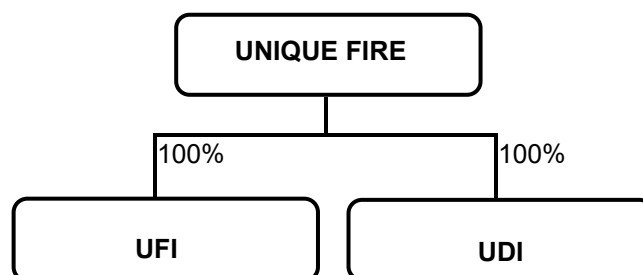


6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR GROUP

6.1.1 Overview and history

Our Company was incorporated in Malaysia under the Act on 13 April 2021 as a private limited company under the name of Unique Fire Holdings Sdn Bhd and on 8 September 2021 converted to a public limited company. Our corporate Group structure as at the LPD is as follows:



Our Company is an investment holding company and the principal activities of our wholly-owned subsidiaries, UFI and UDI, are as follows:

Company	Principal activities
UFI	Assembly, manufacture and distribution of active fire protection systems, equipment and accessories for built environment.
UDI	Distribution of custom graphics designed fire extinguishers, and other active fire protection systems, equipment and accessories and related services.

Upon the completion of the Acquisition of UFI and UDI on [●], our Group was formed. As at the LPD, our Group does not have any joint venture or associates. Further details on our subsidiaries, UFI and UDI, are set out in Section 6.2 of this Prospectus.

We are involved in the assembly, distribution and manufacture of active fire protection systems, equipment and accessories for the built environment.

Our business is supported by our Operational Facility in Shah Alam, Selangor where we assemble our brands and third party brands of the following:

- fire suppression system using CO₂ and HFC-227ea as extinguishing agents; and
- fire protection equipment including fire extinguishers using CO₂ (hand portable and trolley mounted), dry chemical (trolley mounted) and foam (hand portable and trolley mounted) as extinguishing agents, fire hose reels and fire hoses.

Our assembly segment accounted for 46.42%, 46.94% and 48.42% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

We also manufacture fire protection equipment, namely hand portable dry chemical fire extinguishers which accounted for 13.75%, 14.95% and 17.55% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively. Collectively, assembly and manufacture business activities accounted for 60.17%, 61.89% and 65.97% for the FYE 2019, FYE 2020 and FYE 2021, respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

Our business also includes distribution where we distribute our brands and third party brands including the following:

- fire suppression system including sprinkler systems, wet and dry riser systems and hydrants, and wet chemical fire suppression system;
- fire protection accessories including fire alarm and detection devices, batteries, cabinets and fire blankets; and
- fire protection equipment namely fire hoses.

UFI distributes all of the types of active fire protection systems, equipment and accessories listed above. UFI's distribution activity is through online sales of custom graphics designed fire extinguishers, fire detectors, fire alarms and fire blankets.

Our distribution business accounted for 38.17%, 36.65% and 32.29% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

Our other business activities include assisting in Bomba eFEIS application, sales of dry chemical fire extinguisher refilling machines and servicing of fire protection equipment which accounted for 1.66%, 1.46% and 1.74% of our total revenue for FYE 2019, FYE 2020 and FYE 2021, respectively.

For further information on the business activities, please refer to Section 6.4 in this Prospectus.

The historical key events and milestones of our business are as follows:

Year	Key events and milestones
1997	<ul style="list-style-type: none"> • Incorporation and commencement of UBE Industry Sdn Bhd ("UBE Industry") before changing to our current name, UFI in 2003. We initially commenced operations as a distributor of fire protection systems, equipment and accessories in a rented facility in Bandar Kinrara in Puchong, Selangor before expanding into assembly and manufacture of fire protection systems and equipment in 2000 and 2009, respectively.
2000	<ul style="list-style-type: none"> • UFI started the assembly of our brand of fire hoses from parts purchased from external parties. This was part of our strategy of building our portfolio of brands of fire protection systems and equipment.
2003	<ul style="list-style-type: none"> • We started to market our Unique brand of products following UBE Industry's name change to UFI. Subsequently, UFI registered the trademarks for our Commander and Yama brands of fire hoses.
2005	<ul style="list-style-type: none"> • UFI received its first SIRIM certification for our Unique brand of two (2) kg and five (5) kg hand portable CO₂ fire extinguishers. SIRIM is an agency under the purview of MITI that provides independent certification that products comply with the relevant standards, including safety and/or performance standards. SIRIM certification attests that a product, system or equipment (such as our Unique brand of two (2) kg and five (5) kg hand portable CO₂ fire extinguishers) comply with the relevant standards. <p>After receiving SIRIM certification, UFI expanded its product range and started to assemble hand portable CO₂ fire extinguishers under the Unique brand. We would source empty cylinders and parts, fill in the CO₂ and assemble the various parts to form the complete fire extinguisher.</p> <ul style="list-style-type: none"> • Furthermore, UFI started the assembly of CO₂ fire suppression system under the Unique brand where we source empty cylinders and parts, fill in the CO₂ and assemble the various parts to form the complete filled cylinders. We also

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key events and milestones
	purchase relevant accessories (not including pipes and fittings) based on the design specifications of our customers to form a fire suppression system for our customers to carry out the installation.
2006	<ul style="list-style-type: none"> UFI received ISO 9001:2000 quality management system certification for the sales and marketing of fire protection equipment and provision of gas refilling service for fire extinguishers. The scope of UFI's ISO 9001:2015 certification was subsequently changed to sales, manufacturing, refilling and servicing of fire protection systems and equipment in 2018. ISO 9001 quality management system certification provides assurance that UFI's quality management procedures have been independently assessed and found to comply with the relevant standards. UFI purchased a one (1)-acre piece of land along Jalan Anggerik Mokara 31/47, Kota Kemuning, Shah Alam, Selangor ("31/47 Property") from Shanghai Crest (M) Sdn Bhd, which is not a related party to our Group, for a purchase consideration of RM1,950,000 intended for future expansion. UFI expanded its distribution business operations and was appointed as an authorised distributor of The Viking Corporation (Far East) Pte Ltd ("Viking Corporation"), for their range of fire sprinkler systems and related equipment under the Viking brand in Malaysia. Viking Corporation is a manufacturer of fire protection products with headquarters in the United States.
2008	<ul style="list-style-type: none"> UFI commenced and completed the construction of a facility on our 31/47 Property, and relocated our assembly operations from Bandar Kinrara, Puchong to this new premises in the same year.
2009	<ul style="list-style-type: none"> UFI purchased a piece of land of approximately three (3) acres at 9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Shah Alam, Selangor from Shanghai Spectrum (M) Sdn Bhd, which is not a related party to our Group, for a purchase consideration of RM8,102,160 ("Operational Facility in Shah Alam, Selangor"). UFI received SIRIM certification for our Unique brand of one (1) kg, two (2) kg, four (4) kg, six (6) kg and nine (9) kg hand portable dry chemical fire extinguishers. Upon obtaining SIRIM certification, we started to manufacture hand portable dry chemical fire extinguishers in the sizes above using a newly set-up manufacturing line at our 31/47 Property. This was a complete manufacturing line, from the manufacture of cylinders (starting with steel coils and plates), powder coating of the cylinders, filling with extinguishing agent and assembly of the finished product.
2010	<ul style="list-style-type: none"> UFI was appointed as an authorised distributor of Chang Der Fire Protection Corporation ("Chang Der") for their CD brand of sprinkler systems. Chang Der is a manufacturer of sprinkler systems and other fire protection products based in Taiwan.
2011	<ul style="list-style-type: none"> UFI started exporting products to foreign markets with Vietnam, our first export destination. Our first exports comprised CO₂ fire suppression systems under our Unique brand, consisting of filled 45 kg gas cylinders and parts. UFI started construction of an office, factory and warehouse facility at our Operational Facility in Shah Alam, Selangor.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key events and milestones
2013	<ul style="list-style-type: none"> Upon the completion of construction, we relocated our operations from 31/47 Property to our Operational Facility in Shah Alam, Selangor. UFI subsequently sold the 31/47 Property to Acwer Industrial Equipment Sdn Bhd, which is not a related party to our Group, for a consideration of RM12,500,000. We expanded our product range by assembling trolley mounted dry chemical fire extinguishers of larger sizes including 25 kg and 50 kg using purchased empty cylinders and parts. UFI was appointed by Kidde-Fenwal Inc. ("Kidde-Fenwal") as an authorised distributor for their Kidde brands of HFC and wet chemical fire suppression systems in Malaysia. Kidde-Fenwal is a manufacturer of fire protection and temperature control products with headquarters in the United States. We initially distributed Kidde brand of HFC fire suppression systems, comprising cylinders already filled with extinguishing agent and other parts supplied by them, until our HFC filling machine for Kidde brand of HFC fire suppression systems conformed to UL procedures in 2019 (as described below), following which we began to assemble Kidde brand of HFC fire suppression systems. As for wet chemical fire suppression system, we do not carry out any assembly activities and therefore this constitutes distribution activities only.
2014	<ul style="list-style-type: none"> We also obtained SIRIM certification for our Unique brand of fire hose reels, and we then expanded our assembled products to include fire hose reels in the same year. We purchase the steel side plates and reels, as well as the hose from external suppliers, powder coat the steel side plates in our production line and assemble the various parts to complete the fire hose reel.
2016	<ul style="list-style-type: none"> UFI was appointed by Orient Fire Pte Ltd ("Orient Fire") as a distributor of HFC fire suppression systems. Orient Fire is a wholly-owned subsidiary of Orient Corporation Pte Ltd ("Orient Corporation"), a manufacturer of fire suppression systems with headquarters in Singapore. We are permitted to market Orient Fire's HFC fire suppression products under our "Unique" brand, such as Unique227 brand. UFI obtained UL certification for our Unique227 brand of HFC fire suppression systems based on Orient Fire's original UL certification. We initially distributed HFC fire suppression systems from Orient Corporation, comprising cylinders already filled with extinguishing agent and other parts supplied by them, until our HFC filling machine and nozzle drilling machine for our Unique227 brand of HFC fire suppression systems conformed to UL procedures in 2017 (as described below), following which we began to assemble Unique227 brand of HFC fire suppression systems. UFI secured purchase orders to supply a Kidde brand HFC fire suppression systems as well as our Unique brand of fire extinguishers and fire hose reels, our Commander brand of fire hose, and other fire protection equipment for seven (7) underground Mass Rapid Transit ("MRT") Line 1 stations (comprising the Bukit Bintang, Cochrane, Maluri, Muzium Negara, Merdeka, Pasar Seni and Tun Razak Exchange stations), with total value of the purchase orders amounting to RM6.68 million.
2017	<ul style="list-style-type: none"> UFI conforms to UL procedures for the HFC filling machine and nozzle drilling machine for our Unique227 brand of HFC fire suppression systems at our Operational Facility in Shah Alam, Selangor. UFI subsequently started to assemble Unique227 brand of HFC fire suppression systems, where we sourced all the empty cylinders with valves, blank nozzles and other parts, as well as HFC-227ea extinguishing agent from Orient Corporation. The conformity provides assurance that UFI's HFC filling machine and nozzle

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key events and milestones
	drilling machine conform with the relevant UL standards. UL certification attests that a product, system or equipment (such as our Unique227 brand of HFC fire suppression systems) has been independently tested and found to comply with the relevant UL standards.
2018	<ul style="list-style-type: none"> UFI obtained SGP for our HFC fire suppression systems under our Unique227 brand from TNB, which certifies that the system complied with the specified requirements of TNB technical specification and it is accepted for use in the TNB system. UFI supplied its first Unique227 brand of HFC fire suppression systems to Sailfield Pipe Engineering Sdn Bhd, a TNB contractor who then carried out the installation of the system, with total value of purchase orders for this system amounting to approximately RM36,000. UDI, our wholly-owned subsidiary, was incorporated and commenced business in the same year, distributing custom graphics designed fire extinguishers to consumers. These are sold under our Unique brand.
2019	<ul style="list-style-type: none"> UDI commenced our online sales through our website and third party platforms namely Lazada and Shopee, for our Unique brand of hand portable fire extinguishers with customised graphic design. These were the first fire protection equipment that we marketed online. UFI was appointed by Tyco Fire & Building Products Asia Pte Ltd as an authorised distributor of wet chemical fire suppression systems under the Ansul brand in Malaysia. Tyco Fire & Building Products Asia Pte Ltd is part of Tyco International plc, which manufactures, among others, water-based fire suppression systems and equipment with its headquarters in Ireland. UFI conforms to UL procedures for HFC filling machine for Kidde brand of HFC fire suppression systems at our Operational Facility in Shah Alam, Selangor. UFI subsequently started to assemble Kidde brand of HFC fire suppression systems where we sourced all the empty cylinders and parts, and the HFC-227ea extinguishing agent from Kidde-Fenwal. UFI also received UL certification for batteries that we distribute under our Unique brand.
2020	<ul style="list-style-type: none"> UFI received approval and was registered as an importer and exporter of HFC products by the Department of Environment. Through UFI, we expanded our export markets to Hong Kong where we supplied Kidde brand of HFC fire suppression systems. UFI was appointed as an authorised distributor of ZYfire rubber fire hoses by ZYfire Hose Corporation in Malaysia. ZYfire Hose Corporation is a manufacturer of fire hoses based in China.
2021	<ul style="list-style-type: none"> Through UFI, we received our first FM Approvals certification for our Unique227 and Unique5112 brands of fire suppression systems. We have not recorded any sales of Unique5112 brand of fire suppression system for the Financial Years Under Review as we only started to market this system in the first half of 2021. FM Approvals certification certify that a product or system (such as our Unique227 and Unique5112 brands of fire suppression systems) has been independently tested and found to comply with the applicable requirements stated in the relevant FM Approvals standards.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key events and milestones
	<ul style="list-style-type: none"> UFI continued to secure purchase orders to supply fire protection systems and equipment, including dry chemical and CO₂ fire extinguishers, and fire hose reels for a total of nine (9) MRT 2 stations (comprising the Kampung Baru, Chan Sow Lin, Titiwangsa, Ampang Park, Hospital KL, Conlay, KLES, Bandar Malaysia South and Bandar Malaysia North stations), with total value of purchase orders amounting to RM0.27 million. UFI expanded its range of products and secured various authorised distributorships from the following suppliers: <ul style="list-style-type: none"> Demco Industries Sdn Bhd ("Demco") for their range of fire detection and alarm devices in Malaysia. Demco is a manufacturer of fire detection and alarm systems and other fire protection equipment based in Malaysia. Honeywell International Sdn Bhd for their fire protection range of products targeted at small and medium-sized businesses in Malaysia. This includes heat and smoke detectors, and water flow switches and detectors under the System Sensor brand. Honeywell International Sdn Bhd is part of Honeywell International Inc., a diversified technology and manufacturing company with global headquarters in the United States.

For further information on our appointment as distributors and distributorship agreements, please refer to Section 6.1.2 (e) in this Prospectus.

6. INFORMATION ON OUR GROUP (Cont'd)

Product Certifications

The following are the product certifications and accreditation that are held by our Group:

	Certifications/ Accreditation ⁽¹⁾	Products/Processes	Initial award date	Relevant standards	Validity period
1	ISO	Sales, manufacturing, refilling and servicing of fire protection systems and equipment.	27 December 2006	ISO 9001: 2015 Sales, manufacturing, refilling and servicing of fire protection systems and equipment.	27 November 2021 – 26 December 2024
2	SIRIM ⁽²⁾	Portable Fire Extinguisher (Carbon Dioxide Type)	27 July 2005	MS 1539: Part 1: 2002	21 May 2021 – 27 July 2022
3	SIRIM ⁽²⁾	Portable Fire Extinguisher (Dry Powder Type)	9 October 2009	MS 1539: Part 1: 2002	26 August 2020 – 27 July 2022
4	SIRIM ⁽²⁾	Fire Hose Reel	17 February 2014	MS 1447: Part 1: 2006	29 November 2021 – 17 February 2023
5	UL	Clean-agent Extinguishing System Units Pre-engineered units	8 March 2016	UL 2166 – Halocarbon Clean Agent Extinguishing System Units	Subject to quarterly audit by UL. Last quarterly audit was conducted on 25 October 2021.

6. INFORMATION ON OUR GROUP (Cont'd)

	Certifications/ Accreditation ⁽¹⁾	Products/Processes	Initial award date	Relevant standards	Validity period
6	UL	Clean Agents for Fire Extinguishers and Extinguishing System Units – Component Model - HFC-227ea (Tradename Unique 227) Clean Agent for Fire Extinguishers and Extinguishing System Units	8 March 2016	NFPA 2001, ASTM D6064-03	Subject to quarterly audit by UL. Last quarterly audit was conducted on 25 October 2021.
7	UL	Clean-agent Extinguishing System Units Engineered units	9 March 2016	UL 2166 – Halocarbon Clean Agent Extinguishing System Units	Subject to quarterly audit by UL. Last quarterly audit was conducted on 25 October 2021.
8	FM Approvals	Unique 227	9 July 2021	Approval Standard for Clean Agent Extinguishing Systems: Class Number 5600	Subject to annual audit by FM Approvals. Last annual audit was conducted on 14 September 2021.
9	FM Approvals	Unique 5112	9 July 2021	Approval Standard for Clean Agent Extinguishing Systems: Class Number 5600	Subject to annual audit by FM Approvals. Last annual audit was conducted on 14 September 2021.
10	FM Approvals	500 psi HFC-227ea Engineered Clean Agent Fire Extinguishing Systems	9 July 2021	Approval Standard for Clean Agent Extinguishing Systems: Class Number 5600	Subject to annual audit by FM Approvals. Last annual audit was conducted on 14 September 2021.

6. INFORMATION ON OUR GROUP (Cont'd)

	Certifications/ Accreditation ⁽¹⁾	Products/Processes	Initial award date	Relevant standards	Validity period
11	FM Approvals	360 psi HFC-227ea Engineered Clean Agent Fire Extinguishing System	9 July 2021	Approval Standard for Clean Agent Extinguishing Systems: Class Number 5600	Subject to annual audit by FM Approvals. Last annual audit was conducted on 14 September 2021.
12	FM Approvals	500 psi FK-5-1-12 Clean Agent Fire Extinguishing Systems	9 July 2021	Approval Standard for Clean Agent Extinguishing Systems: Class Number 5600	Subject to annual audit by FM Approvals. Last annual audit was conducted on 14 September 2021.

Notes:

- (1) UL certifications for the HFC filling stations, nozzle drilling machines and batteries are held by the manufacturers and are therefore excluded from the above table. UL certification for HFC filling stations and nozzle drilling machine are subject to quarterly audits by UL where follow-up service inspection reports are issued to Unique Fire Industry Sdn Bhd.
- (2) Please refer to Section 6.19.2 for further details on requirements for SIRIM or any other scheme that has been recognised by Bomba.

6. INFORMATION ON OUR GROUP (Cont'd)**Key Awards and Recognitions**

Up to the LPD, the awards and recognitions that UFI has received include the following:

Year	Awarding Party	Awards and Recognitions
2014	Kidde Fire Systems ⁽¹⁾	Top Distributor
2014	Viking Corporation	For the Excellent Achievement – 2014 Million Dollar Club
2015	UTC Fire & Safety South East Asia ⁽²⁾	Outstanding Performance Award 2015
2016	Viking Corporation	For the Excellent Achievement – 2016 Million Dollar Club
2016	MMC Gamuda KVMRT (T) Sdn Bhd	Appreciation for supplying active fire protection equipment ⁽³⁾ for seven (7) underground MRT 1 stations
2017	Malaysia Book of Records	National Record as the Biggest Fire Protection Equipment Factory in Malaysia
2018	Malaysia Book of Records	National Record as the First Manufacturer of Design Fire Extinguishers in Malaysia

Notes:

- (1) Kidde Fire Systems is under Kidde-Fenwal.
- (2) UTC Fire & Safety South East Asia is a division of United Technologies Corporation, the parent company of Kidde-Fenwal.
- (3) Active fire protection equipment including third party brand of HFC fire suppression systems and Unique brand fire extinguishers.

6.1.2 Our competitive advantages and key strengths

Our competitive advantages and key strengths are as follows:

- (a) **We have an established track record of approximately 24 years as a provider of fire protection systems, equipment and accessories which will serve as a platform to grow our business**

We have an established track record of approximately 24 years of operating in the fire protection industry commencing as a distributor in 1997. Throughout our 24 years of operations in the fire protection industry, our Group has evolved from a distributor to an assembler and manufacturer of fire protection systems, equipment and accessories. We have been involved in the assembly of fire protection systems and equipment since 2000 commencing with fire hoses, and manufacture of fire extinguishers since 2009.

Throughout our 24 years of operating in the fire protection industry, we have established a long-term business relationship with our customers, supported by the fact that four (4) out of our top five (5) customers for the FYE 2021 have been dealing with our Group for 10 years or more. Since the commencement of our business in 1997, we have developed a customer base of approximately 1,500, 1,600 and 1,700 customers for the FYE 2019, FYE 2020 and FYE 2021, respectively.

Our established track record together with our customer base will provide us with the platform to sustain and grow our business.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) We have our brands of fire protection systems, equipment and accessories to cultivate customer loyalty and brand recognition

As at LPD, we market our fire protection systems, equipment and accessories under our own Unique, Unique227, Unique5112, Commander and Yama brands. Having our brand is important in cultivating customer loyalty and brand recognition from M&E and FPS contractors, FPS maintenance service providers, retailers and wholesalers which are important in facilitating repeat orders from customers as well as referrals. In addition, a brand name would also facilitate brand recognition from M&E consultants who are usually responsible for selecting the brands of products to use when they design fire protection systems.

Our strategy is to continue to expand on the range of products that are marketed under our brands, either through our in-house assembly and manufacturing capabilities or sourced from external manufacturers. Our brands will provide us with the platform to potentially expand our domestic and foreign markets and provide us with business growth.

For the Financial Years Under Review, revenue derived from our brands collectively accounted for RM59.90 million (75.16%), RM59.89 million (78.59%) and RM51.09 million (80.52%) for the FYE 2019, FYE 2020 and FYE 2021, respectively. This indicates that our brands and products have gained market acceptance and customer loyalty.

(c) We are an assembler and manufacturer of our brands of fire protection systems and equipment

We assemble our brands of fire suppression systems using CO₂ and HFC-227ea as extinguishing agents, fire extinguishers using CO₂ (hand portable and trolley mounted), dry chemical (trolley mounted) and foam (hand portable and trolley mounted) as extinguishing agents, fire hose reels and fire hoses. We also manufacture our brand of hand portable dry chemical fire extinguishers. For the Financial Years Under Review, the assembly and manufacture of our brands of fire protection systems and equipment collectively accounted for RM47.96 million (60.17%), RM47.17 million (61.89%) and RM41.86 million (65.97%) of our total revenue.

As an assembler and manufacturer of fire protection systems and equipment, we can initiate and continually strive to improve our finished products to meet changing needs, technologies, regulations as well as customer preferences and requirements. In addition, we can have direct control over the quality of our assembled and manufactured products. Among others, this includes compliance with relevant standards such as those set out in Malaysian Standards, as well as fire safety regulations including, the Fire Services Act 1988 and the Uniform Building By-Law ("UBBL") 1984, and regulations and requirements set out by Bomba. For further information on our Group's major approvals licences and permits, please refer to Section 6.19 of this Prospectus.

In addition, we can initiate exports of our brands of assembled and manufactured fire protection systems and equipment to expand our business by independently obtaining the relevant certifications and compliances in foreign countries. Moving forward, as part of our business strategies and plans, we plan to develop a new range of hand portable dry chemical fire extinguishers that comply with British Standards to address export market opportunities. Furthermore, we also intend to appoint new distributors to market our brands of assembled and manufactured products in Brunei, Cambodia, Myanmar, Vietnam and Hong Kong. For further information on our business strategies and plans, please refer to Section 6.18 of this Prospectus.

6. INFORMATION ON OUR GROUP (Cont'd)

(d) We market a range of fire protection systems, equipment and accessories to meet the diverse needs of our customers

We market a range of fire protection systems, equipment and accessories to meet the diverse needs of our customers and the market. These include the following:

- fire suppression system using CO₂, HFC, FK5112 and wet chemicals as extinguishing agents, sprinkler systems, and wet and dry riser systems and hydrants;
- fire protection equipment including fire extinguishers using dry chemical, CO₂ and foam as extinguishing agents, fire hose reels and fire hoses;
- fire protection accessories including fire alarm and detection devices, batteries, cabinets and fire blankets.

Our range of fire protection systems, equipment and accessories enable us to meet the requirements of a range of situations, applications and built environment, capable of addressing Class A, B, C, E and F fires. For further information on the different classes of fire, please refer to Section 6.4.5.2 of this Prospectus.

(e) We are an authorised distributor of third party brands of fire protection systems, equipment and accessories

As at the LPD, we are an authorised distributor of 8 (eight) third party brands of fire protection systems, equipment and accessories, which are summarised in the following table:

Brand and product	Supplier and description	Salient terms of our distributorship agreement / letters of appointment as distributor
<ul style="list-style-type: none"> • Orient products under Unique's brands, such as Unique227 	<p>Orient Fire Pte Ltd, is part of Orient Corporation Pte Ltd, which is a manufacturer of fire suppression systems with headquarters in Singapore.</p>	<ul style="list-style-type: none"> • Appointment as distributor for the sale and resale of Orient products in Malaysia, under distributor's brand-name "UNIQUE" upon terms and conditions contained in the distributor agreement with Orient Fire Pte Ltd ("Distributor Agreement"). • Non-exclusive basis • Term of 6 January 2021 to 6 January 2026 • The parties hereto agree that not less than 120 days prior to the expiration of the Term, the parties shall review, inter alia, the operations and performance of UFI and in good faith negotiate the terms for renewal of this Agreement, for such period as the parties hereto may agree to. • Either party shall be entitled forthwith to terminate by written notice to the other party if the defaulting party commits any repudiatory breach, and in the case of a breach capable of remedy, fails to remedy the same within 90 days after receipt of a written notice specifying the breach. Each party may also terminate without cause nor being liable to compensate the other party for such termination, by giving to the other party prior written notice of not less than 360 days.

6. INFORMATION ON OUR GROUP (Cont'd)

Brand and product	Supplier and description	Salient terms of our distributorship agreement / letters of appointment as distributor
<ul style="list-style-type: none"> Kidde brands of fire suppression systems 	<p>Kidde-Fenwal Inc. (“Kidde-Fenwal”) is a manufacturer of fire protection and temperature control products with headquarters in the United States. Kidde-Fenwal Inc. is part of Carrier Global Corporation. Kidde brands include Range Guard of wet chemical fire suppression system, ADS and ECS brands for both HFC and FK5112 fire suppression systems.</p>	<ul style="list-style-type: none"> Non-exclusive basis
<ul style="list-style-type: none"> CD brand of fire sprinkler systems 	<p>Chang Der Fire Protection Corporation is a manufacturer of sprinkler systems and other fire protection products based in Taiwan.</p>	<ul style="list-style-type: none"> It is on exclusive basis It is valid until terminated by the supplier. Terms of renewal not applicable. No termination clauses.
<ul style="list-style-type: none"> Viking brand of fire sprinkler systems 	<p>The Viking Corporation (Far East) Pte Ltd is a manufacturer of fire protection products with headquarters in the United States.</p>	<ul style="list-style-type: none"> Non-exclusive basis Term of 1 January 2022 to 31 December 2022 No renewal terms. Both parties reserve the right to withdraw this understanding at any time, for any reason, by giving 30 days’ notice of intent to rescind to the other party.
<ul style="list-style-type: none"> Ansul brand of wet chemical fire suppression systems 	<p>Tyco Fire & Building Products Asia Pte Ltd (“Tyco”) is part of Tyco International Plc,</p>	<ul style="list-style-type: none"> Non-exclusive basis

6. INFORMATION ON OUR GROUP (Cont'd)

Brand and product	Supplier and description	Salient terms of our distributorship agreement / letters of appointment as distributor
	which manufactures, among others, water-based fire suppression systems and equipment with headquarters in Ireland.	
<ul style="list-style-type: none"> • ZYfire brand of rubber fire hoses 	<p>ZYfire Hose Corporation is a manufacturer of fire hoses based in China.</p>	<ul style="list-style-type: none"> • Exclusive basis. • Term of 29 July 2021 to 28 July 2024 • No provision on renewal of term. • If cost of materials or sea freight changes over 10% during this period, prices should be renegotiated by both parties.
<ul style="list-style-type: none"> • Demco brand of fire detection and alarm devices 	<p>Demco Industries Sdn Bhd is a manufacturer of fire detection and alarm systems and other fire protection equipment based in Malaysia.</p>	<ul style="list-style-type: none"> • Non-exclusive basis. • Term of 1 April 2021 to 30 April 2023 • Renewal must be in writing and at least 1 month before expiry of the term. • No termination provisions.
<ul style="list-style-type: none"> • System Sensor brand of heat and smoke detectors, and water flow switches and detectors 	<p>Honeywell International Sdn Bhd is part of Honeywell International Inc., a diversified technology and manufacturing company with global headquarters in the United States.</p>	<ul style="list-style-type: none"> • Non-exclusive basis • Term of 1 January 2022 to 31 December 2022 unless renewed or extended by an amendment or new agreement signed by the parties. • Termination clauses: <ul style="list-style-type: none"> (a) It shall immediately terminate upon written notice in the event of any involvement in insolvency proceedings by either party. (b) If either party should breach any material obligation, and such breach is not remedied within 30 days of receipt of such notice specifying the breach, the complaining party may, by written notice terminate the agreement immediately; (c) Honeywell is entitled to terminate without cause by 30 days written notice without affecting its accrued rights and without entitling UFI to receive any compensation; (d) It shall immediately terminate upon written notice by Honeywell to UFI, in the event of any of the following: <ul style="list-style-type: none"> - UFI is unable to pay its debt as

6. INFORMATION ON OUR GROUP (Cont'd)

Brand and product	Supplier and description	Salient terms of our distributorship agreement / letters of appointment as distributor
		<p>they fall due or will cease to carry on business or will cease to be in a position to fulfil the agreement for any reason;</p> <ul style="list-style-type: none"> - There is a change in control of UFI by way of merger, sale of assets or stock, consolidation or otherwise with or to an entity which is a competitor of Honeywell, or which results in a credit risk for Honeywell; - UFI engages in conduct which Honeywell reasonably considers prejudicial to its interests; or • UFI is a party to any litigation proceedings or investigations of a material nature or under investigation by Honeywell

The value of purchases of input materials and goods from our suppliers with distributorship agreements during the Financial Years Under Review are summarised in the following table:

Supplier	FYE 2019		FYE 2020		FYE 2021	
	Amount (RM'000)	Proportion of Group Purchases ⁽¹⁾ (%)	Amount (RM'000)	Proportion of Group Purchases ⁽²⁾ (%)	Amount (RM'000)	Proportion of Group Purchases ⁽³⁾ (%)
Orient Corporation Pte Ltd	5,467	10.76	6,008	11.63	2,386	5.72
Chang Der Fire Protection Corporation	1,158	2.28	4,471	8.66	1,226	2.94
Kidde-Fenwal Inc.	1,961	3.86	3,140	6.08	522	1.25
The Viking Corporation (Far East) Pte Ltd	2,657	5.23	1,672	3.24	2,317	5.56
Demco Industries Sdn Bhd	1,283	2.52	1,376	2.67	1,134	2.72
Tyco Fire & Building Products Asia Pte Ltd	-	-	19	0.04	-	-
ZYfire Hose Corporation	111	0.22	187	0.36	407	0.98
Honeywell International Sdn Bhd	323	0.64	95	0.18	295	0.71
Total	12,960	25.51	16,968	32.86	8,287	19.88

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Our total purchases of input materials and services for FYE 2019 was RM50.81 million.
- (2) Our total purchases of input materials and services for FYE 2020 was RM51.64 million.
- (3) Our total purchases of input materials and services for FYE 2021 was RM41.68 million.

Our business and profitability are not dependent on any individual supplier with distributorships agreements. While our purchases from Orient Corporation Pte Ltd accounted for 10.76% and 11.63% of our total purchases of input materials and services for the FYE 2019 and FYE 2020, respectively, for FYE 2021 our purchases had reduced to 5.72% of our total purchases of input materials and services. Our purchases from other suppliers with distributorships agreements individually accounted for less than 10.00% of our total purchases of input materials and services for the Financial Years Under Review. In addition, the types of goods and materials that we purchase from our suppliers with distributorship agreements can also be sourced from other suppliers.

During the Financial Years Under Review, revenue derived collectively from the above distributorship agreements amounted to RM19.95 million (25.02%), RM20.76 million (27.25%) and RM17.17 million (27.06%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively. As an authorised distributor, we benefit from the brand equity and customer loyalty developed by our suppliers. We also have access to technical support, training for our personnel and relevant product updates provided by our suppliers.

(f) **Our fire protection systems, equipment and accessories are used in diverse sectors which will provide us with business growth and opportunities**

Our fire protection systems, equipment and accessories are used in a cross-section of applications in the following sectors:

- residential sectors such as landed homes, and low rise and high-rise apartments and condominiums;
- commercial sectors such as offices, data centres, retail outlets and shopping malls;
- industrial sectors such as processing and manufacturing plants, and offshore oil and gas platforms;
- leisure and hospitality sectors, such as theme parks, hotels and food services operations;
- institution sectors such as healthcare, education and government buildings and facilities;
- infrastructure, such as airports, seaports, railway stations, MRT stations, electric substations and telecommunication equipment operations centre;
- public amenities and facilities, such as indoor stadiums and concert halls; and
- commercial vehicles, such as trucks and vans.

The wide applications of our fire protection systems, equipment and accessories will provide us with the platform to sustain and grow our business. In addition, any favourable regulatory changes relating to enhancing fire protection in any one or more of the above sectors would serve as growth opportunities for us.

6. INFORMATION ON OUR GROUP (Cont'd)

(g) The fire protection systems, equipment and accessories that we assemble, distribute and manufacture are critical products mandated by various regulatory bodies

Fire protection systems, equipment and accessories are critical products that are mandatory in built environment that supports human activities, including properties, community facilities and amenities, and infrastructure. Fire protection in built environment is regulated by various authorities, such as Bomba and local government authorities. Under the Fire Services Act 1988, designated premises (except for single private dwellings and public religious worship areas) require a Fire Certificate that is issued by Bomba, which is renewable annually. The Fire Certificate is only issued after the premises has been inspected by Bomba and found to have adequate fire safety, prevention and protection, and firefighting facilities. Newly built properties have to demonstrate that they comply with the relevant fire safety regulations as one of the conditions to be fulfilled before CCC can be issued by the relevant local government authority.

In addition, there is a requirement to have a portable fire extinguisher in private dwellings and apartments and flats that fall under the prescribed categories that was subsequently incorporated into the Uniform Building By-Laws (“UBBL”) of certain states by way of gazettes namely Selangor, Penang, Terengganu and Melaka in 2012, 2016, 2013 and 2019, respectively (*Source: Industry Overview*). As such, there will always be a market for fire protection systems, equipment and accessories.

As the population, society and community continue to grow, the demand for fire protection systems, equipment and accessories will also increase in tandem to ensure safety from the destructive nature of unwanted fires. In addition, the introduction and enforcement of fire protection regulations will continue to drive the demand for fire protection systems, equipment and accessories.

(h) We have experienced Directors and key management team to grow our business

We have an experienced management team headed by our Managing Director, Liew Sen Hoi, who brings with him extensive experience with approximately 50 years in the fire protection industry. Liew Sen Hoi has been instrumental in the growth and development of our Group. He is also responsible for the strategic direction and overall management of our Group of companies. He is supported by our key senior management team who comprising the following:

- Marcus Liew, our Executive Director, has approximately 16 years of experience in business development in the fire protection industry, is responsible for the sales and marketing activities of the Group;
- Ryan Liew, our Executive Director, who brings with him approximately 14 years of experience in providing engineering solutions in the fire protection industry, is responsible for ensuring product compliance with the relevant regulatory requirements and contributes to product development;
- Roy Liew, our Operation Director, has approximately 14 years of experience in the fire protection industry, is responsible for managing our manufacturing division and overseeing our overall supply chain operations;
- Ray Liew, our Creative Director, has approximately 10 years of experience in the fire protection industry, is responsible for overseeing our Group's IT functions, digital marketing as well as creative design aspects;
- Cheow Zi Ying, our Chief Financial Officer, has approximately 17 years of experience in accounting related functions, is responsible for managing our finance and accounting functions and tax related matters;

6. INFORMATION ON OUR GROUP (Cont'd)

- Tan Hoay Ling, our Supply Chain Manager, has approximately 16 years of experience related to inventory and production planning, is responsible for overseeing purchasing and planning production; and
- Mohamad Azmir Bin Ramli, our Quality Assurance and Control Manager, has approximately 26 years of experience related to quality control and product certifications, is responsible for monitoring quality control activities, product certifications and the manufacturing process.

Please refer to Sections 5.1.2 and 5.2.8 of this Prospectus for the profiles of our Directors and key senior management.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.1.3 Share capital and changes in share capital

As at the LPD, our issued share capital is RM50,599,760 comprising 316,250,000 ordinary shares.

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

Date of allotment	No. of Shares allotted	Consideration	Nature of transaction	Cumulative issued share capital	
				RM	No. of Shares
13 April 2021	2,000	Cash	Subscriber's shares	200	2,000
23 July 2021	2,000	Cash	Allotment of shares	400	4,000
[●]	316,246,000	Otherwise than cash	Allotment of shares pursuant to the Acquisition of UFI and UDI	50,599,760	316,250,000

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

As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital.

Upon completion of our Listing, our issued share capital will increase to RM[●] comprising 400,000,000 Shares.

6.2 INFORMATION ON OUR SUBSIDIARIES

6.2.1 UFI

(a) Background, history and principal activities

Unique Fire Industry Sdn Bhd (Registration No. 199701003235 (418731-U)) was incorporated on 27 January 1997 in Malaysia under the Companies Act 1965 as a private limited company under the name of UBE Industry and is deemed registered under the Act. It changed its name to Unique Fire Industry Sdn Bhd on 4 April 2003.

UFI is principally involved in the assembly, manufacture and distribution of active fire protection systems, equipment and accessories for built environment. UFI's principal place of business is in Malaysia.

(b) Share capital

As at the LPD, the issued share capital of UFI is RM9,004,500 comprising 9,004,500 ordinary shares.

For the Financial Years Under Review and up to the LPD, there has been no change to the issued share capital of UFI.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, UFI does not have any outstanding warrants, options, convertible securities or uncalled capital.

(c) Substantial shareholder and Directors

UFI is a wholly-owned subsidiary of our Company. Please refer to Section 4.1.1(a)(i) for further details of the Acquisition of UFI.

The changes in the shareholders and their shareholdings in UFI for the past three (3) financial years up and to the LPD are as follows:

Name	As at 31 March 2018		As at 31 March 2019, 31 March 2020 and 31 March 2021		As at LPD	
	No. of shares held	%	No. of shares held	%	No. of shares held	%
Liew Sen Hoi	8,554,275	95	4,952,475	55	-	-
Lim Show Ching	450,225	5	450,225	5	-	-
Marcus Liew	-	-	900,450	10	-	-
Ryan Liew	-	-	900,450	10	-	-
Roy Liew	-	-	900,450	10	-	-
Ray Liew	-	-	900,450	10	-	-
Unique Fire	-	-	-	-	9,004,500	100

Please refer to Section 4.1.1(a)(i) for further details of the Acquisition of UFI.

The directors of UFI are Liew Sen Hoi, Lim Show Ching, Marcus Liew, Ryan Liew, Roy Liew and Ray Liew.

(d) Subsidiary, associate and joint venture

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

6.2.2 UDI

(a) Background, history and principal activities

Unique Digital Innovation Sdn Bhd (Registration No. 201801000171 (1262183-U)) was incorporated on 2 January 2018 in Malaysia under the Act as a private limited company under its present name.

UDI is principally involved in the distribution of custom graphics designed fire extinguishers, other active fire protection systems, equipment and accessories, and related services. UDI's principal place of business is in Malaysia.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) Share capital

As at the LPD, the issued share capital of UDI is RM450,000 comprising 450,000 ordinary shares.

Save as disclosed below, there has been no change in our issued share capital for the Financial Years Under Review and up to the LPD:

Date of allotment	No. of UDI shares allotted	Consideration	Cumulative issued share capital	
			(RM)	No. of UDI shares
2 January 2018	100	Cash	100	100
30 October 2018	99,900	Cash	100,000	100,000
30 September 2019	200,000	Cash	300,000	300,000
11 June 2020	150,000	Cash	450,000	450,000

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

As at the LPD, UDI does not have any outstanding warrants, options, convertible securities or uncalled capital.

(c) Substantial shareholder and Directors

UDI is a wholly-owned subsidiary of our Company. Please refer to Section 4.1.1(a)(ii) for further details of the Acquisition of UDI.

The changes in the shareholders and their shareholdings in UDI for the past three (3) financial years and up to the LPD are as follows:

Name	As at 31 December 2018		As at 31 December 2019		As at 31 March 2021		As at LPD	
	No. of shares held	%	No. of shares held	%	No. of shares held	%	No. of shares held	%
Liew Sen Hoi	60,000	60	180,000	20	90,000	20	-	-
Marcus Liew	-	-	-	-	90,000	20	-	-
Ryan Liew	-	-	-	-	90,000	20	-	-
Roy Liew	20,000	20	60,000	20	90,000	20	-	-
Ray Liew	20,000	20	60,000	20	90,000	20	-	-
Unique Fire	-	-	-	-	-	-	450,000	100

The directors of UDI are Liew Sen Hoi, Marcus Liew, Ryan Liew, Roy Liew and Ray Liew.

6. INFORMATION ON OUR GROUP (Cont'd)

(d) Subsidiary, associate and joint venture

UDI does not have any subsidiary, associate or joint venture

6.3 MATERIAL CAPITAL EXPENDITURE AND DIVESTITURES

For the Financial Years Under Review and up to the LPD, our Group had no material capital expenditure or investments and divestitures, save for the capital expenditure incurred for motor vehicle in FYE 2021 amounted to RM0.50 million. The material capital expenditure was primarily funded via a combination of internally generated funds and bank borrowings.

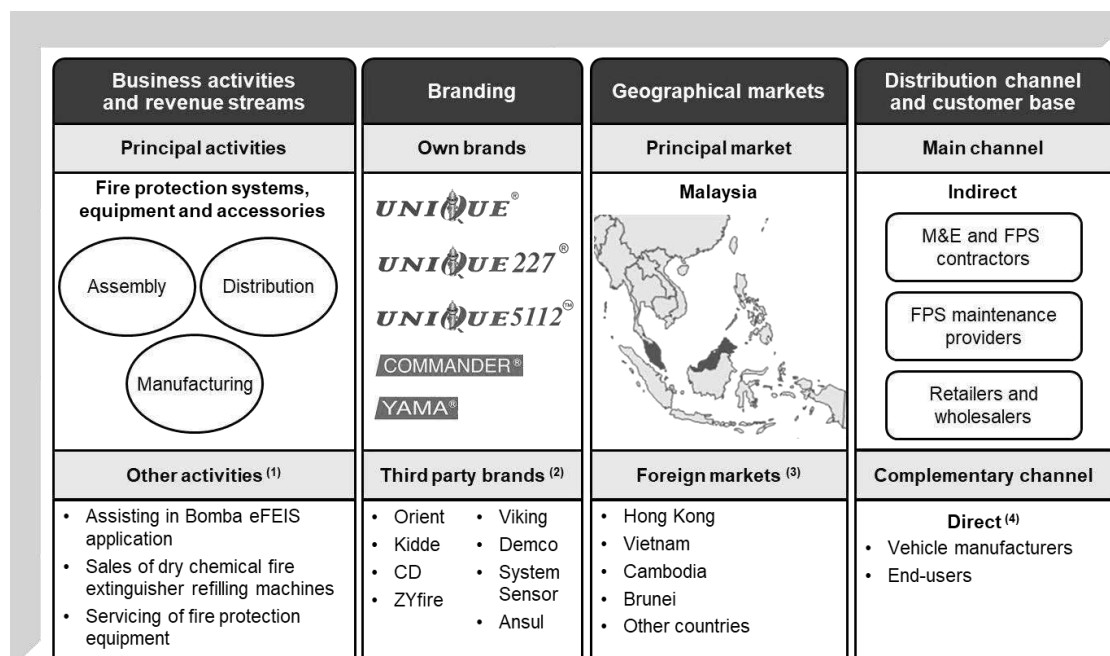
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6. INFORMATION ON OUR GROUP

6.4 BUSINESS OVERVIEW

6.4.1 Our Business Model

Our business model is depicted in the following diagram:



Notes:

- (1) Other activities collectively accounted for 1.66%, 1.46% and 1.74% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- (2) Third party brands collectively accounted for 23.24%, 20.06% and 17.87% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- (3) Foreign markets collectively accounted for 1.25%, 1.01% and 1.30% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- (4) Direct distribution channel accounted for 6.12%, 6.32% and 5.85% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

6.4.2 Business Activities and Revenue Stream

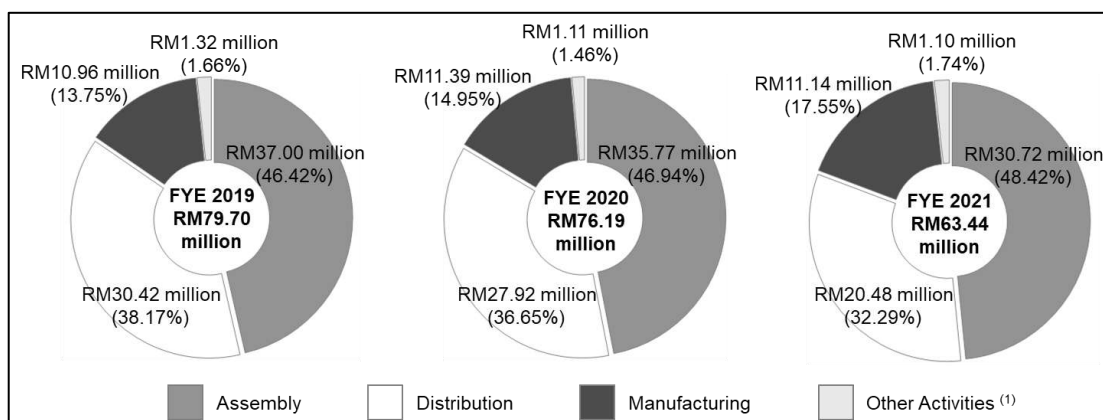
6.4.2.1 Business Activities

We are involved in the assembly, distribution and manufacture of active fire protection systems, equipment and accessories for the built environment. Our fire protection systems and equipment are designed to combat Class A, B, C, E and F fires. As such, our fire protection systems and equipment use extinguishing agents including CO₂, HFC, wet and dry chemicals and foam, as well as fire protection systems and equipment that are attached to a supply of water. For further information on the different class of fire, please refer to Section 6.4.5.2 of this Prospectus.

6. INFORMATION ON OUR GROUP (Cont'd)

Our revenue segmentation by business activities is summarised in the following pie chart:

Revenue segmentation by business activities



Note:

- (1) Other activities include assisting in Bomba eFEIS application, sales of dry chemical fire extinguisher refilling machines and servicing of fire protection equipment.

(i) Assembly

Assembly of fire protection systems and equipment was the largest revenue contributor which accounted for RM37.00 million (46.42%), RM35.77 million (46.94%) and RM30.72 million (48.42%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively. We assemble the following types of fire protection systems and equipment:

- fire suppression system using CO₂ and HFC-227ea as extinguishing agents; and
- fire protection equipment including fire extinguishers using CO₂ (hand portable and trolley mounted), dry chemical (trolley mounted) and foam (hand portable and trolley mounted) as extinguishing agents, fire hose reels and fire hoses.

We assemble fire protection systems and fire protection equipment under our Unique, Unique227, Yama and Commander brands, as well as third party brands such as Orient and Kidde brands.

(ii) Distribution

Distribution of fire protection systems, equipment and accessories was our second largest business activity and it accounted for RM30.42 million (38.17%), RM27.92 million (36.65%) and RM20.48 million (32.29%) for the FYE 2019, FYE 2020 and FYE 2021, respectively. We distribute the following types of fire protection systems, equipment and accessories under our brands as well as third party brands:

- fire suppression system including sprinkler systems, wet and dry riser systems and hydrants, and wet chemical fire suppression system;
- fire protection accessories including fire detection and alarm devices, batteries, cabinets and fire blankets; and
- fire protection equipment namely fire hoses.

6. INFORMATION ON OUR GROUP (Cont'd)

We distribute fire suppression system and fire protection accessories under our Unique brand, which are manufactured by external parties for us under our brand. We are also an authorised distributor of third party brands of fire suppression systems, fire protection equipment and accessories including brands such as Demco, System Sensor, Ansul, CD, Viking, Kidde and ZYfire. We also distribute third party brands of fire protection accessories including GP and Program, which are not under authorised distributorships.

(iii) Manufacturing

We manufacture fire protection equipment namely, hand portable dry chemical fire extinguishers under our Unique brand. This business activity accounted for RM10.96 million (13.75%), RM11.39 million (14.95%) and RM11.14 million (17.55%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

(iv) Other activities

Revenue from other activities accounted for RM1.32 million (1.66%), RM1.11 million (1.46%) and RM1.10 million (1.74%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively. Our other business activities include assisting in Bomba eFEIS application, sales of dry chemical fire extinguisher refilling machines and servicing of fire protection equipment.

6.4.2.2 Revenue by products

Our revenue segmentation by types of products are as follows:

	FYE 2019		FYE 2020		FYE 2021	
	RM'000	%	RM'000	%	RM'000	%
Assembly	37,000	46.42	35,773	46.94	30,725	48.42
Fire suppression systems ⁽¹⁾	21,950	27.54	21,113	27.71	19,417	30.60
Fire protection equipment ⁽²⁾	15,050	18.88	14,660	19.23	11,308	17.82
Distribution	30,419	38.17	27,918	36.65	20,483	32.29
Fire suppression systems ⁽³⁾	23,348	29.30	20,691	27.16	14,739	23.23
Fire protection accessories ⁽⁴⁾	7,071	8.87	7,168	9.41	5,550	8.75
Fire protection equipment ⁽⁵⁾	-	-	59	0.08	194	0.31
Manufacturing	10,957	13.75	11,392	14.95	11,135	17.55
Fire protection equipment ⁽⁶⁾	10,957	13.75	11,392	14.95	11,135	17.55
Others ⁽⁷⁾	1,323	1.66	1,111	1.46	1,101	1.74
TOTAL	79,699	100.00	76,194	100.00	63,444	100.00

Notes:

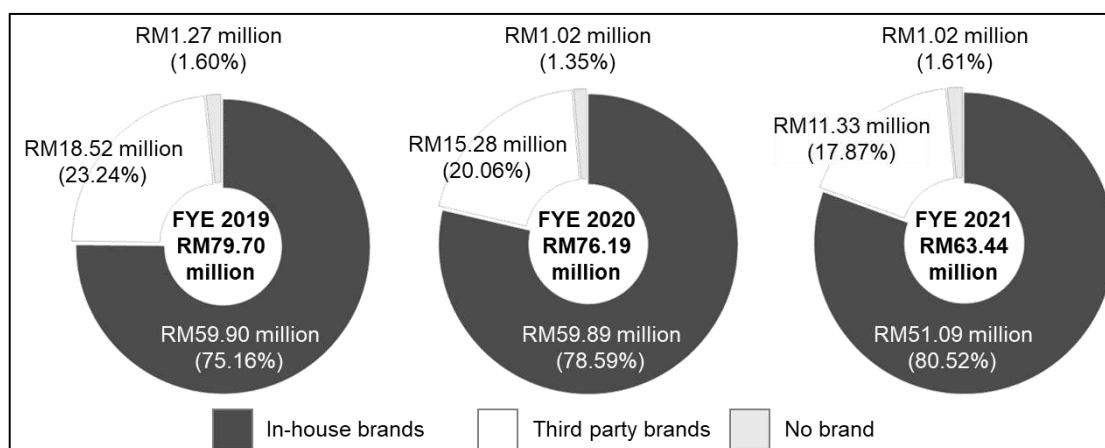
- (1) Assembly of fire suppression systems include those that are using CO₂ and HFC-227ea extinguishing agents.
- (2) Assembly of fire protection equipment include fire hose reels, fire hoses and fire extinguishers. Fire extinguishers we assemble include those that are using CO₂ (hand portable and trolley mounted), dry chemical (trolley mounted) and foam (hand portable and trolley mounted).

6. INFORMATION ON OUR GROUP (Cont'd)

- (3) Distribution of fire suppression systems include sprinkler systems, wet and dry riser systems and hydrants, and wet chemical fire suppression system.
- (4) Distribution of fire protection accessories include fire detection and alarm devices, batteries, cabinets and fire blankets.
- (5) Distribution of fire protection equipment namely fire hoses.
- (6) Manufacture of fire protection equipment namely dry chemical (hand portable) fire extinguishers.
- (7) Others include assisting in Bomba eFEIS application, sales of dry chemical fire extinguisher refilling machines and servicing of fire protection equipment.

6.4.2.3 Revenue by brands

We are mainly an assembler, distributor and manufacturer of our brands of fire protection systems, equipment and accessories. We also assemble and distribute third party brands of fire protection systems, equipment and accessories. Our revenue segmentation by our brands and third party brands are set out below:

Revenue segmentation by brands

We sell our products under our brands and third party brands as follows:

Business activities and products	Own brand	3rd party brand
Assembly		
Fire suppression system		
CO ₂	Unique	n.a
HFC-227ea	Unique227	Orient; Kidde
FK5112 ⁽¹⁾	Unique5112	Kidde
Fire protection equipment		
Fire extinguishers		
CO ₂ (hand portable and trolley mounted)	Unique	n.a
Dry chemical (trolley mounted)	Unique	n.a
Foam (hand portable and trolley mounted)	Unique	n.a
Fire hose reel	Unique	n.a
Fire hose	Yama; Commander	n.a

6. INFORMATION ON OUR GROUP (Cont'd)

Business activities and products	Own brand	3rd party brand
Distribution		
Fire suppression system		
Sprinkler system	n.a	CD; Viking
Wet and dry riser system, and hydrant	Unique ⁽²⁾	n.a
Wet chemical fire suppression system	n.a	Kidde; Ansul ⁽¹⁾
Fire protection accessories		
Fire detection and alarm devices		
<i>Electronic sounder and beacon</i>	n.a	Demco
<i>Fire alarm bell</i>	Unique ⁽²⁾	Demco
<i>Heat detector</i>	Unique ⁽²⁾	System Sensor
<i>Smoke detector</i>	Unique ⁽²⁾	System Sensor
<i>Fire control panel</i>	Unique ⁽²⁾	Program
<i>Twin flashing light</i>	Unique ⁽²⁾	n.a
Others		
Battery	Unique ⁽²⁾	GP
Cabinet	Unique ⁽²⁾	n.a
Fire blanket	Unique ⁽²⁾	n.a
Fire protection equipment		
Fire hose	n.a	ZYfire
Manufacturing		
Fire protection equipment		
Fire extinguisher - dry chemical (hand portable)	Unique	n.a
Other activities		
Sales of dry chemical fire extinguisher refilling machines	Unique ⁽²⁾	n.a
Assisting in Bomba eFEIS applications and servicing of fire protection equipment	*	*

Notes:

(1) We did not record any sales of Unique or Kidde brands of FK5112 fire suppression system and Ansul brand of wet chemical fire suppression systems for the Financial Years Under Review. We only started to market FK5112 fire suppression system in the first half of 2021. Sales of Ansul brand of wet chemical fire suppression system was made subsequent to the FYE 2021.

(2) We do not manufacture these products. The products are manufactured by external manufacturers for us under our brand.

n.a = not applicable

* We provide assistance for Bomba eFEIS applications and servicing of fire protection equipment upon our customers' request, therefore no brand is associated with these services.

6. INFORMATION ON OUR GROUP (Cont'd)

For the FYE 2019, FYE 2020 and FYE 2021, the majority of our revenue was from our brands which collectively accounted for 75.16%, 78.59% and 80.52% of our total revenue respectively.

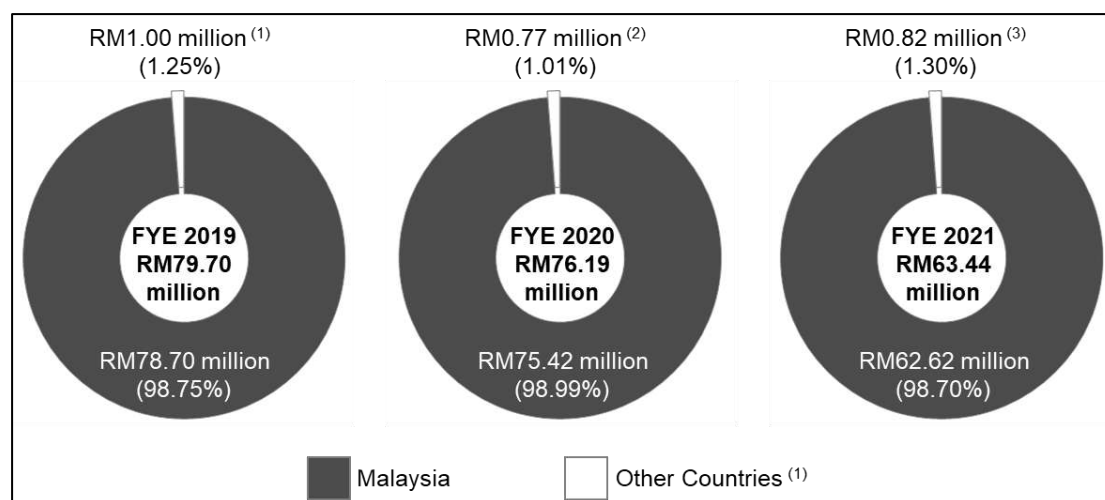
Third party brands collectively accounted for 23.24%, 20.06% and 17.87% of our revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

The remainder of our revenue was contributed by other activities where brand was not applicable save for sales of dry chemical fire extinguisher refilling machines.

6.4.3 Principal Market

Our principal market of operations is Malaysia. Our revenue segmentation by geographical markets during the Financial Years Under Review is as follows:

Revenue segmentation by geographic markets



Notes:

- (1) For the FYE 2019, other countries comprised Vietnam, Myanmar, Cambodia, USA, Brunei and Singapore.
- (2) For the FYE 2020, other countries comprised Myanmar, Vietnam, Bangladesh, Singapore, Cambodia, Brunei and Indonesia.
- (3) For the FYE 2021, other countries comprised Hong Kong, Vietnam, Cambodia, Brunei and Indonesia.

Malaysia was our largest market as it accounted for 98.75%, 98.99% and 98.70% of our total revenue for FYE 2019, FYE 2020 and FYE 2021, respectively.

Foreign countries accounted for the remaining 1.25%, 1.01% and 1.30% of our total revenue for FYE 2019, FYE 2020 and FYE 2021, respectively. Our largest foreign markets for each year during the Financial Years Under Review were as follows:

- Vietnam for FYE 2019 with revenue of RM0.47 million (0.59%);
- Myanmar for FYE 2020 with revenue of RM0.22 million (0.28%); and
- Hong Kong for FYE 2021 with revenue of RM0.53 million (0.83%).

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.4 Distribution Channel

The indirect distribution channel is where our customers are intermediaries that purchase our fire protection systems, equipment and accessories for installation or maintenance of their customers' properties and assets, as well as retailers and wholesalers who resell our products to their customers.

- M&E and FPS contractors procure our products to be installed as part of the fire protection system of buildings, infrastructure and other facilities. They do so on behalf of building and asset owners, property developers or their representatives such as main contractors and M&E consultants.

M&E consultants are normally engaged by property or asset owners, property developers or main contractors to design the building's fire protection system (as part of its M&E system), which includes selecting the types and/or brands of fire protection systems, equipment and accessories to use. In this respect, the purchases made by M&E and FPS contractors would follow the specifications of the M&E consultants. Ultimately, the final decision makers for fire protection system, equipment and accessories are the property or asset owners, or property developers;

- FPS maintenance service providers are usually engaged by building owners and property developers to maintain their fire protection system, and purchase our products to provide this service; and
- Retailers and wholesalers purchase our products to resell to their customers.

M&E and FPS contractors mainly operate in the building construction and property development industries, where they are engaged as part of new building construction and remodelling or renovations.

With the direct distribution channel, we sell our products to end-users and vehicle manufacturers. End-users include property and asset owners, individuals and households. Vehicle manufacturers purchase our fire extinguishers to equip their commercial vehicles.

The revenue contribution from our direct and indirect distribution channels for the Financial Years Under Review is summarised in the following table:

Distribution Channel	FYE 2019		FYE 2020		FYE 2021	
	RM '000	%	RM'000	%	RM'000	%
Indirect	74,818	93.88	71,375	93.68	59,732	94.15
M&E and FPS contractors	53,464	67.08	50,953	66.87	42,128	66.40
FPS maintenance service providers	21,136	26.52	20,063	26.33	17,254	27.20
Retailers and wholesalers	218	0.28	359	0.48	350	0.55
Direct	4,881	6.12	4,819	6.32	3,712	5.85
End-users	4,880	6.12	4,816	6.32	3,664	5.78
Vehicle manufacturers	1	#	3	#	48	0.07
TOTAL	79,699	100.00	76,194	100.00	63,444	100.00

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

M&E = Mechanical and Electrical.

FPS = Fire Protection Systems.

Less than 0.01%.

6.4.5 Overview of fire protection systems and classes of fire

6.4.5.1 Fire protection systems

Fire protection systems and equipment are intended to protect built environments from fire to protect lives while preventing or minimising property and asset damage. This is achieved by preventing the fire from breaking out, or in the event of a fire, extinguishing, suppressing or preventing the fire from spreading.

Generally, fire protection is classified as either active or passive fire protection. The fire protection systems, equipment and accessories that we assemble, distribute and manufacture are under the active fire protection segment.

Active fire protection systems, equipment and accessories are designed to extinguish or suppress fires. They can be further categorised into automatic and manual systems and equipment.

(i) **Automatic systems** detect fires automatically and act without human intervention against the fire. They typically incorporate the following components designed to operate automatically:

- sensor system and devices to automatically detect smoke or elevated temperature;
- alarm system to warn building occupants and people in the vicinity, as well as fire safety monitoring personnel; and
- fire suppression system to extinguish or suppress the fire.

We supply the following types of automatic active fire protection systems and accessories:

- fire suppression systems including:
 - CO₂ and HFC fire suppression systems;
 - sprinkler systems;
 - wet chemical fire suppression systems; and
- fire detection and alarm devices.

(ii) **Manual systems and products** require humans to operate to extinguish or suppress fires. We supply the following types of manual active fire protection systems and equipment:

- fire extinguishers;
- wet and dry riser systems, and hydrants (under fire suppression systems); and
- fire hose reel and fire hoses.

6.4.5.2 Classes of fire

According to the Malaysian Standard (MS), fires are categorised into six classes as follows:

Class of fire and examples of combustible materials	
Class A <ul style="list-style-type: none"> Fires involving solid materials, usually of an organic nature 	Class D <ul style="list-style-type: none"> Fires involving combustible metals (examples: lithium, potassium, magnesium, titanium and zirconium)

6. INFORMATION ON OUR GROUP (Cont'd)

Class of fire and examples of combustible materials	
Class B <ul style="list-style-type: none"> Fires involving flammable liquids or liquefiable solids 	Class E <ul style="list-style-type: none"> Fires involving energised electrical equipment
Class C <ul style="list-style-type: none"> Fires involving flammable gases 	Class F <ul style="list-style-type: none"> Fires involving cooking media in cooking appliances (examples: vegetable or animal oils and fats)

We supply fire protection systems and equipment designed to combat Class A, B, C, E and F fires. We do not carry fire protection systems or equipment to combat Class D fires as such fires are mainly a risk for certain types of industrial facilities, and we have not received many enquiries for systems and equipment for use against Class D fires.

6.4.6 Overview of our products

The following table summarises the fire protection systems and equipment and their respective extinguishing agents that we assemble, distribute and manufacture:

Our fire protection systems and equipment	Extinguishing agent	Classes of fire
Fire extinguishers		
Dry chemical	Monoammonium phosphate	Class A, B, C and E
CO ₂	CO ₂	Class B and E
Foam	Aqueous film-forming foam	Class A and B
Fire suppression systems		
CO ₂	CO ₂	Class B and E
HFC	HFC-227ea	Class A, B and E
FK5112 ⁽¹⁾	FK5112	Class A, B and E
Wet chemical	Potassium carbonate	Class F
Sprinkler	Water ⁽²⁾	Class A
Wet and dry riser systems, and hydrants	Water ⁽²⁾	Class A
Fire hose reel and fire hoses		
Fire hose reel	Water ⁽²⁾	Class A
Fire hoses	Water ⁽²⁾	Class A

Notes:

- (1) We only started marketing FK5112 fire suppression system in the first half of 2021.
(2) Our fire protection systems are used with an external water supply.

6.4.7 Assembly of fire protection systems and equipment

Revenue from the assembly of fire protection systems and equipment accounted for RM37.00 million (46.42%), RM35.77 million (46.94%) and RM30.72 million (48.42%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

We assemble the following types of fire protection systems and equipment:

- fire suppression system using CO₂ and HFC-227ea as extinguishing agents; and

6. INFORMATION ON OUR GROUP (Cont'd)

- fire protection equipment including fire extinguishers using CO₂ (hand portable and trolley mounted), dry chemical (trolley mounted) and foam (hand portable and trolley mounted) as extinguishing agents, fire hose reels and fire hoses.

Please refer to Section 6.19 of this Prospectus for information on our Bomba certifications.

6.4.7.1 Fire Suppression Systems

Revenue from the assembly of fire suppression systems accounted for RM21.95 million (27.54%), RM21.11 million (27.71%) and RM19.42 million (30.60%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

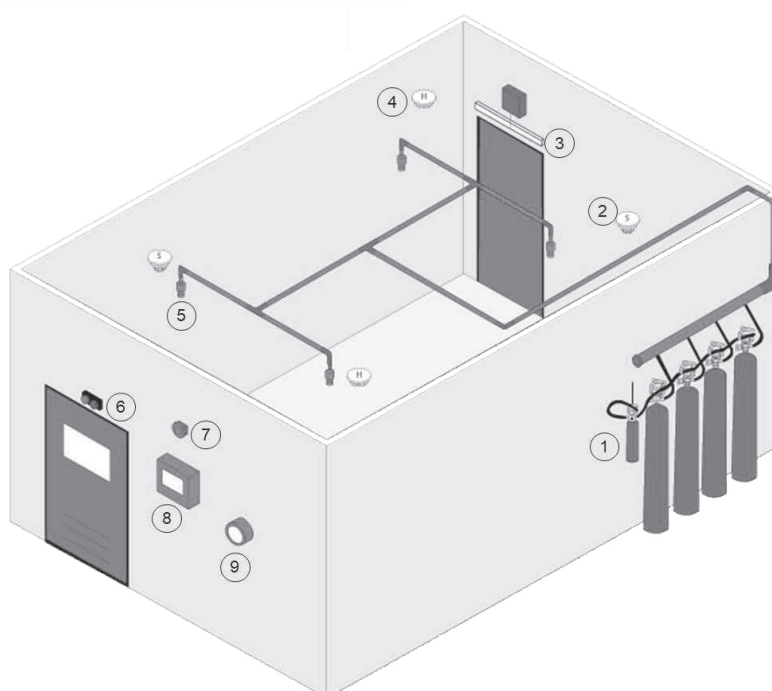
We assemble CO₂ and HFC fire suppression systems which are automatic systems designed to detect fire and discharge an extinguishing agent to suppress or extinguish fires in an enclosed area. They are mainly used to protect critical areas that are at risk of electrical fires. These fire suppression systems are suitable as they do not cause damage to electrical equipment and other assets, do not leave behind residues and do not conduct electricity.

(i) CO₂ Fire Suppression Systems

CO₂ fire suppression systems are mainly used in enclosed areas that are normally not occupied by people, such as electrical, battery and generator rooms. The systems that we supply comprise the following main components:

- CO₂ stored in one or more cylinders equipped with release valves, and installed outside of the target enclosed areas;
- gas discharge nozzles at the target enclosed areas;
- smoke curtains designed to seal doors to prevent smoke and gas from leaving the affected area;
- fire detection system comprising heat and smoke detectors in strategically located positions;
- fire alarm system, such as audible and/or visual alarms;
- manual pull station or key switch to manually activate the system; and
- control panel for monitoring and controlling the fire suppression system.

A typical layout for our CO₂ fire suppression system



6. INFORMATION ON OUR GROUP (Cont'd)

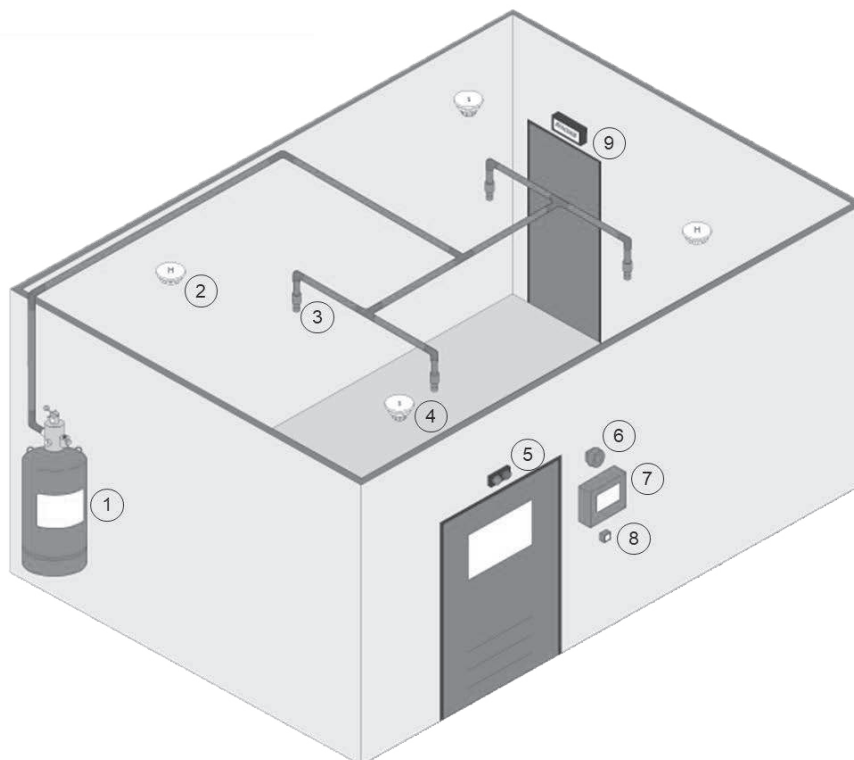
1. Cylinders filled with CO₂ extinguishing agent. 2. Smoke detector. 3. Smoke curtain. 4. Heat detector. 5. Discharge nozzle. 6. Twin flashing light. 7. Alarm bell. 8. Control panel. 9. Manual pull station.

The fire detection system is designed to activate the system when the ambient temperature and/or smoke level exceeds a predetermined limit within an enclosed area. The alarm system is triggered immediately to warn people who may happen to be in the room at that time that a fire may have started and to promptly evacuate. After a pre-determined delay to allow any people who may happen to be in the room at that time to exit the area, the CO₂ is discharged under pressure through the piping network and is subsequently discharged through the nozzles to fill the room with CO₂, which displaces oxygen from around the fire, thereby extinguishing or suppressing the fire. As CO₂ requires a higher concentration to extinguish or suppress the fire as compared to HFC, more cylinders of CO₂ are required as compared to cylinders of HFC to provide fire protection for enclosed areas of the same size. The smoke curtain is also deployed at the same time to seal the enclosed area and prevent smoke and gas from escaping. The system can also be activated manually.

We assemble the CO₂ fire suppression systems under our Unique brand. We purchase the empty cylinders, CO₂, and other parts and components from external suppliers. The entire system is then supplied to our customers as a total package, excluding pipes and fittings. We do not provide any installation services for the CO₂ fire suppression system. Our CO₂ fire suppression systems are rated to protect enclosed areas against Class B and E fires.

(ii) HFC Fire Suppression Systems

Our HFC fire suppression systems are rated to protect areas against Class A, B and E fires and they function similarly to CO₂ fire suppression systems. HFC fire suppression systems are usually used in enclosed areas where people are normally present, such as substations, server rooms, data centres, museums and hospitals.

A typical layout for our HFC fire suppression system

6. INFORMATION ON OUR GROUP (Cont'd)

1. Cylinders filled with HFC extinguishing agent. 2. Heat detector. 3. Discharge nozzle. 4. Smoke detector. 5. Twin flashing light alarm. 6. Alarm bell. 7. Control panel. 8. Key switch. 9. Evacuate sign.

HFC extinguish or suppress fires by removing heat from the fire, thereby cooling them to the point where burning cannot continue. As HFC requires a lower concentration to extinguish or suppress fire compared to CO₂, fewer cylinders of HFC are required to provide fire protection in enclosed areas of the same size.

For our assembly of HFC fire suppression systems we purchase extinguishing agents, empty cylinders with valves, blank nozzles and parts from the following suppliers:

- Orient Corporation Pte Ltd from Singapore, for our Unique227 and Unique5112 brands, and their Orient brand; and
- Kidde-Fenwal Inc. from the United States, for their Kidde brands.

We assemble the systems by filling the empty cylinders and integrating the relevant parts and components, and packaging them to provide a complete system to meet the specifications of our customers. Our HFC fire suppression systems do not include pipes and pipe fittings, and we do not provide installation services.

Within the assembly of HFC fire suppression systems, revenue from our Unique227 brand amounted to 80.82%, 96.88% and 92.55% of the revenue from the assembly of HFC fire suppression systems for the FYE 2019, FYE 2020 and FYE 2021, respectively. The remainder were from the third party Orient and Kidde brands.

We obtained various certifications for our HFC fire suppression systems which are sold under our Unique227 brand as follows:

- UL certification, which certifies that our fire suppression systems comply with the relevant UL standards, is focused on product safety and performance. This certification was issued on 8 March 2016.
- FM Approvals certification, which certifies that our fire suppression systems comply with applicable FM Approval standards. FM Approvals is also involved in testing and certifying products that meet their property loss prevention standards. FM Approval certifications may be required by some insurance providers as a condition of coverage. The FM Approval was granted on 9 July 2021.
- SGP certification, which certifies that our fire suppression systems comply with the specified requirements of TNB technical specifications and are accepted for use in TNB system. This certificate was renewed on 8 April 2021 and is valid until 22 February 2024. We have been SGP certified since 23 February 2018. A valid SGP certification is required to supply our fire suppression system to TNB.

6.4.7.2 Fire protection equipment

Revenue from the assembly of fire protection equipment accounted for RM15.05 million (18.88%), RM14.66 million (19.23%) and RM11.31 million (17.82%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

(i) Fire hose reels and fire hoses

The fire hose reels and fire hoses that we assemble are for manual operation to fight against fires in large and multilevel buildings and facilities.

(a) Fire hose reels

A fire hose reel is used to store a pre-attached fire hose and is intended to be used by building occupants to fight small fires. They are supplied by water permanently attached to a source of water connected to a wet or dry riser system. For further information on wet and dry riser systems, please refer to Section 6.4.8.1 (ii) of this Prospectus.

The main components of our fire hose reel include the following:

- drum where the pre-attached hose is wound around for ease of dispensing when needed;
- side plates on both ends of the drum;
- swing arm and brackets to attach the drum to the wall;
- valve to control the flow of water; and
- synthetic rubber hose, nozzles and clips to convey and manually direct the flow of water.



A fire hose reel can be housed in a lockable cabinet for protection and security. We assemble fire hose reels which involve sourcing drum side plates and other parts, and carry out internal powder coating of the side plates before putting together the parts to create the complete fire hose reels. Our fire hose reels are sold under our Unique brand.

(b) Fire hoses

Our fire hoses comprise the hose, couplings and nozzles. Fire hoses are designed to connect to a landing valve of a wet or dry riser system or hydrant, which supplies the water. Fire hoses are usually stored in cradles or cabinets that are installed next to landing valves and pillar hydrants.

A fire hose differs from a fire hose reel in the following respects:

- fire hose does not need a drum;
- fire hose has a larger diameter, for example, our Yama and Commander fire hoses have diameters of between 40 mm and 65 mm, compared to 25 mm for our Unique fire hose reels;
- fire hose can be extended by joining several lengths together using couplings, while fire hose reel has a fixed length;
- fire hose must be connected to a landing valve or hydrant for water supply;
- fire hose is intended to be used by trained personnel, such as firefighters.

6. INFORMATION ON OUR GROUP (Cont'd)

We assemble fire hoses, couplings, nozzles and other parts into a complete product as depicted below:

Our brands of fire hoses

Yama



Commander



Commander

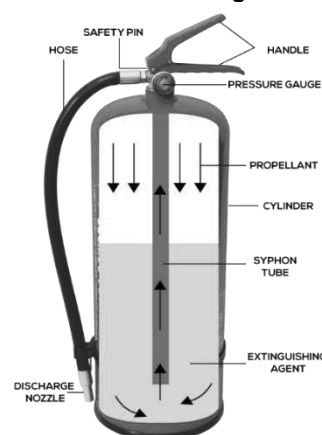
We assemble fire hoses that are marketed under our Commander and Yama brands.

(ii) Fire Extinguishers

Fire extinguishers are a type of manually operated and portable fire protection equipment designed to extinguish or suppress small fires, usually in an emergency. They can be hand portable or trolley mounted to be wheeled directly to the affected area. A fire extinguisher consists of the following main components:

- Fire extinguisher cylinder that contains the syphon tube, propellant and extinguishing agent;
- Fittings including handle, pressure gauge, safety pin, and hose and discharge nozzle.

The fire extinguishers that we supply are used to provide fire protection mainly for residential, commercial, industrial and institutional properties, and public amenities, facilities and infrastructure.

A cut-away diagram of a handheld fire extinguisher**(a) CO₂ fire extinguishers**

We use CO₂ as one of our extinguishing agents for our fire extinguishers. The CO₂ is stored under pressure, and when the safety pin is removed and the handle is depressed the CO₂ is discharged through the syphon tube, hose and discharge nozzle. CO₂ displaces oxygen from around the fire, thereby extinguishing or suppressing the fire.

Our CO₂ fire extinguishers

We purchase the cylinders for our assembly of CO₂ fire extinguishers where we will then put together the parts and fill the cylinder with CO₂. During the Financial Years Under Review and as at the LPD, we assembled two (2) kg and five (5) kg hand portable and 45 kg trolley mounted CO₂ fire extinguishers.



45 kg trolley mounted



5 kg hand portable



2 kg hand portable

6. INFORMATION ON OUR GROUP (Cont'd)

Our CO₂ fire extinguishers are sold under our Unique brand. They are rated for use against Class B and E fires. The two (2) kg and five (5) kg hand portable CO₂ fire extinguishers that we assemble are SIRIM certified as compliant with the relevant MS standards.

(b) Dry chemical fire extinguishers (trolley mounted)

We assemble 25 kg and 45 kg trolley mounted dry chemical fire extinguishers, where we purchase the empty cylinders, dry chemical extinguishing agent, compressed nitrogen and parts from external suppliers. The parts are put together with the empty cylinders, following which it is filled with the extinguishing agent and compressed nitrogen and assembled with the trolley.

Our dry chemical fire extinguishers are sold under our Unique brand. They are rated for use against Class A, B, C and E fires.

Our trolley mounted dry chemical fire extinguishers**(c) Foam fire extinguisher**

Our foam fire extinguishers use a mixture of foam concentrate and water as the extinguishing agent, with compressed nitrogen as the propellant. When the safety pin is removed and the handle is depressed, the compressed nitrogen will propel the foam concentrate and water out through the syphon tube and propel them through the hose and discharge nozzle. At the same time, the concentrate is mixed with the water to produce the foam. The foam will blanket the fire and prevent oxygen from reaching the fuel, which extinguishes or suppresses the fire.

We assemble foam fire extinguishers by using purchased empty cylinders and parts, and we fill the cylinders with the concentrate and compressed nitrogen as the propellant.

Our foam fire extinguishers

During the Financial Years Under Review, we assembled and supplied nine (9) Litre hand portable and 45 Litre trolley mounted foam fire extinguishers. We marketed our foam fire extinguishers under our Unique brand. They are rated for use against Class A and B fires. As at the LPD, we have discontinued assembling, marketing and selling foam fire extinguishers as the revenue contribution was small and has been declining during the Financial Years Under Review, having accounted for RM0.22 million (0.28%), RM0.22 million (0.28%) and RM0.14 million (0.22%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021 respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.8 Distribution of Fire Protection Systems, Equipment and Accessories

Revenue from the distribution of fire protection systems, equipment and accessories accounted for RM30.42 million (38.17%), RM27.92 million (36.65%) and RM20.48 million (32.29%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

We distribute fire protection systems, equipment and accessories under Unique brand where the products are sourced from external manufacturers, as well as third party brands.

Please refer to Section 6.19 of this Prospectus for information on our Bomba certifications.

6.4.8.1 Fire suppression systems

Revenue from the distribution of fire suppression systems accounted for RM23.35 million (29.30%), RM20.69 million (27.16%) and RM14.74 million (23.23%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

We distribute the following types of fire suppression systems:

- sprinkler systems;
- wet and dry riser systems, and hydrants; and
- wet chemical fire suppression systems.

(i) Sprinkler systems

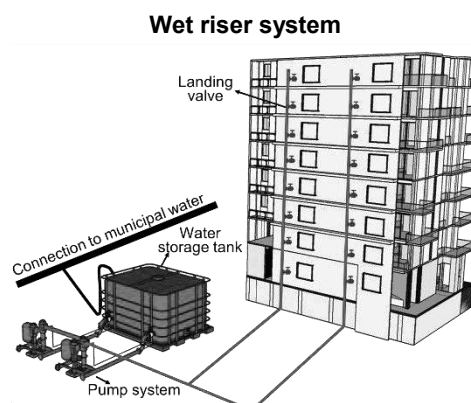
A sprinkler system consists of a fixed water pipe network installed commonly throughout occupied or critical areas of a building with sprinkler heads attached at specified locations along with the piping network. These are automatic fire protection systems that use water to extinguish or suppress fires. The water pipe network for a sprinkler system may be supplied by a wet or dry riser system or the mains water supply. Sprinklers are designed to activate when a predetermined heat level is reached, spraying the area around the sprinkler with water. They activate independently and as a result, only sprinklers that are close to the fire will operate, which minimises water damage in areas that are not affected by the fire.

We are an authorised distributor of third party CD and Viking brands of sprinkler systems. We also distribute water flow switches and detectors (which are used as part of some sprinkler systems) under the third party System Sensor brand.

During the Financial Years Under Review and up to the LPD, we supplied our customers with the complete sprinkler system set or a combination of the components listed above, depending on their requirements. We did not supply pipes and fittings, and we did not provide installation services for sprinkler systems.

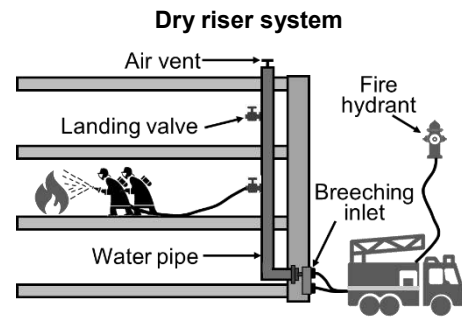
(ii) Wet and dry riser systems, and hydrants

Wet and dry riser systems consist of a fixed network of water pipes and other components that is designed to supply water throughout the building as part of its fire protection system. Wet and dry riser systems are commonly used in commercial, industrial and low and high-rise residential properties.



6. INFORMATION ON OUR GROUP (Cont'd)

Wet riser systems are installed in buildings that are more than 30 meters high. In a wet riser system, the pipes are constantly filled with water from a pressurised supply, which comprises a water storage tank and pumps at the ground level. The water storage tank is connected to the mains water supply. The wet riser system is intended to provide an immediate supply of water to landing valves or pressure regulating valves for firefighting purposes.



A dry riser system is similar to a wet riser system with the key exception that the pipes do not contain water when it is not in use. To function, water must be pumped, commonly using a firefighting vehicle, into the system through one or more breeching inlets. The water is then distributed throughout the building through the piping works. Dry riser systems are usually installed in low rise buildings less than 30 meters in height.

We distribute wet and dry riser systems under our Unique brand and they include the following:

- Breeching inlets (dry riser): These are commonly located outside of buildings such that water may be pumped through the breeching inlets to fill the dry riser pipework with water for firefighting.
- Landing and pressure regulating valves (wet and dry riser): They are outlets in the pipework to supply water to connected hoses for firefighting. Landing or pressure regulating valves may be located in protected areas such as stairwells, lobbies and enclosures. In a multilevel building, at least one landing or pressure regulating valve will be made available at each level of the building.

Our wet and dry riser systems do not include pipes and pipe fittings, and we do not provide installation services.

We also distribute fire hydrants under our Unique brand. Hydrants are a type of connection point that is installed outdoors, typically in accessible public areas, that is connected to water mains to provide water supply to firefighters. They are equipped with connection points for firefighters to attach fire hoses.



Breaching inlet



Landing valve



Pressure regulating valve



Hydrant

6. INFORMATION ON OUR GROUP (Cont'd)

(iii) Wet chemical fire suppression systems

The wet chemical fire suppression systems that we distribute are automatic systems that are used in commercial kitchens to protect against Class F fires that involve cooking oils and fats.

We are the authorised distributor of wet chemical fire suppression systems under the third party Kidde and Ansul brands.

The system comprises the following main components:

- wet chemical extinguishing agent in storage cylinder;
- nozzles to spray the wet chemical onto the fire;
- piping works connecting the wet chemical storage cylinder to the nozzles;
- automatic release mechanism;
- remote manual activation switch; and
- fire alarm.

The automatic release mechanism contains fusible metal links, which melt and separate when the heat level around the mechanism reaches a specific level (for example due to a nearby fire). This activates the system, releases the pressurised gas stored in the cartridge, forces the wet chemical from the storage tank and sprays it onto the fire through the nozzles. The wet chemical consists of potassium carbonate (for the third party Range Guard brand) or a mixture of inorganic salts (for the third party Ansul brand) that are dissolved in water. The wet chemical extinguishes the fire by forming a soapy layer that blankets the burning oil and prevents oxygen from reaching the fire.

We supply wet chemical fire suppression systems as complete systems, which comprise the main components listed above together with piping and fittings. We do not carry out the installation of the system.

6.4.8.2 Fire protection accessories

Revenue from the distribution of fire protection accessories accounted for RM7.07 million (8.87%), RM7.17 million (9.41%) and RM5.55 million (8.75%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

We distribute the following types of fire protection accessories:

- fire detection and alarm devices; and
- other fire protection accessories.

(i) Fire detection and alarm devices

Fire detection and alarm devices are designed to detect the presence of fire or smoke and subsequently, warn of the danger. They may be connected to other fire protection systems, for example, sprinkler systems, CO₂ or HFC fire suppression systems, or installed on a standalone basis.

We distribute the following types of fire detection and alarm devices:

- electronic sounders and beacons under third party Demco brand;
- heat and smoke detectors under our Unique brand and third party System Sensor brand;
- fire alarm bells under our Unique brand and third party Demco brand;
- fire control panels under our Unique brand and third party Program brand; and
- twin flashing lights under our Unique brand.

6. INFORMATION ON OUR GROUP (Cont'd)

We are an authorised distributor for third party System Sensor and Demco brands.

Some of our Unique brand of fire detection and alarm devices



Unique heat detector

Unique smoke detector

Unique twin flashing lights

Unique alarm bell

(ii) Other fire protection accessories

Other fire protection accessories that we distribute include the following:

- batteries, which are used as backup electric power for fire detection, alarm and control panels. We obtained UL certification for our batteries under our Unique brand, issued on 19 November 2019. We distribute batteries under our Unique brand and third party GP brand;

Some of the cabinets we distribute



Fire extinguisher cabinet Fire hose cabinet Breaching inlet cabinet

- cabinets, are lockable metal enclosures to secure and protect fire protection equipment such as fire extinguishers, fire hose reels, fire hoses, and breaching inlets. We distribute cabinets under our Unique brand; and
- fire blankets, which we distribute under our Unique brand.

6.4.8.3 Fire protection equipment

We also distribute fire hoses under a third party brand namely ZYfire, which comprises synthetic rubber fire hoses and couplings. Revenue from the distribution of fire protection equipment namely fire hoses accounted for RM0.06 million (0.08%) and RM0.19 million (0.31%) of our total revenue for the FYE 2020 and FYE 2021, respectively. We did not make any sales of ZYfire brand of fire hoses in FYE 2019 as we were only appointed as an authorised distributor for this brand of fire hoses in 2020.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.9 Manufacture of fire protection equipment

Revenue from the manufacture of fire protection equipment namely hand portable dry chemical fire extinguishers which accounted for RM10.96 million (13.75%), RM11.39 million (14.95%) and RM11.14 million (17.55%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.

Please refer to Section 6.19 of this Prospectus for information on our Bomba certifications.

We manufacture dry chemical fire extinguishers that use monoammonium phosphate as the extinguishing agent and compressed nitrogen as the propellant. They are stored under pressure inside the cylinder of the fire extinguisher.

When the safety pin is removed and the handle is depressed, the compressed nitrogen will drive the dry chemical through the syphon tube and propel it through the hose and discharge nozzle. The dry chemical prevent oxygen from reaching the fire, thereby extinguishing or suppressing it.

Our hand portable dry chemical fire extinguishers



We manufacture the cylinders for one (1) kg, two (2) kg, four (4) kg, six (6) kg and nine (9) kg hand portable dry chemical fire extinguishers. We put together the parts and fill the cylinders with dry chemical and compressed nitrogen. Our manufacturing process includes metal cutting, blanking, pressing, welding and powder coating for the hand portable dry chemical fire extinguisher cylinders. We have in-house filling machines to fill the cylinders with dry chemicals and compressed nitrogen.

We also manufacture one (1) kg and two (2) kg hand portable dry chemical fire extinguishers with custom designed graphics to target end-users. These are designed to be aesthetically pleasing for use in homes and vehicles and are sold under our Unique brand. We apply the custom designed graphics onto the cylinders using our in-house wet painting machine, where liquid paint is sprayed onto the cylinder in a fine mist.

Examples of our custom graphics designed fire extinguishers



Our hand portable dry chemical fire extinguishers are sold under our Unique brand. They are rated for use against Class A, B, C and E fires. The one (1) kg, two (2) kg, four (4) kg, six (6) kg and nine (9) kg hand portable dry chemical fire extinguishers that we manufacture are SIRIM certified as compliant with the relevant MS standards.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.10 Other activities

Revenue from other activities accounted for RM1.32 million (1.66%), RM1.11 million (1.46%) and RM1.10 million (1.74%) of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively. During the Financial Years Under Review, our other activities include assisting in Bomba eFEIS application, sales of dry chemical fire extinguisher refilling machines and servicing of fire protection equipment.

6.5 MODES OF OPERATION AND WARRANTIES

6.5.1 Modes of operation

Our business activities during the Financial Years Under Review were based on the following modes of operation:

- purchase orders; and
- walk-in and online sales.

Purchase order

Our mode of operation for sales of fire protection systems, equipment and accessories to our customers is mainly based on lump sum purchase orders (PO). We receive PO from our customers which include, among others, payment terms and schedule, and warranty terms (where relevant). We will collect a deposit of up to 50% of the sales price for goods that are not in our inventory that we have to order from the respective supplier. We do not collect deposits for goods that are in our inventory. Customers are invoiced upon delivery of goods.

Walk-in and online sales

Our walk-in and online sales are based on lump sum sales orders as follows:

- walk-in customers will visit our head office, make their purchases and pay via cash, credit card or debit card;
- online customers will place their orders either:
 - . on our e-commerce website and pay either through credit card, debit card, payment gateways or direct online banking from participating banks; and
 - . on third party e-commerce platforms and we will be paid by the e-commerce platform operator within 14 days after the goods have been delivered.

6.5.2 Product warranties

(i) Our brands

We provide product warranty against manufacturing defects for products that we supply under our brands which are as follows:

- typically, we provide a one(1)-year warranty which commences from the date of delivery of our products;
- two(2)-year warranty for infrastructure projects which commences from date of certification of line completion, which is when the MRT 1, MRT 2 or LRT 3 line is certified as completed; and
- five(5)-year warranty for Unique227 fire suppression systems that are sold to customers for installation in TNB facilities. The five (5)-year warranty period which commences from the date of installation of the system and after each maintenance date, is a requirement of TNB for our Unique227 fire suppression systems.

6. INFORMATION ON OUR GROUP (Cont'd)

During the Financial Years Under Review, customers have made claims against our brand of products amounting to RM8,995, RM17,824 and RM17,664 for FYE 2019, FYE 2020 and FYE 2021, respectively.

(ii) Third party brands

Product warranty for the third party brands that we assemble and distribute ranges from one (1) to three (3) years depending on the products and these are provided by the respective brand owners. As for fire suppression systems for installation in TNB facilities, this is similar to the above five(5)-year warranty as required by TNB.

During the Financial Years Under Review, customers have made claims against third party brands of products amounting to RM33,017, RM21,303 and RM51,779 for FYE 2019, FYE 2020 and FYE 2021, respectively.

6.6 OPERATIONAL FACILITY

The location of our operational facility is as follows:

Subsidiaries	Main Functions	Approximate Built-up Area (sq. ft)	Address
UFI and UDI	Head office, manufacturing facility and warehouse.	131,310	9, Jalan Anggerik Mokara 31/55 Kota Kemuning, Seksyen 31 40460 Shah Alam, Selangor

6.7 MAJOR MACHINERY AND EQUIPMENT

Our main machinery and equipment used in our manufacturing operations are as follows:

Main equipment and tools	Brief description	Number of units	NBV as at FYE 2021 (RM)	Age of our Machinery * (years)
Manufacturing fire extinguishers				
Blanking machine	Used to punch standardised profiles from steel sheets	5	23,601	14
Deep drawing machine	Used to shape blanked steel into a cylinder	3	-	14 to 15
Cylinder fabrication machine	Includes automated trimming machine and base insertion machine that welds the cylinder and the bottom base together	3	2	14
Welding machine	Includes automated neck ring and bottom base welding machine to weld the neck ring and bottom with the cylinder body	14	8	13 to 14

6. INFORMATION ON OUR GROUP (Cont'd)

Main equipment and tools	Brief description	Number of units	NBV as at FYE 2021 (RM)	Age of our Machinery * (years)
Assembly of fire hoses				
Fire hose binding machine	Used to bind the fire hose	7	4,000	6
General manufacturing usage				
Powder coating system	Used to powder coat cylinders, drum plates and other steel parts	2	2	8
Refilling and related machines	For filling empty cylinders with dry chemical, CO ₂ or HFC extinguishing agents	11	53,451	14

Note:

- * Age of machinery as at FYE 2021. The average useful lifespan of the major equipment and tools listed above cannot be determined as they can operate for long period of time as long as proper maintenance are performed from time to time.

6.8 SALES AND MARKETING

Our marketing strategy and activities are focused on the following:

Market positioning

- We will continue to build our in-house brand equity by conducting marketing and promotional campaigns that are directed towards increasing market awareness and educating our target customers comprising M&E and FPS contractors, FPS maintenance providers, retailers and wholesalers, as well as end-users such as property and asset owners, individuals and households, and vehicle manufacturers. We are committed to assisting and understanding our customers' requirements so that we can continue to provide a positive customer experience and respond to customer requests in a prompt manner.
- We will continue to build on the market acceptance and track record that our in-house brands have developed over the years, as evidenced by our in-house brands having accounted for 75.16%, 78.59% and 80.52% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively. Our Unique brand has been in the market since 2003, while our Commander and Yama brands since 2000, and we introduced our Unique227 brand in 2016. As at the LPD, we have also commenced marketing our Unique5112 brand of fire suppression systems.
- We position ourselves as a comprehensive supplier of active fire protection systems, equipment and accessories that are normally used to protect buildings, structures, infrastructure, amenities, facilities and vehicles from fire. We supply general systems and equipment such as fire extinguishers, hose reels and fire hoses, wet and dry riser systems, and hydrants and sprinkler systems, as well as more specialised systems such as CO₂, HFC and wet chemical fire suppression systems. The range of fire protection systems, equipment and accessories that we assemble, distribute and manufacture cover Class A, B, C, E and F fires.

6. INFORMATION ON OUR GROUP (Cont'd)

- We will continue to maintain service quality for our customers in terms of making sure all orders are delivered accurately and on time, and ensuring that all products that are assembled and manufactured in-house, and sourced from external suppliers meet the required quality requirements.
- We will keep up with regulatory changes to ensure that our products remain relevant in the market. In this respect, we started to market our new Unique5112 brand in 2021, which uses FK5112 as the extinguishing agent to gradually replace our current HFC fire suppression systems. This is in keeping with the Government's commitment to phase out the use of HFC progressively and for HFC usage to be reduced by 80% by 2045 with usage frozen at a baseline as of 1 January 2024 (*Source: Industry Overview*). As at January 2022 we have not received any specific timeline from the Government relating to the phasing out of HFC. As such, we expect that sales of FK5112 systems will gradually replace the sales of HFC-227ea systems. Consequently, we are marketing Unique5112 as an alternative, as FK5112 does not contribute towards global warming.

We have obtained FM Approvals certification and Bomba certification for our Unique5112 fire suppression systems, and we are currently in the process of obtaining SGP certification for our Unique5112 so that they can be supplied for installation at TNB facilities. This is to ensure that we are ready to supply our Unique5112 systems when required by our customers. We expect to obtain SGP certification for our Unique5112 by December 2022. We believe that our customers will accept Unique5112 as they are similar in application, design and working principal to our Unique227 systems, with the exception of the type of extinguishing agent used. Furthermore, fire suppression systems that use FK5112 systems are generally the most cost effective option to HFC-227ea systems for similar applications, and we believe that customers will choose FK5112 systems, such as Unique5112, when HFC-227ea systems are no longer available due to the phase-out described above. The financial impact of replacing Unique227 with Unique5112 is expected to be minimal as we can use the same filling machine and nozzle drilling station, and our distributorship agreement with Orient Corporation already covers Unique5112.

- We also have third party brands to complement our brands to provide a wider range of products and brands.

Marketing activities

- Maintain good working relationships with our customers by maintaining communication, constantly, providing a high level of service quality and ensuring that all of their orders are fulfilled promptly and accurately.
- Work together with M&E and FPS contractors and FPS maintenance service providers to fulfil requirements for fire protection system. We will also market our products to the M&E consultants who selects the types and/or brand of fire protection systems, equipment and accessories to use as well the ultimate decision makers namely the property or asset owners or property developers.
- Proactively contact and conduct sales meetings with existing and prospective customers to understand their requirements, secure sales and maintain good working relationships.
- Follow-up on customer referrals that we receive from existing customers, suppliers and other contacts.

6. INFORMATION ON OUR GROUP (Cont'd)

Our sales and marketing team is headed by Marcus Liew, our Executive Director in charge of sales and marketing, with a team of 12 employees focused on sales and business development as of the FYE 2021. This team includes three (3) engineers to address customers' technical requirements.

We participated in local exhibitions and tradeshow to promote and market our products and showcase our in-house brands. We also organise courses and seminars to educate prospective customers and decision makers. The exhibitions, tradeshow courses and seminars that we have participated in since 2018 include the following:

Year	Event	Location
2018	International Fire Conference & Exhibition Malaysia (IFCEM) 2018	Subang Jaya, Selangor
2018	Kuala Lumpur International Halal Expo 2018	Kuala Lumpur
2019	Half-day Course on Selecting the Right Type of Suppression System for Industrial Kitchen (jointly-organised by us and The Institute of Engineers Malaysia (IEM))	Kuala Lumpur
2021	Online seminar on Viking sprinkler systems jointly organised by us and The Viking Corporation (Far East) Pte Ltd	Conducted online

6.9 PRODUCTION OUTPUT, CAPACITY AND UTILISATION

6.9.1 Manufacture of hand portable dry chemical fire extinguisher

We manufacture hand portable dry chemical fire extinguishers at our Operational facility in Shah Alam, Selangor. The methodology used to calculate capacity, actual usage and utilisation rates is as follows:

- annual capacity is calculated based on 10.25 working hours per day from Monday to Friday, and 7.50 working hours per day on Saturday, for 52 weeks per year.
- actual output is the number of units of hand portable dry chemical fire extinguishers manufactured during the respective FYEs; and
- utilisation rate is calculated by dividing the actual output by the annual capacity.

	Annual Capacity (units)	Actual Output (units)	Utilisation Rate (%)
FYE 2019			
Main machinery and equipment:			
<i>Blanking Machine</i>	341,250	185,145	54.25
<i>Deep drawing machine</i>	300,300	185,145	61.65
<i>Cylinder fabrication machine</i>	273,000	185,145	67.82
<i>Welding machine</i>	210,000	185,145	88.16
<i>Powder coating system</i>	819,000	185,145	22.61
<i>Refilling and related machines</i>	273,000	185,145	67.82
Overall capacity and output	210,000	185,145	88.16

6. INFORMATION ON OUR GROUP (Cont'd)

	Annual Capacity (units)	Actual Output (units)	Utilisation Rate (%)
FYE 2020			
Main machinery and equipment:			
<i>Blanking Machine</i>	341,250	153,570	45.00
<i>Deep drawing machine</i>	300,300	153,570	51.14
<i>Cylinder fabrication machine</i>	273,000	153,570	56.25
<i>Welding machine</i>	210,000	153,570	73.13
<i>Powder coating system</i>	819,000	153,570	18.75
<i>Refilling and related machines</i>	273,000	153,570	56.25
Overall capacity and output	210,000	153,570	73.13
FYE 2021			
Main machinery and equipment:			
<i>Blanking Machine</i>	341,250	175,856	51.53
<i>Deep drawing machine</i>	300,300	175,856	58.56
<i>Cylinder fabrication machine</i>	273,000	175,856	64.42
<i>Welding machine</i>	210,000	175,856	83.74
<i>Powder coating system</i>	819,000	175,856	21.47
<i>Refilling and related machines</i>	273,000	175,856	64.42
Overall capacity and output	210,000	175,856	83.74

The overall utilisation rate of the main machinery and equipment is 88.16%, 73.13% and 83.74% for the FYE 2019, FYE 2020 and FYE 2021, respectively. The overall actual output and utilisation rate for the FYE 2020 decreased compare to FYE 2019 was mainly due to the following reasons.

- During FYE 2019, we manufactured approximately 20,000 units of hand portable dry chemical fire extinguishers for stocking purposes as we anticipated that sales of these products would increase during FYE 2020; and
- We did not manufacture hand portable dry chemical fire extinguishers from 18 March 2020 to 30 March 2020 due to the temporary closure of our Operational Facility pursuant to MCO 1.0.

6.9.2 Our other business activities

Measurements of capacity and utilisation do not apply to the assembly of CO₂ and foam fire extinguishers, CO₂ and HFC fire suppression systems, and fire hose reels and fire hoses as these systems and equipment are assembled using materials, parts and components that are purchased from suppliers. The process of assembling these systems and equipment does not utilise specialised in-house machinery or processes and are instead dependent on manpower to carry out the assembly work. In addition, the assembly of CO₂ and HFC fire suppression systems are assembled to order, as and when orders are received. Consequently, measurements of capacity and utilisation do not apply to the assembly of these fire suppression systems and equipment.

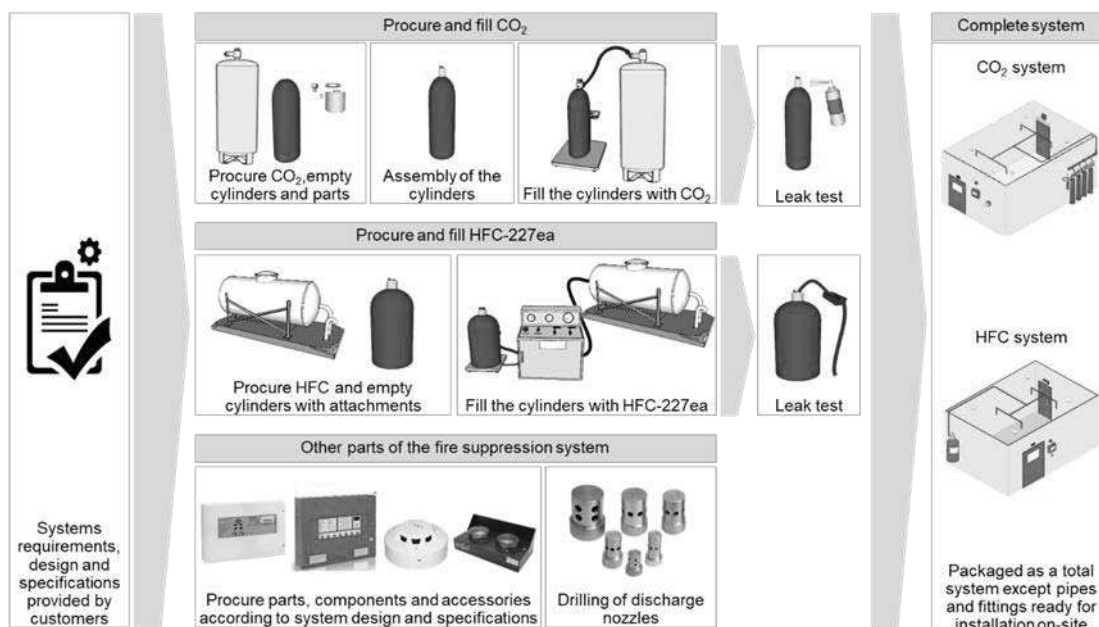
Measurements of capacity and utilisation do not apply to our distribution of fire protection systems business, as we mainly maintain some inventory to meet purchase orders from customers, or order the products as and when purchase orders are received.

6. INFORMATION ON OUR GROUP (Cont'd)

6.10 PROCESS FLOW

6.10.1 Assembly of CO₂ and HFC fire suppression systems

The general process flow for assembling CO₂ and HFC fire suppression systems is as follows:



The assembling of a CO₂ or HFC fire suppression system starts with the system requirements, design and specifications provided by our customers who are M&E or FPS contractors. Once we obtained the purchase order, we will procure all relevant materials that make up the whole fire suppression system from our suppliers. The typical timeframe, from receiving the system requirements, design and specifications from the customer up to packaging the complete system ready for delivery, is approximately 4 working days, and for the assembly of HFC fire suppression system, it is approximately 5 working days.

- **Procure and fill CO₂**

- **Procurement**

To assemble CO₂ fire suppression systems, we would procure the CO₂ as the extinguishing agent, empty cylinders, valves and other parts. Our CO₂ is transported and stored in storage tanks. Upon receiving the empty cylinders, a visual inspection is conducted against the approved drawings and applicable procedures for product acceptance. The cylinder surface is inspected to ensure that it is free from any sign of cracked, burred, dented, deformation or critical defects. The empty cylinder will be weighed and the tare weight recorded.

- **Processing**

After the inspection, we will put together the parts to form the valve and tighten it onto the cylinder. A charging hose with a valve will be used to connect the CO₂ storage tank to the empty cylinder for filling purposes. The CO₂ will be pumped into the cylinder through the fill adapter. The weight will be continuously monitored as the CO₂ is pumped in until the desired weight is reached, where the charging hose valve and charge valve will be closed. The cylinders will be

6. INFORMATION ON OUR GROUP (Cont'd)

kept for more than 24 hours before having the weight recorded. The valves of the filled cylinders are sprayed with soap solution to detect leakages, and any leaks detected are reworked.

- **Finishing**

A final inspection would be conducted to ensure the completeness of assembly, finishing and to ensure all external parts are assembled and properly fitted in place. The serial number and the batch number of the fire extinguishers will be recorded, where they will be signed and certified by the responsible supervisor.

• **Procure and fill HFC**

This process is similar to procure and fill CO₂ except that the empty cylinders are purchased with attachments, the extinguishing agent used is HFC-227ea and the method of filling the gas and conducting leak test uses different machinery.

We have two (2) HFC filling machines which is used for the following processes:

- for our Unique227 fire suppression systems, where the filling machine conforms to UL procedures so that the Unique227 fire suppression systems that we assemble are UL certified, which certifies that they comply with the relevant UL standards, is focused on product safety and performance; and
- for third party Kidde brand fire suppression systems, where the filling machine conforms to UL and FM procedures so that the Kidde fire suppression systems that we assemble are UL certified and FM Approvals certified, which certifies that they comply with applicable FM Approval standards. FM Approvals is also involved in testing and certifying products that meet their property loss prevention standards. FM Approval certifications may be required by some insurance providers as a condition of coverage.

After filling, the filled cylinders are inspected with a handheld leak detection device, and any leaks that are discovered are reworked.

• **Other parts of the fire suppression system**

We would procure other parts, components and accessories which include, among others, context plus, control panels, smoke detectors and flashing lights.

We will also drill the blank nozzles to form drilled discharge nozzles, which will be installed at strategic locations along with the piping system on-site. The size of the blank discharge nozzles and drill bits will be selected according to the specified diameter of the holes in the nozzles. The drilled nozzles will also be labelled with the pipe thread type of the nozzle, the discharge pattern and hole size. The discharge pattern can be either 180° side wall or 360° central.

Our nozzle drilling station for our Unique227 fire suppression system conforms to UL procedures.

We will carry out a visual inspection and if necessary, functional tests of the products procured, which would be conducted against the specifications for product acceptance. We do not provide pipes and fittings, as they are provided by the M&E or FPS contractors. For the drilled discharge nozzles, we will also ensure the finishing surface is free from any sign of cracking, deformation, burred, and no sharp or rough edge.

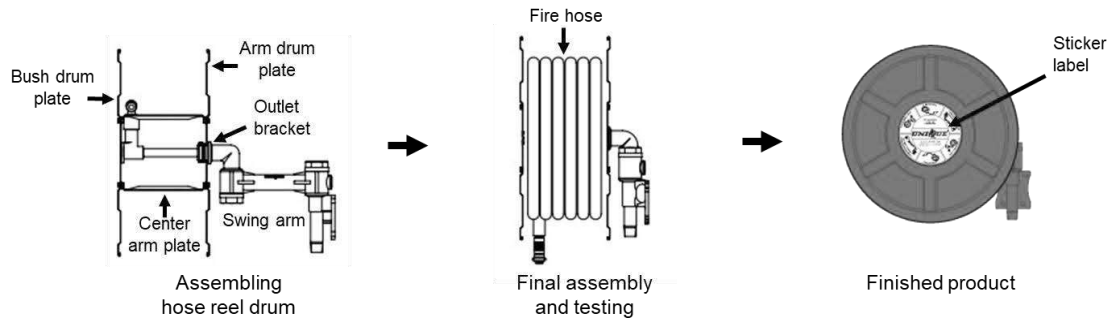
6. INFORMATION ON OUR GROUP (Cont'd)

- **Complete system**

Once the CO₂ or HFC cylinders have been completed, and all other specified parts and components and accessories are collected, they will be packaged as a complete system and delivered to the specified location.

6.10.2 Assembling fire hose reels

The general process flow for assembling fire hose reels is as follows:



The typical timeframe to assemble a batch of 1,000 fire hose reels is approximately 6 working days.

The assembly of a fire hose reel starts with the hose reel drum.

- **Assembling hose reel drum**

The batch marking number at the outlet bracket is checked before initiating the marking process. We firstly apply mixed adhesive to the entire outlet pipe thread and fit it into the outlet bracket thread. The outlet bracket is kept for 24 hours to ensure that the adhesive is cured.

The swingarm is then attached and put together through the inlet bracket, centre arm bracket and outlet bracket at the designated place. The swingarm will undertake a pressure test to ensure there is no leakage. Internal pressure will be applied at approximately $20 \pm \text{two (2) bars}$ and held for one (1) minute.

After the pressure test, the swing arm will be hung on the conveyor system and go through the pre-treatment chemical wash before the powder coating process with a minimum powder thickness of $50\mu\text{m}$. The hose reel drum plates also go through the same powder coating process as the swingarm.

The bush body and elbow bush are attached with self-lock pins. The bush body is then attached to the bush drum plate and blind rivets are placed into the four holes on the bush body and rivet. The sticker label will be placed on the bush drum plate at the designated place.

The swingarm bracket, drum plates, centre plate bracket and arm collar are put together to form the hose reel drum. We will test and turn the drum plate clockwise and anti-clockwise to check the functionality of the hose reel drum.

- **Final assembly and testing**

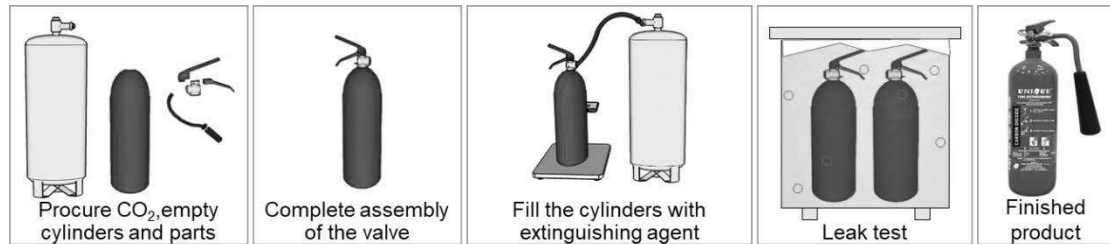
The hose reel drum will be placed on a testing jig. The hose will be attached to the outlet of the bush body, where the hose will be wound onto the hose reel drum and the nozzle will be fixed at the end of the hose. We will conduct a pressure test on the

6. INFORMATION ON OUR GROUP (Cont'd)

fire hose reel system to ensure that there are no leaks. A performance test will be conducted for one (1) in 500 units to ensure the quality of the fire hose reel follows the relevant standards and specifications.

6.10.3 Assembly of hand portable CO₂ fire extinguishers

The general process flow for the assembly of hand portable CO₂ fire extinguishers is as follows:



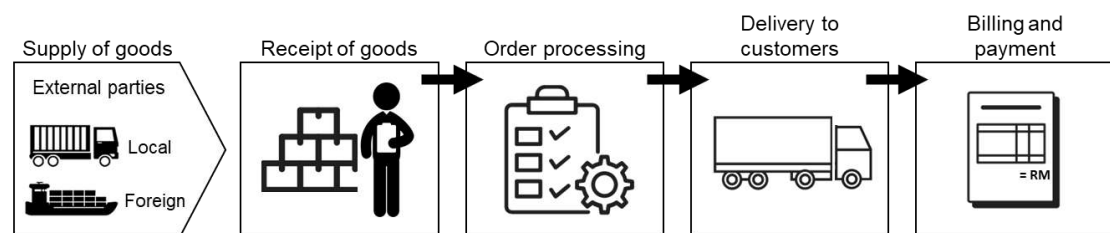
The typical timeframe to assemble a batch of 2,500 hand portable CO₂ fire extinguishers is 6 working days.

This process is similar to the procure and fill CO₂ processes described in Section 6.10.1, except for the following:

- the valve parts are different;
- the leak test conducted is through immersing the entire fire extinguisher into a water tank, and checking if there is any leakage in the form of air bubbles;
- The accepted cylinder units will be attached with a discharge horn;
- a performance discharge test will be performed based on the ISO Acceptable Quality Level sampling standard; and
- the fire extinguisher will then be sent to undergo silkscreen label printing.

6.10.4 Distribution of fire protection systems, equipment and accessories

We distribute our brand and third party products. The general process flow for the distribution of fire protection systems, equipment and accessories is as follows:



The typical timeframe to complete an order for fire protection systems, equipment and accessories, from receiving the purchase order to packing the order ready for delivery or pick-up, is approximately 2 working days for goods that we have in our inventory at our warehouse. The typical timeframe for the order of goods that are not in our inventory will depend on the delivery lead time from the respective suppliers, which is as follows:

- delivery lead time for local suppliers is between three (3) and five (5) days if they have the goods in their inventory, and approximately 30 days if they do not have the goods in their inventory;
- for foreign suppliers, delivery lead time is between 14 to 30 days (subject to vessel transit time) if they have the goods in their inventory, and between 60 to 120 days (subject to vessel transit time) if they do not have the goods in their inventory.

6. INFORMATION ON OUR GROUP (Cont'd)

- **Supply of goods**

For the distribution of our brand and third party products, we source them from domestic and foreign manufacturers and suppliers. We will send the purchase order to the respective suppliers upon placing orders.

We use our ERP system to monitor our inventory levels. The minimum inventory level for each product is maintained based on our history of sales records. When a product's inventory level falls below the minimum level, the ERP system will automatically place an order with the relevant supplier. On average, we will replenish the products once every two (2) to three (3) months depending on orders received from our customers.

- **Receipt of goods**

We receive goods at our warehouse where they go through visual inspection. A stock count of the incoming goods is conducted to ensure the quantity received is equivalent to the amount stated in the delivery order from the supplier. The goods received are then entered into our computer system, and payment to suppliers would be made at this stage.

- **Order processing**

Upon receipt of the customer's purchase order, we will collect the relevant items from the warehouse and pack them ready for delivery.

Once we have all the required items for the purchase order, we would create a delivery order to accompany the items ready for delivery. General warranty can be referred to on the overleaf of the delivery order.

- **Delivery to customers**

A final quantity check is made against the delivery order issued before delivery. Customers have the option of picking up their orders at our warehouse or having their orders delivered to their choice of locations. Delivery of orders is not subject to minimum order size. End-user customers or new customers would typically make their own arrangements to pick-up or have the order delivered to their location. We typically charge a customer an additional delivery charge for delivering the order to their location. We mainly use our in-house fleet of lorries to deliver the goods to our customers in the Klang Valley. We engage third party logistics services providers to deliver goods to customers in other locations.

Upon receipt of goods, the customer is required to sign and stamp the delivery order as proof of delivery. The signed delivery order is returned to us for documentation and record-keeping purposes.

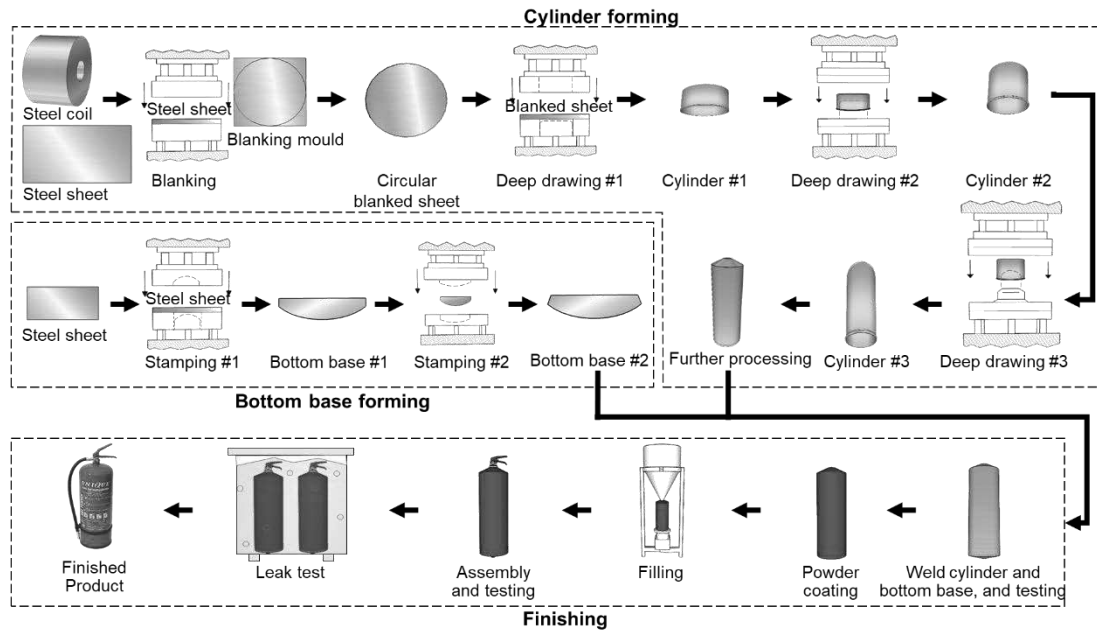
- **Billing and payment**

The accounts department will then prepare the sales invoice matched against the signed and stamped delivery order and subsequently sent out to the customer. The accounts department will record all payments received in our computer system, as well as keeping relevant documents for documentation and record-keeping purposes.

6. INFORMATION ON OUR GROUP (Cont'd)

6.10.5 Manufacturing hand portable dry chemical fire extinguishers

The general process flow for manufacturing hand portable dry chemical fire extinguishers is as follows:



The typical timeframe to manufacture a batch of 4,000 dry chemical fire extinguishers is approximately 6 working days.

The manufacture of dry chemical fire extinguishers starts with steel coils and steel sheets.

- #### Cylinder forming

The steel coil is used to form the cylinder of the nine (9) kg hand portable dry chemical fire extinguisher, while steel sheet is used to form the cylinder of the one (1) kg, two (2) kg, four (4) kg and six (6) kg hand portable dry chemical fire extinguisher.

The process of forming the cylinder starts with the blanking process using a blanking machine. For nine (9) kg hand portable dry chemical fire extinguisher, the steel coil is rolled to form a flat steel sheet, then it will be placed over a blanking die inside a hydraulic press and the blanking punch will impact the sheet to remove the blank, thereby forming a circular blanked sheet. For one (1) kg, two (2) kg, four (4) kg and six (6) kg hand portable dry chemical fire extinguisher, the steel sheet will also be blanked to form a circular blanked sheet. The dimension of the circular blanked sheet will be checked to ensure it follows the dimension within the specified tolerance according to the drawing specifications.

Subsequently, the circular blanked sheet will be placed into the deep drawing machines to be drawn into a cylinder shape. It will be drawn three times using three hydraulic machines consecutively to produce a long, thin cylinder. A quality check is done after every drawing to ensure that the cylinder is free from defects.

The fully drawn cylinder will be further processed including piercing, trimming, serial number marking and neck ring welding. A hole will be pierced on the top of the cylinder, forming the neck. The cylinder will then be trimmed to ensure the dimension per the drawing specification, and the serial number will be marked using a number marking machine. Lastly, neck ring welding is done to combine the upper ring with the cylinder.

6. INFORMATION ON OUR GROUP (Cont'd)

- **Forming of the bottom base**

The process of forming the cylinder bottom base starts by placing the steel sheet on the bottom base mould on the stamping press machine. The bottom base will be stamped twice to adjust the angles on the side, making them curve inwards to be better suited for the cylinders.

- **Finishing**

The formed cylinder and bottom base are then combined through insertion and welding processes. The insertion process involves a base insertion machine that ensures the bottom base is firmly fitted to the formed cylinder and the dimension is per the drawing specification. The bottom base is placed in the bottom mould and the formed cylinder is inserted into the moulding to initiate the process to produce a cylinder with a bottom base. It is then welded to ensure that the bottom base is firmly attached to the cylinder. The welding process is carried out automatically to ensure that it is aligned and no over penetration on the body and bottom base.

For every welded cylinder, a visual inspection will be conducted to ensure there is no welding spatter, the slant of neck ring or bottom base welding, at the same time ensuring a smooth finishing surface of the cylinder. A water pressure test will then be conducted on every finished cylinder, where the cylinder is filled with water and pressurised, and visually inspect to ensure that there are no visible defects such as water leaks, bulging or distortion to the base and cylinder body.

A burst test is also conducted using water through random sampling to test our cylinder's resistance to pressure. The cylinder is first filled with water, then a water pump will be connected to the cylinder through a hose coupler. The water pump will increase the water pressure in the cylinder up to the minimum internal pressure of 20 bars for 30 seconds. After that, the pressure will be increased at a rate of two (2) bars per second until the cylinder bursts. The frequency of the test sample is one (1) in 500 and the minimum burst pressure is 55 bars. If the cylinder bursts when the water pressure is lower than 55 bars, inspection and investigation will be carried out.

After conducting the first level of the quality control process, the cylinder will be powder coated. The powder coating process uses a conveyor system where the items to be coated is hung on a moving line. The item to be coated firstly go through a pre-treatment chemical wash process. This process is to ensure that surfaces to be coated are clean and free of oils, rusts, dust and other contaminants. The powder coating is then sprayed across the surface thoroughly with a distinctive red coating. Next, it will be sent to the oven for curing to ensure the powder coat adheres to the surface of the cylinder.

The coated cylinder is then filled with the dry chemical fire extinguishing agent and put together with all other parts including valves attached with pressure gauge and syphon tube. During the pressurisation process, compressed nitrogen is filled as propellant into the cylinder according to specifications. After the gas is filled, we will seal the safety pin and valve handle with a cable tie that is fitted to the valve, thereby producing a fire extinguisher. Then, a leak test will be conducted for every fire extinguisher by immersing the entire fire extinguisher into a water tank. We will conduct the test to check if there is any leakage in the form of air bubbles. The fire extinguisher will then be sent to undergo silkscreen label printing. The hose and discharge nozzle are screwed and tightened to the outlet valve, then fitted to the cylinder belt holder. A discharge test will be conducted to check the performance of the completed fire extinguisher based on the ISO Acceptable Quality Level sampling standard.

6. INFORMATION ON OUR GROUP (Cont'd)

Lastly, a final inspection will be carried out to ensure all external parts are properly fitted, the surface of the fire extinguisher is clean, all markings are clearly printed, and the pressure gauge is positioned within the green zone.

6.11 TYPES AND SOURCES OF INPUT MATERIALS AND SERVICES

The following are the main types of input materials and services that we purchased for our assembly and manufacturing, and distribution operations during the Financial Years Under Review:

Purchases of input materials and services for FYE 2019				
	Value of Purchases (RM'000)	Proportion of Total Purchases (%)	Sources of Supply	
			Malaysia (RM'000)	Foreign Countries (RM'000)
Input materials for assembly and manufacturing	33,389	65.73	8,707	24,682
Empty cylinders ⁽¹⁾	10,638	20.94	92	10,546
Parts for fire hose reels and fire hoses	6,721	13.23	2,092	4,629
Extinguishing agents ⁽²⁾	5,642	11.10	1,137	4,505
Fire extinguisher parts ⁽³⁾	3,357	6.61	768	2,589
Steel coils and sheets	3,327	6.55	3,327	-
HFC fire suppression system parts ⁽⁴⁾	1,993	3.92	437	1,556
CO ₂ fire suppression system parts ⁽⁴⁾	1,711	3.37	854	857
Goods for distribution	17,384	34.22	3,852	13,532
Sprinkler systems	7,053	13.88	518	6,535
Fire protection equipment and accessories	4,812	9.47	2,678	2,134
Wet and dry riser systems, and hydrants	4,521	8.90	583	3,938
Wet chemical fire suppression systems ⁽⁵⁾	974	1.92	73	901
Fire extinguisher refilling machines	24	0.05	-	24
Testing and inspection services	32	0.05	16	16
TOTAL	50,805	100.00	12,575	38,230

Our total purchases of input materials and services for FYE 2019 amounted to RM50.81 million.

Notes:

- (1) Empty cylinders for trolley mounted dry chemical, and hand portable and trolley mounted CO₂ and foam fire extinguishers, and CO₂ and HFC fire suppression systems.
- (2) Extinguishing agents include dry chemical, nitrogen, CO₂, HFC-227ea and foam concentrate.
- (3) Parts include syphon tubes, handles, valves, hoses and discharge nozzles, and trolley parts.
- (4) Parts include discharge nozzles, valves, liquid level indicators and control panels.
- (5) Includes extinguishing agent cylinders, discharge nozzles, valves, heat detectors and control assembly.

6. INFORMATION ON OUR GROUP (Cont'd)

Purchases of input materials and services for FYE 2020				
	Value of Purchases (RM'000)	Proportion of Total Purchases (%)	Sources of Supply	
			Malaysia (RM'000)	Other Countries
Input materials for assembly and manufacturing	31,739	61.45	8,643	23,096
Empty cylinders ⁽¹⁾	10,132	19.62	13	10,119
Parts for fire hose reels and fire hoses	7,598	14.71	2,975	4,623
Extinguishing agents ⁽²⁾	6,232	12.07	964	5,268
Fire extinguisher parts ⁽³⁾	2,853	5.52	869	1,984
Steel coils and sheets	2,325	4.50	2,325	-
CO ₂ fire suppression system parts ⁽⁴⁾	1,580	3.06	1,070	510
HFC fire suppression system parts ⁽⁴⁾	1,019	1.97	427	592
Goods for distribution	19,875	38.49	3,814	16,061
Sprinkler systems	6,944	13.45	357	6,587
Wet and dry riser systems, and hydrants	5,363	10.39	661	4,702
Fire protection equipment and accessories	4,587	8.88	2,743	1,844
Wet chemical fire suppression systems ⁽⁵⁾	2,919	5.65	53	2,866
Fire extinguisher refilling machines	62	0.12	-	62
Testing and inspection services	26	0.06	13	13
TOTAL	51,640	100.00	12,470	39,170

Our total purchases of input materials and services for FYE 2020 amounted to RM51.64 million.

Notes:

- (1) Empty cylinders for trolley mounted dry chemical, and hand portable and trolley mounted CO₂ and foam fire extinguishers, and CO₂ and HFC fire suppression systems.
- (2) Extinguishing agents include dry chemical, nitrogen, CO₂, HFC-227ea and foam concentrate.
- (3) Parts include syphon tubes, handles, valves, hoses and discharge nozzles, and trolley parts.
- (4) Parts include discharge nozzles, valves, liquid level indicators and control panels.
- (5) Includes extinguishing agent cylinders, discharge nozzles, valves, heat detectors and control assembly.

6. INFORMATION ON OUR GROUP (Cont'd)

Purchases of input materials and services for FYE 2021				
	Value of Purchases (RM'000)	Proportion of Total Purchases (%)	Sources of Supply	
			Malaysia (RM'000)	Other Countries
Input materials for assembly and manufacturing	28,113	67.45	6,999	21,114
Empty cylinders ⁽¹⁾	9,949	23.87	-	9,949
Parts for fire hose reels and fire hoses	6,279	15.06	1,514	4,765
Extinguishing agents ⁽²⁾	3,862	9.27	937	2,925
Fire extinguisher parts ⁽³⁾	3,174	7.61	873	2,301
Steel coils and sheets	2,341	5.62	2,341	-
CO ₂ fire suppression system parts ⁽⁴⁾	1,675	4.02	933	742
HFC fire suppression system parts ⁽⁴⁾	833	2.00	401	432
Goods for distribution	13,542	32.49	3,530	10,012
Fire protection equipment and accessories	4,395	10.54	2,261	2,134
Sprinkler systems	4,280	10.27	540	3,740
Wet and dry riser systems, and hydrants	4,267	10.24	683	3,584
Wet chemical fire suppression systems ⁽⁵⁾	535	1.28	46	489
Fire extinguisher refilling machines	65	0.16	-	65
Testing and inspection services	27	0.06	8	19
TOTAL	41,682	100.00	10,537	31,145

Our total purchases of input materials and services for FYE 2021 amounted to RM41.68 million.

Notes:

- (1) Empty cylinders for trolley mounted dry chemical, and hand portable and trolley mounted CO₂ and foam fire extinguishers, and CO₂ and HFC fire suppression systems.
- (2) Extinguishing agents include dry chemical, nitrogen, CO₂, HFC-227ea and foam concentrate.
- (3) Parts include syphon tubes, handles, valves, hoses and discharge nozzles, and trolley parts.
- (4) Parts include discharge nozzles, valves, liquid level indicators and control panels.
- (5) Includes extinguishing agent cylinders, discharge nozzles, valves, heat detectors and control assembly.

Our purchases of input materials and services are denominated in USD, RM and SGD. Please refer to Section 11.3.3 (f) of this Prospectus for further information on the Management Discussion and Analysis including currencies in which our purchases are denominated. We are exposed to foreign currency exchange rate fluctuations as most of our revenue was denominated in RM, while our purchases of input materials and services were denominated in foreign currencies during the Financial Years Under Review. Please refer to Section 8.1.13 of this Prospectus for further information on this risk factor.

Purchases of input materials for our assembly and manufacturing operations accounted for 65.72%, 61.45% and 67.45% of our total purchases for FYE 2019, FYE 2020 and FYE 2021, respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

As an assembler of fire protection systems and equipment, the input materials that we use comprise empty cylinders, parts for fire hose reels and fire hoses, extinguishing agents, fire extinguisher parts, parts for CO₂ and HFC fire suppression systems, and parts for refilling machines. As a manufacturer of fire protection equipment, namely hand portable dry chemical fire extinguishers, the input materials that we use comprise steel coils and sheets, extinguishing agents and fire extinguisher parts.

Our purchases of input materials and services for our assembly and manufacturing operations are as follows:

- Our largest purchases of input materials and services for the Financial Years Under Review comprised empty cylinders. We purchased empty cylinders for the assembly of hand portable CO₂ and foam fire extinguishers, and trolley mounted dry chemical, foam and CO₂ fire extinguishers, and HFC and CO₂ fire suppression systems. Purchases of empty cylinders accounted for 20.94%, 19.62% and 23.87% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- We purchased parts for the assembly of fire hose reels and fire hoses, such as hose reel drum parts, hoses, nozzles and parts, which accounted for 13.23%, 14.71% and 15.06% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- The extinguishing agents that we purchased include dry chemical, nitrogen, CO₂ and foam concentrate to assemble and manufacture fire extinguishers, as well as CO₂ and HFC-227ea to assemble CO₂ and HFC fire suppression systems, respectively. Extinguishing agents accounted for 11.10%, 12.07% and 9.27% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- Fire extinguisher parts including syphon tubes, handles, valves, hoses and discharge nozzles, and trolley parts are used in the assembly and manufacturing of hand portable and trolley mounted dry chemical, CO₂ and foam fire extinguishers. Purchases of these parts accounted for 6.61%, 5.52% and 7.61% of our total purchases of input materials and services for FYE 2019, FYE 2020 and FYE 2021, respectively.
- We purchase steel coils and sheets to manufacture cylinders for hand portable dry chemical fire extinguishers. We also purchased steel coils which we provide to an external party to manufacture the side plates which are used for the assembly of fire hose reel drums. Collectively, the purchase of steel coils and sheets accounted for 6.55%, 4.50% and 5.62% of our total purchases of input materials and services for FYE 2019, FYE 2020 and FYE 2021, respectively.
- The parts that we purchase to assemble CO₂ and HFC fire suppression systems include discharge nozzles, valves, liquid level indicators and control panels. Purchases of CO₂ fire suppression system parts accounted for 3.37%, 3.06% and 4.02% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively. Meanwhile, purchases of HFC fire suppression system parts accounted for 3.92%, 1.97% and 2.00% of our total purchases of input materials and services for FYE 2019, FYE 2020 and FYE 2021, respectively.

Purchases of goods for our distribution operations accounted for 34.22%, 38.49% and 32.49% of our total purchases of input materials and services for FYE 2019, FYE 2020 and FYE 2021, respectively. Our purchases of input materials and services for our distribution operations are as follows:

6. INFORMATION ON OUR GROUP (Cont'd)

- Our largest purchases of materials for our distribution operations for the FYE 2021 was fire protection equipment and accessories, which included fire detection and alarm devices, batteries, cabinets and fire blankets which are manufactured by external parties which accounted for 9.47%, 8.88% and 10.54% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- We also purchased sprinkler system parts, including sprinklers, alarm check valves, water flow meters, switches and detectors, and supervisory and pressure switches, which accounted for 13.88%, 13.45% and 10.27% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- The wet and dry riser system, and hydrants that we purchased include landing valves, pressure regulating valves, breeching inlets, hydrants, fire hose cradles and parts which accounted for 8.90%, 10.39% and 10.24% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- Other purchases included wet chemical fire suppression systems which accounted for 1.92%, 5.65% and 1.28% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- Fire extinguisher refilling machines for dry chemical fire extinguishers accounted for less than 0.20% of total purchases of input materials and services during the Financial Years Under Review.

Testing and inspection services that we purchased included inspection by overseas independent laboratories and independent hydrostatic testing for CO₂ cylinders which accounted for less than 0.10% of our total purchases of input materials and services during the Financial Years Under Review.

Imported sources of materials accounted for 75.25%, 75.85% and 74.72% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively, while local sources of materials accounted for 24.75%, 24.15% and 25.28% of our total purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively.

Steel is a globally traded commodity whose market price is subject to fluctuations, and we are exposed to these fluctuations through our purchases of empty cylinders (which are made of steel), and steel coils and sheets, and other fire protection systems, equipment and accessories that are made of steel, such as parts for wet and dry riser systems, hydrants, sprinkler systems, fire hose reels and cabinets and other related products. Fluctuations in steel prices may affect our purchase prices for these items. We currently adopt a monthly pricing strategy whereby we review the prices of our fire protection systems, equipment and accessories every month to take into account, among others, the effects of changes in the price of steel and foreign exchange rates, and we adjust our prices accordingly from time to time, when required. We have been able to pass on some increases in costs to our customers in the past. Please refer to Section 8.1.5 of this Prospectus for further information on the risks of fluctuations in steel prices.

We ensure that we have sufficient supply of input materials that are made from steel by maintaining business relationships with several suppliers so that we have access to alternative sources, if required. During the Financial Years Under Review, we purchased empty cylinders, steel coils and sheets, and other fire protection systems, equipment and accessories that are made from steel from approximately 70 different suppliers for each of the Financial Years Under Review. We manage market price fluctuations of steel by having alternative suppliers of input materials, maintaining inventory of these input materials, monitoring global steel prices and timing purchases for when we believe price levels are relatively low.

6. INFORMATION ON OUR GROUP (Cont'd)

Our purchases of input materials and services by country for the Financial Years Under Review is summarised in the following table:

	FYE 2019		FYE 2020		FYE 2021	
	RM '000	%	RM'000	%	RM'000	%
Malaysia	12,575	24.75	12,470	24.15	10,537	25.28
Other countries	38,230	75.25	39,170	75.85	31,145	74.72
China	23,492	46.24	25,325	49.04	23,328	55.97
USA	4,536	8.93	4,607	8.92	2,789	6.69
Taiwan	4,641	9.13	5,443	10.54	2,584	6.20
Singapore	5,330	10.50	3,485	6.75	1,918	4.60
Others ⁽¹⁾	231	0.45	310	0.60	526	1.26
TOTAL	50,805	100.00	51,640	100.00	41,682	100.00

Note:

(1) Includes Spain, Italy, Korea, India and Germany.

For the Financial Years Under Review up to the LPD, we have not experienced any shortages of input materials/goods for our assembly, distribution and manufacturing operations.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.12 EMPLOYEES

As at the LPD, our Group has a total workforce of 131 employees which consist of 90 Malaysian permanent employees and 41 contractual foreign workers. All our employees are based in Malaysia.

None of our employees belongs to any trade unions and there has been no industrial dispute since we commenced operations. A summary of our Group's total workforce by job functions as at the LPD are set out below:

Categories	Number of employees As at the LPD		
	Malaysians	Foreigners	Total
Management	14	-	14
Assembly and Manufacturing			
(a) Factory Personnel			
- Service and Maintenance	3	-	3
- Refilling / Machine Operating	9	41	50
(b) Technical and supervisory (including engineers, technicians, quality assurance personnel)	11	-	11
Sales and marketing/ business development	22	-	22
Finance and Accounting	4	-	4
Administration (including human resources, IT, other administration personnel)	5	-	5
Supply Chain (including procurement, logistics, warehousing and transportation personnel)	22	-	22
Total workforce	90	41	131

As at the LPD, all our 41 contractual foreign workers are factory personnel at our Operating Facility in Shah Alam, Selangor.

Typically, the work permits of our foreign workers carry a validity period between 7 – 11 months. As at 18 January 2022, all our contractual foreign workers employed by us have valid working permits, which are renewable periodically, and are not in breach of any immigration laws.

We require all our employees including our foreign workers to conduct RTK Antigen tests once every 14 days at our own costs in compliance with the SOP published by the National Security Council. Please refer to Section 6.17.1.3 for further information on our Group's Covid-19 testing and vaccination.

6. INFORMATION ON OUR GROUP (Cont'd)

6.13 MAJOR CUSTOMERS

Top five (5) customers for FYE 2019

	Customer	Country	Products Purchased	Amount (RM'000)	Proportion of Group Revenue (1) (%)	Length of Business Relationship * (No. of Years)
1	Nelton Engineering Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	4,338	5.44	13
2	Potential Systems Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, sprinkler systems and fire protection accessories	2,689	3.37	11
3	Tai An Project Construction Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, sprinkler systems and fire protection accessories	2,149	2.70	1
4	Hup Leck M & E Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, and hydrants, sprinkler systems and fire protection accessories	1,759	2.21	13
5	Jebson Engineering Services Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, and hydrants, sprinkler systems and fire protection accessories	1,728	2.17	11
Total⁽¹⁾				12,663	15.89	

Notes:

* Length of the relationship as at the FYE 2019.

(1) Our Group's total revenue for FYE 2019 was RM79.70 million.

6. INFORMATION ON OUR GROUP (Cont'd)
Top five (5) customers for FYE 2020

	Customer	Country	Products Purchased	Amount (RM'000)	Proportion of Group Revenue (1) (%)	Length of Business Relationship * (No. of Years)
1	Potential Systems Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	3,775	4.95	12
2	Nelton Engineering Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	3,295	4.32	14
3	Trimax Engineering Sdn Bhd	Malaysia	Fire extinguishers, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	2,193	2.88	5
4	Kejuruteraan Cekap Selaju Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	1,737	2.28	12
5	Hock Heng Fire Engineering Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, sprinkler systems and fire protection accessories	1,323	1.74	14
	Total⁽¹⁾			12,323	16.17	

Notes:

* Length of the relationship as at the FYE 2020.

(1) Our Group's total revenue for FYE 2020 was RM76.19 million.

6. INFORMATION ON OUR GROUP (Cont'd)
Top five (5) customers for FYE 2021

	Customer	Country	Products Purchased	Amount (RM'000)	Proportion of Group Revenue (1) (%)	Length of Business Relationship * (No. of Years)
1	Nelton Engineering Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	2,382	3.75	15
2	Trimax Engineering Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	1,803	2.84	6
3	Potential Systems Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, sprinkler systems and fire protection accessories	1,575	2.48	13
4	Kejuruteraan Cekap Selaju Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	1,418	2.24	13
5	Kejuruteraan Suria Jaya Sdn Bhd	Malaysia	Fire extinguishers, fire suppression systems, fire hose reels and fire hoses, wet and dry riser, hydrants, sprinkler systems and fire protection accessories	1,045	1.65	15
Total (1)				8,223	12.96	

Notes:

* Length of the relationship as at the FYE 2021.

(1) Our Group's total revenue for FYE 2021 was RM63.44 million.

6. INFORMATION ON OUR GROUP (Cont'd)

Dependency on Customers

We were not dependent on any of our customers during the Financial Years Under Review by virtue of their small individual contribution to our revenue during the Financial Years Under Review. Our largest customer contributed only 5.44%, 4.95% and 3.75% of our revenue for FYE 2019, FYE 2020 and FYE 2021, respectively. Our top five customers collectively only contributed 15.89%, 16.17% and 12.96% of our total revenue for FYE 2019, FYE 2020 and FYE 2021, respectively. In addition, we have a large customer base of approximately 1,500 customers, 1,600 customers and 1,700 customers for FYE 2019, FYE 2020 and FYE 2021, respectively. During the Financial Years Under Review and as at the LPD, we do not have any long-term contracts with our customers. Our customers' pre-requisites in selecting us may include, among others, whether or not the fire protection systems, equipment and accessories we supply have valid product approval certificates from Bomba, UL certification and/or FM Approved certification, meet their technical requirements, if we have the products in stock and if we are able to supply the products to meet their timeline. Historically and up to the LPD, we have not had any major disputes with our customers.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.14 MAJOR SUPPLIERS

Top five (5) suppliers for FYE 2019

	Supplier	Country	Main Types of Products Purchased	Amount (RM'000)	Proportion of Group Purchases (1) (%)	Length of Business Relationship * (No. of Years)
1	Orient Corporation Pte Ltd (2)	Singapore	Extinguishing agent, empty cylinders, HFC fire suppression system parts	5,467	10.76	3
2	Seido International Limited	Hong Kong	Empty cylinders	5,401	10.63	4
3	Shaoxing Jia Sheng Fire Fighting Equipment Co., Ltd	China	Wet and dry riser systems, and hydrants	3,910	7.70	2
4	Tashin Steel Sdn Bhd	Malaysia	Steel coils and sheets	2,970	5.85	1
5	Ningbo Joan Import & Export Co., Ltd.	China	Fire hose reel parts	2,743	5.40	4
	Total			20,491	40.34	

Notes:

* Length of the relationship as at the FYE 2019.

(1) Our total purchases of input materials and services for FYE 2019 was RM50.81 million.

(2) UFI is an authorised distributor of Orient Fire Pte Ltd, part of Orient Corporation Pte Ltd.

6. INFORMATION ON OUR GROUP (Cont'd)
Top five (5) suppliers for FYE 2020

	Supplier	Country	Main Types of Products Purchased	Amount (RM'000)	Proportion of Group Purchases (1) (%)	Length of Business Relationship * (No. of Years)
1	Orient Corporation Pte Ltd ⁽²⁾	Singapore	Extinguishing agent, empty cylinders, HFC fire suppression system parts	6,008	11.63	4
2	Seido International Limited	Hong Kong	Empty cylinders	4,626	8.96	5
3	Chang Der Fire Protection Corporation ⁽³⁾	Taiwan	Sprinkler system	4,471	8.66	10
4	Shaoxing Jia Sheng Fire Fighting Equipment Co., Ltd	China	Wet and dry riser systems, and hydrants	3,658	7.08	3
5	Kidde-Fenwal Inc. ⁽⁴⁾	United States	Extinguishing agent, HFC and wet chemical fire suppression system parts	3,140	6.08	6
	Total			21,903	42.41	

Notes:

* Length of the relationship as at the FYE 2020.

(1) Our total purchases of input materials and services for FYE 2020 was RM51.64 million.

(2) UFI is an authorised distributor of Orient Fire Pte Ltd, part of Orient Corporation Pte Ltd.

(3) UFI is an authorised distributor of Chang Der Fire Protection Corporation.

(4) UFI is an authorised distributor of Kidde-Fenwal Inc.

6. INFORMATION ON OUR GROUP (Cont'd)

Top five (5) suppliers for FYE 2021

	Supplier	Country	Main Types of Products Purchased	Amount (RM'000)	Proportion of Group Purchases ⁽¹⁾ (%)	Length of Business Relationship * (No. of Years)
1	Shaoxing Domo Technology Co., Ltd	China	Empty cylinders, dry chemical	3,728	8.94	3
2	Seido International Limited	Hong Kong	Empty cylinders	3,291	7.90	6
3	Shaoxing Jia Sheng Fire Fighting Equipment Co., Ltd	China	Wet and dry riser system, and hydrants	2,879	6.91	4
4	Shandong Huachen Import and Export Trading Co., Ltd	China	Empty cylinders	2,732	6.55	3
5	Orient Corporation Pte Ltd ⁽²⁾	Singapore	Extinguishing agent, empty cylinders, HFC fire suppression system parts	2,386	5.72	5
Total				15,016	36.02	

Notes:

* Length of the relationship as at the FYE 2021.

(1) Our total purchases of input materials and services for FYE 2021 was RM41.68 million.

(2) UFI is an authorised distributor of Orient Fire Pte Ltd, part of Orient Corporation Pte Ltd.

Dependency On Suppliers

We generally rely on external manufacturers and/or suppliers for our brands of assembled and distribution products. As at the LPD, we assemble CO₂ and HFC fire suppression systems, fire extinguishers, fire hose reel and fire hoses where the parts and components are purchased from external manufacturers. As at the LPD, we distribute wet and dry riser system, and hydrant as well as fire protection accessories where the finished products are manufactured by external parties. Our major suppliers during the Financial Years Under Review who are under this category are Orient Corporation Pte Ltd, Seido International Limited, Shaoxing Jia Sheng Fire Fighting Equipment Co., Ltd, Tashin Steel Sdn Bhd, Ningbo Joan Import & Export Co., Ltd., Shaoxing Domo Technology Co., Ltd, and Shandong Huachen Import and Export Trading Co., Ltd.

6. INFORMATION ON OUR GROUP (Cont'd)

However, we are not dependent on individual suppliers, including Orient Corporation Pte Ltd, our top supplier which accounted for 10.76% and 11.63% of our total purchases of input materials and services for the FYE 2019 and FYE 2020, respectively. For the FYE 2021, our purchases from Orient Corporation Pte Ltd reduced to 5.72% of our total purchases of input materials and services. The purchases were related to extinguishing agents, empty cylinders and HFC fire suppression system parts, where we have a subsisting distribution agreement with Orient Corporation Pte Ltd which is valid until 6 January 2026. In addition, we also assemble HFC fire suppression systems from Kidde-Fenwal under their brands.

As for the remaining top five suppliers, we were not dependent on them as the types of goods and materials that we purchase such as empty cylinders, wet and dry riser systems, and hydrants and sprinkler systems can be sourced from other suppliers.

During the Financial Years Under Review, we had a total of approximately 120 suppliers during FYE 2019, approximately 120 suppliers during FYE 2020 and approximately 110 suppliers during FYE 2021. We sourced input materials and goods for distribution, such as parts for fire hose reels and fire hoses and fire protection equipment and accessories, from several suppliers during the Financial Years Under Review, and consequently no individual supplier of these input materials and goods for distribution appeared in our lists of top five suppliers for FYE 2019, FYE 2020 and FYE 2021, save for Ningbo Joan Import & Export Co., Ltd.

During the Financial Years Under Review and as at the LPD, we have long-term contracts with our major suppliers with whom we have authorised distributorships, including Orient Corporation Pte Ltd, Chang Der Fire Protection Corporation and Kidde-Fenwal Inc. Please refer to Section 6.1.2 (e) for information on authorised distributorships.

When we select our suppliers, we take into account factors such as the prospective supplier's reliability, quality of products offered in terms of specifications and complying with the relevant standards, price and payment terms, delivery and lead-times and customer service, responsiveness and flexibility. We also prefer to utilise direct manufacturers as our suppliers when it is practical to do so.

Historically and up to the LPD, we have not had any difficulty procuring input materials and goods for distribution from our suppliers.

6. INFORMATION ON OUR GROUP (Cont'd)

6.15 RESEARCH AND DEVELOPMENT

For the past three financial years and up to the LPD, we have not undertaken any research and development activity, as it is not relevant to our business.

6.16 SEASONALITY

During the Financial Years Under Review and up to the LPD, we did not experience any material seasonality in our business.

6.17 MATERIAL INTERRUPTIONS TO OUR BUSINESS

We did not experience any material interruptions to our business during the past 12 months before the LPD, except for those related to COVID-19.

6.17.1 COVID-19 pandemic

6.17.1.1 Effects of COVID-19 on our business

The World Health Organisation declared COVID-19 a pandemic on 11 March 2020. Commencing from 18 March 2020, the Government implemented measures to reduce COVID-19 transmission in the country, which included, among others, controls on the movement of people within Malaysia, controls on international travel, and restrictions on business, government, educational, cultural, recreational and other activities. Our business operations in Malaysia were temporarily interrupted by these measures.

MCO 1.0

The first MCO period was from 18 March 2020 to 3 May 2020, and the control measures implemented included, among others, the closure of all businesses except for those classified as essential services or that have received written approval from MITI to operate, restrictions on the movement of people in Malaysia, and restrictions on international travel into and out of Malaysia.

We closed our operational facility on 18 March 2020. Our head office based staff worked from home while all activities related to assembly and manufacturing were temporarily halted. Subsequently, UFI received written approval from MITI on 27 March 2020 to resume operations at our operational facility, subject to implementing the relevant standard operating procedures (“**SOP**”) and guidelines. However, we did not resume operations during the first MCO period as most of our customers whose operations are dependent on the building construction and property development industries, namely M&E and FPS contractors, and FPS maintenance service providers, also temporarily ceased operations during MCO 1.0. This was because most building and construction worksites were closed pursuant to MCO 1.0, and consequently, building and construction activities, including installation of fire protection systems, were temporarily halted.

CMCO Period

The Government implemented the Conditional MCO (“**CMCO**”) from 4 May 2020 to 9 June 2020. The CMCO relaxed some of the controls implemented during MCO, including allowing most economic sectors to resume business operations provided that specified guidelines and SOP were followed, and to avoid large gatherings. Controls on the movement of people within Malaysia was relaxed, while restrictions on international travel were modified. We restarted work at our operational facility on 4 May 2020 at normal workforce capacity, and we operated during the CMCO period as per the relevant SOP and guidelines.

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

The CMCO was followed by the Recovery MCO ("**RMCO**"), which commenced on 10 June 2020 and was scheduled to end on 31 December 2020. Starting from 10 June 2020, almost all economic sectors were allowed to resume operations so long as they follow specified SOP and guidelines. The movement of people within Malaysia was relaxed further, although restrictions on international travel into and out of Malaysia remained the same as during the CMCO period.

However, during this RMCO period, the Government re-imposed CMCO measures in specific areas in response to localised surges of new COVID-19 cases. The control measures implemented in areas placed under CMCO included, among others, restrictions on the movement of people including the prohibition of inter-district travel, limiting the operating hours of certain service-based businesses, and the closure of schools.

We continued to operate at normal workforce capacity during the RMCO period following the previously established SOP and guidelines.

MCO 2.0

In response to a surge in new COVID-19 cases, commencing from 13 January 2021 Johor, Kelantan, Melaka, Sabah, Selangor, Sibu in Sarawak and Kuala Lumpur, Labuan and Putrajaya were placed under MCO restrictions, while other states and territories were placed under CMCO or RMCO restrictions. Subsequently, MCO restrictions were progressively lifted as specific states and territories were placed under CMCO or RMCO restrictions, depending on the number of new COVID-19 cases reported.

On 12 January 2021, UFI received written approval from MITI to operate at normal workforce capacity from 13 January 2021. During MCO 2.0, we continued to operate according to the previously established SOP and guidelines.

MCO 3.0

Following increases in the number of new COVID-19 cases reported, MCO restrictions were reimposed in Kelantan commencing from 16 April 2021, and to several districts and mukim in Johor, Kuala Lumpur, Penang, Sarawak, and Selangor commencing from 3 May 2021. Districts, mukim and states that were not placed under MCO restrictions were placed under CMCO or RMCO restrictions. On 10 May 2021, the MCO restrictions were extended nationwide.

On 6 May 2021, UFI received written approval from MITI to operate at normal workforce capacity from 6 May 2021. Our business operations continued to operate according to the previously established SOP and guidelines during MCO 3.0.

National Recovery Plan

On 28 May 2021, the Government announced the imposition of a nationwide full lockdown movement control order ("**FMCO**"). Under the FMCO period, all sectors were not allowed to operate during this period except for those in the essential economic and service sectors. Other control measures implemented included restrictions on the movement of people within Malaysia and internationally, and restrictions of business, economic, cultural and recreational activities.

6. INFORMATION ON OUR GROUP (Cont'd)

Subsequently, on 15 June 2021, the Government announced the National Recovery Plan ("NRP"), a phased exit strategy from the COVID-19 crisis and the MCO from June to December 2021. The NRP consists of four phases including Phase 1 which commenced from 1 June 2021 and subsequently transitioned to Phase 2 for states with lower number of new COVID-19 cases or higher vaccination rates. The Phase 2 allow the reopening of some economic sectors in stages. Social activities and movements will continue to be tightly controlled with interstate travel prohibited. This will be followed by Phase 3 where nearly all economic sectors will be allowed to operate subject to strict SOP and restrictions on the number of people allowed to be physically present at workplaces. Lastly, Phase 4 will see a full reopening of the economy, where interstate travel and domestic tourism will also be allowed.

On 1 July 2021, the Government implemented the Enhanced MCO ("EMCO") in a large part of Selangor and several localities in Kuala Lumpur from 3 July 2021 to 16 July 2021. Control measures were stricter and tighter in EMCO areas. The list of economic activities deemed as essential services in EMCO areas was reduced. On 17 August 2021, the Government revised the SOP for the manufacturing sector where workforce capacity may be increased subject to the percentage of employees that are fully vaccinated. Selangor transitioned into Phase 2, Phase 3 and Phase 4 of the NRP on 10 September 2021, 1 October 2021 and 18 October 2021, respectively.

UFI received two (2) written approvals from MITI to operate during Phase 1 of the NRP with 60% workforce capacity and operations according to the previously established SOP and guidelines (the first written approval was dated 30 May 2021 and the second written approval was dated 5 July 2021). Due to EMCO imposed in Selangor, our operations were temporarily closed from 3 July 2021 and resumed operations on 17 July 2021 at 60% workforce capacity. We then returned to normal workforce capacity commencing from 23 August 2021 as 82% of our employees were fully vaccinated as per the revised SOP on 17 August 2021. In Phase 2, Phase 3 and Phase 4, we continued to operate at normal workforce capacity based on SOP and guidelines.

Business operations guidelines and SOP

During the MCO and subsequent periods, we conducted our business operations as normal subject to the implementation of SOP to reduce the risk of COVID-19 transmission. Our SOP includes the following:

- Staff who can perform their jobs from home are encouraged to work from home, whenever possible;
- We encourage our staff to hold meeting discussions with customers and other external parties via teleconferencing whenever possible to minimise physical meetings and business travel;
- All staff and visitors to our head office and manufacturing facility have to make a health declaration (which includes their recent travel history and current health status), pass a temperature check and record the result, provide their contact information, and wear face masks before they are allowed to enter the premises. While at the premises, they have to wear face masks at all times and maintain social distancing whenever possible;
- We sanitise our operational facilities daily on working day.

As at 29 December 2021, there has been no breach of laws relating to COVID-19 restrictions or SOP which may lead to penalties by relevant authorities.

6. INFORMATION ON OUR GROUP (Cont'd)**6.17.1.2 Positive diagnosis for COVID-19**

Since 18 March 2020 and as at 29 December 2021, a total of seven (7) Malaysian employees and five (5) non-Malaysian employees have received positive diagnoses for COVID-19, all 12 of whom have recovered and returned to work as at the LPD. These positive diagnoses of COVID-19 did not result in material disruption to our business operations.

The steps that we have taken in response to an employee receiving a positive diagnosis for COVID-19 include the following:

- The employee who has received the positive diagnosis for COVID-19 (Category A staff) is required to self-quarantine and is not allowed to return to their workplace for 14 days. They must undergo a COVID-19 test at the end of that period, and are only allowed to return to the workplace after they obtain a negative test result and receive their Clearance or Discharge Letter from the Ministry of Health Malaysia.
- We conduct contact tracing to identify all close contacts of the Category A staff. Close contacts are classified as Category B, and they are immediately tested for COVID-19 and required to self-quarantine for 14 days. If the result is positive, the person is classified as Category A staff. If the result is negative, the person is still required to self-quarantine for 14 days. They are required to repeat the COVID-19 test at the end of the self-quarantine period and obtain a negative result before they are allowed to return to work.
- Employees who had close contact with Category B staff (Category C staff) are required to self-quarantine until their Category B contact completes their self-quarantine period or receives their COVID-19 test result. If the test result is negative, the Category C staff is permitted to return to the workplace. If the test result is positive, the person's classification will be changed to Category B.

We conducted full sanitisation of the workplace and department of employees who received positive diagnoses for COVID-19. Since April 2020 and up to December 2021, the costs incurred in purchasing equipment and disinfectant to carry out sanitation, and purchasing face masks, face shields and temperature scanners for SOP compliance at our head office and manufacturing facility amounted to approximately RM39,000, which is not material to our Group as it represented 0.06% of our total revenue for FYE 2021.

6.17.1.3 COVID-19 testing and vaccination

As at the LPD, we have conducted four (4) rounds of COVID-19 tests for our Malaysian and non-Malaysian employees, which are summarised in the following table:

Date	Number of Tests Conducted	Results	Cost to our Group (RM)
11 July 2020	45 non-Malaysian employees	All negative	- ⁽¹⁾
23 October 2020	92 Malaysian and 45 non-Malaysian employees	All negative	- ⁽¹⁾
4 January 2021	45 non-Malaysian employees	All negative	1,800 ⁽²⁾

6. INFORMATION ON OUR GROUP (Cont'd)

Date	Number of Tests Conducted	Results	Cost to our Group (RM)
16 April 2021	81 Malaysian and 45 non-Malaysian employees	All negative	18,270 ⁽³⁾

Notes:

- (1) Fully paid for by PERKESO.
(2) Paid for by us and PERKESO.
(3) Fully paid for by us.

In addition, all of our Malaysian and non-Malaysian employees will carry out COVID-19 tests via self-test kits every two (2) weeks. Since we started this program in August 2021, up to December 2021, the cost to our Group for providing our Malaysian and non-Malaysian employees with these self-test kits was approximately RM19,000, which is not material to our Group as it represented 0.03% of our total revenue for FYE 2021. As at 29 December 2021, all of our employees have been vaccinated.

6.17.1.4 Effects on our supply chain

We managed our supply chain to ensure that we will have sufficient stocks of input materials, parts and components to implement our manufacturing schedules and fulfil the delivery obligations as per our contracts and purchase orders. From 18 March 2020 and up to the LPD, we did not face any material disruptions to our supply chain that were related to COVID-19 due to our inventory forecasting and planning. In addition, our inventory levels were sufficient for normal manufacturing operations and able to meet all customers' orders without delay.

We have implemented the following measures to ensure that we have sufficient quantities of input materials at the locations where they are required for our business operations:

- We had sufficient quantities of the main input materials used in the assembly and manufacturing operations during the MCO period commencing 18 March 2020, and our assembly and manufacturing operations were not disrupted by shortages in input materials when we resumed operations on 4 May 2020. Subsequently, we were also able to make new purchases and receive delivery of these input materials without undue delay, and as a result, we did not experience any material disruptions to our assembly and manufacturing operations as at LPD.
- Similarly, we were able to meet all of our delivery obligations to our customers without delay, and as at the LPD we have not experienced any material disruptions in fulfilling our orders.

6. INFORMATION ON OUR GROUP (Cont'd)**6.17.1.5 Effects on our financial performance****FYE 2021**

Measures implemented by the Government to control the spread of COVID-19 had affected our revenue during the relevant quarters of FYE 2021, as summarised in the following table:

	Fourth Quarter FYE 2020 <i>(Jan - Mar 2020)</i>	First Quarter FYE 2021 <i>(Apr - Jun 2020)</i>	Second Quarter FYE 2021 <i>(July - Sept 2020)</i>	Third Quarter FYE 2021 <i>(Oct - Dec 2020)</i>	Fourth Quarter FYE 2021 <i>(Jan - Mar 2021)</i>
Revenue (RM'000)	15,385	7,631	18,757	19,679	17,377
Quarter-on- quarter change (%)	-	(50.40)	145.80	4.92	(11.70)

Our revenue for the first quarter of FYE 2021 declined by 50.40% compared to the fourth quarter of 2020. This was mainly due to the temporary suspension of most building construction and property development projects during MCO 1.0, which affected the demand and delivery of our products to customers. In addition, our Operational Facility in Shah Alam, Selangor was temporarily closed during MCO 1.0. The MCO 1.0 period, which was between 18 March 2020 and 3 May 2020, coincided with one (1) out of the three (3) months covered by the first quarter of FYE 2021 and we resumed operations subsequently from 4 May 2020 at normal workforce capacity, subject to the relevant SOP and guidelines.

Subsequently, our revenue for the second quarter of FYE 2021 increased by 145.80% as compared to the previous quarter following the relaxation of containment measures including the building construction and property development industries. Our revenue continued to grow during the third quarter of FYE 2021, increasing by 4.92% as compared to the previous quarter while decreasing by 11.70% in the fourth quarter of FYE 2021.

Our revenue for FYE 2021 as a whole was affected by, among others, measures taken by the Government to control COVID-19. Our total revenue for FYE 2021 decreased by RM12.75 million or 16.73% to RM63.44 million (FYE 2020: RM76.19 million). Our GP for the FYE 2021 decreased by RM5.47 million or 24.68% to RM16.69 million (FYE 2020: RM22.16 million), in line with the lower overall sales recorded due to the COVID-19 pandemic.

Notwithstanding the decrease in revenue and GP for FYE 2021, our net operating cash from operating activities was RM11.24 million for FYE 2021, partially offset by net cash for investing and financing activities of RM0.05 million and RM9.58 million, respectively, resulting in net increase in cash and cash equivalents of RM1.62 million for FYE 2021.

Our total net trade receivables stood at RM22.81 million as at 31 March 2021, out of which RM9.22 million or approximately 40.41% exceeded the normal credit term mainly due to slower collection amid the COVID-19 pandemic. Up to the LPD, we have collected RM19.90 million or 87.24% of the total net trade receivables as at 31 March 2021.

We have not faced any termination or cancellation of orders due to COVID-19 or MCO periods during FYE 2021. During FYE 2021, we received wage subsidy from SOCSO (PERKESO) under the Prihatin Rakyat Economic Stimulus Package (PrihatinPKS+) Wage Subsidy Programme amounting to RM0.24 million. Please refer to Section 11.3.2 (c) of this Prospectus for additional information on this wage subsidy.

6. INFORMATION ON OUR GROUP (Cont'd)**FYE 2022**

Between April and May 2021, our business operations were not materially affected by the COVID-19 pandemic as business sectors were allowed to operate normally (subject to adherence to relevant SOP and guidelines). However, the implementation of Phase 1 of the NRP lockdown commencing from 1 June 2021 impacted on our monthly revenue between June 2021 and July 2021 as most of our customers who are M&E and FPS contractors, and FPS maintenance service providers involved in the building construction industry were required to temporarily cease their business operations. Pursuant to the Phase 1 of the NRP, we continued to operate at 60% workforce capacity according to the specified guidelines and SOP. In addition, the temporarily closure of our operational facilities from 3 July 2021 until 16 July 2021 due to the imposition of EMCO in Selangor also impacted our revenue. We resumed operations on 17 July 2021 at 60% workforce capacity following SOP and guidelines and on 23 August 2021, at normal workforce capacity based on the revised SOP. We continued to operate at normal workforce capacity in Phase 2 and 3 of the NRP.

The interruptions to our business operations during the Phase 1 of the NRP lockdown as described above had impacted our monthly revenue performance for the month of June 2021 and July 2021. Subsequently, our revenue performance improved progressively from the month of August 2021 onwards since the resumption of our operations on 23 August 2021, where revenue for August 2021 and September 2021 increased by 103.26% and 56.64% respectively month-on-month. This is summarised in our monthly revenue for April 2021 to September 2021, as follows:

	April 2021	May 2021	June 2021 ⁽¹⁾	July 2021 ⁽²⁾	August 2021 ⁽³⁾	September 2021 ⁽⁴⁾
Revenue (RM'000)	8,016	5,649	2,191	2,452	4,984	7,807
Month-on-month change (%)	-	(29.53)	(61.21)	11.91	103.26	56.64

Notes:

- (1) We operated under Phase 1 of the NRP with 60% workforce capacity.
- (2) We operated under Phase 1 of the NRP with 60% workforce capacity during July 2021, save for between 3 July 2021 until 16 July 2021 during which our operational facilities were temporarily closed due to EMCO in Selangor.
- (3) We operated under Phase 1 of the NRP with 60% workforce capacity between 1 August until 22 August 2021, and with normal workforce capacity from 23 August until 31 August 2021.
- (4) We operated at normal workforce capacity under Phase 1 of the NRP from 1 September to 9 September 2021, and under Phase 2 of the NRP from 10 September to 30 September 2021.

Notwithstanding interruptions to our business operations during Phase 1 of the NRP lockdown, we have not faced any termination or cancellation of orders due to COVID-19 or MCO, FMCO, NRP or EMCO periods during FYE 2022 up to 29 December 2021.

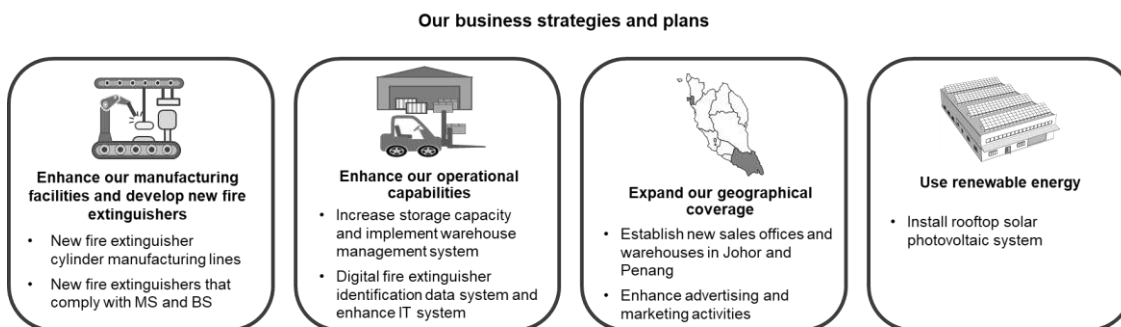
Please also see Sections 11.3.4 and 11.4 for further details of the impact of MCO or variations thereof on our Group's liquidity and ageing analysis of trade receivables of our Group, respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

6.18 OUR BUSINESS STRATEGIES AND PLANS

6.18.1 Overview

Our business strategies and plans are focused on leveraging our core competencies and strengths in assembly, distribution and manufacture of fire protection systems, equipment and accessories and these are summarised in the following:



We intend to implement the above business strategies and plans between 2022 and 2025. We may experience delays compared to the expected timeline disclosed in this Prospectus if COVID-19 containment measures are reintroduced in the future. Please refer to Section 6.17.1 of this Prospectus for further details on the impact of the COVID-19 pandemic on our business and financial performance and Section 8.1.2 on risks of the COVID-19 pandemic on our business operations.

6.18.2 Enhance our manufacturing facilities and develop new fire extinguishers

(i) New hand portable dry chemical fire extinguisher cylinder manufacturing lines

We plan to enhance our manufacturing facilities by installing two (2) new lines to manufacture hand portable dry chemical fire extinguisher cylinders. These cylinders will be used for our four (4) kg, six (6) kg and nine (9) kg hand portable dry chemical fire extinguishers. The new manufacturing lines will utilise the rolling and welding method to manufacture cylinders compared to our current deep drawing method.

The new manufacturing method uses steel sheet which is cut and rolled into the required diameter and the edges are automatically welded to form a tube, which will result in changes in the dimension of the cylinders compared to our existing manufactured cylinders. This is in contrast to the deep drawing method which where a circular blank steel sheet is drawn into a cylinder shape over three stages. Please refer to Section 6.10.5 of this Prospectus for additional information.

The benefits of using the rolling and welding method compared to the deep drawing method include the following:

- normal-grade steel coil can be used with the rolling and welding method, which is cheaper than the type of steel coil required for deep drawing;
- the walls of the fire extinguisher cylinders manufactured by the rolling and welding method are thicker compared to those manufactured by deep drawing, and consequently stronger; and
- the dimension of the cylinder manufactured by the rolling and welding method will have a lower overall surface area for the same capacity compared to cylinders manufactured by deep drawing, resulting in less usage of material.

6. INFORMATION ON OUR GROUP (Cont'd)

The new hand portable dry chemical cylinder manufacturing lines will provide us with additional capacity. Our existing cylinder manufacturing line has been experiencing high utilisation rates at 88.16%, 73.13% and 83.74% for the FYE 2019, FYE 2020 and FYE 2021 respectively. As such the new manufacturing lines will enable us to address opportunities for the domestic and export markets.

As at the LPD, our existing hand portable dry chemical cylinder manufacturing line has an annual output capacity of 210,000 cylinders. Each new manufacturing line has an estimated output capacity of 235,000 cylinders per year. With the installation of the two (2) new manufacturing lines, our estimated output capacity will increase by approximately more than 200%. We expect to have sufficient demand for hand portable dry chemical fire extinguishers for these two (2) new manufacturing lines based on the following:

- We will market these hand portable dry chemical fire extinguishers in Malaysia where we have our existing customer base, which is also supported by our plan to establish new sales offices and warehouses in Johor and Penang, as described in Section 6.18.4(i);
- We will also market these hand portable dry chemical fire extinguishers to customers in other countries as described in Section 6.18.2 (ii). We will appoint new distributors in overseas countries, such as Brunei, Cambodia, Myanmar, Vietnam and Hong Kong as described in Section 6.18.4 (ii) to market our products in their respective markets;
- Sales and marketing in Malaysia and overseas will be supported by our plan to enhance advertising and marketing activities, as described in Section 6.18.4 (ii); and
- The two (2) new manufacturing lines are scheduled to commence manufacturing on a staggered basis with first new manufacturing line by the first half of 2023, and the second new manufacturing line by the first half of 2025, by which time we expect the sales and marketing efforts described above will have sufficient time to create the necessary demand.

We intend to use the new manufacturing lines to manufacture cylinders that comply with MS and BS for our hand portable dry chemical fire extinguishers for domestic and export markets.

(ii) New hand portable dry chemical fire extinguishers that comply with MS and BS

The two (2) kg and five (5) kg hand portable CO₂ fire extinguishers that we currently assemble, and one (1) kg, two (2) kg, four (4) kg, six (6) kg and nine (9) kg hand portable dry chemical fire extinguishers that we currently manufacture are SIRIM certified as complying with the relevant MS standards.

The hand portable dry chemical fire extinguishers that will be manufactured by the new manufacturing lines using the rolling and welding method which results in a new dimension of cylinders will need to be certified to various standards to comply with authorities in various countries including Malaysia. The MS-certified dry chemical fire extinguishers are targeted at the Malaysian market, while the BS-certified fire extinguishers are targeted at export markets that accept BS for dry chemical fire extinguishers. We expect to commercialise the MS-certified hand portable dry chemical fire extinguishers by second half of 2023 after independent testing and certification from SIRIM in the first half of 2023.

The main difference between MS and BS-certified hand portable dry chemical fire extinguishers is that BS-certified hand portable dry chemical fire extinguishers utilise monoammonium phosphate in higher concentration, as they are designed to more quickly extinguish fires (of similar intensity) at a faster speed as compared to MS-

6. INFORMATION ON OUR GROUP (Cont'd)

certified hand portable dry chemical fire extinguishers. Other than this, MS and BS-certified hand portable dry chemical fire extinguishers are comparable in terms of design and working principle.

We aim to export BS-certified hand portable dry chemical fire extinguishers to foreign markets such as Hong Kong and Saudi Arabia. This will enable us to expand our export sales which accounted for less than 2.00% of our total revenue for the Financial Years Under Review. We expect to commercialise the manufacturing of BS-certified hand portable dry chemical fire extinguishers by second half of 2024 after we receive BS certification.

The certification process will be carried out concurrently with the installation and commencement of the production of hand portable dry chemical fire extinguishers on the new manufacturing line. As at the LPD, we are developing prototypes of the MS-certified hand portable dry chemical fire extinguishers and carrying out in-house testing.

The indicative timeline for our new manufacturing lines and certifications are as follows:

Indicative Timeline			Milestones
MS certification	BS certification	New manufacturing line	
Second half 2021			Commence development of new design MS-certified hand portable dry chemical fire extinguisher and carry out prototyping and testing in-house.
		First half 2022	Order the first new manufacturing line (" New Manufacturing Line 1 ").
		Second half 2022	Set up and test New Manufacturing Line 1.
First half 2023			Send prototypes of the new MS-certified hand portable dry chemical fire extinguisher for independent testing and certification to SIRIM.
	First half 2023		Commence development of new BS-certified dry chemical fire extinguisher and carry out prototyping and testing in-house.
Second half 2023			We expect to receive compliance with MS for the new dry chemical fire extinguisher.
	Second half 2023		Send prototypes of the new BS-compliant dry chemical fire extinguisher for independent testing and certification to BS.
		Second half 2023	Commence manufacturing of MS-compliant hand portable dry chemical fire extinguisher on New Manufacturing Line 1.
	Second half 2024		We expect to receive BS certification for the new dry chemical fire extinguisher.
		Second half 2024	Commence manufacturing of BS-compliant hand portable dry chemical fire extinguisher cylinder on New Manufacturing Line 1.
		First half 2025	Order the second new manufacturing line (" New Manufacturing Line 2 ").

6. INFORMATION ON OUR GROUP (Cont'd)

Indicative Timeline			Milestones
MS certification	BS certification	New manufacturing line	
		Second half 2025	Set up and test New Manufacturing Line 2 and begin manufacturing hand portable dry chemical fire extinguisher cylinders on New Manufacturing Line 2.

The estimated cost for the above plans are as follows:

	IPO proceeds Total estimated cost (RM'000)
Purchase and install New Manufacturing Line 1	[•]
Purchase and install New Manufacturing Line 2	[•]
Developing prototypes and obtaining certification to MS	[•]
Developing prototypes and obtaining certification to BS	[•]
TOTAL	[•]

6.18.3 Enhance our operational capabilities

(i) Increase storage capacity and implement a warehouse management system

We plan to install two (2) new mezzanine levels within our Operational Facility in Shah Alam, Selangor, one above the existing manufacturing area and one above the existing warehouse area. These new mezzanine levels will increase the usable floor area of our Operational Facility in Shah Alam, Selangor by approximately 10,228 sq ft or 8.92% from approximately 114,656 sq ft to approximately 124,884 sq ft. This new usable floor area will be entirely allocated for storage use, which will increase our storage area by 67.59% from approximately 15,132 sq ft to approximately 25,360 sq ft. Subsequently, we intend to install a racking system on the existing ground floor and the new mezzanine levels, which is designed to store palletised goods and goods in storage bins in racks. As at the LPD, the anticipated regulatory approvals required for the new mezzanine levels and racking system include an updated CCC, and the relevant approvals required in support of the application for issuance of a new CCC including relevant planning permissions and approvals for revised building plans from MBSA, letters of support from Bomba and necessary approvals required by the local authorities from time to time. Please see Section 6.23 for a summary of the applicable regulations in this regard.

Our plans also include equipping our warehouse with a new warehouse management system ("WMS") to digitalise and automate our inventory management functions. This includes receiving incoming materials, storage space assignments by prioritising fast-moving goods, inventory tracking and automated picking assignments to retrieve goods from storage.

6. INFORMATION ON OUR GROUP (Cont'd)

We also intend to purchase the following vehicles to enhance our warehousing and delivery operations, and to cater for the increase in warehouse capacity above:

- three (3) new forklifts to handle goods at our warehouse; and
- two (2) new lorries for deliveries.

The anticipated benefits include the following:

- the increase in storage space will allow us to store more goods; and
- the new WMS will improve inventory management, and faster and more accurate storage and retrieval of goods.

The indicative timeline for the above plans is as follows:

Indicative Timeline	Milestones
First half 2022	Engage a consultant to design the new mezzanine levels.
First half 2022	Submit plans for the new mezzanine levels to authorities. Purchase WMS.
Second half 2022	Set up and test WMS.
Second half 2022	Obtain approval from authorities for the new mezzanine levels. Full implementation of WMS.
First half 2023	Complete new mezzanine levels and new racking system.
Second half 2023	Obtain CCC from relevant authorities.
First half 2024	Purchase three (3) new forklifts and two (2) new lorries.

The estimated cost for the above plans is approximately RM[●] million which will be funded through IPO proceeds.

	IPO proceeds Total estimated cost (RM'000)
Mezzanine levels	[●]
WMS	[●]
Racking system	[●]
3 new forklifts and 2 new lorries	[●]
TOTAL	[●]

6. INFORMATION ON OUR GROUP (Cont'd)

(ii) Digital fire extinguisher identification data system and enhance IT system

As part of our business strategies and plans, we intend to digitalise the process of generating, recording and marking fire extinguishers' identification data. Fire extinguisher identification data includes the cylinder and fire extinguisher serial numbers, manufacturing and end-of-shelf-life dates, and assigned locations. We currently utilise a paper-based fire extinguisher identification method, which includes the following:

- cylinder serial number is automatically generated and marked on the cylinder during the manufacturing process, and manually entered into our logbook;
- fire extinguisher serial number, manufacturing and end-of-shelf-life dates are written on the fire extinguisher datasheet, and manually entered into our logbook;
- the fire extinguisher's assigned location is recorded and submitted to Bomba for the eFEIS; and
- cylinder and fire extinguisher serial numbers, manufacturing and end-of-shelf-life dates and other information are provided to our customers.

We intend to replace this manual process with two (2) automated systems with the following features and functions:

- camera to read and record the cylinder serial number, and automatically generate and record a unique fire extinguisher serial number that is linked to the cylinder serial number; and
- printer to print a fire extinguisher data label that includes, among others, the fire extinguisher serial number, month and year of manufacture and a unique QR code. The fire extinguisher data label is affixed to the fire extinguisher.

We will use the automated digital fire extinguisher identification data systems for our assembled and manufactured hand portable fire extinguishers.

We will create and maintain an individual database for every fire extinguisher that we manufacture including its unique cylinder and fire extinguisher serial numbers and manufactured date, as well as other information such as its assigned locations, service history, next service due date and end-of-shelf life dates. This data can be accessed by scanning the fire extinguisher's unique QR code. We can also export the database to our customers to enable them to electronically submit the relevant information to Bomba's eFEIS. eFEIS is the system established by Bomba to govern the usage and maintenance of fire extinguishers in Malaysia. Every fire extinguisher installed in commercial premises must be registered with eFEIS and must have an eFEIS barcode certificate affixed to the cylinder. The barcode certificate must be renewed annually, which is conditional upon the fire extinguisher being fit for use and not exceeding its shelf life.

The benefits of the digital fire extinguisher identification data system include eliminating duplicate cylinder and/or fire extinguisher serial numbers and increasing the efficiency and accuracy of record keeping such as less time required to enter, check and maintain records. The system will also enable us to keep track of each fire extinguisher's maintenance schedule and end of shelf life dates, and proactively contact the respective customer or end-user to offer services or replacements. Portable fire extinguishers should be serviced once every year and have a shelf life of 10 years in accordance with MS 1539. Fire extinguishers should be taken out of service and scrapped at the end of

6. INFORMATION ON OUR GROUP (Cont'd)

their shelf life, which consequently means that they would be replaced with new fire extinguishers. In addition, electronic data submission for information for eFEIS will benefit our customers by saving time and reducing errors, compared to manual submission.

We also plan to enhance our IT system by purchasing desktop computers and office software for our technical, administrative and other office staff based at our head office. We also intend to develop a client portal that provides functionality to authorised customers, such as:

- browsing, ordering and paying for products online;
- tracking the status of their orders; and
- accessing eFEIS data for their fire extinguishers.

In addition, we will also purchase additional software licences to allow the new sales offices and warehouses that we intend to set up to access our existing ERP system. Kindly refer to Section 6.18.4 for additional information on establishing new sales offices and warehouses.

The indicative timeline for implementing the digital fire extinguisher identification data system and the enhancement of our IT systems is as follows:

Indicative Timeline	Milestones
Second half 2021	Purchase first automated digital fire extinguisher identification data system.
First half 2022	Set up and use the first automated digital fire extinguisher identification data system. Purchase IT hardware and develop client portal.
Second half 2022	Purchase second automated digital fire extinguisher identification data system.
First half 2023	Purchase additional user licences for the ERP system. Set up and use the second automated digital fire extinguisher identification data system .

The estimated cost for the above is approximately RM[•] million which will be funded using IPO proceeds as follows:

	IPO proceeds Total estimated cost (RM'000)
Purchase two (2) automated digital fire extinguisher identification systems	[•]
Purchase IT hardware and office software, and develop client portal (including purchases of additional software licences for ERP system)	[•]
TOTAL	[•]

6. INFORMATION ON OUR GROUP (Cont'd)**6.18.4 Expand our geographical coverage****(i) Establish new sales offices and warehouses in Johor and Penang**

We intend to expand our geographic coverage by establishing one (1) new sales office and warehouse in Johor and Penang, respectively, which will cover the northern and southern regions of Peninsular Malaysia, respectively. The sales office will provide an operational base for our sales and marketing staff to serve existing customers and engage with prospective new customers in their respective regions. We will utilise the warehouse to maintain inventories of commonly purchased items so that we can fulfil customers' orders promptly, including the following:

- cylinders and discharge nozzles for CO₂ fire suppression systems;
- fire hose reels and fire hoses;
- sprinkler systems;
- breeching inlets and landing valves for dry and wet riser systems;
- CO₂ and dry chemical fire extinguishers;
- fire protection accessories such as fire detection and alarm devices, batteries, cabinets and fire blankets.

Our new sales offices and warehouses will be rented premises. As at the LPD, we have not identified any prospective premises. We have budgeted rental of RM[●] per month for each rented premise. Setting up the new sales offices and warehouses will involve purchasing one (1) lorry and one (1) forklift, purchasing and installing a racking system, office equipment and furniture, and carrying out renovations for each new sales office and warehouse. We will hire new staff, including one (1) general manager, three (3) sales and marketing officers, four (4) warehouse personnel and two (2) delivery personnel for each new sales office and warehouse.

Our plan to establish new sales offices and warehouses in Johor and Penang is based on their revenue contribution during the Financial Years Under Review, summarised as follows:

	FYE 2019		FYE 2020		FYE 2021	
	RM'000	%*	RM'000	%*	RM'000	%*
Johor	5,770	9.09	7,660	10.05	11,652	14.62
Penang	6,919	10.91	8,444	11.08	6,215	7.80

* Percentage of our total revenue for the respective FYE.

Johor and Penang were the third and fourth largest states respectively by revenue contribution for FYE 2021, behind Selangor (first) and Kuala Lumpur (second). We believe that establishing new sales offices and warehouses in Johor and Penang will provide us with the following benefits:

- shorten delivery times to customers in Johor and Penang as goods will be dispatched from the corresponding warehouses, rather than from our Operational facility in Shah Alam, Selangor;
- similarly, the proximity to customers will allow us to offer lower delivery charges for delivery of goods to customers in Johor and Penang to encourage more customers to buy from us; and

6. INFORMATION ON OUR GROUP (Cont'd)

- improve engagement with customers in Johor and Penang to encourage higher sales as we will have sales personnel based in those states. Our sales personnel will actively engage with current and prospective customers by holding product presentations and conducting sale meetings.

The decrease in revenue from Penang for FYE 2021 was mainly due to the effect of MCO and measures to control COVID-19 on our customers there. We believe it remains important for us to establish a new sales office and warehouse there for the benefits described above.

Setting up the new sales offices and warehouses should enable us to grow our business by increasing our sales to our existing customers, as well as by securing new customers in Johor and Penang.

The indicative timeline for establishing the new sales offices and warehouses is as follows:

Indicative Timeline	Milestones
First half 2022	Set up new sales office and warehouse in Johor.
Second half 2022	Commence business operations at the new sales office and warehouse in Johor. Set up new sales office and warehouse in Penang. Commence business operations at the new sales office and warehouse in Penang.

The expenditure for the above is estimated at RM[●] million which would be funded by IPO proceeds as follows:

	IPO proceeds Total estimated cost (RM'000)
New sales office and warehouse in Johor	
Rental of sales office and warehouse for 24 months	[●]
Operating expenses for 24 months ⁽¹⁾	[●]
Staff costs for 24 months	[●]
Lorry, forklift, racking, office equipment, furniture and renovations	[●]
New sales office and warehouse in Penang	
Rental of sales office and warehouse for 24 months	[●]
Operating expenses for 24 months ⁽¹⁾	[●]
Staff costs for 24 months	[●]
Lorry, forklift, racking, office equipment, furniture and renovations	[●]
TOTAL	[●]

6. INFORMATION ON OUR GROUP (Cont'd)

Note:

- (1) Operating expenses include utilities such as water and electricity, security, internet and general upkeep and maintenance.

(ii) Enhance advertising and marketing activities

We intend to enhance our advertising and marketing activities in Malaysia and some targeted foreign countries including Hong Kong and the Middle East. We intend to target Hong Kong due to our dealing with Hong Kong customers in FYE 2021 with a revenue of RM0.53 million (0.83%), and plan to export our new BS-certified hand portable dry chemical fire extinguishers to Hong Kong. We intend to target the Middle East as one of our suppliers, Orient Corporation has business and customers in that region.

We plan to place advertisements in the following media:

- Outdoor advertising such as billboards in Malaysia;
- Engage in online advertising through social media and search engine optimisation targeting Malaysia; and
- Trade publications targeted at relevant industries in Malaysia, such as the property development, construction, engineering services and fire protection industries.

We intend to engage in the following marketing activities:

- Participate in exhibitions in Malaysia;
- Participate in exhibitions in foreign countries, namely the INTERSCHUTZ at Hannover Exhibition Grounds in Germany, and China Fire Expo in Beijing, China;
- Organise seminars and events in Malaysia; and
- Produce a corporate video.

The anticipated benefits of the advertising and marketing activities include the following:

- Build our brand equity to cultivate customer loyalty, brand recognition and recall to facilitate repeat orders from customers and referrals;
- Increase customer awareness, particularly in new markets;
- Engage with prospective customers and build our customer base in foreign markets; and
- Expand our addressable markets.

We intend to implement the above advertising and marketing activities during the 2022 and 2023 calendar years. Our cost for the advertising and marketing activities is estimated at RM[●] million (which includes estimated costs of appointing new distributors in foreign countries described below) which would be funded by IPO proceeds.

Historically and up to the LPD, our advertising and marketing activities included participating in local exhibitions and tradeshow, placing advertisements in trade publications and participating as invited speakers at courses and seminars in Malaysia. Please refer to Section 6.8 of this Prospectus for additional information on our marketing strategies and activities.

In addition, as part of our enhancing advertising and marketing activities, we plan to appoint new distributors in foreign countries to expand our geographic reach and grow our export sales. As at the LPD we do not have appointed distributors in other countries. We intend to appoint new distributors in Brunei, Cambodia, Hong Kong, Myanmar and Vietnam. We have selected these countries due to our dealings with the customers in these countries during the Financial Years Under Review. In addition, some of our fire protection systems and equipment already have the relevant certifications and approvals that meet the requirements of these countries.

6. INFORMATION ON OUR GROUP (Cont'd)

Appointing new distributors will allow us to benefit from their knowledge of local regulations and business conditions, existing customer base and distribution networks to access prospective customers without having to establish an office there. The indicative timeline for appointing the new distributors in the targeted foreign countries is as follows:

Indicative Timeline	Milestones
First half 2023	Appoint new distributors in Brunei, Cambodia, Myanmar and Vietnam.
Second half 2023	Appoint new distributors in Hong Kong.

6.18.5 Use renewable energy**(i) Install rooftop solar photovoltaic system**

We intend to install a solar photovoltaic (“PV”) system with an installed capacity of approximately 269 kilowatt-peak on the roof of our Operational Facility in Shah Alam, Selangor under the self-consumption (“Selco”) programme, where the power generated by the system is only for our use and any excess will not be exported to the grid. Consuming power generated by the solar PV system will reduce the amount of power that we have to purchase from external parties, thereby reducing our utility costs. The average utility cost savings of the planned solar PV system is projected at approximately RM0.19 million per year. The life span of the solar PV system is approximately 25 years, and we expect to benefit from reduced utility costs during this period. Furthermore, the solar PV system will help to reduce our carbon footprint. We will engage a third party to construct the solar PV system.

Pursuant to the Electricity Supply Act 1990, a License for Private Installation for the operation of electricity generation for own consumption using renewable energy resources such as solar photovoltaic system would be required to be obtained from the Energy Commission of Malaysia for the installation of the solar PV system. The indicative timeline for the construction of solar PV system at our operational facility and obtaining the relevant approval and license are as follows:

Indicative Timeline	Milestones
First half 2022	Engage third party service provider to design the solar PV system.
Second half 2022	Commence installation of the solar PV system. Register solar PV system with TNB, and submit application for and obtain Licence for Private Installation from the Energy Commission of Malaysia. Solar PV system becomes operational.

As at the LPD, we have identified a vendor and obtained a quotation from them. The full cost of the solar PV system is estimated at RM[●] million which will be funded from IPO proceeds.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.19 MAJOR APPROVALS, LICENCES, PERMITS OBTAINED

Details of major approvals, licences and permits obtained for our Group's business as at the LPD are as follows:

6.19.1 Major approvals, licences, certificates and permits for our Group's activities

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
1.	UFI	Manufacturing licence pursuant to the ICA 1975 ⁽³⁾ Premises: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan Products: Dry Chemical Fire Extinguisher, Carbon Dioxide (CO2) Fire Extinguisher, Foam Fire Extinguisher, Fire Hose Reel, Firefighting System and Related Components ⁽²⁾	MITI	Licence No. A022097 Serial No. A037371	<u>Issuance Date:</u> 26 August 2019 <u>Validity Period:</u> Valid until revoked	(1) MITI and the Malaysian Investment Development Authority ("MIDA") shall be notified of any sale of shares in UFI; (2) UFI shall train Malaysians to ensure transfer of technological expertise to all levels of the workforce; (3) UFI shall comply with the minimum Capital Investment Per Employee (CIPE) of RM140,000; (4) The full-time workforce of UFI shall be at least 80% Malaysian by 31 December 2022. Employment of foreign workers will be subject to the applicable policy at the time; ⁽¹⁾ (5) Licensee shall submit information on their investment performance and project implementation under the ICA 1975 and the Malaysian Industrial Development Authority Act 1965 as and when required by MIDA. Failure to do so will	Complied, save for condition (4) which has yet to be complied. Please see Note (1) below.

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
						result in:	
						(a) UFI being guilty for an offence and shall be liable to a fine not exceeding RM1,000 or imprisonment not exceeding three (3) months or both and in the case of continuing offence, a fine of RM500 for each day during which the offence continues; or	
						(b) UFI being guilty of an offence when UFI provides any statements or information that is false or misleading in any detail and will be liable to a fine not exceeding RM2,000 or imprisonment not exceeding six (6) months or both.	
						(6) UFI shall implement their project as approved in accordance to the legislation and other applicable regulations in Malaysia.	
2.	UFI	Certificate of Fitness (Hoisting Machine) pursuant to Factories and Machinery Act 1967 Location: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning,	DOSH	SL PMA 32766	9 September 2021 to 7 December 2022	The machinery must be operated by a competent person registered with DOSH. ⁽⁴⁾	Please refer to Note 4

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
		Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan					
3.	UFI	Certificate of Fitness (Hoisting Machine) pursuant to Factories and Machinery Act 1967 Location: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan	DOSH	SL PMA 32816	9 September 2021 to 7 December 2022	The machinery must be operated by a competent person registered with DOSH. ⁽⁴⁾	Please refer to Note 4
4.	UFI	Certificate of Fitness (Hoisting Machine) pursuant to Factories and Machinery Act 1967 Location: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan	DOSH	SL PMA 32817	9 September 2021 to 7 December 2022	The machinery must be operated by a competent person registered with DOSH. ⁽⁴⁾	Please refer to Note 4
5.	UFI	Certificate of Fitness (Hoisting Machine) pursuant to Factories and Machinery Act 1967 Location: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan	DOSH	SL PMA 32818	9 September 2021 to 7 December 2022	The machinery must be operated by a competent person registered with DOSH. ⁽⁴⁾	Please refer to Note 4

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
6.	UFI	Certificate of Fitness (Hoisting Machine) pursuant to Factories and Machinery Act 1967 Location: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan	DOSH	SL PMA 32819	9 September 2021 to 7 December 2022	The machinery must be operated by a competent person registered with DOSH. ⁽⁴⁾	Please refer to Note 4
7.	UFI	Certificate of Fitness (Unfired Pressure Vessel) pursuant to Factories and Machinery Act 1967 Location: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan	DOSH	PMT 148568	9 September 2021 to 7 December 2022	Nil.	Complied
8.	UFI	Certificate of Fitness (Unfired Pressure Vessel) pursuant to Factories and Machinery Act 1967 Location: No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan	DOSH	SL PMT 29531	9 September 2021 to 7 December 2022	Nil.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
9.	UFI	Registered Importer and Exporter of Hydrofluorocarbon (HFC)	Department of Environment ("DOE")	AS(U) 91/110/610/5 00 Jld 6	<u>Issuance Date:</u> 28 February 2020 <u>Validity Period:</u> Valid until revoked	(1) Importer or exporter shall obtain the import/export permit for HFC from the DOE prior to actually importing/exporting HFC. (2) Importer and exporter shall use the e-permit system to obtain the permit stipulated in item (1) above. (3) Any import/export of HFC must use the prescribed HS code by the DOE. (4) Importer and exporter shall report the amount of HFC used to the DOE every six (6) months (in January and July) in the prescribed format for stock declaration.	Complied
10.	UFI	Industrial licence for the sale, service, manufacturing, processing, wholesale and storage of products in relation to the fire extinguishers industry at the premises situated at No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor Darul Ehsan	Majlis Bandaraya Shah Alam	Account No. L03111052014 0001 – (LSMT)	<u>Issuance Date:</u> 15 October 2021 <u>Expiry Date:</u> 31 December 2022	Nil.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Requirement for the full-time workforce to consist of 80% Malaysians pursuant to UFI's Manufacturing Licence

As at the LPD, our subsidiary UFI's total workforce consists of 131 employees, of which 90 are Malaysians and 41 are foreign workers from Bangladesh, Myanmar and Nepal. UFI's foreign workers are involved mainly in our manufacturing operations which involve manual labour. Pursuant to the conditions of UFI's Manufacturing Licence (prior to the extension of time granted by MIDA), UFI was required to employ at least 80% Malaysians for its full-time workforce by 2020.

As at the LPD, UFI has achieved 69% Malaysian workforce. Given the on-going COVID-19 pandemic, we were unable to achieve this workforce requirement. Please see Section 6.17 of this Prospectus for further details of the effects of COVID-19 on our business. UFI had on 15 September 2021 submitted an application to MIDA for an extension of time up to 31 December 2022 to comply with this requirement. As at 22 February 2022, UFI has obtained MIDA's approval for the extension of time up to 31 December 2022 to comply this requirement.

Based on our Group's experience, we have found it difficult to recruit and retain local employees to fill in positions which involve manual labour. However, UFI will continue its efforts such as offering competitive remuneration packages, providing staff accommodation for outstation local employees, continuing with recruitment efforts (such as putting out job advertisements, appointing recruiters, referrals etc), providing training to unexperienced local employees as well as improving on machine automation going forward to reduce reliance on foreign workers. We expect to be able to increase our Malaysian workforce to meet this local workforce requirement in tandem with our business strategies and plans, in particular with the expected staff increase from our plans to establish new sales offices and warehouses in Johor Bahru, Johor and Penang. Please see Section 6.18 for further details of our business strategies and plans. We expect to be able to comply with this requirement by end of 2022, and the estimate costs to increase our Malaysian workforce in tandem with our plans above would be approximately RM400,000 mainly consisting of staff costs.

Pursuant to Section 6 of the ICA 1975, if UFI is unable to meet the local workforce requirement within the prescribed timeframe, UFI's Manufacturing Licence may be revoked. Upon revocation, any person who engages in manufacturing activity without a licence is guilty of an offence under the ICA 1975 and is liable on conviction to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding six (6) months and to a further fine not exceeding RM1,000 for every day during which such default continues. The revocation of licence would affect UFI's business operations as UFI will have to cease its assembly and manufacturing activities. As such, the revocation of licence may impact the revenue contributors in the event the assembly and manufacturing activities are ceased.

- (2) "Manufacturing activity" is defined under the ICA 1975 as the "making, altering, blending, ornamenting, finishing or otherwise treating or adapting any articles or substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of parts and ship repairing but shall not include any activity normally associated with retail or wholesale trade". Please also see Section 6.23 for a summary of the relevant provisions of the ICA 1975 governing the business of our Group. As set out in Section 6.4.2, our Group carries out assembly of fire protection systems and equipment.

UFI's Manufacturing Licence has yet to be expanded to include all the product categories currently manufactured by our Group. UFI had on 28 December 2021 submitted an application to MIDA for an expansion of products covered under the Manufacturing Licence to include fire hydrant systems, fire sprinkler systems, fire detection and alarm systems, Unique227 fire suppression system, Carbon Dioxide fire extinguishing system, fire suppression for commercial kitchens, and Unique5112 fire suppression systems and active fire protection systems, equipment and accessories. On 15 March 2022, UFI had obtained

6. INFORMATION ON OUR GROUP (Cont'd)

the approval from the Ministry of International Trade and Industry for the expansion of the product categories to include firefighting system and related components.

Pursuant to the ICA 1975, the prior approval of the licensing officer is required for any person to manufacture products which vary from those specified in a manufacturing licence. Based on the ICA1975, the potential maximum penalty would be that an authorized officer may obtain a warrant from a magistrate to enter any such building or place and search for and seize any product, manufacturing equipment or other thing in respect of which any such offence is suspected to have been committed. Based on UFI's consultation process and liaising with MIDA on the application to expand the product categories, UFI had been advised by MIDA that pending the processing of the application, UFI may continue to manufacture and assemble its fire protection systems, equipment and accessories which UFI intended to expand and reflect in the UFI Manufacturing Licence. UFI has not been subject to any regulatory notices, penalties or enforcement actions.

- (3) UFI's Manufacturing Licence had been obtained as part of UFI's rectification steps to comply with the ICA1975. Prior to the issuance of UFI's Manufacturing Licence on 26 August 2019, for the period of 2001 (when UFI had met the threshold to obtain a manufacturing licence pursuant to the ICA1975) to 26 August 2019, UFI did not previously hold a manufacturing licence pursuant to the ICA1975.

Please see Note (1) above and Section 6.23.1 for the potential maximum penalties in regard to any person who is found guilty of the offence of engaging in manufacturing activity without a licence under the ICA1975. Further to the rectification steps taken to obtain the UFI Manufacturing Licence in consultation and as guided by MIDA, the UFI Manufacturing Licence was issued on 26 August 2019, there were no penalties imposed in relation to the above rectification to obtain the UFI Manufacturing License.

- (4) UFI has obtained DOSH's confirmation and clarification via an email dated 17 September 2021 ("**DOSH Confirmation Email**") that the specific machinery in question does not need to be operated by a competent person registered with DOSH so long as the personnel is trained to operate the relevant machinery. The training required is on the operation procedures and safety measures of overhead travelling cranes (hoist) and the training is on one-off basis. Further, it was stated in the DOSH Confirmation Email that the renewed Certificates of Fitness will only be issued if the DOSH inspection officer is satisfied that there are no non-compliances. As at the LPD, UFI's personnel handling these machineries have gone through the relevant training to operate such machineries.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.19.2 Product approval certificates from Bomba

Pursuant to the Fire Services Act 1988, we are required to obtain approval certificates from Bomba for certain products as prescribed by Bomba from time to time. Generally, these approval certificates issued by Bomba are valid for one (1) year and are renewable upon expiry. Details of the approval certificates from Bomba obtained by our Group as at the LPD are as follows:

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
1.	UFI	Approval Certificate Product: Alat Pengesan Asap dan haba (Smoke and Heat Detector) Brand: System Sensor Supplier: System Sensor Far East, Hong Kong	Bomba	JBPM/IP/RN P:700-7/2/12- 7/(36)	14 January 2021 to 13 January 2022 ⁽³⁾	(1) This certificate cannot be transferred without consent from Bomba. (2) Where there has been an amendment or update to the conditions or standards, the manufacturer or distributor will be granted time as specified by Bomba to make the necessary amendments to the Product in accordance to the new applicable conditions or standards. (3) All Products must have the name of the manufacturer, serial number, date of manufacture and the "SIRIM" sign or any other scheme that has been recognised by Bomba. (4) Bomba has the right to conduct testing on any product manufactured or installed. All costs are to be borne by the manufacturer.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
						<p>(5) If there are any incidents or reports that indicate a performance failure of the product or that the product does not comply with the Uniform Building Bylaws 1984 or any directions by Bomba, then it has to be reported to Bomba immediately and Bomba has the right to revoke certification with or without notice.</p> <p>(6) Bomba may also conduct random inspections and checks to ensure compliance in quality and specifications of the product.</p> <p>(7) The certification whether in whole or in part, cannot be published or used for any advertisement purposes in any form without written consent from Bomba.</p> <p>(8) Renewal of certification must be submitted one (1) month before its expiry.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
2.	UFI	Approval Certificate Product: Sprinkler Head "CD" Bulb Type Brand: "CD" Sprinkler head Supplier: Chang Der Fire Corporation, Taiwan	Bomba	JBPM/IP/RN P:700-7/2/18-16/(26)	30 October 2021 to 29 October 2022	Please see item 1 above.	Complied
3.	UFI	Approval Certificate Product: Panel Penggera Kebakaran / Fire Alarm Panel Brand: Alarm Bell "Kidde-Aegis" Supplier: Kidde Fenwal Inc, USA	Bomba	JBPM/IP/RN P:700-7/2/23-221/(20)	1 December 2021 to 1 December 2023	Please see item 1 above.	Complied
4.	UFI	Approval Certificate Product: Salur Bantu Mula / Fire Hose Reel (Model: Drum Hose Reel Swing 25mm Outlet SS22) Brand: Unique Supplier: UFI	Bomba	JBPM/IP/RN P:700-7/2/17-21/(19)	17 February 2022 to 17 February 2024	Please see item 1 above.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
5.	UFI	Approval Certificate Product: Alat Pengesan Asap / Smoke Detector (Model: ESL 711U, Based 701U) Brand: ESL Supplier: Edwards	Bomba	JBPM/IP/RN P:700-7/2/12- 188/(19)	18 February 2022 to 18 February 2024	Please see item 1 above.	Complied
6.	UFI	Approval Certificate Product: Loceng Penggera / Alarm Bell (Brand: Unique, Model: UNI-132, Voltage DC 24V, Input current: 22mA) Brand: Unique Supplier: Demco Industries Sdn Bhd	Bomba	JBPM/IP/RN P:700-7/2/15- 53/(11)	23 February 2022 to 23 February 2024	Please see item 1 above.	Complied
7.	UFI	Approval Certificate Product: Fire Suppression System (Local Application, Wet Chemical (Kitchen Hood) "Range Guard") Brand: Range Guard Supplier: Badger Fire Protection Inc, USA	Bomba	JBPM/IP/RN P:700-7/2/22- 22/(30)	26 January 2022 to 25 January 2024	Please see item 1 above.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
8.	UFI	Approval Certificate Product: Sprinkler Head (Model: Bulb and Fusible Type) Brand: Viking Supplier: The Viking Corporation (Far East) Pte Ltd, Singapore	Bomba	JBPM/IP/RN P:700-7/2/18- 33/(32)	26 January 2022 to 25 January 2024	Please see item 1 above.	Complied
9.	UFI	Approval Certificate Product: Alat Pengesan Asap / Smoke Detector (Model: Unique/QA 22) Brand: Unique Supplier: Horing Lih Industrial Co. Ltd, Taiwan	Bomba	JBPM/IP/RN P:700-7/2/12- 90/(15)	15 March 2022 to 15 March 2024	Please see item 1 above.	Complied
10.	UFI	Approval Certificate Product: Alat Pengesan Haba / Heat Detector (Model: AHR871 & AH 0333) Brand: Unique Supplier: Horing Lih Industrial Co. Ltd, Taiwan	Bomba	JBPM/IP/RN P:700-7/2/13- 13/(30)	16 April 2022 to 16 April 2024	Please see item 1 above.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
11.	UFI	Approval Certificate Product: Alat Pengesan Asap / Smoke Detector (Model: AHS 871, AH 0711, AH 8011, AH 0621) Brand: "Photoelectric" Unique AHS 871 & AH 0711 and Horing AH 8011 & AH 0621 Supplier: Horing Lih Industrial Co. Ltd, Taiwan	Bomba	JBPM/IP/RN P:700-7/2/12- 9/(29)	5 July 2021 to 5 July 2022	Please see item 1 above.	Complied
12.	UFI	Approval Certificate Product: Penggera Kebakaran Manual / Manual Fire Alarm (Model: UNI-118) Brand: Unique Supplier: Demco Industries Sdn Bhd	Bomba	JBPM/IP/RN P:700-7/2/14- 12/(24)	15 July 2021 to 15 July 2022	Please see item 1 above.	Complied
13.	UFI	Approval Certificate Product: Loceng Penggera Kebakaran / Fire Alarm Bell (Model: Uni-102) Brand: Unique Supplier: Demco Industries Sdn Bhd	Bomba	JBPM/IP/RN P:700-7/2/14- 13/(33)	14 July 2021 to 14 July 2022	Please see item 1 above.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
14.	UFI	Approval Certificate Product: Fire Suppression System "Unique 227" (HFC227ea) Brand: Unique 227 Supplier: UFI	Bomba	JBPM/IP/RN P:700-7/2/22- 242/(15)	17 July 2021 to 16 July 2022	Please see item 1 above.	Complied
15.	UFI	Approval Certificate Product: Alat Pengesan Haba / Heat Detector (Model: THD-7052 & PSD-7053) Brand: Kidde Supplier: Kidde Fenwal Inc, USA	Bomba	JBPM.IP.RNP: 700-7/2/13- 52(14)	23 August 2021 to 23 August 2022	Please see item 1 above.	Complied
16.	UFI	Approval Certificate Product: Loceng Penggera / Alarm Bell (Model: Kidde Series 439D) Brand: Kidde Supplier: Kidde Fenwal Inc, USA	Bomba	JBPM/IP/RNP: 700-7/2/15- 24(16)	23 August 2021 to 23 August 2022	Please see item 1 above.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
17.	UFI	Approval Certificate Product: Alat Pemadam Api (Fire Extinguisher) – CO2 2kg, 5kg Brand: Unique Supplier: UFI	Bomba	JBPM/IP/RN P: 700- 7/2/24-67(31)	28 July 2021 to 27 July 2022	Please see item 1 above.	Complied
18.	UFI	Approval Certificate Product: Smoke Curtain Brand: Unique Supplier: UFI	Bomba	JBPM/IP/RN P: 700- 7/2/20-7(35)	1 June 2021 to 31 May 2023	Please see item 1 above.	Complied
19.	UFI	Approval Certificate Product: Alat Pemadam Api / Dry Powder Fire Extinguisher - Stored Pressure Type 1kg, 2kg, 4kg, 6kg, 9kg Brand: Unique Supplier: UFI	Bomba	JBPM/IP/RN P: 700- 7/2/24-93(23)	10 October 2021 to 9 October 2023	Please see item 1 above.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
20.	UFI	Approval Certificate Product: Fire Suppression System (Local Application – Restaurant Fire Extinguishing System) Brand: Ansul - Piranha Hybrid Wet Chemical Supplier: Ansul Incorporated, Marinette, USA	Bomba	JBPM/IP/RN P: 700- 7/2/22-341(2)	16 January 2020 to 15 January 2021 ⁽¹⁾	Please see item 1 above.	Complied, save for condition (8). Please see Note (1) below.
21.	UFI	Approval Certificate Product: Fire Suppression System (Local Application – Restaurant Fire Extinguishing System) Brand: Ansul – R-102 Wet Chemical System Supplier: Ansul Incorporated, Marinette, USA	Bomba	JBPM/IP/RN P: 700- 7/2/22-343(2)	16 January 2020 to 15 January 2021 ⁽¹⁾	Please see item 1 above.	Complied, save for condition (8). Please see Note (1) below.
22.	UFI	Approval Certificate Product: Fire Suppression System – FM200 Brand: Kidde Supplier: Kidde Fenwal Inc, USA	Bomba	JBPM/IP/RNP: 700-7/2/22- 217(12)	24 August 2020 to 23 August 2021 ⁽²⁾	Please see item 1 above.	Complied, save for condition (8). Please see Note (2) below.

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Validity Period	Major Conditions Imposed	Status of compliance
23.	UFI	Approval Certificate Product: Panel Penggera Kebakaran / Fire Alarm Panel (FSP-02) Brand: Unique Supplier: Fipro Microelectronics	Bomba	JBPM/IP/RNP: 700-7/2/23-338(4)	2 June 2021 – 2 June 2022	Please see item 1 above.	Complied
24.	UFI	Approval Certificate Product: Fire Suppression System – Unique 5112 (FK-5-1-12) Brand: Unique Supplier: Orient Corporation Pte Ltd, Singapore	Bomba	JBPM/IP/RNP: 700-7/2/22-355(7)	12 January 2022 – 11 January 2024	Please see item 1 above.	Complied

Note:

- (1) Based on our Group's experience, the typical timeframe for the renewal applications to be processed after submission to Bomba is approximately one (1) to two (2) months. An application for the renewal of this certificate has been submitted by UFI to Bomba on 12 January 2021 and the renewal application is in processing. As part of the process for the renewal application, an inspection by Bomba via a live test demonstration at the Operational Facility in Shah Alam, Selangor for the fire suppression system is required and the inspection was unable to proceed due to the MCO. As at the LPD, UFI is pending a scheduled inspection date.

The formal application for renewal was submitted less than one month before the expiry of the certificate due to administrative handover arising from change in personnel in charge of the renewal applications. For the period where the renewal applications are still in processing by Bomba, the Group has not experienced any material adverse impact on their business operations nor been issued with any penalties by Bomba arising from these pending applications.

6. INFORMATION ON OUR GROUP (Cont'd)

- (2) Based on our Group's experience, the typical timeframe for the renewal applications to be processed after submission to Bomba is approximately one (1) to two (2) months. An application for the renewal of this certificate has been submitted by UFI to Bomba on 30 July 2021 and the renewal application is in processing. As part of the process for the renewal application, an inspection by Bomba via a live test demonstration at the Operational Facility in Shah Alam, Selangor for the fire suppression system is required and the inspection was unable to proceed due to the MCO. As at the LPD, UFI is pending a scheduled inspection date.


The formal application for renewal was submitted less than one month before the expiry of the certificate as UFI was in the process of seeking further clarification from Bomba on the required documents and information required for the particular renewal application. For the period where the renewal applications are still in processing by Bomba, the Group has not experienced any material adverse impact on their business operations nor been issued with any penalties by Bomba arising from these pending applications.

- (3) An application for the renewal of this certificate has been submitted by UFI to Bomba on 24 November 2021 and the renewal application is in processing. For the period where the renewal applications are still in processing by Bomba, the Group has not experienced any material adverse impact on their business operations nor been issued with any penalties by Bomba arising from these pending applications.




6. INFORMATION ON OUR GROUP (Cont'd)

6.20 INTELLECTUAL PROPERTY RIGHTS, PATENTS, TRADEMARKS AND REGISTRATIONS


Save as disclosed below, our Group does not have any patents, trademarks, registrations and other intellectual property rights:

No.	Company	Trade Mark	Class / Description	Authority	Application No.	Validity Period	Status
1.	UFI		Class 9 - Fire extinguishing system included in class 9.	Intellectual Property Corporation of Malaysia ("MyIPO")	2016002388	9 March 2016 to 9 March 2026	Registered
			Class 9 - Fire extinguishers; fire extinguishers for domestic use; fire extinguishers for use in land vehicles; fire extinguishing apparatus fire extinguishing apparatus incorporating hoses; fire extinguishing installations; fire extinguishing instruments; fire extinguishing vehicles; automatic fire extinguishing apparatus; emergency fire exit devices of metal; sprayers (automatic installations) for fire extinguishing; sprayers (installations) for fire extinguishing; sprays (apparatus) being fire control equipment; sprinkler apparatus (automatic) for fire extinguishing sprinkler installations for fire extinguishing; sprinkler systems for fire extinguishing; water jets for fire extinguishing purposes; and all included in Class 9.		TM2019006 219	22 February 2019 – 22 February 2029	Registered
			Class 1 – Chemical preparations for use in the control of fires; chemical preparations for use in the prevention of fires; chemicals for use in fire extinguishing; fire extinguishing chemicals; fire extinguishing compositions; fire extinguishing foam compositions; fire protection compositions; fire resistant chemicals; fire retardant additives for plastics; fire retardant additives for resins; fire retardant compositions; fire retardant		TM2019028 930	7 August 2019 – 7 August 2029	Registered



6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Trade Mark	Class / Description	Authority	Application No.	Validity Period	Status
			preparations; preparations for use as fire retardants (other than paints); and all included in class 1.				
			Class 45 - Airport fire services; fire fighting services; fire safety consultancy services; fire-fighting; monitoring of fire alarms; rental of burglar, security or fire alarms; rental of fire alarms; rental of fire extinguishers; all included in class 45.		TM2019028 932	Not applicable	Pending registration (1)
2.	UFI		Class 17 – Fire hose included in class 17.	MyIPO	03009749	04 Aug 2003 to 4 August 2023	Registered
3.	UFI		Class 17 - Fire hose included in class 17.	MyIPO	03009750	4 August 2003 to 4 August 2023	Registered
4.	UFI		Class 35 – Retailing services connected with fire protection equipment included in class 35.	MyIPO	06014043	9 August 2006 to 9 August 2026	Registered
			Class 1 - Chemical preparations for use in the control of fires; chemical preparations for use in the prevention of fires; chemicals for use in fire extinguishing; fire extinguishing chemicals; fire extinguishing compositions; fire extinguishing foam compositions; fire protection compositions; fire resistant chemicals; fire retardant additives for plastics; fire retardant additives for resins; fire retardant compositions; fire retardant preparations; preparations for use as fire retardants (other than paints); and all included in class 1.		TM2019028 933	Not applicable	Pending registration (1)

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Trade Mark	Class / Description	Authority	Application No.	Validity Period	Status
			Class 9 - Fire extinguishers; fire extinguishers for domestic use; fire extinguishers for use in land vehicles; fire extinguishing apparatus; fire extinguishing apparatus incorporating hoses; fire extinguishing installations; fire extinguishing instruments; fire extinguishing vehicles; automatic fire extinguishing apparatus; emergency fire exit devices of metal; sprayers (automatic installations) for fire extinguishing; sprayers (installations) for fire extinguishing; sprays (apparatus) being fire control equipment; sprinkler apparatus (automatic) for fire extinguishing; sprinkler installations for fire extinguishing; sprinkler systems for fire extinguishing; water jets for fire extinguishing purposes; all included in class 9.		TM2019028 935	Not applicable	Pending registration (1)
			Class 45 – Airport fire services; fire fighting services; fire safety consultancy services; fire-fighting monitoring of fire alarms; rental of burglar, security or fire alarms; rental of fire alarms; rental of fire extinguishers; and all included in class 45.		TM2019028 939	Not applicable	Pending registration (1)
5.	UDI		Class 9 – Firefighting apparatus; fire extinguishers; all included in class 9.	MyIPO	2018009031	10 July 2018 to 10 July 2028	Registered

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Trade Mark	Class / Description	Authority	Application No.	Validity Period	Status
6.	UDI		Class 9 – Firefighting apparatus; fire extinguishers; all included in class 9.	MyIPO	2018009030	10 July 2018 to 10 July 2028	Registered
7.	UFI		<p>Class 1 - Chemical preparations for use in the control of fires; chemical preparations for use in the prevention of fires; chemicals for use in fire extinguishing; fire extinguishing chemicals; fire extinguishing compositions; fire extinguishing foam compositions; fire protection compositions; fire resistant chemicals; fire retardant additives for plastics; fire retardant additives for resins; fire retardant compositions; fire retardant preparations; preparations for use as fire retardants (other than paints); all included in class 1.</p> <p>Class 9 - Fire extinguishers; fire extinguishers for domestic use; fire extinguishers for use in land vehicles; fire extinguishing apparatus fire extinguishing apparatus incorporating hoses; fire extinguishing installations; fire extinguishing instruments; fire extinguishing vehicles; automatic fire extinguishing apparatus; emergency fire exit devices of metal; sprayers (automatic installations) for fire extinguishing; sprayers (installations) for fire extinguishing; sprays (apparatus) being fire control equipment; sprinkler apparatus (automatic) for fire extinguishing; sprinkler installations for fire extinguishing; sprinkler systems for fire extinguishing; water jets for fire extinguishing</p>	MyIPO	<p>TM2019028 943</p> <p>TM2019028 944</p>	<p>Not applicable</p> <p>Not applicable</p>	<p>Pending registration⁽¹⁾</p> <p>Pending registration⁽¹⁾</p>

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Trade Mark	Class / Description	Authority	Application No.	Validity Period	Status
			purposes; all included in class 9.				
			Class 45 – Airport fire services; fire fighting services; fire safety consultancy services; fire-fighting; monitoring of fire alarms; rental of burglar, security or fire alarms; rental of fire alarms; rental of fire extinguishers; all included in class 45		TM2019028 945	Not applicable	Pending registration ⁽¹⁾

Note:

- (1) The application for registration for these trademarks was submitted on 7 August 2019 but was objected. The Group subsequently submitted an appeal against the objection on 13 August 2020 but no decision was made in regards to the appeal by MyIPO. The Group was recently notified on 24 January 2022 by their appointed trademark agent that MyIPO had issued a notice of MyIPO's acceptance for the registration of the trademarks, conditional upon that the trademarks will have to be advertised in the gazette for 2 months. If MyIPO does not receive any oppositions during the 2-month advertisement period, MyIPO will process the registration for the trademarks. Subject to any oppositions, we expect the trademarks to be registered by middle of May 2022. As at the LPD, our Group's business or profitability is not dependent on these trademark applications which are pending registration and which may be subject to further opposition. There are already existing registrations for items (1) and (4) as at the LPD and the applications pending registrations are applications to further expand additional classes of registration. In relation to item (5), the Group had only started marketing the Unique5112 system in the first half of 2021 and has not recorded any sales for the Unique5112 fire suppression system as at the LPD.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.21 MATERIAL DEPENDENCY ON COMMERCIAL CONTRACTS / AGREEMENTS / INTELLECTUAL PROPERTY RIGHTS / LICENCES OR PERMITS / BUSINESS PROCESSES

Save for the major licences in Section 6.19, registered trademarks in Section 6.20, our Group's business or profitability is not materially dependent on any contracts, intellectual property rights, licences and permits, and production or business processes as at the LPD. As at the LPD, the registered trademarks in Section 6.20 are in relation to our Group's logos and several of our own brands namely Unique, Unique 227, Commander, Yama. Please see Section 6.4.2.3 for a summary of our brands.

6.22 PROPERTIES, PLANT AND EQUIPMENT

6.22.1 Properties owned

A summary of the material land and buildings owned by our Group for our business operations as at the LPD is as follows:

No.	Registered / Beneficial Owner	Title Details / Property Address	Description and Existing Use	Category of land use / Express Conditions / Tenure of property	Restrictions in interest / Material encumbrances	Date of CF or CCC	Land / Gross built-up area	NBV as at 31 March 2021 (RM'000)
1.	UFI	HS(D) 144382, PT 136243, Daerah Klang, Mukim Klang, Selangor / No.9, Jalan Anggerik Mokara 31/55, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor	Description: Single storey factory and warehouse with one (1) unit of TNB (substation), a 3-storey office, two (2) units of guard house, one (1) unit of garbage disposal and one (1) unit of covered motorcycle parking Existing use: Head office, manufacturing facility and warehouse	Industrial / Industrial / Freehold	Nil / Charged in favour of Public Bank Berhad on 30 April 2009	5 September 2013 and 23 November 2021 ⁽¹⁾	Land area: 12,138 sq. m Gross built-up area: 131,310 sq. ft	24,420

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered / Beneficial Owner	Title Details / Property Address	Description and Existing Use	Category of land use / Express Conditions / Tenure of property	Restrictions in interest / Material encumbrances	Date of CF or CCC	Land / Gross built-up area	NBV as at 31 March 2021 (RM'000)
2.	UFI	Geran 96627, Lot 64500, Daerah Klang, Mukim Klang, Selangor / No.4, Jalan Sungai Merbau 32/100, Kemuning Greenville, 40460 Shah Alam, Selangor	Description: Double storey terrace house Existing use: Staff quarters	Building / Residential building / Freehold	Nil / Nil	22 July 2000 ⁽²⁾	Land Area: 123 sq. m Gross built-up area: 163 sq. m	208
3.	UFI	Geran 96654, Lot 64527, Daerah Klang, Mukim Klang, Selangor / No.23, Jalan Sungai Merbau 32/99, Kemuning Greenville, 40460 Shah Alam, Selangor	Description: Double storey terrace house Existing use: Staff quarters	Building / Residential building / Freehold	Nil / Nil	22 July 2000 ⁽²⁾	Land area: 123 sq. m Gross built-up area: 163 sq. m	172
4.	UFI	Geran 58025, Lot 70819, M5-4-420, Mukim Klang, Daerah Klang, Selangor / 5-4-13, Block 5, Pangsapuri Sri Kemuning, Jalan Anggerik Aranda 31/42, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor	Description: Apartment Existing use: Staff quarters	Residential building ⁽³⁾ / Freehold	Nil / Nil	15 June 2001 ⁽²⁾	Gross built-up area: 70 sq. m	154

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered / Beneficial Owner	Title Details / Property Address	Description and Existing Use	Category of land use / Express Conditions / Tenure of property	Restrictions in interest / Material encumbrances	Date of CF or CCC	Land / Gross built-up area	NBV as at 31 March 2021 (RM'000)
5.	UFI	Geran 58025, Lot 70819, M5-5-424, Mukim Klang, Daerah Klang, Selangor / 5-5-01, Block 5, Pangsapuri Sri Kemuning, Jalan Anggerik Aranda 31/42, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor	Description: Apartment Existing use: Staff quarters	Residential building ⁽³⁾ / Freehold	Nil / Nil	15 June 2001 ⁽²⁾	Gross built-up area: 70 sq. m	162
6.	UFI	Geran 58025, Lot 70819, M6-5-504, Mukim Klang, Daerah Klang, Selangor / 6-5-01, Block 6, Pangsapuri Sri Kemuning, Jalan Anggerik Aranda 31/42, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor	Description: Apartment Existing use: Staff quarters	Residential building ⁽³⁾ / Freehold	Nil / Nil	15 June 2001 ⁽²⁾	Gross built-up area: 70 sq. m	141
7.	UFI	Geran 58025, Lot 70819, M6-5-516, Mukim Klang, Daerah Klang, Selangor / 6-5-13, Block 6, Pangsapuri Sri Kemuning, Jalan Anggerik Aranda 31/42, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor	Description: Apartment Existing use: Staff quarters	Residential building ⁽³⁾ / Freehold	Nil / Nil	15 June 2001 ⁽²⁾	Gross built-up area: 70 sq. m	165

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Issuance of CCC for mezzanine platforms and temporary building permit for awnings

On 5 September 2013, we had obtained a CCC for our Operational Facility in Shah Alam, Selangor consisting of a single storey factory and warehouse with one (1) unit of TNB (substation), a 3-storey office, two (2) units of guard house, one (1) unit of garbage disposal and one (1) unit of covered motorcycle parking. Mezzanine platforms ("**Mezzanine Platforms**") at the Operational Facility in Shah Alam, Selangor and awnings outdoors at the back of our Operational Facility ("**Awnings**") were installed in 2015 and 2016, respectively, measuring in total approximately 12,396 sq. ft. The Mezzanine Platforms are currently used for storage of input materials (including fire hose reel parts, fire hoses parts, fire extinguisher parts and packaging materials), and houses a powder coating system to carry out the coating process for fire extinguisher and fire hose reel. The Awnings are for the outdoor area utilised for transition of goods. We had subsequently on 23 November 2021 obtained a CCC for the Mezzanine Platforms. We have also obtained the temporary building permit ("**TBP**") for the Awnings which is valid from 29 November 2021 to 28 November 2022. A summary of our rectification process in obtaining the CCC and TBP are as set out below.

Under the Street, Drainage and Building Act 1974 ("**Street, Drainage and Building Act**"), prior written permission of the local authority is required among others for any partition, compartment, loft, roof, ceiling or other structures built in a building, any deviation from the any plans or specifications approved by the local authorities, or any alteration to a building otherwise than allowed by the local authority or by-laws made under the Street, Drainage and Building Act. Failure to obtain the local authorities' prior written permission for the above may subject the person in breach to fines or imprisonment or both, if convicted. Depending on the applicable provisions of the Street, Drainage and Building Act in breach, the maximum fines may range from RM25,000 to RM50,000 and additional daily fines for continuing offences after conviction, and the maximum imprisonment term may be up to three (3) years. The Street, Drainage and Building Act also stipulates that any person who occupies a building or any part of a building without a CCC may be subject to a fine of RM250,000 or imprisonment for up to 10 years or both, if convicted.

Pursuant to the Selangor Uniform Building Bylaws 1986, a temporary permit may be issued at the discretion of the local authority for the erection of a temporary building for a limited period to be specified upon the expiration of which the building shall be demolished.

In respect of the above non-compliance, we had, through our appointed civil engineering consultant ("**Consultant**") submitted the necessary applications on 12 August 2020 to obtain the CCC for the Mezzanine Platforms and TBP for the Awnings. We are advised by our Consultant that an approval for a planning permission ("**KM**") (for the application of CCC for the Mezzanine Platforms) and approval for revised building plans from MBSA which included the Mezzanine Platforms and Awnings, as well as a letter of support for the issuance of a CCC and the TBP from Bomba are required to obtain the CCC for the Mezzanine Platforms and TBP for the Awnings.

On 31 December 2020, the KM from MBSA had been obtained; and on 11 July 2021, the conditional approval on the revised building plans from MBSA. The conditions imposed by the conditional approval from MBSA require certain modifications to be made to the building plans by 8 August 2021. Due to various MCOs imposed since 1 June 2021, we had submitted the revised building plans to MBSA on 18 August 2021. On 9 September 2021, the approval for the final revised building plans had been issued. Subsequent to the clearance by MBSA on the building plan as at 9 September 2021, Bomba had carried out the necessary inspections on the premises and issued its letter of support for the CCC on 27 October 2021 and there were no requirements from Bomba for further revisions or amendments to the building plans approved by MBSA.

6. INFORMATION ON OUR GROUP (Cont'd)

On 23 November 2021, we obtained the CCC for the Mezzanine Platforms. We have subsequently obtained the TBP which is valid from 29 November 2021 to 28 November 2022. The TBP is renewable annually.

As at the LPD, we have not been imposed with any fines nor penalties by MBSA other than a compound of RM8,714 on 7 September 2020 by MBSA for the non-compliance / construction of Mezzanine Platforms without permit and the compound was duly settled on 2 December 2020. The Group has not experienced any material adverse impact to its financial position arising from the above compound of RM8,714 as at the LPD.

We will continue to ensure compliance to the relevant provisions under Street, Drainage and Building Act, Town and Country Planning Act 1976.

(2) Properties used as staff quarters.

Under the Employees Minimum Standards of Housing and Amenities Act 1990 (“**EMSHA 1990**”), we are required to obtain a Certificate of Accommodation to use these properties as employee accommodation. As at the LPD, there are 46 employees staying at the staff quarters.

We have submitted an application to the Department of Labour Peninsular Malaysia (“**JTK**”) on 19 February 2021 (for properties set out in Section 6.22.1) as well as 23 August 2021 (for properties set out in Section 6.22.2) and the inspection of the properties by JTK had been delayed due to various phases of MCOs imposed. On 23 November 2021, JTK had conducted their inspection on these properties and we have subsequently obtained the Certificates of Accommodation for these properties on 3 February 2022 with a validity period of 3 years.

Pursuant to the EMSHA 1990, failure to obtain such certification may subject UFI to a fine not exceeding RM50,000 for each accommodation without a certificate. The costs incurred in the application for the Certificates of Accommodation amount to approximately RM1,100. The Group has not been made aware nor has the Group been subject to any penalties or enforcement action from the authorities throughout the course of their application process for the Certificates of Accommodation.

(3) This refers to the express conditions stated on the individual strata titles of the property.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.22.2 Material Properties rented

As at the LPD, there are no material land and buildings rented by our Group for our business operations, other than as follows:

Landlord	Tenant	Postal Address	Description / Existing Use	Date of CF / CCC or equivalent	Built up Area	Tenure	Rental Per Annum (RM)
Hamsavadani A/P Venugopal	UFI	Pangsapuri Sri Kemuning Block 3-1-12, Jalan Anggerik Aranda 31/42, Kota Kemuning 40460 Shah Alam, Selangor	Description: Apartment Existing use: Staff quarters	15 June 2001 ⁽¹⁾	Gross built-up area: 70 sq. m	1 June 2021 to 31 May 2022	12,000

Note:

(1) Please see Note 2 of Section 6.22.1 above in relation to the status of the certificate of accommodation from JTK for this staff accommodation.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.23 GOVERNING LAWS AND REGULATIONS

A summary of the relevant laws and regulations governing the business of our Group are set out below:

6.23.1 Industrial Co-ordination Act 1975

The Industrial Co-ordination Act 1975 ("**ICA 1975**") governs the co-ordination and development of manufacturing activities in Malaysia.

Pursuant to Section 3(1) of the ICA 1975, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. Failure to observe and adhere to the licensing requirements under the ICA 1975 will constitute an offence which is punishable on conviction by a fine not exceeding RM2,000 or to a term of imprisonment not exceeding six (6) months and to a further fine not exceeding RM1,000 per day during which the non-compliance continues.

"Manufacturing activity" is defined under the ICA 1975 as the "making, altering, blending, ornamenting, finishing or otherwise treating or adapting any articles or substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of parts and ship repairing but shall not include any activity normally associated with retail or wholesale trade".

Manufacturing companies with shareholders' funds of RM2.5 million and above or engaging 75 or more full-time paid employees are required to apply to the MITI for a manufacturing licence.

Pursuant to section 6(1) of the ICA 1975, where a licensed manufacturer has not complied with any condition imposed in the licence, the licensing officer may in his discretion revoke the licence.

As at the LPD, our subsidiary UFI holds a valid manufacturing licence issued by the MITI. The Group's principal activities of assembly and manufacturing of active fire protection systems, equipment and accessories for built environment (further detailed in Section 6.4) fall within the definition of "manufacturing activity" pursuant to the above definition in the ICA 1975. Please refer to further details of our subsidiary UFI's manufacturing licence, major conditions imposed therein and the status of our compliance in Section 6.19.1.1 of this Prospectus.

6.23.2 Street, Drainage and Building Act 1974, Uniform Building By-Laws 1984, Selangor Uniform Building Bylaws 1986, Town and Country Planning Act 1976 and Fire Services Act 1988

In relation to properties owned or rented by our Group for our business operations

In the course of our business operations, we are required to ensure that the properties owned or rented by our Group for our business operations comply with the Street, Drainage and Building Act, the Uniform Building By-Laws 1984 ("**UBBL**"), the Selangor Uniform Building Bylaws 1986 ("**Selangor UBBL**") as well as the Town and Country Planning Act 1976 ("**Town and Country Planning Act**") and the relevant by-laws issued pursuant thereto which regulate among others the occupation of buildings and uniformity of local government matters relating to street, drainage and buildings. The UBBL is a subsidiary legislation made under the Street, Drainage and Building Act. The Town and Country Planning Act governs the proper control and regulation of town and country planning in Peninsular Malaysia and regulates among others modifications to planning permissions and building plan approvals issued by local authorities.

6. INFORMATION ON OUR GROUP (Cont'd)

Pursuant to the Street Drainage and Building Act, prior written permission of the local authority is required among others for any partition, compartment, loft, roof, ceiling or other structures built in a building, any deviation from the any plans or specifications approved by the local authorities, or any alteration to a building otherwise than allowed by the local authority or by-laws made under the SDBA. Failure to obtain the local authorities' prior written permission for the above may subject the person in breach to fines or imprisonment or both, if convicted. Depending on the applicable provisions of the Street, Drainage and Building Act in breach, the maximum fines may range from RM25,000 to RM50,000 and additional daily fines for continuing offences after conviction, and the maximum imprisonment term may be up to three (3) years. The Street, Drainage and Building Act also stipulates that any person who occupies a building or any part of a building without a CCC may be subject to a fine of RM250,000 and/or imprisonment for up to 10 years, if convicted.

Pursuant to the Selangor UBBL, a temporary permit may be issued at the discretion of the local authority for the erection of a temporary building for a limited period to be specified upon the expiration of which the building shall be demolished.

Please see Section 6.22 of this Prospectus for further details of the material properties which we own or rent for our business operations and the status of our compliance with the above regulations.

In relation to our products and business activities

The Street, Drainage and Building Act, the UBBL as well as the uniform building by-laws adopted by the respective states together with the Fire Services Act 1988 ("**Fire Services Act**") also sets out the applicable standards and requirements for fire safety standards, firefighting installations and appliances.

The Fire Services Act is also the governing legislation for the establishment of Bomba as a federal agency and empowers the Minister of Home Affairs, Malaysia to make regulations among others in relation to:

- regulating the manufacture, sale, installation, testing, servicing, and recharging of fire-fighting equipment or fire safety installation;
- regulating the types, locations, and testing of fire-fighting equipment or fire safety installation used in any premises; and
- regulating all matters relating to fire safety and fire precautions.

The Fire Services Act also empowers the Director General of Bomba to enforce the provisions of the Fire Services Act.

Among others, the regulations relate to our business activities and/or the products which we assemble, manufacture or distribute, as at the LPD are such as:

- (a) the requirements under the UBBL in relation to fire safety uniform standards among others in relation to:
 - (i) the requirements under the UBBL to have a portable fire extinguisher in private dwellings and apartments and flats that fall under the prescribed categories that was subsequently incorporated into the uniform building by-laws of certain states by way of gazettes namely Selangor, Penang, Terengganu and Melaka in 2012, 2016, 2013 and 2019, respectively;
 - (ii) fire requirements in Part VII the UBBL (e.g. technical requirements in relation to the building such as walls, ceilings, doors, exits etc);
 - (iii) fire alarms, fire detection, fire extinguishment and firefighting access in Part VIII of the UBBL;

6. INFORMATION ON OUR GROUP (Cont'd)

- (iv) the requirement for prescribed firefighting installations and appliances to conform with applicable standards set out in Part VIII of the UBBL, and the requirement that firefighting installations and appliances which do not fall within the standards set out in the UBBL are required to be tested and approved by Bomba. The UBBL also requires that plans, drawings and calculations of all fixed installations must be submitted for the approval of Bomba in the manner as prescribed by Bomba before commencement of work; and
- (b) the requirements prescribed by Bomba pursuant to the Fire Services Act to obtain approval certificates from Bomba for certain products as prescribed by Bomba from time to time. Please see Section 6.19.2 of this Prospectus for further details of the approval certificates our Group had obtained and further details of the renewal applications which are in processing as at the LPD.

The above requirements under the UBBL in paragraphs (a) to (b) are relevant to us in the course of assembling, manufacturing or distributing our products to meet our customers' preferences and the regulatory requirements which they are subject to. In relation to our products, pursuant to the Fire Services Act, the penalty for any non-compliance with the regulations issued thereunder may be a fine of not more than RM10,000 or imprisonment for a term not more than three (3) years or both, and where the offence continues after conviction not more than RM100 for each day the offence continues. For the Financial Years Under Review and up to the LPD, our Group has not been issued with any penalties by Bomba in relation to the above requirement for the product approval certificates;

- (c) the requirements prescribed by Bomba pursuant to the Fire Services Act in relation the portable fire extinguishers in Malaysia based on the Malaysian Standards (in particular MS1539 as of current). Among others, the Bomba prescribes the use the eFEIS system for purposes of monitoring the usage and maintenance of portable fire extinguishers, and that only a registered "competent person" with the Bomba under eFEIS is certified to carry out service and maintenance of portable fire extinguishers. As at the LPD, the standard prescribes among others that every fire extinguisher installed in commercial premises must be registered with eFEIS, must have an eFEIS barcode certificate affixed to the cylinder which must be renewed annually and that the shelf life of the portable fire extinguisher is 10 years from the manufacturing date.

As at the LPD, our Group is in compliance with the requirements of Bomba in relation to the use of eFEIS system in particular for our activities of assisting our customers to register their portable fire extinguishers through the eFEIS system, as well as servicing and maintenance of such fire extinguishers by a registered competent person namely Roy Liew who is our Operation Director and Mohd Shabri Bin Abdul Rashid who is our Senior Supervisor. For the Financial Years Under Review and up to the LPD, our Group has not been issued with any penalties by Bomba in relation to our use of the eFEIS system.

6.23.3 Environmental Quality Act 1974

Due to the nature of our Group's assembly and manufacturing activities, we are required to comply with the Environmental Quality Act 1974 ("**EQA 1974**") and the Environmental Quality (Scheduled Wastes) Regulation 2005 among others in particular to the disposal of scheduled waste in Malaysia. The EQA 1974 also empowers the DOE to issue regulations, such as the Environmental Quality (Scheduled Wastes) Regulations 2005 ("**Scheduled Waste Regulations**"), specifying acceptable conditions for the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes or the emission of noise into the environment.

6. INFORMATION ON OUR GROUP (Cont'd)

It is an offence under the EQA 1974 to dispose scheduled wastes on land or into Malaysian waters unless with the approval of the DOE. A breach of this provision would subject the offender to a fine of not more than RM500,000 or imprisonment of not more than five (5) years or both. Among others, the EQA 1974 and the Scheduled Waste Regulations also requires that only licensed holders are allowed to transport and/or dispose of scheduled wastes.

In the course of our operations, we generate scheduled wastes such as contaminated rags and gloves and waste paint powder at our Operational Facility in Shah Alam, Selangor. As at the LPD, our Group's disposal of scheduled wastes is carried out by a licensed service provider. For the Financial Years Under Review and up to the LPD, our Group has not been issued with any penalties by the DOE pursuant to the EQA1974 and any regulations issued under the EQA 1974 in relation to the disposal of our scheduled wastes.

6.23.4 Factories and Machinery Act 1967 ("FMA 1967")

The FMA 1967 and Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations 1970 governs the issuance of the certificate of fitness for applicable machineries. We are required under the provisions of this statute to ensure that the health, safety and welfare of our employees at the workplace are maintained and this includes but not limited to ensuring that the machinery used in our Group's operations has undergone the necessary inspection upon installation, registered and possesses the relevant certificate of fitness.

Breaches and offences of the FMA 1967 may amount to penalties imposed on our Group. Taking into account of its severity and type of offences, the penalties imposed may be a fine of up to RM250,000 and/or imprisonment for a term not exceeding five (5) years and to a further fine not exceeding RM2,000 for each day or part of a day during which the offence continues after the first day in respect of which the conviction is recorded.

As at the LPD, our Group has obtained valid certificates of fitness for the applicable machineries. Please refer to Section 6.19.1 for further details of the certificates of fitness we have obtained for our machineries pursuant to the FMA 1967.

6.23.5 Occupational Safety and Health Act 1994 ("OSHA 1994")

The OSHA 1994 regulates among others the safety, health and welfare of persons at work, protecting others against the risks to safety or health in connection with the activities of persons at work in the manufacturing industry. The OSHA 1994 imposes an obligation on employers in the manufacturing industry to take proper steps to ensure the health, safety and welfare of persons at work, the protection of others against the risks to safety or health related to the activities of persons at work.

The OSHA 1994 provides that it is the duty of every employer to ensure the safety, health and welfare at work of all his employees, so far as is practicable, in particular:

- (a) the provision and maintenance of plant and systems of work that are safe and without risks to health;
- (b) the making of arrangements for ensuring safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plant and substances;
- (c) the provision of such information, instruction training and supervision as is necessary to ensure the safety and health at work of his employees;
- (d) as regards any place of work under the control of the employer, the maintenance of it in a condition that is safe and without risks to health and the provision and maintenance of the means of access to and egress from it that are safe and without such risks; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (e) the provision and maintenance of a working environment for his employees that is safe, without risks to health, and adequate as regards facilities for their welfare at work.

Non-compliance of the above will result in an offence and on conviction would constitute to a fine not exceeding RM50,000 and/or to imprisonment for a term not exceeding two (2) years.

If an activity is undertaken at the workplace that may likely cause serious risk to the health of any person or create an immediate danger to life or property, the DOSH officer may issue an improvement notice or prohibition notice for any non-compliance of the OSHA 1994. Non-compliance with such notice without reasonable excuse will result in an offence and on conviction, the employer is liable to a fine not exceeding RM50,000 and/or imprisonment for a term not exceeding five (5) years and a further fine of RM500 for each day during which the offence continues.

For the Financial Years Under Review and up to the the LPD, our Group has not been issued with any penalties by DOSH pursuant to the OSHA1994.

6.23.6 Employees Minimum Standards of Housing and Amenities Act 1990

The Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSHA 1990") and the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020 issued under the EMSHA 1990, imposes, among other things, the minimum standards on accommodation for employees and the requirement for employers to obtain a certificate of accommodation from the Department of Labour Peninsular Malaysia for each accommodation premise.

To obtain the certificate of accommodation, the employer is required to ensure that every accommodation provided for employees complies with the minimum standards which includes, amongst others, the minimum space requirement for workers' accommodation, basic facilities, as well as safety and hygiene standards required under the EMSHA 1990 or any regulations made thereunder. Pursuant to the EMSHA 1990, failure to obtain such certification may constitute to a fine not exceeding RM50,000 with respect to each employees' accommodation without a certificate of accommodation.

As at the LPD, our applications for certificates of accommodation in relation to our seven (7) staff accommodations are still in progress. We have subsequently obtained the relevant Certificates of Accommodation on 3 February 2022. Please refer to Sections 6.22.1 and 6.22.2 for further details on the Certificates of Accommodation issued in relation to our staff accommodations.

6.23.7 Local Government Act 1976 ("LGA 1976")

Pursuant to Section 102 of the LGA 1976, local authorities are empowered to make, amend and revoke bylaws. Presently, as our Group's business activities are carried out at the Operational Facility in Shah Alam, Selangor, we come under the jurisdiction of the MBSA and the relevant bylaws governing the conduct of our Group's business activities would be the Licensing of Trades, Businesses and Industries (Shah Alam City Council) By-Laws 2007 ("MBSA By-Laws 2007").

The MBSA By-Laws 2007 provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of MBSA for any activity of trade, business and industry without a licence issued by MBSA. A contravention of the MBSA By-Laws 2007 would constitute to an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 and/or to imprisonment for a term not exceeding one (1) year and to a further fine not exceeding RM200 for each day during which such offence is continued after conviction.

As at the LPD, UFI has a valid industrial licence issued by MBSA, further details of which are set out in Section 6.19.1.

6. INFORMATION ON OUR GROUP (Cont'd)

The above summary does not purport to be an exhaustive description of all laws and regulations of which our business is subject to.

As at the LPD, save as disclosed in Sections 6.12, 6.19, 6.22.1 and 6.22.2, there are no breach of laws, regulations, rules or requirements governing the conduct of our business and environmental issues which may materially affect our Group's business or operations and usage of properties owned by our Group.

6.24 ENVIRONMENTAL, SOCIAL AND GOVERNANCE

To this end, our Group has implemented, and are in the midst of implementing, the following practices:

(a) Environmental

Our Group is in the process of adopting sustainable practices in response to the environmental issues. We intend to install a solar PV system under the Selco programme. The consideration of different primary energy sources is important from the perspective of end-to-end cost of power generation, sustainability of supply and impact on the environment. Please refer to Section 6.18.5 (i) for further details.

In 2021, our Group started to market FK5112 fire suppression system (an alternative to HFC) which is in line with the purpose of the United Nations agreement ratified by Malaysia to phase out the use of HFC. Please refer to Section 6.8 for further details.

(b) Social

Our Group is committed to serve the interests of stakeholders which includes our employees by promoting gender and cultural diversity in our workplace. We embrace diverse cultures and genders among the Board members and employees.

Further, our Group has taken various corporate social responsibility initiatives to serve the needs of community. In heightening the public awareness on the fire safety, we had in 2019, hosted an educational field trip for UiTM Johor (Segamat branch) students, conducted Unique227 Fire Suppression Systems product training for members of TNBR QATS Sdn Bhd and donated fire extinguishers to Ti-Ratana Welfare Society.

Being manufacturer and assembler of products relating to the public safety, our Group upholds the importance of product and/or service quality. As such, our Quality Assurance and Quality Control Department ("QAQC") upholds the responsibility to monitor the product quality continuously. Most of our products are of international standard, with ISO certifications and/or SIRIM certified.

(c) Governance

Our Group is committed to conduct our business ethically and in compliance with all relevant laws and regulations as disclosed in Section 6.23. In maintaining high standards of corporate governance, our Board has adopted the recommendations under the Malaysian Code on Corporate Governance.

In addition, our Group adopted zero-tolerance policy towards bribery, and as such have put in place the policies and procedures to ensure strict compliance with the Malaysian Anti-Corruption Commission Act 2009 and its amendments. In relation to the Group's risk management, our Group has put in place a Risk Management and Internal Control Framework to monitor closely on the risk associated with the company objectives.