangkutan Jalan Malaysia), and the customers of this segment include automotive distributors and car accessory retailers.

In 2018, Tan Sun Sun acquired all shares held by her late husband, Go Yoong Fei in Trimex Australia. In 2019, Connie Go, the late Go Yoong Fei's sister, was designated as the acting Chief Executive Officer after being identified as the successor to the late Go Yoong Fei.

Upon passing of the late Go Yoong Fei in 2019, the equity shareholding held by the late Go Yoong Fei in Gosford Malaysia was transmitted to his spouse, Tan Sun Sun; brother, Go Yoong Chang; and sister, Connie Go. Pursuant thereto, Tan Sun Sun, Go Yoong Chang and Connie Go held 50.0%, 42.0% and 8.0% equity shareholdings of Gosford Malaysia, respectively. In the same year, the equity shareholdings held by the late Go Yoong Fei in Trimex Malaysia was transmitted to Tan Sun Sun and Go Yoong Chang. Thereafter, Connie Go was appointed as a Director in Gosford Malaysia, Trimex Malaysia, Feytech SB and Trimex Australia in 2022.

Despite the above changes, our Group continued to achieve new milestones. As Gosford Malaysia's utilisation rate of its manufacturing facility was at approximately 88.0% in 2018, it acquired additional new automated cutting machineries and sewing machines due to higher anticipated demand from its existing customers in the OEM market segment. By 2020, it had 8 automated cutting machineries and 150 sewing machines, which expanded its annual manufacturing capacity from approximately 263,100 meters in 2008 to 1.1 million meters of automotive cover material in 2020. With an annual manufacturing capacity of 1.1 million meters of automotive cover material in 2020, Gosford Malaysia's manufacturing facility had a utilisation rate of 61.1%. Gosford Malaysia relocated to the Tampoi Plant in 2020 upon the expiry of the tenancy for the Masai Plant and to cater for its business expansion. We later acquired an additional automated cutting machinery in June 2023, thus expanding its annual manufacturing capacity to approximately 1.2 million meters in 2023.

In 2021, our Group expanded downstream and ventured into the manufacturing of automotive seats and Feytech SB was incorporated to facilitate this expansion. Feytech SB secured its first contract from Kia Malaysia to manufacture automotive seats for the Kia Carnival car models in the same year. Following the contract, our Group set up Kulim Plant 1 in line with the manufacturing requirements for the said project. Feytech SB later secured another automotive seat contract from Mazda Malaysia for the manufacturing of automotive seats for the Mazda CX-30 car model in 2022.

7. BUSINESS OVERVIEW (CONT'D)

In July 2023, we secured another contract from Stellantis Gurun (Malaysia) Sdn Bhd to manufacture automotive seats for their car model (i.e., a French automotive vehicle brand). We also secured a contract from a multinational automotive vehicle OEM in Malaysia in October 2023 and a multinational automotive vehicle OEM in Indonesia in January 2024 to manufacture automotive seats for their car models. Further details on the status in respect of these contracts are set out in **Section 7.27.1** of this Prospectus.

Following the new contracts secured for our automotive seat business segment, we require a larger floor space to cater for increasing orders of automotive seats. As such, we acquired a land in Padang Serai, Kulim, Kedah in October 2023 for the setting up of Kulim Plant 2, as detailed in **Section 7.27.1** of this Prospectus.

In order to facilitate the Listing, our Company was established in 2023 with the intention to acquire Gosford Malaysia, Trimex Malaysia, Gosford Singapore, Trimex Australia and Feytech SB.

Over the years, our Group has established our reputation as an automotive cover manufacturer that can also manufacture automotive seats. According to PROVIDENCE, we are the third largest automotive cover manufacturer in Malaysia in 2021, 2022 and 2023, based on our Group's revenues from our automotive cover division. We garnered a market share of 23.1%, 25.6% and 25.9% in 2021, 2022 and 2023, respectively, based on our Group's revenues from our automotive cover division and the total automotive cover industry size in Malaysia. As at the LPD, our clientele from the OEM market segments includes established automotive vehicle OEMs for brands such as Local OEM, Mazda and Kia.

Gosford Malaysia received a certificate of appreciation from by Perodua Sales Sdn Bhd for the Delivery Due Date Achievement 2018 (Perodua Sales Sdn Bhd Vendor Gemba Kaizen Challenge 2018). Further, Gosford Singapore has also been awarded with the SME Excellence Business Award Achievers 2022/2023 by Vision Media Group. These recognitions are testament to our Group's established industry reputation.

Gosford Malaysia also obtained the ISO 9001:2000 certification for manufacturing of leather automotive seat covers in 2006. In 2018, Gosford Malaysia ceased renewing its ISO certification and obtained the IATF 16949 – First Edition certification, a certification of quality management system certification by the International Automotive Task Force (IATF) for automotive industry which is based on ISO 9001 certification. The IATF 16949 – First Edition certification which was introduced in 2016 and is recognised by automotive vehicle OEMs worldwide for the manufacturing of leather automotive seat covers. In 2023, Gosford Malaysia obtained the IATF 16949 – First Edition for all of the automotive covers it manufactures.

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7. BUSINESS OVERVIEW (CONT'D)

7.1.3 Major achievements and milestones

The table below summarises our Group's major achievements and milestones since our commencement of operations up to the LPD:

Year	Description
2002	<ul style="list-style-type: none"> Gosford Malaysia was incorporated Gosford Malaysia began operating from its first manufacturing plant in Jalan Tun Abdul Razak, Johor Bahru, Johor, Malaysia Commenced manufacturing and selling of automotive covers to the REM market segment in Malaysia
2003	<ul style="list-style-type: none"> Began to secure sales of automotive covers from the REM market segment in international markets such as the United Kingdom and New Zealand
2004	<ul style="list-style-type: none"> Set up a sales and installation hub in Kuala Lumpur to cater to customers in Kuala Lumpur and Selangor
2006	<ul style="list-style-type: none"> Relocated manufacturing plant in Jalan Tun Abdul Razak, Johor Bahru, Johor, Malaysia to Masai Plant Gosford Malaysia obtained the ISO 9001:2000 certification Began to secure sales of automotive covers from the REM market segment in Australia
2007	<ul style="list-style-type: none"> Gosford Singapore was incorporated to market and sell automotive covers to the REM market segment in Singapore Set up Singapore Hub Began to automate cutting process when Gosford Malaysia acquired its first automated cutting machinery
2008	<ul style="list-style-type: none"> Trimex Australia was incorporated to facilitate marketing and sale of automotive covers to the REM market segment in Australia
2009	<ul style="list-style-type: none"> Trimex Malaysia was incorporated to grow sales from customers in Kuala Lumpur and Selangor
2010	<ul style="list-style-type: none"> Relocated the sales and installation hub in Kuala Lumpur to PJ Hub
2012	<ul style="list-style-type: none"> Gosford Malaysia secured first OEM contract from a Tier 1 automotive seat and/or interior part manufacturer
2015	<ul style="list-style-type: none"> Gosford Malaysia secured first order from PDI market segment when secured an order from Perodua Sales Sdn Bhd, an automotive distributor
2018	<ul style="list-style-type: none"> Gosford Malaysia obtained the IATF 16949 certification for the manufacturing of leather automotive seat covers
2019	<ul style="list-style-type: none"> Connie Go was designated as acting Chief Executive Officer Shares held by the late Go Yoong Fei were transmitted to Tan Sun Sun, Go Yoong Chang and Connie Go after the passing of Go Yoong Fei
2020	<ul style="list-style-type: none"> Gosford Malaysia relocated its manufacturing plant from Masai Plant to Tampoi Plant

7. BUSINESS OVERVIEW (CONT'D)

Year	Description
2021	<ul style="list-style-type: none"> Feytech SB was incorporated to venture into automotive seat manufacturing Feytech SB secured its first contract to manufacture automotive seats from Kia Malaysia Feytech SB set up Kulim Plant 1
2022	<ul style="list-style-type: none"> Feytech SB secured contract from Mazda Malaysia for the manufacturing of automotive seats
2023	<ul style="list-style-type: none"> Feytech Holdings was set up to facilitate the Listing exercise and acquired Gosford Malaysia, Feytech SB, Trimex Malaysia, Gosford Singapore and Trimex Australia Feytech SB secured contract to manufacture automotive seats from Stellantis Gurun (Malaysia) Sdn Bhd Feytech SB secured contract to manufacture automotive seats from a multinational automotive vehicle OEM in Malaysia We completed the acquisition of a land in Padang Serai, Kulim Kedah to set up Kulim Plant 2 Gosford Malaysia obtained IATF 16949 – First Edition for its automotive covers
2024	<ul style="list-style-type: none"> Feytech SB secured contract to manufacture automotive seats from a multinational automotive vehicle OEM in Indonesia

7.1.4 Awards and recognitions

Since our incorporation until the LPD, we have received several awards and recognitions, including the following:

Year	Awards and recognitions
2018	<ul style="list-style-type: none"> Gosford Malaysia recognised with Delivery Due Date Achievement 2018 by Perodua Sales Sdn Bhd
2022	<ul style="list-style-type: none"> Gosford Singapore awarded with SME Excellence Business Award Achievers 2022/2023 by Vision Media Group

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7. BUSINESS OVERVIEW (CONT'D)

7.2 PRINCIPAL ACTIVITIES AND PRODUCTS

Our Group's business model can be illustrated as follows:

Principal activities ⁽¹⁾	Manufacturing of automotive covers			Manufacturing of automotive seats
Products	<ul style="list-style-type: none"> Automotive seat covers Interior part covers 			Fully-assembled automotive seats
Supplier types	<ul style="list-style-type: none"> Automotive cover material suppliers Interior part suppliers Suppliers of parts, accessories and other supplies (e.g. zippers, plastic strips and hooks) 			<ul style="list-style-type: none"> Automotive cover manufacturers Suppliers of automotive seat supplies (e.g. padding, seatbelts, buckles, electrical parts, frames, side airbags)
Market segments	OEM	PDI	REM	OEM
Customer segments	<ul style="list-style-type: none"> Automotive vehicle OEMs Tier 1 automotive seat and/or interior part manufacturers 	<ul style="list-style-type: none"> Automotive distributors Car accessory retailers 	<ul style="list-style-type: none"> Car owners Used car dealers Importers Automotive dealers Car accessory retailers Automotive cover installers 	Automotive vehicle OEMs
Geographical markets⁽²⁾	Malaysia		<ul style="list-style-type: none"> Malaysia Singapore Australia New Zealand Others⁽³⁾ 	Malaysia

Notes:

(1) The revenue breakdown by principal activities for the FY Under Review are as follow:

Revenue	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Manufacturing of automotive covers:								
• Automotive seat covers	59,657	75.2	63,657	74.7	81,437	64.2	95,762	45.3
• Interior part covers	16,789	21.1	21,522	25.3	25,922	20.4	34,409	16.3
Subtotal	76,446	96.3	85,179	100.0	107,359	84.6	130,171	61.6
Manufacturing of automotive seats	-	-	-	-	19,518	15.4	81,052	38.4
Others*	2,922	3.7	-	-	-	-	-	-
Total	79,368	100.0	85,179	100.0	126,877	100.0	211,223	100.0

7. BUSINESS OVERVIEW (CONT'D)

- * Being sales from one-off trading of fabric industrial face masks comprising 250,000 pieces of masks in FYE 2020.

The trading of fabric industrial face masks is a one-off transaction undertaken by our Group due to sales opportunity amid high demand for masks during the COVID-19 pandemic. As it is trading in nature, save for the cost of goods purchased, there was no investment incurred by our Group in undertaking the sales of fabric industrial face masks. Further, our Group did not continue with the trading of fabric industrial face masks upon the order for the fabric industrial face masks has been fulfilled.

- (2) The revenue breakdown by geographical markets for the FY Under Review are as follow:

Revenue	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	69,458	87.5	77,084	90.5	120,309	94.8	204,923	97.0
Singapore	4,609	5.8	5,470	6.4	4,956	3.9	5,044	2.4
Australia	3,981	5.0	1,117	1.3	908	0.7	914	0.4
New Zealand	888	1.1	1,043	1.2	421	0.4	179	0.1
Others ⁽³⁾	432	0.6	465	0.6	283	0.2	163	0.1
Total	79,368	100.0	85,179	100.0	126,877	100.0	211,223	100.0

- (3) Others include the United States and Netherlands.

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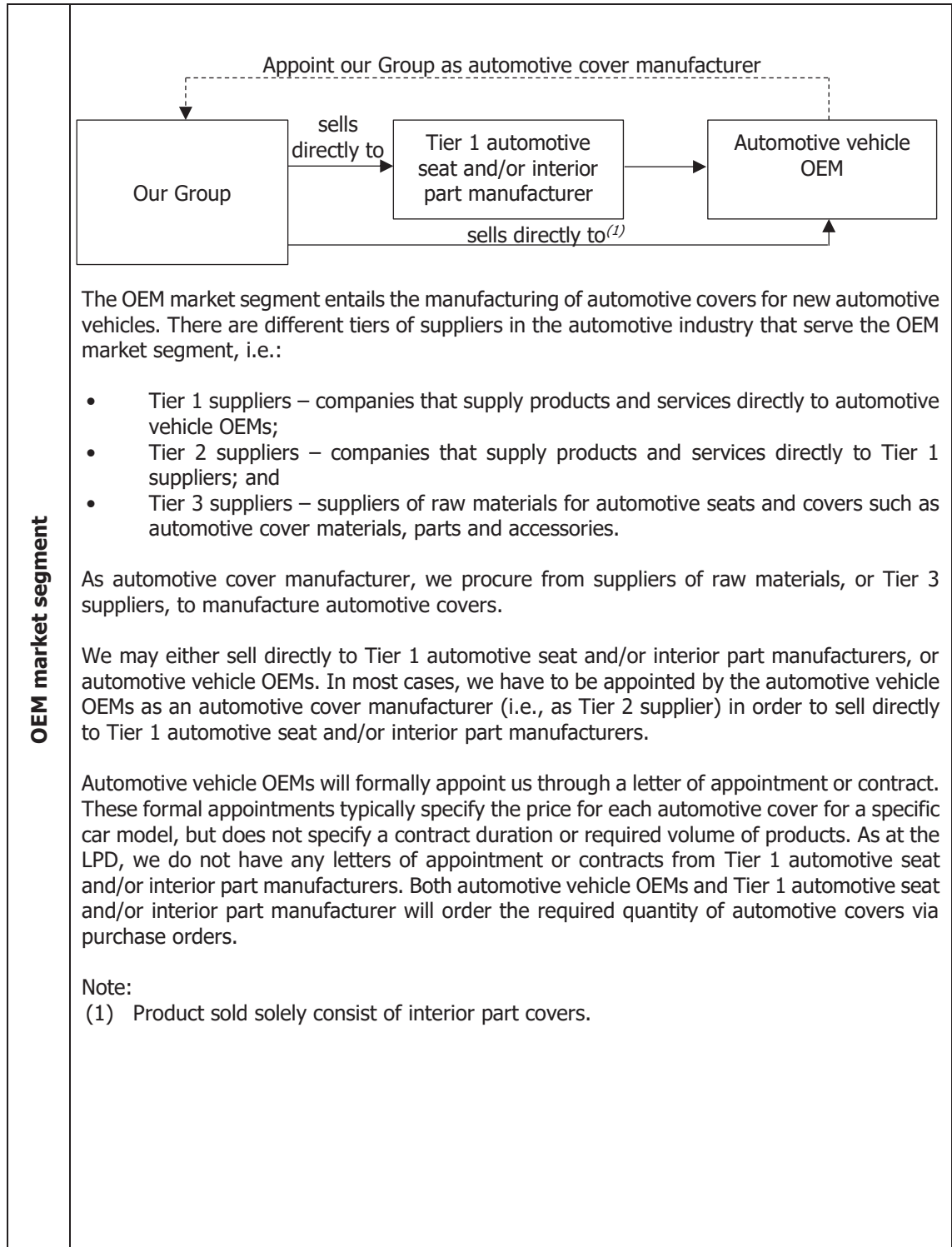
7. BUSINESS OVERVIEW (CONT'D)

Our Group is involved in the following principal activities:

(i) Manufacturing of automotive covers

We undertake the manufacturing of automotive covers produced mainly from leather or synthetic leather automotive cover materials. We may also manufacture automotive covers using a combination of different material types.

Our automotive covers are sold to different market segments, as follows:



7. BUSINESS OVERVIEW (CONT'D)

PDI market segment	<pre> graph LR OG[Our Group] -- "sells directly to" --> CAR[Car accessory retailers] CAR --> AD[Automotive distributors] OG -- "sells directly to" --> AD </pre> <p>The PDI market segment entails the manufacturing and replacement of automotive covers prior to these automotive vehicles being registered with the Road Transport Department Malaysia (i.e. Jabatan Pengangkutan Jalan Malaysia). This is generally to enhance the value and attractiveness of the automotive vehicle model. For instance, the replacing and restyling of automotive covers can emphasize the exclusivity of the automotive vehicle model introduced in the market or localise the automotive covers for the automotive vehicle model to suit local preferences and demands.</p> <p>We may either sell directly to car accessory retailers or automotive distributors.</p> <p>At times, we may be formally appointed via a letter of appointment and/or contract from automotive distributors. These formal appointments typically specify the price for each automotive cover, but does not specify a contract duration or required volume of products. As at the LPD, we do not have any letters of appointment or contracts from car accessory retailers. Both car accessory retailers or automotive distributors will order the required quantity of automotive covers via purchase orders.</p>
REM market segment	<pre> graph LR OG[Our Group] -- "sells directly to" --> CS[• Car owners • Used car dealers • Importers • Automotive dealers • Car accessory retailers • Automotive cover installers] </pre> <p>The REM market segment entails the manufacturing and replacement of automotive covers after the automotive vehicles have been registered with the Road Transport Department Malaysia (i.e. Jabatan Pengangkutan Jalan Malaysia). We sell directly to car owners, used car dealers, importers, automotive dealers, car accessory retailers or automotive cover installers.</p> <p>As at the LPD, we do not have any letters of appointment or contracts from car owners, used car dealers, importers, automotive dealers, car accessory retailers or automotive cover installers. All of these customer segments will order the required quantity of automotive covers via purchase orders.</p>

The description of our products and services for each market segment are as illustrated below:

OEM market segment	<p>For this market segment, the automotive vehicle OEM will determine the automotive cover design, specifications and quality requirements. At times, we may propose variations to the design based on the manufacturability and durability of the automotive cover design. We also develop prototypes so that customers can conduct testing and adjustments until it meets the target functional specifications set by the automotive vehicle OEMs. In addition, we have an in-house testing laboratory and equipment which enables us to test, check and inspect the automotive cover materials to ensure that they meet the requirements set by the customer.</p> <p>We generally are not required to undertake the installation of automotive covers onto the automotive seats. In some cases, we may be required to undertake the installation of automotive covers on the interior parts such as door ornaments, steering wheels, gear knobs, handbrake handles and consoles.</p>
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7. BUSINESS OVERVIEW (CONT'D)

PDI market segment	For the PDI market segment, we are engaged by automotive distributors and car accessory retailers to restyle, manufacture and replace automotive covers based on their designs and specifications. We may also be required to reinstall our manufactured automotive covers onto the automotive seats and/or interior parts.
REM market segment	For the REM market segment, we are engaged by customers to restyle, manufacture, replace and/or repair automotive covers based on their designs and specifications. This involves the dismantling of used automotive covers and reinstalling of our manufactured and/or repaired automotive covers onto the automotive seats and/or interior parts, followed by reinstalling of the automotive seats and/or interior parts into the vehicle.

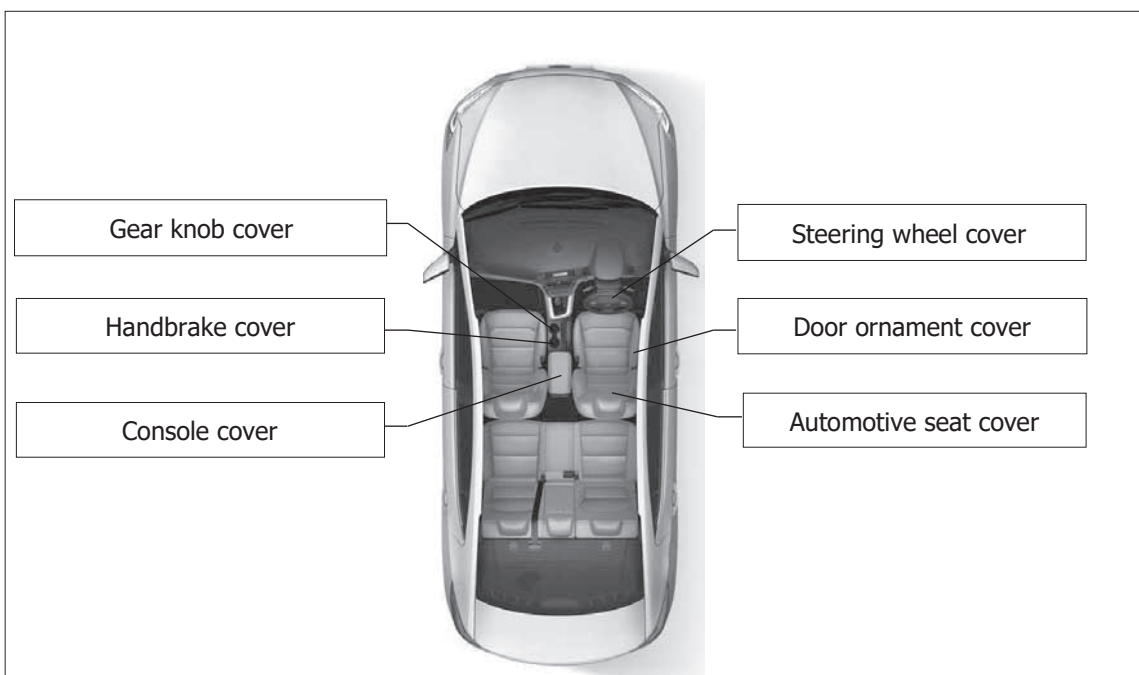
Our key market segment for our automotive covers is the OEM market segment. Revenue from the automotive covers from the OEM market segment comprised between 84.6% and 88.6% of our Group’s revenue for the automotive cover division during the FY Under Review. The remaining 11.4% to 15.4% of our total revenue were contributed from the other market segments for our automotive covers, i.e. the PDI and REM market segments. Currently, our automotive covers are used for both local and international brands of automotive vehicles, such as Local OEM, Mazda and Kia.

We manufacture our automotive covers at our Tampoi Plant, which is located in Johor, Malaysia. Our Tampoi Plant has an annual manufacturing capacity of 1.2 million meters of automotive cover material in FYE 2023.

As an assurance of our product quality and safety, we have obtained the IATF 16949 certification, which is a quality management system for manufacturing of automotive covers for automotive vehicle OEMs. Our ability to obtain this certification highlights our Group’s capabilities to meet local and international standards in the manufacturing of automotive seat covers.

In addition, we operate 2 sales and installation hubs which are located in Selangor, Malaysia and Singapore (i.e. PJ Hub and Singapore Hub). At PJ Hub and Singapore Hub, we undertake the repair and/or replacement of automotive covers that are sold to PDI and/or REM market segments. Some automotive covers may also be stored at our PJ Hub.

In general, our automotive covers are as follows:



7. BUSINESS OVERVIEW (CONT'D)

A majority of our automotive covers sold are automotive seat covers. Revenue from automotive seat covers comprised between 45.3% and 75.2% of our total Group revenue during the FY Under Review. In addition, we manufacture interior part covers for interior parts such as door ornaments, steering wheels, gear knobs, handbrake handles and consoles. Revenue from interior part covers contributed between 16.3% and 25.3% of our total Group revenue during the FY Under Review.

(ii) Manufacturing of automotive seats

We began to expand downstream the industry value chain to manufacture automotive seats in 2021. We manufacture and supply automotive seats to the OEM market segment, whereby our automotive seats manufactured according to the design and specifications provided by the automotive vehicle OEM. These automotive seats are sold to automotive vehicle OEMs for their onward installation into automotive vehicles. Currently, we manufacture automotive seats for international brands of automotive vehicles such as Mazda and Kia.

As at the LPD, our automotive seat manufacturing activities are carried out at our Kulim Plant 1, which is located in Padang Serai, Kulim, Kedah. Our Kulim Plant 1 has the manufacturing capacity to assemble and manufacture 36,000 sets of automotive seats annually (based on the manufacturing capacity of our existing 2 double conveyor lines) as at FYE 2023. We will be relocating our automotive seat manufacturing activities to Kulim Plant 3, which will have the same manufacturing capacity to assemble and manufacture 36,000 sets of automotive seats annually (based on the manufacturing capacity of our 2 double conveyor lines to be relocated from Kulim Plant 1 to Kulim Plant 3 and that no additional conveyor line(s) will be procured for Kulim Plant 3 for the time being until when the need for such additional conveyor line(s) arises), by June 2024 as detailed in **Section 7.27.1** of this Prospectus.

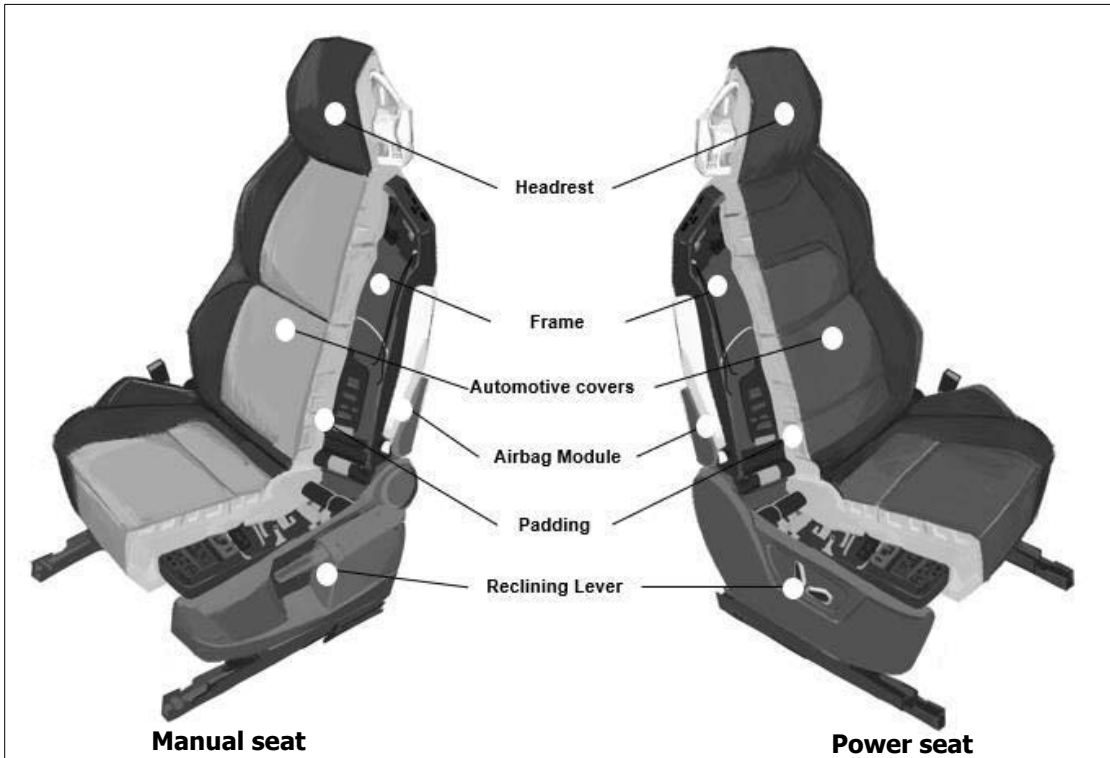
Our manufacturing process involves the assembly of front seats (driver seat and front passenger seat) and rear seats. There are 2 types of front seats, namely power seats (seats that use electronic motors to adjust seat position and reclination) and manual seats (seats that use manual levers or knobs to adjust seat position and reclination).

Our Kulim Plant 1 is also equipped with an in-house testing laboratory and equipment to carry out QA/QC testing on the fully-assembled automotive seats to ensure that they meet the automotive vehicle OEM's safety and functionality requirements (please refer to **Section 7.10** of this Prospectus for the QA/QC tests undertaken for automotive seats). Upon relocation, our Kulim Plant 3 will also be equipped with similar in-house testing laboratory and equipment for its QA/QC testing.

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7. BUSINESS OVERVIEW (CONT'D)

An example of manual and power automotive seats are as illustrated below:



On the quality and safety measures, we are in the midst of preparing the necessary documentations and undergo the required trainings in respect of the IATF 16949 certification for the manufacturing of automotive seats. We expect the audit by a certification body recognised by IATF to be completed by 2nd quarter of 2024 and obtain the IATF 16949 certification for our manufacturing of automotive seats by 3rd quarter of 2024. For the avoidance of doubt, the absence of IATF 16949 certification for the manufacturing of automotive seats will not result in any negative impact on the operation of our automotive seats manufacturing division as the IATF 16949 certification is not a mandatory criteria or condition imposed by our existing customers and certain existing customers of our Group are aware of our status in respect of the IATF 16949 certification for our manufacturing of automotive seats prior to placing their orders with our Group.

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7. BUSINESS OVERVIEW (CONT'D)

7.3 REVENUE SEGMENTATION

The table below sets out the breakdown and analysis of our Group's revenue by business activities for the FY Under Review:

	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sales of automotive covers:								
• Automotive seat covers	59,657	75.2	63,657	74.7	81,437	64.2	95,762	45.3
• Interior part covers	16,789	21.1	21,522	25.3	25,922	20.4	34,409	16.3
Sales of automotive seats	-	-	-	-	19,518	15.4	81,052	38.4
Others ⁽¹⁾	2,922	3.7	-	-	-	-	-	-
Total	79,368	100.0	85,179	100.0	126,877	100.0	211,223	100.0

Note:

- (1) Being sales from one-off trading of fabric industrial face masks comprising 250,000 pieces of masks in FYE 2020.

The trading of fabric industrial face masks is a one-off transaction undertaken by our Group due to sales opportunity amid high demand for masks during the COVID-19 pandemic. As it is trading in nature, save for the cost of goods purchased, there was no investment incurred by our Group in undertaking the sales of fabric industrial face masks. Further, our Group did not continue with the trading of fabric industrial face masks upon the order for the fabric industrial face masks has been fulfilled.

The table below sets out the breakdown and analysis of our Group's revenue by market segments for the FY Under Review:

	Audited							
	FYE 2020 ⁽¹⁾		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
OEM	64,647	84.6	73,382	86.1	114,568	90.3	196,412	93.0
REM	9,602	12.5	10,299	12.1	8,847	7.0	9,051	4.3
PDI	2,197	2.9	1,498	1.8	3,462	2.7	5,760	2.7
Total	76,446	100.0	85,179	100.0	126,877	100.0	211,223	100.0

Note:

- (1) Excluding the sales from one-off trading of fabric industrial face masks of RM2.9 million in FYE 2020.

7.4 COMPETITIVE POSITION

7.4.1 We have an established track record and market reputation as an automotive cover manufacturer in Malaysia

We possess 21 years of experience in the manufacturing of automotive covers since we commenced our business operations in 2002. We commenced our business serving the REM market segment and over the years, we have grown our market segments to include the OEM market segment since 2012 and PDI market segment since 2015. As at the LPD, our clientele from the OEM market segment includes established automotive vehicle OEMs such as the Local OEM, Mazda Malaysia and Kia Malaysia.

7. BUSINESS OVERVIEW (CONT'D)

Our track record over the years have enabled us to build our reputation in the automotive industry. We are the third largest automotive cover manufacturer in Malaysia in 2021, 2022 and 2023, based on our Group's revenues from our automotive cover division. We garnered a market share of 23.1%, 25.6% and 25.9% in 2021, 2022 and 2023, respectively, based on our Group's revenues from our automotive cover division and the total automotive cover industry size in Malaysia. (Source: IMR Report)

Our track record and market reputation will serve as a foundation for us to secure new customers as well as new orders from existing customers in the future.

7.4.2 We have demonstrated our ability to comply with the design and manufacturing requirements set by local and international automotive vehicle OEMs

We manufacture automotive covers and automotive seats for the OEM market segment. A large proportion of our sales from our automotive cover division was generated from the OEM market segment (i.e. between 84.6% and 88.6% of our Group's revenue for the automotive cover division during the FY Under Review). The customer segments of our automotive covers from the OEM market segment comprises automotive vehicle OEMs such as Mazda Malaysia and Kia Malaysia as well as Tier 1 automotive seat and/or interior part manufacturers which serve automotive vehicle OEMs.

Meanwhile, all of our sales from our automotive seat division are derived from the OEM market segment. Thus, our automotive seats are sold to automotive vehicle OEMs.

Local and international automotive vehicle OEMs typically require automotive cover and automotive seat manufacturers to adhere to their design and manufacturing requirements. Prior to being appointed to manufacture automotive covers and automotive seats for their vehicle models, these automotive vehicle OEMs typically conduct a site visit at our manufacturing plant to ensure that we are able to meet their requirements in the manufacturing of the automotive covers and automotive seats. Some local and international automotive vehicle OEMs may carry out regular follow-up assessments to ensure that we have maintained our operating standards.

In addition, our manufacturing process for automotive covers also complies with the IATF 16949, which is an internationally recognised quality management system. We are required to renew this certification every 3 years. The renewal is subject to a surveillance audit to be conducted by a certification body recognised by IATF on a yearly basis to ensure we continue to meet the key requirements of the certification.

Further, for our automotive seat division, we have also set up our Kulim Plant 1, which is located in Padang Serai, Kulim, Kedah, so that it is located in close proximity to one of our automotive vehicle OEM customers. This enables us to quickly and efficiently deliver the assembled automotive seats to the automotive vehicle OEM plants.

As a testament to our ability to comply with the design and manufacturing requirements set by local and international automotive vehicle OEMs, we have managed to retain many automotive vehicle OEMs and Tier 1 automotive seat and/or interior part manufacturers as customers over the years. On average, our length of business relationship with our top 5 major customers, which comprised both local and international automotive vehicle OEMs and Tier 1 automotive seat and/or interior part manufacturers, were approximately 7 years as at FYE 2023.

7.4.3 We can manufacture both automotive seats and automotive covers, and serve various market segments

We have been in the manufacturing of automotive covers since 2002 and since 2021, we have expanded downstream in the industry value chain to venture into the manufacturing of automotive seats. This will allow us to provide a complementary range of services to automotive vehicle OEMs, which would provide convenience to automotive vehicle OEMs to appoint us to manufacture both automotive seats and automotive covers.

7. BUSINESS OVERVIEW (CONT'D)

Further, we also offer automotive covers to various market segments, i.e. the OEM, PDI and REM market segments. This allows us to expand our customer base to not only target automotive vehicle OEMs and Tier 1 automotive seat and/or interior part manufacturers, but also automotive dealers, automotive distributors, used car dealers, car owners, car accessory retailers, importers and automotive cover installers. Our sales of automotive covers are thus not only limited to the production of new automotive vehicles (i.e. OEM market segment), but also sales from the aftermarket of automotive vehicles (i.e. PDI and REM market segments).

7.4.4 Our Tampoi Plant is equipped to manufacture quality automotive covers efficiently

We utilise automated cutting machineries and automated nesting software in our automotive cover manufacturing processes, which has allowed us to optimise material usage and reduce wastages of materials for our automotive cover division.

The automated nesting software computes the most optimal manner to cut multiple shapes on an automotive cover material, taking into account any defects marked on the automotive cover material. Thus, by using automated nesting software, we are able to optimise the utilisation of automotive cover materials.

The automated cutting machineries enable the cutting of automotive cover materials into the required shapes, according to the arrangement of digitised templates provided by the automated nesting software. By using the automated cutting machineries, we are able to perform the cutting of automotive cover materials accurately in a short period of time, and with minimal number of workers. This thus improves our operational efficiency. As at the LPD, we have 9 automated cutting machineries.

The abovementioned processes promote cost efficiency, wastage minimisation and operational efficiency in our automotive cover manufacturing processes. This would ultimately enable us to improve our profit margins. As an illustration, we managed to improve our GP margin with the purchase of more automated cutting machineries, from 36.6% in FYE 2020 to 40.4% in FYE 2021.

In addition, we have an in-house testing laboratory which enables us to test, check and inspect the automotive cover materials, particularly leather automotive cover materials. This is important as every leather hide have different characteristics in terms of size, defect areas and colour, amongst others. The in-house testing laboratory enables us to check leather automotive cover materials in order to manufacture automotive covers which matches the colour specifications provided by the customer and are visually homogenous. The in-house testing laboratory also allows us to test the quality of the automotive cover materials in terms of its thickness, weight, flexing resistance and tensile strength. Thus, the in-house laboratory is crucial in the selection of automotive cover materials to enable us to manufacture quality automotive covers that meets our customers' requirements.

7.4.5 We have an experienced and dedicated Key Senior Management team

We have an experienced and dedicated Key Senior Management team, led by our Chief Executive Officer, Connie Go, who has 17 years' experience in the automotive industry. Details of our Key Senior Management team are as follows:

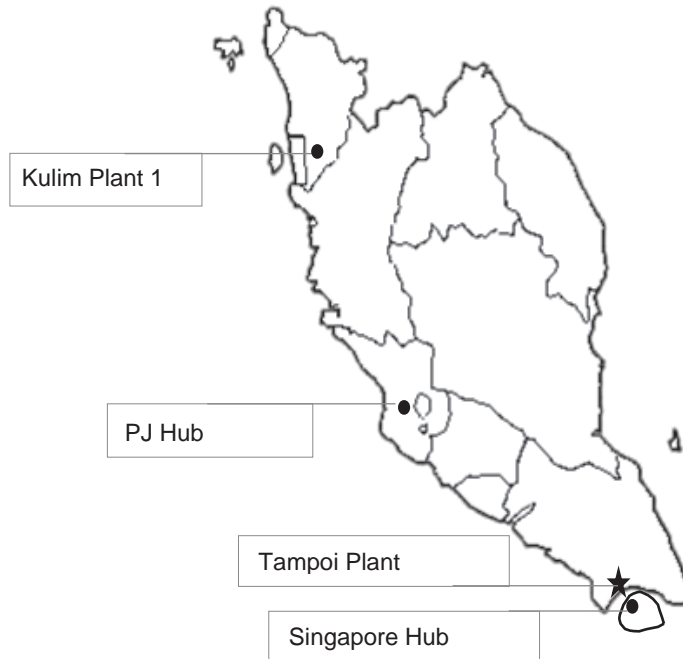
Key Senior Management personnel	Designation	Years of relevant experience
Connie Go	Executive Director/ Chief Executive Officer	17
Go Yoong Chang	Executive Director	6
Tan Sun Sun	Executive Director	19
Chua Khe Gee	Chief Operating Officer	19
Tan Ming Shing	Chief Financial Officer	17

7. BUSINESS OVERVIEW (CONT'D)

Collectively, our Key Senior Management team has an average of approximately 16 years of relevant experience in their respective fields. Their experience and leadership capabilities are expected to continue contributing positively to our future growth and prospects. Please refer to **Section 5** of this Prospectus for the profiles of our Key Senior Management team.

7.5 LOCATION OF OPERATIONS

As at the LPD, our Group's operations are based in Malaysia and Singapore, as illustrated below:



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7. BUSINESS OVERVIEW (CONT'D)

As at the LPD, our Group has premises in the following locations:

Facility	Location	Nature	Usage
Tampoi Plant	Johor Bahru, Johor	Headquarters, automotive manufacturing warehouse	Manufacturing of automotive covers, warehouse, sales and marketing, finance and administrative functions
Kulim Plant 1	Padang Serai, Kulim, Kedah	Automotive manufacturing warehouse	Manufacturing of automotive seats and warehouse
PJ Hub	Petaling Jaya, Selangor	Sales and installation hub, warehouse	Marketing, sales and installation of automotive covers and warehouse
Singapore Hub	Kaki Bukit, Singapore	Sales and installation hub	Marketing, sales and installation of automotive covers

Please refer to **Section 7.21** of this Prospectus for further information on our Group's material properties.

7.6 MATERIAL MACHINERY AND EQUIPMENT

A summary of the material machinery and equipment owned and used by us are as follows:

Machinery and equipment	Functions	Location	No. of units ⁽¹⁾	Average age (years) ⁽¹⁾	NBV as at 31 December 2023 (RM'000)
Automated cutting machineries	Cutting of automotive cover materials	Tampoi Plant	9 ⁽²⁾	10	1,644
Sewing machines	Sewing and stitching leather, synthetic leather and/or fabric pieces	Tampoi Plant and Singapore Hub	164 ⁽³⁾	13	102
Secondary process and airbag sewing machines	To carry out secondary processes, i.e. embroidery, embossing, pattern sewing, perforation, skiving and airbag parts sewing	Tampoi Plant	25	12	546
Double automotive seat manufacturing conveyor lines	Assembly of automotive seats	Kulim Plant 1	2	2	387
Assembly jig	Assembly of automotive seats	Kulim Plant 1	12	1	41
Automotive seat checking jig	To perform automotive seat hip-point measurement	Kulim Plant 1	14	2	131 ⁽⁴⁾
End-of-line seat tester	End-of-line testing of automotive seats	Kulim Plant 1	14	2	800

7. BUSINESS OVERVIEW (CONT'D)

Machinery and equipment	Functions	Location	No. of units⁽¹⁾	Average age (years)⁽¹⁾	NBV as at 31 December 2023 (RM'000)
Faro Arm	To perform automotive seat hip-point measurement	Kulim Plant 1	1	2	113
Sound room	proof To perform noise levels test of the motorised functions of automotive seats	Kulim Plant 1	1	1	48
Error system	proof To detect and prevent steps or processes from being missed during manufacturing of automotive seats	Kulim Plant 1	6	<1	254 ⁽⁵⁾
Total					4,066

Notes:

- (1) As at the LPD.
- (2) Comprised of 6 automated multi-layer cutting machineries, which are used to cut PVC and foam materials, and 3 automated leather cutting machineries.
- (3) Consists of 36 units of double line sewing machines and 128 units of general sewing machines, including 4 units of double line sewing machines and 4 units of general sewing machines used for technical development at Tampoi Plant and 2 units of general sewing machines placed at Singapore Hub.
- (4) Excludes 4 automotive seat checking jig which was acquired in February 2024.
- (5) Excludes 1 error proof system which was acquired in January 2024.

7.7 MANUFACTURING CAPACITIES AND OUTPUT

7.7.1 Automotive covers

Tampoi Plant

Our Group's manufacturing capacities and capacity utilisation for the manufacturing of automotive covers at our Tampoi Plant based on the different machineries and equipment are as follows:

Manufacturing capacities and capacity utilisation of our automated cutting machineries

Automated multi-layer cutting machines

	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Maximum annual manufacturing capacity (meters) ⁽¹⁾⁽²⁾	1,052,376	1,052,376	1,052,376	1,207,356 ⁽³⁾
Annual production output (meters) ⁽¹⁾	642,576	658,766	774,153	852,234
Utilisation rate	61.1%	62.6%	73.6%	70.6%
Number of automated multi-layer cutting machines	5	5	5	6