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GEOHAN CORPORATION BERHAD

(Registration No. 201601003474 (1174400-V))

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("IPO") IN CONJUNCTION WITH THE LISTING OF GEOHAN CORPORATION BERHAD ("GEOHAN" OR THE "COMPANY") ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING PUBLIC ISSUE OF 132,000,000 NEW ORDINARY SHARES IN GEOHAN ("SHARE(S)") IN THE FOLLOWING MANNER:

- (i) 22,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;**
- (ii) 11,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF GEOHAN AND OUR SUBSIDIARIES ("GEOHAN GROUP" OR THE "GROUP");**
- (iii) 55,000,000 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY OF MALAYSIA; AND**
- (iv) 44,000,000 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO INSTITUTIONAL AND SELECTED INVESTORS,**

AT AN IPO PRICE OF RM[•] PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sole Underwriter and Placement Agent



ALLIANCE ISLAMIC BANK

Alliance Islamic Bank Berhad 200701018870 (776882-V)

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

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

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

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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 173.

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA

THIS PROSPECTUS IS DATED [•]

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as defined under “Definitions” and “Glossary of Technical Terms” sections of this Prospectus.

RESPONSIBILITY STATEMENTS

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

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

STATEMENTS OF DISCLAIMER

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

The valuation utilised for the purpose of the Listing should not be construed as an endorsement by the SC, on the value of the subject assets.

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

OTHER STATEMENTS

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

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

Investors should note that any agreement by the Sole Underwriter named in this Prospectus to underwrite our Shares is not to be taken as an indication of the merits of our Shares being offered.

This Prospectus is prepared and published solely for our IPO in Malaysia under the laws of Malaysia. Our Shares are being issued solely based on the information contained and representations made in this Prospectus. Our Company, Directors, Promoters, Principal Adviser, Sole Underwriter and Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Company, Directors, Promoters, Principal Adviser, Sole Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoters, Principal Adviser, Sole Underwriter and Placement Agent, any of their respective directors, or any other persons involved in our IPO.

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

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

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

Further, it shall be your sole responsibility, if you are or may be subjected to the laws of any countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether your application for our IPO would result in the contravention of any laws of such countries or jurisdictions. Neither we nor our Directors, Promoters, Principal Adviser, Sole Underwriter and Placement Agent nor any other adviser in relation to our IPO will accept any responsibility or liability if any application made by you shall become illegal, unenforceable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS/INTERNET SHARE APPLICATION

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

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

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

In the event of any discrepancies arising between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which is identical to this Prospectus registered by the SC, shall prevail.

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

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

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

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

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

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INDICATIVE TIMETABLE

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

Event(s)	Indicative Date(s)
Opening of the application period for our IPO	[•]
Closing of the application period for our IPO	[•]
Balloting of Applications	[•]
Allotment of our IPO Shares to successful Applicants	[•]
Listing on the Main Market	[•]

In the event there is any change to the indicative timetable above, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and will make the relevant announcements through Bursa Securities' website accordingly.

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PRESENTATION OF INFORMATION

All references to “our Company” or “Geohan” in this Prospectus are to Geohan Corporation Berhad (Registration No. 201601003474 (1174400-V)). All references to “our Group” or “Geohan Group” are to our Company and our Subsidiaries taken as a whole. All references to “we”, “us”, “our” and “ourselves” are to our Company or our Group or any member of our Group, as the context requires.

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

All references to the “Promoters” are to Rogamas Sdn Bhd, Lee Kim Seng, Ir. Oh Chin Wah and Lee Jie Min. Unless the context otherwise requires, references to “Management” are to our Managing Director, Non-Independent Executive Directors and Key Senior Management as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

Certain abbreviations, acronyms and technical terms used are defined in the “Definitions” and “Glossary of Technical Terms” sections of this Prospectus. Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include companies and corporations, unless otherwise specified.

In this Prospectus, all references to the “Government” are to the Government of Malaysia; and references to “RM” and “sen” are to the lawful currency of Malaysia, and references to “SGD” and “cent” are to the lawful currency of Singapore. The word “approximately” used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousandth or two (2) decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

Unless otherwise stated, any reference to dates and times in this Prospectus shall be a reference to dates and times in Malaysia.

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

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the market and industry in which our Group operates or is exposed to. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from our Management.

In particular, certain information in this Prospectus is extracted or derived from the IMR Report prepared by SMITH ZANDER, an independent market researcher. We have appointed SMITH ZANDER to provide an independent market and industry review. In compiling their data for the review, SMITH ZANDER had relied on their research methodology, industry sources, published materials, their own private databases and direct contacts within the industry. We believe that the information on the industry and the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate. Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot assure you that the projections will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

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

The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and should not be relied upon.

FORWARD-LOOKING STATEMENTS

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

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

Such forward-looking statements are based on numerous assumptions regarding our Group’s present and future business strategies and the environment in which we operate. Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (i) the general economic, business, social, political and investment environment in Malaysia and globally;
- (ii) the competitive environment in the industry in which we operate;
- (iii) reliance on approvals, licenses and permits;
- (iv) availability and fluctuations in prices of raw materials;
- (v) activities and financial position of our customers, suppliers and other business partners;
- (vi) finance costs, interest rates, tax rates and foreign exchange rates;
- (vii) legislation, regulatory and government policy changes affecting us or countries where we conduct our business;
- (viii) fixed and contingent obligations and commitments; and
- (ix) any other factors beyond our control which include terrorist acts, pandemics, epidemics or natural disasters.

Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to those discussed in Section 8 of this Prospectus on “Risk Factors” and Section 11.3 of this Prospectus on “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” of this Prospectus. We cannot assure you that the forward-looking statements in this Prospectus will be realised.

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

DEFINITIONS

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

COMPANIES WITHIN OUR GROUP

Geohan or Company	: Geohan Corporation Berhad (Registration No. 201601003474 (1174400-V))
Geohan Group or Group	: Geohan and our Subsidiaries, collectively
GESB	: Geohan Equipment Sdn Bhd (Registration No. 199901010497 (485397-P))
GHSB	: Geohan Holding Sdn Bhd (Registration No. 199201012903 (244406-A))
GMSB	: Geohan Mix Sdn Bhd (Registration No. 200301025819 (628239-X))
GPL	: Geohan Pte Ltd (Registration No. 200707631N)
GSB	: Geohan Sdn Bhd (Registration No. 199601042113 (414466-K))
Subsidiaries	: GESB, GHSB, GMSB, GPL and GSB, collectively

GENERAL

Acquisitions	: Acquisition of Equity Interests from Vendors and Acquisition of Equity Interests from GHSB and GSB, collectively
Acquisition of Equity Interests from Vendors	: Acquisition by our Company of the equity interests in GHSB, GESB and GSB for a total purchase consideration of approximately RM131,522,915, which was satisfied entirely by the issuance and allotment of 307,871,992 new Shares in aggregate at an issue price of RM0.4272 per Share to the Vendors, comprising: (i) entire issued share capital of GHSB of RM11,788,000 comprising 11,788,000 GHSB Shares from Lee Kim Seng and Rogamas, for a total purchase consideration of RM115,247,880, which was satisfied entirely by the issuance and allotment of 269,775,000 new Shares in aggregate; (ii) 14.09% of the issued share capital of GESB of RM2,818,000 comprising 2,818,000 GESB Shares from Lee Kim Seng and Ir. Oh Chin Wah, for a total purchase consideration of RM9,135,672, which was satisfied entirely by the issuance and allotment of 21,385,000 new Shares in aggregate; and (iii) approximately 14.09% of the issued share capital of GSB of RM1,239,999 comprising 1,239,999 GSB Shares from Lee Kim Seng and Ir. Oh Chin Wah, for a total purchase consideration of approximately RM7,139,363, which was satisfied entirely by the issuance and allotment of 16,711,992 new Shares in aggregate

This acquisition was completed on [●]

DEFINITIONS (Cont'd)

Acquisition of Equity Interests from GHSB and GSB	:	Acquisition by our Company of the equity interests in GESB, GSB, GMSB and GPL for a total purchase consideration of RM26,410,000, which shall be settled in such manner and on such terms as may be agreed between the Company and GHSB and GSB, comprising: (i) 85.91% of the issued share capital of GESB of RM17,182,000 comprising 17,182,000 GESB Shares from GHSB, for a total purchase consideration of RM17,900,000; (ii) approximately 85.91% of the issued share capital of GSB of RM7,560,001 comprising 7,560,001 GSB Shares from GHSB, for a total purchase consideration of RM7,730,000; (iii) entire issued share capital of GMSB of RM750,000 comprising 750,000 GMSB Shares from GSB, for a total purchase consideration of RM700,000; and (iv) entire issued share capital of GPL of SGD50,000 comprising 50,000 GPL Shares from GSB, for a total purchase consideration of RM80,000 (equivalent to approximately SGD23,792, computed based on the exchange rate of RM100:SGD29.74 on 21 April 2025 as published by the Monetary Authority of Singapore) This acquisition was completed on [●]
Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent
AGM	:	Annual General Meeting
AIS or Principal Adviser or Sole Underwriter or Placement Agent	:	Alliance Islamic Bank Berhad (Registration No. 200701018870 (776882-V))
Applicant(s)	:	Applicant(s) for the subscription of our IPO Shares by way of Application Forms or Electronic Share Application and/or Internet Share Application
Application(s)	:	Application(s) for our IPO Shares by way of Application Form, Electronic Share Application and/or Internet Share Application
Application Form(s)	:	Printed application form(s) for the Application of our IPO Shares
ATM(s)	:	Automated teller machine(s)
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application, with respect to payments for our IPO Shares
BCA	:	Building and Construction Authority of Singapore
Board	:	Board of Directors of our Company

DEFINITIONS (Cont'd)

Bumiputera	: In the context of:
	(i) individuals – Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia;
	(ii) companies – a company which fulfils, among others, the following criteria or such other criteria as may be imposed by the MITI:
	(a) registered under the Act as a private company;
	(b) its shareholders are 100.00% Bumiputera; and
	(c) its board of directors (including its staff) are at least 51.00% Bumiputera; and
	(iii) cooperatives – a cooperative whose shareholders or cooperative members are at least 95.00% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository or Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CAGR	: Compound annual growth rate
CCC or CF	: Certificate of completion and compliance or certificate of fitness for occupation permit or such certificate by any other name or permit issued by the relevant authority in Malaysia under the relevant legislation applicable at the material time
CCM	: Companies Commission of Malaysia
CDS	: Central Depository System
CDS Account(s)	: Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
CIDB	: Construction Industry Development Board Malaysia
CIDB Act 1994	: Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994
CMGD	: Certificate of Making Good Defects
CMSA	: Capital Markets and Services Act 2007
COA	: Certificate of Accommodation
Constitution	: Constitution of our Company
COVID-19	: Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
CPC	: Certificate of Practical Completion
CRS	: Contractors Registration System maintained by the BCA
DBKL	: Dewan Bandaraya Kuala Lumpur

DEFINITIONS (Cont'd)

Depositor	: A holder of a CDS Account
Director(s)	: Director(s) of our Company within the meaning given in Section 2 of the CMSA. In the context of our IPO, the Director(s) are Dato' Ir. Dr. Mohd Asbi Bin Othman, Lee Kim Seng, Ir. Oh Chin Wah, Lee Jie Min, Datuk Choy Kah Yew, Serene Hiew Mun Yi and Soh Eng Hooi, collectively
DOSH	: Department of Occupational Safety and Health Malaysia
EBITDA	: Earnings before interest, taxation, depreciation and amortisation
EIS	: Employment Insurance System
Electronic Prospectus	: A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)
Electronic Share Application	: Application for our IPO Shares through Participating Financial Institutions' ATM
Eligible Person(s)	: Eligible Director(s), employee(s) and persons who have contributed to the success of our Group and are eligible to participate in the Pink Form Allocation, collectively
EMSHAA 1990	: Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990
EPF	: Employees Provident Fund
EPS	: Earnings per Share
ESG	: Environmental, social and governance
Equity Guidelines	: Equity Guidelines issued by the SC
Excel Engineering	: Excel Engineering & Construction Sdn Bhd (Registration No. 199301019661 (274399-K))
Financial Years Under Review	: FYE 2022, FYE 2023 and FYE 2024, collectively
FYE(s)	: Financial year(s) ended/ending 31 December, as the case may be
Geohan Share(s) or Share(s)	: Ordinary share(s) in Geohan
GESB Share(s)	: Ordinary share(s) in GESB
GHSB Share(s)	: Ordinary share(s) in GHSB
GMSB Share(s)	: Ordinary share(s) in GMSB
Government	: Government of Malaysia
GP	: Gross profit
GPL Share(s)	: Ordinary share(s) in GPL
Grant Thornton or Reporting Accountants	: Grant Thornton Malaysia PLT (201906003682 (LLP0022494-LCA) & AF 0737)

DEFINITIONS (Cont'd)

GSB Share(s)	: Ordinary share(s) in GSB
IFRS	: International Financial Reporting Standards as issued by the International Accounting Standards Board
IMR Report	: Independent Market Research Report on the Foundation and Geotechnical Industry in Malaysia and Singapore prepared by SMITH ZANDER as set out in Section 7 of this Prospectus
IMR or SMITH ZANDER	: Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V)), the independent market researcher
Independent Valuer or Rahim & Co	: Rahim & Co International Sdn Bhd (Registration No. 201501001265 (1126597-X)), the independent valuer
Internet Participating Financial Institution(s) or Participating Securities Firm(s)	: Participating financial institution(s) or participating securities firm(s) for the Internet Share Application, as listed in Section 15 of this Prospectus
Internet Share Application	: Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institution(s) or Participating Securities Firm(s)
IPO	: Initial public offering of our IPO Shares in conjunction with the listing and quotation of our entire enlarged issued share capital on the Main Market
IPO Price	: The price of RM[●] per IPO Share
IPO Share(s)	132,000,000 new Shares, representing 30.00% of our enlarged issued share capital, which are to be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
IRB	: Inland Revenue Board of Malaysia
ISO	: International Organization for Standardization
Issuing House	: Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
ITA 1967	: Income Tax Act 1967
Key Senior Management	: Key senior management of our Company comprising Low Kok Din, Lai Chee Yong and Ir. Jeremy Lim Wei
LGA 1976	: Local Government Act 1976
Listing	: Admission of our Company to the Official List and the listing and quotation of our entire enlarged share capital on the Main Market
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
Listing Scheme	: Comprising the Acquisitions, Public Issue, Share Transfer and Listing, collectively
LPD	: 10 May 2025, being the latest practicable date prior to the registration of this Prospectus with the SC
Main Market	: Main Market of Bursa Securities

DEFINITIONS (Cont'd)

Malaysian Public	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day(s)	: Any day(s) between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities
MCCG	: Malaysian Code on Corporate Governance issued by the SC
MCO	: The nationwide movement control order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 as a measure to contain the outbreak of COVID-19
MFRS	: Malaysian Financial Reporting Standards
MIA	: Malaysia Institute of Accountants
MICPA	: Malaysian Institute of Certified Public Accountants
MIDA	: Malaysian Investment Development Authority
MITI	: Ministry of Investment, Trade and Industry of Malaysia
MODTCL	Ministry of Domestic Trade and Cost of Living of Malaysia
Moratorium Shareholders or shareholders whose securities are subject to moratorium	: A controlling shareholder, a person connected to a controlling shareholder, and an executive director who is a substantial shareholder of our Company, or any other person as specified by the SC. In the context of our IPO, the Moratorium Shareholders are Rogamas, Lee Kim Seng, Ir. Oh Chin Wah, Lee Jie Min and Lim Tsui Ning, collectively
MPHS	: Majlis Perbandaran Hulu Selangor
MyIPO	: Intellectual Property Corporation of Malaysia
N/A	: Not applicable or not available
NA	: Net assets
NBV	: Net book value
Nil	: None
Non-Independent Executive Director(s)	: Non-independent executive director(s) of our Company, namely Lee Kim Seng (as our Managing Director), Ir. Oh Chin Wah and Lee Jie Min, collectively
Official List	: A list specifying all securities which have been admitted for listing on the Main Market and have not been removed
Participating Financial Institution(s)	: The participating financial institution(s) for the Electronic Share Application, as listed in Section 15 of this Prospectus
PAT	: Profit after taxation
PBT	: Profit before taxation
PE Multiple	: Price-to-earnings multiple
Pink Form Allocation	: Allocation of 11,000,000 IPO Shares to the Eligible Persons pursuant to the Public Issue

DEFINITIONS (Cont'd)

PPE	: Property, plant and equipment
Prescribed Security	: Securities of a company that are prescribed by Bursa Securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository
Promoter(s)	: Rogamas, Lee Kim Seng, Ir. Oh Chin Wah and Lee Jie Min, collectively
Prospectus	: This Prospectus dated [●] in respect of our IPO
Prospectus Guidelines	: Prospectus Guidelines issued by the SC
Public Issue	: Public issue of 132,000,000 IPO Shares, representing 30.00% of our enlarged issued share capital, at the IPO Price, comprising: (i) 22,000,000 IPO Shares, representing 5.00% of our enlarged issued share capital, made available for application by the Malaysian Public via balloting; (ii) 11,000,000 IPO Shares, representing 2.50% of our enlarged issued share capital, made available for application by the Eligible Person(s); (iii) 55,000,000 IPO Shares, representing 12.50% of our enlarged issued share capital, made available by way of private placement to Bumiputera investors approved by the MITI; and (iv) 44,000,000 IPO Shares, representing 10.00% of our enlarged issued share capital, made available by way of private placement to institutional and selected investors
QESH	: Quality, Environment, Safety and Health
Record of Depositors	: A record provided by Bursa Depository to our Company under the Rules of Bursa Depository
Rogamas	: Rogamas Sdn Bhd (Registration No. 200001006270 (508875-T))
Rules of Bursa Depository	: The rules of Bursa Depository as issued pursuant to the SICDA
SAC	: Shariah Advisory Council of the SC
SC	: Securities Commission Malaysia
SDBA 1974	: Street, Drainage and Building Act 1974
Selangor UBBL 1986	: Selangor Uniform Building By-Laws 1986
Share Registrar	: Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))
Share Transfer	: Share transfer by Lee Kim Seng of 114,367,200 Shares to Rogamas during the prescription period
SICDA	: Securities Industry (Central Depositories) Act 1991
SOCSSO	: Social Security Organisation, also known as PERKESO (Pertubuhan Keselamatan Sosial)
SOP(s)	: Standard operating procedure(s)

DEFINITIONS (Cont'd)

SSA(s)	: Share sale and purchase agreement(s) dated 22 April 2025 entered into between our Company (as the purchaser), and the respective shareholders of the companies (as the vendors) under the Acquisitions
UK	: United Kingdom of Great Britain and Northern Ireland
Underwriting Agreement	: The underwriting agreement dated [●] entered into between our Company and our Sole Underwriter pursuant to our IPO
USA	: United States of America
WIP	: Work-in-progress
Valuation Certificate(s)	: The valuation certificate(s) all dated 21 April 2025 issued by the Independent Valuer in respect of the following Property Assets: (i) Bukit Beruntung No. 17; (ii) Bukit Beruntung No. 23; (iii) 3 Tower Level 10 and 3 Tower Level 13; and (iv) DS Property
Vendors	: Rogamas, Lee Kim Seng and Ir. Oh Chin Wah, collectively

OPERATING LOCATIONS OF THE GROUP

Bukit Beruntung Depot	: Lot 16358, Jalan Jasmine 6, Seksyen BB 10, 48300 Bukit Beruntung, Rawang, Selangor
Headquarters	: Headquarters of the Group comprises Lot 40 Property and Lot 42 Property, collectively
Lot 40 Property	: No. 40, Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Wilayah Persekutuan Kuala Lumpur
Lot 42 Property	: No. 42A & 42B, Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Wilayah Persekutuan Kuala Lumpur

PROPERTY ASSETS

3 Tower Level 10	: Unit No. T3-10-20, Tower 3, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur
3 Tower Level 13	: Unit No. T3-13-13, Tower 3, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur
Bukit Beruntung No. 17	: No. 17, Jalan Adenium 3A/2, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan
Bukit Beruntung No. 23	: No. 23, Jalan Adenium 3A/3, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan
DS Property	: Unit No. A-18-06, Block A, Damansara Seresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Petaling Jaya, Selangor Darul Ehsan

CURRENCIES AND UNITS

GFA	: Gross floor area
RM and sen	: Ringgit Malaysia and sen, respectively, the lawful currency of Malaysia
SGD and cent	: Singapore Dollar and cent, respectively, the lawful currency of Singapore
sq. ft.	: Square feet
sq. m.	: Square metres
%	: Per centum

GLOSSARY OF TECHNICAL TERMS

Technical terms used in this Prospectus shall have the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

Admixture	: A substance added into concrete to alter its properties such as workability, durability and permeability
API	: American Petroleum Institute
API pipes	: Steel pipes that adhere to the specifications of the API which are commonly utilised in different industries, including foundation and geotechnical as well as construction industries
Cement grout	: A composite material made of water, cement and sand typically used in foundation works and geotechnical works to fill drilled shafts
Chemical grouting	: A ground improvement technique where chemical solutions such as silicates, acrylates or polyurethanes are injected into the soil underground, binding underground soil in place as it permeates between soil particles and solidifies
Cohesive soil	: A type of soil that have high water retention and adhesive properties, such as clay and silt
Compaction grouting	: A ground improvement technique where a thick grout is pumped into the ground, thus compacting and densifying the surrounding soil particles
Dynamic load test	: A test conducted to evaluate the load-bearing capacity of piling systems under dynamic loads by applying a substantial impact load to the test piles to assess the integrity and strength of the foundation system
Geotextile	: A permeable geosynthetic (i.e. products made of synthetic materials) textile commonly used to increase soil stability, provide erosion control and promote drainage
Hilly terrain	: Refers to a land area of moderate to high elevation consisting of a series of hills and varying slopes
In-situ	: Means “at the construction site” or “on site”
Instrumented bi-directional load test	: A test conducted to evaluate the load-bearing capacity of piling systems by installing hydraulic jacks within the test piles, which apply upward and downward loads from within the pile simultaneously to test both upper and lower sections of the piles
Jet grouting	: A ground improvement technique where cement grout is injected into the soil underground, mixing with the soil particles to form a stronger mass when the cement grout solidifies
Load-bearing capacity	: Refers to the maximum amount of weight a structure can support without experiencing failure
Mulch	: A protective layer in the form of loose coverings or sheets that is spread on the surface of the soil to promote the germination of seeds by assisting in amongst others, the retention of soil moisture, suppression of the growth of weeds as well as the protection of plant roots from extreme temperatures
Permeability	: Refers to the capacity or ability of the ground to enable fluid to pass through it

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Saturated soil	: A soil condition where the spaces between soil particles are saturated with groundwater, resulting in the soil to be at its maximum moisture content. Saturated soil is often present in areas in proximity to water bodies
Site setting out	: Refers to the process of transferring the dimensions and measurements of a structure to the site actual location according to the drawing
Static axial compression load test	: A test conducted to evaluate the load-bearing capacity of piling systems by gradually applying load to test piles, simulating the weight of the structures to be constructed above the piling systems
Telemetry system	: A system that measures, collects and transmits historical and real time data from remote systems to a central system for monitoring and analysis
Tremie pipe	: A vertical pipe used to fill concrete into excavated shafts or areas
Topography	: Refers to the natural features, terrain and landscape of a land
Tube-a-manchette pressure grouting	: A ground improvement technique where grout is pumped into the ground with perforated pipes which allows the injection of grout at selected intervals
Water table	: Refers to the boundary between the saturated soil and unsaturated soil (i.e. soil that is not saturated with groundwater)
Water-tightness	: Refers to the ability of a material to prevent the passage of fluid

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name / (Designation)	Address	Nationality / Gender
Dato' Ir. Dr. Mohd Asbi Bin Othman <i>(Independent Non-Executive Chairman)</i>	No. 8, Jalan Senator U1/72B Seksyen U1 40150 Shah Alam Selangor	Malaysian / Male
Lee Kim Seng <i>(Managing Director)</i>	146-1-2, Villa Flora Jalan Burhanuddin Helmi Taman Tun Dr. Ismail 60000 Kuala Lumpur	Malaysian / Male
Ir. Oh Chin Wah <i>(Non-Independent Executive Director)</i>	A-32-1, 9 Bukit Utama No. 9, Persiaran Bukit Utama Bandar Utama 47800 Petaling Jaya Selangor	Malaysian / Male
Lee Jie Min <i>(Non-Independent Executive Director)</i>	146-1-2, Villa Flora Jalan Burhanuddin Helmi Taman Tun Dr. Ismail 60000 Kuala Lumpur	Malaysian / Female
Datuk Choy Kah Yew <i>(Independent Non-Executive Director)</i>	No. 22, Jalan Batai Villa Kristal Heights 68100 Batu Caves Selangor	Malaysian / Male
Serene Hiew Mun Yi <i>(Independent Non-Executive Director)</i>	No. 9, Jalan Frekuensi U16/132 Elmina Garden 40160 Shah Alam Selangor	Malaysian / Female
Soh Eng Hooi <i>(Independent Non-Executive Director)</i>	No. 88, Jalan BU 11/6 Bandar Utama 47800 Petaling Jaya Selangor	Malaysian / Female

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1. CORPORATE DIRECTORY (Cont'd)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Datuk Choy Kah Yew	Chairperson	Independent Non-Executive Director
Serene Hiew Mun Yi	Member	Independent Non-Executive Director
Soh Eng Hooi	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Serene Hiew Mun Yi	Chairperson	Independent Non-Executive Director
Datuk Choy Kah Yew	Member	Independent Non-Executive Director
Soh Eng Hooi	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Soh Eng Hooi	Chairperson	Independent Non-Executive Director
Datuk Choy Kah Yew	Member	Independent Non-Executive Director
Serene Hiew Mun Yi	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (*Cont'd*)

COMPANY SECRETARIES	: Cospec Management Services Sdn Bhd (Registration No.: 199301023725 (278463-H)) Third Floor, No. 73, 75, 77, 79 & 81 Jalan SS21/60, Damansara Utama 47400 Petaling Jaya Selangor Telephone No. : (603) 7725 1777 Tea Sor Hua SSM Practicing : 201908001272 Certificate No. Professional : Malaysian Association of Company Qualification Secretaries ("MACS") (Membership No.: MACS 01324) Lee Siew Fun SSM Practicing : 202008000735 Certificate No. Professional : Malaysian Institute of Chartered Secretaries qualification and Administrations ("MAICSA") (Membership No.: MAICSA 7063623)
REGISTERED OFFICE	: Third Floor, No. 77, 79 & 81 Jalan SS21/60 Damansara Utama 47400 Petaling Jaya Selangor Telephone No. : (603) 7725 1777 Email : info@cospec.com.my
HEAD OFFICE	: No. 40, 42A & 42B Jalan Datuk Sulaiman Taman Tun Dr. Ismail 60000 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : (603) 7727 3608 Email : email@geohan.com Website : www.geohan.com
PRINCIPAL ADVISER, SOLE UNDERWRITER AND PLACEMENT AGENT	: Alliance Islamic Bank Berhad (Registration No.: 200701018870 (776882-V)) Level 3, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : (603) 2604 3333

1. CORPORATE DIRECTORY (*Cont'd*)

AUDITORS AND REPORTING ACCOUNTANTS	: Grant Thornton Malaysia PLT (201906003682 (LLP0022494-LCA) & AF 0737) Level 11, Sheraton Imperial Court Jalan Sultan Ismail 50250 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : (603) 2692 4022 Partner-in-charge : Lim Chooi Ling License No. : 03537/11/2026 (J) Professional qualification : Chartered Accountant of the Malaysian Institute of Accountants (Membership No.: 43120) Fellow Certified Practicing Accountant, Australia (Membership No.: 10174276)
SOLICITORS FOR OUR IPO	: Solicitors as to the laws of Malaysia: Jeff Leong, Poon & Wong B-11-8, Level 11 Megan Avenue II Jalan Yap Kwan Seng 50450 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : (603) 2203 3388 Solicitors as to the laws of Singapore: Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624 Telephone No. : (65) 6225 2626
INDEPENDENT MARKET RESEARCHER	: Smith Zander International Sdn Bhd (Registration No.: 201301028298 (1058128-V)) 15-01, Level 15, Menara MBMR 1, Jalan Syed Putra 58000 Kuala Lumpur Telephone No. : (603) 2732 7537 Managing Partner : Dennis Tan Tze Wen Professional qualification : Bachelor of Science, Memorial University of Newfoundland, Canada <i>(Please refer to Section 7 of this Prospectus for the profile of the Managing Partner)</i>

1. CORPORATE DIRECTORY (Cont'd)

INDEPENDENT VALUER	: Rahim & Co International Sdn Bhd (Registration No.: 201501001265 (1126597-X)) Level 10, Menara Perak 24, Jalan Perak 50450 Kuala Lumpur Telephone No. : (603) 2691 9922 Sr Thong Soo Fun Professional : Registered Valuer of the Board of Valuers, qualification Appraisers, Estate Agents and Property Managers (Registration No. V-561) Sr Chee Kok Thim Professional : Registered Valuer of the Board of Valuers, qualification Appraisers, Estate Agents and Property Managers (Registration No. V-325)
SHARE REGISTRAR	: Boardroom Share Registrars Sdn Bhd (Registration No.: 199601006647 (378993-D)) 11th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13 46200 Petaling Jaya, Selangor Telephone No. : (603) 7841 8000
ISSUING HOUSE	: Malaysian Issuing House Sdn Bhd (Registration No.: 199301003608 (258345-X)) 11th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13 46200 Petaling Jaya, Selangor Telephone No. : (603) 7890 4700
LISTING SOUGHT	: Main Market

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2. APPROVALS AND CONDITIONS**2.1 APPROVALS FROM RELEVANT AUTHORITIES****2.1.1 SC**

The SC had, vide its letter dated [●], approved our IPO and our Listing under Section 214(1) of the CMSA, subject to compliance with the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	[●]	[●]
2.	[●]	[●]

The SC had also, vide its letter dated [●], approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to our Company allocating Shares equivalent to 12.50% of our enlarged number of issued shares to Bumiputera investors to be approved by the MITI. In addition, our Company is required to make available at least 50.00% of the Shares offered to the Malaysian Public via balloting to Bumiputera public investors.

2.1.2 Bursa Securities

Bursa Securities had, vide its letter dated [●], approved the admission of our Company to the Official List and the listing and quotation of our entire enlarged issued share capital on the Main Market, subject to compliance with the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	[●]	[●]
2.	[●]	[●]

2.1.3 MITI

The MITI had, vide its letter dated [●], taken note of and has no objection to our Listing.

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2. APPROVALS AND CONDITIONS (Cont'd)**2.2 MORATORIUM ON SALE OF SHARES**

Pursuant to Paragraph 5.29(a), Part II of the Equity Guidelines, our Moratorium Shareholders will not be allowed to sell, transfer or assign any of their holdings in our Company for a period of six (6) months from the date of our Listing ("**Moratorium Period**").

The details of our Shares which will be subject to the moratorium during the Moratorium Period are as set out below:

Name	Direct		Indirect	
	No. of Shares	(1) %	No. of Shares	(1) %
Rogamas ⁽²⁾	242,000,000	55.00	-	-
Lee Kim Seng ⁽²⁾	53,155,000	12.08	⁽³⁾ 242,000,000	55.00
Ir. Oh Chin Wah	⁽⁴⁾ 15,145,000	3.44	-	-
Lee Jie Min ⁽²⁾	⁽⁴⁾ 1,300,000	0.30	-	-
Lim Tsui Ning ⁽²⁾	-	-	⁽⁵⁾ 295,155,000	67.08

Notes:

- (1) Based on our enlarged issued share capital of 440,000,000 Shares after our IPO and Share Transfer.
- (2) Rogamas' shareholders and their respective direct interest in Rogamas are Lee Kim Seng (60.00%) and Lim Tsui Ning (40.00%). Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.
- (3) Deemed interested by virtue of his direct interest in Rogamas pursuant to Section 8 of the Act.
- (4) Assuming he/she will fully subscribe for his/her respective allocation under the Pink Form Application.
- (5) Deemed interested by virtue of her direct interest in Rogamas pursuant to Section 8 of the Act, as well as the direct interest in our Company held by her spouse, Lee Kim Seng.

The above parties have provided letters of undertaking to the SC that they will not sell, transfer or assign any part of their shareholdings in our Company during the Moratorium Period.

Further, in accordance with Paragraph 5.30, Part II of the Equity Guidelines, where the Moratorium Shareholder(s) are entities which are not listed, all direct and indirect holders of these entities, if they are individuals or other entities which are not listed up to the ultimate individual holders must give an undertaking to the SC that they will not sell, transfer or assign any of their respective holdings in the entities which are not listed during the Moratorium Period. Pursuant thereto, the shareholders of Rogamas, namely Lee Kim Seng and Lim Tsui Ning have provided letters of undertaking to the SC that they will not sell, transfer or assign any part of their shareholdings in Rogamas during the Moratorium Period.

The above moratorium restrictions, which is fully acknowledge and accepted by our Moratorium Shareholders and their respective shareholders, where applicable, are specifically endorsed on the share certificates representing our Shares held by the Moratorium Shareholders, which are under moratorium to ensure that our Share Registrar will not register any sale, transfer or assignment that contravenes the aforesaid restrictions.

3. PROSPECTUS SUMMARY

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

3.1 PRINCIPAL DETAILS OF OUR IPO

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

	Number of Shares	%
IPO Shares to be issued under the Public Issue	132,000,000	30.00
- <i>Malaysian Public</i>		
▪ <i>Bumiputera investors</i>	11,000,000	2.50
▪ <i>Non-Bumiputera investors</i>	11,000,000	2.50
- <i>Eligible Persons</i>	11,000,000	2.50
- <i>Private placement to Bumiputera investors approved by the MITI</i>	55,000,000	12.50
- <i>Private placement to institutional and selected investors</i>	44,000,000	10.00
Enlarged issued share capital upon Listing	RM[●] comprising 440,000,000 Shares	
IPO Price		RM[●]
Market capitalisation upon Listing (based on our IPO Price and our enlarged issued share capital after our IPO)		RM[●]

Our Moratorium Shareholders' entire shareholdings after our IPO will be held under moratorium for six (6) months from the date of our Listing. In addition, the shareholders of Rogamas, namely Lee Kim Seng and Lim Tsui Ning, have provided letters of undertaking that they will not sell, transfer or assign any part of their shareholdings in Rogamas for six (6) months from the date of our Listing.

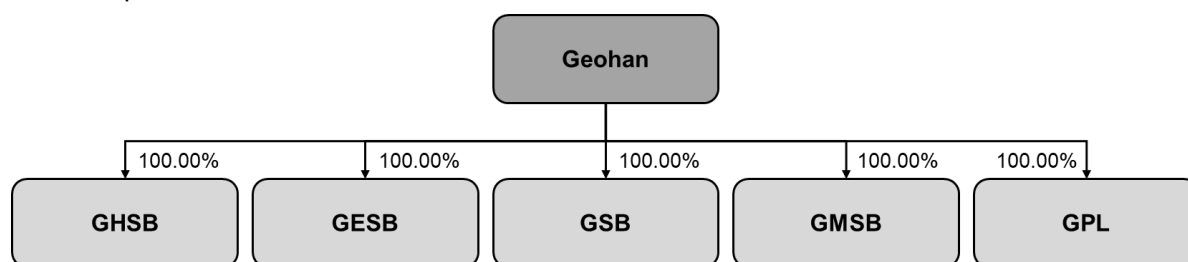
Further details on moratorium on our Shares and our IPO are set out in Sections 2.2 and 4.1 of this Prospectus, respectively.

3.2 BACKGROUND INFORMATION OF OUR GROUP AND BUSINESS OPERATIONS

Our Company was incorporated in Malaysia under the Companies Act 1965 on 29 January 2016 as a private limited company under the name of Geohan Corporation Sdn Bhd and is deemed registered under the Act. Our Company was converted into a public limited company on 21 March 2016. Our Company was subsequently converted back to a private limited company on 25 November 2024 to facilitate the implementation of the pre-listing re-organisation exercise. Subsequently on 23 April 2025, our Company was converted to a public limited company and assumed our present name to facilitate the Listing.

Our Company is an investment holding company. Through our Subsidiaries, we are principally involved in provision of foundation and geotechnical services, as well as other related services. Our services mainly focus on construction activities conducted below ground level, for the purpose of providing a stable foundation to uphold the load of buildings and infrastructure built above ground level.

Our Group structure is as follows:



Upon completion of the Acquisitions on [●], our Group was formed. Further details of our Subsidiaries are set out in Section 6.2 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

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

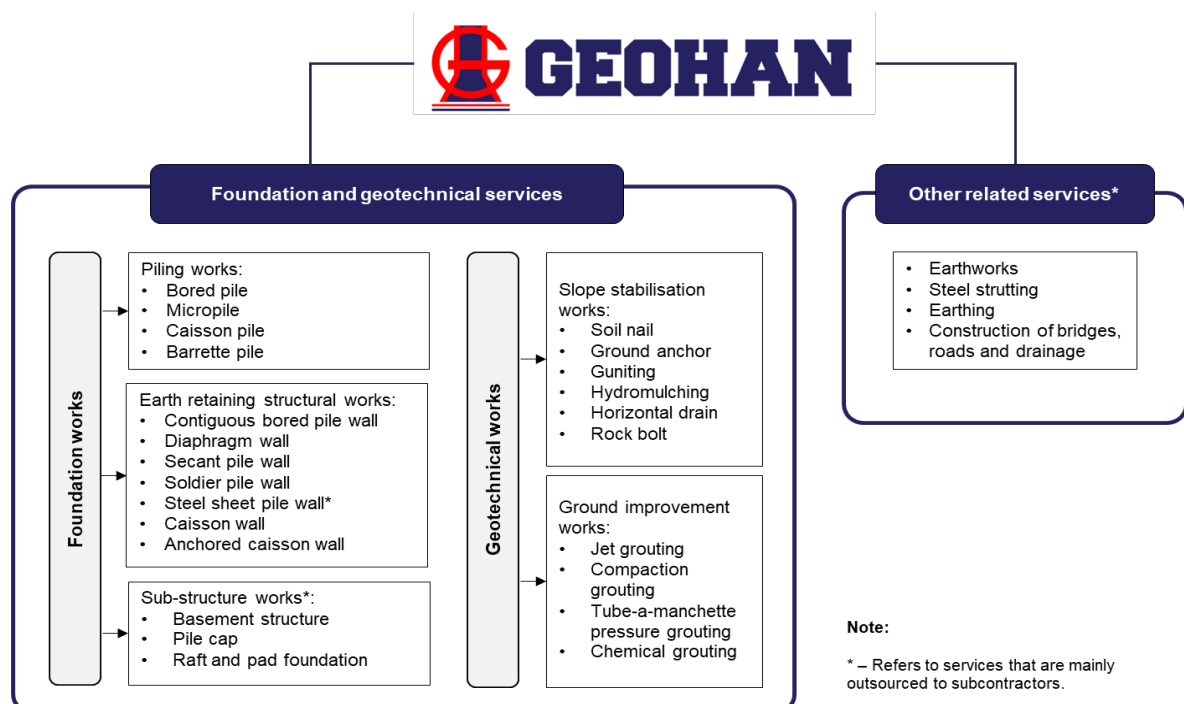


GEOHAN

Service offerings and revenue contribution	<table> <tr> <th></th> <th>FYE 2024</th> <th></th> </tr> <tr> <th></th> <th>RM'000</th> <th>%</th> </tr> <tr> <td>• Foundation and geotechnical services</td> <td>351,390</td> <td>88.91</td> </tr> <tr> <td>• Other related services</td> <td>43,826</td> <td>11.09</td> </tr> </table>		FYE 2024			RM'000	%	• Foundation and geotechnical services	351,390	88.91	• Other related services	43,826	11.09									
	FYE 2024																					
	RM'000	%																				
• Foundation and geotechnical services	351,390	88.91																				
• Other related services	43,826	11.09																				
Customers / types of development involved and revenue contribution	<table> <tr> <th></th> <th>FYE 2024</th> <th></th> </tr> <tr> <th></th> <th>RM'000</th> <th>%</th> </tr> <tr> <td>• Property developers</td> <td>267,871</td> <td>67.78</td> </tr> <tr> <td>• Main contractors</td> <td>81,791</td> <td>20.70</td> </tr> <tr> <td>• Government-linked corporations</td> <td>44,421</td> <td>11.24</td> </tr> <tr> <td>• Concessionaires</td> <td>1,133</td> <td>0.28</td> </tr> </table>		FYE 2024			RM'000	%	• Property developers	267,871	67.78	• Main contractors	81,791	20.70	• Government-linked corporations	44,421	11.24	• Concessionaires	1,133	0.28			
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	<table> <tr> <th></th> <th>FYE 2024</th> <th></th> </tr> <tr> <th></th> <th>RM'000</th> <th>%</th> </tr> <tr> <td>• Residential</td> <td>208,460</td> <td>52.75</td> </tr> <tr> <td>• Mixed development</td> <td>102,883</td> <td>26.03</td> </tr> <tr> <td>• Industrial</td> <td>47,928</td> <td>12.13</td> </tr> <tr> <td>• Commercial</td> <td>24,351</td> <td>6.16</td> </tr> <tr> <td>• Infrastructure</td> <td>11,594</td> <td>2.93</td> </tr> </table>		FYE 2024			RM'000	%	• Residential	208,460	52.75	• Mixed development	102,883	26.03	• Industrial	47,928	12.13	• Commercial	24,351	6.16	• Infrastructure	11,594	2.93
	FYE 2024																					
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• Industrial	47,928	12.13																				
• Commercial	24,351	6.16																				
• Infrastructure	11,594	2.93																				
Locations	• Headquarters (Kuala Lumpur) • Bukit Beruntung Depot																					

Our Group is headquartered in Kuala Lumpur, and our business operations are supported by our Group's storage and depot facility in Bukit Beruntung, Selangor, where we store our machinery and equipment as well as carry out repair, maintenance and upkeep of machinery and equipment.

Our Group's service offerings under our business segments are as follows:



3. PROSPECTUS SUMMARY (Cont'd)

Our piling works (save for jack-in piling works), earth retaining structural works (save for steel sheet pile wall) and geotechnical works are mainly carried out in-house using machinery and equipment owned by our Group, whereas sub-structure works are mainly outsourced to subcontractors in order to focus our resources on piling works, earth retaining structural works and geotechnical works. Our Group may also outsource some piling works, earth retaining structural works and geotechnical works to subcontractors in the event of resource constraints such as insufficient machinery capacity or manpower.

Our Group may carry out cut and fill excavation earthworks in-house, subject to the availability of internal resources, whereas earthworks involving soil dumping are outsourced to licensed subcontractors. Steel strutting, earthing as well as the construction of bridges, roads and drainage are generally outsourced to subcontractors, as they typically require specialised machinery and equipment and/or technical expertise that are not equipped by our Group.

The breakdown of our Group's sales revenue by business segment for the Financial Years Under Review are as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Foundation and geotechnical services	203,673	97.93	298,646	92.22	351,390	88.91
Other related services	4,302	2.07	25,188	7.78	43,826	11.09
Total	207,975	100.00	323,834	100.00	395,216	100.00

Our principal market is in Malaysia as all our foundation and geotechnical services are provided to customers in Malaysia, particularly customers in Peninsular Malaysia. An overview of our geographical markets based on the location of projects undertaken by our Group is as follows:



The breakdown of our Group's revenue by geographical location for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Peninsular Malaysia: ⁽¹⁾						
- Central ⁽²⁾	149,318	71.80	226,400	69.91	302,563	76.56
- Eastern ⁽³⁾	39,081	18.79	66,369	20.50	59,813	15.13
- Northern ⁽⁴⁾	19,576	9.41	21,800	6.73	20,665	5.23
- Southern ⁽⁵⁾	-	-	9,265	2.86	12,175	3.08
Total	207,975	100.00	323,834	100.00	395,216	100.00

Notes:

- (1) The classification of revenue by geographical region is based on the locations of projects.
- (2) Central region comprises Kuala Lumpur and Selangor.
- (3) Eastern region comprises Pahang.
- (4) Northern region comprises Penang and Kedah.
- (5) Southern region comprises Melaka and Johor.

Further details of our principal business activities are set out in Section 6.3 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our competitive advantages and key strengths are set out as follows:

- (i) We offer a comprehensive range of services, positioning us as a total solution provider for foundation and geotechnical services;
 - (a) Ability to cater to a diversified portfolio of construction projects across residential, mixed development, industrial, commercial and infrastructure sectors;
 - (b) Ability to secure a large customer base throughout Malaysia due to our ability to provide a wide range of foundation and geotechnical services; and
 - (c) Ability to undertake projects involving various types of terrain including the hilly landscapes and flat grounds in urban locations;
- (ii) We have accumulated in-depth industry knowledge and geotechnical engineering expertise over the span of approximately 30 years of experience in the foundation and geotechnical industry;
- (iii) Our fleet of machinery and equipment, supported by in-house repair and maintenance team, provide us the capability and flexibility to undertake various projects simultaneously;
- (iv) We have an established and proven track record of approximately 30 years in the foundation and geotechnical industry; and
- (v) We have an experienced Key Senior Management team with strong foundation and geotechnical industry knowledge and functional expertise to support the growth of our Group.

Further details of our competitive strengths are set out in Section 6.17 of this Prospectus.

3.4 BUSINESS STRATEGIES AND FUTURE PLANS

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

(i) **Expand our fleet of machinery to increase our operating capacity**

As we continue to secure more projects and expand our business, we intend to expand our fleet of machinery and equipment to increase our operating capacity as well as to enhance our operational efficiency by purchasing [●] rotary boring rigs, which will be used to carry out bored piling works, [●] crawler cranes and [●] excavators to support our operations, which will be used to handle heavy materials on-site.

Our Group typically has multiple projects progressing at different stages and schedules simultaneously across various locations. Therefore, these additional machinery will provide greater flexibility in resource allocation, allowing us to promptly deploy machines across various projects in different locations.

The expansion of our fleet of machinery is expected to minimise delays and/or expedite project delivery, thereby enhancing our competitive edge in the industry, allowing us to secure more projects and capture greater market share as we continue to grow our business.

(ii) **Expand our customer reach and establish our presence in Singapore**

As at the LPD, we solely operate from Malaysia and all our foundation and geotechnical services are provided to customers in Malaysia. Between 2009 and 2011, we secured 13 letters of awards for projects in Singapore which we had successfully completed, whereby one of the notable projects include the modification of the Jurong East MRT Station. Subsequent to that, we have ceased providing foundation and geotechnical services to customers in Singapore to focus our resources in growing our business and solidifying our position in the foundation and geotechnical industry in Malaysia.

As we have achieved a steady growth in our business and financial performance in Malaysia in recent years, we are ready to undertake an expansion plan to expand our customer reach to Singapore. We intend to penetrate into the Singapore market by offering foundation works, in particular bored piling works, which are the main piling works conducted by our Group, at the initial stage of expansion. Depending on the type of project available in the Singapore market, we may expand our offering to other related foundation works should the opportunities arise in the future. In line with our expansion plan, we have obtained our Specialist Builder (Piling Works) license as well as our CRS registration with the BCA in January 2025 and May 2025, respectively, and have resumed the efforts in tendering projects in Singapore.

3. PROSPECTUS SUMMARY (Cont'd)

Further, we plan to establish our physical presence in Singapore by setting up a local sales and administrative office (“**Singapore Office**”) through renting a co-working space at the initial stage of our expansion plan. As at the LPD, our Group is in the midst of identifying a suitable co-working space for our Singapore Office. We expect to identify the location and commence the operations of our Singapore Office by the first quarter of 2026 or upon securing projects in Singapore, whichever occurs first. The Singapore Office will allow us to be in close proximity to, and accessible by, local potential customers in Singapore, thus providing greater confidence to local potential customers to engage our Group for foundation and geotechnical services.

Once we have successfully secured projects in Singapore, we intend to have approximately 20 employees stationed in Singapore to support our operation, including a director, a project manager, a work, safety and health coordinator, site supervisors and machine operators, amongst others. As at the LPD, we have employed two (2) project managers (of which one (1) is also a director) and a site supervisor to identify potential business opportunities, approach potential customers and business associates, as well as to participate in project tenders in Singapore. We have also identified approximately six (6) of our existing employees to be transferred to Singapore to support our operations upon project kick-off. Further, upon commencement of projects, we will transport the necessary machinery and equipment from our Bukit Beruntung Depot on a project basis to support our operations in Singapore. Further details on the indicative timeline for the setting up of our team in Singapore are set out in Section 6.18.2 of this Prospectus.

According to the IMR Report, the construction industry in Singapore recorded a CAGR of 5.86% from SGD35.72 billion (RM108.48 billion) in 2019 to SGD47.48 billion (RM162.52 billion) in 2024. Moving forward, according to the BCA, the construction industry is expected to continue growing with the demand for construction projected to be between SGD47.00 billion (RM160.87 billion) and SGD53.00 billion (RM181.41 billion) for 2025. With our in-depth industry experience and technical expertise, we believe that our Group is well positioned to tap into the upward trend of the construction industry in Singapore to secure foundation and geotechnical contracts in Singapore.

Further details of our business strategies and future plans are set out in Section 6.18 of this Prospectus.

3.5 RISK FACTORS

Our business is subject to a number of risk factors, many of which may have a material adverse impact on our business operations, financial positions and performance. Further details on our risk factors are set out in Section 8 of this Prospectus which should be considered before investing in our Shares.

- (i) **We are subject to regulatory requirements for the certificate of registration and license for our business operations** – If our Group is unable to maintain or renew our certificate of registration with CIDB and our Specialist Builder (Piling Works) licence as well as CRS registration with BCA, our business operations in Malaysia and our expansion plan into Singapore may be adversely affected;
- (ii) **We are exposed to unexpected interruptions or delays caused by geotechnical risk, machinery and equipment failures as well as other external factors, which may lead to interruptions in our operations** – The time frame required to complete our foundation and geotechnical construction works may be adversely affected by various external factors which are beyond our control;
- (iii) **Our growth and profitability are dependent on our ability to continuously secure new projects and maintain or grow our order book** – Due to the nature of our business whereby we provide foundation and geotechnical services on a project basis, our financial performance may fluctuate and is dependent on our ability to continuously secure new projects. Failure to do so may result in a decline in our order book, which may lead to adverse impact to our growth and profitability;
- (iv) **We are exposed to contractual pricing mechanism which lacks flexibility for adjustment** – As our contractual pricing mechanism lacks flexibility for adjustment, any underestimation of costs and/or unanticipated increase in operating costs may result in cost overruns for our projects. Under such pricing mechanisms, cost overruns would have to be absorbed by our Group, thereby adversely affecting our profitability and financial performance;

3. PROSPECTUS SUMMARY (Cont'd)

- (v) **We are exposed to risks relating to workplace health, safety and environment practices** – Our business operations are subject to laws and regulations relating to workplace HSE requirements enacted or issued by government bodies. Legislation, regulations and industry code of practice applicable to our workplace HSE practices include the OSHA 1994 and the EQA 1974;
- (vi) **There is no assurance that our business strategies and future plans will be commercially successful** – The implementation of our business strategies and future plans is subject to additional expenditures including operational expenditures and other working capital requirements, which will increase our Group's overall operational cost, including overhead costs and cost of sales. This may result in an adverse impact to our profit margin if we are unable to gain sufficient revenue following the execution of our business strategies and future plans;
- (vii) **We are dependent on our Managing Director, Non-Independent Executive Directors and Key Senior Management for the continued success and growth of our business** – The loss of any of our Managing Director, Non-Independent Executive Directors and Key Senior Management simultaneously or within a short period of time may unfavourably impact our Group's operations and the future growth of our business. If we are unable to attract suitable talents to replace the loss of any of our Managing Director, Non-Independent Executive Directors or Key Senior Management in a timely manner, our business operations, financial performance and prospects will be adversely affected;
- (viii) **We are dependent on the quality of services of our subcontractors** – Our Group engages subcontractors to carry out sub-structure works, earthworks, and other related services, as well as to perform labour-intensive works and/or works that require specific license. In the event our subcontractors do not have the required skills, experience and resources, we may be exposed to risks of poor quality of work, delays and/or costs overrun for our projects, which may lead to our customers claiming damages and penalties from us as well as harming our reputation in the industry;
- (ix) **We are exposed to risks arising from defect liability periods, including claims from customers due to defective or unsatisfactory works by our Group and/or our subcontractors, as well as uncollectible retention sums** – The defect liability periods of our contracts range from one (1) to two (2) years from the receipt of CPC from our customers. Any findings of defective works or dissatisfaction amongst our customers within the defect liability period may give rise to claims against our Group, which may result in the incurrence of additional costs for the remediation or rectification works;
- (x) **We are exposed to credit risks and default payment by customers** – We generally grant our customers a credit period of up to 60 days upon completion of a project milestone as stipulated in the respective contracts. In the event of not receiving payment within the credit period or default in payment by our customers, our operating cash flows or financial results of operations may be adversely affected. Further, it may also lead to impairment losses on financial assets or writing-off of trade receivables as bad debts, which may adversely affect our financial performance;
- (xi) **Our insurance coverage may be inadequate to cover all losses or liabilities that may arise in connection with our operations** – We maintain insurance at levels that are customary in our industry to protect against various losses and liabilities. However, there is no assurance that our insurance coverage is sufficient to cover all damages to our Group or business operations;
- (xii) **We are exposed to borrowing and interest risks** – Our Group's business operations are funded through a combination of internally generated funds and external financing from financial institutions and machinery leasing companies. As such, we have interest commitment due to loan or borrowings granted by financial institutions and machinery leasing companies. Any additional borrowings or increase in interest rates which is beyond our control may adversely affect our profitability; and
- (xiii) **We may be involved in legal and other proceedings arising from our operations** – We may, from time to time, be involved in disputes with various parties in the course of carrying out our business which may be due to amongst others, disputes on progress payments, variation orders, retention sum, defective workmanship, non-compliance with specifications or otherwise relating to our projects.

3. PROSPECTUS SUMMARY (Cont'd)

3.6 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS OF OUR GROUP

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

Name	Country of incorporation / Nationality	After the Acquisitions but before our IPO				After the Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1) (%)	No. of Shares	(1) (%)	No. of Shares	(2) (%)	No. of Shares	(2) (%)
<u>Promoters and substantial shareholders</u>									
Rogamas ⁽⁴⁾	Malaysia	127,632,800	41.44	-	-	127,632,800	29.01	-	-
Lee Kim Seng ⁽⁴⁾	Malaysian	167,522,200	54.39	⁽⁵⁾ 127,632,800	41.44	167,522,200	38.07	⁽⁵⁾ 127,632,800	29.01
<u>Promoters</u>									
Ir. Oh Chin Wah	Malaysian	12,845,000	4.17	-	-	⁽⁷⁾ 15,145,000	3.44	-	-
Lee Jie Min ⁽⁴⁾	Malaysian	-	-	-	-	⁽⁷⁾ 1,300,000	0.30	-	-
<u>Substantial shareholder</u>									
Lim Tsui Ning ⁽⁴⁾	Malaysian	-	-	⁽⁶⁾ 295,155,000	95.83	-	-	⁽⁶⁾ 295,155,000	67.08

Name	Country of incorporation / Nationality	After the Share Transfer			
		Direct		Indirect	
		No. of Shares	(3) (%)	No. of Shares	(3) (%)
<u>Promoters and substantial shareholders</u>					
Rogamas ⁽⁴⁾	Malaysia	242,000,000	55.00	-	-
Lee Kim Seng ⁽⁴⁾	Malaysian	53,155,000	12.08	⁽⁵⁾ 242,000,000	55.00
<u>Promoters</u>					
Ir. Oh Chin Wah	Malaysian	⁽⁷⁾ 15,145,000	3.44	-	-
Lee Jie Min ⁽⁴⁾	Malaysian	⁽⁷⁾ 1,300,000	0.30	-	-
<u>Substantial shareholder</u>					
Lim Tsui Ning ⁽⁴⁾	Malaysian	-	-	⁽⁶⁾ 295,155,000	67.08

3. PROSPECTUS SUMMARY (Cont'd)**Notes:**

- (1) Based on our issued share capital of 308,000,000 Shares after the Acquisitions but before our IPO.
- (2) Based on our enlarged issued share capital of 440,000,000 Shares after the Public Issue.
- (3) Based on our enlarged issued share capital of 440,000,000 Shares after the Public Issue and Share Transfer.
- (4) Rogamas' shareholders and their respective direct interest in Rogamas are Lee Kim Seng (60.00%) and Lim Tsui Ning (40.00%). Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.
- (5) Deemed interested by virtue of his direct interest in Rogamas pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of her direct interest in Rogamas pursuant to Section 8 of the Act as well as the direct interest in our Company held by her spouse, Lee Kim Seng.
- (7) Assuming he/she will fully subscribe for his/her respective allocation under the Pink Form Application.

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

3.7 DIRECTORS AND KEY SENIOR MANAGEMENT OF OUR GROUP

Our Directors and Key Senior Management are as follows:

Name	Designation
<u>Directors</u>	
Dato' Ir. Dr. Mohd Asbi Bin Othman	Independent Non-Executive Chairman
Lee Kim Seng	Managing Director
Ir. Oh Chin Wah	Non-Independent Executive Director
Lee Jie Min	Non-Independent Executive Director
Datuk Choy Kah Yew	Independent Non-Executive Director
Serene Hiew Mun Yi	Independent Non-Executive Director
Soh Eng Hooi	Independent Non-Executive Director
<u>Key Senior Management</u>	
Low Kok Din	Chief Financial Officer
Lai Chee Yong	General Manager
Ir. Jeremy Lim Wei	Deputy General Manager

Further details of our Directors and Key Senior Management are set out in Section 5.2 of this Prospectus.

3.8 USE OF PROCEEDS

The total gross proceeds from the Public Issue will be amount to RM[•] million based on the IPO Price. We expect the proceeds to be used in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the Listing date)
Capital expenditure	[•]	[•]	Within 36 months
Working capital	[•]	[•]	Within 12 months
Estimated listing expenses	[•]	[•]	Within 3 months
Total	[•]	[•]	

There is no minimum subscription to be raised from our IPO. Further details on the use of proceeds are set out in Section 4.5 of this Prospectus.

The financial impact of the use of proceeds from our Public Issue is illustrated in the Pro Forma Combined Statements of Financial Position as at 31 December 2024 as set out in Section 11.11 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)**3.9 FINANCIAL HIGHLIGHTS**

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

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
Revenue	207,975	323,834	395,216
Cost of sales	(186,771)	(288,573)	(349,983)
GP	21,204	35,261	45,233
Other income	3,845	665	4,161
EBITDA ⁽¹⁾	35,434	45,068	54,841
PBT	9,967	17,560	22,284
PAT	7,721	16,175	16,008
Profit attributable to:			
- Owners of our Company	6,685	13,947	13,824
- Non-controlling interests ⁽²⁾	1,036	2,228	2,184
Assumed no. of Shares in issue			
- After the Acquisitions ⁽³⁾ ('000)	308,000	308,000	308,000
- After the Public Issue ⁽⁴⁾ ('000)	440,000	440,000	440,000
Basic and diluted EPS			
- After the Acquisitions ⁽⁵⁾ (sen)	2.51	5.25	5.20
- After the Public Issue ⁽⁶⁾ (sen)	1.75	3.68	3.64
Total assets	288,065	355,656	401,852
Net assets attributable to owners of our Company	95,019	108,942	115,249
Total equity	108,140	124,287	131,524
Total liabilities	179,925	231,369	270,328
Net cash from operating activities	37,267	45,778	56,170
Net cash used in investing activities	(8,664)	(3,953)	(5,385)
Net cash used in financing activities	(22,934)	(30,787)	(44,839)
Cash and cash equivalents	17,585	28,630	34,570

The key financial ratios of our Group are as follows

	Audited FYE		
	2022	2023	2024
GP margin (%) ⁽⁷⁾	10.20	10.89	11.45
EBITDA margin ⁽⁸⁾ (%)	17.04	13.92	13.88
PBT margin (%) ⁽⁹⁾	4.79	5.42	5.64
PAT margin (%) ⁽¹⁰⁾	3.71	4.99	4.05
Effective tax rate (%)	22.53	7.89	28.16
Average trade receivables turnover period (days) ⁽¹¹⁾	56	47	37
Average trade payables turnover period (days) ⁽¹²⁾	64	54	55
Current ratio (times) ⁽¹³⁾	1.10	1.09	1.04
Gearing ratio (times) ⁽¹⁴⁾	0.78	0.72	0.76

3. PROSPECTUS SUMMARY (Cont'd)

Notes:

- (1) *Computed based on PAT adjusted for tax expense, finance costs, finance income and depreciation. Further details are set out in Section 11.1.1 of this Prospectus.*
- (2) *Non-controlling interests are held by the Group's Promoters, namely Lee Kim Seng and Ir. Oh Chin Wah.*
- (3) *Based on assumed number of Shares in issue of 308,000,000 after the Acquisitions, but before the Public Issue.*
- (4) *Based on assumed number of Shares in issue of 440,000,000 after the Public Issue.*
- (5) *Based on PAT divided by the assumed number of Shares in issue of 308,000,000 after the Acquisitions, but before the Public Issue. PAT was adopted on the basis that there will not be any non-controlling interests given that upon completion of the Acquisitions, we will own 100.00% equity interests in our Subsidiaries.*
- (6) *Based on PAT divided by the assumed number of Shares in issue of 440,000,000 after the Public Issue. PAT was adopted on the basis that there will not be any non-controlling interests given that upon completion of the Acquisitions, we will own 100.00% equity interests in our Subsidiaries.*
- (7) *Computed based on GP divided by revenue.*
- (8) *Computed based on EBITDA divided by revenue.*
- (9) *Computed based on PBT divided by revenue.*
- (10) *Computed based on PAT divided by revenue. PAT was adopted on the basis that there will not be any non-controlling interests given that upon completion of the Acquisitions, we will own 100.00% equity interests in our Subsidiaries.*
- (11) *Computed based on average trade receivables of the respective financial years (excluding retention sums) divided by the revenue of the respective financial years, multiplied by 365 days.*
- (12) *Computed based on average trade payables of the respective financial years (excluding retention sums) divided by the cost of sales of the respective financial years, multiplied by 365 days.*
- (13) *Computed based on current assets divided by current liabilities.*
- (14) *Computed based on total interest-bearing borrowings divided by total equity.*

Further details of our Group's Financial information are set out in Section 11 of this Prospectus.

3.10 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy and the declaration of dividends and other distributions are subject to the discretion of our Board. It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. However, our ability to pay dividends or make other distributions to our shareholders in the future years is subject to various factors, such as having profit and excess funds, which are not required to be retained to fund our business.

However, investors should note that the intention to recommend dividends should not be treated as a legal obligation on our Group to do so. The level of dividends should also not be treated as an indication of our Group's future dividend policy. There can be no assurance that dividends will be paid out in the future or on timing of any dividends that are to be paid in the future. In determining dividends in respect of subsequent financial years, consideration will be given to maximising shareholders' value. There is no dividend restriction being imposed on our Group currently.

Save for the dividend declared and paid to our shareholders of RM9.09 million in FYE 2024 (representing a dividend payout ratio of 56.78%), which was funded via internally generated funds, there was no dividend declared and paid in FYE 2022, FYE 2023 and for the period beginning from 1 January 2025 up to the LPD. As at the LPD, our Group has no intention to declare further dividends until the completion of the Listing.

Further details on our dividend policy are disclosed in Section 11.10 of this Prospectus.

4. PARTICULARS OF OUR IPO

4.1 DETAILS OF OUR IPO

4.1.1 Listing Scheme

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

- (i) Acquisitions;
- (ii) Public Issue;
- (iii) Share Transfer; and
- (iv) Listing.

4.1.1.1 Acquisitions

Acquisition of Equity Interests from Vendors

On 22 April 2025, our Company had entered into a SSA with the Vendors to acquire the equity interests in GHSB, GESB and GSB for a total purchase consideration of approximately RM131,522,915. The purchase consideration was satisfied entirely by the issuance and allotment of 307,871,992 new Shares in aggregate at an issue price of RM0.4272 per Share to the Vendors, the details are as set out below:

Companies	Total interest acquired (%)	Purchase consideration (RM)	No. of Shares issued
GHSB	100.00	115,247,880	269,775,000
GESB	14.09	9,135,672	21,385,000
GSB	14.09	7,139,363	16,711,992
Total		131,522,915	307,871,992

Companies	Vendors	Shareholding held		No. of Shares issued
		No. of shares	%	
GHSB	Lee Kim Seng	6,211,000	52.69	142,142,200
	Rogamas	5,577,000	47.31	127,632,800
	Total	11,788,000	100.00	269,775,000
GESB	Lee Kim Seng	1,818,000	9.09	13,796,200
	Ir. Oh Chin Wah	1,000,000	5.00	7,588,800
	Total	2,818,000	14.09	21,385,000
GSB	Lee Kim Seng	849,999	9.66	11,455,792
	Ir. Oh Chin Wah	390,000	4.43	5,256,200
	Total	1,239,999	14.09	16,711,992

The total purchase consideration of approximately RM131,522,915 was arrived at on a willing buyer willing seller basis after taking into account the audited NA of the above companies as at 31 December 2024.

The Acquisition of Equity Interests from Vendors were completed on [●] and the issued share capital of our Company increased from 128,008 Shares to 308,000,000 Shares.

4. PARTICULARS OF OUR IPO (Cont'd)**Acquisition of Equity Interests from GHSB and GSB**

On 22 April 2025, our Company had entered into the following:

- (a) a SSA with the vendors of GESB, GSB and GMSB to acquire the equity interests in GESB, GSB and GMSB for a total purchase consideration of RM26,330,000, which shall be settled in such manner and on such terms as may be agreed between the Company and GHSB and GSB; and
- (b) a SSA with the vendor of GPL to acquire the equity interest in GPL for a total purchase consideration of RM80,000 (equivalent to approximately SGD23,792, computed based on the exchange rate of RM100:SGD29.74 on 21 April 2025 as published by the Monetary Authority of Singapore), which shall be settled in such manner and on such terms as may be agreed between the Company and GSB.

The details are as set out below:

Companies	Vendors	Shareholding held		Purchase consideration (RM)
		No. of shares	%	
GESB	GHSB	17,182,000	85.91	17,900,000
GSB	GHSB	7,560,001	85.91	7,730,000
GMSB	GSB	750,000	100.00	700,000
GPL	GSB	50,000	100.00	80,000
Total				26,410,000

The total purchase consideration of RM26,410,000 was arrived at on a willing buyer willing seller basis after taking into account the audited cost of investment of the above companies recorded in the books of the vendors as at 31 December 2024.

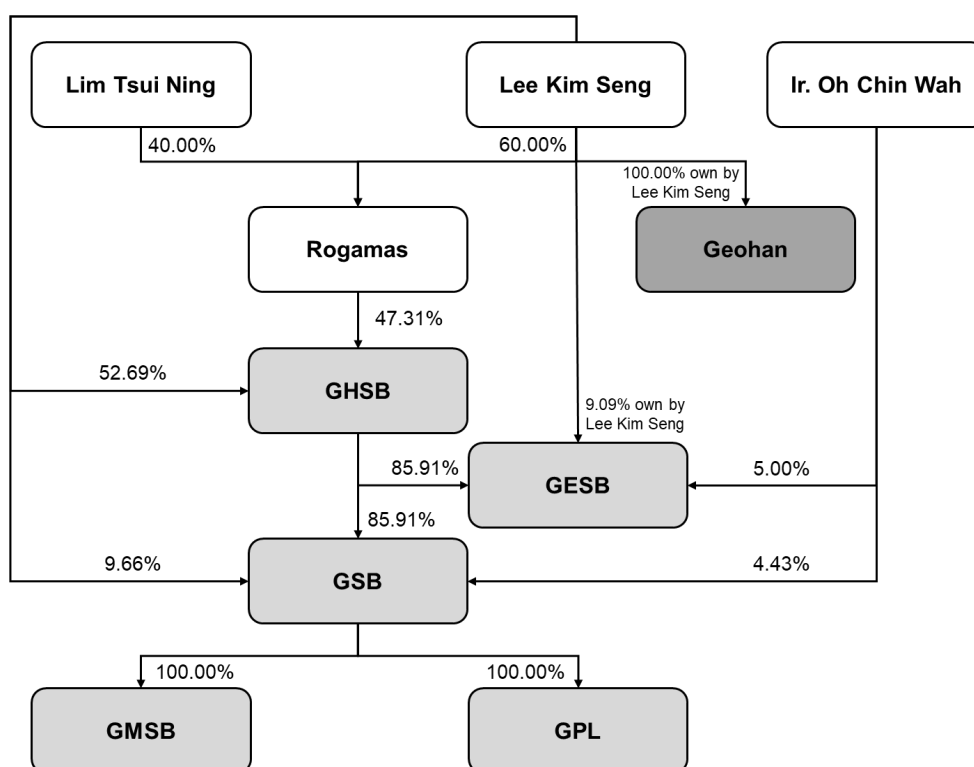
The Acquisition of Equity Interests from GHSB and GSB were completed on [●].

Following the completion of the Acquisitions, GHSB, GESB, GSB, GMSB and GPL become our wholly owned subsidiaries.

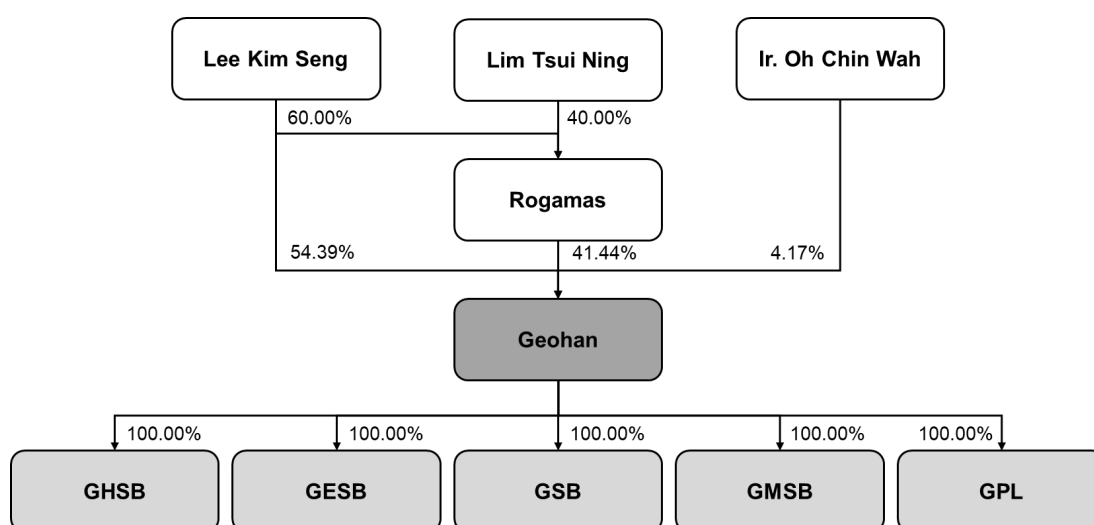
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4. PARTICULARS OF OUR IPO (Cont'd)

The changes in shareholding structure of our Company before and after the Acquisitions are illustrated below:

Before the Acquisitions ⁽¹⁾**Notes:**

- (1) Based on our issued share capital of 128,008 Shares before the Acquisitions.
- (2) Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.

After the Acquisitions ⁽¹⁾**Notes:**

- (1) Based on our issued share capital of 308,000,000 Shares after the Acquisitions but before our IPO.
- (2) Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.

4. PARTICULARS OF OUR IPO (Cont'd)**4.1.1.2 Public Issue**

The Public Issue of 132,000,000 IPO Shares, representing 30.00% of our enlarged issued share capital, at the IPO Price, is payable in full on Application upon such terms and conditions as set out in this Prospectus and will be made available in the following manner:

(i) Malaysian Public

22,000,000 IPO Shares, representing 5.00% of our enlarged issued share capital, will be made available for application by the Malaysian Public via balloting, of which at least 50.00%, representing 2.50% of our enlarged issued share capital, is to be set aside strictly for application by Bumiputera investors.

(ii) Eligible Persons

11,000,000 IPO Shares, representing 2.50% of our enlarged issued share capital, will be made available for application by our Eligible Persons in the following manner:

Eligible Persons	No. of persons	Aggregate number of IPO Shares allocated
Eligible Directors ⁽¹⁾	6	4,400,000
Eligible employees of our Group ⁽²⁾	Up to [325]	4,400,000
Persons who have contributed to the success of our Group ⁽³⁾	Up to [20]	2,200,000
Total	Up to [351]	11,000,000

Notes:

- (1) *The criteria for allocation of the IPO Shares to our eligible Directors are based on, among others, their respective roles and responsibilities as well as their anticipated contribution to our Group.*

Save for our Managing Director, Lee Kim Seng, who has no intention to participate in the Pink Form Allocation, the number of IPO Shares to be allocated to our eligible Directors are as follows:

Name	Designation	No. of IPO Shares allocated
<i>Dato' Ir. Dr. Mohd Asbi Bin Othman</i>	<i>Independent Non-Executive Chairman</i>	<i>200,000</i>
<i>Ir. Oh Chin Wah</i>	<i>Non-Independent Executive Director</i>	<i>2,300,000</i>
<i>Lee Jie Min</i>	<i>Non-Independent Executive Director</i>	<i>1,300,000</i>
<i>Datuk Choy Kah Yew</i>	<i>Independent Non-Executive Director</i>	<i>200,000</i>
<i>Serene Hiew Mun Yi</i>	<i>Independent Non-Executive Director</i>	<i>200,000</i>
<i>Soh Eng Hooi</i>	<i>Independent Non-Executive Director</i>	<i>200,000</i>
Total		4,400,000

4. PARTICULARS OF OUR IPO (Cont'd)

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

- (i) *the employee must be a local, full-time employee (including permanent employee and contractual employee) and on the payroll of our Group; and*
- (ii) *the number of IPO Shares allocated to the eligible employees are based on their position, their length of service, their past performance/contribution to our Group as well as other factors deemed relevant by our Board.*

The number of IPO Shares to be allocated to our Key Senior Management are as follows:

Name	Designation	No. of IPO Shares allocated
Low Kok Din	Chief Financial Officer	375,000
Lai Chee Yong	General Manager	180,000
Ir. Jeremy Lim Wei	Deputy General Manager	180,000
Total		735,000

(3) *The IPO Shares to be allocated to the persons who have contributed to the success of our Group, comprising our business associates, customers and suppliers, shall be based on their contributions to our Group and as approved by our Board.*

(iii) Private placement to Bumiputera investors approved by the MITI

55,000,000 IPO Shares, representing 12.50% of our enlarged issued share capital, will be made available by way of private placement to Bumiputera investors approved by the MITI.

(iv) Private placement to institutional and selected investors

44,000,000 IPO Shares representing 10.00% of our enlarged issued share capital, will be made available by way of private placement to institutional and selected investors.

4.1.1.3 Share Transfer

During the prescription period (one (1) day after the launching date of the Prospectus up to a period of 30 days), Lee Kim Seng will transfer his 114,367,200 Shares as set out below in conjunction with our IPO to Rogamas. The transfer of the said Shares will be completed prior to our Listing. The Share Transfer enables Rogamas to hold 55.00% shareholding in our Company upon Listing (equivalent to 242,000,000 Shares). Further details of the Share Transfer are as set out below:

Transferor	No. of Shares held before the Share Transfer	(2) %	No. of Shares to be transferred to Rogamas	(2) %	No. of Shares held after Share Transfer	(2) %
Lee Kim Seng ⁽¹⁾	167,522,200	38.07	(114,367,200)	(25.99)	53,155,000	12.08

Notes:

- (1) *Rogamas' shareholders and their respective direct interest in Rogamas are Lee Kim Seng (60.00%) and Lim Tsui Ning (40.00%). Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.*
- (2) *Based on our enlarged issued share capital of 440,000,000 Shares after our IPO and Share Transfer.*

4. PARTICULARS OF OUR IPO (Cont'd)**4.1.1.4 Listing**

The admission of our Company to the Official List and the listing and quotation of our entire enlarged issued share capital of approximately RM[●] comprising 440,000,000 Shares on the Main Market.

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

	No. of Shares	Share capital (RM)
Issued share capital as at the date of this Prospectus	308,000,000	131,650,915
New Shares to be offered pursuant to the Public Issue	132,000,000	[●]
Enlarged issued share capital upon Listing	440,000,000	[●]
IPO Price		[●]
Pro forma combined NA per Share as at 31 December 2024 <i>(based on our enlarged issued share capital after our IPO and after the use of proceeds raised from our Public Issue and net of listing expenses)</i>		[●]
Market capitalisation upon Listing <i>(based on our IPO Price and our enlarged issued share capital after our IPO)</i>		[●]

The IPO Price is payable in full upon Application.

As at the date of this Prospectus, we have only one (1) class of shares, being ordinary shares, all of which rank equally with each other. The IPO Shares will, upon issuance and allotment, rank equally in all respects with our existing issued Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our IPO Shares.

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

At any general meeting of our Company, each shareholder shall be entitled to vote in person, or by a duly authorised representative or by proxy or by attorney. On a resolution to be decided by a show of hands every member present in person who is the holder of ordinary shares or preference shares or a proxy or attorney of such member shall have one (1) vote and on a resolution to be decided by a poll every Member present in person or by a duly authorised representative or by proxy or by attorney shall have one (1) vote for each share he holds. A duly authorised representative or by proxy or attorney shall be entitled to vote both on a show of hands and on a poll. In the case of joint holders, the joint holders shall be considered as one (1) member. A proxy may but need not be a shareholder of our Company.

4. PARTICULARS OF OUR IPO (Cont'd)

4.1.2 Clawback and reallocation

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

(i) Malaysian Public

Any IPO Shares reserved under the Malaysian Public balloting portion which are not fully subscribed for by the Malaysian Public will be made available in the following manner:

- (a) firstly, by Eligible Persons under the Pink Form Allocation; and
- (b) secondly, by the institutional and selected investors by way of private placement.

Any further IPO Shares which are not subscribed for after being allocated and offered to the institutional and selected investors, shall be underwritten by our Sole Underwriter in accordance with the terms of the Underwriting Agreement.

(ii) Eligible Persons

Any IPO Shares under the Pink Form Allocation which are not subscribed by any of the Eligible Persons shall be made available in the following manner:

- (a) firstly, to our Group's other Eligible Persons (excluding the eligible Directors) under the Pink Form Allocation;
- (b) secondly, to the Malaysian Public under the Public Issue; and
- (c) thirdly, by way of private placement to institutional and selected investors.

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

(iii) Private placement to Bumiputera investors approved by the MITI

If our IPO Shares allocated to identified Bumiputera investors approved by the MITI are under-subscribed, such IPO Shares which are not taken up will be made available for subscription in the following manner:

- (a) firstly, to the Bumiputera investors under the Public Issue via balloting; and
- (b) secondly, to the Malaysian institutional investors.

Thereafter, the remaining portion will be made available for:

- (a) the other Malaysian Public, if there is an over-subscription for our IPO Shares by the Malaysian Public under the Public Issue; and/or
- (b) application by way of private placement to institutional and selected investors to be identified.

(iv) Private placement to institutional and selected investors

In the event of under-subscription of the IPO Shares reserved under the private placement to institutional and selected investors and subject to a corresponding over-subscription by the Malaysian Public, the remaining unsubscribed portion will be clawed back and reallocated to the Malaysian Public and/or offered to our Group's other Eligible Persons (excluding the eligible Directors) under the Pink Form Allocation.

4. PARTICULARS OF OUR IPO (Cont'd)

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

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

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

As at the LPD, save as disclosed in Section 4.3 of this Prospectus, to the extent known to our Company:

- (a) there are no substantial shareholders, Directors or Key Senior Management who has indicated to us that they intend to subscribe for our IPO Shares; and
- (b) there are no person(s) who have indicated to us that they intend to subscribe for more than 5.00% of our IPO Shares.

4.1.3 Minimum subscription level

There is no minimum subscription level in terms of the proceeds to be raised from our IPO. However, in order to comply with the public shareholding spread requirements under the Listing Requirements, the minimum subscription level in terms of the number of IPO Shares will be the number of Shares required to be held by the public shareholders of our Company.

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares held by at least 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the aforesaid public shareholding spread requirement is not met, we may not be able to proceed with our Listing. Please refer to Section 8.3.4 of this Prospectus for details on the risk of delay in or cancellation of our Listing.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.2 BASIS OF ARRIVING AT THE IPO PRICE

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

(i) Financial and operating history

Based on our historical audited combined statements of profit or loss and other comprehensive income of our Group for the FYE 2024, we recorded a PAT of RM16.01 million representing an EPS of 5.20 sen (based on the existing issued share capital of 308,000,000 Shares) and 3.64 sen (based on the enlarged issued share capital of 440,000,000 Shares upon Listing) resulting in PE Multiple of [●] times and [●] times, respectively, based on the IPO Price.

Our detailed operating and financial history are outlined in Sections 6 and 11 of this Prospectus, respectively.

(ii) Business strategies and future plans

Our business strategies and future plans as outlined in Section 6.18 of this Prospectus.

(iii) Competitive advantages, key strengths and industry overview

Our competitive advantages and key strengths as outlined in Section 6.17 of this Prospectus, and the industry overview and prospects as set out in the IMR Report in Section 7 of this Prospectus.

(iv) Pro forma combined NA

The pro forma combined NA per Share as at 31 December 2024 of RM[●] based on our enlarged issued share capital of 440,000,000 Shares after our IPO and after the use of proceeds from our Public Issue as set out in Section 11.11 of this Prospectus.

You should also note that the market price of our Shares upon and subsequent to our Listing is subject to the vagaries of market forces and other uncertainties, which may affect the market price of our Shares. You should form your own views on the valuation of our IPO Shares and reasonableness of the bases used before deciding to invest in our IPO Shares. You are also reminded to carefully consider the risk factors as set out in Section 8 of this Prospectus before deciding to invest in our Shares.

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4. PARTICULARS OF OUR IPO (Cont'd)**4.3 DILUTION**

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

	Details	RM
IPO Price	(A)	[•]
Pro forma combined NA per Share as at 31 December 2024 before the Public Issue	(B)	0.43
Pro forma combined NA per Share as at 31 December 2024 after the Public Issue and use of proceeds	(C)	[•]
Increase in NA per Share attributable to our existing shareholders	(C-B)	[•]
Dilution in NA per Share to our new investors	(A-C)	[•]
Dilution in NA per Share as a percentage of the IPO Price	(A-C) / (A)	[•]%

Further details of our Group's pro forma combined NA per Share as at 31 December 2024 are set out in Section 11.11 of this Prospectus.

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

	No. of Shares held before our IPO ⁽¹⁾	No. of Shares held from our IPO ⁽²⁾	Total consideration (RM)	Effective cost per Share (RM)
<u>Promoter and substantial shareholder</u> Rogamas	127,632,800	114,367,200	[•]	[•]
<u>Promoter, Director and substantial shareholder</u> Lee Kim Seng	167,522,200	-	[•]	[•]
<u>Promoters and Directors</u> Ir. Oh Chin Wah	12,845,000	2,300,000	[•]	[•]
Lee Jie Min	-	1,300,000	[•]	[•]
<u>Independent Non-Executive Directors</u> Dato' Ir. Dr. Mohd Asbi Bin Othman	-	200,000	[•]	[•]
Datuk Choy Kah Yew	-	200,000	[•]	[•]
Serene Hiew Mun Yi	-	200,000	[•]	[•]
Soh Eng Hooi	-	200,000	[•]	[•]
<u>Key Senior Management</u> Low Kok Din	-	375,000	[•]	[•]
Lai Chee Yong	-	180,000	[•]	[•]
Ir. Jeremy Lim Wei	-	180,000	[•]	[•]

Notes:

- (1) After the Acquisitions but before our IPO.
- (2) After our IPO and Share Transfer and assuming all the Eligible Persons will fully subscribe for their respective allocation under the Pink Form Allocation.

4. PARTICULARS OF OUR IPO (Cont'd)**4.4 OBJECTIVES OF OUR IPO**

The objectives of our IPO are as follows:

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

4.5 USE OF PROCEEDS

The total gross proceeds from the Public Issue will be amount to RM[•] million based on the IPO Price. We expect the proceeds to be used in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the Listing date)
Capital expenditure	[•]	[•]	Within 36 months
Working capital	[•]	[•]	Within 12 months
Estimated listing expenses	[•]	[•]	Within 3 months
Total	[•]	[•]	

If the actual proceeds from the Public Issue are lower than the amount estimated above, the actual proceeds from the Public Issue shall be allocated in accordance with the following order of priority:

- (i) firstly, for our listing expenses as disclosed in Section 4.5.3 of this Prospectus;
- (ii) secondly, for our capital expenditure as disclosed in Section 4.5.1 of this Prospectus; and
- (iii) lastly, for our working capital as disclosed in Section 4.5.2 of this Prospectus.

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

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

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4. PARTICULARS OF OUR IPO (Cont'd)**4.5.1 Capital expenditure**

In line with our Group's business strategies and future plans to enhance our existing foundation and geotechnical services by increasing our operating capacity as well as to enhance our operational efficiency, our Group has allocated RM[•] million of the gross proceeds from the Public Issue to purchase the following new machineries:

Type of machinery	No. of units	Estimated cost (RM'000)
Rotary boring rig	[•]	[•]
Crawler crane	[•]	[•]
Excavator	[•]	[•]
Total	[•]	[•]

If the actual expenses are higher than estimated, the deficit will be funded from the amount allocated for working capital purposes and any further shortfall will be funded from external financing such as borrowings from financial institutions and machinery leasing companies. However, if the actual expenses are lower than estimated, the excess will be utilised for general working capital purposes of our Group. Please refer to Section 6.18.1 of this Prospectus for further details.

4.5.2 Working capital

Our Group has allocated RM[•] million of the gross proceeds from the Public Issue to supplement the working capital requirements of our Group, mainly for the payment to suppliers for purchases of construction materials as well as payment to subcontractors for their services. The breakdown of each item cannot be determined at this juncture as it depends on working capital requirements at the relevant point of time.

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

If the actual expenses for the capital expenditure and listing expenses are higher than estimated, the deficit will be funded from the amount allocated for working capital purposes and/or from external financing. However, if the actual expenses for the capital expenditure and listing expenses are lower than estimated, the excess will be utilised for general working capital purpose of our Group. Please refer to Sections 4.5.1 and 4.5.2 of this Prospectus for further details.

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4. PARTICULARS OF OUR IPO (Cont'd)**4.5.3 Estimated listing expenses**

Our listing expenses are estimated to be RM[•] million, details of which are as follows:

Estimated listing expenses	RM'000
Professional fees ⁽¹⁾	[•]
Underwriting, placement and brokerage fees	[•]
Fees to authorities	[•]
Other miscellaneous expenses and contingencies ⁽²⁾	[•]
Total	[•]

Notes:

- (1) *Includes professional and advisory fees for, among others, Principal Adviser, Solicitors, Reporting Accountants, IMR, Independent Valuer and other professional advisers.*
- (2) *Includes any other incidental charges or related expenses in relation to our IPO such as printing expenses, media related expenses, IPO event expenses as well as funds reserved for contingency purposes.*

If the actual listing expenses are higher than estimated, the shortfall will be funded from the portion allocated for working capital purposes. Conversely, if the actual listing expenses are lower than estimated, the excess will be utilised for general working capital purposes of our Group.

4.6 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE**(i) Brokerage fee**

We will bear the brokerage fees to be incurred in respect of the IPO Shares pursuant to our IPO under Sections 4.1.1.2(i) and 4.1.1.2(ii) of this Prospectus at the rate of [•]% of the IPO Price in respect of successful Applications which bear the stamp of AIS, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association in Malaysia or the Issuing House.

(ii) Underwriting commission

AIS, as our Sole Underwriter, has agreed to underwrite 33,000,000 IPO Shares as set out in Sections 4.1.1.2(i) and 4.1.1.2(ii) of this Prospectus. We will pay our Sole Underwriter an underwriting commission at the rate of [•]% of the total value of the IPO Shares underwritten at the IPO Price.

(iii) Placement fee

AIS, as our Placement Agent, has agreed to place out 99,000,000 IPO Shares available under the placement to Bumiputera investors approved by the MITI as well as institutional and selected investors as set out in Sections 4.1.1.2(iii) and 4.1.1.2(iv) of this Prospectus, at the rate of up to [•]% of the IPO Price for each IPO Share to be placed out by our Placement Agent.

4. PARTICULARS OF OUR IPO (Cont'd)

4.7 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

On [•], we have entered into the Underwriting Agreement with AIS, as our Sole Underwriter, to underwrite 33,000,000 IPO Shares ("**Underwritten Shares**"), on the terms and subject to the conditions as set out in the Underwriting Agreement.

The salient terms of the Underwriting Agreement are as follows:

[•]

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholder's shareholdings

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

Name	Country of incorporation / Nationality	After the Acquisitions but before our IPO				After the Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1) (%)	No. of Shares	(1) (%)	No. of Shares	(2) (%)	No. of Shares	(2) (%)
<u>Promoters and substantial shareholders</u>									
Rogamas ⁽⁴⁾	Malaysia	127,632,800	41.44	-	-	127,632,800	29.01	-	-
Lee Kim Seng ⁽⁴⁾	Malaysian	167,522,200	54.39	⁽⁵⁾ 127,632,800	41.44	167,522,200	38.07	⁽⁵⁾ 127,632,800	29.01
<u>Promoters</u>									
Ir. Oh Chin Wah	Malaysian	12,845,000	4.17	-	-	⁽⁷⁾ 15,145,000	3.44	-	-
Lee Jie Min ⁽⁴⁾	Malaysian	-	-	-	-	⁽⁷⁾ 1,300,000	0.30	-	-
<u>Substantial shareholder</u>									
Lim Tsui Ning ⁽⁴⁾	Malaysian	-	-	⁽⁶⁾ 295,155,000	95.83	-	-	⁽⁶⁾ 295,155,000	67.08

Name	Country of incorporation / Nationality	After the Share Transfer			
		Direct		Indirect	
		No. of Shares	(3) (%)	No. of Shares	(3) (%)
<u>Promoters and substantial shareholders</u>					
Rogamas ⁽⁴⁾	Malaysia	242,000,000	55.00	-	-
Lee Kim Seng ⁽⁴⁾	Malaysian	53,155,000	12.08	⁽⁵⁾ 242,000,000	55.00
<u>Promoters</u>					
Ir. Oh Chin Wah	Malaysian	⁽⁷⁾ 15,145,000	3.44	-	-
Lee Jie Min ⁽⁴⁾	Malaysian	⁽⁷⁾ 1,300,000	0.30	-	-
<u>Substantial shareholder</u>					
Lim Tsui Ning ⁽⁴⁾	Malaysian	-	-	⁽⁶⁾ 295,155,000	67.08

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

Notes:

- (1) *Based on our issued share capital of 308,000,000 Shares after the Acquisitions but before our IPO.*
- (2) *Based on our enlarged issued share capital of 440,000,000 Shares after the Public Issue.*
- (3) *Based on our enlarged issued share capital of 440,000,000 Shares after the Public Issue and Share Transfer.*
- (4) *Rogamas' shareholders and their respective direct interest in Rogamas are Lee Kim Seng (60.00%) and Lim Tsui Ning (40.00%). Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.*
- (5) *Deemed interested by virtue of his direct interest in Rogamas pursuant to Section 8 of the Act.*
- (6) *Deemed interested by virtue of her direct interest in Rogamas pursuant to Section 8 of the Act as well as the direct interest in our Company held by her spouse, Lee Kim Seng.*
- (7) *Assuming he/she will fully subscribe for his/her respective allocation under the Pink Form Application.*

As at the LPD, the Shares held by our Promoters and substantial shareholders have the same voting rights with other shareholders of our Company and there is no arrangement between our Company and its shareholders with any third party, the operation of which may at a subsequent date result in a change in control of our Company.

Save as disclosed above, there are no other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

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

5.1.2 Profiles of Promoters and substantial shareholders

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

(i) Rogamas

Promoter, Moratorium Shareholder and substantial shareholder

Rogamas was incorporated in Malaysia under the Companies Act 1965 on 24 March 2000 as a private limited company and is deemed registered under the Act. As at the LPD, the principal activity of Rogamas is investment holding. Save for the investment in GHSB, Rogamas does not have any other subsidiary, associate company or joint venture.

As at the LPD, the issued share capital of Rogamas is RM5.00 comprising five (5) ordinary shares. The directors of Rogamas as at the LPD are Lee Kim Seng and Lim Tsui Ning.

As at the LPD, the shareholders of Rogamas and their respective shareholdings in Rogamas are as follows:

Name	Direct		Indirect	
	No. of shares	%	No. of shares	%
Lee Kim Seng	3	60.00	⁽¹⁾ 2	40.00
Lim Tsui Ning	2	40.00	⁽¹⁾ 3	60.00

Note:

(1) Deemed interested by virtue of the direct interest in Rogamas held by his/her spouse.

Please refer to Section 5.7 of this Prospectus for further details of the family relationship between the Promoters, substantial shareholders, Directors, and Key Senior Management.

(ii) Lee Kim Seng

Promoter, Managing Director, Moratorium Shareholder and substantial shareholder

Lee Kim Seng, male, a Malaysian aged 63, is our Managing Director. He was appointed to our Board on 29 January 2016.

He graduated with a Diploma in Civil Engineering from Universiti Teknologi Malaysia in September 1984. He then obtained his Degree in Bachelor of Science in Civil Engineering from Memphis State University, USA in May 1986. In July 1991, he was admitted as a Graduate with the Institution of Engineers, Malaysia. In July 2007, he completed the Premier Business Management Program with Harvard Club of Malaysia. Subsequently in March 2008, he completed the Finance for Directors and Senior Executives Program with Harvard Club of Malaysia.

Upon graduation, he was involved in multiple short stints and temporary jobs due to the economic recessions during that time. In September 1989, he joined Pilecon Engineering Berhad as a Site Engineer, where he was involved in the supervision and execution of micropiling works, bored pile works, retaining wall works, earthworks and caisson works. He left Pilecon Engineering Berhad in May 1991.

In June 1991, he joined Bachy Soletanche (Malaysia) Sdn Bhd as a Project Manager, where he was involved in supervising and executing remedial works for slope failure, micropiling works, design and construction of foundation works, caisson foundation construction and completion, road widening, diaphragm wall, anchored caisson retaining walls, and soil nailing and guniting for slope remedial works. He left Bachy Soletanche (Malaysia) Sdn Bhd in April 1995.

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

He joined GHSB in February 1996 as an Executive Director and subsequently in April 1996, he acquired shares in GHSB from the then existing shareholders. In February 1997, he assumed the role of Executive Director at GSB and subsequently in May 2003, he was appointed as the Managing Director of GSB, where he was responsible for providing strategic leadership and overseeing the company's operations in alignment with its mission and goals. He is also responsible for defining and executing the company's vision, mission, and overall strategy, ensuring the profitability and sustainability of business operations, supervising and guiding the senior management team, making critical decisions to support the company's financial health and growth, and representing the company in official matters while liaising with its stakeholders. In December 2007, he acquired shares in GSB from GHSB.

Throughout his tenure at GSB, he has overseen key projects that have contributed to the company's growth and success. Notable projects include the development of First World Hotel, Sky Avenue, Genting SkyWorlds Theme Park, Genting Premium Outlet, and the Genting cable car. In 2019, he led a management transformation initiative that focused on improving efficiency, machinery, and people skills, which strengthened GSB's position in the foundation and geotechnical industry. During the COVID-19 pandemic from 2020 to 2021, he guided the company through essential adaptations to maintain operational continuity and navigate the challenges posed by the crisis. In 2023, the company experienced a strong recovery, demonstrating resilience and growth, while 2024 marked a milestone with a record year for revenue.

As a Managing Director, he plays a vital role in establishing the business direction and setting key performance indicators (KPIs) based on resources and market opportunities. He sets growth targets and closely monitors progress across departments. To ensure efficiency, he collaborates with all departments, attends internal weekly meetings, and visits job sites to oversee project execution.

As at the LPD, save for his directorship in our Company, he does not sit on the board of directors of any other public listed companies.

Further details of his present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.4 of this Prospectus.

Save for Lim Tsui Ning (his spouse), Lee Jie Min (his daughter) and Tang Ji Jian (his son-in-law), he does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management. Please refer to Section 5.7 of this Prospectus for further details of the family relationship between the Promoters, substantial shareholders, Directors, and Key Senior Management.

(iii) **Ir. Oh Chin Wah**

Promoter, Non-Independent Executive Director and Moratorium Shareholder

Ir. Oh Chin Wah, male, a Malaysian aged 56, is our Non-Independent Executive Director. He was appointed to our Board on 16 March 2016.

He graduated with a Degree of Bachelor of Engineering (Civil) from University of Malaya in August 1994. In October 2000, he was elected as Member of the Institution of Engineers Malaysia. In February 2001, he was registered as a Professional Engineer with the Board of Engineers Malaysia and was subsequently upgraded to a Professional Engineer with a Practising Certificate. In November 2018, he obtained his Master of Business Administration from University of Strathclyde, UK.

He began his career with Jutera Perunding Maju as a Structural Engineer in April 1994, where he was involved in the structural design of various types of buildings. He left Jutera Perunding Maju in April 1995.

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

In May 1995, he joined H.S. Liao Sdn Bhd as a Design Engineer in the Structural Department, where he was involved in the structural design of various types of buildings. He left H.S. Liao Sdn Bhd in May 1997. Subsequently, he joined Maycorp (M) Sdn Bhd as a Project Engineer in June 1997, where he was involved in building construction projects. He left Maycorp (M) Sdn Bhd in June 1998.

In September 1998, he joined GHSB as an Engineer and was mainly involved in caisson works for reinforced concrete walls. In August 2001, he was promoted to Project Manager, where he was responsible to manage projects involving caisson works, soil nailing, guniting, bored piles, compaction grouting, and micropiles, among others. In October 2005, he was promoted to General Manager, where he was responsible for overseeing projects such as the Chin Swee Bypass in Genting, the Kuala Lumpur Flood Mitigation Project, the Duta-Ulu Kelang Expressway (DUKE), and Neo Damansara in Damansara Perdana.

In November 2008, he acquired shares in GSB from GHSB and assumed his current position as an Executive Director, where he is responsible for overseeing the strategic planning, supervision, and management of our Group's operations, driving the growth and continued success of our Group's business. In addition to his operational responsibilities, he has been instrumental in business development and marketing initiatives, contributing to the expansion of our Group's market presence. On the technical front, he has provided design guidance to engineers within our Group, ensuring high standards of quality across various projects. He also holds the authority to sign off design and drawing as a Professional Engineer with a Practising Certificate on behalf of the Group.

As at the LPD, save for his directorship in our Company, he does not sit on the board of directors of any other public listed companies.

Further details of his present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.4 of this Prospectus.

He does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

(iv) **Lee Jie Min**

Promoter, Non-Independent Executive Director and Moratorium Shareholder

Lee Jie Min, female, a Malaysian aged 33, is our Non-Independent Executive Director. She was appointed to our Board on 26 May 2025.

She graduated from University of Cambridge, UK ("**Cambridge**") with a Degree of Bachelor of Arts (Civil, Structural and Environmental Engineering) and a Master of Engineering in June 2015. She later obtained her Master of Arts from Cambridge in April 2018. In February 2020, she was registered as a Graduate Engineer with the Board of Engineers Malaysia. In October 2020, she was admitted as a Graduate of the Institution of Engineers Malaysia. She is a member of the CFA Institute, USA since March 2022.

She began her career with GSB as a Finance Executive in September 2015. She was assisting in analysing financial performance, preparing financial forecasts and management report for quarterly financial results, audit and tax functions, coordinating internal control audits and handling accounting department operation duties. In June 2017, she left GSB.

In July 2017, she joined RHB Investment Bank Berhad as an Assistant Manager in the Merger & Acquisitions department. She was involved in deal structuring and negotiations, advising clients on valuation, acquisition, and divestment processes, and conducting due diligence on target companies. In December 2017, she left RHB Investment Bank Berhad and took a career break during which she obtained a Certificate of Excellence in completion of all the assessments of the Full Stack Web Development Quantum Degree from the Next Academy in March 2018.

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

In July 2019, she rejoined GSB as a Design Engineer where she was responsible for assisting the Technical / Design Manager with design works, implementing policies and procedures under the Quality, Environment, Safety, and Health (QESH) management system, and preparation of technical proposals to client. In September 2021, she was redesignated as Finance and Administrative Manager of GSB and was responsible for overseeing finance and human resources department, and enhancing financial policies and controls. In September 2022, she was promoted to Management Manager, where she contributed to shaping the company's strategic direction and ensures alignment with its vision and long-term objectives.

In October 2024, she was promoted as a director (non-statutory) of GSB where she was involved in shaping the company's strategic direction by executing goals and initiatives, identifying opportunities for improvement, and ensuring that all efforts align with the company's vision and long-term objectives. Additionally, she spearheads the formulation and implementation of policies aimed at driving sustainable business growth and enhancing operational efficiency. She is also responsible for overseeing the finance and human resources functions, where she is dedicated to optimising cash flow, reviewing the financial performance, and maintaining fiscal discipline.

As at the LPD, save for her directorship in our Company, she does not sit on the board of directors of any other public listed companies.

Further details of her present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.4 of this Prospectus.

Save for Lee Kim Seng (her father), Lim Tsui Ning (her mother) and Tang Ji Jian (her spouse), she does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management. Please refer to Section 5.7 of this Prospectus for further details of the family relationship between the Promoters, substantial shareholders, Directors, and Key Senior Management.

(v) **Lim Tsui Ning**

Moratorium Shareholder and substantial shareholder

Lim Tsui Ning, female, a Malaysian aged 63, is our substantial shareholder by virtue of her 40.00% equity interest in Rogamas. Prior to her becoming a full-time housewife, she was a government primary school teacher at SRJK (C) Yak Chee (now known as SJK (C) Yak Chee) between 1987 to 1995. In February 2012, she acquired shares in Rogamas from GHSB and is appointed as a director of Rogamas since 24 July 2012.

Save for Lee Kim Seng (her spouse), Lee Jie Min (her daughter) and Tang Ji Jian (her son-in-law), she does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management. Please refer to Section 5.7 of this Prospectus for further details of the family relationship between the Promoters, substantial shareholders, Directors and Key Senior Management.

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

5.1.3 Changes in our Promoters' and substantial shareholders' shareholdings

The changes in our Promoters' and substantial shareholders' shareholdings in our Company for the past three (3) years up to the LPD, as well as before and after our IPO are as follows:

Name	As at 31 December 2022 / 2023				As at 31 December 2024			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1) (%)	No. of Shares	(1) (%)	No. of Shares	(2) (%)	No. of Shares	(2) (%)
Promoters and substantial shareholders								
Rogamas ⁽⁶⁾	-	-	-	-	-	-	-	-
Lee Kim Seng ⁽⁶⁾	5	50.00	(7) 5	50.00	128,003	99.99	(7) 5	(11) #
Promoters								
Ir. Oh Chin Wah	-	-	-	-	-	-	-	-
Lee Jie Min ⁽⁶⁾	-	-	-	-	-	-	-	-
Substantial shareholder								
Lim Tsui Ning ⁽⁶⁾	5	50.00	(7) 5	50.00	5	(11) #	(7) 128,003	99.99

Name	As at the LPD				After the Acquisitions but before our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(2) (%)	No. of Shares	(2) (%)	No. of Shares	(3) (%)	No. of Shares	(3) (%)
Promoters and substantial shareholders								
Rogamas ⁽⁶⁾	-	-	-	-	127,632,800	41.44	-	-
Lee Kim Seng ⁽⁶⁾	128,008	100.00	-	-	167,522,200	54.39	(8) 127,632,800	41.44
Promoters								
Ir. Oh Chin Wah	-	-	-	-	12,845,000	4.17	-	-
Lee Jie Min ⁽⁶⁾	-	-	-	-	-	-	-	-
Substantial shareholder								
Lim Tsui Ning ⁽⁶⁾	-	-	(7) 128,008	100.00	-	-	(9) 295,155,000	95.83

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

Name	After the Public Issue				After the Share Transfer			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	⁽⁴⁾ (%)	No. of Shares	⁽⁴⁾ (%)	No. of Shares	⁽⁵⁾ (%)	No. of Shares	⁽⁵⁾ (%)
Promoters and substantial shareholders								
Rogamas ⁽⁶⁾	127,632,800	29.01	-	-	242,000,000	55.00	-	-
Lee Kim Seng ⁽⁶⁾	167,522,200	38.07	⁽⁸⁾ 127,632,800	29.01	53,155,000	12.08	⁽⁸⁾ 242,000,000	55.00
Promoters								
Ir. Oh Chin Wah	⁽¹⁰⁾ 15,145,000	3.44	-	-	⁽¹⁰⁾ 15,145,000	3.44	-	-
Lee Jie Min ⁽⁶⁾	⁽¹⁰⁾ 1,300,000	0.30	-	-	⁽¹⁰⁾ 1,300,000	0.30	-	-
Substantial shareholder								
Lim Tsui Ning ⁽⁶⁾	-	-	⁽⁹⁾ 295,155,000	67.08	-	-	⁽⁹⁾ 295,155,000	67.08

Notes:

- (1) Based on our issued share capital of 10 Shares as at the date of incorporation of our Company.
- (2) Based on our issued share capital of 128,008 Shares after the allotment of 126,272 new Shares on 18 December 2024 and 1,726 new Shares on 27 December 2024 to Lee Kim Seng respectively.
- (3) Based on our issued share capital of 308,000,000 Shares after the Acquisitions but before our IPO.
- (4) Based on our enlarged issued share capital of 440,000,000 after the Public Issue.
- (5) Based on our enlarged issued share capital of 440,000,000 Shares after the Public Issue and Share Transfer.
- (6) Rogamas' shareholders and their respective direct interest in Rogamas are Lee Kim Seng (60.00%) and Lim Tsui Ning (40.00%). Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.
- (7) Deemed interested by virtue of the direct interest in our Company held by his/her spouse.
- (8) Deemed interested by virtue of his direct interest in Rogamas pursuant to Section 8 of the Act.
- (9) Deemed interested by virtue of her direct interest in Rogamas pursuant to Section 8 of the Act as well as the direct interest in our Company held by her spouse, Lee Kim Seng.
- (10) Assuming he/she will fully subscribe for his/her respective allocation under the Pink Form Application.
- (11) # represents less than 0.01%.

As at the LPD, the Shares held by our Promoters and substantial shareholders have the same voting rights with other shareholders of our Company and there is no arrangement between our Company and its shareholders with any third party, the operation of which may at a subsequent date result in a change in control of our Company.

Save as disclosed above, there are no other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

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

5.1.4 Promoters' and substantial shareholders' Remuneration and Benefits

Save for the issuance and allotment of our Shares as consideration for the Acquisitions, the dividends declared and paid to our Promoters and substantial shareholders in FYE 2024 as set out in Section 11.10 of this Prospectus as well as the aggregate remuneration and benefits paid or proposed to be paid to our Promoters and substantial shareholders for services rendered to our Group in all capacities for the FYE 2024 and FYE 2025 as set out in Section 5.4 of this Prospectus, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the two (2) years preceding the date of this Prospectus.

5.2 DIRECTORS AND KEY SENIOR MANAGEMENT

5.2.1 Directors

Our Board comprises the following members:

Name	Age	Nationality	Appointment date	Designation
Dato' Ir. Dr. Mohd Asbi Bin Othman (M)	65	Malaysian	26 May 2025	Independent Non-Executive Chairman
Lee Kim Seng (M)	63	Malaysian	29 January 2016	Managing Director
Ir. Oh Chin Wah (M)	56	Malaysian	16 March 2016	Non-Independent Executive Director
Lee Jie Min (F)	33	Malaysian	26 May 2025	Non-Independent Executive Director
Datuk Choy Kah Yew (M)	55	Malaysian	26 May 2025	Independent Non-Executive Director
Serene Hiew Mun Yi (F)	37	Malaysian	26 May 2025	Independent Non-Executive Director
Soh Eng Hooi (F)	56	Malaysian	26 May 2025	Independent Non-Executive Director

Notes:

(M) Male

(F) Female

As at the LPD, save for Soh Eng Hooi, the rest of the Directors do not hold any directorship in other public listed company.

None of our Directors represents any corporate shareholder on our Board. For details on the association of family relationship between our Promoters, substantial shareholders, Directors and Key Senior Management, please refer to Section 5.7 of this Prospectus.

Our Board acknowledges and takes cognisance of the MCCG which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture.

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

Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively. Our Company has adopted the recommendations under the MCGG that at least half of the Board comprises Independent Non-Executive Directors, that our chairperson of the Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee, and to have at least 30% women directors on our Board.

In accordance to our Company's Constitution, all the Directors shall retire from office at the first AGM and an election of Directors shall take place each year. At the AGM in every subsequent year, one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office and be eligible for re-election, provided always that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

The Directors shall have power at any time and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the conclusion of the next AGM, and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors to retire by rotation at such meeting.

Within the limits set by our Constitution, our Board is responsible for the governance and management of our Group. To ensure the effective discharge of its functions, our Board have set out the following key responsibilities in the Board charter:

- (i) overseeing and evaluating the conduct and sustainability of the businesses of our Group;
- (ii) reviewing and adopting the overall strategic direction, business plans, and annual budgets of our Group, including major capital commitments;
- (iii) ensuring that the strategic plan of our Company supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability;
- (iv) establishing key performance indicators and succession plans;
- (v) reviewing and approving new ventures, major acquisitions and disposal of undertakings and properties;
- (vi) reviewing, challenging, and deciding on management's proposals for our Company and monitoring their implementation by management;
- (vii) Supervising and assessing management performance to determine whether the business is being properly managed;
- (viii) identifying and understanding the principal risks of our Company's business and ensuring the implementation of appropriate internal control systems and mitigation measures to manage these risks;
- (ix) reviewing the adequacy and integrity of our Group's internal control systems and management information systems;
- (x) setting the risk appetite within which the Board expects management to operate and ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- (xi) ensuring that key senior management has the necessary skills and experience and there are measures in place to provide for the orderly succession of the Board and key senior management;

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

- (xii) ensuring that our Company has in place procedures to enable effective communication with stakeholders;
- (xiii) ensuring that all its Directors are able to understand financial statements and form a view on the information presented;
- (xiv) supervising the creation and execution of the investor relations program or shareholders' communication policy for our Company to facilitate productive communication;
- (xv) ensuring our Group's core values, vision and mission and shareholders' interests are met;
- (xvi) ensuring all significant systems and procedures are in place for our Group to run effectively, efficiently, and meet all legal and contractual requirements;
- (xvii) collaborating with key senior management to establish and maintain effective corporate governance practices, which include ethical, prudent, and professional conduct standards, and fostering a corporate responsibility culture throughout our Group; and
- (xviii) ensuring the integrity of the Company's financial and non-financial reporting.

5.2.2 Profiles of Directors

The profiles of our Managing Director, Lee Kim Seng, Non-Independent Executive Director, Ir. Oh Chin Wah and Non-Independent Executive Director, Lee Jie Min are disclosed in Section 5.1.2 of this Prospectus.

The profiles of our other Directors are as follows:

(i) Dato' Ir. Dr. Mohd Asbi Bin Othman
Independent Non-Executive Chairman

Dato' Ir. Dr. Mohd Asbi Bin Othman, male, a Malaysian aged 65, is our Independent Non-Executive Director. He was appointed to our Board on 26 May 2025.

He graduated with a Bachelor of Science in Civil Engineering from University of Southampton, UK in June 1983. He then obtained a Doctorate of Philosophy in Geotechnical Engineering from University of Bristol, UK in October 1989. In July 1995, he was elected as a Member of the Institution of Engineers Malaysia. In March 1996, he was registered as a Professional Engineer with the Board of Engineers Malaysia ("**BEM**") and was subsequently upgraded to a Professional Engineer with a Practising Certificate. He is also registered as an Accredited Checker (Geotechnical Engineering) since June 2006. He is currently a member of the BEM's Disciplinary Committee.

He began his career in October 1983 as a Geotechnical Engineer in the Design and Research Branch of the Malaysian Public Works Department ("**JKR**") where he was involved in site investigations and geotechnical design. In 1987, he pursued further studies in UK under a JKR programme and upon obtaining his Doctorate of Philosophy in Geotechnical Engineering, he rejoined JKR in October 1989 as a Research Engineer, where he was involved in providing technical expertise in geotechnical engineering. Apart from conducting research, his technical expertise was also applied in forensic study and investigation of failed structures in buildings, bridges, roads and slopes. He left JKR in November 1996.

In November 1996, he joined Perunding ZNA (M) Sdn Bhd, where he was responsible for the management and day-to-day running of the company for civil and structural work. He left Perunding ZNA (M) Sdn Bhd in April 2002 to establish Mohd Asbi Associates.

In October 2003, he incorporated Mohd Asbi Associates Sdn Bhd and assumed his current position as Managing Director, where he is responsible for the overall management of the company in civil and structural design and consulting works.

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

In March 2006, he became a director and shareholder of Excel Engineering, where he is responsible for the overall management of the company in civil and geotechnical construction works and focusing on general infrastructure works.

In December 2008, he was appointed as a member of the Landslide Working Group Committee to investigate the Bukit Antarabangsa landslide. In August 2022, he was awarded the Dato' Paduka Mahkota Terengganu by the Sultan of Terengganu. In February 2025, he was appointed as an Adjunct Professor in Universiti Tun Hussein Onn Malaysia.

As at the LPD, save for his directorship in our Company, he does not sit on the board of directors of any other public listed companies.

Further details of his present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.4 of this Prospectus.

He does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

(ii) **Datuk Choy Kah Yew** *Independent Non-Executive Director*

Datuk Choy Kah Yew, male, a Malaysian aged 55, is our Independent Non-Executive Director. He was appointed to our Board on 26 May 2025.

In January 1996, he was admitted as a Member of the MICPA. In August 1996, he was admitted as a Member of the MIA as a Chartered Accountant.

He began his career with KPMG PLT as an Audit Trainee in April 1990. He then underwent articleship with KPMG PLT and completed the professional examinations of the MICPA in June 1995. He left KPMG PLT in August 1995 with his last position as an Audit Semi Senior where he was involved in planning and supervising the conduct of field audits on clients' financial statements.

In August 1995, he joined Venice Hill Resort Living Sdn Bhd as an Assistant Finance Manager, where he assisted the finance manager in overseeing the day-to-day accounting operations and managing the preparation and maintenance of proper accounting records for the company and left in June 1996. In the same month, he joined Ambangan Puri Sdn Bhd as a Finance Manager, where he was responsible for overseeing the day-to-day accounting operations of the company and managing the preparation and maintenance of proper accounting records for the company and left in October 1996.

In October 1996, he joined Malaysian International Merchant Bankers Berhad ("**MIMBB**") (now known as Hong Leong Investment Bank Berhad) as a Corporate Finance Executive, where he was responsible for supporting senior team members in executing corporate finance advisory and capital raising services for clients and left in May 1997. In June 1997, he joined SANYO Industries (Malaysia) Berhad (now known as I-Berhad) as a Senior Corporate Finance Manager, where he was responsible for advising the board of directors and senior management on matters relating to corporate finance, including the evaluation of corporate proposals. In June 1999, he joined Latexx Partners Berhad as an Assistant General Manager, Corporate Finance, where he was responsible for advising the board of directors and senior management on matters relating to corporate finance, including the evaluation of corporate proposals and left in June 2000.

In July 2000, he joined Linear Corporation Berhad as an Executive Director, where he was responsible for the financial management of the company and left in November 2000. In the same month, he joined Taiping Super Berhad (now known as G Capital Berhad) as an Executive Director, where he was responsible for the financial management of the company and left in August 2004.

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

In September 2004, he joined Alliance Merchant Bank Berhad (also known as Alliance Investment Bank Berhad) ("**Alliance IB**") as an Associate Director, Corporate Finance. Following a corporate organisational change, he was assigned to the Wholesale Banking department in May 2006 and was later transferred and promoted to Vice President, Corporate Banking of Alliance Bank Malaysia Berhad, where he was responsible for managing corporate banking relationships and left in December 2007.

In January 2008, he joined Hong Leong Bank Berhad as a Corporate and Investment Banking Transactor, where he was responsible in securing corporate and investment banking deals and left in August 2009.

In August 2009, he rejoined Alliance IB as a Senior Vice President in the Capital Market department. In April 2010, he was appointed as the Relief Officer to assume the daily function of the Chief Executive Officer of Alliance IB while the Chief Executive Officer position was temporarily vacant between April 2010 and April 2011. In October 2011, he was promoted to Senior Vice President, Head of Capital Markets, where he was responsible for managing the business of providing corporate finance advisory services and left in April 2014.

In April 2014, he joined S P Setia Berhad as the Head of Corporate Affairs and was later appointed as the Acting Chief Financial Officer in June 2014. In April 2016, he was promoted to Executive Vice President and Chief Financial Officer, where he was responsible for the overall financial management of the company and its subsidiaries, which encompasses financial management, leading corporate exercises such as mergers and acquisitions and capital raising, guiding financial strategy and decision-making and shaping the financial roadmap for expansion and growth and left after serving the role for 8 years in May 2022.

In May 2022, he joined Tropicana Shared Services Sdn Bhd (a wholly owned management company of Tropicana Corporation Berhad), where he was responsible in leading Tropicana Corporation Berhad and its subsidiaries' management team to secure investors for keys assets with a view to improve the gearing position and left in July 2022 to take a short career break before joining Sime Darby Property Berhad in February 2023 as the Chief Corporate Development Officer, where he was responsible for overseeing the corporate development activities of Sime Darby Property Berhad and its subsidiaries. In November 2023, he left Sime Darby Property Berhad to pursue his personal interests.

As at the LPD, save for his directorship in our Company, he does not sit on the board of directors of any other public listed companies.

Further details of his present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.4 of this Prospectus.

He does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

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

(iii) Serene Hiew Mun Yi
Independent Non-Executive Director

Serene Hiew Mun Yi, female, a Malaysian aged 37, is our Independent Non-Executive Director. She was appointed to our Board on 26 May 2025.

She graduated with a Bachelor of Laws from Oxford Brookes University in June 2009. She was subsequently called to the Bar of England and Wales at the Honourable Society of the Inner Temple in July 2010. She was admitted to the Malaysian Bar as an Advocate & Solicitor of the High Court of Malaya in August 2011.

She began her career with Messrs. Skrine in September 2011 to undertake her pupillage. Upon completion of her pupillage, she was retained by Messrs. Skrine as an Associate where she practised in the area of dispute resolution, specialising in construction disputes. In April 2015, she left Messrs. Skrine and co-founded Harold & Lam Partnership in May 2015 with two (2) other partners. She has been practicing as a Partner at Harold & Lam Partnership since its establishment, specialising in the areas of construction, infrastructure and engineering disputes and primarily focused in alternative dispute resolution i.e. adjudication and arbitration. She also undertakes advisory and construction project management work.

In March 2017, she was empanelled as an Adjudicator on the Kuala Lumpur Regional Centre for Arbitration (now known as Asian International Arbitration Centre) Panel of Adjudicators. In April 2024, she was appointed as a Director of International Group of Arbitrators Berhad. She is also the Deputy President of the Society of Construction Law, Malaysia for the term 2024/2025.

As at the LPD, save for her directorship in our Company, she does not sit on the board of directors of any other public listed companies.

Further details of her present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.4 of this Prospectus.

She does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

(iv) Soh Eng Hooi
Independent Non-Executive Director

Soh Eng Hooi, a Malaysian, aged 56, is our Independent Non-Executive Director. She was appointed to our Board on 26 May 2025.

She graduated with a Degree of Bachelor of Accounting from University of Malaya in August 1994. She has been a member of the MICPA since June 1998 and a member of the MIA since April 1999.

She began her career in May 1994 at Arthur Anderson & Co Kuala Lumpur as a Staff Assistant, where she assisted in audit assignments. In September 2000, she was promoted to the role of Manager and was tasked with leading and supervising a team of auditors to undertake audit engagements for clients in various industries.

In December 2001, she was transferred to Arthur Andersen Hua Qiang Certified Public Accountants, Guangzhou Office ("**AA China**") as Manager, where she was responsible for managing various audit assignments for clients of the firm. She later joined PricewaterhouseCoopers Zhong Tian CPAs, Co., Ltd. China ("**PWC China**") in July 2002 as a Manager, subsequent to a merger between AA China and PWC China. In August 2003, she left PWC China and took a career break.

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

Subsequently, she resumed her career in June 2004 and became a Director of Axial Capital Sdn Bhd, a boutique corporate advisory service company, where she was primarily responsible for overseeing its operations. In November 2008, she stepped down from her executive role in Axial Capital Sdn Bhd and in the same month, she joined Moore Stephens AC (now known as Baker Tilly AC) ("**BTAC**") as an Executive Director and was subsequently redesignated as a Partner upon becoming an approved company auditor under the Companies Act 1965 in February 2013. Her responsibilities in BTAC as Executive Director and Partner includes overseeing all aspects of the audit division's operations. In May 2014, she left BTAC and founded EH Soh & Partners in October 2014, an audit firm where she presently serves as its Managing Partner.

Currently, she is an Independent Non-Executive Director of MN Holdings Berhad, NuEnergy Holdings Berhad (formerly known as ILB Group Berhad) and Warisan TC Holdings Berhad. Additionally, she holds directorships in several private limited companies and is a partner in BKEH & Co PLT.

Further details of her present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.4 of this Prospectus

She does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

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

5.2.3 Directors' shareholdings

The direct and indirect shareholdings of our Directors after the Acquisitions and after our IPO are as follows:

Name	After the Acquisitions but before our IPO				After the Public Issue and Share Transfer			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(2) %	No. of Shares	(2) %
Dato' Ir. Dr. Mohd Asbi Bin Othman	-	-	-	-	⁽⁴⁾ 200,000	0.05	-	-
Lee Kim Seng	167,522,200	54.39	⁽³⁾ 127,632,800	41.44	53,155,000	12.08	⁽³⁾ 242,000,000	55.00
Ir. Oh Chin Wah	12,845,000	4.17	-	-	⁽⁴⁾ 15,145,000	3.44	-	-
Lee Jie Min	-	-	-	-	⁽⁴⁾ 1,300,000	0.30	-	-
Datuk Choy Kah Yew	-	-	-	-	⁽⁴⁾ 200,000	0.05	-	-
Serene Hiew Mun Yi	-	-	-	-	⁽⁴⁾ 200,000	0.05	-	-
Soh Eng Hooi	-	-	-	-	⁽⁴⁾ 200,000	0.05	-	-

Notes:

- (1) Based on our issued share capital of 308,000,000 Shares after the Acquisitions but before our IPO.
- (2) Based on our enlarged issued share capital of 440,000,000 Shares after the Public Issue and Share Transfer.
- (3) Deemed interested by virtue of his direct interest in Rogamas pursuant to Section 8 of the Act.
- (4) Assuming our eligible Directors will fully subscribe for their respective allocation under the Pink Form Allocation.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
5.2.4 Principal business activities as at the LPD and directorships in other corporations outside of our Group for the past five (5) years

Save as disclosed below, none of our Directors have any other principal business activities performed by them in other businesses or corporations outside our Group as at the LPD, and the directorships held by them outside our Group for the past five (5) years preceding the LPD:

(i) Dato' Ir. Dr. Mohd Asbi Bin Othman

Company / entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Acqua Spv Berhad	Special purpose entity for the purpose of acquisition of portfolio of investment in relation to undertaking water assets in Selangor	Director	15 June 2023	-	-	-
Excel Engineering	Undertaking civil and geotechnical construction works and focusing on general infrastructure works	Director and shareholder	9 March 2006	-	37.77	-
Innoharvest Sdn Bhd	Investment holding in property	Director and shareholder	3 September 2004	-	60.00	-
MAA Geological Services	Geological engineering consultancy services	Partner	1 November 2016	-	N/A	N/A
Maxwell Geosystems (Malaysia) Sdn Bhd	To operate the business as civil engineering; general trading; to enter into arrangements with any government or authority	Director	8 March 2016	-	-	-
Mohd Asbi Associates (Sarawak) Sdn Bhd	Engineering services	Director and shareholder	17 May 2023	-	35.00	-

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

Company / entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Mohd Asbi Associates Oil & Gas Sdn Bhd	Oil and gas extraction service activities provided on a fee or contract basis	Director and shareholder	20 April 2011	-	50.00	-
Mohd Asbi Associates Sdn Bhd	Consultancy engineering services	Director and shareholder	6 October 2003	-	55.00	-
Pengurusan Air Spv Berhad	To act as a special purpose vehicle for the purpose of issuance of Islamic financial instruments	Director	15 June 2023	-	-	-
Pengurusan Aset Air Berhad	Developing and managing the nation's water infrastructure in Peninsular Malaysia and the federal territories of Putrajaya and Labuan	Director	19 October 2022	-	-	-
Prime Offshore Sdn Bhd	Dormant ⁽¹⁾	Director	6 December 2016	-	-	-
Past involvement						
Carimin Resources Services Sdn Bhd	Engaged in the business of providing project and data management services	Director	13 March 2017	30 December 2021	-	-
Kin Hup Seng Construction Sdn Bhd	Dissolved	Shareholder	-	-	10.00	-
Nusmakmur Development Sdn Bhd	Investment holding	Director	21 March 2019	28 June 2023	-	-
Pengurusan Cerun Sdn Bhd	Dissolved	Shareholder	-	-	50.00	-
S.I. Builders Sdn Bhd	Winding up	Shareholder	-	-	25.00	-

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

Company / entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Sejahtera Fitrah Sdn Bhd	Investment holding	Director	8 October 2018	28 June 2023	-	-
Suasa Efektif (M) Sdn Bhd	Managing, maintaining and operating parking facilities of certain municipals in the state of Selangor Darul Ehsan	Director	8 October 2018	28 June 2023	-	-

Note:

(1) Prime Offshore Sdn Bhd's intended business is activities of holding companies in oil and gas industry but is currently dormant.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(ii) Lee Kim Seng

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Golden Courtyard Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate – land	Director and shareholder	10 August 2009	-	50.00	(1) 50.00
Kaochern Corporation Sdn Bhd	Investment properties	Director and shareholder	6 November 2000	-	17.50	-
Nautical Surf Sdn Bhd	Investment properties	Director and shareholder	10 January 2001	-	50.00	(1) 50.00
Proalpha Land Sdn Bhd	Property development and investment holding	Shareholder	-	-	27.27 (2)	-
Rogamas	Investment holding	Director and shareholder	29 March 2000	-	60.00	(1) 40.00
Past involvement						
Anika Mahir Development (M) Sdn Bhd	Real estate activities with own or leased property N.E.C.	Director	2 January 2008	10 March 2022	-	-
Geohan Semangat Sdn Bhd	Dissolved (3)	Director and shareholder	14 March 2016	-	52.00	-
Proalpha Sdn Bhd	Property development and investment holding	Director	24 May 1996	3 March 2022	-	-
Venture 2000 Sdn Bhd	Housing developer	Director	31 October 1996	18 August 2020	-	-

Notes:

- (1) Deemed interested by virtue of the direct interest held his spouse, Lim Tsui Ning.
- (2) Based on the total number of 10,000 ordinary shares and 100,000 preference shares in Proalpha Land Sdn Bhd (“**Proalpha Land**”). As at the LPD, Lee Kim Seng holds 30,000 preference shares, being 30.00% of the total number of preference shares in Proalpha Land.
- (3) Geohan Semangat Sdn Bhd was incorporated for the activities of holding companies and remained dormant before it was dissolved on 25 April 2023.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(iii) Ir. Oh Chin Wah

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
OCW Consultancy ⁽¹⁾	Consultation services for civil and structural engineering works, foundation and geotechnical engineering works	Sole proprietor	21 December 2021	-	N/A	N/A
Past involvement						
Geohan Semangat Sdn Bhd	Dissolved ⁽²⁾	Director and shareholder	14 March 2016	-	48.00	-

Note:

- (1) OCW Consultancy is a sole proprietorship owned and managed by Ir. Oh Chin Wah as a registered engineering consultancy practice under the Registration of Engineers Act 1967 for the purposes of signing off design and drawing as a Professional Engineer with a Practising Certificate on behalf of our Group. Ir. Oh Chin Wah does not sign off design and drawing as a Professional Engineer with a Practising Certificate for other businesses or corporations outside our Group.
- (2) Geohan Semangat Sdn Bhd was incorporated for the activities of holding companies and remained dormant before it was dissolved on 25 April 2023.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(iv) Lee Jie Min

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Medex Solutions Sdn Bhd	Information technology consultancy services	Director and shareholder	8 November 2018	-	100.00	-
Past involvement						
-	-	-	-	-	-	-

(v) Datuk Choy Kah Yew

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
-	-	-	-	-	-	-
Past involvement						
Bandar Eco-Setia Sdn Bhd	Property development and property investment	Director	16 July 2015	8 May 2022	-	-
Bukit Indah (Perak) Sdn Bhd	Dissolved	Director	16 July 2015	-	-	-
Dian Mutiara Sdn Bhd	Dissolved	Director	15 July 2015	-	-	-
Futurecrest (M) Sdn Bhd	Investment holding	Director	15 July 2015	8 May 2022	-	-
Ganda Anggun Sdn Bhd	Property development	Director	16 July 2015	8 May 2022	-	-

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

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Greenhill Resources Sdn Bhd	Property investment holding, as the owner, landlord and operator of a retail mall	Director	15 August 2018	8 May 2022	-	-
Harvard Gold Resort (Jerai) Berhad	Leasing of the clubhouse building and golf course	Director	15 February 2023	30 November 2023	-	-
Harvard Hotel (Jerai) Sdn Bhd	Hotels and resort hotels	Director	15 February 2023	30 November 2023	-	-
I & P Kota Bayuemas Sdn Bhd	Property development	Director	1 July 2019	8 May 2022	-	-
Impian Gold Resort Berhad	Provisions of services by way of golfing, sporting and other recreational facilities	Director	15 February 2023	30 November 2023	-	-
Indera Perasa Sdn Bhd	Investment holding, property and building management and project management services	Director	15 July 2015	8 May 2022	-	-
Kemboja Mahir Sdn Bhd	Property development and investment holding	Director	16 July 2015	8 May 2022	-	-
Kinrara Golf Club Sdn Bhd	Winding up	Director	1 July 2019	8 May 2022	-	-
Kinrara Urusharta Sdn Bhd	Winding up	Director	1 July 2019	8 May 2022	-	-
Lagavest Sdn Bhd	Dissolved	Director	16 July 2015	-	-	-
Merit Properties Sdn Bhd	Property development, investment in real properties, providing management services	Alternate Director	1 September 2021	8 May 2022	-	-

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

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Perumahan Kinrara Berhad	Property development, operation of golf course and resort	Director	1 July 2019	8 May 2022	-	-
Petaling Garden Industrial Estate Sdn Bhd	Dissolved	Director	1 December 2017	-	-	-
S P Setia Project Management Sdn Bhd	Property development and property management	Director	24 March 2017	8 May 2022	-	-
Setia Eco Glades Sdn Bhd	Property development and property investment holding	Director	16 July 2015	8 May 2022	-	-
Setia Eco Green Sdn Bhd	Activities of holding companies	Director	15 July 2015	8 May 2022	-	-
Setia Eco Land Sdn Bhd	Property development and property investment holding	Director	15 July 2015	15 July 2020	-	-
Setia Federal Hill Sdn Bhd	To develop an integrated commercial and residential development known as Setia Federal Hill	Alternate Director	1 September 2021	8 May 2022	-	-
Setia Japan Holding Sdn Bhd	Activities of holding companies	Director	15 July 2015	8 May 2022	-	-
Setia Prefab Sdn Bhd	Dissolved	Director	15 July 2015	-	-	-
Setia Safiro Sdn Bhd	Real estate activities with own or leased property N.E.C; Development of building projects for own operation, i.e., for renting of space in these buildings	Director	1 November 2018	8 May 2022	-	-

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

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Setia Ventures Excellence Sdn Bhd	Wound up	Director	5 September 2017	8 May 2022	-	-
Shaw & Sons (Kuala Lumpur) Sdn Bhd	Holding of investment properties for rental income and provision of services in connection therewith	Director	15 February 2023	30 November 2023	-	-
Shaw Brothers (Johore) Sdn Bhd	Investment holding	Director	15 February 2023	30 November 2023	-	-
Shaw Brothers (Kuala Lumpur) Sdn Bhd	Holding of investment properties for rental income	Director	15 February 2023	30 November 2023	-	-
Shaw Brothers (Kuching) Sdn Bhd	Investment holding	Director	15 February 2023	30 November 2023	-	-
Shaw Brothers (M) Sdn Bhd	Investment holding	Director	15 February 2023	30 November 2023	-	-
Shaw Plaza Sdn Bhd	Holding of investment properties for rental income and provision of services in connection therewith owning and operating a hotel	Director	15 February 2023	30 November 2023	-	-
Shaw Renters (East Malaysia) Sdn Bhd	Investment holding	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property (Asset I) Sdn Bhd	Property management services and property investment	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property (BBR Industrial I) Sdn Bhd	Property investment	Director	15 February 2023	30 November 2023	-	-

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

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Sime Darby Property (Convention Centre) Sdn Bhd	Operation of a convention centre	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property (Golfhome) Sdn Bhd	Property development	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property (Selangor) Sdn Bhd	Property development	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property (SJ7) Sdn Bhd	Property development	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property (Sungai Kapar) Sdn Bhd	Investment holding, property development, property investment, owner and operator of a mall	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property Holdings Sdn Bhd	Property investment and provision of property management services	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property Management Sdn Bhd	Property management services and property investment holding	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property Selatan (Holding) Sdn Bhd	Investment holding	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property Urus Harta Sdn Bhd	Dormant	Director	15 February 2023	30 November 2023	-	-
Sime Darby Property (Ironwood) Sdn Bhd	Property development	Director	15 February 2023	30 November 2023	-	-
SP Setia Technology Sdn Bhd	Provision of money lending service	Director	16 July 2015	8 May 2022	-	-

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

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Syarikat Perumahan Pegawai Kerajaan Sendirian Berhad	Development and sales of land, residential and commercial properties and rental of properties	Director	1 July 2019	8 May 2022	-	-
Tanah Sutera Development Sdn Bhd	Property development, investment in real properties	Alternate Director	1 September 2021	12 May 2022	-	-
Temasya Development Co. Sdn Bhd	Property development	Director	15 July 2020	8 May 2022	-	-
Tenaga Raya Sdn Bhd	Wound up	Director	16 July 2015	8 May 2022	-	-
Yong Peng Realty Sdn Bhd	Winding up	Director	15 July 2020	8 May 2022	-	-

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(vi) Serene Hiew Mun Yi

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Harold & Lam Partnership	Law firm	Partner	18 May 2015	-	N/A	N/A
HLS Capital Sdn Bhd	Private security activities; combined facilities support activities; other retail sale in non-specialised stores N.E.C	Director and shareholder	5 July 2022	-	12.00	-
HLS Holdings Sdn Bhd	Investment in commercial real estate	Director and shareholder	19 April 2016	-	11.00	-
International Group of Arbitrators Berhad	The promotion and facilitation of the determination of disputes by means of private dispute resolution other than through the court; the provision of education and training to those who wish to become qualified and proficient practitioners, and to persons with interest in private dispute resolution and matters related to the aforesaid objects; and the promotion and dissemination, of a wider knowledge of private dispute resolution	Director	29 April 2024	-	-	-
Past involvement						
-	-	-	-	-	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(vii) Soh Eng Hooi

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Axial Capital Sdn Bhd	Business advisory services	Director and shareholder	29 June 2004	-	80.00	-
BKEH & Co PLT	Provision of accounting, bookkeeping, audit services, tax consultancy and related services of public accountants	Partner	21 June 2022	-	N/A	N/A
EH Soh & Partners	Audit firm	Partner	29 October 2014	-	N/A	N/A
Genezen Development Corporation Sdn Bhd	Dormant ⁽¹⁾	Director and shareholder	24 June 2009	-	33.33	-
Millennium Meadow Sdn Bhd	Investment holding in properties	Director and shareholder	18 August 2014	-	50.00	-
MN Holdings Berhad (a company listed on the ACE Market of Bursa Securities)	Investment holding while its subsidiaries are principally involved in utility construction and management	Independent Non-Executive Director and shareholder	15 December 2020	-	0.05	-
NuEnergy Holdings Berhad (formerly known as ILB Group Berhad) (a company listed on the Main Market of Bursa Securities)	Investment holding while its subsidiaries are principally involved in solar energy and related businesses	Independent Non-Executive Director	15 May 2018	-	-	-
SCS Global Advisory (M) Sdn Bhd	Provision of professional advisory services	Shareholder	-	-	25.00	-
Warisan TC Holdings Berhad (a company listed on the Main Market of Bursa Securities)	Investment holding while its subsidiaries are principally involved in consumer products and services	Independent Non-Executive Director	31 December 2020	-	-	-

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

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Past involvement						
CNS Corporate Services Sdn Bhd	Dissolved	Director and shareholder	24 March 2006	-	25.00	-
Complete Corporate Services Sdn Bhd	Other management consultancy activities N.E.C	Director	23 October 2020	18 July 2022	-	-
Golden Asia Communications Sdn Bhd	Dissolved	Director and shareholder	15 January 2007	-	50.00	-
MHI My 1 Sdn Bhd	Hoteliers; investment holding; investment property	Director	7 September 2017	31 May 2023	-	-
Perun Consultants (Malaysia) Sdn Bhd	Provision of professional advisory services	Director	30 May 2022	30 December 2022	-	-
SMRT Holdings Berhad	Investment holding while its subsidiaries are principally involved in education, training and technology	Independent Non-Executive Director	27 November 2017	30 July 2020	-	-
Starhill Season Sdn Bhd	Dissolved	Director and shareholder	26 July 2017	-	100.00	-

Note:

(1) Genezen Development Corporation Sdn Bhd was in the business of investment holding in real properties and is currently dormant.

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

5.2.5 Involvement of our Promoters and substantial shareholders, Managing Director and Non-Independent Executive Directors in other businesses or corporations

Save as disclosed in Section 5.2.4 of this Prospectus, our substantial shareholder and Managing Director (namely Lee Kim Seng) and Non-Independent Executive Directors (namely Ir. Oh Chin Wah and Lee Jie Min), who are also our Promoters are not involved in other businesses or corporations. Their involvement in other businesses or corporations is not expected to affect the business operations of our Group as their involvement in the aforesaid companies are minimal as these companies are either investment holding of shares or properties, or such businesses' or corporations' operations do not require their involvement on a day-to-day basis. In addition, these businesses or corporations are managed by or operated by the other shareholders and/or directors and/or have their own management team. Their present involvement in the business or corporations set out in Section 5.2.4 of this Prospectus does not give rise to any conflict or potential conflict of interest with our business. Hence, our Board is of the view that this would not affect their contribution and performance in our Group.

5.2.6 KEY SENIOR MANAGEMENT

Our Key Senior Management comprises the following members:

Name	Age	Nationality	Designation
Low Kok Din (M)	35	Malaysian	Chief Financial Officer
Lai Chee Yong (M)	47	Malaysian	General Manager
Ir. Jeremy Lim Wei (M)	42	Malaysian	Deputy General Manager

Note:

(M) Male

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

5.2.7 Key Senior Management's shareholdings

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

Name	After the Acquisitions but before our IPO				After the Public Issue and Share Transfer			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(2) %	No. of Shares	(2) %
Low Kok Din	-	-	-	-	⁽³⁾ 375,000	0.09	-	-
Lai Chee Yong	-	-	-	-	⁽³⁾ 180,000	0.04	-	-
Ir. Jeremy Lim Wei	-	-	-	-	⁽³⁾ 180,000	0.04	-	-

Notes:

- (1) Based on our issued share capital of 308,000,000 Shares after the Acquisitions but before our IPO.
- (2) Based on our enlarged issued share capital of 440,000,000 Shares after the Public Issue and Share Transfer.
- (3) Assuming he will fully subscribe for his respective allocation under the Pink Form Allocation.

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

5.2.8 Profiles of Key Senior Management

The profiles of the Key Senior Management of our Group are as follows:

(i) Low Kok Din
Chief Financial Officer

Low Kok Din, male, a Malaysian aged 35, is our Chief Financial Officer since October 2024 and is primarily responsible for development and implementation of financial strategy, overseeing budgeting, forecasting and financial performance analysis, ensuring compliance with financial regulations and audits, and management of finance team to achieve operational excellence.

He graduated with a degree of Bachelor of Science (with Honours) in Accounting and Finance (Second Class, Upper Division) from the University of Warwick in July 2013. Subsequently, he was admitted as an Associate of the Institute of Chartered Accountants in England and Wales, UK in October 2018. In September 2024, he was admitted as a member of the MIA.

Upon graduation, he joined PricewaterhouseCoopers (PwC) in September 2013 as an Associate in audit and assurance related work. In July 2016, he was promoted as Senior Associate, where he was involved in leading audit engagements for several multinational corporations across various industries, including construction, plantation, logistics, and travel and tourism. He was also involved in identifying key risk areas, developing comprehensive audit and execution plans, conducting detailed testing of internal controls and financial transactions, as well as reviewing reports, documentation and financial statements. In September 2017, he left PwC.

In September 2017, he joined Petroliam Nasional Berhad (PETRONAS) as an Executive in Business Planning and Performance Reporting Unit under Finance and Risk Department. In May 2019, he was promoted as Senior Executive. During his tenure at PETRONAS, he was involved in management reporting and budgeting, advising the management team on financial analysis, providing periodic reports for global upstream business units, reviewing financial statements, conducting trend and variance analysis for business operations, preparing investment holding annual budget, assisting in project tender evaluations by providing financial analysis and ensuring internal controls are in place. In March 2024, he left PETRONAS and took a career break.

In August 2024, he joined GSB as a Finance Manager where his responsibilities included financial planning and control as well as overseeing all aspects of finance and accounts, including cash flow monitoring and forecasting, company secretarial, auditing, and tax matters. He is also involved in liaising with external parties, monitoring and ensuring compliance with accounting standards, assisting in management and operations, and supporting the implementation of the quality, environment, safety and health management system.

Presently, he does not hold any directorships nor is involved in any business activities outside of our Group.

He does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

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

(ii) Lai Chee Yong
General Manager

Lai Chee Yong, male, a Malaysian aged 47, is our General Manager.

He graduated with a Degree of Bachelor of Engineering (Civil) from University of Malaya in October 2001. In November 2003, he was registered as a Graduate Engineer with the Board of Engineers Malaysia.

He began his career with Reladaya Sdn Bhd, as a Site Engineer in September 2001, where he was involved in the construction of an apartment building. He left Reladaya Sdn Bhd in April 2002. In August 2002, he joined GSB as a Site Engineer, where he was involved in projects to upgrade highway roads and a police station. He left GSB in July 2004 to venture into direct selling business, where he has been involved in direct selling of Lampe Berger products. In August 2007, he rejoined GSB as a Project Engineer, where he was responsible for supervising project sites. In January 2008, he was promoted to Senior Project Engineer. Between May 2010 and August 2012, he was seconded to Geohan Pte Ltd as a Project Engineer, where he was responsible for overseeing a project work in Singapore.

In July 2010, he was promoted to Project Manager of GSB, where he was responsible for assisting with project planning, implementation, and completion activities. In January 2015, he was promoted to Deputy General Manager of GSB.

In July 2023, he was promoted to General Manager of GSB where his responsibilities involved managing project operations, implementing policies and procedures for quality management system and coordinating subcontractors' activities at project sites. He is heavily involved in direct engagement with main contractors and subcontractors, attending meetings to ensure alignment and resolve any on-site issues. He is also responsible for ensuring all work is out in accordance with the drawings, specifications, construction plans, procedures, and work instructions. Additionally, he is responsible for overseeing site productivity and resource planning, ensuring that inspections, tests, and quality control mechanisms are in place, and report project status to top management.

He is a member of the Malaysia Human Resource Development Certified Institute since May 2022. He is a certified trainer under the Malaysia Human Resource Development Corporation, Ministry of Human Resources since September 2023. In October 2023, he obtained his Professional Certificate in Alternative Dispute Resolution Practice. He is currently pursuing a doctorate of Business Administration with the University of Information Technology and Management, Rzeszow Poland via distance learning.

Further details of his present directorships and involvements in principal business activities outside of our Group are set out in Section 5.2.9 of this Prospectus

He does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

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

(iii) Ir. Jeremy Lim Wei
Deputy General Manager

Ir. Jeremy Lim Wei, male, a Malaysian aged 42, is our Deputy General Manager.

He graduated with a Degree of Bachelor of Engineering (Civil) from Universiti Teknologi Malaysia in September 2006. In December 2006, he was registered as a Graduate Engineer with the Board of Engineers Malaysia and registered as a Professional Engineer in December 2013.

He began his career with G&P Geotechnics Sdn Bhd as an Engineer in June 2006 and was promoted to Senior Engineer in January 2010. During his tenure with G&P Geotechnics Sdn Bhd, he was involved in design and overseeing projects encompassing areas such as retaining and reinforced concrete walls, basement excavations, foundation build and design, earthwork planning, slope strengthening, slip road and temporary sheet pile design, as well as treatment for equipment testing platforms. He left G&P Geotechnics Sdn Bhd in March 2011.

In June 2011, he joined GSB as an Assistant Project Manager. In July 2012 and January 2015, he was promoted to Project Manager and Senior Project Manager, respectively. His duties include assisting the General Manager and Deputy General Manager with project planning, implementation, and completion. His responsibilities also include ensuring inspections and tests comply with quality control standards, reporting project progress to top management, and monitoring project sites and operations.

In July 2016, he was promoted to Deputy General Manager, where he oversees the full project delivery process. His responsibilities include supervising tender submissions and interviews, monitoring project timelines, progress billing and payment collection, and preparing weekly progress reports for senior management. He also oversees the research on project scope, location, and potential challenges, and providing his insights and expertise to the tendering team for cost adjustments. Throughout his tenure at GSB, from June 2011 to the present, his project portfolio includes earthwork excavation, diaphragm walls, ground anchors, bore piles, caisson piles, pile caps, micropiles, and jack-in piles.

Presently, he does not hold any directorships nor is involved in any business activities outside of our Group.

He does not have any family relationship with our other Promoters, substantial shareholders, Directors and/or Key Senior Management.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**5.2.9 Involvement of our Key Senior Management in other businesses / corporations outside of our Group**

Save as disclosed below, none of our Key Senior Management have any other principal business activities performed by them in other businesses or corporations outside our Group as at the LPD, and the directorships held by them outside our Group for the past five (5) years preceding the LPD:

(i) Lai Chee Yong

Company/ entity	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement						
Emotion Excel Sdn Bhd	Educational support services for provision of non-instructional services; Provision of other human health services including mental and emotional health report and counselling services.	Director and shareholder	28 October 2020	-	30.00	-
Past involvement						
-	-	-	-	-	-	-

Our Board is of the view that the involvement of the above Key Senior Management in other businesses or corporations outside our Group will not affect their contributions to our Group and would not be expected to affect the operations of our Group as their involvement in the above companies are minimal as these businesses' or corporations' do not require their involvement on a day-to-day basis. Further, their involvement does not give rise to any conflict of potential conflict of interest with our business.

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

5.3 BOARD PRACTICES

5.3.1 Directorship

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

Name	Date of appointment	Date of expiration of the current term of office	Approximate no. of years in office up to the date of this Prospectus
Dato' Ir. Dr. Mohd Asbi Bin Othman	26 May 2025	At the AGM to be held in 2025	Less than one (1) year
Lee Kim Seng	29 January 2016	At the AGM to be held in 2025	Nine (9) years
Ir. Oh Chin Wah	16 March 2016	At the AGM to be held in 2026	Nine (9) years
Lee Jie Min	26 May 2025	At the AGM to be held in 2025	Less than one (1) year
Datuk Choy Kah Yew	26 May 2025	At the AGM to be held in 2025	Less than one (1) year
Serene Hiew Mun Yi	26 May 2025	At the AGM to be held in 2025	Less than one (1) year
Soh Eng Hooi	26 May 2025	At the AGM to be held in 2025	Less than one (1) year

5.3.2 Audit and Risk Management Committee ("ARMC")

Our AMRC was established on 29 May 2025 and its members are appointed by our Board. Our AMRC comprises the following members:

Name	Designation	Directorship
Datuk Choy Kah Yew	Chairperson	Independent Non-Executive Director
Serene Hiew Mun Yi	Member	Independent Non-Executive Director
Soh Eng Hooi	Member	Independent Non-Executive Director

The main functions of our ARMC as stated in its terms of reference includes, among others, the following:

- (i) to consider any matters concerning the appointment and re-appointment, the audit and non-audit fees and any questions of resignation or dismissal of external auditors, and further ensure the suitability, objectivity and independence of external auditors;
- (ii) to review with the external auditors:
 - (a) their audit plan, process, scope and nature of the audit of our Group;
 - (b) their evaluation and findings of the system of risk management and internal controls;
 - (c) their audit reports on financial statements;

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

- (d) the management letter and management's response with regard to problems and reservations arising from their audits;
 - (e) the coordination of audits where more than one (1) audit firm is involved; and
 - (f) any other matters that the external auditors may wish to discuss (in the absence of management where necessary);
- (iii) to ensure coordination between the internal auditors and the external auditors;
- (iv) to review and assess the adequacy of the scope, functions, competency, experience and resources of the internal audit functions of which the internal auditors should report directly to ARMC;
- (v) to ensure that the internal auditors are independent and objective, and have the relevant qualifications and be responsible for assuring ARMC that the internal controls are operating effectively.
- (vi) to review the internal audit plan, processes, the results of internal audit assessments or investigations undertaken and whether or not appropriate action is taken on the recommendations made.
- (vii) to review the adequacy and effectiveness of the Group's internal control systems, anti-bribery and corruption and whistleblowing as evaluated, identified and reported by the Management, internal or external auditors as well as to review whether actions taken to ratify the same are appropriate or timely.
- (viii) to review the quarterly results and year-end financial statements of the Group before the approval by the Board;
- (ix) to ensure that ARMC Report is prepared at the end of each financial year for inclusion in the annual report of our Company;
- (x) to ensure that the Board establishes a comprehensive framework/policy to identify, evaluate, approve and report related party transactions;
- (xi) to assess all the disclosed conflicts by our Directors and key senior management, to evaluate their nature, significance and potential impact on our Group;
- (xii) to assist our Board to effectively discharge its risk oversight responsibilities by monitoring and overseeing our Group's risk management and processes in identifying, evaluating, monitoring and managing significant risks within our Group;
- (xiii) to review our Group's risk management policy and implementation of the risk management framework;
- (xiv) to report promptly to Bursa Securities on any matter which has not been satisfactorily resolved resulting in a breach of the Listing Requirements;
- (xv) to verify the allocation of options under a share issuance scheme or the allocation of shares according to any incentive plan for employees of our Group, if any;
- (xvi) to review and conduct an annual performance evaluation of the internal and external auditors, in respect of each financial year under review; and
- (xvii) to carry out such other functions or assignments as may be delegated by the Board from time to time.

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

5.3.3 Nomination Committee ("NC")

Our NC was established on 29 May 2025 and its members are appointed by our Board. Our NC comprises the following members:

Name	Designation	Directorship
Soh Eng Hooi	Chairperson	Independent Non-Executive Director
Datuk Choy Kah Yew	Member	Independent Non-Executive Director
Serene Hiew Mun Yi	Member	Independent Non-Executive Director

The main functions of our NC as stated in its terms of reference includes, among others, the following:

- (i) to review, assess, and recommend suitable candidates for appointment as Directors of our Company, as well as retiring Directors seeking re-election at the AGM. When making recommendations to our Board regarding directorship or re-appointment, the NC must consider the "Fit and Proper Criteria" outlined in our Company's Directors' Fit and Proper Policy.
- (ii) to ensure there is a gender-diverse Board and the NC may seek out independent sources to identify qualified candidates for our Board;
- (iii) to evaluate the necessary mix of skills, experience, qualifications, directorship, core competencies, and diversity (including age, personal background, and gender) of our Board and our Board Committees. The Nomination Committee will assess the contribution and performance of each Director to ensure our Board and our Board Committees operate effectively and efficiently;
- (iv) to review the size, structure, balance, and composition of our Board and our Board Committees to ensure optimal performance;
- (v) to identify and review the core competencies, skills and other qualities including but not limited to the qualifications, skills, knowledge, experience, qualifications and diversity required by each of our Independent Non-Executive Directors, that are essential to contribute towards the effectiveness and balance of the Board;
- (vi) to review and evaluate the contributions made by each member of our Board, including the Independent Non-Executive Directors and the Chairman of our Board, as well as the Managing Director;
- (vii) to assess each Director's ability to contribute to our Board's decision-making process and ensure that our Board operates actively, efficiently, and effectively in all its decision-making;
- (viii) to conduct an annual review of the term of office and performance of the ARMC and each of its members. The review will assess whether ARMC and its members have fulfilled their duties in accordance with their terms of reference;
- (ix) to evaluate annually the effectiveness of our Board and our Board Committees as a whole for assessing the contribution to the effectiveness of the decision-making process of our Board;
- (x) to review and assess annually the independence of the Independent Non-Executive Directors of our Company;
- (xi) to review, consider and make recommendations regarding the continuation in office of Independent Non-Executive Directors who have served for more than nine (9) years. The assessment will take into account their performance and ability to contribute to the Board, in light of the necessary knowledge, skills, and experience;
- (xii) to oversee the development of succession planning of our Board and key senior management;
- (xiii) to assess and recommend the re-election of Directors who are due to retire in accordance with our Company's Constitution;

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

- (xiv) to remain up-to-date and fully informed about strategic issues and commercial changes that impact our Company and the market in which it operates; and
- (xv) to carry out such other functions or assignments as may be delegated by our Board from time to time.

The Director concerned shall abstain from deliberation and voting on his/her own respective re-election.

5.3.4 Remuneration Committee ("RC")

Our RC was established on 29 May 2025 and its members are appointed by our Board. Our RC comprises the following members:

Name	Designation	Directorship
Serene Hiew Mun Yi	Chairperson	Independent Non-Executive Director
Datuk Choy Kah Yew	Member	Independent Non-Executive Director
Soh Eng Hooi	Member	Independent Non-Executive Director

The main functions of our RC as stated in its terms of reference includes, among others, the following:

- (i) to review and recommend to our Board the appropriate remuneration packages for all Directors of our Company, with or without professional advice;
- (ii) to review and recommend fees and benefits payable to our Directors;
- (iii) to assist our Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus, and other benefits for our Directors and key senior management;
- (iv) to ensure that remuneration packages and benefits for our Directors align with our Company's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and our Board;
- (v) to develop and administer a fair and transparent procedure for setting policy on the remuneration of our Directors and key senior management, which considers the demands, complexities, and performance of our Company, as well as the skills and experience required;
- (vi) to implement our Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of our Board and key senior management;
- (vii) to ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments, or conditions, and our Company's operating results, as well as our Directors or key senior management's merit, qualification, competence, and individual performance;
- (viii) to ensure that appropriate rewards, benefits, compensation, and remuneration are offered to retain Directors, and structuring remuneration packages to link rewards to individual performance; and
- (ix) to carry out any other functions delegated by our Board that would benefit our Company and ensure the effective discharge of the Remuneration Committee's duties and responsibilities.

The Director(s) concerned shall abstain from deliberation and voting on his/ her own respective remuneration.

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

5.4 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

5.4.1 Directors' Remuneration and Material Benefits-In-Kind

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered to our Group in all capacities for the FYE 2024 and FYE 2025 are as follows:

FYE 2024	Salaries (RM'000)	Fees (RM'000)	Bonus (RM'000)	Statutory Contributions (RM'000) ⁽¹⁾	Allowances (RM'000)	Benefits-in-kind (RM'000) ⁽²⁾	Total (RM'000)
<u>Executive Directors</u>							
Lee Kim Seng ⁽³⁾	570	-	127	⁽⁴⁾ 30	45	9	781
Ir. Oh Chin Wah ⁽⁵⁾	546	-	122	86	43	14	811
Lee Jie Min ⁽⁶⁾	158	-	34	25	11	-	228
<u>Non-Executive Directors</u> ⁽⁶⁾							
Dato' Ir. Dr. Mohd Asbi Bin Othman	-	-	-	-	-	-	-
Datuk Choy Kah Yew	-	-	-	-	-	-	-
Serene Hiew Mun Yi	-	-	-	-	-	-	-
Soh Eng Hooi	-	-	-	-	-	-	-

Notes:

- (1) Comprises contributions to EPF, EIS and SOCSO.
- (2) Comprises non-cash compensation such as provision of company vehicle and fuel entitlement.
- (3) Dividend declared and paid to him in FYE 2024 is approximately RM4.99 million. In addition, dividend declared and paid to Rogamas (a company which is owned by Lee Kim Seng (60.00%) and Lim Tsui Ning (40.00%)) in FYE 2024 is approximately RM3.70 million.
- (4) The rate of monthly EPF contributions by the employer is lower as he has attained the age of 60 years old and above.
- (5) Dividend declared and paid to him in FYE 2024 is approximately RM0.40 million.
- (6) Appointed to our Board on 26 May 2025.

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

FYE 2025 (Proposed)	Salaries (RM'000)	Fees (RM'000)	Bonus (RM'000)	Statutory Contributions (RM'000) ⁽¹⁾	Allowances (RM'000)	Benefits-in-kind (RM'000) ⁽²⁾	Total (RM'000)
<u>Executive Directors</u>							
Lee Kim Seng	600	-	150	⁽³⁾ 33	50	9	842
Ir. Oh Chin Wah	576	-	144	94	48	13	875
Lee Jie Min ⁽⁴⁾	216	-	54	36	18	-	324
<u>Non-Executive Directors</u> ⁽⁴⁾							
Dato' Ir. Dr. Mohd Asbi Bin Othman	-	⁽⁵⁾ 50	-	-	⁽⁵⁾ 3	-	53
Datuk Choy Kah Yew	-	⁽⁵⁾ 43	-	-	⁽⁵⁾ 3	-	46
Serene Hiew Mun Yi	-	⁽⁵⁾ 36	-	-	⁽⁵⁾ 3	-	39
Soh Eng Hooi	-	⁽⁵⁾ 36	-	-	⁽⁵⁾ 3	-	39

Notes:

- (1) Comprises contributions to EPF, EIS and SOCSO.
- (2) Comprises non-cash compensation such as provision of company vehicle and fuel entitlement.
- (3) The rate of monthly EPF contributions by the employer is lower as he has attained the age of 60 years old and above.
- (4) Appointed to our Board on 26 May 2025.
- (5) Computed from 26 May 2025 to 31 December 2025.

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

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

5.4.2 Key Senior Management's Remuneration and Material Benefits in-Kind

The aggregate remuneration and material benefits in-kind paid and proposed to be paid to our Key Senior Management for services rendered to our Group in all capacities for the FYE 2024 and FYE 2025 are as follows:

Key Senior Management	Remuneration Band ⁽¹⁾	
	FYE 2024 (RM'000)	Proposed for the FYE 2025 (RM'000)
Low Kok Din ⁽²⁾	50 – 100	250 – 300
Lai Chee Yong	450 – 500	500 – 550
Ir. Jeremy Lim Wei	400 – 450	450 – 500

Notes:

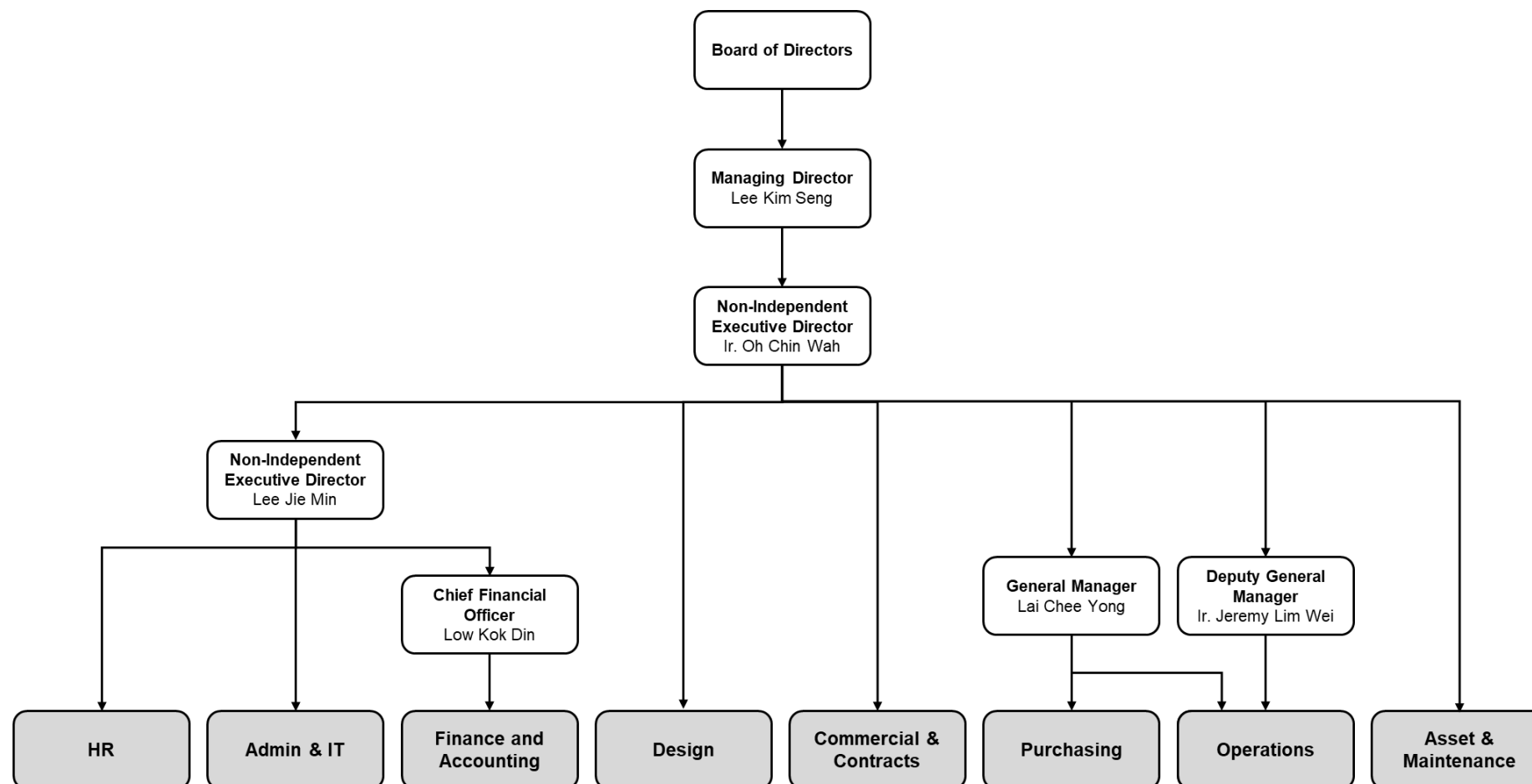
- (1) The remuneration for our Key Senior Management includes salaries, bonuses, allowances and other emoluments.
- (2) Joined our Group on 7 August 2024.

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

5.5 MANAGEMENT REPORTING STRUCTURE

The management reporting structure of our Group is as follows:



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

5.6 DECLARATIONS BY EACH PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

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

5.7 FAMILY RELATIONSHIPS AND ASSOCIATIONS

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

Name	Position/Designation	Nature of relations and associations
Lee Kim Seng	➤ Promoter ➤ Substantial shareholder ➤ Managing Director ➤ Moratorium Shareholder	➤ Shareholder and director of Rogamas. ➤ Spouse of Lim Tsui Ning and father of Lee Jie Min.
Lee Jie Min	➤ Promoter ➤ Non-Independent Executive Director ➤ Moratorium Shareholder	➤ Daughter of Lee Kim Seng and Lim Tsui Ning.
Lim Tsui Ning	➤ Substantial shareholder ➤ Moratorium Shareholder	➤ Shareholder and director of Rogamas. ➤ Spouse of Lee Kim Seng and mother of Lee Jie Min.
Rogamas	➤ Promoter ➤ Substantial shareholder ➤ Moratorium Shareholder	➤ A company in which Lee Kim Seng and Lim Tsui Ning are the directors and shareholders.
Tang Ji Jian	➤ Director of GPL	➤ Spouse of Lee Jie Min. ➤ Son-in-law of Lee Kim Seng and Lim Tsui Ning.

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

5.8 SERVICE AGREEMENTS

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

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6. INFORMATION ON OUR GROUP

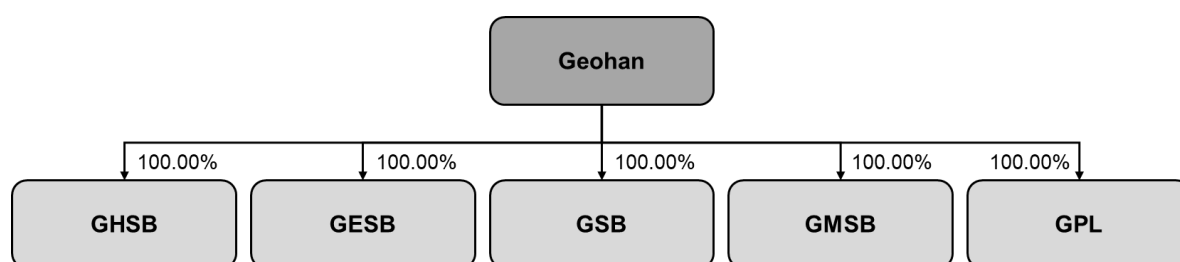
6.1 INFORMATION ON OUR GROUP

6.1.1 Overview and history

Our Company was incorporated in Malaysia under the Companies Act 1965 on 29 January 2016 as a private limited company under the name of Geohan Corporation Sdn Bhd and is deemed registered under the Act. Our Company was converted into a public limited company on 21 March 2016. Our Company was subsequently converted back to a private limited company on 25 November 2024 to facilitate the implementation of the pre-listing re-organisation exercise. Subsequently on 23 April 2025, our Company was converted to a public limited company and assumed our present name to facilitate the Listing.

Our Company is an investment holding company. Through our Subsidiaries, we are principally involved in provision of foundation and geotechnical services, as well as other related services.

Our Group structure is as follows:



Upon completion of the Acquisitions on [●], our Group was formed. Further details of our Subsidiaries are as set out in Section 6.2 of this Prospectus.

6.1.2 Key events and milestones

The history of our Group can be traced back to 1996 when our Managing Director, Lee Kim Seng joined our Group. The key milestones and events of our Group's history and business expansions are as set out below:

Year	Key Milestones
1996	- Lee Kim Seng, our Managing Director, joined our Group by acquiring 50.00% stake in GHSB and assumed the role of Executive Director in GHSB. Please refer to Section 5.1.2 for further details on the profile of Lee Kim Seng. - At this juncture, GHSB operated at our rented Lot 42 Property, and was involved in providing caisson piling works, anchored caisson wall works, guniting works and earthworks. As we expanded over the course of our operations, we acquired Lot 40 Property and Lot 42 Property in 2001 and 2019 respectively, of which remain as our headquarters as at the LPD.
1997	Prospective Frontier Sdn Bhd (now known as GSB) was acquired by GHSB as its subsidiary to undertake foundation and geotechnical business.
1998	- We secured the First World Hotel project, a commercial development at Genting Highlands, Pahang, to provide caisson piling works, anchored caisson wall construction and earthworks. ⁽¹⁾ - Ir. Oh Chin Wah, our Non-Independent Executive Director, joined our Group as an Engineer and has gradually undertaken additional responsibilities, and eventually became our Executive Director in 2008. Please refer to Section 5.1.2 for further details on the profile of Ir. Oh Chin Wah.
2000	We expanded our foundation and geotechnical service offerings to include micropiling works and grouting works respectively, by securing a project to provide micropiling works, sub-structure works, grouting works and guniting works for the construction of water catchment at Genting Highlands, Pahang.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key Milestones
2002	As our business grew, we expanded our foundation service offerings to include bored piling works by securing a project to provide bored piling works for City View Condominium, a residential development in Kuala Lumpur.
2004	GHSB acquired a shelf company, i.e. Beeline Properties Sdn Bhd (now known as GESB), to undertake the acquisition and maintenance of machinery and equipment.
2007	GPL was incorporated on 3 May 2007 as a wholly-owned subsidiary of GSB with the intention to expand our geographical presence to Singapore.
2008	We expanded our geotechnical service offerings to include hydromulching works by securing a project to provide slope stabilisation works at Genting Highlands, Pahang.
2009	We expanded our market to Singapore by securing our first project in Jurong East, Singapore, to provide bored piling works for the modification of Jurong East Mass Rapid Transit ("MRT") Station, an infrastructure development.
2011	We secured the Arcoris project, a residential development project, at Mont Kiara, Kuala Lumpur, to provide piling works, sub-structure works and earthworks, amongst others. ⁽¹⁾
2012	- We expanded our foundation service offerings to include diaphragm wall construction by securing a project to provide diaphragm wall construction, bored piling works, sub-structure works and earthworks for Ascencia, a residential development at TTDI, Kuala Lumpur. - We secured the KL Gateway Mall project, a commercial development at Kerinchi, Kuala Lumpur, to provide bored piling works, caisson piling works, contiguous bored pile wall construction, ground anchor works and steel strutting. ⁽¹⁾ - We secured our first Klang Valley MRT project, an infrastructure development, to provide foundation and geotechnical works for the construction of MRT Kajang Line. Since then, we have continued to secure contracts for MRT projects in Klang Valley, including the construction of MRT Putrajaya Line up to 2017. ⁽²⁾
2014	- We secured another project at Genting Highlands, Pahang, to provide caisson piling works, micropiling works, anchor caisson pile wall construction and earthworks, amongst others, for the construction of a high-rise hotel building and a commercial building. ⁽¹⁾ - We secured the Quarza project, a residential development at KL East, Kuala Lumpur, to provide bored piling works, contiguous bored piling works, sub-structure works and earthworks, amongst others. ⁽¹⁾
2015	- We commenced the construction of a storage and depot facility on a land in Bukit Beruntung, Selangor, measuring approximately 29,318 sq. m. purchased by our Group in 2010, to house our growing fleet of machinery, equipment and tools, as well as to carry out machinery and equipment maintenance works. At this juncture, our machinery, equipment and tools were stored at a storage facility in Kayu Ara, Petaling Jaya. - Lee Jie Min joined our Group as Finance Executive and was appointed as our Non-Independent Executive Director in 2025. Please refer to Section 5.1.2 for further details on the profile of Lee Jie Min.
2016	We completed the construction of the storage and depot facility in Bukit Beruntung Depot and thereafter relocated our machinery, equipment and tools from our storage facility in Kayu Ara to our Bukit Beruntung Depot.
2018	We secured the M Vertica project, a residential development at Cheras, Kuala Lumpur, to provide bored piling works and sub-structure works. ⁽¹⁾

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key Milestones
2020	We secured the East Coast Rail Link (“ECRL”) project, an infrastructure development at various locations in Pahang to provide bored piling works. Since then, we have continued to secure ECRL projects up to 2022.⁽²⁾
2021	We secured the Dwitara Residences project, a residential development at Petaling Jaya, Selangor, to provide bored piling works and sub-structure works.⁽¹⁾
2022	We secured a residential development project at Mont Kiara, Kuala Lumpur, to provide piling works, sub-structure works, soil nailing and guniting works.⁽¹⁾
2023	- We secured The Connaught One project, a residential development at Cheras, Kuala Lumpur, to provide bored piling works, sub-structure works and earthing works.⁽¹⁾ - We secured the GENTING XINTIANDI project, a mixed development at Genting Highlands, Pahang, to provide caisson pile works, sub-structure works, soil nailing, guniting works and earthing works.⁽¹⁾ - We secured the Ativo Annexe project, a mixed development at Bandar Sri Damansara, Kuala Lumpur, to provide piling works, pad foundation works, contiguous bored pile wall construction and earthworks.⁽¹⁾
2024	- We secured the Sunway Serene 2 project, a residential development at Kelana Jaya, Selangor, to provide piling works and sub-structure works.⁽¹⁾ - We secured the Blossom Suites project, a residential development in Penang, to provide bored piling works, sub-structure works and earthworks.⁽¹⁾

Notes:

- (1) Refers to project with RM40.00 million contract value and above, which are deemed notable to our Group.
- (2) Refers to a series of projects under the same development with RM40.00 million contract value and above, collectively, which are deemed notable to our Group.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.1.3 Our awards and recognitions**

Over the years of business operations, our Group has received various awards from our customers, government bodies and associations, attesting to our performance and quality of works as a foundation and geotechnical specialist. Details of the awards we received in the Financial Years Under Review and up to the LPD are as follows:

Year awarded	Award	Awarding bodies
2022	Excellent Performance in Year 2022 for East Coast Rail Link Project	China Communications Construction (ECRL) Sdn Bhd
2023	Sub Structure Construction 19 th MOSHPA Award Winners 2023 - Gold	Malaysian Occupational Safety and Health Practitioners' Association
2024	Supplier Excellence Award	Genting Group
2024	QUEST 2024 – Safety and Health Assessment System in Construction – 5 Stars and below 95% for Project G607 – MK31 @ Mont Kiara ⁽¹⁾	Ministry of Works Malaysia and CIDB

Note:

- (1) Refers to a residential project which our Group was involved in providing caisson pile, micropile, soil nailing, grouting and pile cap works. Our Group was awarded for excellent occupational safety and health ("OSH") management system planned and implemented with proactive commitment from top management to manage OSH at all times.

6.1.4 Share capital and changes in share capital

As at the LPD, our issued share capital is RM128,000 comprising 128,008 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	Type of Issue / Consideration	Cumulative issued share capital	
			No. of Shares	(RM)
29 January 2016	10	Cash / RM2	10	2
18 December 2024	⁽¹⁾ 126,272	Otherwise than Cash / RM126,272	126,282	126,274
27 December 2024	1,726	Cash / RM1,726	128,008	128,000
[●]	⁽²⁾ 307,871,992	Otherwise than Cash / RM131,522,915	308,000,000	131,650,915

Notes:

- (1) Shares are allotted pursuant to the capitalisation of advances owed by the Company to Lee Kim Seng.
- (2) Shares are allotted pursuant to the Acquisition of Equity Interests from Vendors. Further details of the Acquisition of Equity Interests from Vendors are set out in Section 4.1.1.1 of this Prospectus.

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

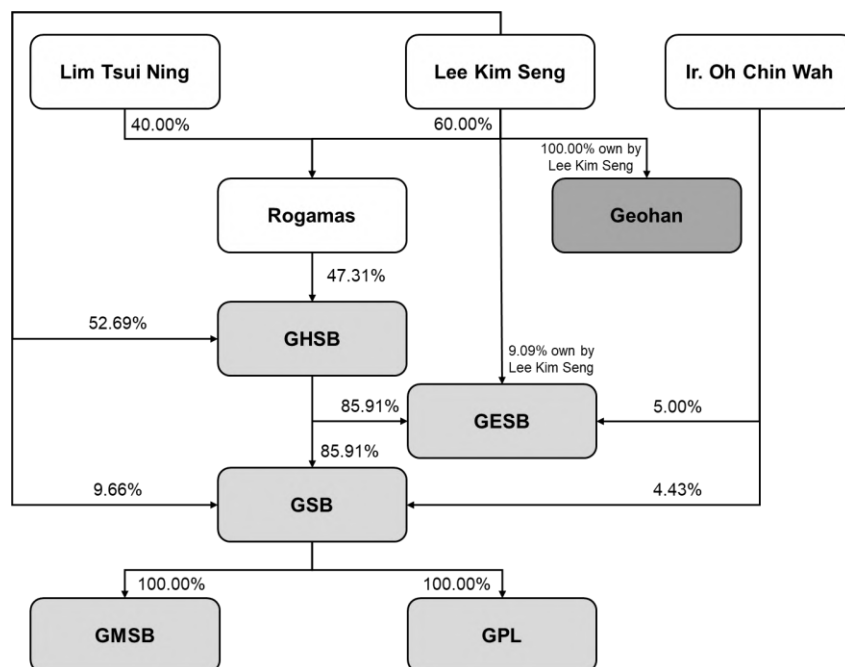
Upon completion of our IPO, our issued share capital will increase from approximately RM131,650,915 comprising 308,000,000 Shares to approximately RM[●] comprising 440,000,000 Shares.

6. INFORMATION ON OUR GROUP (Cont'd)

6.1.5 Group Structure

Our Group structure before and after the Acquisitions as well as after our IPO and Share Transfer are as follows:

Before the Acquisitions ⁽¹⁾

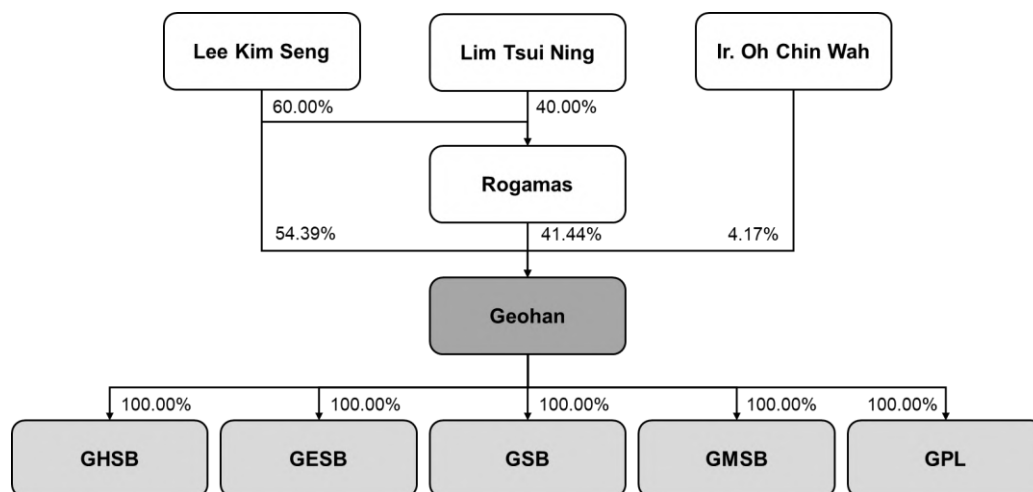


Notes:

(3) Based on our issued share capital of 128,008 Shares before the Acquisitions.

(4) Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.

After the Acquisitions but before our IPO ⁽¹⁾



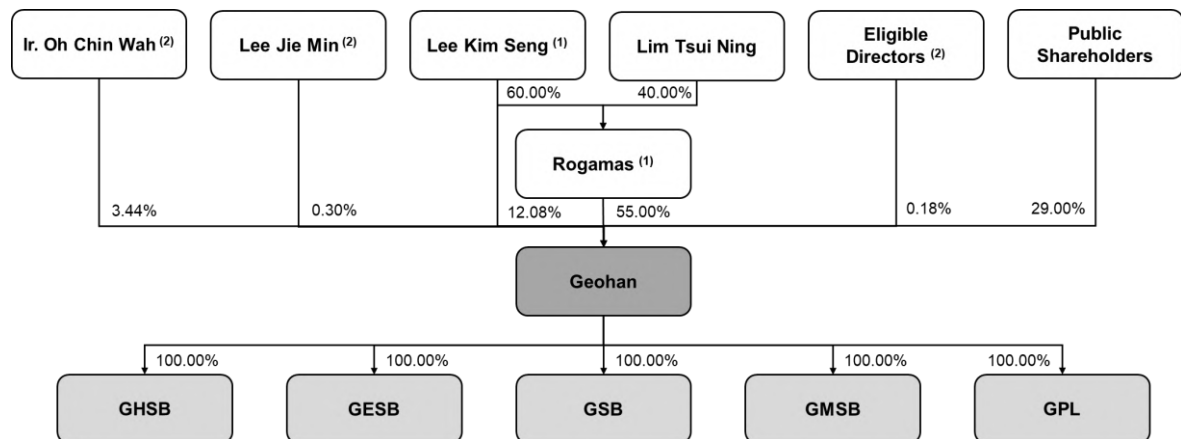
Notes:

(1) Based on our issued share capital of 308,000,000 Shares after the Acquisitions but before our IPO.

(2) Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.

6. INFORMATION ON OUR GROUP (Cont'd)

After our IPO and Share Transfer



Notes:

- (1) The Share Transfer from Lee Kim Seng to Rogamas will take place during the prescription period (i.e., one (1) day after the launching date of the Prospectus up to a period of 30 days).
- (2) Assuming that our eligible Directors who are not counted as public shareholders have fully subscribed for their respective Pink Form Allocation.
- (3) Lee Kim Seng is the spouse of Lim Tsui Ning, while Lee Jie Min is the daughter of Lee Kim Seng and Lim Tsui Ning.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.2 INFORMATION ON OUR SUBSIDIARIES

The details of our Subsidiaries are summarised as follows:

Company name and registration number	Date / Place of incorporation	Effective equity interest ⁽¹⁾	Principal activities
GHSB (199201012903 (244406-A))	14 July 1992 / Malaysia	100.00%	Provision of foundation and geotechnical services, as well as other related services, sub-contractor, and wholesale of construction materials
GESB (199901010497 (485397-P))	8 June 1999 / Malaysia	100.00%	Hiring of equipment and machinery; Service activities incidental to land transportation
GSB (199601042113 (414466-K))	20 December 1996 / Malaysia	100.00%	Provision of foundation and geotechnical services, as well as other related services, sub-contractor, and wholesale of construction materials
GMSB (200301025819 (628239-X))	15 September 2003 / Malaysia	100.00%	Building and earthwork contractors and sub-contractor ⁽²⁾
GPL (200707631N)	3 May 2007 / Singapore	100.00%	Foundation works (including micropiling, conventional piling and underpinning); General building engineering design and consultancy services

Notes:

(1) Our effective equity interest in the respective Subsidiaries upon completion of the Acquisitions.

(2) GMSB is dormant as at the LPD.

As at the LPD, our Group do not have any joint venture or associated company.

Further details of our Subsidiaries are as set out below.

6.2.1 GHSB

(i) Background, history and principal activities

GHSB was incorporated in Malaysia under the Companies Act 1965 on 14 July 1992 as a private limited company under the name of Alpha Projects Sdn Bhd and is deemed registered under the Act. On 10 March 2010, the company assumed its present name of Geohan Holding Sdn Bhd.

As at the LPD, GHSB is principally involved in the business of provision of foundation and geotechnical services, as well as other related services, sub-contractor, and wholesale of construction materials. GHSB's principal place of business is in Malaysia.

6. INFORMATION ON OUR GROUP (Cont'd)

(ii) Share capital

As at the LPD, the issued share capital of GHSB is RM11,788,000 comprising 11,788,000 GHSB Shares. There were no changes in the issued share capital of GHSB for the Financial Years Under Review and up to the LPD.

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

(iii) Substantial shareholder and directors

As at the LPD, Lee Kim Seng owns 52.69% equity interest in GHSB and the remaining 47.31% equity interest in GHSB is owned by Rogamas. There were no changes to the shareholders of GHSB for the Financial Years Under Review and up to the LPD. Upon completion of the Acquisitions, GHSB will be our wholly owned direct subsidiary.

As at the LPD, the directors of GHSB are Lee Kim Seng and Ir. Oh Chin Wah.

(iv) Subsidiary, associate company and joint venture

As at the LPD, GHSB does not have any other subsidiary, associate company and joint venture save for GESB, GSB, GMSB and GPL.

6.2.2 GESB

(i) Background, history and principal activities

GESB was incorporated in Malaysia under the Companies Act 1965 on 8 June 1999 as a private limited company under the name of Beeline Properties Sdn Bhd and is deemed registered under the Act. On 6 January 2005, the company assumed its present name of Geohan Equipment Sdn Bhd.

As at the LPD, GESB is principally involved in the business of hiring of equipment and machinery and service activities incidental to land transportation. GESB's principal place of business is in Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of GESB is RM20,000,000 comprising 20,000,000 GESB Shares. There were no changes in the issued share capital of GESB for the Financial Years Under Review and up to the LPD.

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

(iii) Substantial shareholder and directors

As at the LPD, GHSB owns 85.91% equity interest in GESB and the remaining 9.09% and 5.00% equity interest are owned by Lee Kim Seng and Ir. Oh Chin Wah respectively. There were no changes to the shareholders of GESB for the Financial Years Under Review and up to the LPD. Upon completion of the Acquisitions, GESB will be our wholly owned direct subsidiary.

As at the LPD, the director of GESB is Lee Kim Seng.

6. INFORMATION ON OUR GROUP (Cont'd)

(iv) Subsidiary, associate company and joint venture

As at the LPD, GESB does not have any other subsidiary, associate company and joint venture.

6.2.3 GSB

(i) Background, history and principal activities

GSB was incorporated in Malaysia under the Companies Act 1965 on 20 December 1996 as a private limited company under the name of Prospective Frontier Sdn Bhd and is deemed registered under the Act. On 22 April 2002, the company assumed its present name of Geohan Sdn Bhd.

As at the LPD, GSB is principally involved in the of provision of foundation and geotechnical services, as well as other related services, sub-contractor, and wholesale of construction materials. GSB's principal place of business is in Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of GSB is RM8,800,000 comprising 8,800,000 GSB Shares. There were no changes in the issued share capital of GSB for the Financial Years Under Review and up to the LPD.

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

(iii) Substantial shareholder and directors

As at the LPD, GHSB owns 85.91% equity interest in GSB and the remaining 9.66% and 4.43% equity interest are owned by Lee Kim Seng and Ir. Oh Chin Wah respectively. There were no changes to the shareholders of GSB for the Financial Years Under Review and up to the LPD. Upon completion of the Acquisitions, GSB will be our wholly owned direct subsidiary.

As at the LPD, the directors of GSB are Lee Kim Seng and Ir. Oh Chin Wah.

(iv) Subsidiary, associate company and joint venture

As at the LPD, GSB does not have any other subsidiary, associate company and joint venture save for GPL and GMSB.

6.2.4 GMSB

(i) Background, history and principal activities

GMSB was incorporated in Malaysia under the Companies Act 1965 on 15 September 2003 as a private limited company under the name of AP Uni Media Sdn Bhd and is deemed registered under the Act. On 2 August 2007, the company assumed its present name of Geohan Mix Sdn Bhd.

GMSB is principally involved in the business of building and earthwork contractors and sub-contractor. GMSB's principal place of business is in Malaysia. As at the LPD, GMSB is dormant.

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

As at the LPD, the issued share capital of GMSB is RM750,000 comprising 750,000 GMSB Shares. There were no changes in the issued share capital of GSB for the Financial Years Under Review and up to the LPD.

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

(iii) Substantial shareholder and directors

As at the LPD, GMSB is the wholly owned direct subsidiary of GSB. There were no changes to the shareholders of GMSB for the Financial Years Under Review and up to the LPD. Upon completion of the Acquisitions, GMSB will be our wholly owned direct subsidiary.

As at the LPD, the directors of GMSB are Lee Kim Seng and Ir. Oh Chin Wah.

(iv) Subsidiary, associate company and joint venture

As at the LPD, GMSB does not have any other subsidiary, associate company and joint venture.

6.2.5 GPL**(i) Background, history and principal activities**

GPL was incorporated in Singapore on 3 May 2007 as a private company limited by shares under the name of Geohan (S) Pte. Ltd. and is registered under the laws of Singapore. On 16 April 2009, the company assumed its present name of Geohan Pte. Ltd.

As at the LPD, GPL is principally involved in the business of foundation works (including micropiling, conventional piling and underpinning) and general building engineering design and consultancy services. GPL's principal place of business is in Singapore.

(ii) Share capital

As at the LPD, the issued share capital of GPL is SGD50,000 comprising 50,000 GPL Shares.

The changes in the issued share capital of GPL during the Financial Years Under Review and up to the LPD are as follows:

Date of allotment	No. of GPL Shares allotted	Type of Issue / Consideration	Cumulative issued share capital	
			No. of GPL Shares	(SGD)
26 December 2024	25,000	Cash / SGD25,000	50,000	50,000

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

6. INFORMATION ON OUR GROUP (Cont'd)

(iii) Substantial shareholder and directors

As at the LPD, GPL is the wholly owned direct subsidiary of GSB. There were no changes to the shareholders of GPL for the past Financial Years Under Review and up to the LPD. Upon completion of the Acquisitions, GPL will be our wholly owned direct subsidiary.

As at the LPD, the directors of GPL are Lee Kim Seng and Tang Ji Jian.

(iv) Subsidiary, associate company and joint venture

As at the LPD, GPL does not have any other subsidiary, associate company and joint venture.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3 PRINCIPAL ACTIVITIES**

Our Group is principally involved in the provision of foundation and geotechnical services, as well as other related services. Our services mainly focus on construction activities conducted below ground level, for the purpose of providing a stable foundation to uphold the load of buildings and infrastructure built above ground level.

Our Group's business activities are segmented as follows:

- (a) Foundation and geotechnical services; and
- (b) Other related services.

We provide foundation and geotechnical services to various types of construction projects, comprising residential, mixed, industrial, commercial as well as infrastructure development. Our customer base mainly comprises property developers, main contractors, government-linked corporations, and concessionaires. For further information on our major customers, please refer to Section 6.11 of this Prospectus.

For the Financial Years Under Review, we have been involved in construction projects across seven (7) states and Federal Territories in Malaysia, namely Kuala Lumpur, Selangor, Pahang, Penang, Johor, Kedah, and Melaka.

Our Group is headquartered in Kuala Lumpur, and our business operations are supported by our Group's storage and depot facility in Bukit Beruntung, Selangor, where we store our machinery and equipment as well as carry out repair, maintenance and upkeep of machinery and equipment.

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

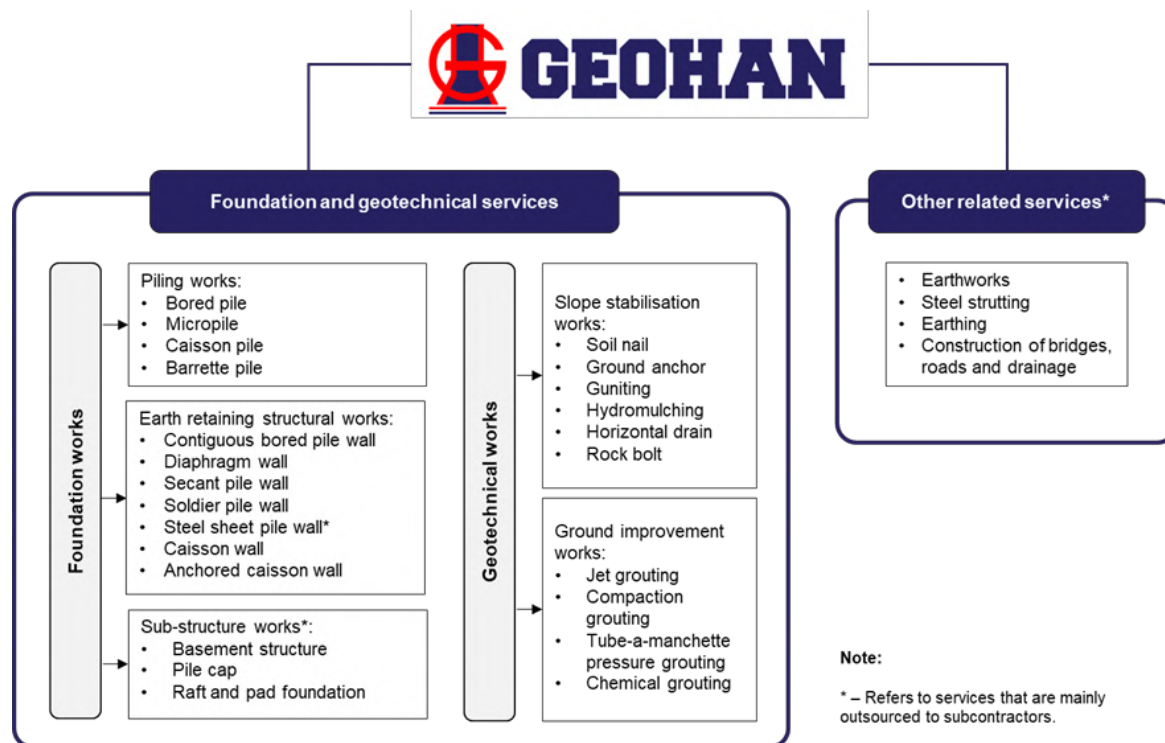
		
Service offerings and revenue contribution		FYE 2024
		RM'000 %
	• Foundation and geotechnical services	351,390 88.91
	• Other related services	43,826 11.09
Customers / types of development involved and revenue contribution		FYE 2024
		RM'000 %
	• Property developers	267,871 67.78
	• Main contractors	81,791 20.70
	• Government-linked corporations	44,421 11.24
	• Concessionaires	1,133 0.28
		FYE 2024
		RM'000 %
	• Residential	208,460 52.75
	• Mixed development	102,883 26.03
	• Industrial	47,928 12.13
	• Commercial	24,351 6.16
	• Infrastructure	11,594 2.93
Locations	• Headquarters (Kuala Lumpur)	
	• Bukit Beruntung Depot	

6. INFORMATION ON OUR GROUP (Cont'd)

We are typically engaged by our customers to provide (i) build-only service or (ii) design-and-build service, with details as follows:

- (i) Build-only service : We provide foundation and geotechnical services, and other related services according to designs provided by our customers.
- (ii) Design-and-build service : We design foundation and/or geotechnical systems according to our customers' requirements as well as provide the relevant works according to our design. The design of the foundation and/or geotechnical systems varies across different types of development (e.g. high-rise buildings, terraces and infrastructures), taking into account factors such as the types of terrain, ground conditions, mobility, climate, amongst others. We are equipped with geotechnical engineering expertise and industry knowledge to design foundation and/or geotechnical systems as well as provide optimal and cost-effective solutions that meet our customers' requirements in terms of functionality and cost considerations, without compromising on the quality of works.

Our Group's service offerings under our business segments are as follows:



6. INFORMATION ON OUR GROUP (Cont'd)

6.3.1 Foundation works

Our Group is involved in the provision of piling works, earth retaining structural works and sub-structure works for residential, mixed, industrial, commercial as well as infrastructure development. Our piling works (save for jack-in piling works) and earth retaining structural works (save for steel sheet pile wall) are mainly carried out in-house using machinery and equipment owned by our Group, whereas sub-structure works are mainly outsourced to subcontractors in order to focus our resources on piling works and earth retaining structural works. Our Group may also outsource some piling works and earth retaining structural works to subcontractors in the event of resource constraints such as insufficient machinery capacity or manpower.

(a) Piling works

Piling works refer to the installation of piles (i.e. supporting columns) below ground level, to serve as a foundation or support for structures built above ground level. These piles must be built with sufficient strength and durability to support the weight of structures built above them, and should remain stable over a long period of time as well as withstand environmental factors such as strong winds, minor earth tremors, soil movements and underground water.

We mainly provide cast in-situ piling works, which are piles that are cast on site by pouring ready-mix concrete into bored shafts. We undertake various types of piling works, whereby the adoption of each type of piling works depends on various factors, including the type of development, soil conditions and accessibility of the project sites as well as cost considerations of the customers. Our cast in-situ piling works (i.e. bored pile, caisson pile, micropile and barrette pile) are mainly carried out in-house using machinery and equipment owned by our Group. However, in the event of resource constraints such as insufficient machinery capacity or manpower, we may outsource some piling works to subcontractors.

Different types of developments require varying load-bearing capacities, which influence the use of different piling works in a foundation system. For instance, bored piles, which have the ability to reach greater depth and thus able to support higher load, are typically used for high-rise buildings as they require piling works with higher load-bearing capacity.

Further, the accessibility of project sites also influences the use of piling works. For instance, caisson piles are typically used in areas such as hillslopes where machine access is restricted, as they can be constructed manually; whereas micropiles are typically used at space-constrained project sites such as densely built-up or confined urban environment as they can be constructed with compact machinery and equipment.

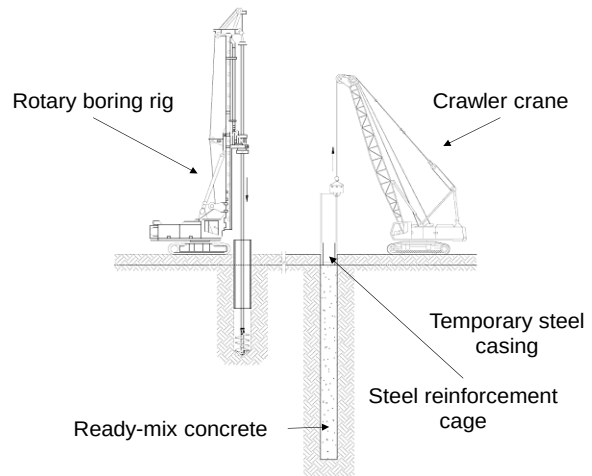
As such, a foundation system can comprise a combination of different piling works due to abovementioned factors, thereby satisfying different requirements for different developments.

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6. INFORMATION ON OUR GROUP (Cont'd)

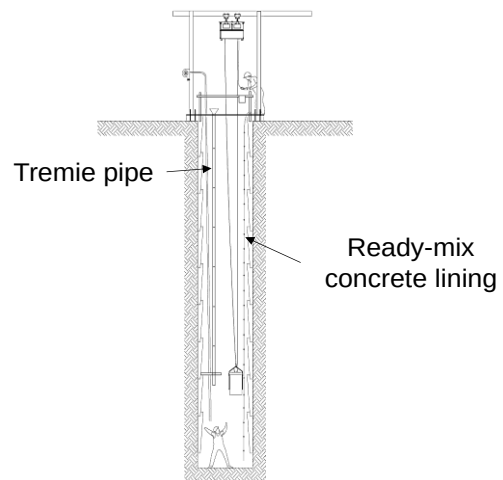
The types of piling works offered by our Group are as follows:

(i) Bored pile



Bored piling works are performed by excavating soil using rotary boring rigs to form a shaft at a pre-determined depth, along with inserting a temporary steel casing to prevent the surrounding soil, rock and other materials from collapsing into the excavated area. Once the excavation process is completed, unwanted debris is cleared and a steel reinforcement cage is inserted into the shaft before ready-mix concrete is poured into the shaft and left to set.

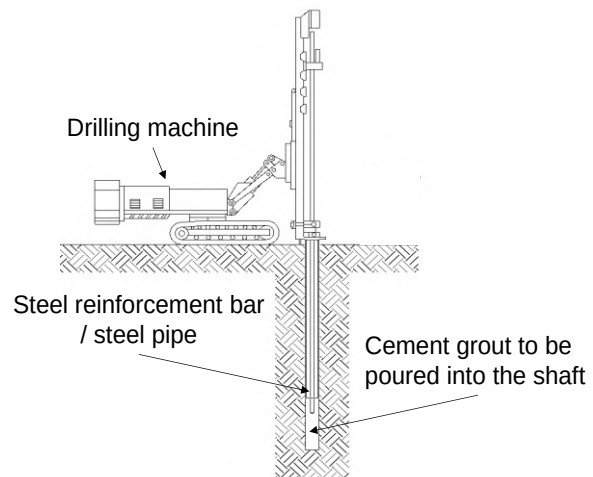
(ii) Caisson pile



Caisson piling works involve the manual excavation of soil to a pre-determined depth. As the manual excavation takes place, the walls of the excavated shaft are supported by casting a ready-mix concrete lining. Following which, a steel reinforcement cage is inserted into the shaft, and ready-mix concrete is poured into the shaft and left to set.

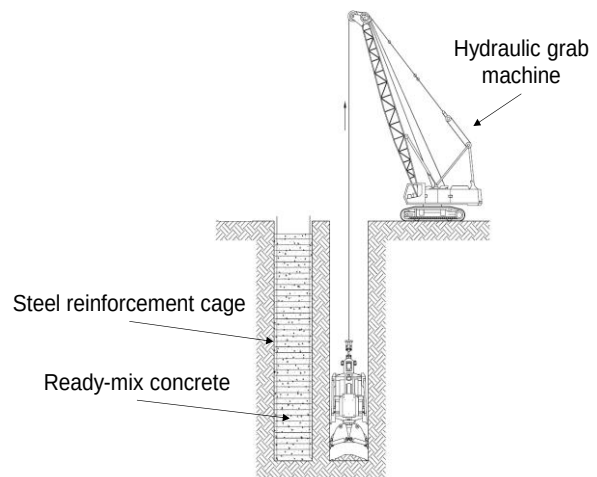
6. INFORMATION ON OUR GROUP (Cont'd)

(iii) Micropile



Micropiling works are performed by using drilling machines to carry out the same excavation process as bored piles. Once the excavation process is completed and unwanted debris is cleared, steel reinforcement bars or steel pipes are inserted into the shaft before cement grout is poured into the shaft and left to set. Micropiles are smaller in size and generally have a diameter of less than 300 millimetres.

(iv) Barrette pile



Barrette piles are piles with rectangular cross-section. The excavation process of barrette piles is similar to bored piles, but using hydraulic grab machines. Once the excavation process is completed and unwanted debris is cleared, a steel reinforcement cage is inserted into the shaft before ready-mix concrete is poured into the shaft and left to set.

In addition to cast in-situ piling works, our Group also offers jack-in piling works upon customers' requests. Jack-in piling works refer to installation of precast piles (i.e. piles that are cast off-site and transported to project sites for installation) into excavated shafts. We engage subcontractors to carry out jack-in piling works in order to focus our resources on cast in-situ piling works.

6. INFORMATION ON OUR GROUP (Cont'd)

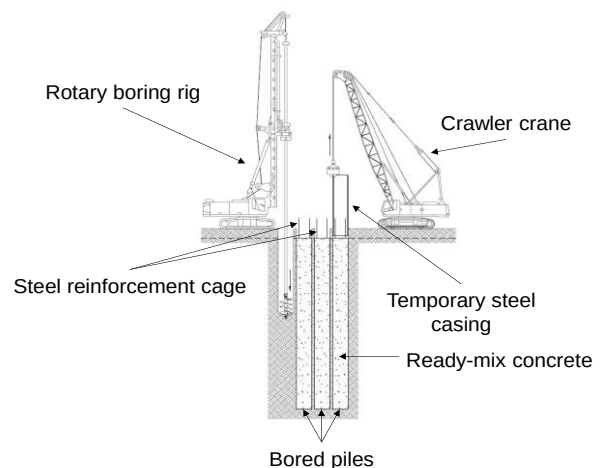
(b) Earth retaining structural works

Earth retaining structural works refer to the construction of vertical structures at project sites to prevent the surrounding soil, rock and other materials from collapsing into the excavated area. Earth retaining structural works may be incorporated as part of piling works, or to be used to build basement structures.

Our Group undertakes various types of earth retaining structural works, whereby the adoption of each type of earth retaining structural works depends on various factors, including the type of development, soil conditions and accessibility of the project sites as well as cost considerations by our customers. Some earth retaining structural works may be more suitable than others in project sites with certain conditions. For instance, for sites with high water table conditions, earth retaining structural works with high water-tightness such as diaphragm walls or secant pile walls are required; whereas caisson walls or anchored caisson walls are typically used in sites with hilly terrains where machine access is restricted. Similar to piling works, an earth retaining system can comprise a combination of different earth retaining structural works.

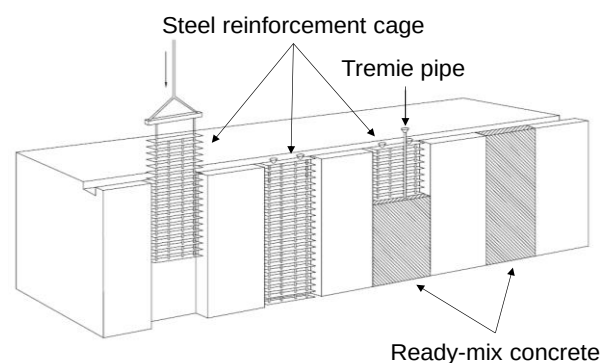
The types of earth retaining structural works provided by our Group include:

(i) Contiguous bored pile wall



A contiguous bored pile wall is constructed using closely spaced bored piles.

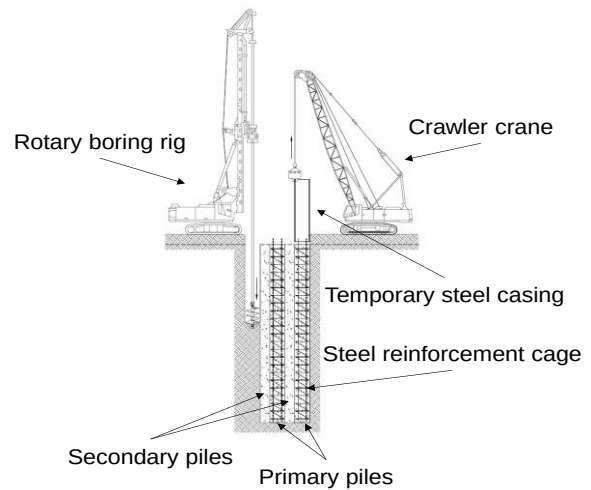
(ii) Diaphragm wall



A diaphragm wall is a continuous reinforced concrete wall constructed on-site through the excavation of soil to form a narrow trench, followed by filling of the trench with a steel reinforcement cage and ready-mix concrete.

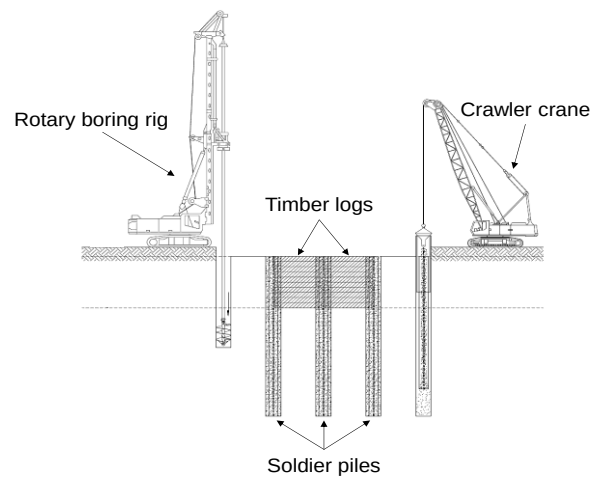
6. INFORMATION ON OUR GROUP (Cont'd)

(iii) Secant pile wall



A secant pile wall is a retaining wall made of interlocking bored piles with varying diameters. Primary piles are first installed and left to set, followed by secondary piles which are installed in between the primary piles.

(iv) Soldier pile wall

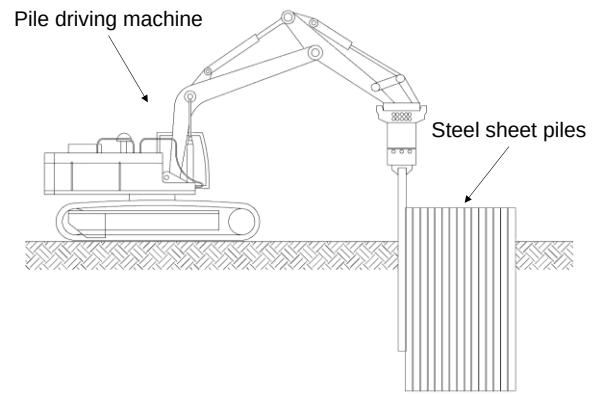


A soldier pile wall is constructed by first inserting steel beams into excavated shafts and filling sand around the steel beams to form soldier piles. Following which, horizontal timber logs are installed in between the soldier piles.

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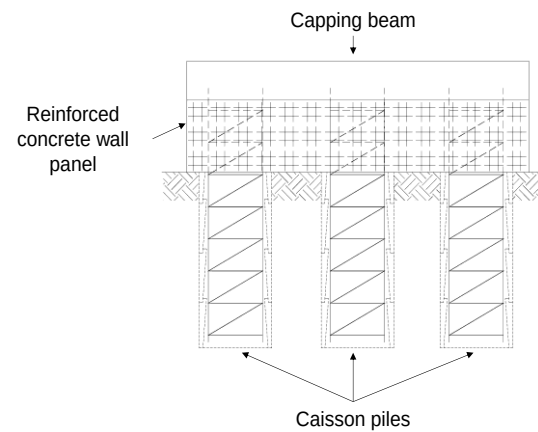
6. INFORMATION ON OUR GROUP (Cont'd)

(v) Steel sheet pile wall



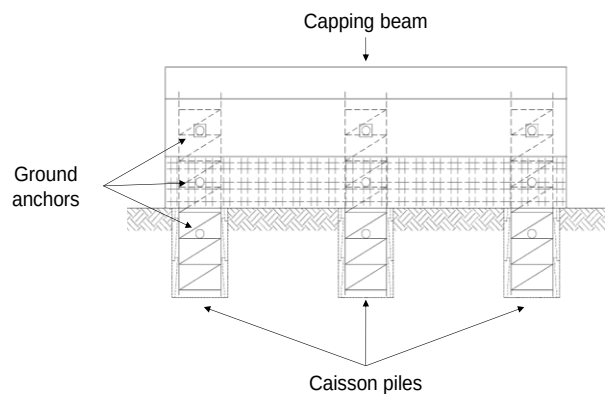
Steel sheet pile wall is constructed by driving steel sheet piles vertically into the ground with a pile driving machine to form a wall.

(vi) Caisson wall



A caisson wall comprises a series of caisson piles and reinforced concrete wall panels. Caisson piles are first installed before reinforced concrete wall panels are installed vertically between the caisson piles. A capping beam, which is reinforced concrete, is then formed on-site to secure the caisson piles.

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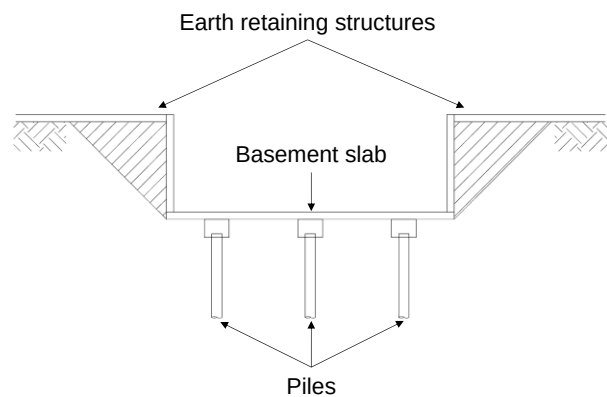
6. INFORMATION ON OUR GROUP (Cont'd)**(vii) Anchored caisson wall**

An anchored caisson wall is similar to a caisson wall, whereby an anchored caisson wall has ground anchors installed at the caisson piles of the caisson wall to act as a restraining device that transfers loads from the caisson piles to a fixed and stable foundation.

(c) Sub-structure works

Sub-structure works refer to the construction of structures below ground level, such as basements and tunnels. Construction of these structures typically involves the excavation of soil to certain depths and the construction of retaining walls to prevent the surrounding soil from collapsing into the excavated area in order to form underground structures.

Sub-structure works offered by our Group include:

(i) Basement structure

Basement structures are typical sub-structures or structures built below ground level, and are typically required in buildings with basement levels for various purposes such as parking, utilities or retail spaces. Basement structures usually incorporate the use of piling and diaphragm wall works.

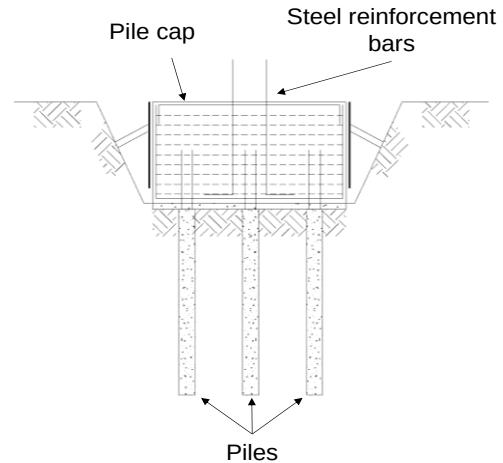
Our Group employs both top-down and bottom-up construction methods in the construction of basement structures.

In a top-down construction method, diaphragm wall is first constructed to prevent the surrounding soil, rock and other materials from collapsing during excavation. Thereafter, piles will be bored into the ground serving as supporting beams in the basement structures, with basement slabs being placed on the piles to provide lateral support during excavation. Various openings are left on the slabs to allow access of machinery as well as removal of soil and wastes while excavation is carried out. The excavation process is continued until the bottom most position is constructed. Construction of structures above ground level can be carried out simultaneously while construction of basement structures is carried out.

6. INFORMATION ON OUR GROUP (Cont'd)

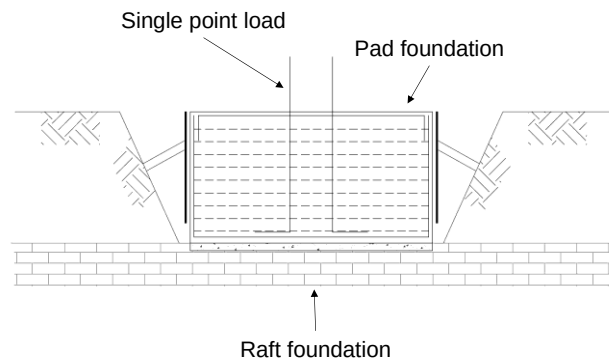
On the other hand, in a bottom-up construction method, excavation is carried out until the pre-determined length for the bottom most slab position is met. Earth retaining structures will be constructed as a temporary structure to hold the soil in place during excavation. The basement slab is then cast at the bottom most position, and the earth retaining structures are removed. Basement slabs will then be progressively cast until the upper most slab position is constructed.

(ii) Pile cap



Pile cap refers to a thick layer of ready-mix concrete resting on piles that have been driven into the ground to provide a stable foundation. Pile caps usually form part of the foundation of a building, particularly for high-rise buildings or structures, or support bases for heavy equipment. The pile cap distributes the load of the building onto the piles. Steel reinforcement bars are also installed within pile caps for installation of structural columns above.

(iii) Raft and pad foundations



Raft and pad foundations are types of shallow foundations, i.e. generally founding levels of less than three (3) metres from ground level. Raft and pad foundations generally serve as the foundation for low-rise buildings such as terraces, but it can also be used to form the foundation for high-rise buildings that build on relatively solid ground.

A raft foundation extends across the entire loaded area so that loads from the entire structure are spread over a large area, in order to reduce the load bearing stress on the soil. Meanwhile, a pad foundation refers to a foundation that is intended for sustaining concentrated loads from a single point load such as structural column. It typically has a larger base than the single point load in order to spread the load from the single point load across a larger area, reducing the load bearing stress on the soil.

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.2 Geotechnical works

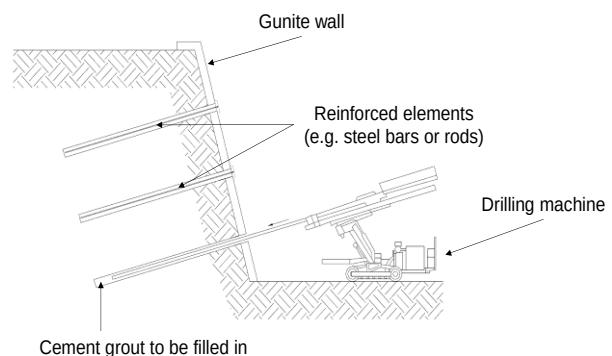
Geotechnical works involve geological modification and improvement of ground properties in terms of permeability, strength, capacity and density. It plays an essential role in enhancing the stability of soil and foundations built below ground level, which consequently affects the stability of structures built nearby or above the ground level. Our Group's geotechnical works are mainly carried out in-house using machinery and equipment owned by our Group. In the event of resource constraints such as insufficient machinery capacity or manpower, our Group may also outsource some geotechnical works to subcontractors. There are two (2) types of geotechnical works that our Group provides, namely slope stabilisation and ground improvement works.

(i) Slope stabilisation works

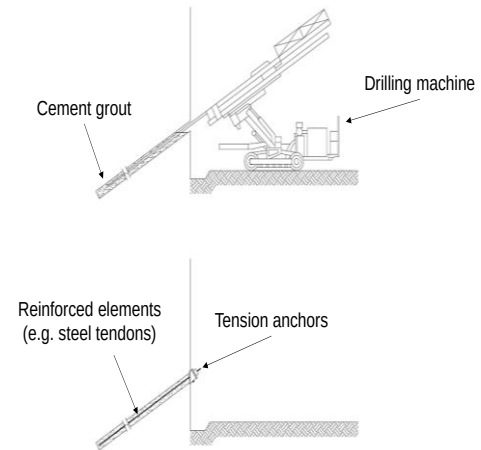
Slope stabilisation works refer to the modification and improvement of soil properties on a slope in order to ensure that these slopes are maintained in a stable condition. Our Group undertakes various types of slope stabilisation works, whereby the adoption of each type of slope stabilisation works depends on various factors, including the slope conditions, and slope profile as well as cost considerations by our customers. For instance, rock bolts are typically used for stabilisation of rock formations, whereas soil nail and horizontal drains are typically used for stabilisation of slope consisting of saturated soil.

The slope stabilisation works which our Group undertake are as follows:

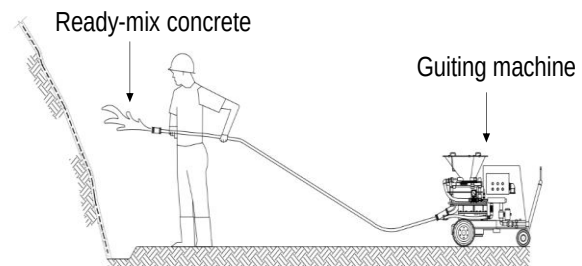
(i) Soil nail



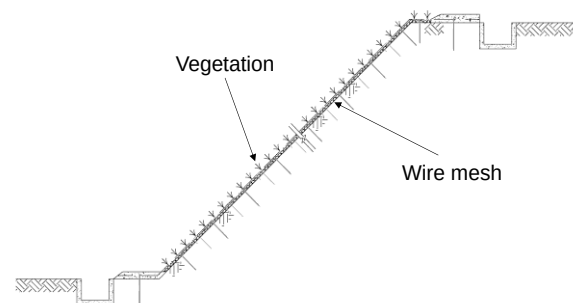
Soil nailing is used as a solution to stabilise steep slopes whereby reinforced elements (e.g. steel bars or rods) are inserted horizontally at regularly spaced drilled holes across the surface of the slopes. The drilled holes will then be filled with cement grout, and thereafter, guniting works will be undertaken.

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

A ground anchor is a restraining device that is installed in natural or man-made formations or structures (e.g. rock formations and retaining walls). Reinforced elements (e.g. steel tendons) are inserted horizontally at regularly spaced drilled holes across the surface of the walls, following which, the drilled holes will then be filled with cement grout. Ground anchors are stressed using tension anchors to prevent structural movement, and are designed to transfer loads from these formations and structures to a fixed and stable foundation. Ground anchors may either be temporarily or permanently used to support earth retaining structures.

(iii) Guniting

Guniting involves spraying ready-mix concrete, in dry or wet form, on slope surfaces in order to reduce the permeability of the surface and increase slope stability.

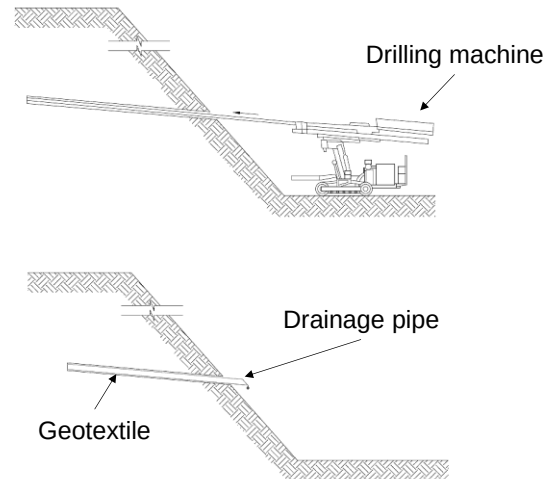
(iv) Hydromulching

Hydromulching is a slope greening method undertaken to protect slopes from erosion, instabilities and weathering, through slope vegetation. In addition, hydromulching also provides landscaping benefits.

6. INFORMATION ON OUR GROUP (Cont'd)

Our Group's hydromulching technique involves the spraying of seeds, fertiliser, mulch and a form of binder onto the slope surface. Once sprayed, a biodegradable interlocking mat is formed on the slope surface, allowing for moisture to be retained to encourage seed germination. Slope may be reinforced with wire mesh in advance, in order to increase soil strength. It typically takes three (3) months for vegetation to fully cultivate on the slope surface with our Group's hydromulching technique.

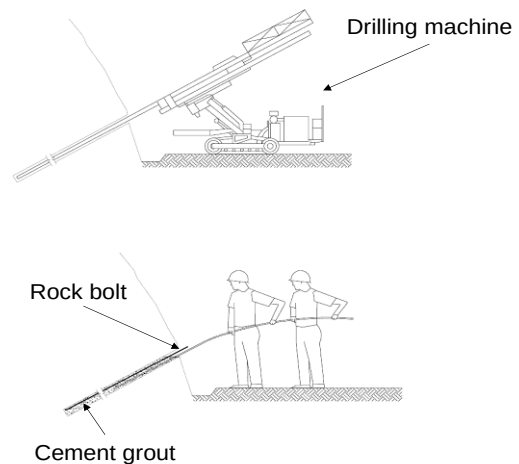
(v) Horizontal drain



Horizontal drains are installed in slopes to reduce water-induced instability by redirecting groundwater.

Our Group installs horizontal drains by drilling holes through the slope and laying the drainage pipes in the drilled holes. The drainage pipes contain holes, and are wrapped with geotextile to prevent soil from entering the drainage pipes.

(vi) Rock bolt

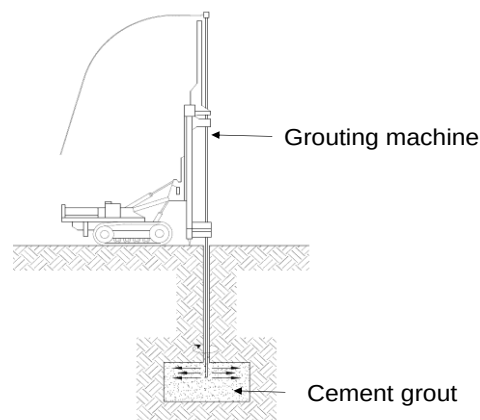


A rock bolt is installed for stabilising rock excavations. Rock bolts may be used in tunnels or rock cuts. It transfers the load from the unstable exterior to the stronger interior of a rock mass.

6. INFORMATION ON OUR GROUP (Cont'd)

(ii) Ground improvement works

Ground improvement works are any form of modification and improvement works performed on the foundation. The ground improvement works that we provide are grouting.



Grouting refers to the use of cement mortar to fill cracks and cavities below the ground and/or foundation works, in order to reduce water permeability, increase the stability of the foundation, and improve the underground soil properties. Our Group's grouting techniques for ground improvement include jet grouting, compaction grouting, tube-and-manchette pressure grouting as well as chemical grouting. The use of different grouting techniques depends on various factors, including soil properties and ground condition as well as cost considerations by our customers.

6.3.3 Other related services

To complement our foundation and geotechnical service offerings, we also provide other related services such as earthworks (i.e. excavation, cutting and dumping of existing ground, soil and rocks, and/or the adding, filling and moving of large quantities of earth-based materials to create a suitable height and level of a platform for a specific construction purpose); steel strutting (i.e. temporary or permanent steel structures installed horizontally, diagonally or across to support earth retaining walls); earthing (i.e. electrical works that ensure a safe electrical connection between structures and the ground); construction of bridges, roads and drainage upon customers' requests. These services are either carried out in-house by our Group or outsourced to subcontractors, depending on the type of works and availability of internal resources. Our Group may carry out cut and fill excavation earthworks in-house, subject to the availability of internal resources, whereas earthworks involving soil dumping are outsourced to licensed subcontractors. Steel strutting, earthing as well as the construction of bridges, roads and drainage are generally outsourced to subcontractors, as they typically require specialised machinery and equipment and/or technical expertise that are not equipped by our Group.

For the Financial Years Under Review and up to the LPD, our Group has recorded three (3) incidents at our project sites, all of which are minor, whereby two (2) of the incidents resulted in minor injuries of on-site personnels and the remaining did not result in any casualty or harm. The incidents did not result in material impacts to our Group's financial or operations.

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.4 Our projects**

Our major projects, defined as projects with contract value above RM20.00 million, that were completed in the Financial Years Under Review and up to the LPD are as follows:

Name of project	Scope of works	Location	Type of construction project	Contract period	Contract Value (RM mil)
J. Satine	Earthworks, bored piling works, pile caps and other sub-structure works	Kuala Lumpur	Residential	January 2021 – January 2022	26.89
Penang International Commercial City ("PICC") (Phase 2B)	Bored piling works and pile caps	Penang	Residential	August 2022 – July 2023	25.00
Noora	Piling works and substructure works	Kuala Lumpur	Residential	July 2022 – August 2023	33.44
M Astra	Bored piling works, pile caps, earthworks and other sub-structure works	Kuala Lumpur	Residential	November 2022 – September 2023	22.00
Residential development in Mont Kiara	Piling works, pile caps, soil nailing, guniting and other sub-structure works	Kuala Lumpur	Residential	August 2022 – November 2023	48.00
Dwitara Residences (Phase 2A)	Bored piling works, pile caps and other sub-structure works	Kuala Lumpur	Residential	December 2021 – December 2023	44.63
Antara 2	Caisson piling works, pile caps, other sub-structure works, soil nailing, and guniting	Pahang	Residential	May 2023 – April 2024	29.00
Residential development in Cheras	Bored piling works, pile caps, other sub-structure works and earthing works	Kuala Lumpur	Residential	March 2023 – June 2024	48.80
Sunway Velocity 3	Bored piling works, pile caps, and other sub-structure works	Kuala Lumpur	Residential	June 2023 – June 2024	25.20
GENTING XINTIANDI (Phase 1A and 1B)	Caisson piling works, pile caps, soil nailing, guniting, earthing works and other sub-structure works	Pahang	Mixed development	April 2023 – October 2024	58.00
Residential development in Kepong	Bored piling works, pile caps, earthworks and other sub-structure works	Kuala Lumpur	Residential	July 2023 – October 2024	34.18
MapleTree Logistics Hub	Bored piling works	Selangor	Industrial	July 2024 – December 2024	28.00

6. INFORMATION ON OUR GROUP (Cont'd)

Our major ongoing projects, defined also as projects with contract value above RM20.00 million, secured in the Financial Years Under Review and as at the LPD include:

Name of project	Scope of works	Location	Type of construction project	Contract period	Contract Value (RM mil)
Ativo Annexe	Piling works, sub-structure works, contiguous bored pile wall construction and earthworks	Kuala Lumpur	Mixed development	November 2023 – November 2025	113.70
Sunway Serene 2	Piling works, pile caps and other sub-structure works	Selangor	Residential	June 2024 – July 2025	43.40
Blossom Suites	Bored piling works, caisson pile walls, sub-structure works	Penang	Residential	July 2024 – July 2026	52.00
Aspire Estate Phase 1	Micropiling works, pile caps, soil nailing, other sub-structure works and earthworks	Selangor	Residential	September 2024 – September 2025	24.22
Penang Hill Cable Car	Caisson piling works, earthworks and slope stabilisation works	Penang	Infrastructure	October 2024 – June 2025	22.50
Dwitara Residence (Phase 2B)	Bored piling works, pile caps and other sub-structure works	Selangor	Residential	January 2025 – June 2026	36.20
Majestic @ Kiara Reserve	Caisson piling works, micropiling works, sub-structure works and earthworks	Kuala Lumpur	Residential	March 2025 – November 2025	21.50
M Aspira	Bored piling works and ground improvement works	Kuala Lumpur	Residential	April 2025 – December 2025	22.34

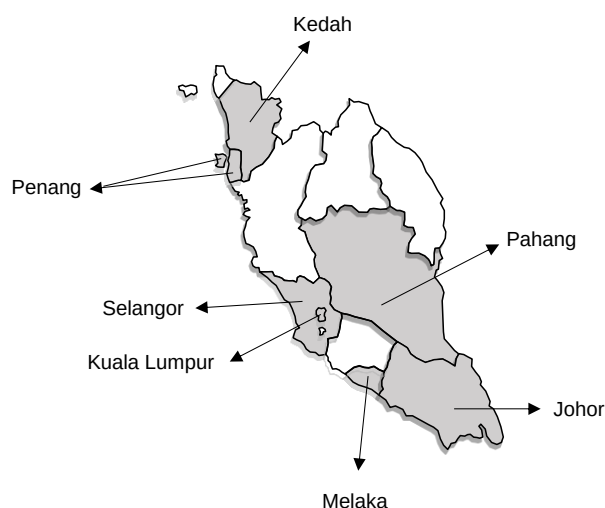
As at the LPD, we have a total order book (i.e. secured but unbilled portions of our contracts) of RM382.66 million. Please refer to Section 11.8 of this Prospectus for details of our order book.

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.5 Our customers

Our customer base mainly comprises property developers, main contractors, government-linked corporations and concessionaires. For further information on our major customers, please refer to Section 6.11 of this Prospectus. We secure projects from these customers through tender bidding.

For the Financial Years Under Review and up to the LPD, we have secured projects across 7 states and Federal Territories in Malaysia, namely Kuala Lumpur, Selangor, Pahang, Penang, Johor, Kedah and Melaka. An overview of our geographical markets based on the location of projects undertaken by our Group is as follows:



6.3.6 Our business segments

The breakdown of our Group's sales revenue by business segment for the Financial Years Under Review are as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Foundation and geotechnical services	203,673	97.93	⁽¹⁾ 298,646	92.22	⁽²⁾ 351,390	88.91
Other related services	4,302	2.07	⁽¹⁾ 25,188	7.78	⁽²⁾ 43,826	11.09
Total	207,975	100.00	⁽¹⁾ 323,834	100.00	⁽²⁾ 395,216	100.00

Notes:

- (1) The revenue for FYE 2023 was netted of by the liquidated ascertainable damages ("LAD") incurred of RM5.74 million and RM0.61 million for the foundation and geotechnical services segment and other related services segment, respectively. These LADs resulted from the delay in the completion dates of two (2) residential development projects in the central region due to the movement controls order implemented by the Government of Malaysia during the COVID-19 pandemic, which primarily resulted in the limited workforce's ability to access the site as well as the limitation in accessibility to the project sites due to narrow entrance and poor traffic and consequently resulted in these projects took longer period to completion. If excluding the LAD, our Group registered revenue of RM304.38 million and RM25.80 million for the foundation and geotechnical services segment and other related services segment, respectively.
- (2) The revenue for the both foundation and geotechnical services segment and the other related services segment have included LAD rebates from the customers of RM0.16 million and RM0.28 million, respectively. A rebate on LAD received from the customer for a residential development project in the central region of RM3.01 million upon the finalisation of the contract sum in FYE 2024. Such rebate received was offset by the LADs incurred for an infrastructure project of RM1.47 million and a residential development project of RM1.11 million, both in the central region, resulting from the delay in the completion dates of two (2) projects, primarily due to the movement controls order implemented by the Government of Malaysia during the COVID-19 pandemic, which mainly resulted in the limited workforce's ability to access the site as well as the limitation in accessibility to the project sites as well as the soil conditions which required more piles and longer periods to complete these projects. If excluding the net effects of LAD, our Group registered revenue of RM351.23 million and RM43.55 million for the foundation and geotechnical works segment and other related services segment, respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

Our principal market is in Malaysia as all our foundation and geotechnical services are provided to customers in Malaysia, particularly customers in Peninsular Malaysia. The breakdown of our Group's revenue by geographical location for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Peninsular Malaysia: ⁽¹⁾						
- Central ⁽²⁾	149,318	71.80	226,400	69.91	302,563	76.56
- Eastern ⁽³⁾	39,081	18.79	66,369	20.50	59,813	15.13
- Northern ⁽⁴⁾	19,576	9.41	21,800	6.73	20,665	5.23
- Southern ⁽⁵⁾	-	-	9,265	2.86	12,175	3.08
Total	207,975	100.00	323,834	100.00	395,216	100.00

The principal market of our Group is Malaysia as our Group provides foundation and geotechnical services to customers solely in Peninsular Malaysia.

Notes:

- (1) The classification of revenue by geographical region is based on the locations of projects.
- (2) Central region comprises Kuala Lumpur and Selangor.
- (3) Eastern region comprises Pahang.
- (4) Northern region comprises Penang and Kedah.
- (5) Southern region comprises Melaka and Johor.

6.3.7 Warranty / defect liability period

We generally provide design warranty up to 10 years for foundation and geotechnical works that we are involved in the provision of design-and-build services. This warranty covers the design and stability of foundation and geotechnical systems designed and built by us. During the warranty period, in the event of settlement of structures due to defects in our foundation and geotechnical systems, we will be responsible for the remediation and rectification works. In the Financial Years Under Review, we did not receive any claims from customers with regards to the design and stability of the foundation and geotechnical systems that we have designed.

We also provide a defect liability period of one (1) to two (2) years after the CPC are awarded to us by our customers, for all foundation and geotechnical works as well as other related services provided by our Group. In the event that defects (e.g. leakages and cracks) are identified during the defect liability period, we will conduct inspections on the affected works. Should the works done by our Group or our subcontractors are found to be defective, remediations and rectifications will be carried out by our Group and/or our subcontractors at our cost and/or our subcontractors' cost.

For the Financial Years Under Review, remediations and rectification works during our defect liability period mainly resulted in deployment of labour, sourcing of raw materials, and engagement of subcontractors for the rectification of defects such as leakages and cracks. The deployment of labour, sourcing of raw materials and engagement of subcontractors for the fixing of these defects were not material and were expensed out as part of our labour costs, cost of materials and subcontractor costs respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4 LOCATION OF OPERATIONS

Our operations are based in Malaysia in the following locations:

Premises	Location	Main function
Lot 40 Property and Lot 42 Property	No. 40, 42A, & 42B, Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Wilayah Persekutuan Kuala Lumpur	Headquarters and administrative office
Bukit Beruntung Depot	Lot 16358 Jalan Jasmine 6 Seksyen BB 10, 48300, Bukit Beruntung, Rawang, Selangor, Malaysia	Storage and depot facility for repair, maintenance and upkeep for our machinery and equipment

6.5 MATERIAL MACHINERY AND EQUIPMENT

A summary of the material machinery and equipment owned and used by our Group to facilitate our business operations are set out below:

Machinery and equipment ⁽¹⁾	Function	Number of units	Average age as at the LPD (years)	NBV as at 31 December 2024 (RM'000)
Rotary boring rig	To excavate soil and rocks in the form of a circular vertical shaft for the installation of bored piles.	37	6	98,567
Crawler crane	To lift and shift heavy materials on-site such as steel reinforcement cage and steel pipes.	27	4	18,050
Excavator and accessories	To excavate large ground area, including breaking rocks, as well as to handle heavy materials such as soil, rocks, and other unwanted debris.	54	3	16,298
Vibratory hammer	To install or remove temporary steel casing to or from excavated shaft during bored piling works and micropiling works.	18	9	5,430
Air compressor	To produce compressed and high-pressured air as a power source required for caisson piling works, micropiling works, soil nailing works, amongst others.	48	2	4,473
Kelly bar	A component attached to rotary drilling rigs to facilitate excavation process.	20	4	3,297
Trucks and trailers	To transport machinery and equipment between our Bukit Beruntung Depot and project sites.	13	5	1,699
Rough terrain / truck crane	To lift and shift heavy materials on-site such as steel reinforcement cage and steel pipes.	4	5	1,315

6. INFORMATION ON OUR GROUP (Cont'd)

Machinery and equipment ⁽¹⁾	Function	Number of units	Average age as at the LPD (years)	NBV as at 31 December 2024 (RM'000)
Pile Driving Analyzer (PDA) hammer	A hydraulic or mechanical hammer used to create and deliver forces towards piles as part of pile testing process.	4	5	1,240
Generator	To generate and supply electricity on-site.	32	1	1,024
Metalworking machines	To perform various metalworking processes such as cutting, milling, drilling and welding to form amongst others, steel reinforcement cages, steel casings, steel reinforcement bars and steel pipes for foundation and geotechnical works.	35	3	1,023
Drilling machine ⁽²⁾	To drill holes vertically or in an incline angle for installation of micropiles, ground anchors, horizontal drains and rock bolts, amongst others.	20	12	712
Soil nail power pack and drilling rig	To power and operate drilling rigs for soil nailing works.	15	3	556
Forklift	To carry heavy materials and tools within our Bukit Beruntung Depot.	4	5	318
Guniting machine	To spray ready-mix concrete on slope surfaces as part of our soil stabilisation works.	8	3	301
Light tower	To provide illumination and enhance visibility of workers at project sites.	37	2	256
Hoist	A device used to lift excavated materials from excavated shaft during caisson piling works as well as to lift or lower workers from or into the excavated shaft.	33	5	134
Hydraulic grab machine ⁽²⁾	To excavate the ground through soil to form a rectangular hole for the installation of barrette piles or diaphragm walls.	2	12	-(³)
Total				154,693

Notes:

- (1) The estimated average useful lifespan of the above machinery and equipment is generally 10 years, which is consistent with the computation of depreciation for property, plant and equipment adopted by our Group's accounting policy.
- (2) The drilling machines and hydraulic grab machines are still fit for use although their average age have exceeded the estimated average useful lifespan, which is attributed to preventive measures and periodic machinery upkeep carried out in-house.
- (3) The hydraulic grab machines are fully depreciated.

6. INFORMATION ON OUR GROUP (Cont'd)**6.6 MARKETING STRATEGIES AND ACTIVITIES**

Our marketing strategies and activities encompass business development activities as well as sales and marketing activities, which are undertaken by our commercial and contracts department and spearheaded by Ir. Oh Chin Wah, our Non-Independent Executive Director. As at the LPD, our commercial and contracts department comprises 14 personnel.

6.6.1 Business development

Our business development activities involve identifying potential business opportunities, preparing bidding application and quotation, as well as participating in tender bidding process. We generally secure projects through the following avenues:

(a) Referrals

With approximately 30 years of experience in the foundation and geotechnical industry, we have developed a wide network of customers and business associates from past and existing projects. Hence, our business development efforts are primarily focused on fostering close business relationships with existing and prospective customers, which include private sector companies, public-listed companies and government-linked corporations, such as property developers and main contractors. Additionally, we also maintain business relationships with professionals such as engineers, architects and quantity surveyors who may refer projects to us.

Our business development efforts are strengthened by our track record and reputation in the foundation and geotechnical industry, as evidenced by our extensive project portfolio and awards garnered by our Group in recognition of our achievements.

(b) Tender bidding

We participate in open and invited tenders for projects from private sector companies, public-listed companies as well as government-linked corporations, including property developers, main contractors and project consultants. Once we determine we have the required track record, experience and resources to deliver the specifications, parameters and requirements of the project, we will submit our tender application and quotation to the relevant parties.

6.6.2 Sales and marketing strategies

We understand the importance of building our reputation in the construction industry in order to remain competitive in the foundation and geotechnical industry in Malaysia. As such, we constantly invest in various sales and marketing strategies to enhance our market presence. The sales and marketing strategies undertaken by our Group include the following:

(a) Sponsorship and participation in industry events

We provide sponsorships for industry events such as conferences, seminars and workshops organised by The Institution of Engineers, Malaysia ("IEM") to express our support towards the foundation and geotechnical industry in Malaysia as well as to enhance our market reputation and presence. We believe that this will help to attract potential customers and business associates in the foundation and geotechnical industry.

For the Financial Years Under Review and up to the LPD, we have provided sponsorships for the following events:

Year	Event	Organiser	Location
2024	Two-day workshop on applications of Eurocode 7 (EN 1997-1) for foundation engineering	Geotechnical Engineering Technical Division, The Institution of Engineers, Malaysia ("IEM GETD")	Selangor
2024	One day seminar on ground improvement	IEM GETD and Malaysian Geotechnical Society ("MGS")	Kuala Lumpur

We also participate in seminars organised by IEM as speakers to share our knowledge and expertise in the foundation and geotechnical industry, whereby our engineer has represented our Group in delivering talks on foundation and geotechnical topics.

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

We prepare and publish educational articles for conferences organised by various industry associations. Through the publication of articles, we are able to showcase our foundation and geotechnical engineering expertise as well as enhance our market presence, thus attracting business opportunities from potential customers. For the Financial Years Under Review and as at the LPD, we have published educational articles for the following conferences:

Year	Topic of educational article	Conference	Organiser
2022	Set-up and limitations of small-scaled verification load tests on hand-dug caisson pile: A Malaysian contractor's experience	7 th International Young Geotechnical Engineers Conference	Australian Geomechanics Society, Sydney Austria
2022	Rock point load test (PLT Index) and its correlation with rock coring rate by bored pile machine	International Geoengineering Conference (Geofiesta 2022)	University Teknologi Malaysia, Centre of Tropical Geoengineering, and The National University of Malaysia
2023	Rationalization of bored pile soil shaft friction empirical factor, K_s based on soil strength and plasticity index	2 nd Geotechnical Society of Singapore ("GeoSS") and MGS Conference 2023	GeoSS and MGS

(c) Corporate website

We have established our corporate website at www.geohan.com as a platform to introduce our business and service offerings to potential customers as well as to provide immediate searchable information on our Group.

The current widespread use of the internet as a source of information enables us to cross geographical boundaries and facilitates access from any part of the world, enhancing our potential market reach and exposure.

6.7 OPERATING CAPACITY, OUTPUT AND UTILISATION

Our Group's operating capacity is measured based on the operating days of our rotary boring rigs which are used to carry out bored piling works, which are the main piling works conducted by our Group.

Our actual utilisation, annual capacity and utilisation rates for the Financial Years Under Review are set out below:-

FYE	Actual utilisation (machine days) ⁽¹⁾	Annual capacity (machine days) ⁽²⁾	Utilisation rate (%)
2022	7,272	7,930	91.70
2023	7,340	7,803	94.07
2024	7,206	8,120	88.74

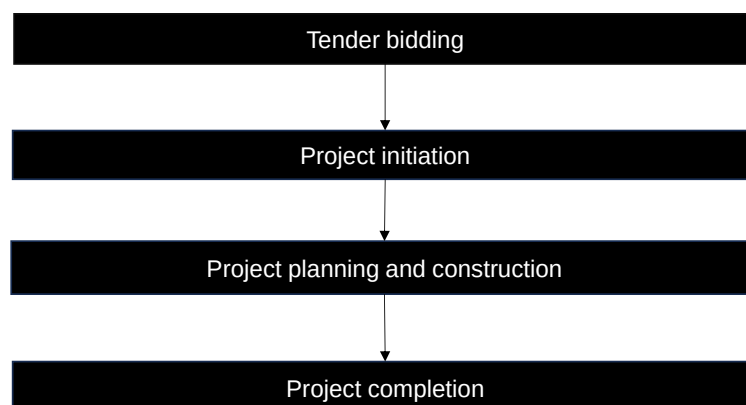
Notes:

- (1) Refers to total number of days where the rotary boring rigs are mobilised and utilised on-site.
- (2) Calculated based on total number of working days (i.e. 6 working days a week, 52 weeks a year), adjusted to exclude public holidays, scheduled maintenance and machine downtime.

6. INFORMATION ON OUR GROUP (Cont'd)

6.8 PROCESS FLOW

The process flow of our business is as depicted below:



(a) Tender bidding

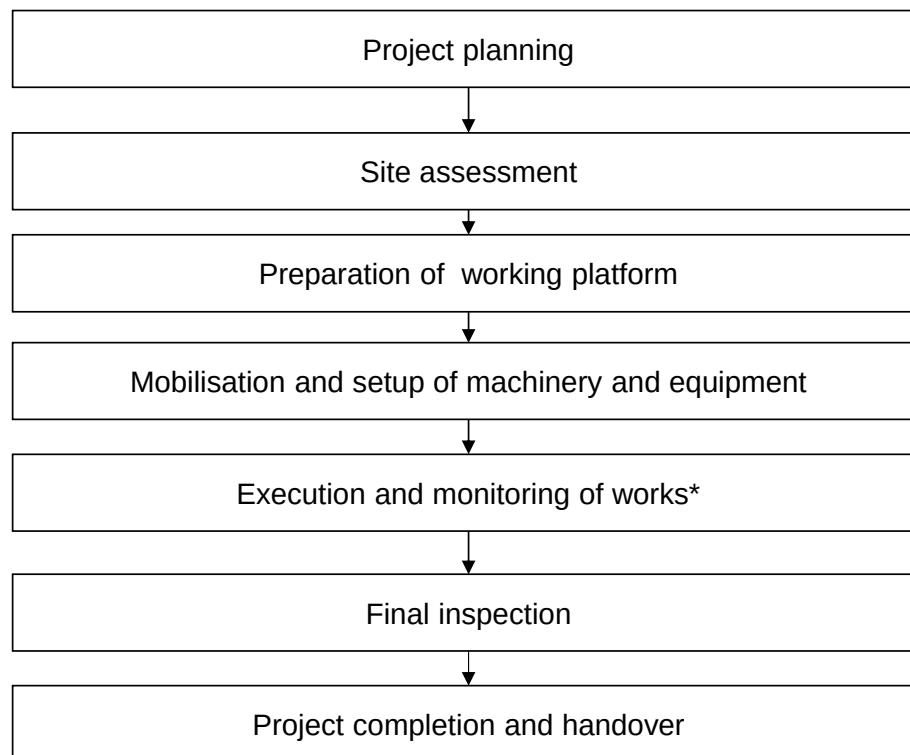
We typically obtain business opportunities via tender invitations from prospective customers or through referrals and recommendations from past and existing customers, project consultants and professionals such as engineers and architects. Prior to participating in a tender bidding process, we conduct a site visit as well as study the soil investigation report and tender documents provided by the customer, in order to internally assess the scope of work, technical specifications and requirements, as well as logistics and operational considerations for the project. This allows us to have a preliminary understanding of the development and the project site in order to prepare our bid for submission to the customer.

During the tender evaluation process, we will be evaluated by the customer based on amongst others, our track record and experience, financial performance, resources, proposed methodologies, preliminary designs and alternative methods as well as scope of work, where applicable. Once we are deemed qualified to undertake the project, we will then submit our tender price to the customer. Negotiations of the tender price may be carried out at this stage between our Group and the customer until the tender price is finalised and confirmed by both parties.

(b) Project initiation

Upon confirmation of the tender price, a letter of award will be issued by the customer. Following which, we will proceed to design and develop the drawing of the foundation and/or geotechnical system according to the agreed scope of work, design inputs from the customer and/or the project consultant, as well as documents such as soil investigation reports and drawings provided by customer. We may also carry out another site visit to evaluate the site conditions through soil tests and test piles, if required. The drawing will then be evaluated internally, before submitting to the customer and/or project consultant for approval.

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6. INFORMATION ON OUR GROUP (Cont'd)**(c) Project planning and construction****Note:**

* Indicates process that will undergo quality assurance and quality control ("QA & QC") procedures.

(i) Project planning

Once the customer approves the drawing, a project team will be formed and the team will be briefed and provided with information such as project specifications, scope of works, bill of quantities and methodologies.

We will then prepare a Programme of Works, detailing the manner in which our works will be delivered in terms of methodology, detailed timeline and resources, amongst others, for the customer's approval. Subsequently, a list of materials, machinery and equipment to be procured and/or deployed will be identified. We will also determine manpower requirements and make arrangements for sufficient number of workers to be assigned to the project and/or relevant subcontractors to be appointed.

(ii) Site assessment

Following which, we will carry out a site visit to assess the project site based on factors such as potential hazards and risks, environmental aspects and impacts associated with the construction process (such as air emissions, noise, vibration and water pollution, and historic heritage structures), location, previous and current use of the site, physical features surrounding the site, and geological factors such as site topography, ground stability and conditions, existing building/structures and ground water level. Based on the site assessment, we may propose operational controls for the project to mitigate any potential risk which may occur during the construction process. At this stage, site setting out will also be carried out to ensure the site location, dimensions and measurements are in accordance with the drawing.

We may also engage third party soil investigation contractors to test the soil conditions at the site, if required. With all the information gathered during this site assessment, we will finalise all planned activities and methodologies to be used.

6. INFORMATION ON OUR GROUP (Cont'd)**(iii) Preparation of working platform**

Following this, a site layout plan and site logistics plan will be prepared to determine the designated areas for amongst others, temporary site office, vehicle access, loading and unloading of materials, storage and emergency assembly; as well as utility provisions such as water and electricity. A Project QESH Plan may also be created to identify and define the process review, equipment, personnel, methodology and procedures involved, as well as the types of meetings needed, agenda, frequency and attendees. All projects with a contract value of over RM1.00 million are required to have a Project QESH Plan. At this stage, a Site Environment, Safety and Health (“**ESH**”) committee will also be established to coordinate and monitor the implementation of the Project QESH Plan.

(iv) Mobilisation and setup of machinery and equipment

With the abovementioned plans and arrangements in place, we will then proceed to set up and organise the project site according to the site layout plan. The necessary machinery and equipment will be mobilised and transported to the project site, in preparation for the works. We ensure that the machinery and equipment are kept in a suitable location on-site, i.e. a location which is structurally sound and able to sustain the weight of the machinery and equipment.

(v) Execution and monitoring of works

The works will then be executed according to the pre-determined scope of work, specifications, drawing and Project QESH Plan. Throughout the execution and monitoring of the works, the assigned ESH committee will ensure operational controls are implemented, and legal and other requirements are adhered to. An emergency response plan is also established, and communicated to all personnel involved, in case an emergency situation arises at the project site.

Further, a series of QA & QC procedures will also be carried out during the execution stage, including inspection of incoming raw materials, verification of project scope and specifications, monitoring of execution methods, inspection of works done, amongst others. These procedures are implemented to ensure works done are in accordance with the prescribed methodologies and specifications.

(vi) Final inspection

The final inspections are carried out with the customer and/or project consultant, whereby the results are recorded, and any issues are rectified. Final inspections generally comprise visual inspections of works done to ensure the completed works are in accordance with the drawings.

(d) Project completion and handover

Once the works are complete, machinery, equipment and temporary structures utilised on-site will be demobilised from the project site. All construction debris will be removed and utilities will be disconnected. Upon completion of the aforementioned processes, a CPC will be awarded to us by the project consultant. During the defect liability period, which is typically within one (1) to two (2) years upon receipt of CPC, we will follow up and rectify any defects reported by the customer. For further details on the defect liability period, please refer to Section 6.3.7 of this Prospectus.

6. INFORMATION ON OUR GROUP (Cont'd)**6.9 QUALITY ASSURANCE AND QUALITY CONTROL ("QA&QC")**

Our Group places strong emphasis on quality management to ensure that the quality of our projects comply with relevant regulations (for example, CIDB Act 1994 which is governed by CIDB, OSHA 1994 which is governed by DOSH and EQA 1974 which is governed by Department of Environment) and to maintain our reputation as a trusted foundation and geotechnical specialist. We are certified to be in compliant with the ISO 9001:2015 Quality Management System, with the details as follows:

Awarded subsidiary	Certification	Awarding body	Validity period	Scope
GHSB and GSB	ISO 9001:2015	Bureau Veritas Certification	30 January 2024 – 29 January 2027	Provision of foundation and geotechnical construction services for building and infrastructure projects

We implement stringent QA & QC procedures during the execution of our works at project sites, whereby our project managers and site engineers conduct regular inspections to ensure works done are in accordance with the prescribed methodologies and specifications.

In addition, we also have an internal QA committee to perform internal QESH audits on sample basis on matters such as Project QESH Plans, Emergency Plan, documentation and record keeping practices, corrective and preventive actions of past non-conformances, amongst others. Our internal QA committee, led by our General Manager, Lai Chee Yong, alongside two (2) other department managers, consists of 10 members from various departments including ESH supervisors and officers, site engineers, project executives, amongst others. These measures have contributed to consistently uphold our Group's quality and enabled us to build a strong reputation, allowing us to secure repeat business from our customers.

Further, to assure the quality of our foundation and geotechnical works are in accordance with our customers' requirements and various safety standards, we have developed stringent policies and procedures that guide our selection of subcontractors. All selected subcontractors are evaluated in terms of track record, quality of service, timeliness of delivery, technical expertise, safety and health awareness and compliance, environmental awareness and compliance, availability of resources, amongst others.

In addition, we conduct various tests such as dynamic load test, static axial compression load test, and instrumented bi-directional static load test to test the integrity and strength of our foundation works. These tests are conducted to evaluate the load-bearing capacity of our foundation works by simulating the intended structural load to test piles, in order to ensure the safety, quality and reliability of the foundation works under real-load conditions. We engage third party testing companies, which are typically specialised foundation and geotechnical instrumentation and testing service providers, to carry out these tests on our foundation works and for the provision of tests report.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.10 TYPES, SOURCES AND AVAILABILITY OF MATERIALS AND SERVICES**

The breakdown of our Group's purchase for supplies for the Financial Years Under Review:

Supplies	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Subcontract services	42,275	31.55	83,162	37.85	110,833	41.21
Ready-mix concrete	28,514	21.28	50,271	23.09	69,848	25.97
Upkeep and consumables ⁽¹⁾	18,819	14.05	27,184	12.37	27,746	10.32
Steel bars	13,761	10.27	19,032	8.66	25,788	9.59
Diesel	15,727	11.65	15,489	7.05	14,917	5.55
Rental ⁽²⁾	11,107	8.29	16,003	7.28	12,685	4.72
Other building materials ⁽³⁾	3,787	2.83	8,571	3.90	7,111	2.64
Total purchases	133,990	100.00	219,712	100.00	268,928	100.00

Notes:

- (1) Include admixture, tremie pipes, safety equipment, upkeep and maintenance of machinery, amongst others.
- (2) Include rental of machinery (e.g. crawler cranes, excavators, rough terrain / truck cranes, amongst others) and rental of land at project sites for temporary storage of materials, machinery and equipment.
- (3) Include cement, API pipes, steel sections, amongst others.

Our Group engages subcontractors for sub-structure works, earthworks, and other services such as steel strutting, earthing, as well as bridge, road and drainage construction. For the Financial Years Under Review, subcontract services accounted for 31.55%, 37.85% and 41.21% of our Group's total purchases in the Financial Years Under Review respectively. Our subcontractors are engaged on project basis, as such we do not enter into long term contracts with our subcontractors. Subcontract services are generally available in the market and we did not face any difficulties in sourcing subcontract services for the Financial Years Under Review.

The principal raw materials used in our operations include building materials such as ready-mix concrete and steel bars. These building materials are generally readily available and can be easily sourced from local suppliers. However, the prices of building materials are subject to price fluctuations according to the global commodity prices as a result of demand and supply conditions, as well as a result of global supply chain disruptions. We generally purchase building materials on a per project basis. As such, our financial performance may be adversely impacted if we are unable to anticipate and/or pass on any increase in the cost of building materials to our customers. In FYE 2022, our Group recorded higher purchases for building materials, primarily for ready-mix concrete and steel bars, as a result of the increase in global ready-mix concrete and steel prices. Consequently, our Group recorded a lower GP margin in FYE 2022 as we were unable to pass on the increased costs to our customers in a timely manner due to pre-agreed contract prices with our customers. Nevertheless, our Group's financial performance was not materially impacted by the fluctuations in building materials prices and was able to record growth in revenue for the Financial Years Under Review. For further information on the price fluctuation of building materials and its impacts to our financial performance, please refer to Section 11.4 of this Prospectus.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.11 MAJOR CUSTOMERS

Our Group's top five (5) major customers according to their revenue contribution for the Financial Years Under Review are as follows:

FYE 2022

Customer name	Customer type	Services provided	Project(s)	Length of relationship as at the LPD (Years)	Sales (RM '000)	% of our Group's revenue (%)
BH Builders Sdn Bhd (subsidiary of Asian Pac Holdings Berhad)	Property developer	Piling works and sub-structure works	Dwitara Residence (Residential development)	4	34,409	16.54
Perdana Park City Sdn Bhd	Property developer	Piling works, sub-structure works and earth retaining structural works	Noora Park City (Residential development)	15	22,138	10.64
China Communications Construction (ECRL) Sdn Bhd	Main contractor	Piling works	East Coast Rail Line (Infrastructure development)	5	20,476	9.85
Genting Malaysia Berhad	Property developer	Slope stabilisation works	N/A ⁽¹⁾	29	15,847	7.62
MCC Overseas (M) Sdn Bhd (subsidiary of China Metallurgical Group Corporation)	Main contractor	Piling works and earth retaining structural works	EST 8 @ Seputeh (Residential development)	4	13,596	6.54
Sub-total					106,466	51.19
Total revenue					207,975	100.00

6. INFORMATION ON OUR GROUP (Cont'd)
FYE 2023

Customer name	Customer type	Services provided	Project(s)	Length of relationship as at the LPD (Years)	Sales (RM '000)	% of our Group's revenue (%)
Customer A group of companies ⁽²⁾	Property developer	Piling works, sub-structure works, earth retaining structural works, slope stabilisation works and earthworks	Residential developments in Cheras, Mont Kiara and Kepong, Kuala Lumpur	19	89,375	27.07
Aset Kayamas group of companies	Property developer	Piling works, sub-structure works and slope stabilisation works	• GENTING XINTIANDI (Phase 1A and 1B) (Mixed development) • Antara 2 and Antara 2 Bridge (Residential development)	9	48,828	14.79
Hunza (Penang International Commercial City) Sdn Bhd (subsidiary of Hunza Properties Berhad)	Property developer	Piling works and sub-structure works	PICC Phase 2B (Residential development)	3	20,703	6.27
Avaland Berhad group of companies	Property developer	Piling works, sub-structure works, earthworks and earthing works	• Alora (Residential development) • Amika (Residential development)	6	19,365	5.86
Perdana Parkcity Sdn Bhd	Property developer	Piling works, sub-structure works and earth retaining structural works	• Noora Park City (Residential development) • Reservoir project in Park City (Commercial development)	15	18,451	5.59
Sub-total					196,722	59.58
Total revenue					330,184	100.00

6. INFORMATION ON OUR GROUP (Cont'd)
FYE 2024

Customer name	Customer type	Services provided	Project(s)	Length of relationship as at the LPD (Years)	Sales (RM '000)	% of our Group's revenue (%)
Indo Aman Bina Sdn Bhd (subsidiary of TA Global Berhad)	Property developer	Piling works, sub-structure works, earth retaining structural works and earthworks	Ativo Annexe (Mixed development)	2	59,388	15.05
Aset Kayamas group of companies	Property developer	Piling works, slope stabilisation works and sub-structure works	• Antara Suites (Residential development) • Antara 1 (Residential development) • Antara 2 (Residential development) • GENTING XINTIANDI (Phase 1A and 1B) (Mixed development)	9	51,905	13.15
Sunway group of companies	Property developer	Piling works and sub-structure works	• Sunway Artessa (Residential development) • Sunway Belfield (Residential development) • Sunway Flora (Residential development) • Sunway Grid Residence (Residential development) • Sunway Serene 2 (Residential development) • Sunway Geo Residences 3 (Residential development) • Sunway Velocity TWO (Residential development)	19	35,540	9.00

6. INFORMATION ON OUR GROUP (Cont'd)

Customer name	Customer type	Services provided	Project(s)	Length of relationship as at the LPD (Years)	Sales (RM '000)	% of our Group's revenue (%)
Customer A group of companies ⁽¹⁾	Property developer	Piling works sub-structure works and slope stabilisation works	Residential developments in Cheras, Mont Kiara, Kepong, Kuala Lumpur; and Seri Kembangan, Selangor.	19	30,009	7.60
IJM group of companies	Main contractor and concessionaire	Piling works, earthworks and slope stabilisation works	• Maple Tree Logistics Hub (Industrial development) • MRT2 section (Infrastructure development) • West-Coast Expressway section (Infrastructure development) • Terraces Condominium (Residential development)	17	28,193	7.14
Sub-total					205,035	51.94
Total revenue					394,785	100.00

Notes:

- (1) N/A – Not applicable as slope stabilisation works at Genting Highlands engaged by Genting Malaysia Berhad were not for any particular projects but were on regular maintenance basis.
- (2) Customer A and its group of companies are incorporated in Malaysia, which are principally involved in property development business. Customer A and its group of companies' principal market is in Malaysia. Customer A is listed on the Main Market of Bursa Malaysia Securities Berhad. Consent was sought for the disclosure of the identity of Customer A in this Prospectus but was not obtained. As such, the identity of Customer A will not be disclosed in this Prospectus.

For the Financial Years Under Review, revenue generated from the top five (5) major customers accounted for 51.19%, 59.58% and 51.94% of our total revenue respectively. Our business is mainly carried out on a project basis, and revenue contributions from our customers are based on percentage of work completed. As such, we are not dependent on any major customers. In the event that any of the major customers do not engage us for our services for any particular year, we are able to secure other customers to provide our services to other construction projects.

6. INFORMATION ON OUR GROUP (Cont'd)

6.12 MAJOR SUPPLIERS

Our Group's top five (5) suppliers by total purchases for the Financial Years Under Review are as follows:

FYE 2022

Supplier name	Products or services sourced	Length of relationship as at the LPD (Years)	Purchases (RM '000)	% of our Group's purchases (%)
AYS Marketing Sdn Bhd	Steel bars, steel sections, API pipes, black pipes and wire mesh	7	7,689	5.74
Makin Juta Sdn Bhd	Steel bars, steel sections, API pipes, black pipes and wire mesh	16	5,998	4.48
MBS Zaman Builders Sdn Bhd	Subcontract services for sub-structure works	7	5,355	4.00
Petrobrite Sdn Bhd	Diesel	5	5,355	4.00
Megamix Sdn Bhd	Ready-mix concrete	9	4,176	3.12
Subtotal			28,573	21.34
Total purchases			133,990	100.00

FYE 2023

Supplier name	Products or services sourced	Length of relationship as at the LPD (Years)	Purchases (RM '000)	% of our Group's purchases (%)
AYS Marketing Sdn Bhd	Steel bars, steel sections, API pipes, black pipes and wire mesh	7	14,113	6.43
Megamix Sdn Bhd	Ready-mix concrete	9	13,503	6.15
Makin Juta Sdn Bhd	Steel bars, steel sections, API pipes, black pipes and wire mesh	16	10,875	4.95
Gurori Sdn Bhd	Subcontract services for earthworks	2	8,083	3.68
KIS Concept Sdn Bhd	Subcontract services for sub-structure works	12	7,589	3.58
Subtotal			54,163	24.79
Total purchases			219,712	100.00

6. INFORMATION ON OUR GROUP (Cont'd)
FYE 2024

Supplier name	Products or services sourced	Length of relationship as at the LPD (Years)	Purchases (RM '000)	% of our Group's purchases (%)
Binaform Sdn Bhd	Subcontract services for earthworks	7	29,641	11.02
MBS Zaman Builders Sdn Bhd	Subcontract services for sub-structure works	7	16,968	6.31
Tasek Concrete Sdn Bhd	Ready-mix concrete	18	13,950	5.19
Megamix Sdn Bhd	Ready-mix concrete	9	13,949	5.19
KIS Concept Sdn Bhd	Subcontract services for sub-structure works	12	9,658	3.59
Subtotal			84,166	31.30
Total purchases			268,928	100.00

For the Financial Years Under Review, purchases from our top five (5) major suppliers accounted for 21.34%, 24.79% and 31.30% of our total purchases respectively. Supplies we purchased from our top five (5) major suppliers mainly include building materials such as steel bars and ready-mix concrete, as well as subcontract services. Building materials and subcontract services are generally readily available in the market. Hence, we are not dependent on any of our suppliers and subcontractors as we are able to source similar building materials or subcontract services from alternative suppliers or subcontractors in the market.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.13 RESEARCH AND DEVELOPMENT ("R&D")**

Due to the nature of our business, we do not conduct any R&D activities. However, we place consistent effort in improving our operational processes by modifying and customising our machinery and equipment to achieve optimal operational efficiency. For further details on the modification and customisation of our machinery and equipment, please refer to Section 6.17.3 of this Prospectus.

6.14 TECHNOLOGY USED

As at the LPD, our Group uses the following software in our operations:

Software	Description
AutoCAD	A computer-aided design software used to prepare 2D and 3D design outputs and/or drawings.
PLAXIS 3D	A 3D modelling software used to analyse and simulate soils, rocks and associated structures in complex designs.
SAFE	A modelling software used to analyse and design foundation systems.
VisionLink	A live telemetry system used to monitor our machines by providing historical and real-time data such as machine location, engine load, fuel efficiency and fault codes.

6.15 SEASONALITY

We do not experience any material seasonality in our business.

6.16 INTERRUPTIONS TO OUR BUSINESS AND OPERATIONS

There has not been any material interruption to our business operations during the past 12 months prior to the LPD that had a material adverse impact on our operations and financial performance.

6.17 COMPETITIVE STRENGTHS**6.17.1 We offer a comprehensive range of services, positioning us as a total solution provider for foundation and geotechnical services**

We specialise in the provision of foundation and geotechnical services, and our service portfolio extends across a comprehensive range of services. For further information on our service offerings, please refer to Sections 6.3.1, 6.3.2 and 6.3.3 of this Prospectus. Our wide range of service offerings accords us with multiple benefits, including:

(i) Ability to cater to a diversified portfolio of construction projects across residential, mixed development, industrial, commercial and infrastructure sectors

Our expertise and technical capabilities in the foundation and geotechnical industry, as detailed in Section 6.17.2 of this Prospectus, allow us to undertake a diversified portfolio of construction projects, across residential, mixed development, industrial, commercial and infrastructure construction sectors. We are thus able to diversify our operational risks, reducing the risk of relying on the performance of any one particular construction sector. Furthermore, this also presents us with a large pool of opportunities to tap into, allowing us the flexibility to bid for contracts of different development projects.

6. INFORMATION ON OUR GROUP (Cont'd)

(ii) Ability to secure a large customer base throughout Malaysia due to our ability to provide a wide range of foundation and geotechnical services

Our ability to provide a wide range of foundation and geotechnical services allows us to secure a large customer base and build our network of customers throughout Malaysia. We serve and work alongside several public listed conglomerates and companies and/or its subsidiaries, including Genting Malaysia Berhad, Sunway Berhad and IJM Corporation Berhad, amongst others. For the Financial Years Under Review, we have secured a total of 149 projects from approximately 49 customers, out of which 21 are recurring customers who engaged our Group for more than one (1) project during the Financial Years Under Review.

(iii) Ability to undertake projects involving various types of terrain including the hilly landscapes and flat grounds in urban locations

Our extensive service offerings also allow us to meet the contrasting demand for different types of terrains in Malaysia. Over the course of our business operations, we have secured projects in diverse terrains, including the hilly landscapes of Genting Highlands and flat grounds in urban locations in Malaysia. Each of these environments pose different challenges, such as varying climates, geological conditions, logistics constraints and space limitations. Through our diverse range of service offerings, we have been able to overcome such challenges and consistently meet our customers' needs and requirements in foundation and geotechnical solutions across various landscapes.

Our technical capabilities and skillsets specifically in hilly terrains are demonstrated by our extensive experience with projects in Genting Highlands, and our ability to continuously secure projects in Genting Highlands over the course of our business. In addition, our Group also received a Supplier Excellence Award from Genting Group in 2024 in recognition of our performance as a foundation and geotechnical works contractor.

Moving forward, our Group believes we will be able to maintain our competitive edge and continue to grow our business through our comprehensive range of services as well as our track record as a reputable foundation and geotechnical specialist.

6.17.2 We have accumulated in-depth industry knowledge and geotechnical engineering expertise over the span of approximately 30 years of experience in the foundation and geotechnical industry

With approximately 30 years of experience in the foundation and geotechnical industry and our involvement in a wide range of construction projects ranging from residential to infrastructure developments across different types of terrains, we have accumulated in-depth industry knowledge and experience in foundation and geotechnical works. Further, we have a total of 43 engineers, which are involved in designing of foundation and geotechnical systems, repair and maintenance of machinery and equipment, supervising and monitoring the execution of works at project sites, amongst others.

As such, through our extensive industry experience and geotechnical engineering expertise as a foundation and geotechnical specialist, we are equipped with the capability to offer design-and-build services to our customers. We also leverage on our technical know-how and in-depth industry knowledge to provide value added services to our customers by proposing optimal foundation and geotechnical solutions to our customers, as well as proposing alternative cost-effective solutions to customers without compromising on quality and functionality.

6. INFORMATION ON OUR GROUP (Cont'd)

Further, our Group places consistent efforts into improving our engineering expertise in order to remain competitive in the market. This is achieved by regularly conducting in-house training programs or knowledge sharing sessions, as well as enrolling our employees to attend industry conferences or external training programs. For the Financial Years Under Review and up to LPD, examples of industry conferences and external training programs our employees have participated in are as follows:

Year	Conferences / training programs	Organiser
2023	2nd GeoSS and MGS Conference 2023	GeoSS and MGS
2023	Workshop on high-strain dynamic pile load test and seminar on pile testing	IEM and MGS
2024	One day seminar on ground improvement	IEM GETD and MGS
2024	One day course on adaptation of INSAR for geotechnical practice	IEM

Our Group believes that with our in-depth industry knowledge and extensive geotechnical engineering expertise, we will be able to continue meeting the requirements and expectations of our customers for foundation and geotechnical services.

6.17.3 Our fleet of machinery and equipment, supported by in-house repair and maintenance team, provide us the capability and flexibility to undertake various projects simultaneously

We own and maintain a large and comprehensive range of machinery and equipment, with further details set out in Section 6.5 of this Prospectus. Our wide range of machinery and equipment enables us to undertake various projects simultaneously as well as adopt multiple foundation and geotechnical construction methods to meet different requirements across various construction projects. Further, we also have an in-house repair and maintenance team stationed at our Bukit Beruntung Depot to carry out preventive maintenance works and periodic machinery upkeep to maintain the functionality of our machinery and equipment, as well as to carry out modification works to our machinery and equipment based on project specifications and requirements. All of which also reduces our reliance on rental of third party machinery and equipment, or for any repair, maintenance and modification works, thus enabling us to enjoy several benefits, as listed below:

- (i) Flexibility to facilitate tight schedules as we can promptly mobilise and transport our machinery and equipment on-site, without having to rely on rental of third party machinery and equipment;
- (ii) Lower operating costs and higher cost savings by undertaking repair, maintenance and modification works on machinery and equipment in-house, as opposed to using external service providers;
- (iii) Ability to be price competitive when bidding for contracts and obtain higher profit margins as a result of lower operating costs;
- (iv) Fewer disruptions to operations as a result of a lower dependence on third party service providers to repair and maintain our machinery, leading to a lower susceptibility to challenges arising from external factors, such as long servicing hours and queueing time as well as unavailability of external service providers;
- (v) Ability to modify and customise machinery and equipment to accommodate varying project requirements. Examples of modifications and customisations undertaken include allowing for low headroom, ease of portability on hilly terrain or slopes; and
- (vi) Extended performing lifespan for certain machinery and equipment beyond the estimated average useful lifespan, which is attributed to preventive measures and periodic machinery upkeep carried out in-house. Please refer to Section 6.5 of this Prospectus for further details of our material machinery and equipment.

In addition, to minimise downtime, our Group constantly conduct inspections on our machinery and equipment and replace aged machinery and equipment. As at the LPD, majority of our material machinery and equipment have an average age of below 10 years.

6. INFORMATION ON OUR GROUP (Cont'd)

Our large and comprehensive fleet of machinery and equipment facilitates business flexibility and optimises our profitability as we are able to capitalise on different business opportunities. We are also able to undertake sizeable projects which require a large fleet of machinery and equipment to be deployed. Further, by minimising operational disruptions through regular machinery and equipment maintenance, we are able to ensure timely delivery of our services, in turn solidifying our reputation in the industry.

6.17.4 We have an established and proven track record of approximately 30 years in the foundation and geotechnical industry

We have established ourselves as a foundation and geotechnical specialist with a proven track record of approximately 30 years in the industry. Since we commenced operations, we have grown significantly, transforming from a subcontractor offering limited foundation and geotechnical offerings to our present position as a major foundation and geotechnical specialist in Malaysia. According to the IMR report, our Group captured a 6.99% market share in the foundation and geotechnical industry, based on an industry size of RM5.03 billion in 2024.

Our experience and capabilities in the foundation and geotechnical industry extend across residential, mixed development, industrial, commercial as well as infrastructure construction projects. We have also completed projects involving a diverse range of foundation and geotechnical services. Please refer to Section 6.3.4 of this Prospectus for a list of our major projects for the Financial Years Under Review, which showcases our proven track record.

We have laid the groundwork in positioning ourselves as a trusted and reliable foundation and geotechnical specialist through the successful delivery of both public and private projects. Over the years, we served and worked alongside several public listed conglomerates and companies, and/or its subsidiaries, including Genting Malaysia Berhad, Sunway Berhad and IJM Corporation Berhad, amongst others. Our ability to secure projects from these notable customers is evidence of our service quality and track record. Our established track record and project references in Malaysia will support our Group's future growth and expansion plans, ensuring our continued sustainability.

6.17.5 We have an experienced Key Senior Management team with strong foundation and geotechnical industry knowledge and functional expertise to support the growth of our Group

Our Group is led by our key senior management team which possesses in-depth industry knowledge and experience in the foundation and geotechnical industry. Our Managing Director, Lee Kim Seng, as well as Non-Independent Executive Directors, Ir. Oh Chin Wah and Lee Jie Min, have 36, 31 and 10 years of experience in the foundation and geotechnical industry and/or construction industry. They have been instrumental to our Group's expansion and will continue to play a pivotal role in the future growth of our Group.

Our Managing Director and Non-Independent Executive Directors are supported by a team of key senior management comprising:

Name	Designation	Years of relevant working experience
Low Kok Din	Chief Financial Officer	12
Lai Chee Yong	General Manager	18
Ir. Jeremy Lim Wei	Deputy General Manager	18

Each of our key senior management personnel takes an active, hands-on role in spearheading their respective departments to support the growth of our Group. Their hands-on involvement in our Group demonstrates their strong commitment to our growth as we continue to expand.

6. INFORMATION ON OUR GROUP (Cont'd)**6.18 BUSINESS STRATEGIES AND FUTURE PLANS****6.18.1 We intend to expand our fleet of machinery to increase our operating capacity**

As at the LPD, our Group has an order book amounted to RM382.66 million. Further, our Group recorded a compound annual growth rate of 37.78% in our total revenue from FYE 2022 to FYE 2024, signifying significant growth in our business performance. As we continue to secure more projects and expand our business, we intend to expand our fleet of machinery and equipment to increase our operating capacity as well as to enhance our operational efficiency. Further details of the machinery which our Group intends to purchase are as follows:

Type of machinery	Function	Number of units	Estimated cost (RM'000)
Rotary boring rig	A machine used to excavate soil and rocks in the form of a circular vertical shaft for the installation of bored piles.	[•]	[•]
Crawler crane	A machine used to lift and shift heavy materials on-site such as steel reinforcement cages and steel pipes.	[•]	[•]
Excavator	A machine used to excavate large ground area, including breaking rocks, as well as to handle heavy materials such as soil, rocks, and other unwanted debris.	[•]	[•]
Total		[•]	[•]

We intend to purchase [•] rotary boring rigs, which will be used to carry out bored piling works, which are amongst the main piling works carried out by our Group. As at the LPD, our Group has a total of 33 rotary boring rigs, and we recorded utilisation rates of 91.70%, 94.07% and 88.74% for our bored piling capacity for the Financial Years Under Review respectively. As such, in order to support the continuous growth and expansion of our business, we intend to purchase [•] rotary drilling rigs, which are expected to increase our operating capacity for bored piling works by approximately 10.00% to 15.00%.

Aside from rotary boring rigs which are used to carry out bored piling works, crawler cranes and excavators are also crucial to our operations, as they are used to handle heavy materials on-site, such as steel reinforcement cages, steel pipes, soil and rocks, amongst others. As we continue to secure more projects and expand our operating capacity, we intend to also purchase [•] crawler cranes and [•] excavators to support our operations. This will also reduce our dependency on the rental of such machines from third parties as well as reduce cost incurred from machinery rental. As at the LPD, our Group owns 27 crawler cranes and 54 excavators. However, in the event of insufficient resources, our Group may rent such machines from third parties on project basis in order to ensure timely delivery of works. For the Financial Years Under Review, we incurred RM3.01 million, RM2.33 million and RM2.43 million for rental of crawler cranes and excavators, representing 2.25%, 1.06% and 0.90% of our Group's total purchases respectively.

In addition to increasing our operating capacity, the purchase of the aforementioned machinery is also expected to improve our operational efficiency. Our Group typically has multiple projects progressing at different stages and schedules simultaneously across various locations. Therefore, these additional machinery will provide greater flexibility in resource allocation, allowing us to promptly deploy machines across various projects in different locations. This will also reduce queueing time for machine availability across projects, thereby minimising lags due to resource constraints. Further, it also acts as a precautionary measure to ensure sufficient machines are on reserve in the event of machine breakdowns to minimise unexpected disruptions to our operations.

6. INFORMATION ON OUR GROUP (Cont'd)

The expansion of our fleet of machinery is expected to minimise delays and/or expedite project delivery, thereby enhancing our competitive edge in the industry, allowing us to secure more projects and capture greater market share as we continue to grow our business. The purchase of the above machinery and equipment is estimated to cost RM[●] million, which will be fully funded via our IPO proceeds. We intend to purchase these machinery and equipment within 36 months from the completion of our Proposed Listing.

6.18.2 We intend to expand our customer reach and establish our presence in Singapore

As at the LPD, we solely operate from Malaysia and all our foundation and geotechnical services are provided to customers in Malaysia. Between 2009 and 2011, we secured 13 letters of awards for projects in Singapore which we had successfully completed, whereby one of the notable projects include the modification of the Jurong East MRT Station. Subsequent to that, we have ceased providing foundation and geotechnical services to customers in Singapore to focus our resources in growing our business and solidifying our position in the foundation and geotechnical industry in Malaysia.

As we have achieved a steady growth in our business and financial performance in Malaysia in recent years, we are ready to undertake an expansion plan to expand our customer reach to Singapore. We intend to penetrate into the Singapore market by offering foundation works, in particular bored piling works, which are the main piling works conducted by our Group, at the initial stage of expansion. Depending on the type of project available in the Singapore market, we may expand our offering to other related foundation works should the opportunities arise in the future. In line with our expansion plan, we have obtained our Specialist Builder (Piling Works) license as well as our CRS registration with the BCA in January 2025 and May 2025, respectively, and have resumed the efforts in tendering projects in Singapore.

Further, we plan to establish our physical presence in Singapore by setting up a local sales and administrative office ("**Singapore Office**") by renting a co-working space at the initial stage of our expansion plan. As at the LPD, our Group is in the midst of identifying a suitable co-working space for our Singapore Office. We expect to identify the location and commence the operations of our Singapore Office by the first quarter of 2026 or upon securing projects in Singapore, whichever occurs first. The Singapore Office will allow us to be in close proximity to, and accessible by, local potential customers in Singapore, thus providing greater confidence to local potential customers to engage our Group for foundation and geotechnical services.

Once we have successfully secured projects in Singapore, we intend to have approximately 20 employees stationed in Singapore to support our operation, including a director, a project manager, a work, safety and health coordinator, site supervisors and machine operators, amongst others. As at the LPD, we have employed two (2) project managers (of which one (1) is also a director) and a site supervisor to identify potential business opportunities, approach potential customers and business associates, as well as to participate in project tenders in Singapore. We have also identified approximately six (6) of our existing employees to be transferred to Singapore to support our operations upon project kick-off. In preparation of the transfer, we have enrolled the identified employees in training courses (e.g. workplace safety and health trainings, technical trainings and risk management trainings) in Singapore required by BCA to carry out construction works in Singapore. Further, upon commencement of projects, we will transport the necessary machinery and equipment from our Bukit Beruntung Depot on a project basis to support our operations in Singapore.

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6. INFORMATION ON OUR GROUP (Cont'd)

The indicative timeline for the setting up of our team in Singapore are as follows:

Timeline	Status
LPD	- Employed two (2) project managers (of which one (1) is also a director) and a site supervisor to participate in project tenders in Singapore - Identified six (6) existing employees to be transferred to Singapore
Q1 2026 – Successful project tender	- To transfer the six (6) identified employees to be stationed in Singapore - To recruit on-site workers, including work, safety and health coordinator, site supervisors, machine operators, amongst others
Q2 2026 – Commencement of project	To complete setting up of our team in Singapore, including a director, a project manager, a work, safety and health coordinator, site supervisors and machine operators, amongst others

Note: The indicative timeline is subject to change based on the timing of successful project tender and commencement.

According to the IMR Report, the construction industry in Singapore recorded a CAGR of 5.86% from SGD35.72 billion (RM108.48 billion) in 2019 to SGD47.48 billion (RM162.52 billion) in 2024. Moving forward, according to the BCA, the construction industry is expected to continue growing with the demand for construction projected to be between SGD47.00 billion (RM160.87 billion) and SGD53.00 billion (RM181.41 billion) for 2025. With our in-depth industry experience and technical expertise, we believe that our Group is well positioned to tap into the upward trend of the construction industry in Singapore to secure foundation and geotechnical contracts in Singapore.

Our Group estimates that the main cost of our Singapore expansion, comprising the rental of the Singapore Office and staff costs over a 12-month period starting first quarter of 2026 to be approximately SGD1.60 million or RM5.30 million, which will be fully funded via internally generated funds.

6.19 EMPLOYEES

As at FYE 2024, we employed a total of 770 employees, out of which 627 are contract employees. The breakdown of our employees by division is set out as follows:

Department / Business function	Permanent employee		Contractual employee		Total
	Local	Foreign	Local ⁽¹⁾	Foreign ⁽²⁾	
Directors	2	-	-	-	2
Key Senior Management	4	-	-	-	4
Admin, human resources and finance	16	-	10	-	26
Design	5	-	7	-	12
Commercial and contract	8	-	6	-	14
Purchasing	8	-	5	-	13
Operation	85	-	132	436	653
Asset and maintenance	15	-	31	-	46
Total	143	-	191	436	770

Notes:

(1) Our local contractual employees are typically hired on contract period of one (1) year.

(2) Our foreign contractual employees have varying employment durations based on the validity of their work permits. In general, foreign workers are allowed to work in Malaysia for up to 13 years.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, we employed a total of 732 employees, out of which 591 are contract employees. The breakdown of our employees by division is set out as follows:

Department / Business function	Permanent employee		Contractual employee		Total
	Local	Foreign	Local ⁽¹⁾	Foreign ⁽²⁾	
Directors	3	-	-	-	3
Key Senior Management	3	-	-	-	3
Admin, human resources and finance	14	-	9	-	23
Design	4	-	7	-	11
Commercial and contract	9	-	5	-	14
Purchasing	7	-	8	-	15
Operation	86	-	124	400	610
Asset and maintenance	15	-	38	-	53
Total	141	-	191	400	732

Notes:

- (1) Our local contractual employees are typically hired on contract period of one (1) year.
- (2) Our foreign contractual employees have varying employment durations based on the validity of their work permits. In general, foreign workers are allowed to work in Malaysia for up to 13 years.

Our Group is dependent on foreign workers, particularly for on-site works. As at the LPD, we have a total of 400 foreign workers, representing 54.64% of our Group's total headcount, all of which have valid working permits, which are renewable periodically. Please refer to Section 8.2.3 of the Prospectus for further information on our Group's dependency on the foreign workers.

None of our employees belongs to any labour union. During the Financial Years Under Review and up to the LPD, we did not experience any strikes or other disruptions due to labour disputes.

We have in place a management succession plan to identify key competencies and requirements of managers and higher-ranking personnel, to take positive approach towards addressing talent management to ensure our Group has talent readily available from a capability perspective to undertake leadership positions and to frequently train our middle management to ensure they are well equipped with all the necessary knowledge to succeed at senior management positions in the future in our Group.

6.20 MAJOR APPROVALS, LICENCES, PERMITS

Please refer to Annexure A of this Prospectus for details of the major approvals, licences and permits obtained by our Group, and the status of compliance of material conditions attached as at the LPD.

6. INFORMATION ON OUR GROUP (Cont'd)

6.21 INTELLECTUAL PROPERTY RIGHTS, PATENTS, TRADEMARKS AND REGISTRATIONS

As at the LPD and save as disclosed below, our Group does not have any other intellectual property rights registered and/or in the process of registration.

No.	Trademark	Issuing authority	Registered owner/ Name of applicant	Trademark number/ Application number	Description	Status / Validity Period
1.		MyIPO	GSB	06020124	Trademark Class 37 ⁽¹⁾	Registered / 6 November 2016 to 6 November 2026
2.		MyIPO	GSB	08001647	Trademark Class 42 ⁽²⁾	Registered / 28 January 2008 to 28 January 2028
3.		MyIPO	GSB	TM2025008976	Trademark Class 37 ⁽³⁾	Under Substantive Examination on 5 May 2025 ⁽⁴⁾
4.		MyIPO	GSB	TM2025008972	Trademark Class 37 ⁽³⁾	Under Substantive Examination on 5 May 2025 ⁽⁴⁾

Notes:

- (1) Building construction included construction of foundations and geotechnical works; development (property); all included in Class 37.
- (2) Design, research and development of foundation construction and geotechnical engineering; all included in Class 42.
- (3) Building and construction services; Construction, maintenance, cleaning and repair services; Construction services in the nature of earthworks; Construction and maintenance of building complexes, residential buildings, housing estates, commercial buildings, shopping centres, office buildings and multi-storey car parks; Construction of factories; Building construction supervision services relating to shopping centres, industrial complexes, office buildings, residential buildings and other real estate developments; Construction of energy efficient buildings and structures; Construction, maintenance and repair of transportable and prefabricated buildings; Construction, maintenance and renovation of public works; Construction and demolition of buildings, roads, bridges, dams or transmission lines; Construction and maintenance services relating to civil engineering; Construction engineering services (construction supervision); all included in Class 37.
- (4) Trademark applications were submitted on 24 March 2025, which is being examined and verified by MyIPO to ensure that the trademark applications comply with all the legal requirements for registration pursuant to Section 29(1) of the Trademarks Act 2019 prior to acceptance by MyIPO for publication and opposition. Barring any unforeseen circumstances, our Group expects the registration of trademark to be approved within 12 to 24 months from the date of application (24 March 2025).

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

6.22 MATERIAL DEPENDENCY ON CONTRACTS

Save for the major licences in Section 6.20 and registered trademarks and intellectual property rights in Section 6.21 of this Prospectus, 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.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.23 MATERIAL PROPERTIES

6.23.1 Material properties owned by our Group

As at the LPD, details of the material properties owned by our Group are as follows:

No.	Registered owner / Beneficial owner	Title details / Postal address	Description of property / Existing use	Category of land use / Express condition / Restriction in interest / Tenure of property	Restrictions in interest/ Existing encumbrances	Land area / Built-up area (approximate)	Date of issuance of CF/CCC	Audited NBV as at 31 December 2024 (RM'000)
1.	Registered Owner GHSB	Title details HS(D) 4909, Lot 29487, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur Postal address No. 40, Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Kuala Lumpur, Wilayah Persekutuan	Description 3-storey terraced shop office Existing use Headquarters and administrative office	Category of Land Use Building Expressed Conditions This land shall be used as shophouses Tenure Freehold	Restrictions in Interests Nil Encumbrances ⁽¹⁾ Charge (Presentation No. PDSC29903/2008) registered in favour of CIMB Bank Berhad on 16 September 2008 Charge (Presentation No. PDSC45129/2011) registered in favour of CIMB Bank Berhad on 24 November 2011 Charge (Presentation No. PDSC45130/2011) registered in favour of CIMB Bank Berhad on 24 November 2011	Land area 174.188 sq. m. Built-up area 501.68 sq. m.	CCC dated 28 March 2025	692

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner / Beneficial owner	Title details / Postal address	Description of property / Existing use	Category of land use / Express condition / Restriction in interest / Tenure of property	Restrictions in interest/ Existing encumbrances	Land area / Built-up area (approximate)	Date of issuance of CF/CCC	Audited NBV as at 31 December 2024 (RM'000)
					Charge (Presentation No. PDSC19000/2015) registered in favour of CIMB Bank Berhad on 21 May 2015			
2.	Registered Owner GSB	Title details HS(D) 4908, Lot 29486, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur Postal address No. 42, Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Kuala Lumpur, Wilayah Persekutuan	Description 3-storey terraced shop office Existing use Headquarters and administrative office ⁽²⁾	Category of Land Use Building Expressed Conditions This land shall be used as shophouses Tenure Freehold	Restrictions in Interests Nil Encumbrances Charge (Presentation No. PDSC49184/2019) registered in favour of Affin Bank Berhad on 24 December 2019	Land area 174.188 sq. m. Built-up area 522.57 sq. m.	CCC dated 30 June 2025	4,154

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner / Beneficial owner	Title details / Postal address	Description of property / Existing use	Category of land use / Express condition / Restriction in interest / Tenure of property	Restrictions in interest/ Existing encumbrances	Land area / Built-up area (approximate)	Date of issuance of CF/CCC	Audited NBV as at 31 December 2024 (RM'000)
3.	<u>Registered Owner</u> Perbadanan Pengurusan Damansara Seresta ⁽³⁾ <u>Beneficial owner</u> GSB	<u>Title details</u> Master title no. Geran 335444, Lot 73003 (formerly HS(D) 316604, PT 82), Bandar Sri Damansara, Daerah Petaling, Negeri Selangor <u>Postal address</u> Unit No. A-18-06, Block A, Damansara Seresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Petaling Jaya, Selangor Darul Ehsan	<u>Description</u> A duplex condominium unit (Type D1) with two (2) car park bays as accessory parcels <u>Existing use</u> Investment Property	<u>Category of Land Use</u> Building <u>Expressed Conditions</u> Residential Building <u>Tenure</u> Freehold	<u>Restrictions in Interests</u> Nil <u>Encumbrances</u> Easement (Presentation No. 001SC60976/2020) registered on 22 September 2020 Easement (Presentation No. 001SC60977/2020) registered on 22 September 2020 Easement (Presentation No. 001SC60975/2020) registered on 22 September 2020 Lease of part of the land (Presentation No. 00SC189793/2024) registered in favour of Tenaga Nasional Berhad on 2 October 2024 (commencing from 11 August 2023 and ended on 10 August 2053)	<u>Land area</u> 165 sq. m. <u>Built-up area</u> 165 sq. m.	CCC dated 23 August 2023	890

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner / Beneficial owner	Title details / Postal address	Description of property / Existing use	Category of land use / Express condition / Restriction in interest / Tenure of property	Restrictions in interest/ Existing encumbrances	Land area / Built-up area (approximate)	Date of issuance of CF/CCC	Audited NBV as at 31 December 2024 (RM'000)
4.	Registered Owner Ketua Menteri Sabah ⁽⁴⁾ Beneficial owner GSB	Title details Strata title No. Geran 80739/M1C/11/458, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur Postal address Unit No. T3-10-20, Tower 3, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur	Description A corner unit of stratified commercial office suite Existing use Investment Property	Category of Land Use Building Expressed Conditions Office Tenure Freehold	Restrictions in Interests Nil Encumbrances Nil	Land area 136 sq. m. Built-up area 136 sq. m.	CCC dated 28 February 2020	830
5.	Registered Owner Ketua Menteri Sabah ⁽⁴⁾ Beneficial owner GSB	Title details Strata title No. Geran 80739/M1C/14/525, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur Postal address Unit No. T3-13-13, Tower 3, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur	Description An intermediate unit of stratified commercial office suite Existing use Investment Property	Category of Land Use Building Expressed Conditions Office Tenure Freehold	Restrictions in Interests Nil Encumbrances Nil	Land area 78 sq. m. Built-up area 78 sq. m.	CCC dated 28 February 2020	480

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner / Beneficial owner	Title details / Postal address	Description of property / Existing use	Category of land use / Express condition / Restriction in interest / Tenure of property	Restrictions in interest/ Existing encumbrances	Land area / Built-up area (approximate)	Date of issuance of CF/CCC	Audited NBV as at 31 December 2024 (RM'000)
6.	Registered Owner GESB	Title details HS(D) 48063, P.T. 16358, Bandar Serendah, Daerah Ulu Selangor, Negeri Selangor Postal address Lot 16358 Jalan Jasmine 6 Seksyen BB 10, 48300 Bukit Beruntung, Rawang, Selangor Darul Ehsan	Description 1-storey warehouse unit with a 2-storey office, 1 unit resting place and 11 units process platform ⁽⁵⁾ Existing use Storage and depot facility for repair, maintenance and upkeep for our machinery and equipment	Category of Land Use Industry Expressed Conditions Light Industry Tenure Freehold	Restrictions in Interests Nil Encumbrances Charge (Presentation No. 001SC86744/2018) registered in favour of CIMB Bank Berhad on 1 October 2018 Charge (Presentation No. 001SC86745/2018) registered in favour of CIMB Bank Berhad on 1 October 2018	Land area 29,318 sq. m. Built-up area 2,288.48 sq. m.	CF dated 19 September 2016	9,126
7.	Registered Owner GESB	Title details Geran 154419, Lot 22099, Seksyen 20, Bandar Serendah, Daerah Ulu Selangor, Negeri Selangor Postal address No. 17, Jalan Adenium 3A/2, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan	Description An intermediate 2-storey terraced house of developer's standard design Existing use Investment Property	Category of Land Use Building Expressed Conditions Residential Building Tenure Freehold	Restrictions in Interests Nil Encumbrances Charge (Presentation No. 001SC42266/2017) registered in favour of Hong Leong Bank Berhad on 25 May 2017	Land area 111 sq. m. Built-up area 157.28 sq. m.	CCC dated 15 June 2017	450

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner / Beneficial owner	Title details / Postal address	Description of property / Existing use	Category of land use / Express condition / Restriction in interest / Tenure of property	Restrictions in interest/ Existing encumbrances	Land area / Built-up area (approximate)	Date of issuance of CF/CCC	Audited NBV as at 31 December 2024 (RM'000)
8.	Registered Owner GESB	Title details Geran 154439, Lot 22119, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan Postal address No. 23, Jalan Adenium 3A/3, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan	Description A corner 2-storey terraced house of developer's standard design Existing use Investment Property	Category of Land Use Building Expressed Conditions Residential Building Tenure Freehold	Restrictions in Interests Nil Encumbrances Charge (Presentation No. 001SC42265/2017) registered in favour of Hong Leong Bank Berhad on 25 May 2017	Land area 272 sq. m. Built-up area 166.77 sq. m.	CCC dated 15 June 2017	560

Notes:

- (1) As at the LPD, the charges registered in favour of CIMB Bank Berhad on 16 September 2008 and 24 November 2011 are in the process of being discharged and this land is pending the registration of a charge in favour of Affin Bank Berhad as security for the bank facilities granted by Affin Bank Berhad to GSB.
- (2) GSB occupies the first and second floors of the property, while the ground floor has been rented by GSB to Dr. Althaf Hussain with effective tenancy tenure from 1 April 2025 to 30 April 2026.
- (3) As at the LPD, the registered owner of the property is Perbadanan Pengurusan Damansara Seresta as the master title has yet to be subdivided into individual titles. Pursuant to the sale and purchase agreement entered into between Sri Damansara Sdn Bhd (as the vendor) and GSB (as the purchaser), the obligation to apply for and obtain the subdivided individual title is on Sri Damansara Sdn Bhd. Our Group is unable to ascertain the timeframe for the subdivision of the land title.
- (4) GSB (as the purchaser) had on 18 August 2023 entered into the respective sale and purchase agreements with Ketua Menteri Sabah (as the proprietor) and Sri Donglai Sdn Bhd (as the vendor) in relation to 3 Tower Level 10 and 3 Tower Level 13. As at the LPD, the individual strata titles for the properties have been issued. GSB is in the midst of identifying potential buyer(s) and intends to complete the registration of transfer of ownership on the individual strata titles at the time of disposal.
- (5) As at the LPD, GESB has obtained a temporary permit from MPHS for the open roof structure on the Bukit Beruntung Depot. Further details of the temporary permit are as set out in Item 13 of Annexure A of this Prospectus.

As at the LPD, save as disclosed in Section 6.24(i)(b) of this Prospectus, the material properties owned by our Group are not in breach of any land use conditions, current statutory requirements, land rules and/or building regulations/by-laws.

6. INFORMATION ON OUR GROUP (Cont'd)

6.23.2 Material properties rented by our Group

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

No.	Landlord / Tenant	Postal address	Description of property / Existing use	Period of tenancy	Gross Built-up area (approximate)	Date of issuance of CF/CCC	Rental per month (RM)
1.	Westlite Dormitory (Petaling Jaya) Sdn Bhd / GSB	No. 12A, Jalan SS8/6, 47300 Petaling Jaya, Selangor	2 units of type A and 3 units of type C lodging / Foreign workers' accommodation	<u>Type A:</u> (i) From 17 February 2025 to 16 February 2026 (ii) From 26 April 2025 to 25 April 2026 <u>Type C:</u> (iii) From 15 April 2025 to 14 October 2025 (iv) From 26 June 2024 to 25 June 2025 (v) From 27 September 2024 to 26 September 2025	<u>Type A:</u> 70.46 sq. m./ unit <u>Type C:</u> 76.95 sq. m./ unit	CF dated 21 November 2019	<u>Type A:</u> 6,160.00 / unit <u>Type C:</u> 6,720.00 / unit
2.	Gabungan Lumayan Sdn Bhd / GSB	No. 28, Jalan Rahmat, Chow Kit, 51200 Kuala Lumpur	6-storey hostel building / Foreign workers' accommodation	(i) <u>Tenancy for 50 foreign workers ("TA 1"):</u> From 1 April 2025 to 30 September 2025 (ii) <u>Tenancy for 100 foreign workers ("TA 2"):</u> From 1 April 2025 to 31 March 2026 (iii) <u>Tenancy for 56 foreign workers ("TA 3"):</u> From 1 April 2025 to 30 September 2025 (iv) <u>Tenancy for 18 foreign workers ("TA 4"):</u> From 15 April 2025 to 14 October 2025	884.80 sq. m.	CF dated 23 January 2024	<u>TA 1:</u> 13,000.00 <u>TA 2:</u> 26,000.00 <u>TA 3:</u> 14,560.00 <u>TA 4:</u> 4,680.00

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Landlord / Tenant	Postal address	Description of property / Existing use	Period of tenancy	Gross Built-up area (approximate)	Date of issuance of CF/CCC	Rental per month (RM)
3.	Ami Awana Sdn Bhd / GSB	Emerald Crest, Taman Lagenda Emerald, Jalan Teluk Kumbar, 11920 Bayan Lepas, Pulau Pinang	Foreign workers' accommodation	From 15 April 2025 to 14 April 2026	91.03 sq. m.	CF dated 20 October 2010	9,500.00
4.	Teo Hang Yeong / GSB	11-11-1, Bukit OUG Condominium, Jalan 3/155, 58200 Kuala Lumpur	Foreign workers' accommodation	From 10 October 2024 to 30 September 2025	78.97 sq. m.	CF dated 18 September 2001	1,500.00
5.	Woo Kwong Leong / GSB	13A-9-1, Bukit OUG Condominium, Jalan 3/155, 58200 Kuala Lumpur	Foreign workers' accommodation	From 10 October 2024 to 9 September 2025	94.24 sq. m.	CF dated 18 September 2001	1,500.00

As at the LPD, the material properties rented by our Group are not in breach of any of the relevant land laws and building regulations.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.24 GOVERNING LAWS AND REGULATIONS**

Our business is regulated by, and in some instances required to be licensed under specific laws of Malaysia and Singapore. The relevant laws and regulations governing our Group which do not purport to be an exhaustive description of all laws and regulations of which our business is subject to are summarised below. Non-compliance with the relevant laws and regulations below may result in monetary and/or custodial penalties and/or any other orders being made.

(i) Applicable Laws and Regulations in Malaysia**(a) CIDB Act 1994**

The CIDB Act 1994 governs the establishment of CIDB and provides for its function in relation to the construction industry and all matters connected therewith.

Section 25(1) of the CIDB Act 1994 provides that no person shall carry out or complete, undertake to carry out or complete any construction work or hold himself out as a contractor, unless he is registered with CIDB and holds a valid certificate of registration issued by CIDB. Any person who fails to comply with Section 25(1) of the CIDB Act 1994 shall be guilty of an offence and shall, on conviction be liable to a fine of not less than RM10,000.00 but not more than RM100,000.00.

Pursuant to Section 27 of the CIDB Act 1994, CIDB may by notice in the prescribed form, require any person to disclose and provide details relating to the construction industry or anything required under the CIDB Act 1994. Any person who fails to comply with Section 27 of the CIDB Act 1994 or knowingly or recklessly furnishes or causes to be furnished any false particulars on any matter specified in the notice issued under Section 27 of CIDB Act 1994 shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500.00 and, in the case of a continuing offence, to a fine not exceeding RM500.00 for every day or part of a day during which the offence continues after conviction.

Section 33(1) of the CIDB Act 1994 provides that no person shall be involved or engaged or undertake to be involved or engaged as a construction personnel unless he is registered with CIDB and holds a valid certificate of registration issued by CIDB. Any person who fails to comply with Section 33(1) of the CIDB Act 1994 shall be guilty of an offence and shall, on conviction be liable to a fine of not exceeding RM5,000.00.

Pursuant to Section 34(1) of the CIDB Act 1994, every contractor shall declare and submit to the CIDB, in the manner as may be prescribed by the CIDB, any contract which he has been awarded on any construction works. Any person who fails to comply with Section 34(1) of the CIDB Act shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.00.

Section 34(2) of the CIDB Act 1994 provides that every contract referred to in Section 34(1) of the CIDB Act 1994, whether stamped or not, having a contract sum of above RM500,000.00, the contractor shall be liable to pay to CIDB a levy at the rate of a quarter per centum of the contract sum. Section 34(9) of the CIDB Act 1994 provides that where a contractor fails to pay any levy due within the prescribed period by CIDB, the contractor shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.00 or four (4) times the amount of such levy payable, whichever is higher.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, GSB and GHSB are principally involved in provision of foundation and geotechnical services. Both GSB and GHSB hold valid certificate of registration issued by CIDB as Grade G7 contractors with no limitation in tendering capacity. These certificates of registration issued by CIDB are valid until their respective expiry dates and will subsequently be renewed.

(aa) Past non-compliance with Section 27 of CIDB Act 1994

GSB and GHSB were issued letters dated 9 September 2024 and 12 September 2024 by the CIDB to notify them of their failure to declare their construction personnel to the CIDB and thus, failed to comply with the requirements of a notice issued under Section 27 of CIDB Act 1994. Accordingly, GSB and GHSB have each been charged with administrative fees of RM200.00 by CIDB. GSB and GHSB have each subsequently made full payment of the administrative fees charged by CIDB.

(bb) Past non-compliance with the conditions of the certificate of registration as Grade G7 contractor issued by CIDB

GSB had not declared certain subcontract projects awarded to it in FYE 2023 and FYE 2024 to CIDB. GSB has misunderstood that a sub-contractor was not required to declare and submit such contracts to CIDB, and assumed that the declaration and submission of such contracts to CIDB by the main contractors alone would suffice. Furthermore, GSB was of the view that contracts for construction works with relatively small value, which do not attract levy payment under the CIDB Act 1994, did not need to be declared to CIDB. GSB has subsequently declared the subcontract projects awarded to it in FYE 2023 and FYE 2024 to CIDB.

The omission by GSB and GHSB to declare and submit to CIDB, the details of their construction personnel, as well as certain subcontract projects awarded to GSB in FYE 2023 and FYE 2024 are considered as breaches of the conditions of the certificate of registration as Grade G7 contractor issued by the CIDB and a past non-compliance under the CIDB Act 1994.

Save as disclosed above and as at the LPD, our Group has not received any penalties or compounds from CIDB for the abovementioned past non-compliances. Our Group is of the view that the past non-compliances are not material and based on our Group's dealings with CIDB, it would not result in any retrospective penalties nor have a significant impact to our Group, as it has been rectified.

To enhance oversight and prevent recurrent non-compliance, our Group has appointed designated officers within our administration department for the declaration of new construction works contracts secured to CIDB.

(b) Street, Drainage and Building Act 1974 ("SDBA 1974"), Town and Country Planning Act 1976 ("TCPA 1976") and Uniform Building By-Laws 1984 ("UBBL 1984")

In the course of our business operations, it is necessary for us to ensure that the properties owned or rented by our Group comply with the SDBA 1974, TCPA 1976, UBBL 1984, and the relevant by-laws issued thereunder. These regulations govern various aspects, including the occupation of buildings and the standardization of local government matters related to streets, drainage, and buildings. The SDBA 1974 establishes laws and policies regarding local government matters pertaining to streets, drainage, and buildings in Peninsular Malaysia. It provides for the requirement of a CF or CCC to ensure that buildings are safe and suitable for occupation. The TCPA 1976 governs the proper control and regulation of town and country planning in Peninsular Malaysia and regulates among other, modifications to planning permissions and building plan approvals issued by local authorities. The UBBL 1984 is a subsidiary regulation made under the SDBA 1974.

6. INFORMATION ON OUR GROUP (Cont'd)

Pursuant to Section 70(1) of the SDBA 1974, no person shall erect any building without the prior written permission of the local authority. Any person who fails to comply with such provision commits an offence and shall upon conviction, be liable to a fine not exceeding RM50,000.00 or imprisonment for a term not exceeding three (3) years or both and a further fine of RM1,000.00 for every day during which the offence is continued after conviction. Further, Section 70(27)(f) of the SDBA 1974 also stipulates that any person who occupies or permits to be occupied any building or any part thereof without a CF or CCC shall be liable on conviction to a fine not exceeding RM250,000.00 or imprisonment for a term not exceeding 10 years or both.

(aa) Past non-compliance in relation to Lot 40 Property and Lot 42 Property

GHSB and GSB had, in the past, failed to obtain a new CCC in respect of the alterations and modifications made on Lot 40 Property and Lot 42 Property. A CF dated 15 May 1979 was issued for the entire development consisting of 142 units of 3 storey shophouses including the Lot 40 Property and Lot 42 Property.

GHSB acquired the Lot 40 Property on 8 January 2001. Thereafter, a new casement window, a new brick wall with cement plaster and the existing aluminium sliding door was removed ("**Modified Lot 40 Structure**") from the Lot 40 Property which required a new CCC to be obtained. In connection with the erection of the Modified Lot 40 Structure on the Lot 40 Property, GHSB made an application to DBKL for building plan approval and a building plan approval for the Lot 40 Property (inclusive of the Modified Lot 40 Structure) was granted on 25 May 2016. GHSB had thereafter obtained the new CCC for the Lot 40 Property on 28 March 2025.

On the other hand, to extend the office working space area of the Lot 42 Property, a new aluminium casement window, new gypsum board partitions and a single leaf door were added and the existing aluminium sliding door was removed ("**Modified Lot 42 Structure**") from the Lot 42 Property which required a new CCC to be obtained. GSB has subsequently acquired the Lot 42 Property inclusive of the Modified Lot 42 Structure on 24 December 2019. A building plan approval for the Lot 42 Property (inclusive of the Modified Lot 42 Structure) was granted on 10 October 2016. However, at the time of building plan approval, GSB was not the registered owner of the Lot 42 Property and GSB is now required to restart the entire process of application of new CCC for the Lot 42 Property, including obtaining a new building plan, whereby such new building plan was subsequently obtained on 18 December 2024. GSB had thereafter obtained the new CCC for the Lot 42 Property on 30 June 2025..

(bb) Past non-compliance in relation to Bukit Beruntung Depot

Pursuant to Paragraph 17 of the First Schedule of the UBBL 1984, in all cases where work has been commenced before plans have been approved or a permit obtained, a fee equal to 10 times that specified in the relevant preceding paragraph may be charged. The payment of this enhanced fee will not exempt any person from being prosecuted by the local authority should it decide to do so.

Pursuant to the Selangor UBBL 1986, a temporary building 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 temporary building shall be demolished.

6. INFORMATION ON OUR GROUP (Cont'd)

A CCC dated 19 September 2016 was issued for Bukit Beruntung Depot. Thereafter, an open roof structure ("**Additional Depot Structure**") was erected on Bukit Beruntung Depot without the prior approval from the relevant local authority to provide temporary shelter for spare parts and consumable items used in machinery maintenance.

GESB had on 12 March 2025 made the necessary application to MPHS to obtain the permit for the erection of the Additional Depot Structure on Bukit Beruntung Depot. Our Group had made full payment of the fines amounting to RM26,012.00 imposed by MPHS on 19 March 2025 and had obtained a temporary permit for Additional Depot Structure on Bukit Beruntung Depot ("**Temporary Permit**") (the details of which are as set out in Item 13 of Annexure A of this Prospectus). The Temporary Permit is renewable annually and the application of renewal must be submitted at least three (3) months prior to the date of expiry.

To prevent future recurrences of this non-compliance, our Group will, prior to undertaking any renovations or constructions that may alter the building's structure, thoroughly assess the need to obtain approval from the relevant authorities, and ensure that all necessary approvals will be obtained prior to initiating any renovations or constructions to avoid delays or legal complications.

As at the LPD, save for the past non-compliances as disclosed above, all of our Group's owned and rented material properties have been issued with a CF or CCC (as the case may be) and there has been no non-compliance of our Group in relation to the SDBA 1974, TCPA 1976 and UBBL 1984 that may have a material adverse impact on our business operations.

(c) Income Tax Act 1967 ("ITA 1967")

Pursuant to Section 96(1) of ITA 1967, as soon as may be after an assessment, the Director General of Inland Revenue ("**DGIR**") shall cause a notice of assessment to be served on the person in respect of whom the assessment was made. Section 96A(1) of ITA 1967 provides where a person makes an incorrect return by omitting or understating any income of which he is required under the ITA 1967 to make a return on behalf of himself or another person, for any year or years of assessment, the DGIR may come to an agreement in writing as to the payment by that person of a sum of money being the amount of tax which has been undercharged or not charged for that relevant year or those years in consequence of such default in furnishing a return or failure to give notice of chargeability or making an incorrect return or giving any incorrect information, and the amount of any penalty or penalties which that person may be required to pay for that relevant year.

Under Section 113(1) of the ITA 1967, any person who makes an incorrect return by omitting or understating any income of which he is required by ITA 1967 to make a return on behalf of himself or another person; or gives any incorrect information in relation to any matter affecting his own chargeability to tax or the chargeability to tax of any other person, shall, unless he satisfies the court that the incorrect return or incorrect information was made or given in good faith, be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM1,000.00 and not more than RM10,000.00 and shall pay a special penalty of double the amount of tax which has been undercharged in consequence of the incorrect return or incorrect information or which would have been undercharged if the return or information had been accepted as correct.

6. INFORMATION ON OUR GROUP (Cont'd)

Pursuant to Section 113(2) of the ITA 1967, if no prosecution under Section 113(1) of the ITA 1967 has been instituted in respect of the incorrect return or incorrect information, the DGIR may require that person to pay a penalty equal to the amount of tax which has been undercharged in consequence of the incorrect return or incorrect information or which would have been undercharged if the return or information had been accepted as correct; and, if the person pays that penalty (or, where the penalty is abated or remitted under subsection 124(3), so much, if any, of the penalty as has not been abated or remitted), he shall not be liable to be charged on the same facts with an offence under Section 113(1) of the ITA 1967.

The details of the tax penalties imposed on our Group in the past are as follows:

(aa) Voluntary disclosure

Lee Kim Seng and Ir. Oh Chin Wah, being the directors and on behalf of GSB, had on 20 June 2013 through a tax consultant made voluntary disclosure to IRB on, inter alia, understatement of income in relation to GSB for the years of assessment ("YAs") of 2008 to 2010. In consultation with the tax consultant, GSB voluntarily declared additional income amounting to RM345,759.00 in YA 2008, RM387,481.00 in YA 2009, and RM2,282,795.00 in YA 2010, respectively, and GSB was charged with additional taxes of RM757,466.34 and penalties of RM340,863.66 for YAs 2008 to 2010. Such omission is considered as a breach under Section 113 of ITA 1967.

(bb) Notice of assessment ("NA") and notices of additional assessment ("NAA") for transfer pricing and corporate income tax matters under the Special Voluntary Disclosure Programme 2.0 ("SVDP 2.0")

Our Group was issued with the following NA and NAA for transfer pricing and corporate income tax matters under a SVDP 2.0 submitted in 2024:

GHSB was issued with NAAs for YAs 2016, 2017, 2019, 2020 and 2021 and a NA for YA 2018 due to transfer pricing transactions between related companies within our Group which were deemed not at arm's length, giving rise to additional taxes amounting to RM109,377.60;

- (i) GSB was issued with NAAs for YAs 2016 to 2019 due to transfer pricing transactions between related companies within our Group which were deemed not at arm's length, giving rise to additional taxes amounting to RM45,066.48; and
- (ii) GESB was issued with NAAs for YAs 2018 to 2021 due to expenses which were deemed non-tax-deductible, giving rise to additional taxes amounting to RM1,153.44.

As at the LPD, there are no on-going regulatory audits or inspections on our Group. All of the tax penalties imposed on our Group have been settled and the tax non-compliances will not have any material adverse impact to the business operations and financial condition of our Group. Furthermore, our Group has not experienced any material adverse impact on the business operations and/or financial condition arising from these tax non-compliances.

To prevent future recurrences of these non-compliances, our Group has implemented measures to mitigate non-compliance risk and improve the overall handling of tax administration matters by strengthening the internal control systems including risk management and operation management systems, and engaged an experienced tax consultant to handle our corporate income tax compliance and to ensure our submissions are done in an orderly manner.

6. INFORMATION ON OUR GROUP (Cont'd)**(d) Occupational Safety and Health Act 1994 ("OSHA 1994")**

The OSHA 1994 provides the framework to secure the safety, health and welfare among workforce and to protect others against risks to safety or health in connection with the activities of persons at work.

Section 16 of the OSHA 1994 provides that it is the duty of every employer and every self-employed person to prepare and as often as may be appropriate revise a written statement of his general policy with respect to the safety and health at work of his employees and the organisation and arrangements for the time being in force for carrying out that policy, and to bring the statement and any revision of it to the notice of all of his employees. Section 19 of the OSHA 1994 provides that a person who contravenes Section 16 of OSHA 1994 shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500,000.00 or to imprisonment for a term not exceeding two (2) years or both.

Section 29(2) of the OSHA 1994 provides that an occupier of a place of work shall employ a competent person to act as a safety health officer. Section 29(5) of the OSHA 1994 provides that an occupier who contravenes the provisions of Section 29 of the OSHA 1994 shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.00 or to a term of imprisonment not exceeding six (6) months or both.

Section 30(1) of the OSHA 1994 provides that an employer shall establish a safety and health committee at the place of work in accordance with this section if there are 40 or more persons employed at the place of work, or the Director General of Occupational Safety and Health ("DGOSH") directs the establishment of such committee at the place of work. Section 30(4) of the OSHA 1994 provides that a person who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction be liable to a fine not exceeding RM100,000.00 or to imprisonment for a term not exceeding one (1) year or both.

Section 27C of the OSHA 1994 provides that no person shall install or caused to be installed any prescribed plant unless the person ensures that the plant has fulfilled all the requirements prescribed by the minister and has obtained the written approval from the DGOSH. Section 27D of the OSHA 1994 further provides that no person shall operate or cause or permit to be operated any plant that has been installed under Section 27C unless the plant has a certificate of fitness issued by an officer or licenced person. Any person who contravenes Section 27C or Section 27D shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000.00 or to imprisonment for a term not exceeding one (1) year or to both.

As at the LPD, GHSB, GSB and GESB have employed competent persons to act as safety health officers to oversee and ensure compliance with all relevant health and safety regulations within the scope of our Group's operation, in compliance with the regulatory requirements as stipulated by DOSH.

As at the LPD, our Group also holds valid certificates of fitness issued by DOSH for the relevant machineries we use and there has been no material non-compliance by our Group in relation to the OSHA 1994. Our Group has formulated a documented standard operating policies and procedure on occupational safety, health and environmental plan and has established safety and health committee and appointed certified safety and health officers to monitor the safety and health related matters of our Group.

6. INFORMATION ON OUR GROUP (Cont'd)**(e) Employment Act 1995 (“EA 1995”), Employment (Restriction) Act 1968 (Revised 2017) (“ERA 1968”) and Immigration Act 1959/63 (“IA 1959/63”)**

The EA 1995 governs the employment laws in Peninsular Malaysia. The ERA 1968 provides for the restriction of employment in certain business activities in Malaysia of persons not being citizens and the registration of such persons and for matters connected therewith and the IA 1959/63 regulates various aspects of immigration into Malaysia, including the entry of foreign workers into Malaysia.

Section 60K(1) of the EA 1995 provides that no employer shall employ a foreign employee unless prior approval has been obtained from the Director General of Labour (“DGL”). Section 60K(5) of the EA 1995 provides that any employer who contravenes Section 60K(1) of the EA 1995 commits an offence and shall, on conviction, be liable to a fine not exceeding RM100,000.00 or to imprisonment for a term not exceeding five (5) years or both.

In so far as non-residents of Malaysia are concerned, their employment is further governed by the ERA 1968 which imposes the requirement on a person not being a citizen to obtain a valid employment permit before he or she can be employed in any business in Malaysia or accept employment in any business in Malaysia. Section 5 of the ERA 1968 prohibits a person from employing in Malaysia any non-citizen unless there has been issued in respect of that non-citizen a valid employment permit. Failure to comply Section 5 of the ERA 1968 is an offence and shall, on conviction, be liable to a fine not exceeding RM5,000.00 or to imprisonment for a term not exceeding one (1) year or to both.

Section 55B(1) of the IA 1959/63 provides that any person who employs one or more persons, other than a citizen or a holder of an entry permit who is not in possession of a valid pass shall be guilty of an offence and shall, on conviction be liable to a fine of not less than RM10,000.00 but not more than RM50,000.00 or to imprisonment for a term not exceeding 12 months or both for each such employee. Section 55B(3) of the IA 1959/63 provides that where the person at the same time employed more than five (5) such employees, that person shall, on conviction be liable to imprisonment for a term of not less than six (6) months but not more than five (5) years and shall also be liable to whipping of not more than six (6) strokes.

Our Group’s business is highly dependent on foreign labour to maintain efficient operation. We are required to comply with the provisions of the EA 1995, ERA 1968 and the IA 1959/63 insofar as foreign workers employed by us are concerned.

As at the LPD, all of our foreign workers have been issued with valid working permits and/or documents such as passports and entry visas and there has been no non-compliance of our Group in relation to EA 1995, ERA 1968 and IA 1959/63 that may have a material adverse impact on our business operations.

(f) Employees’ Minimum Standards of Housing, Accommodations and Amenities Act 1990 (“EMSHAAA 1990”)

The EMSHAAA 1990 prescribes, amongst others, the minimum standards of housing, nurseries and accommodation for employees (and their dependants, if applicable) as well as health, hospital, medical and social amenities to be provided by the employers to their employees.

The EMSHAAA 1990 imposes the duty and responsibility on employers or centralized accommodation providers to, amongst others, ensure that:

- (a) every accommodation provided for employees complies with the minimum standards required under the EMSHAAA 1990 and any regulations issued under the EMSHAAA 1990;

6. INFORMATION ON OUR GROUP (Cont'd)

- (b) no employee accommodation will be provided to an employee unless such accommodation is certified with a certificate for accommodation;
- (c) the employee accommodation has decent and adequate amenities in accordance with the EMShAA 1990 and any regulations issued under the EMShAA 1990; and
- (d) preventive measures are taken to contain the spread of infectious diseases as ordered by the Medical Officer of Health in accordance with the relevant laws and the employer will, at his own expense, make arrangements as ordered by the Medical Officer of Health so that all or any of the employees be given immunization against any infectious disease.

Pursuant to Section 24D(1) of the EMShAA 1990, no accommodation shall be provided to an employee unless certified with a COA. Section 24E of EMShAA 1990 provides an employer shall, within 30 days from the date an accommodation is occupied by his employee, inform the DGL of such occupation in the form and manner as may be determined by the DGL. An employer who contravenes Section 24D(1) of EMShAA 1990 commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.00 or to imprisonment for a term not exceeding one (1) year or both. An employer who contravenes Section 24E(1) of EMShAA 1990 commits an offence and shall, on conviction, be liable to a fine not exceeding RM10,000.00.

Further, the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020 ("**Employees' Accommodation Regulations**") imposes, amongst others, the minimum requirements for employee accommodations including the size of floor area for bedrooms and sleeping areas, the obligation on employers or centralized accommodation providers to ensure the provision of water and electricity supply as well as basic amenities.

(aa) Past non-compliance for provision of accommodations without a valid COA

Previously, GSB and GHSB provided accommodations near the project sites for their foreign workers without a valid COA. However, as the process to obtain the COA takes time, there were instances where GSB and GHSB have completed the projects and relocated their foreign workers to accommodations near the new project sites before the application for COA is approved. As at the LPD, our Group has not received any penalties from Department of Labour Malaysia for this past non-compliance.

As at the LPD, our Group provides accommodations with valid COA and accommodations rented from centralised accommodation which are equipped with valid COA for our foreign workers and save as disclosed above, there has been no non-compliance of our Group in relation to EMShAA 1990 and the Employees' Accommodation Regulations that may have a material adverse impact on our business operations.

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6. INFORMATION ON OUR GROUP (Cont'd)**(e) Control of Supplies Act 1961 ("CSA 1961") and Control of Supplies Regulations 1974 ("CSR 1974")**

Pursuant to the CSA 1961, any article or food may be declared as controlled article or rationed article either generally or with reference to some specified part(s) of Malaysia.

In exercise of the powers conferred by Section 6 of the CSA 1961, the CSR 1974 has been put into force in relation to the controlled articles specified in the schedule to the CSR 1974 ("**Scheduled Articles**"). Regulation 18(1) of CSR 1974 provides any person who carries on any trade or business, which in the course of the trade or business he uses or consumes any of the Scheduled Articles as specified in Column 1 of Part IV of the Schedule, shall not have in his possession the quantity of the Scheduled Articles as specified in Column 2 of Part IV of the Schedule unless he is authorized by way of a permit issued by the controller as provided by Regulation 18(2) of CSR 1974. Any person who contravenes any provision of the terms and conditions of any permit granted, shall be guilty of an offence as provided by Regulation 21 of CSR 1974. Section 22(2) of the CSA 1961 provides that any body corporate which commits an offence shall, on conviction, be liable to a fine not exceeding RM2,000,000.00 and, for a second or subsequent offence, to a fine not exceeding RM5,000,000.00.

Our business operations involve the use of diesel fuel exceeding 20 litres, which falls under the category of Scheduled Articles and exceeds the permitted usage specified in Part IV of the CSR 1974. GSB has obtained and hold Scheduled Articles Permits for the respective project sites and GESB has obtained and hold a Scheduled Articles Permit for Bukit Beruntung Depot, allowing GSB and GESB to purchase and store diesel not exceeding permitted usage as stated on the respective Scheduled Articles Permits at the project sites and Bukit Beruntung Depot in accordance with the provisions of CSR 1974. The Scheduled Articles Permits issued by MODTCL are valid until their respective expiry dates and will subsequently be renewed, if required.

As at the LPD, there has been no non-compliance of our Group in relation to the CSA 1961 and CSR 1974 that may have a material adverse impact on our business operations.

(f) Local Government Act 1976 ("LGA 1976")

Pursuant to Section 102(s) of the LGA 1976, the relevant local authorities may control and supervise, by registration, licensing or otherwise, a trade, business or industry. As our Group's business activities are carried out in Kuala Lumpur and Hulu Selangor, we are subject to the by-laws of the respective states.

Businesses in Kuala Lumpur are regulated by the Licensing of Trades, Businesses and Industries (Federal Territory Of Kuala Lumpur) By-Laws 2016 ("**KL By-Laws**"). The KL By-Laws states that it is an offence for any person who uses any premise for any business activity without a business premise licence. Any person who contravenes this provision shall be guilty of an offence and shall be liable on conviction to a fine not exceeding RM2,000.00 or a term of imprisonment not exceeding one (1) year or both and in the case of continuing offence a sum not exceeding RM200.00 for each day during which the offence is continued after conviction.

Businesses in Hulu Selangor are regulated by the Licensing of Trades, Businesses and Industries (Hulu Selangor District Council) By-Laws 2007 ("**Hulu Selangor By-Laws**"). The Hulu Selangor By-Laws states that it is an offence for any person who uses any premise for any business activity without a business premise licence. Any person who contravenes this provision shall be guilty of an offence and shall be liable on conviction to a fine not exceeding RM2,000.00 or a term of imprisonment not exceeding one (1) year or both and in the case of continuing offence a sum not exceeding RM200.00 for each day during which the offence is continued after conviction.

6. INFORMATION ON OUR GROUP (Cont'd)

Under Section 104 of the LGA 1976, any person who breaches any by-law commits an offence and shall, on conviction be liable to a fine not more than one (1) year or both and to a further fine not exceeding RM200.00 for each day during which such offence is continued after conviction.

Our owned properties which are used for our business operations are issued with valid business licences and advertising licences and as at the LPD, there has been no non-compliance of our Group in relation to the LGA 1976 that may have a material adverse impact on our business operations.

(g) **Environmental Quality Act 1974 ("EQA 1974")**

The EQA 1974 sets out provisions in respect of prevention, abatement, control of pollution and enhancement of the environment. It is an offence under the EQA 1974 for any person, unless licenced to do so, to among others:

- (a) emit or discharge any environmentally hazardous substances, pollutants or wastes into the atmosphere;
- (b) emit or cause or permit to be emitted any noise greater in volume, intensity or quality;
- (c) pollute or cause or permit to be polluted any soil or surface of any land; or
- (d) emit, discharge or deposit any environmentally hazardous substances, pollutants or wastes into any inland waters,

in contravention of the acceptable conditions specified in the EQA 1974.

The EQA 1974 also empowers the Minister charged with the responsibility for environment protection to make 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.

Among other regulations, the Environmental Quality (Scheduled Wastes) Regulations 2005 ("**Scheduled Wastes Regulations**") specify the following requirements:

- (a) any person who generates scheduled wastes ("**Waste Generator**") shall, within 30 days from the date of generation of scheduled wastes, notify the Director General of Environmental Quality ("**DGEQ**") of the new categories and quantities of scheduled wastes which are generated;
- (b) scheduled wastes shall be disposed of at prescribed premises only and shall, as far as practicable, before disposal, be rendered innocuous;
- (c) scheduled wastes be treated at prescribed premises or at on-site treatment facilities only and the residuals from treatment of scheduled wastes shall be treated and disposed of at prescribed premises;
- (d) a Waste Generator may apply to the DGEQ in writing to have the scheduled wastes generated from their particular facility or process excluded from being treated, disposed of or recovered in premises or facilities other than at the prescribed premises, on-site treatment or recovery facilities. If the DGEQ is satisfied with the application made, the DGEQ may grant a written approval either with or without conditions; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (e) a Waste Generator shall keep an accurate and up-to-date inventory of the categories and quantities of scheduled wastes generated, treated and disposed of and of materials or product recovered from such scheduled wastes for a period up to three (3) years from the date of the scheduled wastes was generated in accordance with the fifth schedule of the Scheduled Wastes Regulations.

Failure to comply with the provisions of the EQA 1974 where no penalty is expressly provided, the offender shall be liable to a fine not less than RM5,000.00 and not exceeding RM250,000.00 or imprisonment for a period not exceeding two (2) years or to both.

We are required to comply with the provisions of the EQA in carrying out our business operations. As at the LPD, our Group has appointed two (2) licensed service providers to handle the scheduled wastes generated in our operation. As at the LPD, our Group has not received any penalties or reprimands from the Department of Environment for non-compliance of the environmental laws and regulations and there has been no non-compliance of our Group in relation to the EQA 1974 and Scheduled Wastes Regulations that may have a material adverse impact on our business operations.

- (ii) Applicable Laws and Regulations in Singapore

(a) Contractors Registration System

The construction industry in Singapore is regulated by the Building and Construction Authority of Singapore (the “**BCA SG**”), which is an agency under the Ministry of National Development of Singapore. The primary role of the BCA SG is to develop and regulate Singapore’s built environment, comprising buildings, structures and infrastructure in Singapore. A built environment includes, among other things, power grids, sewer pipelines, water pipelines and gas pipelines for the distribution of electricity, water and gas from central and substations, as well as the channelling of sewage and waste to a central collection point.

Although business entities which are not registered with the BCA SG are not precluded from conducting business as contractors or suppliers, registration in the Contractors Registration System (the “**CRS**”) maintained by the BCA SG is a prerequisite to tendering for projects in the Singapore public sector and is also required (with effect from 1 June 2025) for business entities hiring foreign construction workers (i.e., S Pass and/or Work Permit holders).

The CRS is administered by the BCA SG to serve as a nation-wide registry of construction firms. At present, there are five (5) major categories of registration which may be further sub-classified into six (6) to seven (7) grades depending on the category of registration. The differences in BCA SG gradings relate to the tendering limits.

Registration of a contractor with the BCA SG is dependent on the contractor fulfilling certain requirements such as personnel qualification and the value of previously completed projects. The grade assigned to each contractor is dependent on, among other things, its minimum paid-up capital and minimum trade record.

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. GPL has successfully obtained its CRS registration status that is valid from 23 May 2025 to 1 May 2026. The major category of GPL’s CRS registration is the Construction-Related Workhead category. The sub-classification of GPL’s CRS registration is CR08 (Piling Works) and the financial grade is Grade L1, which allows GPL to tender for public sector construction contracts with contracts value of up to SGD0.8 million from 1 July 2025 to 30 June 2026, subject to the validity period of GPL’s CRS registration status and any extension thereof.

6. INFORMATION ON OUR GROUP (Cont'd)

Should the opportunities arise, subject to the applicable requirements, GPL is required to apply for a higher financial grade, which allows it to tender for public sector construction contracts with higher contracts value.

As at the LPD, there has been no previous non-compliance by our Group in relation to the BCA SG that may have a material adverse impact on our operations in Singapore.

(b) **Building Control Act 1989 of Singapore ("BCA 1989"), the Building Control (Amendment) Act 2007 of Singapore ("BCAA 2007") and the Building Control (Licensing of Builders) Regulations 2008 of Singapore ("BCLBR 2008")**

The BCA 1989, BCAA 2007 and BCLBR 2008 set out the requirements for the licensing of builders in Singapore. All builders carrying out building works where plans are required to be approved by the Commissioner of Building Control (the "CBC") and builders who work in specialist areas which have a high impact on safety will require a builders' license. The requirements apply to both public and private construction projects.

There are two (2) types of builder's licenses, namely the General Builder License ("GB License") and the Specialist Builder License ("SB License"). There are two (2) classes of GB License: a Class 1 GB License which authorizes the builder to carry on the business of a general builder generally; and a Class 2 GB License which authorizes the builder to carry on the business of a general builder restricted to contracts or engagements for an estimated final price of each not more than S\$6.0 million.

For SB Licenses, there are currently six (6) classes of SB Licenses: a SB License for piling works (the "Specialist Builder (Piling Works) License"), a SB License for ground support and stabilisation works, a SB License for instrumentation and monitoring work, a SB License for structural steelwork, a SB License for pre-cast concrete work and a SB License for in-situ post-tensioning work. Builders may register for more than one class of SB License if qualified.

Any person who advertises or holds himself out to be or conducts himself in any way or by any means as a person who is authorized to carry on the business of a general builder or a specialist builder, or carries on the business of a general builder or a specialist builder, without a valid GB License or a SB License (as the case may be) shall be guilty of an offence and liable on conviction to (a) a fine not exceeding S\$20,000.00 or to imprisonment for a term not exceeding 12 months or to both; (b) a further fine not exceeding S\$500.00 for each day or part thereof the person fails, without reasonable excuse, to comply with the relevant requirements; and (c) in the case of a continuing offence after the conviction, to a further fine not exceeding S\$1,000.00 for every day or part thereof during which the offence continues after conviction.

The CBC may by order revoke any GB License or SB License if he is satisfied that, among other things, (a) the builder has failed to comply with certain conditions of the builder's license; (b) the builder has been convicted of an offence under the BCA 1989; or (c) the conduct of any director, manager or employee of the builder (which is a corporation) affords grounds for believing that the builder will not be able to carry on the business of a general builder or specialist builder, as the case may be, in Singapore in accordance with any written law and with honesty and integrity. The CBC may, in any case which he considers that there is no cause of sufficient gravity for revoking any builder's license, (a) suspend the license for a period not exceeding six months; (b) impose a financial penalty not exceeding S\$20,000.00 on the builder; (c) censure the builder; or (d) impose such other direction or restriction as he considers appropriate on the builder's business as a general builder or specialist builder as the case may be.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. GPL has obtained the Specialist Builder (Piling Works) License that is valid from 6 January 2025 to 6 January 2028.

As at the LPD, there has been no previous non-compliance by our Group in relation to the BCA 1989, BCAA 2007 and BCLBR 2008 that may have a material adverse impact on our operations in Singapore.

(c) Building and Construction Industry Security of Payment Act 2004 of Singapore ("BCISPA")

Under the BCISPA, any person who has carried out construction work or supplied any goods or services under a contract relating to, amongst others, (a) the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling or buildings or structures that form or are to form part of the land, (b) the installation in any building, structure or works of fittings that form or are to form part of the land, including systems of heating, lighting, air-conditioning, ventilation, power supply, drainage, sanitation, water supply or fire protection and security or communications systems, (c) excavation and (d) the erection, maintenance or dismantling of scaffolding, is entitled to progress payment.

The BCISPA contains provisions relating to, amongst others, the amount of the progress payment to which a person is entitled under a contract, the valuation of the construction work carried out under a contract and the date on which a progress payment becomes due and payable. In addition, the BCISPA, amongst others, endorses the following rights:

- (a) the right of a claimant (being the person who is or claims to be entitled to a progress payment) who, in relation to a construction contract, fails to receive payment by the due date of an amount that is proposed to be paid by the respondent (being the person who is or may be liable to make a progress payment under a contract to a claimant) and accepted by the claimant, to make an adjudication application in relation to the payment claim. The BCISPA has established an adjudication process by which a person may claim payments due under a contract and enforce payment of the adjudicated amount;
- (b) the right of the claimant to suspend the carrying out of construction work or supply of goods and services, and to exercise a lien over goods supplied by the claimant to the respondent that are unfixed and which have not been paid for, or to enforce the adjudication determination as if it were a judgment debt, if amongst others, such claimant is not paid after the adjudicator has determined that the respondent shall pay an adjudicated amount to the claimant; and
- (c) where the respondent fails to pay the whole or any part of the adjudicated amount to a claimant, the right of a principal of the respondent (being the person who is liable to make payment to the respondent for or in relation to the whole or part of the construction work that is the subject of the contract between the respondent and the claimant) to make direct payment of the outstanding amount of the adjudicated amount to the claimant, together with the right for such principal to recover such payment from the respondent.

Lastly, the BCISPA provides that a "pay when paid" provision, which means, *inter alia*, a provision of the contract that makes the liability of one party (the first party) to pay money owing to another party contingent or conditional on payment to the first party by a further party of the whole or any part of that money shall be unenforceable.

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. Further, as at the LPD, there has been no previous non-compliance by our Group in relation to the BCISPA that may have a material adverse impact on our operations in Singapore.

6. INFORMATION ON OUR GROUP (Cont'd)**(d) Employment Act 1968 of Singapore ("SG EA 1968")**

The SG EA 1968 is administered by the Ministry of Manpower of Singapore ("**MOM**") and sets out the basic terms and conditions of employment and the rights and responsibilities of employers as well as employees who are covered under the SG EA 1968 comprising local and foreign employees under a contract of service with an employer on a full-time, part-time, temporary or contract basis, but which excludes persons employed as a seafarer, a domestic worker and a statutory board employee or civil servant ("**Relevant Employees**").

As an illustration, Sections 88A and 89 of the SG EA 1968 prescribes the minimum number of days of paid annual leave and paid sick leave that an employee is respectively entitled to, which varies depending on their period of service. For example, Section 88A(1) of the SG EA 1968 provides that an employee who has served an employer for a period of not less than three (3) months is, in addition to the rest days, holidays and sick leave to which the employee is entitled under Sections 36, 88 and 89 of the SG EA 1968, respectively, entitled to (a) seven (7) days of paid annual leave, for the first 12 months of continuous service with the same employer; (b) subject to paragraph (c), an additional one day of paid annual leave, for every subsequent 12 months of continuous service with the same employer; (c) a maximum of 14 days of paid annual leave. Section 89(1) of the SG EA 1968 provides that any employee who has served an employer for a period of not less than six (6) months is entitled, after examination by a medical practitioner, to such paid sick leave, as may be certified by the medical practitioner, not exceeding in the aggregate — (a) if no hospitalisation is necessary, 14 days in each year; or (b) if hospitalisation is necessary, the lesser of 60 days in a year or the aggregate of 14 days plus the number of days on which the employee is hospitalised.

Any employer who employs any person as an employee contrary to the provisions of Part 10 of the SG EA 1968 (including Sections 88A and 89) or fails to pay any salary in accordance with the provisions of Part 10 of the SG EA 1968 shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$5,000.00, and for a second or subsequent offence to a fine not exceeding S\$10,000.00 or to imprisonment for a term not exceeding 12 months or to both.

All employers are required to issue to its employees who are covered by the SG EA 1968 and who are employed for 14 days or more a written record of the key employment terms ("**KETs**") of the employee. The KETs required to be provided (unless inapplicable to such employee) include, amongst others, working arrangements (such as daily working hours, number of working days per week and rest day(s)), salary period, basic salary, fixed allowances and deductions, overtime rate of pay, types of leave and other medical benefits.

Under Regulation 7 of the Employment (Employment Records, Key Employment Terms and Pay Slips) Regulations 2016 of Singapore ("**SG Employment Regulations 2016**"), for the purposes of Section 96(1)(a) of the SG EA 1968, employers must also issue to all their employees itemised pay slips at least once a month on the date of salary payment or not more than three (3) working days after the date of salary payment. In the event of termination of employment or dismissal, the pay slip must be given to the employee together with the final payment of salary or the employee's last day of employment. The pay slip must include details such as payments and deductions for each salary period, and overtime pay, if applicable.

Further, under the SG Employment Regulations 2016, for the purposes of Section 95(1) of the SG EA 1968, employers must maintain detailed employment records for each employee in two (2) categories: (a) salary records, with the same information as required in the itemised pay slips; and (b) employee records, with information such as address of the employee, identity card or foreign identification number, date of birth, gender, date of starting and leaving employment, working hours including duration of meals and breaks, dates and other details of public holidays and leave taken. For current employees, such records must be kept for the latest two (2) years. For ex-employees, records of the last two (2) years are to be kept for one (1) year after the termination of employment.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. Further, as at the LPD, there has been no previous non-compliance of our Group in relation to the SG EA 1968 that may have a material adverse impact on our business operations in Singapore.

(e) Central Provident Fund Act 1953 of Singapore ("CPF Act")

The Central Provident Fund ("CPF") system is a mandatory social security savings scheme funded by contributions from employers and employees. Pursuant to the CPF Act, an employer is obliged to make CPF contributions for all employees who are Singapore citizens or permanent residents who are employed in Singapore under a contract of service (save for employees who are employed as a master, a seaman or an apprentice in any vessel, subject to an exception for non-exempted owners). CPF contributions are not applicable for foreigners who hold employment passes, S Passes or work permits. CPF contributions are required for both ordinary wages and additional wages (subject to a yearly additional wage ceiling) of employees at the applicable prescribed rates which is dependent on, among others, the amount of monthly wages and the age of the employee. An employer must pay both the employer's and employee's share of the monthly CPF contribution. However, an employer can recover the employee's share of CPF contributions by deducting it from their wages when the contributions are paid for that month. An employer who breaches the abovementioned obligation to make CPF contributions will be liable for:

- (a) A court fine of between S\$1,000.00 and S\$5,000.00 per offence and/or up to 6 months' imprisonment for the first conviction; or
- (b) A court fine of between S\$2,000.00 and S\$10,000.00 per offence and/or up to 12 months' imprisonment for subsequent convictions.

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. Further, as at the LPD, there has been no previous non-compliance of our Group in relation to the CPF Act that may have a material adverse impact on our business operations in Singapore.

(f) Employment of Foreign Manpower Act 1990 of Singapore ("EFMA") and Immigration Act 1959 of Singapore ("Immigration Act")

The employment of foreign workers in Singapore is governed by the EFMA and regulated by the MOM. Under Section 5(1) of the EFMA, no person shall employ a foreign employee unless the foreign employee has obtained a valid work pass. Any person who contravenes Section 5(1) of the EFMA shall be guilty of an offence and shall (a) be liable on conviction to a fine at least S\$5,000.00 and not more than S\$30,000.00 or to imprisonment for a term not exceeding 12 months, or to both; and (b) on a second or subsequent conviction: (i) in the case of an individual, be punished with a fine of at least S\$10,000.00 and not more than S\$30,000.00 and with imprisonment for a term of not less than one (1) month and not more than 12 months; or (ii) in any other case, be punished with a fine of at least S\$20,000.00 and not more than S\$60,000.00.

A work pass includes, amongst others: (a) employment pass, for foreign professionals, managers and executives (excluding those in financial services) earning at least S\$5,600.00 per month (increasing progressively with age from age 23) and who have acceptable qualifications; (b) S Pass, for skilled staff (excluding those in financial services) who earn at least S\$3,150.00 per month if they are new applicants; and (c) work permit for skilled or semi-skilled migrant workers in the construction, manufacturing, marine shipyard, process or services sectors. Further, the Immigration Act provides that no person, other than a citizen of Singapore, shall enter or attempt to enter Singapore unless, amongst others, he is in possession of a valid pass lawfully issued to him to enter Singapore. Accordingly, an employer of foreign workers is also subject to the SG EA 1968 and the Immigration Act, and the regulations issued pursuant thereto.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. Further, as at the LPD, there has been no previous non-compliance of our Group in relation to the EFMA and Immigration Act that may have a material adverse impact on our business operations in Singapore.

(g) Workplace Safety and Health Act 2006 of Singapore ("WSHA")

Under the WSHA administered by the MOM, every employer has the duty to take, so far as reasonably practicable, measures necessary to ensure the safety and health of his employees at work. These measures include providing and maintaining a safe working environment for the employees, without risk to health, and adequate facilities and arrangements for their welfare at work, ensuring that adequate safety measures are taken in respect of any machinery, equipment, plant, article or process used by the employees, developing and implementing procedures for dealing with emergencies that may arise while the employees are at work and ensuring that the employee at work has adequate instruction, information, training and supervision as is necessary for that employee to perform his work. More specific duties imposed on employers are laid out in the Workplace Safety and Health (General Provisions) Regulations of Singapore ("**WSHR**"), which include taking all reasonably practicable measures to prevent the workplace from being overcrowded and ensuring adequate ventilation of the workplace.

Any person who breaches his duty under the WSHA shall be guilty of an offence and shall be liable on conviction, in the case of a body corporate, to a fine not exceeding S\$500,000.00 and if the contravention continues after conviction, the body corporate shall be guilty of a further offence and shall be liable to a fine not exceeding S\$5,000.00 for every day or part thereof during which the offence continues after conviction.

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. Further, as at the LPD, there has been no previous non-compliance by our Group in relation to the WSHA that may have a material adverse impact on our operations in Singapore.

(h) Work Injury Compensation Act 2019 of Singapore ("WICA")

The WICA regulated by the MOM applies to local or foreign employees under a contract of service or contract of apprenticeship in respect of injuries suffered by them arising out of and in the course of their employment and sets out, amongst others, the amount of compensation they are entitled to and the methods of calculating such compensation.

The WICA provides that the employer shall be liable to pay compensation under the WICA if personal injury is caused to an employee by accident arising out of and in the course of the employee's employment with the employer. The amount of compensation shall be computed in accordance with the First Schedule of the WICA, subject to a maximum and minimum limit, taking into account factors such as the severity and permanence of the personal injury suffered. The types of compensation include medical leave wages, medical expenses and lump sum compensation for permanent incapacity, current incapacity or death. An employee who has suffered an injury arising out of and in the course of his employment can choose either to:

- (a) Submit a claim for compensation through the MOM without needing to prove fault or negligence on anyone's part. There is a fixed formula in the WICA on amount of compensation to be awarded; or
- (b) Commence legal proceedings to claim damages under common law against the employer for breach of duty or negligence. Damages under a common law claim are usually more than an award under WICA and may include compensation for pain and suffering, loss of wages, medical expenses and any future loss or earnings. However, the employee must show that the employer has failed to provide a safe system of work, or breached a duty required by law or that the employer's negligence caused the injury.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. Further, as at the LPD, there has been no previous non-compliance by our Group in relation to the WICA that may have a material adverse impact on our operations in Singapore.

(i) **Environmental Public Health Act 1987 of Singapore ("EPHA") and Environmental Protection and Management Act 1999 of Singapore ("EPMA")**

The EPHA requires, among others, a person, during the erection, alteration, construction or demolition of any building or at any time, to take reasonable precautions to prevent danger to the life, health or well-being of persons using any public places from flying dust or falling fragments or from any other material, thing or substance. The EPHA also regulates, among others, the disposal and treatment of industrial waste and public nuisances.

Under the EPHA, the Ministry of Sustainability and the Environment of Singapore has empowered the Director-General of Public Health to serve a nuisance order on the owner or occupier of the premises on which the nuisance arises. Some of the nuisances which are liable to be dealt with by the Ministry of Sustainability and the Environment of Singapore and/or its statutory board, the National Environment Agency of Singapore, summarily under the EPHA include any factory or workplace which is not kept in a clean state and any place where there exists or is likely to exist any condition giving rise, or capable of giving rise to the breeding of flies or mosquitoes, any place where there occurs, or from which there emanates noise or vibration as to amount to a nuisance and any machinery, plant or any method or process used in any premises which causes a nuisance or is dangerous to public health and safety. The EPHA also requires the occupier of any construction site to employ a competent person to act as an environmental control officer in the construction site for the purpose of exercising general supervision within the construction site of the observance of the provisions of, among others, the EPHA.

The EPMA seeks to control the levels of pollution in Singapore by regulating the activities of various industries and regulates, among others, air pollution, water pollution, land pollution and noise control. Under the Environmental Pollution Control (Control of Noise at Construction Sites) Regulations of Singapore, the owner or occupier of any construction site shall ensure that the level of noise emitted from his construction site shall not exceed the maximum permissible noise levels prescribed in such Regulations.

As at the LPD, GPL is at the initial stages of recommencing business operations in Singapore. Further, as at the LPD, there has been no previous non-compliance by our Group in relation to the EPHA and EPMA that may have a material adverse impact on our operations in Singapore.

Save as disclosed above, as at the LPD, our Group is in compliance with the governing laws, regulations, rules or requirements relating to its business.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.25 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES**

Our Company stands at the forefront of foundation and geotechnical engineering, recognised for our pioneering approach in delivering innovative, sustainable solutions across diverse industries. Our adopted ESG framework reinforces our belief that sustainable actions go beyond mere compliance with standard disclosures and/or reporting. The core ESG principles are embedded throughout our organisation's operational systems, governance practices, and workforce policies across the organisation. Supported by industry-recognised certifications such as the ISO 9001:2015 Quality Management System, and measurable implementation guided by our ESG framework, with clearly defined key performance indicators aligned with Bursa Securities' material sustainability matters, sustainability disclosure indicators and other relevant requirements which are reviewed and refined progressively to ensure effective monitoring and responsiveness to evolving requirements, our ESG approach reflects the consistency and accountability that continue to strengthen our reputation as a trusted partner across the region. With a steadfast vision of engineering a resilient future, we embrace the evolving challenges of infrastructure development, turning them into opportunities that generate long-term value for our clients, communities, and stakeholders.

At our Company, sustainability is more than a core value, it drives everything we do. We integrate energy efficiency, advanced engineering practices, and environmental responsibility into every phase of our projects, from design and implementation to ongoing maintenance and monitoring. Our mission is to promote sustainable development by providing high-quality, safe, and environmentally responsible solutions, meticulously designed to meet the unique needs of each project.

As a responsible corporate entity, we are committed to advancing environmental conservation, social equity, and governance excellence. Through transparent reporting, proactive stakeholder engagement, and a steadfast commitment to sustainable practices, we aim to strengthen resilience and lay the foundation for a greener, more inclusive future, delivering lasting positive impact for generations to come.

We remain committed to creating lasting value for our stakeholders by delivering comprehensive, balanced, and impactful reports through our ongoing reporting initiatives. These initiatives are aligned with the National Sustainability Reporting Framework, Bursa Securities' Sustainability Reporting Guide, and the IFRS Foundation's Sustainability Standards (S1 and S2 principles), ensuring clear, consistent, and transparent communication with stakeholders.

(i) Environmental

We are dedicated to minimising our environmental footprint by incorporating sustainable practices throughout our operations.

- (a) We contribute to the global net-zero goals by optimising energy usage across our construction sites and machinery operations, reducing fuel consumption and the carbon emissions associated with transportation and equipment use. This includes upgrading our machinery fleet with Energy Efficient Power (EEP) equipment for Boring Rig operations. The EEP equipment significantly reduces energy waste through a re-engineered drive system in the main winch, which is one of the largest energy consumption during Kelly drilling. According to the equipment manufacturer, it recovers energy during the lowering of heavy equipment and automatically adjusts the diesel engine speed based on workload, resulting in up to 30% reduction in diesel consumption and up to a 50% reduction in noise emissions during operation. Additionally, the hydraulic systems have been redesigned to minimise energy losses in the circuit by optimising flow smoothness across valves and connections. We are also replacing diesel-powered tower lights with solar tower lights, supporting cleaner and more sustainable construction practices.

6. INFORMATION ON OUR GROUP (Cont'd)

- (b) We consider environmental impact at every stage of project planning, ensuring minimal disturbance to land, protecting natural habitats, and promoting biodiversity at construction and earthwork sites. The Environmental Aspect and Impact Register (EAIR) is regularly updated to identify, assess, and mitigate environmental impacts in line with our scope of work. Additionally, operational controls are in place to manage waste, reduce noise and vibration disturbances, and implement effective dust, silt, and soil erosion control measures. Where project conditions warrant, we deploy noise barriers and live noise monitoring systems to mitigate and monitor noise impacts. When implemented, noise barriers are positioned near high-noise equipment and along site boundaries near sensitive receptors such as residential or commercial areas, while live noise monitoring systems provide real-time data to enable prompt corrective actions when noise levels approach or exceed prescribed limits.
- (c) We prioritise collaboration with suppliers and subcontractors who demonstrate a clear commitment to sustainability, ensuring that the materials and equipment we use meet high environmental standards. As part of this effort, rented equipment and machinery are carefully screened, and any units with excessive fuel consumption or emissions are returned to suppliers to reduce environmental impact.
- (d) Our specialised in-house maintenance and operations team carries out preventive maintenance to optimise equipment performance and minimise unplanned downtime. Guided by an internal target of keeping unplanned downtime below 2%, this proactive approach extends equipment lifespan, reduces the need for premature replacements, and supports long-term operational sustainability.
- (e) We actively promote the adoption of green technologies, renewable resources, and eco-friendly construction practices, particularly in the areas of earthmoving, excavation, and foundation works. This includes utilizing solar tower lights on-site to reduce emissions and energy consumption, as well as installing solar panels photovoltaic system in our store and warehouse to enhance energy efficiency and reliance on renewable energy sources. We advocate for the use of high-efficiency EEP equipment, known for lower fuel consumption and emissions.
- (f) We ensure responsible management of construction waste through recycling, reusing materials where possible, and adopting best practices for the disposal of materials and decommissioned machinery, supporting the principles of a circular economy. This includes collaborating with certified waste disposal partners to handle construction waste, bio waste and scheduled waste in compliance with environmental regulations. Additionally, we prioritize environmentally friendly materials such as green concrete, and uses Polymer P103 for drilling slurry, which degrades through microorganisms and UV exposure, significantly reducing reliance on Bentonite.
- (g) With a strong commitment to sustainable practices, we consciously emphasise the use of environmentally friendly materials. In particular, we continuously monitor the performance of polymer-based drilling fluids, used in place of conventional Bentonite, to assess their long-term environmental and operational benefits. While these materials involve higher initial costs, they deliver operational and environmental benefits, including lower dosage requirements, recyclability, reduced spoil volume generated, and decreased water usage. These outcomes will support both environmental sustainability and cost efficiency, in line with our commitment to responsible and sustainable construction practices.

6. INFORMATION ON OUR GROUP (Cont'd)

(ii) Social

We are dedicated to cultivating a secure, inclusive, and empowering work environment that fosters collaboration and generates positive social impact within the communities we serve.

- (a) Employee safety and well-being are at the forefront of our priorities. We enforce rigorous standard operating procedures in accordance with regulatory requirements to ensure effective job performance while safeguarding the interests of all stakeholders.
- (b) Our hiring practices adhere to the International Labour Organisation's Fair Recruitment Initiative, upholding labour rights, promoting open dialogue, and advancing gender equality in the workplace.
- (c) We are committed to creating a work environment where employees feel respected, valued, and safe. This commitment is strengthened through our Anti-Sexual Harassment Policy and our determination to maintain an inclusive, discrimination-free workplace that treats all individuals with fairness, irrespective of race, gender, religion, age, or other protected characteristics.
- (d) Our Diversity and Inclusion Policy reflects our dedication to supporting women, minorities, veterans, and individuals with disabilities, ensuring that everyone has equal access to opportunities and the ability to reach their full potential.
- (e) The principles of fairness, integrity, and equity are embedded in our Code of Conduct and Ethics, which guides employees in maintaining a transparent and just workplace culture.
- (f) We provide clear, transparent annual performance evaluations, offering employees valuable feedback that supports continuous professional development and personal growth.
- (g) Our commitment to learning is reflected in the comprehensive training programs we offer, both mandatory and optional, aimed at developing the skills and knowledge necessary for career success and optimal job performance.
- (h) We are dedicated to enhancing the well-being of the communities where we operate by supporting social initiatives, providing financial donations, and collaborating with local organisations for impactful projects.

(iii) Governance

We are committed to upholding a culture of accountability, transparency, and sustainability, ensuring that all business practices align with the highest ethical and governance standards.

- (a) We prioritise strong governance within our organisation. Our Board recognises the vital role of a well-defined risk management framework and internal controls in ensuring sound corporate governance. In adherence to the MCCG, we promote transparency by providing relevant sustainability information to reinforce trust with stakeholders, customers, communities, and the public.
- (b) Our commitment to ethics is reflected in our strict zero-tolerance policy against fraud, bribery, corruption, money laundering, and the financing of terrorism. To promote transparency and ethical conduct, we have introduced both an Anti-Bribery and Corruption Policy and a Whistleblowing Policy to ensure integrity throughout our operations.
- (c) We adhere to applicable data protection laws, including Malaysia's Personal Data Protection Act 2010, safeguarding the confidentiality and security of personal data. Our Personal Data Protection Policy reaffirms our commitment to protecting data and ensuring compliance with legal standards, prioritizing confidentiality at every level of the organisation.

6. INFORMATION ON OUR GROUP (Cont'd)

- (d) We uphold ethical business practices that promote fairness in all interactions with stakeholders, employees, and partners. Our Conflict-of-Interest Policy and fair contracting principles guide us in cultivating long-lasting, transparent, and mutually respectful relationships with our business partners.
- (e) To maintain robust governance and compliance, we regularly conduct internal audits and publish detailed reports for stakeholders, outlining our performance in governance, sustainability, and adherence to relevant regulations. This transparency enables continuous improvement and accountability. We are committed to pursuing certifications that demonstrate our dedication to upholding quality and safety in all aspects of our operations.

Entity	Certificate	Award Body
GSB	ISO 9001:2015	Bureau Veritas Certification
GHSB	ISO 9001:2015	Bureau Veritas Certification

7. IMR REPORT

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15-01, Level 15, Menara MBMR, 1 Jalan Syed Putra, 58000 Kuala Lumpur, Malaysia
T : +603 2732 7537 W : www.smith-zander.com

SMITH ZANDER

Date: 30 MAY 2025

The Board of Directors

Geohan Corporation Berhad

No. 40, 42A & 42B
Jalan Datuk Sulaiman
Taman Tun Dr Ismail
60000 Kuala Lumpur

Dear Sirs / Madams,

Independent Market Research Report on the Foundation and Geotechnical Industry in Malaysia and Singapore ("IMR Report")

This IMR Report has been prepared by SMITH ZANDER INTERNATIONAL SDN BHD ("SMITH ZANDER") for inclusion in the draft Prospectus in conjunction with the proposed listing of Geohan Corporation Berhad on the Main Market of Bursa Malaysia Securities Berhad.

The objective of this IMR Report is to provide an independent view of the industry in which Geohan Corporation Berhad and its subsidiaries ("Geohan Group") operate and to offer a clear understanding of the industry dynamics. Geohan Group is principally involved in the provision of foundation and geotechnical services, as well as other related services in Malaysia, with intention of expanding its customer reach to Singapore. Thus, the scope of work for this IMR Report will address the following areas:

- (i) The foundation and geotechnical industry in Malaysia, which is the specific industry in which Geohan Group operates and is a sub-sector of the construction industry;
- (ii) Key industry drivers, risks and challenges of the foundation and geotechnical industry in Malaysia;
- (iii) Competitive landscape of the foundation and geotechnical industry in Malaysia; and
- (iv) The foundation and geotechnical industry in Singapore.

The research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research when required, which involves discussing the status of the industry with leading industry participants. Quantitative market information could be sourced from interviews by way of primary research and therefore, the information is subject to fluctuations due to possible changes in business, industry and economic conditions.

SMITH ZANDER has prepared this IMR Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this IMR Report presents a balanced view of the industry within the limitations of, amongst others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in this IMR Report. SMITH ZANDER shall not be held responsible for the decisions and/or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies mentioned in this report.

For and on behalf of SMITH ZANDER:



DENNIS TAN
MANAGING PARTNER

7. IMR REPORT (Cont'd)

SMITH ZANDER

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The research for this IMR Report was completed on 22 May 2025.

For further information, please contact:

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About SMITH ZANDER INTERNATIONAL SDN BHD

SMITH ZANDER is a professional independent market research company based in Kuala Lumpur, Malaysia, offering market research, industry intelligence and strategy consulting solutions. SMITH ZANDER is involved in the preparation of independent market research reports for capital market exercises, including initial public offerings, reverse takeovers, mergers and acquisitions, and other fund-raising and corporate exercises.

Profile of the signing partner, Dennis Tan Tze Wen

Dennis Tan is the Managing Partner of SMITH ZANDER. Dennis Tan has over 27 years of experience in market research and strategy consulting, including over 22 years in independent market research and due diligence studies for capital markets throughout the Asia Pacific region. Dennis Tan has a Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada.

7. IMR REPORT (Cont'd)

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1 THE FOUNDATION AND GEOTECHNICAL INDUSTRY IN MALAYSIA

1.1 Introduction to the construction industry

The construction industry can be broadly divided into 2 segments, namely the construction of buildings and infrastructure. The construction of buildings can be further categorised into 3 categories, namely commercial, industrial and residential properties:

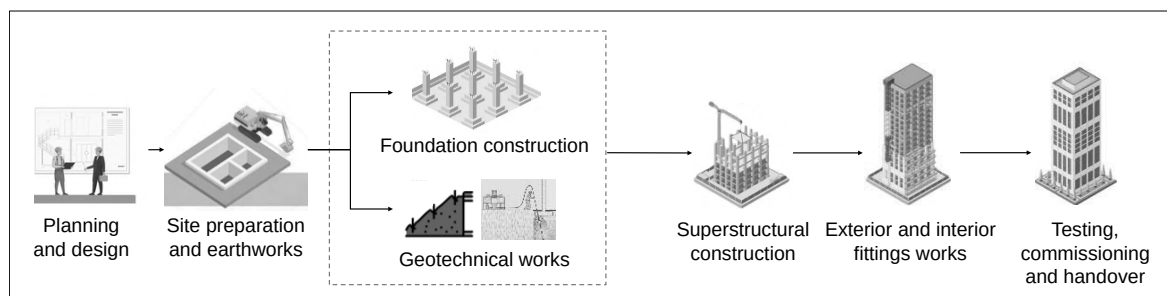
- Commercial properties are used for business purposes, including office buildings, hotels, retail outlets and other institutional or purpose-built buildings such as convention centres, resorts, theme parks as well as educational and medical institutions.
- Industrial properties are buildings or structures where industrial or manufacturing activities are carried out, including factories, warehouses and production plants.
- Residential properties are intended for dwelling purposes.

The construction of infrastructure refers to any form of development used for purposes such as transportation, utilities management and communication, recreation and community use. This includes roads and highways, bridges, jetties, public transportation transit systems (e.g. commuter rail systems, mass rapid transits, light rail transits, subways and bus transportation hubs), cable railways and drainage systems.

The construction works for both buildings and infrastructure follow a similar sequence, which generally begins with the planning and design stage, followed by construction works such as site preparation (e.g. demolition and clearing) and earthworks (e.g. excavation, dumping and filling of soil), foundation construction (e.g. piling, earth retaining structural works and sub-structure works), superstructural construction (e.g. framework, floors and wall construction), exterior and interior fittings works (e.g. painting and coating as well as plumbing, mechanical and electrical works), and lastly finished with testing, commissioning and handover. Additionally, subject to the topography and condition of the construction sites, geotechnical works (e.g. soil testing, slope stabilisation and ground improvement) may be required to stabilise the construction site, which are often carried out along with foundation construction works.

As Geohan Group is principally involved in the provision of foundation and geotechnical services, this IMR Report will focus on the foundation and geotechnical industry, which is a sub-segment of the construction industry in Malaysia. The general sequence of construction works is illustrated below:

General sequence of construction works



Notes:

- The above is an illustration of the general sequence of construction works, with the construction works for a high-rise building shown as an example. Nevertheless, the sequence of construction works may vary depending on amongst others, the type of development, condition of the construction site and construction techniques used.
-  depicts the type of works which Geohan Group is principally involved in. Geohan Group is also involved in the provision of earthworks, but this is not part of its principal service offerings.

Source: SMITH ZANDER

1.2 Overview of foundation and geotechnical works

Foundation and geotechnical works encompass all construction activities purposed to enhance the stability of ground and/or to provide a stable foundation in order to uphold the load of the structure built above ground level. The foundation and geotechnical industry can be segmented into 2 main categories, namely (i) foundation works encompassing piling works, earth retaining structural works as well as sub-structure works; and (ii) geotechnical works, as detailed below:

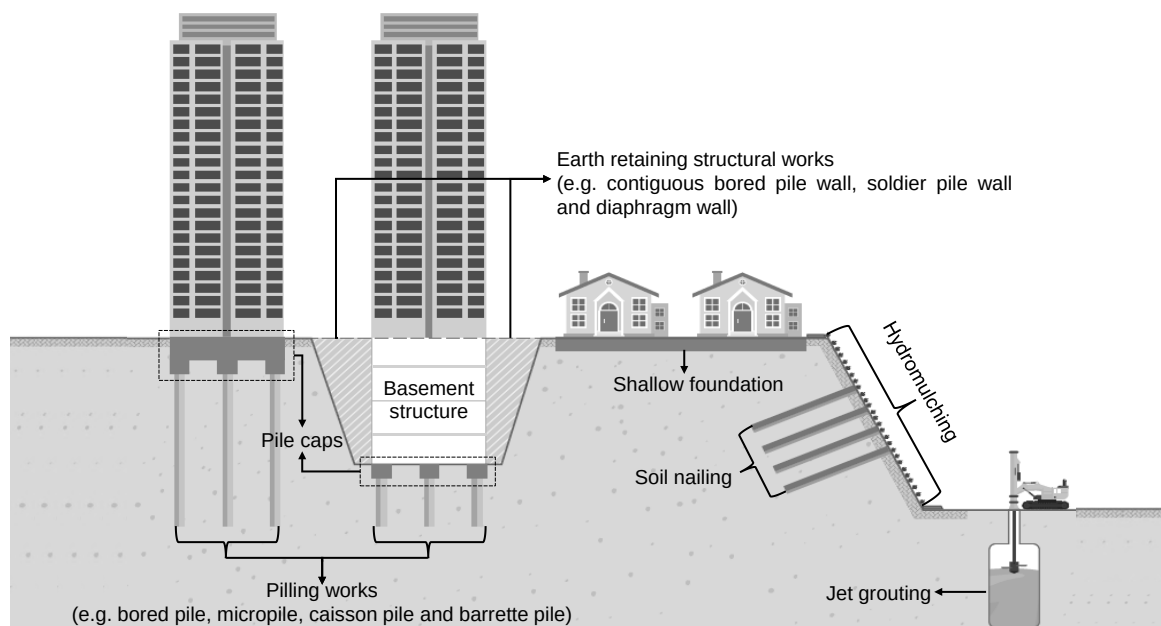
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(i) **Foundation works** include:

- **Piling works**, which refer to the process of driving or boring a pile (which are columns generally constructed using materials such as reinforced or precast concrete, wood, steel and composites) into the ground to serve as a foundation for the structures built above ground level. Thus, these piles must have sufficient strength and durability to support the weight of the structures built above ground level, and should remain stable over a long period of time as well as withstand environmental factors such as strong winds, minor earth tremors, soil movements and underground water. Depending on the type of buildings or infrastructure, the type of piling works carried out vary in terms of load bearing, width, length, material used, methodology and number of piles required. Examples of piling works include bored pile, micropile, caisson pile and barrette pile.
- **Earth retaining structural works**, which are also commonly known as retaining walls, are structures built at construction sites to retain the surrounding soil, rock or other materials during excavation. The primary purpose of retaining walls is to provide lateral support to vertical slopes and prevent soil collapse. These retaining walls are commonly constructed using closely-spaced and/or intersecting sheets and piles made of steel, reinforced or precast concrete and wood. Examples of retaining walls include contiguous bored pile wall, soldier pile wall and diaphragm wall.
- **Sub-structure works**, which refer to the construction of structures below ground level, such as shallow foundations, basement structures and pile caps. Shallow foundations (e.g. raft and pad foundations) are used to distribute structural loads over a larger area and reduce the load-bearing stress on the soil to ensure stability, while basement structures refer to structures built below ground level serving as amongst others, basement floors or parking. Pile caps refer to a thick layer of concrete resting on piles that have been driven into the ground to provide a stable and even foundation.

(ii) **Geotechnical works** involve geological modification and improvement of ground properties in terms of permeability, strength, capacity and density. Ground modification and improvement play an essential role in the stability of soil and foundations built below ground level, and this would affect the stability of structures built above ground level. Examples of geotechnical works include slope stabilisation via several methods (e.g. soil nail and hydromulching); and ground improvement such as grouting that involves filling cracks and cavities in the ground/ foundation to reduce water permeability, increase the stability of the foundation and improve underground properties.

Illustrations of some examples of foundation and geotechnical works

Note:

- The examples above are not exhaustive and are for illustration purpose.

Source: SMITH ZANDER

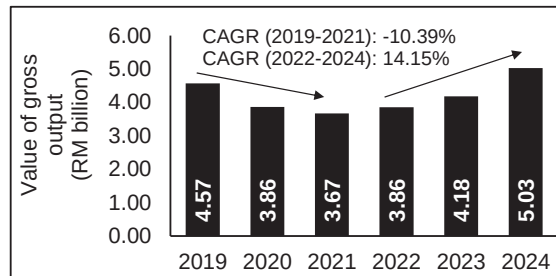
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1.3 Industry Performance, Size and Growth

The foundation and geotechnical industry in Malaysia is represented by value of gross output for foundation and geotechnical works in Malaysia. From 2019 to 2021, the foundation and geotechnical industry in Malaysia declined from RM4.57 billion in 2019 to RM3.67 billion in 2021 at a negative compound annual growth rate ("CAGR") of 10.39%. This decline was primarily due to the outbreak of the COVID-19 pandemic beginning 2020, which caused nationwide lockdowns and movement restrictions imposed by the Government of Malaysia ("Government"), resulting in operational restrictions, labour shortages and supply chain disruptions which impacted the progress of, and demand for, construction activities. Nevertheless, the foundation and geotechnical industry recovered at a CAGR of 14.15% from RM3.86 billion in 2022 to RM5.03 billion in 2024. This recovery was attributed to the normalisation of the economy upon the subsidence of the COVID-19 pandemic, as well as the Key Industry Drivers as detailed in Chapter 2.1 of this IMR Report.

Foundation and geotechnical industry size (Malaysia), 2019 – 2024



Sources: Department of Statistics, Malaysia ("DOSM"), SMITH ZANDER

2 KEY INDUSTRY DRIVERS, RISKS AND CHALLENGES

2.1 Key Industry Drivers

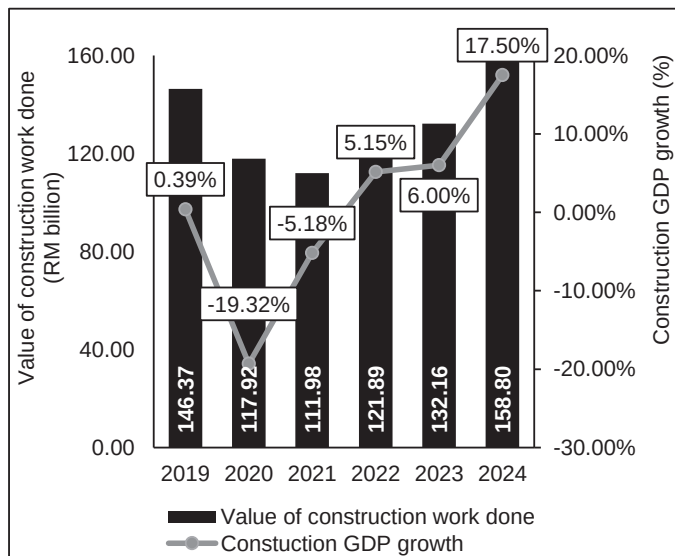
► Continuous growth of the construction industry drives demand for foundation and geotechnical services

The foundation and geotechnical industry is driven by construction activities as foundation and geotechnical services are essential parts of construction in providing steady support and forming a solid foundation for construction projects.

The performance of the construction industry in Malaysia, as measured by the value of construction work done, decreased from RM146.37 billion in 2019 to RM111.98 billion in 2021, at a negative CAGR of 12.53%. This was due to the temporary halt of construction activities as a result of the outbreak of the COVID-19 pandemic as detailed in Chapter 1.3 of this IMR Report. Subsequently as the COVID-19 pandemic subsided, the value of construction work done recovered and grew from RM121.89 billion in 2022 to RM158.80 billion in 2024 at a CAGR of 14.14%.

The construction GDP also moved in tandem with the value of construction work done, whereby it declined by 19.32% in 2020 and 5.18% in 2021, before recovering by 5.15% in 2022 and followed by continuous growth in both 2023 and 2024 at 6.00% and 17.50% respectively.

Value of construction work done and construction gross domestic products ("GDP") growth (Malaysia), 2019 – 2024



Sources: DOSM, SMITH ZANDER

Furthermore, according to the Economic and Fiscal Outlook and Federal Government Revenue Estimates 2025 published by the Ministry of Finance, Malaysia ("MOF") in October 2024, the construction GDP is forecast to increase by 9.43% in 2025. The forecast growth of the construction industry is premised on the continuous demand for construction activities for building construction (i.e. commercial, industrial and residential properties) and infrastructure development, which in turn drives the demand for foundation and geotechnical services.

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► Continuous demand for properties creates demand for foundation and geotechnical services

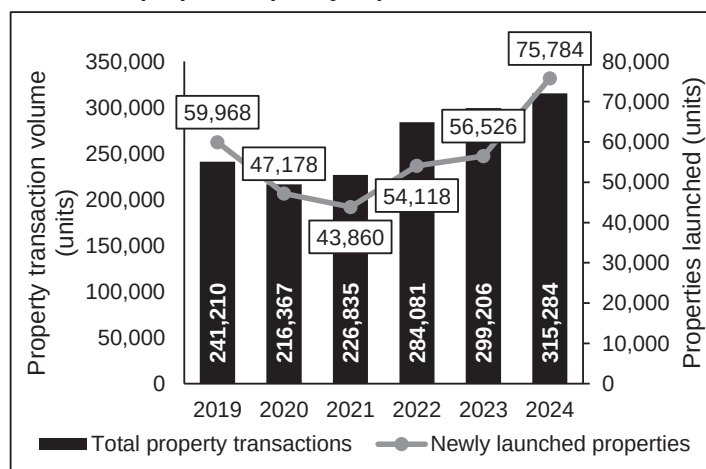
The demand for foundation and geotechnical services is also driven by construction activities undertaken to build new commercial, industrial and residential properties. Hence, the demand for commercial, industrial and residential properties will drive the demand for foundation and geotechnical services.

After a 10.30% decline in 2020 due to the outbreak of COVID-19 pandemic, property transaction volume in Malaysia recorded growth of 4.84% from 216,367 transactions in 2020 to 226,835 transactions in 2021 amidst the on-going COVID-19 pandemic, driven by several initiatives by the Government such as the reintroduction of the National Home Ownership Campaign (“HOC”), upliftment of 70% margin of financing limit for third housing loan onwards for properties priced RM600,000 and above during the HOC period, and full stamp duty exemptions for first-time Malaysian home-buyers who purchase residential properties priced RM500,000 and below.

As the COVID-19 pandemic subsided in 2022, property transaction volume recovered and continued growing from 226,835 transactions in 2021 to 315,284 transactions in 2024 at a CAGR of 11.60%. This shows a positive demand in the property market which is expected to drive more launches of new property development projects.

In terms of newly launched residential properties in Malaysia, it increased at a CAGR of 13.52% from 43,860 units in 2021 to 56,526 units in 2023 as the COVID-19 pandemic subsided. In 2024, it exceeded pre-COVID-19 levels with 75,784 units. With more project launches, demand for foundation and geotechnical services is expected to increase accordingly.

Number of property transactions and newly launched residential properties (Malaysia), 2019 – 2024



Sources: National Property Information Centre, SMITH ZANDER

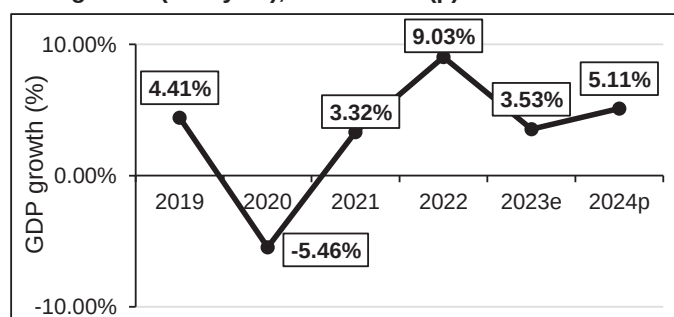
The demand for properties is further driven by various factors, including economic growth and rising affluence, as well as a growing commercial and industrial sectors, with further details below:

- **Economic growth and rising affluence**

Economic growth generally leads to an increase in the population's disposable income. This leads to increased demand for commercial, industrial and residential properties, which in turn drives the demand for construction activities and creates demand for foundation and geotechnical services.

In 2020, Malaysia's economy experienced a decline as demonstrated by a 5.46% decrease in GDP due to the outbreak of the COVID-19 pandemic. Despite the on-going pandemic, the GDP recorded a growth of 3.32% in 2021. Subsequently as the pandemic gradually subsided and the economy recovered, the GDP rebounded by 9.03% in 2022. Thereafter, Malaysia's GDP normalised and grew by 3.53% in 2023 and further grew by 5.11% in 2024. The Government estimates the GDP to grow between 4.50% and 5.50% in 2025.

GDP growth (Malaysia), 2019 – 2024(p)



Note:

- e – estimates; p – preliminary

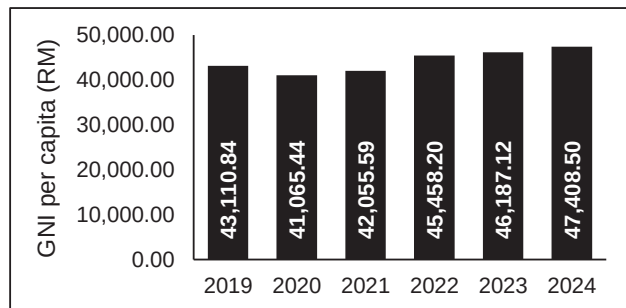
Sources: DOSM, SMITH ZANDER

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Further, Malaysia is an upper-middle income developing country with a growing economy and increasing wealth. After a 4.74% decline in 2020, the gross national income ("GNI") per capita grew from RM41,065.44 in 2020 to RM47,408.50 in 2024 at a CAGR of 3.66%. The increasing GNI per capita indicates a more affluent population with improved standards of living and greater propensity to spend. This may, in turn, contribute to more property purchases, thus driving the demand for foundation and geotechnical services.

GNI per capita (Malaysia), 2019-2024



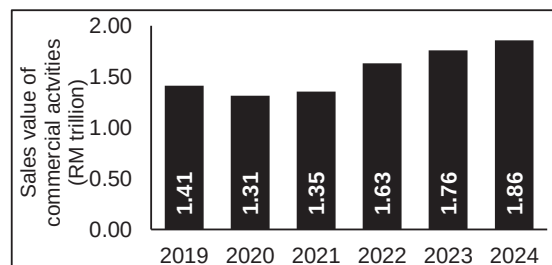
Sources: DOSM, SMITH ZANDER

• Growing commercial sector

Overall economic growth also leads to growth in the commercial sector, which will drive business expansion and encourage new business establishments. This is expected to subsequently drive the demand for commercial properties, thereby creating demand for foundation and geotechnical services.

The growth of commercial activities can be measured by the sales value of various commercial activities (i.e. wholesale and retail trade, food and beverages as well as accommodation).

Commercial sector (Malaysia), 2019 – 2024



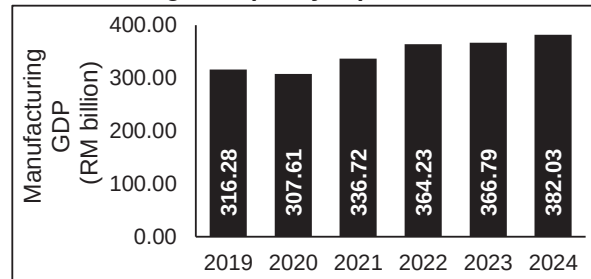
Sources: DOSM, SMITH ZANDER

The sales value of these commercial activities rose at a CAGR of 9.16% from RM1.31 trillion in 2020 to RM1.86 trillion in 2024, after a 7.09% decline in 2020 from 2019, as impacted by the COVID-19 pandemic which largely restricted the operations of non-essential commercial activities.

• Growing industrial sector

The growth of the industrial sector in Malaysia is represented by the GDP from manufacturing sector. From 2019 to 2020, the GDP from manufacturing sector declined by 2.74% from RM316.28 billion to RM307.61 billion due to the outbreak of the COVID-19 pandemic. Despite the on-going pandemic, GDP from manufacturing sector increased by 9.46% in 2021 to RM336.72 billion. Subsequently as the pandemic gradually subsided and the economy recovered, GDP from manufacturing sector further recovered and grew from RM336.72 billion in 2021 to RM382.03 billion in 2024 at a CAGR of 4.30%.

Manufacturing GDP (Malaysia), 2019 – 2024



Sources: DOSM, SMITH ZANDER

The growth in manufacturing activities is expected to support the demand for industrial properties by businesses and corporations as their businesses grow and expand, which is expected to drive the demand for foundation and geotechnical services.

► Infrastructure development by the Government drives the demand for foundation and geotechnical services

In the Budget 2025, the Government reported that from 2023 to 2025, it had spent or allocated a total of RM268.09 billion for development expenditure to boost economic growth. In particular, for 2025, the transport subsector was allocated with the largest share amongst total development expenditure for the year (RM86.00 billion), at RM17.56 billion or 20.42%, mainly for ongoing key infrastructure projects, which include the Pan Borneo Highway Sabah, Sabah-Sarawak Ring Roads,

Development expenditure for transport subsector (Malaysia), 2023 – 2025

Year	RM billion	Change (%)
2023	17.76	14.52
2024	16.26	-8.46
2025	17.56	8.00

Sources: MOF, SMITH ZANDER

7. IMR REPORT (Cont'd)

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Klang Valley Double Tracking (Phase 2) and the Rapid Transit System Link (RTS Link) between Johor Bahru and Singapore.

Additionally, other notable new transportation related projects include construction of bridge and road from Ng Belawai to Song-Kapit in Sarawak, and additional lane for Lebuhraya Utara Selatan (PLUS) from Yong Peng to Senai Utara (Phase 3: Simpang Renggam-Machap) in Johor. The Government also indicated that it intends to focus on improving connectivity particularly in rural areas and reducing congestion in more developed areas. Furthermore, under the environment subsector, examples of infrastructure projects which the Government has proposed to allocate funds as part of the Budget 2025 include two newly-approved flood mitigation projects for Sungai Langat, Selangor and Sungai Samagagah, Perak.

As the construction of these infrastructure development and flood mitigation projects require foundation and/or geotechnical works, it creates demand for foundation and geotechnical services and thus sustaining the growth of the foundation and geotechnical industry in Malaysia.

2.2 Key Industry Risks and Challenges

► Dependence on the construction industry

The business operations and financial performance of the foundation and geotechnical industry players are dependent on the performance of the construction industry. The outlook of the construction and infrastructure sectors may be affected by government policies, supply and demand condition of properties, government budgets and investments in infrastructure, economic growth, interest rates and inflation. Other factors beyond the control of industry players such as changes in political environment or outbreak of diseases (e.g. COVID-19 pandemic) may also impact construction activities.

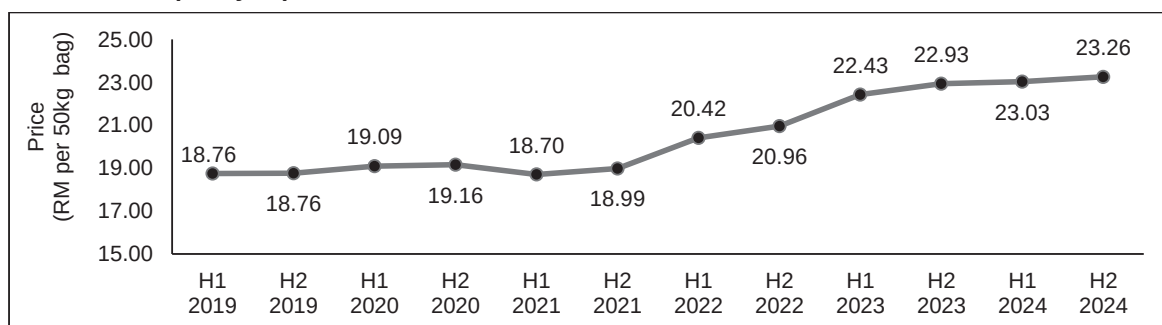
For example, the property market in Malaysia is subject to government policies whereby any adverse changes in government policies in relation to the property market could adversely affect the sale of properties. The changes in the overnight policy rate (OPR) by Bank Negara Malaysia ("BNM") may affect the interest rates for property loans, which will subsequently impact the total purchasing cost of properties, and this may eventually affect market sentiment and demand for properties.

► Exposure to rising and/or fluctuating prices of building materials

Foundation and geotechnical industry players are exposed to rising and/or fluctuating prices of building materials, whereby any unanticipated substantial price increase or fluctuation may materially affect the industry players' financial performance. For example, amongst the main building materials used for foundation and geotechnical activities are concrete and steel bars. As prices for concrete in Malaysia are not publicly available, cement prices are used as a representative given that cement is one of the main raw materials in the production of concrete. Additionally, as high tensile deformed bars are commonly used in construction activities due to its tensile strength and durability, high tensile deformed bars prices in Malaysia are used to represent the price of steel bars.

The trend of cement prices in Malaysia is demonstrated by the semi-annual average price of Ordinary Portland cement in Malaysia ("Cement Price"), which remained relatively stable between first half ("H1") 2019 and second half ("H2") 2021, hovering within a range of RM18.76 to RM19.16 per 50kg bag. However, from H2 2021 onwards, the Cement Price began an upward trend, rising from RM18.99 per 50kg bag in H2 2021 to RM23.26 per 50kg bag in H2 2024. The overall price increase during this period was attributed to the rising cost of production in terms of raw materials, labour and energy, as well as the recovering demand from construction activities in Malaysia.

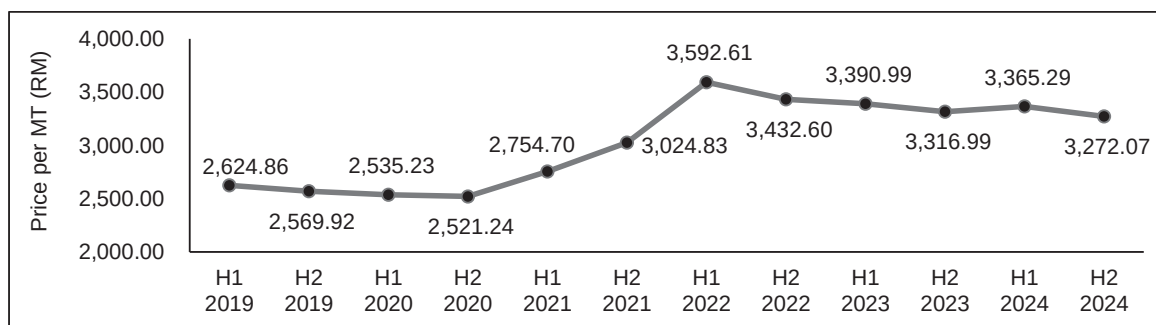
Cement Price (Malaysia), H1 2019 – H2 2024



Sources: DOSM, SMITH ZANDER

7. IMR REPORT (Cont'd)**SMITH ZANDER**

Meanwhile, from the H1 2019 to the H2 2020, the semi-annual average price of high tensile deformed bars in Malaysia ("**HTDB Price**") declined by 3.95% from RM2,624.86 per metric tonne ("**MT**") to RM2,521.24 per MT. In 2019, the decline was in line with the decline in global steel prices (where steel is a primary raw material in the production of high tensile deformed bars), which was due to the oversupply and reduced demand in the global steel market influenced by the United States-China trade war. In 2020, the decline was a result of the COVID-19 pandemic, which led to a slowdown in construction activities and a corresponding reduction in the demand for high tensile deformed bars. Thereafter, HTDB Price increased significantly by 42.29% from RM2,521.24 per MT in H2 2020 to RM3,592.61 per MT in H1 2022, which was driven by rising global steel prices and supply chain disruptions as a result of the Ukraine-Russia war. Subsequently, from H1 2022 to H2 2024, the HTDB Price was on a downward trend, from RM3,592.61 per MT in H1 2022 to RM3,272.07 per MT in H2 2024, reflecting the stabilisation of supply chains.

HTDB Price (Malaysia), H1 2019 – H2 2024

Note:

- HTDB Price is derived from the average price per MT of 10mm, 12mm, 16mm-25mm and 32mm high tensile deformed bars.

Sources: DOSM, SMITH ZANDER

If industry players are unable to pass on the increase in cost of building materials to their customers, they will have to bear the increasing cost, which may have a material impact on their financial results.

► **Reliance on foreign workers as general labour for foundation and geotechnical activities**

The issue of labour shortages is common in the construction industry (including the foundation and geotechnical industry) in Malaysia where Malaysia is dependent on foreign workers as a result of limited supply of local workers for construction-related operations. Any quota restrictions or suspensions in the hiring of foreign workers may cause difficulties in employing sufficient labour. Further, any prolonged hiring suspension may lead to labour shortages, whereby foundation and geotechnical industry players may have to source for local workers which may come at higher cost. Any delays in hiring sufficient number of local workers may result in operational disruptions which would subsequently affect construction schedules and cause delays in project completion. Consequently, this may affect the foundation and geotechnical industry players' business and financial performance.

Additionally, any substantial increase in the levy rate and minimum wages as well as mandatory contribution to Employees' Provident Fund (EPF) for foreign workers may also lead to an increase in labour costs. Industry players who are unable to pass on the increase in labour costs may experience material impact on their profitability.

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7. IMR REPORT (Cont'd)

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3 COMPETITIVE LANDSCAPE OF THE FOUNDATION AND GEOTECHNICAL INDUSTRY IN MALAYSIA**3.1 Overview**

All foundation and geotechnical industry players in Malaysia must be registered with the Construction Industry Development Board Malaysia, which awards grades ranging from G1 to G7 based on the industry player's size, financial capabilities and tendering capacity, where these grades may be reviewed and adjusted accordingly. G1 is the lowest grade, allowing industry players to tender for projects not exceeding RM200,000 in value; while G7 is the highest grade, allowing industry players to tender for projects without any limit on the project value.

The barriers of entry into the foundation and geotechnical industry are relatively high as it involves high capital expenditure at the primary stage, whereby substantial capital is required for the purchase of machinery and equipment, such as rotary boring rigs, micropiling machines, excavators and vibratory hammers; and subsequently high operating cost is needed for the upkeep and maintenance of the machinery and equipment.

3.2 Key Industry Players

The basis for selection of the competitors to Geohan Group is as follows:

- Companies incorporated in Malaysia which are principally involved in the provision of foundation services in Malaysia, whereby these companies may or may not be involved in the provision of geotechnical services; and
- Companies which recorded more than RM50.00 million in revenue based on their respective latest available financial years.

The list of key industry players in the foundation and geotechnical industry in Malaysia is as follows:

Company Name	Provision of foundation services	Provision of geotechnical services	Latest Financial Year	Revenue (RM million) ⁽¹⁾	Gross profit/ (loss) margin (%)	EBITDA margin (%)	Profit/ (loss) after tax margin (%)
Econpile Holdings Berhad ⁽²⁾	✓	✓	30 June 2024	417.60	1.94	(1.95)	(6.02)
Geohan Group	✓	✓	31 December 2024	395.22	11.45	13.88	4.05
Pintaras Jaya Berhad ⁽²⁾	✓	✓	30 June 2024	304.92	1.28	10.29	(1.63)
Peck Chew Piling (M) Sdn Bhd	✓	✗	31 December 2023	285.89	11.42	7.33	2.48
Aneka Jaringan Holdings Berhad ⁽³⁾	✓	✗	31 August 2024	211.48	9.45	9.60	2.04
Geopancar Sdn Bhd	✓	✓	31 March 2024	146.78	9.58	4.29	0.28
Jack-In Pile (M) Sdn Bhd	✓	✗	30 June 2023	143.51	12.17	14.81	8.44
G-Pile Sistem Sdn Bhd	✓	✓	31 March 2024	127.62	N/A	(2.57)	(3.76)
Geotechnical Alliance Sdn Bhd	✓	✗	31 December 2023	120.07	N/A	4.19	3.31
Sunway Geotechnics (M) Sdn Bhd ⁽⁴⁾	✓	✓	31 December 2023	109.11	11.79	3.23	(1.54)
Chuan Luck Piling & Construction Sdn Bhd	✓	✗	31 December 2023	65.97	10.73	5.96	4.57
Abadi Piling Sdn Bhd	✓	✗	31 December 2023	57.43	12.89	8.09	6.05

7. IMR REPORT (Cont'd)

SMITH ZANDER

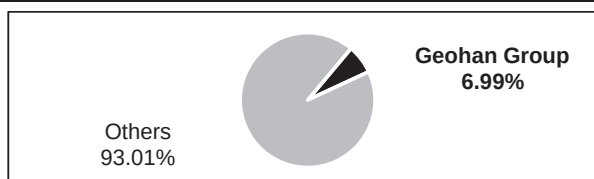
Notes:

- Latest available as at the date of research completion.
 - N/A – not available as information is not publicly available.
 - EBITDA - earnings before interest, taxes, depreciation and amortisation.
 - The identified key industry players include all industry players that were identified by SMITH ZANDER based on sources available, such as the internet, published documents and industry directories. However, there may be companies that have no online and/or published media presence, or are operating with minimal public advertisement, and hence SMITH ZANDER is unable to state conclusively that the list of industry players is exhaustive.
- (1) Revenue of industry players may include revenue derived from other business activities (e.g. general construction contractor, rental of machinery and equipment as well as trading of building materials) and/or revenue derived from countries outside Malaysia.
- (2) Listed on the Main Market of Bursa Malaysia Securities Berhad.
- (3) Listed on the ACE Market of Bursa Malaysia Securities Berhad.
- (4) A subsidiary of Sunway Construction Group Berhad, which is a company listed on the Main Market of Bursa Malaysia Securities Berhad.

Sources: Geohan Group, various company websites, Companies Commission of Malaysia, SMITH ZANDER

3.3 Market Share

Geohan Group captured a market share of 6.99% in 2024, based on its segmental revenue for foundation and geotechnical services which amounted to RM351.39 million for the FYE 31 December 2024, computed against the foundation and geotechnical industry size in Malaysia of RM5.03 billion in 2024.

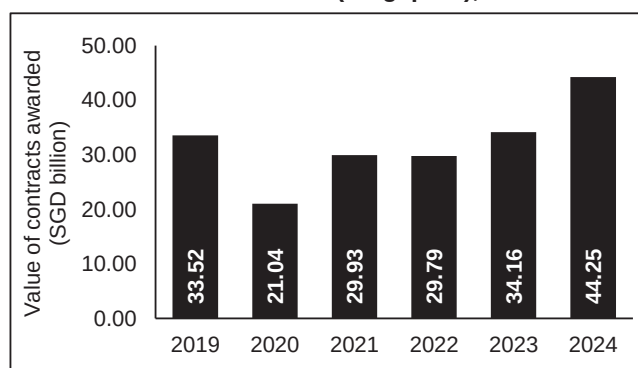


Sources: Geohan Group, SMITH ZANDER

4 THE FOUNDATION AND GEOTECHNICAL INDUSTRY IN SINGAPORE

Similar to Malaysia, the foundation and geotechnical industry in Singapore is also driven by the continuous growth and demand for construction activities for residential, commercial and industrial properties as well as infrastructure development. The performance of the construction industry in Singapore is measured by the value of contracts awarded for public and private sector projects, which comprise construction of residential, commercial, industrial, institutional and others, as well as civil engineering projects.

From 2019 to 2024, the construction industry in Singapore recorded a CAGR of 5.71% from SGD33.52 billion (RM101.81 billion¹) in 2019 to SGD44.25 billion (RM151.46 billion¹) in 2024. During this period, there was a significant decrease of 37.23% from SGD33.52 billion (RM101.81 billion¹) in 2019 to SGD21.04 billion (RM64.09 billion¹) in 2020, due to the outbreak of the COVID-19 pandemic in Singapore which led to temporary suspension of construction activities, and project owners having to hold off on the launching of new projects. Thereafter, the construction industry rebounded with an increase of 42.25% in 2021, which was followed by a slight decrease of 0.47% in 2022.

Value of contracts awarded (Singapore), 2019 – 2024

Sources: Department of Statistics Singapore, SMITH ZANDER

The construction industry experienced continuous growth thereafter, with an increase of 14.67% to SGD34.16 billion (RM116.08 billion¹) in 2023, and 29.54% to SGD44.25 billion (RM151.46 billion¹) in 2024, which exceeded pre-COVID 19 pandemic levels.

The recovery and growth of the construction industry in Singapore from 2021 to 2024 was supported by a strong pipeline of public housing, institutional building and infrastructure projects in the public sector, as well as

7. IMR REPORT (Cont'd)**SMITH ZANDER**

construction projects in the private sector which include commercial building re-developments, high-specification industrial buildings, as well as mechanical and electrical contracts. In particular during 2021 and 2022, the growth and stabilisation of the construction industry despite the on-going COVID-19 pandemic were attributed to initiatives by the Government of Singapore, such as the housing grants for first-time flat buyers, increase of monthly household income ceilings for subsidised flats and executive condominiums, exemption of property tax for qualifying commercial properties that have been adversely affected by the COVID-19 pandemic, and a property tax rebate for businesses affected by the COVID-19 pandemic.

Moving forward, according to the Building and Construction Authority, the construction industry is expected to continue growing with the demand for construction projected to be between SGD47.00 billion (RM160.87 billion¹) and SGD53.00 billion (RM181.41 billion¹) for 2025, contributed by large-scale projects such as the expansion of Marina Bay Sands Integrated Resort and development of Changi Airport Terminal 5, alongside on-going public housing development and upgrading works. Other contributors to this growth include construction of high-specification industrial buildings, educational developments, healthcare facilities, mechanical and engineering contracts for the Thomson-East Coast Line Extension and Cross Island Line, and infrastructure works for the Woodlands Checkpoint extension and the Tuas Port.

Additionally, under Budget 2025, the Government of Singapore proposed to allocate funds towards infrastructure development in Singapore, which include:

Infrastructure development project	Funds allocated	
	(SGD billion)	(RM billion ¹)
Expansion and renewal of rail network	60.00	205.37
Top up of the Changi Airport Development Fund (a fund for the development of Changi Airport Terminal 5)	5.00	17.11
Top up of the Future Energy Fund (a fund which invests in energy infrastructure)	5.00	17.11
Top up of the Coastal and Flood Protection Fund (a fund which invests in projects such as the construction of sea walls, barrages and tidal gates as well as land reclamation)	5.00	17.11
Refresh of the public biosciences and medical technology research infrastructure as well as develop a new semiconductor research and development fabrication facility	1.00	3.42

Note:

- This list is not exhaustive.

Source: Ministry of Finance, Singapore

As the construction activities for these aforementioned projects progress, the demand for foundation and geotechnical services in Singapore is expected to continue growing in order to support the construction activities, thus creating business opportunities for foundation and geotechnical industry players.

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¹ Exchange rates from SGD to RM for 2019 to 2024 were converted based on average annual exchange rates of the respective years, and the exchange rate from SGD to RM in 2025 was converted based on average annual exchange rates in 2024, where these exchange rates were extracted from published information from BNM.

	2019	2020	2021	2022	2023	2024
SGD1=RM	3.0372	3.0462	3.0838	3.1912	3.3981	3.4228

8. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS THAT MAY HAVE A MATERIAL IMPACT ON OUR BUSINESS OPERATIONS, FINANCIAL POSITION AND FUTURE PERFORMANCE OF OUR GROUP, IN ADDITION TO OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

8.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

8.1.1 We are subject to regulatory requirements for the certificate of registration and license for our business operations

Our Group is required to obtain and maintain a valid certificate of registration as a Grade G7 contractor issued by CIDB which allows our Group to tender for construction contracts of unlimited value in Malaysia for categories comprising building construction, civil engineering as well as mechanical and electrical engineering works, whereby our Group principally provides foundation and geotechnical services namely piling works, earth retaining structural works and geotechnical works, which are under the civil engineering category.

In Singapore, in order to provide foundation and geotechnical services, hire foreign construction workers (i.e., S Pass and/or Work Permit Holders), and to tender or undertake construction-related public sector projects as part of our business strategies and future plans, our Group is required to obtain and maintain a valid Specialist Builder (Piling Works) licence as well as the CRS registration with BCA, which we have obtained in January 2025 and May 2025, respectively. For further information on the certificate of registration and license for our business operations, please refer to Annexure A of this Prospectus.

In order to maintain our certificate of registration and licence, our Group is required to comply with the relevant conditions, laws and regulations under which it is issued. In the event of non-compliance, our certificate of registration or licence may be downgraded, suspended, revoked or not renewed upon expiry. If our Group is unable to maintain or renew our certificate of registration with CIDB and our licence with BCA, we will be restricted or prohibited from providing foundation and geotechnical services in Malaysia and Singapore respectively. If our Group is unable to maintain or renew our CRS registration with BCA, we will be restricted or prohibited from hiring foreign construction workers (i.e., S Pass and/or Work Permit Holders), and tendering or undertaking construction-related public sector projects. This will result in a suspension of our business operations in Malaysia and our expansion plan into Singapore, respectively. In such event, our Group's business operations, financial performance and prospects may be materially and adversely impacted.

For the Financial Years Under Review and up to the LPD, save for the past non-compliances as disclosed in Section 6.24(i)(a) of this Prospectus, our Group has not received any material penalties or compounds from CIDB and BCA that result in failure in maintaining or renewing our certificate of registration with CIDB and our licence as well as CRS registration with BCA. However, there is no assurance that we will continue to be able to successfully maintain and renew our certificate of registration with CIDB and our licence as well as CRS registration with BCA. Further, there is no assurance that the introduction of any future regulatory developments will not have a material adverse impact on our Group's maintenance or renewal of our certificate of registration with CIDB and our licence as well as CRS registration with BCA, or lead to higher compliance and operational costs which may negatively affect our Group's financial performance.

8. RISK FACTORS (Cont'd)**8.1.2 We are exposed to unexpected interruptions or delays caused by geotechnical risk, machinery and equipment failures as well as other external factors, which may lead to interruptions in our operations**

The time frame required to complete our foundation and geotechnical construction works may be adversely affected by various external factors which are beyond our control, which include:

- (i) exposure to geotechnical risks in the form of unforeseen geological conditions, including landslides, rock falls and mud flows. These geological conditions may be triggered by adverse weather conditions (e.g. heavy rainfall), natural disasters (e.g. floods and storms) and/or human factors (e.g. failure in adhering to safety standards, uncontrolled blasting or inaccurate site assessments). Consequently, the associated geotechnical complications to these geological conditions are amongst others, soil instability, groundwater seepage or ground settlement, which may be dangerous and challenging for our personnel to perform foundation and geotechnical works as well as operate machinery and equipment at the affected construction sites. In such circumstances, re-assessments, site investigations and re-planning of works may be required before resuming the foundation and geotechnical works, hence impacting our business operations and delay the delivery of our services;
- (ii) potential failure of machinery and equipment, as we rely on a series of machinery and equipment to provide foundation and geotechnical services to our customers. These machinery and equipment include rotary boring rigs, crawler cranes, hydraulic grabs and excavators, which are inspected regularly and replaced as and when required. Please refer to Section 6.5 of this Prospectus for further details on our key machinery and equipment. However, these machinery and equipment may, on occasion, be out of service due to unanticipated failures or damages sustained during operation, which would render our machinery and equipment to be non-operational for a period of time; and
- (iii) other external factors including delays or inability to obtain approvals from various regulators as scheduled; shortage of labour as well as building materials in adequate amounts; unfavourable credit terms; delays or poor performance by subcontractors; and unforeseen circumstances affecting our customers' ability and willingness to pay us, amongst others.

These external factors may disrupt our work progress, increase the hazardous nature of our work and/or increase our overall project costs due to additional works required. All of which may result in cost overruns and/or delays in the completion of our works, thereby subject us to claims for LAD by our customers. Furthermore, in the event of cost overruns, our Group's cash flow and financial performance may be adversely affected.

In FYE 2023 and FYE 2024, our group recorded LAD of RM6.35 million and RM2.58 million respectively, primarily resulted from the delay in the completion of three (3) residential development projects and one (1) infrastructure project in the central region. For further information on the impact of LAD to our Group's financial performances, please refer to Section 11.3.2 of this Prospectus.

For the Financial Years Under Review and up to the LPD, save for the aforementioned, there were no occurrences of geotechnical risk, machinery and equipment failures or other external factors that resulted in material disruptions to our service provisions and/or material cost overruns that had a material adverse impacts to our Group's financial performances and business prospects. However, there can be no assurance that these events will not happen in the future, and will not cause any adverse impact to our business operations, financial performance and prospects.

8. RISK FACTORS (Cont'd)

8.1.3 Our growth and profitability are dependent on our ability to continuously secure new projects and maintain or grow our order book

Due to the nature of our business whereby we provide foundation and geotechnical services on a project basis, our financial performance may fluctuate and is dependent on our ability to continuously secure new projects. Failure to do so may result in a decline in our order book, which may lead to adverse impact to our growth and profitability.

In April 2025, the government of USA had announced an imposition of reciprocal tariff on import of goods from other countries, including Malaysia. In July 2025, the government of USA announced that effective 1 August 2025, the government of USA is imposing a 25% tariff (a 1% increase from the initial 24% tariff announced in April 2025) on imports from Malaysia. While the imposition of reciprocal tariff by the government of USA currently has no direct impact on the foundation and geotechnical industry or the construction industry in Malaysia, there can be no assurance that there will not be material adverse impact to our order book from ongoing projects with our major customers resulting from the imposition of reciprocal tariff, as the overall impact remains uncertain and is subject to the outcomes of negotiations between governments. Notwithstanding that, our Group does not foresee any potential major impact on our order book from ongoing projects with our major customers, as our Group solely operates in Malaysia as at LPD.

As at the LPD, our order book amounted to a total of RM382.66 million. For the Financial Years Under Review and up to the LPD, we have not experienced major challenges in securing new projects and maintaining or growing our order book. However, there is no assurance that we will be able to maintain or grow our order book moving forward, as it is subject to various factors beyond our control, including market demand, competitive dynamics and economic conditions in Malaysia. Any unfavourable development of these factors may result in a decline in the demand for foundation and geotechnical services as a whole, which may consequently affect our project pipeline, hence adversely impacting our growth and profitability.

8.1.4 We are exposed to contractual pricing mechanism which lacks flexibility for adjustment

Our projects are secured on contractual basis and our order book comprises mainly contracts awarded on:

- (i) firm-price basis, where the cost of wages, building materials, fuel, temporary works or transport, amongst others, shall be fixed (i.e. there shall be no adjustment on the agreed cost in the event of fluctuation or variation in prices, which may occur during the work progress); while the final contract sum is adjustable according to the actual measurement quantities at site. This pricing mechanism is usually adopted in traditional build-only contracts whereby our customers have full responsibility for any variation or changes to the design; and
- (ii) lump-sum basis, where the final contract sum is fixed and cannot be adjusted. This pricing mechanism is usually adopted in design-and-build contracts as we are responsible for the project design, and the contract sum is not adjustable, save for any variation or changes to project requirements by our customers.

As our contractual pricing mechanism lacks flexibility for adjustment, any underestimation of costs and/or unanticipated increase in operating costs (e.g. costs of labour, building materials, equipment and subcontracted services) may result in cost overruns for our projects. Under such pricing mechanisms, cost overruns would have to be absorbed by our Group, thereby adversely affecting our profitability and financial performance.

Our Group has not experienced any cost overrun situations which had a material adverse impact on our profitability and financial performance in the Financial Years Under Review and up to the LPD. However, there is no assurance that we will be able to cover or avoid cost overruns for all our projects in the future, which may adversely affect our business operations, financial performance and prospects.

8. RISK FACTORS (Cont'd)**8.1.5 We are exposed to risks relating to workplace health, safety and environment ("HSE") practices**

Our business operations are subject to laws and regulations relating to workplace HSE requirements enacted or issued by government bodies. Legislation, regulations and industry code of practice applicable to our workplace HSE practices include the OSHA 1994 and the EQA 1974. Please refer to Section 6.24 for further details on the legislation, regulations and industry code of practice applicable to our workplace HSE practices.

As our foundation and geotechnical services involve the use of machinery and equipment to carry out boring, drilling, excavating and lifting works, any improper handling of these machinery and equipment may jeopardise the safety of our site personnel, and any improper safety practices may result in incidents at construction sites, all of which may cause serious injuries to our personnel or even fatalities. Furthermore, during our foundation and geotechnical works, vibration, noise, smoke or other pollutants are generated. If these pollutants exceed the standards set by the authorities, it may pose a health risk to our site personnel and the public residing near the construction sites. As such, any failure to comply with the relevant HSE requirements may result in incidents, injuries, illnesses and fatalities, as well as penalties and closure of construction sites.

As at the LPD, our Group has not breached any workplace HSE requirements that have resulted in material adverse impact to our business operations and financial performance. For the Financial Years Under Review and up to the LPD, our Group has recorded three (3) incidents at our project sites, all of which are minor, whereby two (2) of the incidents resulted in minor injuries of on-site personnels and the remaining did not result in any casualty or harm. Notwithstanding this, these incidents did not result in material impacts to our Group's financial or operations. Further, there were also no major workplace incidents and/or environmental non-compliance that have resulted in serious incidents, injuries, illnesses and fatalities. In the occurrence of major incidents or injuries, it may lead to negative publicity and/or suspension of our relevant licences which may adversely impact our business operations, financial performance and reputation. Furthermore, our operations may also be affected as we adapt to any changes in HSE requirements, and the required compliance with new requirements may impose a significant cost to our Group.

8.1.6 There is no assurance that our business strategies and future plans will be commercially successful

We plan to expand our Group's business by expanding our business operations, through our business strategies and future plans as follows:

- (i) to expand our fleet of machinery to increase our operating capacity; and
- (ii) to expand our customer reach and establish our presence in Singapore.

Please refer to Section 6.18 of this Prospectus for further details of our business strategies and future plans.

The implementation of our business strategies and future plans is subject to additional expenditures including operational expenditures and other working capital requirements, which will increase our Group's overall operational cost, including overhead costs and cost of sales. This may result in an adverse impact to our profit margin if we are unable to gain sufficient revenue following the execution of our business strategies and future plans. Our plan to expand our customer reach and establish our presence in Singapore will also expose us to competition risk as detailed in Section 8.2.4 of this Prospectus.

Further, while our Managing Director, Non-Independent Executive Directors and Key Senior Management have years of experience in our business operations, there can be no assurance that the effort and expenditures spent on the execution of our business strategies and future plans will yield expected results in expanding our business. We are also not able to guarantee the successful implementation of our business strategies and future plans, nor can we assure that we will be able to anticipate the business and operational risks arising from our business strategies and future plans.

8. RISK FACTORS (Cont'd)**8.1.7 We are dependent on our Managing Director, Non-Independent Executive Directors and Key Senior Management for the continued success and growth of our business**

The future growth and continuing success of our Group largely depend on the continuous contribution and involvement of our Managing Director, Non-independent Executive Directors and Key Senior Management. We depend on the leadership of our Managing Director, Lee Kim Seng and our Non-Independent Executive Directors, Ir. Oh Chin Wah and Lee Jie Min, to spearhead the strategic direction and business development of our Group. With their experience in the foundation and geotechnical industry and in managing our business, they play a pivotal role in developing and implementing business strategies and policies to drive the growth of our Group. In addition, we also depend on our Key Senior Management for their expertise in their respective roles which are essential to our business operations to support the operations and growth of our Group. Please refer to Sections 5.1.2 and 5.2.8 of this Prospectus for the profiles of our Managing Director, Non-Independent Executive Directors and Key Senior Management.

The loss of any of our Managing Director, Non-Independent Executive Directors and Key Senior Management simultaneously or within a short period of time may unfavourably impact our Group's operations and the future growth of our business. If we are unable to attract suitable talents to replace the loss of any of our Managing Director, Non-Independent Executive Directors or Key Senior Management in a timely manner, our business operations, financial performance and prospects will be adversely affected.

8.1.8 We are dependent on the quality of services of our subcontractors

Our Group engages subcontractors to carry out sub-structure works, earthworks, and other related services, as well as to perform labour-intensive works and/or works that require specific license, such as soil dumping. Our subcontractors are selected based on, amongst others, the quality of service and/or materials, responsiveness, reputation, timeliness of delivery, technical expertise, safety and health awareness and compliance, environmental awareness and compliance, as well as availability of resources.

In engaging subcontractors, we are dependent on their ability to perform and deliver according to our needs. In the event our subcontractors do not have the required skills, experience and resources, we may be exposed to risks of poor quality of work, delays and/or costs overrun for our projects, which may lead to our customers claiming damages and penalties from us as well as harming our reputation in the industry. In addition, we would have to be liable for these claims and penalties if we are unable to pass the loss or damage to our subcontractors.

For the Financial Years Under Review and up to the LPD, we have not received or encountered any major complaints from our customers in relation to the quality of services of our subcontractors which led to our Group incurring claims and penalties from our customers. However, moving forward, there can be no assurance that the services rendered by our subcontractors will be satisfactory, and that they will meet our requirements in terms of quality and delivery timeliness. Thus, any failure of our subcontractors to perform and deliver according to their contracted scope of work in a timely manner and of high quality, may adversely impact our business operations, financial performance and industry reputation.

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8. RISK FACTORS (Cont'd)**8.1.9 We are exposed to risks arising from defect liability periods, including claims from customers due to defective or unsatisfactory works by our Group and/or our subcontractors, as well as uncollectible retention sums**

The defect liability periods of our contracts range from one (1) to two (2) years from the receipt of CPC from our customers. Any findings of defective works or dissatisfaction amongst our customers within the defect liability period may give rise to claims against our Group, which may result in the incurrence of additional costs for the remediation or rectification works. This includes defective or unsatisfactory works that were performed by our subcontractors, whereby our Group will be held responsible for remediation or rectification. In addition, we may also be required to compensate our customers for the defective or unsatisfactory works, which may adversely affect our financial performance. While we may attempt to seek compensation from the relevant subcontractors, we may be required to compensate our customers prior to receiving compensation from subcontractors. In the event we are unable to seek compensation from subcontractors or the amount of the claims cannot be recovered in full, or at all, from the subcontractors, we may be required to bear some or all of the costs of the claims. These additional costs will increase our overall costs and may adversely impact our financial performance.

In addition, it is an industry practice where a portion of payment may be withheld by customers as retention sum against defects that may develop after the completion of projects. Our customers generally withhold retention sum up to a maximum of 5.00% of the total contract value, whereby entire retention sum to be retained throughout the contract period until issuance of CPC, and half of the retention sum to be retained until the end of the defect liability period and upon issuance of CMGD. If our customers do not release the retention sum after the agreed periods or require us to write off such amounts, our financial performance may be adversely affected.

For the Financial Years Under Review and up to the LPD, we have not received or encountered any major complaints from our customers in relation to defective and unsatisfactory works during the defect liability period which require our Group to incur significant rectification or remedial costs, as well as incidences where our customers fail to release the retention sum to our Group upon the expiry of the defect liability period. However, there is no assurance that we would not experience any defect liability claims or failure to collect all retention sum in full in the future, or that these incidences would not adversely impact our business operations, financial performance and prospects.

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8. RISK FACTORS (Cont'd)**8.1.10 We are exposed to credit risks and default payment by customers**

We generally grant our customers a credit period of up to 60 days upon completion of a project milestone as stipulated in the respective contracts. In the event of not receiving payment within the credit period or default in payment by our customers, our operating cash flows or financial results of operations may be adversely affected. Further, it may also lead to impairment losses on financial assets or writing-off of trade receivables as bad debts, which may adversely affect our financial performance.

Our net impairment loss/reversal of impairment losses on trade receivables and bad debts written off for the Financial Years Under Review were as follows:

	Audited FYE		
	2022	2023	2024
	RM'000	RM'000	RM'000
Impairment loss on trade receivables	⁽¹⁾ 986	-	⁽²⁾ 262
Reversal of impairment loss on trade receivables	-	-	⁽³⁾ (133)
Bad debts written off ⁽⁴⁾	304	-	-
Total	1,290	-	129

Notes:

- (1) It was general impairment losses on trade receivables after excluding those impaired individual trade receivables, which were assessed separately. The higher impairment loss on trade receivables of RM0.99 million for FYE 2022 was primarily driven by the expected higher collection risk on receivables and changes in forward-looking macroeconomic assumptions.
- (2) It was specific impairment losses on individual trade receivables, which were mainly due to long outstanding debts and delay in payments by customers.
- (3) It was reversal of general impairment losses on trade receivables in FYE 2024 attributable to the general impairment loss balance previously recorded as at 31 December 2023, primarily driven by the expected lower collection risk on receivables and changes in forward-looking macroeconomic assumptions.
- (4) Bad debts were written off for a customer due to uncollectible long outstanding trade debts.

Please refer to Section 11.3.2 this Prospectus for further details on impairment losses/reversal of impairment losses on trade receivables and bad debts written off.

During the Financial Years Under Review, our impairment loss and bad debts does not had a material adverse impact to our Group's financial performance. Nevertheless, there can be no assurance that any delay or failure in receiving payments from our customers in the future may not result in trade receivables being written off as bad debts, which could have material adverse impact to our financial performance.

8.1.11 Our insurance coverage may be inadequate to cover all losses or liabilities that may arise in connection with our operations

We maintain insurance at levels that are customary in our industry to protect against various losses and liabilities. As at the LPD, the insurance policies which our Group has taken up include contractors' all risk insurance, fire insurance, machineries and equipment insurance, professional indemnity and workmen compensation insurance, amongst others. However, there is no assurance that our insurance coverage is sufficient to cover all damages to our Group or business operations.

Moreover, we will be subject to the risk that we may not be able to maintain or obtain insurance of the type and amount desired at reasonable rates in the event of increase in insurance premium in the future. In addition, if we were to incur a significant liability for which we were not fully insured, for instance major mishaps or major incidents, it may result us incurring additional cost that may adversely affect our business operations and financial performance.

8. RISK FACTORS (Cont'd)

For the Financial Years Under Review and up to the LPD, we have not experienced any claims arising from major mishaps or major incidents which are not sufficiently covered by insurance and having a material adverse impact on our business operations and financial performance.

8.1.12 We are exposed to borrowing and interest risks

Our Group's business operations are funded through a combination of internally generated funds and external financing from financial institutions and machinery leasing companies. Our total borrowings as at 31 December 2024 which consist of term loans, bankers' acceptances, invoice financing and lease liabilities amounted to approximately RM100.32 million, all of which are borrowed from local financial institutions and machinery leasing company, and are interest bearing. As such, we have interest commitment due to loan or borrowings granted by financial institutions and machinery leasing company. Any additional borrowings or increase in interest rates which is beyond our control may adversely affect our profitability.

There can be no assurance that we will not increase our borrowings or that the current interest rate of our borrowings will be maintained in the future. Notwithstanding the above, for the Financial Years Under Review and up to the LPD, we have not experienced any substantial increase in interest rate which had adversely affected our profitability or financial performance.

8.1.13 We may be involved in legal and other proceedings arising from our operations

We may, from time to time, be involved in disputes with various parties such as suppliers, main contractors, subcontractors and/or project consultants in the course of carrying out our business which may be due to amongst others, disputes on progress payments, variation orders, retention sum, defective workmanship, non-compliance with specifications or otherwise relating to our projects. Costs, time and management resources would have to be diverted towards defending such claims should they arise. Such disputes and claims may lead to legal, administrative and other proceedings against our Group; and unfavourable decrees issued against our Group may cause us to suffer additional costs, delays and/or financial losses.

For the Financial Years Under Review and up to the LPD, we were not involved in any material disputes, legal proceedings or litigation cases. Nevertheless, there is no assurance that whenever disputes and claims arise, they will be settled on terms which are favourable to our Group; or if such disputes and claims result in litigation or arbitration, such judgment, order or award will not adversely affect our business operations, financial performance and reputation.

8.2 RISKS RELATING TO OUR INDUSTRY**8.2.1 We are dependent on the construction industry in Malaysia and Singapore**

The performance of our business is dependent on the construction industry as we provide foundation and geotechnical services to construction projects. Thus, our financial performance is likely to move in tandem with the performance of the construction industry in Malaysia. Further, as we intend to expand into Singapore, our business prospects are also dependent on the construction industry in Singapore. Growth in the construction industry in Malaysia and Singapore generally depends on several factors, including:

- (i) Economic growth, which drives the demand for residential, mixed development, industrial, and commercial properties as well as supporting infrastructure;
- (ii) Government initiatives, which drive the property market and infrastructure development; and
- (iii) External factors such as changes in the political and regulatory landscape or sudden outbreak of diseases (e.g. the COVID-19 pandemic in 2020), which may adversely impact Malaysia's and Singapore's economic activities.

8. RISK FACTORS (Cont'd)

Further, the construction industry may be cyclical in nature as they generally move in tandem with economic conditions. A growing economy will give rise to the demand for residential, mixed development, industrial, commercial properties as well as supporting infrastructure development and thereafter creating spill-over effects to the construction industry, which will in turn drive the demand for our foundation and geotechnical services. In the event of a prolonged slow-down in economy, the demand for residential, mixed development, industrial, and commercial properties as well as supporting infrastructure may decline, which could cause the decline in the growth of the construction industry due to lower demand for construction services. This will in turn adversely impact the foundation and geotechnical industry, which our Group operates in.

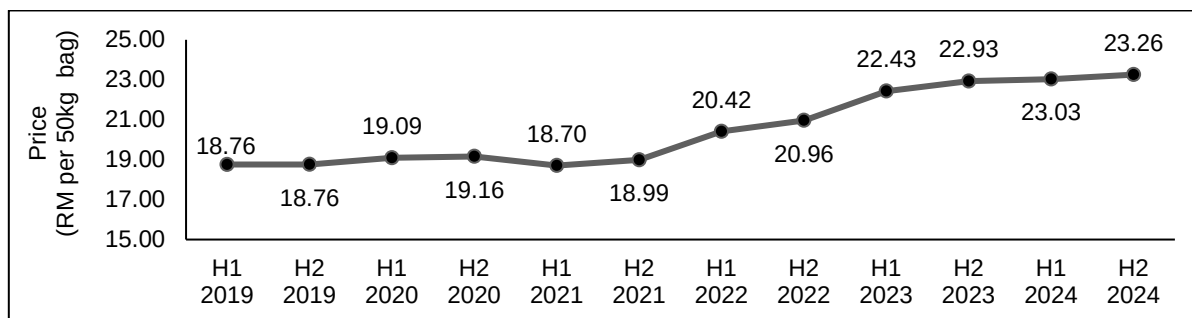
For instance, our Group recorded a decline in revenue due to the temporary halt of construction activities as a result of the outbreak of the COVID-19 pandemic in 2020. Subsequently as the COVID-19 pandemic subsided and Malaysia entered into an endemic phase in 2022, the construction industry recovered, followed by continuous growth in 2023 and 2024. Similarly, our Group's revenue and financial performances recovered and grew in the Financial Years Under Review in tandem of the growth in the construction industry. For further details on the performance of the construction industry in Malaysia and Singapore, please refer to Section 7 of the Prospectus.

8.2.2 We are subject to fluctuation in prices and availability of building materials and raw materials

In carrying out our foundation and geotechnical services, we use a range of building materials (e.g. ready-mix concrete, steel bars, API pipes and cement), as well as other raw materials such as diesel. The prices of these materials are subject to fluctuations as a result of supply and demand conditions, geopolitical and economic conditions as well as potential disruptions in the supply chain. Our business and financial performance may be affected by the fluctuation in material prices as any unanticipated and substantial increase in the prices may result in cost overruns for our projects.

For illustration purposes, the six (6)-month price trends of cement (i.e. one of the main raw materials and largest cost component used in the production of ready-mix concrete) and high tensile deformed bars (i.e. a type of steel bars commonly used in construction activities) are as depicted in the charts below. For further details on the price trends of cement and high tensile deformed bars, please refer to Section 7 of this Prospectus.

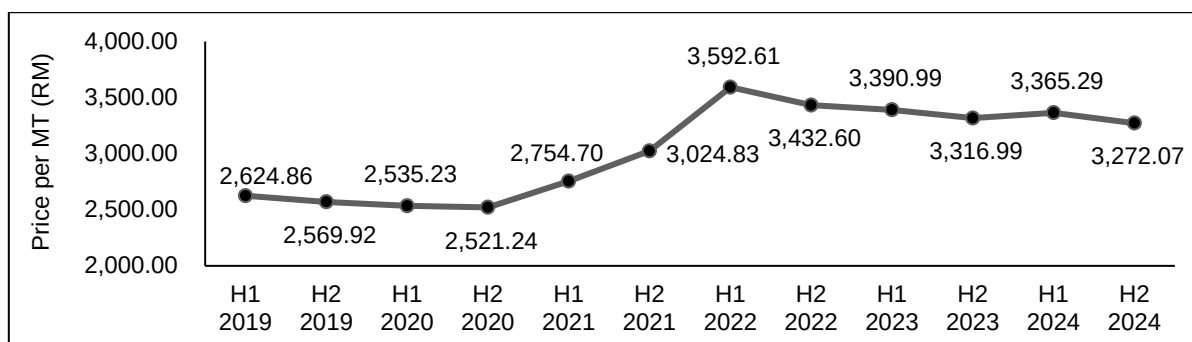
Cement prices, 2019 – 2024



Note: H1 and H2 refer to first half and second half respectively.

Sources: DOSM, SMITH ZANDER

High tensile deformed bar prices, 2019 – 2024



Note: H1 and H2 refer to first half and second half respectively.

Sources: DOSM, SMITH ZANDER

8. RISK FACTORS (Cont'd)

Moreover, we do not enter into long-term contracts or agreements with our suppliers for the purchase of materials but source our materials from a variety of suppliers based on the need, location and timeline of each project on a purchase order basis. As such, there is no assurance that we will be able to source sufficient quantities of building materials required in a timely manner and at commercially viable rates.

In FYE 2022, we recorded a lower GP margin as we were unable to pass on the increased material costs resulted from increase in prices for ready-mix concrete and steel bars to our customers. For further details of the impact of material price fluctuations to our GP margins, please refer to Section 11.4 of this Prospectus. Save for the aforementioned, we were generally able to pass on any substantial increase in material costs to our customers. Notwithstanding that, there is no assurance that we will be able to continue to pass on future increases in cost to our customers.

Further, for the Financial Years Under Review and up to the LPD, we have not experienced any shortage of building materials which had a material adverse effect on our Group's business operations and financial performance. However, moving forward, there can be no assurance that we will not be faced with shortage of building materials.

8.2.3 We are dependent on foreign workers

The foundation and geotechnical industry is a labour-intensive industry. Due to the shortage of local workers in the local construction industry in general, we are largely dependent on foreign workers, particularly for on-site works. As at the LPD, we have a total of 400 foreign workers, representing 54.64% of our Group's total headcount.

The issue of labour shortages is common in the construction industry (including the foundation and geotechnical industry) in Malaysia where Malaysia is dependent on foreign workers as a result of limited supply of local workers for on-site works. The availability of foreign workers in Malaysia is subject to the labour and immigration policies as well as regulations imposed by the Government. Any changes in the labour and immigration policies, regulations and/or visa restrictions on foreign workers may pose challenges to us in hiring sufficient number of foreign workers for our operations. In March 2023, the Government announced a freeze on quota applications to hire foreign workers. Should the hiring freeze prolongs, our Group may experience labour shortages due to inability to hire additional foreign workers to support our business operations.

In the event of any unfavourable changes to policies for hiring foreign workers, we may have to source for local workers which may come at higher cost. Further, any increase in the levy rate for foreign workers or minimum wages for employees could increase the cost of labour. The Government has also announced a mandatory Employee Provident Fund contribution of 2.00% for foreign workers to be made by employers as well as the foreign workers, which is expected to take effect on 1 October 2025. This could increase our cost of labour, in turn causing adverse impact to our profitability if we are unable to pass on the increase in labour costs to our customers. However, our Group does not expect any material adverse impact on our financial performance arising from the implementation of the 2.00% Employee Provident Fund contribution, as we foresee the potential impacts to be minimal. Further, any delays in hiring sufficient number of local workers may result in operational disruptions, which would subsequently affect the timely completion of our projects.

For the Financial Years Under Review and up to the LPD, we have not experienced any significant shortage of foreign workers which materially affected the quality of services provided as well as timely completion of our projects. Notwithstanding, there can be no assurance that our Group will continue to have adequate supply of foreign workers with the expected skill, expertise and quality.

8. RISK FACTORS (Cont'd)

8.2.4 We face competition from other industry players

According to the IMR report, the foundation and geotechnical industry is specialised in nature with relatively high barriers of entry. We compete with other industry players in Malaysia as well as Singapore (which we intend to expand into) who are also specialised in the provision of foundation and geotechnical services.

We compete with these industry players in terms of technical expertise, range and quality of service offerings, ability to deliver on a timely manner, project track record and pricing. It is also essential for our Group to build and maintain our track record and business relationships with a network of construction companies to secure service engagements from them. Thus, our financial performance and prospects will be adversely affected if we fail to maintain our competitive edge.

8.2.5 We are exposed to political, economic and social development risks

Adverse developments in the political, economic and social conditions in Malaysia where our Group operates and Singapore where we intend to venture into, could materially and unfavourably affect our business, financial position, results of operations and/or prospects. Political, economic and social uncertainties that may develop include changes in political leadership, risks of war, terrorism, riots, expropriation, nationalisation, and renegotiation or nullification of existing contracts.

Any changes to the economic, political and social environments in Malaysia may cause disruptions in the completion schedules of our services, which may consequently cause a decline in our revenue; or may cause a decline in demand for our Group's services. For example, a change in government policy could result in the suspension or cancellation of infrastructure projects, such as highways, railways and/or public buildings which our Group may have secured the contract for or are in the midst of tendering for. Moreover, such disruptions may also lead to delays in timelines on our existing projects and/or termination of ongoing contracts which we secured, thus adversely impacting our business operations, financial performance and prospects. Further, any changes to the economic, political and social environments in Singapore where we intend to venture into, may cause a decline in demand for construction works, including foundation and geotechnical services. This may in turn delay or disrupt our plan to expand our customer reach and establish our presence in Singapore.

8.3 RISKS RELATING TO OUR IPO

8.3.1 There has been no prior market for our Shares

Prior to our IPO, there has been no public market for our Shares. Hence, there is no assurance that upon Listing, an active market for our Shares will develop, or, if developed, that such market can be sustained. There is also no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares.

Our IPO Price was determined after taking into consideration various factors including but not limited to our business strategies and our financial and operating history.

There can be no assurance that our IPO Price will correspond to the price at which our Shares will trade on the Main Market upon our Listing and the market price of our Shares will not decline below our IPO Price.

8.3.2 Our Share price and trading volume may be volatile

The performance of Bursa Securities is very much dependent on external factors such as the performance of the regional and world bourses and the inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our listed Shares.

8. RISK FACTORS (Cont'd)

In addition, the market price of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- (i) material variations in our financial results and operations;
- (ii) success or failure in our management in implementing future plans, business and growth strategies;
- (iii) gain or loss of an important business relationship;
- (iv) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (v) changes in conditions affecting the industry, the prevailing global and local economic conditions or stock market sentiments or other events or factors;
- (vi) changes in market valuations and share prices of companies with similar businesses to our Group that may be listed on Bursa Securities;
- (vii) natural disasters, health epidemics and outbreaks of contagious diseases;
- (viii) additions or departures of key senior management;
- (ix) fluctuations in stock market prices and volumes;
- (x) involvement in claims, litigation, arbitration or other form of dispute resolution;
- (xi) changes in government policy, legislation or regulation; and/or
- (xii) general operation and business risks.

8.3.3 Our Promoters will be able to exert significant influence over our Company as they will continue to hold majority of our Shares after the IPO

As disclosed in Section 5.1 of this Prospectus, our Promoters will collectively hold in aggregate 70.82% of our enlarged number of issued shares upon Listing. As a result, they will be able to, in the foreseeable future, effectively control the business direction and management of our Group as well as having voting control over our Group and as such, will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law and/or by the relevant guidelines or regulations.

For instance, if our Promoters vote in favour of ordinary resolutions which require a simple majority approval, their vote will result in the ordinary resolutions being passed. If our Promoters vote in favour of special resolutions which require a majority of at least 75.00% shareholders' approval, they will be able to influence the passing and approval of these resolutions at a general meeting. Conversely, if our Promoters vote against such resolutions, such resolutions would not be able to be passed.

8.3.4 There may be a potential delay to or cancellation of our Listing

The occurrence of any one (1) or more of the following events, which is not exhaustive, may cause a delay in or cancellation of our Listing:

- (i) our Sole Underwriter exercising their rights pursuant to the Underwriting Agreement to discharge themselves from its obligations thereunder;
- (ii) the revocation of approvals from the relevant authorities for the Listing and/or admission for whatever reason;

8. RISK FACTORS (Cont'd)

- (iii) we are unable to meet the public shareholding spread requirement of the Listing Requirements, i.e. at least 25.00% of our issued share capital for which listing is sought must be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each at the point of our Listing; or
- (iv) there is a need to issue a supplementary prospectus or a replacement prospectus due to significant change or new matter arising that will affect the content of the prospectus.

Where prior to the issuance and allotment of our IPO Shares:

- (a) the SC issues a stop order pursuant to Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled. Our Company shall repay all monies paid in respect of the applications for our IPO Shares within 14 days of the stop order, failing which our Company shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (b) our Listing is aborted, investors will not receive any of our IPO Shares, all monies paid in respect of all applications for our IPO Shares will be refunded free of interest.

Where subsequent to the allotment and issuance of our IPO Shares:

- (1) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, our Company shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- (2) our Listing is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by either:
 - (a) the sanction of our shareholders by special resolution in a general meeting, consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or
 - (b) the sanction of our shareholders by special resolution in a general meeting supported by a solvency statement from the directors.

8.3.5 Forward-looking statements in this Prospectus may not be achievable

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts, included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Group for future operations are forward-looking statements. Such forward-looking statements are made based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, among others, general economic and business conditions, competition, the impact of new laws and regulations affecting our industry and government initiatives. Such forward-looking statements reflect our current view with respect to future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminologies such as the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions and include all statements that are not historical facts.

In light of these uncertainties, the inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

9. RELATED PARTY TRANSACTIONS

9.1 RELATED PARTY TRANSACTIONS

9.1.1 Related party transactions

Pursuant to the Listing Requirements, subject to certain exemptions, a “**related party transaction**” is a transaction entered into by a listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party. A “**related party**” of a listed issuer is:

- (i) a director, having the meaning given in Section 2(1) of the CMA, and includes any person who is or was within the preceding six (6) months of the date in which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or
- (ii) a major shareholder, and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company, and has or had an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is:
 - (a) 10.00% or more of all the voting shares in the corporation; or
 - (b) 5.00% or more of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or
- (iii) a person connected with such director or major shareholder.

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9. RELATED PARTY TRANSACTIONS (Cont'd)

9.1.2 Material related party transactions entered into by our Group

Save for the Acquisitions and as disclosed below, our Group has not entered into any material related party transactions for the Financial Years Under Review, and for the subsequent financial period up to the LPD:

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
				FYE 2022	FYE 2023	FYE 2024	1 January 2025 up to the LPD
				RM'000	RM'000	RM'000	RM'000
1.	GSB and Cendrex Trading Sdn Bhd ("Cendrex")	Hoo Ying Seng and Cheong Wai Meng, being the directors and shareholders of Cendrex are brothers-in-law of our substantial shareholder, Lim Tsui Ning.	Purchase of hardware such as light hand tools and safety personal protective equipment from Cendrex	⁽¹⁾ 409 (0.22% of the Group's cost of sales)	⁽¹⁾ 975 (0.34% of the Group's cost of sales)	⁽¹⁾ 818 (0.23% of the Group's cost of sales)	⁽²⁾ 263

Notes:

- (1) Computed based on our Group's cost of sales for the Financial Years Under Review, i.e. RM186.77 million for FYE 2022, RM288.57 million for FYE 2023 and RM349.98 million for FYE 2024.
- (2) As at the LPD, we are unable to compute the percentage of the contribution to our Group's cost of sales as our Group's audited combined financial statements for the period from 1 January 2025 up to the LPD are not available.

Our Board, having considered all aspects of the related party transactions including comparable quotation from other third-party similar service provider, is of the opinion that the related party transactions set out in Section 9.1.2 above were transacted on arm's length basis and based on normal commercial terms which are not more favourable to the related party than those generally available to third parties and not unfavourable to our Group, and are not detrimental to the interest of our minority shareholders.

After our Listing, we will be required to seek our shareholders' approval each time we enter into material related party transactions in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate. In the event there are any proposed related party transactions that require prior approval of our shareholders, our Directors, major shareholders and/or persons connected with them who have any direct or indirect interest in the proposed related party transactions shall abstain from deliberation and voting on resolution(s) pertaining to the respective transactions.

9. RELATED PARTY TRANSACTIONS *(Cont'd)*

Under the Listing Requirements, related party transactions may be aggregated to determine its materiality if the transactions:

- (i) occur within a 12-month period;
- (ii) are entered into with the same party or with parties related to one another; or
- (iii) if the transactions involve the acquisition or disposal of securities or interests in one corporation/asset or of various parcels of land contiguous to each other.

Upon our Listing, our Audit and Risk Management Committee will review the terms of any related party transactions and ensure that any related party transactions (including any recurrent related party transactions) are carried out on terms not more favourable to the related party than those generally available to the third parties dealing at arm's length basis with our Group and are not detrimental to the interest of our minority shareholders. Our Group will seek such relevant shareholders' approval where required. We will make disclosures in our annual report of the aggregate value of the recurrent related party transactions entered into by us based on the nature of the transactions made, names of the related parties involved and their relationship with our Group during the financial year and in the annual reports for the subsequent financial years.

9.1.3 Related party transactions that are unusual in nature or condition

Our Board has confirmed that there are no transactions that were unusual in its nature or condition, involving goods, services, tangible or intangible assets, to which we were a party in respect of the Financial Years Under Review and up to the LPD.

9.2 OUTSTANDING LOANS AND/OR FINANCIAL ASSISTANCE

9.2.1 Outstanding loans and/or financial assistance (including guarantees of any kind) made to or for the benefit of related parties

There are no outstanding loan and/or financial assistance (including guarantees of any kind) that have been made by our Group to or for the benefit of any related parties for the Financial Years Under Review and up to the LPD.

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9. RELATED PARTY TRANSACTIONS (Cont'd)

9.2.2 Outstanding loans and/or financial assistance (including guarantees of any kind) made by related parties for the benefit of our Group

Save as disclosed below, there are no outstanding loans and/or financial assistance (including guarantees of any kind) made by related parties for the benefit of our Group for the Financial Years Under Review and up to the LPD:

(i) Advances provided by the related parties to our Group

No.	Transacting parties	Nature of relationship	Nature of transaction	Amount of advances provided (RM)			
				FYE 2022	FYE 2023	FYE 2024	1 January 2025 up to the LPD
1.	Our Company and Lee Kim Seng	Lee Kim Seng is the Director and major shareholder of our Company	Advances from a director and shareholder to our Company ⁽¹⁾	20,000	-	-	-
2.	GSB and Lee Kim Seng	Lee Kim Seng is the Director and major shareholder of our Company	Advances from a director and shareholder of our Company to GSB ⁽¹⁾	5,615,671	-	-	-
3.	GPL and Lee Kim Seng	Lee Kim Seng is the Director and major shareholder of our Company	Advances from a director and shareholder of our Company to GPL ⁽¹⁾	⁽²⁾ 94,837	⁽³⁾ 269,076	-	-
4.	GPL and Tang Ji Jian	Tang Ji Jian is a director of GPL, which will be our wholly owned subsidiary upon completion of the Acquisitions Tang Ji Jian is the spouse of Lee Jie Min (the Non-Independent Executive Director of our Company) and the son-in-law of Lee Kim Seng	Advances from a director of GPL to GPL ⁽⁴⁾	⁽⁵⁾ 32,594	-	-	-

Notes:

- (1) The advances were provided by Lee Kim Seng to our Company, GSB and GPL for working capital purposes. These advances were not made on an arm's length basis as they are non-trade in nature, unsecured, non-interest bearing and repayable on demand. These advances have been fully settled.
- (2) The advances provided by Lee Kim Seng to GPL in FYE 2022 amounted to SGD30,000 (equivalent to approximately RM94,837).
- (3) The advances provided by Lee Kim Seng to GPL in FYE 2023 amounted to SGD80,000 (equivalent to approximately RM269,076).
- (4) The advances were provided by Tang Ji Jian to GPL for working capital purposes. These advances were not made on an arm's length basis as they are non-trade in nature, unsecured, non-interest bearing and repayable on demand. These advances have been fully settled.
- (5) The advances provided by Tang Ji Jian to GPL in FYE 2022 amounted to SGD10,000 (equivalent to approximately RM32,594).

9. RELATED PARTY TRANSACTIONS (Cont'd)

(ii) Personal guarantees provided by Lee Kim Seng to financiers to secure the banking facilities granted to our Group

Financiers	Type of Facility	Facility Limit (Up to RM)	Outstanding Balance as at the LPD (RM)
Affin Bank Berhad	Hire Purchase Facilities	714,500	402,324
	Overdraft, Letter of Credit and Term Loan	39,443,000	26,236,166
Ambank (M) Berhad	Hire Purchase Facility	393,000	149,379
Ambank Islamic Berhad	Hire Purchase Facilities	16,754,700	14,003,328
BMW Credit (Malaysia) Sdn Bhd	Hire Purchase Credit Facility	512,010	423,297
CIMB Bank Berhad	Term Loan Facility	4,700,000	1,932,423
	Overdraft, Term Loan, Bank Guarantee and Multi Option Line	27,133,737	11,200,123
CIMB Factorlease Berhad	Hire Purchase Facilities	25,583,287	9,464,222
Hong Leong Bank Berhad	Term Loan Facilities	564,000	420,002
HSBC Amanah Malaysia Berhad	Bank Guarantee-i Line	5,000,000	* -
	Import Line	3,100,000	2,893,917
	Financing Facilities under Government Guarantee Scheme Madani administered by Syarikat Jaminan Pembiayaan Perniagaan Berhad	1,900,000	* -
Malayan Banking Berhad	Hire Purchase Facilities	59,504,230	15,298,958
Maybank Islamic Berhad	Commodity Murabahah Term Financing-i	500,000	304,716
	Facilities under SME + Syarikat Jaminan Pembiayaan Perniagaan Berhad	16,000,000	14,917,384
MBSB Bank Berhad	Hire Purchase Facilities	65,481,752	30,899,570
PAC Lease Berhad	Hire Purchase Facilities	6,054,900	4,646,784
Public Bank Berhad	Hire Purchase Facilities	1,343,700	1,047,212
	Bank Guarantee Facilities	4,000,000	* -

9. RELATED PARTY TRANSACTIONS (Cont'd)

Financiers	Type of Facility	Facility Limit (Up to RM)	Outstanding Balance as at the LPD (RM)
Public Islamic Bank Berhad	Term Equity Financing-i	720,900	691,817
United Overseas Bank (Malaysia) Berhad	Performance Guarantee and Financial Guarantee Facilities	5,000,000	3,050,000

Note:

* As at the LPD, these facilities were not utilised or drawn down.

- (iii) Personal guarantees provided by a brother of Lee Kim Seng who was a director of GHSB and GSB to financiers to secure the banking facilities granted to our Group

Financiers	Type of Facility	Facility Limit (Up to RM)	Outstanding Balance as at the LPD (RM)
Public Bank Berhad	Bank Guarantee Facilities	4,000,000	* -

Note:

* As at the LPD, these facilities were not utilised or drawn down.

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9. RELATED PARTY TRANSACTIONS (Cont'd)**9.2.3 Upliftment of personal guarantees**

In conjunction with the Listing, we have applied to the respective financiers to obtain a release and/or discharge of the personal guarantees provided by Lee Kim Seng and/or his brother (as the case may be) by substituting the same with a corporate guarantee from our Company. As at the date of this Prospectus, save for Affin Bank Berhad (in respect of personal guarantee provided in relation to the overdraft, letter of credit and term loan with a facility limit of up to RM39,443,000), Public Bank Berhad and Public Islamic Bank Berhad, we have obtained the relevant conditional approvals from all of the respective financiers to release and/or discharge the abovementioned personal guarantees. These conditional approvals are subject to, among others, the following conditions:

No.	Financiers	Major conditions imposed
1.	Affin Bank Berhad ⁽¹⁾	• successful listing of our Company; and • corporate guarantee to be provided by our Company upon completion of our Listing.
2.	Ambank (M) Berhad	• successful listing of our Company; and • corporate guarantee to be obtained prior to discharge of the personal guarantee.
3.	Ambank Islamic Berhad	• successful listing of our Company; and • corporate guarantee to be obtained prior to discharge of the personal guarantee.
4.	CIMB Factorlease Berhad	• successful listing of our Company; and • completion and perfection of corporate guarantee by our Company.
5.	CIMB Bank Berhad	• successful listing of our Company; and • completion and perfection of corporate guarantee by our Company.
6.	Hong Leong Bank Berhad	• successful listing of our Company; and • perfection of corporate guarantee by our Company.
7.	HSBC Amanah Malaysia Berhad	• successful listing of our Company; and • consent from Syarikat Jaminan Pembiayaan Perniagaan Berhad.
8.	MBSB Bank Berhad	• successful listing of our Company.
9.	Malayan Banking Berhad	• successful listing of our Company; and • execution and perfection of corporate guarantee by our Company.

9. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Financiers	Major conditions imposed
10.	Maybank Islamic Berhad	• execution and perfection of corporate guarantee by our Company upon successful Listing; and • consent from Syarikat Jaminan Pembiayaan Perniagaan Berhad.
11.	Pac Lease Berhad	• successful listing of our Company; and • receipt by Pac Lease Berhad of supporting documents of our Company as new guarantor.
12.	United Overseas Bank (Malaysia) Berhad	• receipt of documentary evidence to prove that our Company has successfully listed on Main Market; and • perfection of documents and stamping on corporate guarantee provided by our Company.
13.	BMW Credit (Malaysia) Sdn Bhd	• successful listing of our Company; and • execution of a new corporate guarantee by our Company upon completion of our Listing.

Note:

- (1) As at the date of this Prospectus, our Group has received conditional approval to release and discharge the personal guarantees provided by Lee Kim Seng to Affin Bank Berhad for the hire purchase facilities, with a facility limit of up to RM714,500.

Until such release and discharge are obtained from the respective financiers, Lee Kim Seng and/or his brother (as the case may be) will continue to jointly or severally guarantee the facilities extended to our Group. Our Group expects to obtain all the remaining conditional approval(s) from the respective financiers prior to our Listing.

Moving forward, our Group has put in place internal control and compliance procedures in relation to advances, loans and financial assistance from or to third parties, and no further advances, loans or financial assistance will be taken from or provided to any related parties by our Group unless such advances and loans are permitted under law and the Listing Requirements.

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9. RELATED PARTY TRANSACTIONS (Cont'd)

9.3 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

9.3.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee reviews related party transactions and conflict of interest situation that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity. Our Audit and Risk Management Committee maintains and periodically reviews the adequacy of the procedures and processes set by our Group to monitor related party transactions and conflicts of interest. It also sets the procedures and processes to ensure that transactions are carried out in the best interest of our Group on normal commercial terms that are industry norms and not more favourable to the related party than those generally available to third parties dealing at arm's length, and are not to the detriment of the interest of our Group's minority shareholders. Among others, the related parties and parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberations on the transactions.

All reviews by our Audit and Risk Management Committee are reported to our Board for its further action.

9.3.2 Our Group's policy on related party transactions and conflict of interests

It is the policy of our Group that all related party transactions and conflicts of interest must be immediately and fully disclosed by our interested or conflicted Directors or substantial shareholders to the management for reporting to our Audit and Risk Management Committee.

In the event that there are any proposed related party transactions that require the prior approval of our Company's shareholders, in addition to the above, our Directors, major shareholders and / or persons connected with them, who have any interest, whether direct or indirect, in the proposed related party transactions, shall abstain from all deliberations and voting on resolution(s) pertaining to the respective transactions. In addition, such interested Directors and / or major shareholders will also undertake to ensure that the persons connected with them, if any, will abstain from deliberations and voting on the resolution(s) to approve the proposed related party transactions at a general meeting.

If the related party transactions are deemed as recurrent related party transactions, our Company may seek a general mandate from our non-interested shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate. Related party transactions can be deemed as recurrent, if they are entered into at least once every three years, in the ordinary course of business and are of a revenue or trading nature necessary for the day-to-day operations of our Group.

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10. CONFLICT OF INTEREST

10.1 CONFLICT OF INTEREST

10.1.1 Interest in businesses and corporations which carry on a similar trade as that of our Group or which are our customers or suppliers or which are providing services to our Group

Save as disclosed below and as at the LPD, none of our Directors and/or substantial shareholders has any other interest, whether direct or indirect, in any businesses or corporations which carry on a similar trade as that of our Group or which are our customers or suppliers or which are providing services to our Group.

(i) Dato' Ir. Dr. Mohd Asbi Bin Othman
Independent Non-Executive Chairman

(a) Interest in corporation that carry on a similar trade as that of our Group

Dato' Ir. Dr. Mohd Asbi Bin Othman, is a director and a controlling shareholder of Excel Engineering, which is principally involved in undertaking civil and geotechnical construction works and focusing on general infrastructure works.

(b) Provision of consultancy services to our Group

Dato' Ir. Dr. Mohd Asbi Bin Othman is a director and a controlling shareholder of Mohd Asbi Associates Sdn Bhd ("**MAASB**"), which is principally involved in the business of consultancy engineering services.

There were no transactions with MAASB in FYE 2022 to FYE 2024. For the period beginning from 1 January 2025 and up to the LPD, MAASB provided a one-off consultancy service to our Group in relation to the provision of geotechnical assessment report for a residential project in Setapak. The value of such transaction amounted to RM50,000. Having considered the expertise and nature of the consultancy service required as well as comparable quotation from other similar service provider, our Board is of the view that the transaction was carried out on arms' length basis and based on terms and conditions which were not unfavourable to our Group.

Our Board (excluding the interested Director) is of the view that the involvement and interests of Dato' Ir. Dr. Mohd Asbi Bin Othman in Excel Engineering or MAASB does not give rise to any existing and potential conflict of interest situation due to the following reasons:

- (i) Excel Engineering, which nature of business is undertaking civil and geotechnical construction works, is mainly focused on general infrastructure works for essential services and facilities such as roads, bridges, and utilities that support economic activities, for example, provision of drainage work for the construction and completion of a highway project in West Malaysia. Our Group is involved in provision of foundation and geotechnical services for similar general infrastructure works projects undertaken by Excel Engineering as well as other types of construction projects, comprising residential, commercial, industrial as well as infrastructure development. Excel Engineering's business can be distinguished from our Group's business of provision of foundation and geotechnical services because Excel Engineering focuses in contract management of multiple subcontractors specialising in different construction services to ensure successful delivery of construction projects. Excel Engineering is not involved in provision of foundation works and its geotechnical works are outsourced to subcontractors;
- (ii) Dato' Ir. Dr. Mohd Asbi Bin Othman has provided us with an undertaking that he shall not, and shall ensure and procure that partnerships or companies which he is a partner or director or shareholder of, shall not in any way enter into any contracts, arrangements and undertakings or engage in any business that may give rise to a potential conflict of interest or which is in competition whether directly or indirectly with our Group;

10. CONFLICT OF INTEREST (Cont'd)

- (iii) Dato' Ir. Dr. Mohd Asbi Bin Othman would not be involved in the day-to-day management of our Group as our Group has its own management teams to undertake the respective day-to-day management and operations;
- (iv) Dato' Ir. Dr. Mohd Asbi Bin Othman will abstain from deliberation and voting on resolutions in his capacity(ies) as a Director or shareholder of our Group pertaining to any transactions between our Group and Excel Engineering and/or MAASB, if any; and
- (v) The services provided by MAASB to our Group is minimal as it is a one-off consultancy service required for provision of a geotechnical assessment report. Further, should there be any future services to be provided by MAASB to our Group will be made on an arm's length basis and to be reviewed by our Audit and Risk Management Committee. Our Group will source for comparative price quotes from at least two (2) other service providers for our Audit and Risk Management Committee to review and evaluate on suitability of the service provider, considering their experience, capacity, competency, quoted fees and other terms outlined in their quotation.

(ii) Serene Hiew Mun Yi
Independent Non-Executive Director

Provision of legal services to our Group

Our Independent Non-Executive Director, Serene Hiew Mun Yi, is a partner of Harold Lam & Partnership ("HLP"), which is a law firm and has provided legal services to our Group.

The transaction value amounted to approximately RM11,600, RM19,400 and RM17,700 in FYE 2022, FYE 2023 and FYE 2024, respectively. For the period beginning from 1 January 2025 and up to the LPD, the transaction value amounted to RM6,500. The services provided were in relation to adjudication services for advising on a payment claim for outstanding sum owed by GSB's customers and representing GSB in an adjudication claim against GSB's customers, as well as provision of miscellaneous legal professional services. Our Board, after having considered HLP's expertise and experience in construction dispute as well as agreed fee negotiations based on previous dealings of similar services with HLP, is of the view that the transactions were carried out on arms' length basis and based on terms and conditions which were not unfavourable to our Group.

Lam Wai Loon, a senior partner of HLP, is the partner-in-charge for most of the legal services provided by HLP to our Group with Serene Hiew Mun Yi's assistance.

Our Board (excluding the interested Director) is of the view that the involvement and interests of Serene Hiew Mun Yi in HLP, does not give rise to any existing and potential conflict of interest situation due to the following reasons:

- (a) The services provided by HLP to our Group is minimal and are only required as and when there are dispute matters arising between our Group and our customers. Further, should there be any future services to be provided by HLP to our Group, such services will be made on an arm's length basis and to be reviewed by our Audit and Risk Management Committee. Our Group will source for comparative price quotes from at least two (2) other service providers for our Audit and Risk Management Committee to review and evaluate on suitability of the service provider, considering their experience, capacity, competency, quoted fees and other terms outlined in their quotation; and
- (b) Serene Hiew Mun Yi will abstain from deliberation and voting on resolutions in her capacity(ies) as Director or shareholder of our Group pertaining to any transactions between our Group and HLP, if any.

10. CONFLICT OF INTEREST (Cont'd)

Our Audit and Risk Management Committee will supervise any conflict of interest or potential conflict of interest situations and review our Group's current and future related party transactions and ensure that such transactions will be carried out on an arm's length basis and on commercial terms that are not detrimental to the interest of minority shareholders and are in the best interest of our Group.

Notwithstanding the above, the interests that are held by our Directors and/or substantial shareholders and the interests that may be held by our Directors and/or substantial shareholders in the future in other businesses or corporations which carry on a similar trade as that of our Group or which are our customers or suppliers may give rise to a conflict of interest situation within our business. Where such interests give rise to a conflict of interest situation, our Directors and/or substantial shareholders and persons connected to them shall abstain from deliberating and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. Such transactions will be carried out on arm's length basis and on normal commercial terms.

Our Group will also seek such relevant shareholders' approval where required. We will also make disclosures in our annual report of the aggregate value of any recurrent related party transactions to be entered into by us (where required) based on the nature of the transactions made, names of the related parties involved and their relationship with our Group.

10.2 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST**10.2.1 Principal Adviser, Sole Underwriter and Placement Agent**

AIS and/or its related companies ("**Alliance Banking Group**") form a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment and commercial banking and credit transaction services business.

The Alliance Banking Group has engaged and may in the future, engage in transactions with and perform services for our Group and/or our Group's affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Alliance Banking Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of our Group, our shareholders, and/or our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Group and/or our affiliates, and may trade or otherwise effect transactions for its own account or account of its other customer in debt or equity securities or loans of any member of our Group and/or our affiliates. This is the result of the businesses of Alliance Banking Group generally acting independently of each other and accordingly, there may be situations where parts of the Alliance Banking Group now have or in the future, may have an interest or take actions that may conflict with the interest of our Group.

AIS is of the view that its role as the Principal Adviser, Sole Underwriter and Placement Agent is not likely to result in a conflict of interest or potential conflict of interest situation for our IPO due to the following reasons:

- (i) Alliance Banking Group forms a diversified financial group and is engaged in a wide range of transactions as highlighted above and the appointment of AIS as the Principal Adviser, Sole Underwriter and Placement Agent for our IPO is in the ordinary course of its business;
- (ii) Credit facilities provided by Alliance Banking Group (if any) are not conditional upon AIS being appointed as the Principal Adviser, Underwriter and Placement Agent for our IPO; and
- (iii) Each of the entities and departments of Alliance Banking Group are also subject to internal control and checks, which regulate the sharing of information between entities and departments. Additionally, each department and entities within Alliance Banking Group has separate and distinct operations and decisions are made independent of each other, thus, there may be situations where parts of the Alliance Banking Group now have or in the future, may have an interest or take actions that may conflict with the interest of our Group. Nonetheless Alliance Banking Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions. Further, the team in-charge of the IPO in AIS is independent from the team handling the credit facilities in Alliance Banking Group.

10. CONFLICT OF INTEREST (Cont'd)

AIS has confirmed that it has no existing or potential interest in the Company and there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sole Underwriter and Placement Agent to our Group in relation to the Listing. The Underwriting Agreement, of which certain details are set out in Section 4.7 of this Prospectus, was entered into on arm's length basis and on market terms.

10.2.2 Solicitors to our Group

Jeff Leong, Poon & Wong has confirmed that there is no existing or potential conflict of interest in its capacity as the Solicitors to our Group as to the laws of Malaysia in relation to the Listing.

Dentons Rodyk & Davidson LLP has confirmed that there is no existing or potential conflict of interest in its capacity as the Solicitors to our Group as to the laws of Singapore in relation to the Listing.

10.2.3 Auditors and Reporting Accountants

Grant Thornton has confirmed that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants to our Group in relation to the Listing.

10.2.4 Independent Market Researcher

SMITH ZANDER has confirmed that there is no existing or potential conflict of interest in its capacity as the IMR to our Group in relation to the Listing.

10.2.5 Independent Valuer

Rahim & Co has confirmed that there is no existing or potential conflict of interest in its capacity as the Independent Valuer to our Group in relation to the Listing.

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11. FINANCIAL INFORMATION**11.1 HISTORICAL AUDITED COMBINED FINANCIAL INFORMATION**

The historical audited combined financial information of our Group for the Financial Years Under Review presented in this section have been extracted from the Accountants' Report set out in Section 12 of this Prospectus, which deals with the audited combined financial statements of our Group for the same Financial Years Under Review.

The historical audited combined financial information included in this Prospectus does not reflect our Group's result of operations, financial position and cash flows in the future. Moreover, our Group's past operating results are not indicative of our Group's future operating performance.

You should read the historical audited combined financial information below together with:

- Management's Discussion and Analysis of Financial Conditions and Results of Operations set out in Section 11.3 of this Prospectus; and
- Accountants' Report set out in Section 12 of this Prospectus.

11.1.1 Historical audited combined statements of profit or loss and other comprehensive income of our Group

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
Revenue	207,975	323,834	395,216
Cost of sales	(186,771)	(288,573)	(349,983)
GP	21,204	35,261	45,233
Other income	3,845	665	4,161
Administrative expenses	(13,462)	(18,173)	(22,413)
Net impairment loss on financial assets	(986)	-	(129)
Other expenses	(364)	(69)	(4,999)
Operating profit	10,237	17,684	21,853
Finance income	281	356	1,009
Finance costs	(551)	(480)	(578)
PBT	9,967	17,560	22,284
Tax expense	(2,246)	(1,385)	(6,276)
PAT	7,721	16,175	16,008
Other comprehensive (loss)/income, net of tax			
Revaluation reserve	-	-	154
Foreign currency exchange differences	(17)	(27)	37
Total comprehensive income	7,704	16,148	16,199
PAT attributable to:			
- Owners of the Company	6,685	13,947	13,824
- Non-controlling interests ⁽¹⁾	1,036	2,228	2,184
	7,721	16,175	16,008
Total comprehensive income attributable to:			
- Owners of the Company	6,670	13,923	13,988
- Non-controlling interests ⁽¹⁾	1,034	2,225	2,211
	7,704	16,148	16,199

11. FINANCIAL INFORMATION (Cont'd)

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
EBIT ⁽²⁾	14,422	21,915	27,058
EBITDA ⁽²⁾	35,434	45,068	54,841
Assumed no. of Shares in issue			
- After the Acquisitions ⁽³⁾ ('000)	308,000	308,000	308,000
- After the Public Issue ⁽⁴⁾ ('000)	440,000	440,000	440,000
Basic and diluted EPS			
- After the Acquisitions ⁽⁵⁾ (sen)	2.51	5.25	5.20
- After the Public Issue ⁽⁶⁾ (sen)	1.75	3.68	3.64
GP margin ⁽⁷⁾ (%)	10.20	10.89	11.45
EBIT margin ⁽⁸⁾ (%)	6.93	6.77	6.85
EBITDA margin ⁽⁹⁾ (%)	17.04	13.92	13.88
PBT margin ⁽¹⁰⁾ (%)	4.79	5.42	5.64
PAT margin ⁽¹¹⁾ (%)	3.71	4.99	4.05

Notes:

- (1) Non-controlling interests are held by our Promoters, namely Lee Kim Seng and Ir. Oh Chin Wah.
- (2) EBIT and EBITDA is calculated as follows:

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
PAT	7,721	16,175	16,008
Add:			
➤ Tax expense	2,246	1,385	6,276
➤ Finance costs	551	480	578
➤ Finance costs recognised in cost of sales	4,185	4,231	5,205
Less:			
➤ Finance income	(281)	(356)	(1,009)
EBIT	14,422	21,915	27,058
Add: Depreciation	21,012	23,153	27,783
EBITDA	35,434	45,068	54,841

- (3) Based on assumed number of Shares in issue of 308,000,000 after the Acquisitions, but before the Public Issue.
- (4) Based on assumed number of Shares in issue of 440,000,000 after the Public Issue.
- (5) Based on PAT divided by the assumed number of Shares in issue of 308,000,000 after the Acquisitions, but before the Public Issue. PAT was adopted on the basis that there will not be any non-controlling interests given that upon completion of the Acquisitions, we will own 100.00% equity interests in our Subsidiaries.
- (6) Based on PAT divided by the assumed number of Shares in issue of 440,000,000 after the Public Issue. PAT was adopted on the basis that there will not be any non-controlling interests given that upon completion of the Acquisitions, we will own 100.00% equity interests in our Subsidiaries.
- (7) GP margin is calculated based on GP divided by revenue.
- (8) EBIT margin is calculated based on EBIT divided by revenue.
- (9) EBITDA margin is calculated based on EBITDA divided by revenue.
- (10) PBT margin is calculated based on PBT divided by revenue.
- (11) PAT margin is calculated based on PAT divided by revenue. PAT was adopted on the basis that there will not be any non-controlling interests given that upon completion of the Acquisitions, we will own 100.00% equity interests in our Subsidiaries.

11. FINANCIAL INFORMATION (Cont'd)

There was no share of profits of associated companies or joint ventures, and no exceptional or extraordinary items throughout the Financial Years Under Review. The audited combined financial statements of our Group for the Financial Years Under Review were not subject to any qualification or modification.

11.1.2 Historical audited combined statements of financial position of our Group

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	136,391	149,109	181,892
Investment properties	5,597	8,891	5,982
Goodwill on consolidation	684	684	684
Deferred tax assets	1,636	2,396	990
Total non-current assets	144,308	161,080	189,548
Current assets			
Trade receivables	62,583	89,457	70,059
Other receivables	12,055	27,536	22,953
Contract assets	41,449	42,801	70,596
Tax recoverable	2,906	337	970
Deposits with licensed banks	12,879	25,988	31,317
Cash and bank balances	11,885	8,457	10,449
	143,757	194,576	208,344
Assets held for sale	-	-	3,960
Total current assets	143,757	194,576	212,304
Total assets	288,065	355,656	401,852
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11,788	11,788	11,916
Reserve	(17)	(40)	124
Retained earnings	83,248	97,194	103,209
	95,019	108,942	115,249
Non-controlling interests	13,121	15,345	16,275
Total equity	108,140	124,287	131,524
LIABILITIES			
Non-current liabilities			
Lease liabilities	36,085	38,062	49,239
Borrowings	7,771	7,616	8,083
Deferred tax liabilities	5,844	6,447	8,116
Total non-current liabilities	49,700	52,125	65,438
Current liabilities			
Trade payables	36,941	59,715	60,952
Other payables	41,640	55,717	89,643
Contract liabilities	6,546	17,301	10,772
Amount due to Directors	4,722	2,335	-
Lease liabilities	22,767	25,882	24,129
Borrowings	17,520	18,253	18,874
Tax payable	89	41	520
Total current liabilities	130,225	179,244	204,890
Total liabilities	179,925	231,369	270,328
Total equity and liabilities	288,065	355,656	401,852

11. FINANCIAL INFORMATION (Cont'd)**11.2 CAPITALISATION AND INDEBTEDNESS**

The following table sets out our Group's capitalisation and indebtedness:

- (i) as at 30 April 2025 based on our unaudited combined statements of financial position, after taking into account the Acquisitions but before the Public Issue and use of proceeds;
- (ii) after adjusting for the proceeds arising from the Public Issue and use of proceeds from the Public Issue.

	Unaudited as at 30 April 2025	After the Acquisitions	After the Public Issue and Share Transfer	After the Listing ⁽²⁾
	RM'000	RM'000	RM'000	RM'000
INDEBTEDNESS				
<u>Current</u>				
Secured and guaranteed:				
- Bankers' acceptance	-	21,321	21,321	21,321
- Term loans	-	818	818	818
- Bank overdraft	-	2,352	2,352	2,352
- Lease liabilities ⁽¹⁾	-	22,881	22,881	22,881
	-	47,372	47,372	47,372
<u>Non-current</u>				
Secured and guaranteed:				
- Term loans	-	5,984	5,984	5,984
- Lease liabilities ⁽¹⁾	-	55,455	55,455	55,455
	-	61,439	61,439	61,439
Total Indebtedness	-	108,811	108,811	108,811
CAPITALISATION				
Share capital, representing total capitalisation	128	131,651	[•]	[•]
Total capitalisation and indebtedness	128	240,462	[•]	[•]
Gearing ratio (times) *	-	0.83	[•]	[•]

Notes:

* Gearing ratio is calculated based on total indebtedness divided by our total capitalisation.

(1) Lease liabilities comprise hire purchase facilities.

(2) Includes the use of proceeds from our Public Issue as set out in Section 11.11 of this Prospectus.

11. FINANCIAL INFORMATION (Cont'd)

11.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following management's discussion and analysis relates to the historical financial information of our Group for the Financial Years Under Review should be read together with the Accountants' Report as set out in Section 12 of this Prospectus.

The management's discussion and analysis contain data derived from our audited combined financial statements as well as forward-looking statements that involve risks and uncertainties. The results may differ significantly from those projected in these forward-looking statements. Factors that may cause future results to differ significantly from those included in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the risk factors as set out in Section 8 of this Prospectus.

11.3.1 Overview of our operations

(i) Business activities

Our Company is an investment holding company, Through our Subsidiaries, we are principally involved in the provision of foundation and geotechnical services, as well as other related services. Our services mainly focus on construction activities conducted below ground level, for the purpose of providing a stable foundation to uphold the load of buildings and infrastructure built above ground level.

Our Group business activities are segmented as follows:

- (a) Foundation and geotechnical services; and
- (b) Other related services.

We are typically engaged by our customers to provide (i) build-only services or (ii) design-and-build, with details as follows:

(a) Build-only service

We provide foundation and geotechnical works, and other related services according to designs provided by our customers.

(b) Design-and-build service

We design foundation and/or geotechnical systems according to our customers' requirements as well as provide the relevant works according to our design. The design of the foundation and/or geotechnical systems varies across different types of development (e.g. high-rise buildings, terraces and infrastructures), taking into account factors such as the types of terrain, soil conditions, mobility, climate, amongst others. We are equipped with geotechnical engineering expertise and industry knowledge to design foundation and/or geotechnical systems as well as provide optimal and cost-effective solutions that meet our customers' requirements in terms of functionality and cost considerations, without compromising on the quality of works.

Please refer to Section 6.3 of this Prospectus for further details on our business overview.

11. FINANCIAL INFORMATION (Cont'd)**(ii) Revenue**

Our revenue for the Financial Years Under Review can be segregated into the following segments:

(a) Foundation and geotechnical services

Our Group is involved in the provision of piling works, earth retaining structural works and sub-structure works for residential, commercial, industrial as well as infrastructure development. Our piling works and earth retaining structural works (save for steel sheet pile wall) are mainly carried out in-house using machinery and equipment owned by our Group, whereas sub-structure works are mainly outsourced to subcontractors in order to focus our resources on piling works and earth retaining structural works. Our Group may also outsource some piling works and earth retaining structural works to subcontractors in the event of resource constraints.

In respect of piling works, we mainly provide cast in-situ piling works, which are piles that are cast on-site by pouring ready-mix concrete into bored shafts. We undertake various types of piling works, whereby the adoption of each type of piling works depends on various factors, including the type of development, soil conditions and accessibility of the project sites as well as cost considerations of our customers.

In addition to cast in-situ piling works, our Group also offer jack-in piling works upon customers' requests. Jack-in piling works refer to installation of precast piles (i.e. piles that are cast off-site and transported to project sites for installation) into excavated shafts. We engages subcontractors to carry out jack-in piling works in order to focus our resources on cast in-situ piling works.

Our Group undertakes various types of earth-retaining structural works, whereby the adoption of each type of earth-retaining structural work depends on various factors, including the type of development, soil conditions and accessibility of the project sites as well as cost considerations by our customers.

Sub-structure works typically involves the excavation of soil to certain depths and the construction of retaining walls to prevent the surrounding soil from collapsing into the excavated area in order to form underground structures.

Geotechnical works involve geological modification and improvement of ground properties in terms of permeability, strength, capacity and density. It plays an essential role in enhancing the stability of soil and foundations built below ground level, which consequently affects the stability of structures built nearby or above the ground level. Our Group's geotechnical works are mainly carried out in-house using machinery and equipment owned by our Group. In the event of resource constraints, our Group may also outsource some geotechnical works to subcontractors.

(b) Other related services

To complement our foundation and geotechnical service offerings, we also provide other related services such as earthworks, steel strutting, earthing, construction of bridges, roads and drainage upon customers' requests. These services are either carried out in-house by our Group or outsourced to subcontractors, depending on the type of works and availability of internal resources.

Revenue from our principal activities stated above are recognised over time.

11. FINANCIAL INFORMATION (Cont'd)

(iii) Cost of sales

Our cost of sales for the Financial Years Under Review mainly comprises the following:

(a) Materials consumed

Comprise mainly ready-mix concrete, steel bars, API pipes and cement.

(b) Subcontractor costs

Comprise mainly sub-structure works, earthworks, and other services such as steel strutting, earthing, as well as construction of bridge, road and drainage.

(c) Upkeep and consumables

Comprise mainly upkeep of site machineries, upkeep of site equipment and consumables such as diesel, admixture and boring parts.

(d) Staff-related costs

Comprise mainly staff salaries, bonuses, allowances and statutory contributions.

(e) Depreciation of PPE

Mainly pertains to depreciation of site machineries and site equipment.

(iv) Other income

Our other income for the Financial Years Under Review mainly comprises reversal of provision for contract foreseeable losses and net gain on disposal of PPE.

(v) Administrative expenses

Our administrative expenses for the Financial Years Under Review mainly comprises staff-related costs, directors' remuneration and depreciation of PPE.

(vi) Other expenses

Our other expenses for the Financial Years Under Review mainly comprises bad debts written off, PPE written off, loss on disposal of IP and provision for contract foreseeable losses.

(vii) Finance income

Our finance income for the Financial Years Under Review mainly comprises interest income from deposits with licensed banks.

(viii) Finance costs

Our finance costs for the Financial Years Under Review mainly comprises interest expenses on term loans and bank overdraft.

(ix) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items during the Financial Years Under Review. In addition, our audited combined financial statements for the Financial Years Under Review were not subject to any audit qualifications.

11. FINANCIAL INFORMATION (Cont'd)

(x) Others

(a) Retention sum in trade receivables

Retention sum is a percentage of contract value, generally 10.00% of each progress billing, up to a maximum of 5.00% of the contract sum that is retained by our client as follows:

- (i) entire retention sum is to be retained throughout the contract period until the issuance of CPC; and
- (ii) half of the retention sum is to be retained until the end of the DLP and upon issuance of CMGD.

(b) Retention sum in trade payables

Similarly, we also retain 10.00% of each certified work done against our subcontractors as a retention sum, up to a maximum of 5.00% of the awarded subcontract value as follows:

- (i) entire retention sum is to be retained throughout the contract period until the issuance of CPC; and
- (ii) half of the retention sum is to be retained until the end of the DLP and upon issuance of CMGD.

(c) Contract assets

Contract assets primarily related to our Group's rights to receive consideration for work completed on construction services but not yet billed at the reporting date. Typically, the amount will be billed based on the terms stipulated in the signed contract.

(d) Contract liabilities

Contract liabilities primarily relate to the advanced consideration received from customers for the goods or services which are yet to be transferred or performed by the Group as at the reporting date. Examples of advanced consideration received are mobilisation fees invoiced to the customer prior to the commencement of projects, upfront payments that cover the initial costs of preparing for projects, or customers paying in advance for a construction project. The said billings issued have not been recognised as revenue until the Group has performed the services and delivered the goods to customers.

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11. FINANCIAL INFORMATION (Cont'd)**11.3.2 Review of our results of operations****(a) Revenue**

The breakdown of our Group's revenue by business segment for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Foundation and geotechnical services	203,673	97.93	⁽¹⁾ 298,646	92.22	⁽²⁾ 351,390	88.91
Other related services	4,302	2.07	⁽¹⁾ 25,188	7.78	⁽²⁾ 43,826	11.09
Total	207,975	100.00	⁽¹⁾ 323,834	100.00	⁽²⁾ 395,216	100.00

Notes:

- (1) Our revenue for FYE 2023 was netted of by the liquidated ascertainable damages ("LAD") incurred of RM5.74 million and RM0.61 million for the foundation and geotechnical services segment and other related services segment, respectively. These LADs resulted from the delay in the completion dates of two (2) residential development projects in the central region, ie. a residential development project in the central region (RM5.25 million) and M Arisa (RM1.10 million) project due to the movement controls implemented by the Government of Malaysia during the COVID-19 pandemic, which primarily resulted in the limited workforce's ability to access the site as well as the limitation in accessibility to the project sites due to narrow entrance and poor traffic and consequently resulted in these projects took longer period to completion. If excluding the LAD, our Group registered revenue of RM304.38 million and RM25.80 million for the foundation and geotechnical services segment and other related services segment, respectively.
- (2) Our revenue for the both foundation and geotechnical services segment and other related services segment have included LAD rebates from our customers of RM0.16 million and RM0.28 million, respectively. A rebate on LAD received from our customer following an extension of time granted for a residential development project in the central region of RM3.01 million upon the finalisation of the contract sum in FYE 2024. Such rebate received was offset by the LADs incurred for an infrastructure project and a residential development project, both in the central region, i.e. MRT 2 (RM1.47 million) and Skylon Residence Projects (RM1.11 million), resulting from the delay in the completion dates of two (2) projects, primarily due to the movement controls order implemented by the Government of Malaysia during the COVID-19 pandemic, which mainly resulted in the limited workforce's ability to access the site, the limitation in accessibility to the project sites as well as the soil conditions which required more piles and longer periods to complete these projects. If excluding the net effects of LAD, our Group registered revenue of RM351.23 million and RM43.55 million for the foundation and geotechnical services segment and other related services segment, respectively.

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11. FINANCIAL INFORMATION (Cont'd)

The breakdown of our Group's revenue by geographical location for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Peninsular Malaysia:- ⁽¹⁾						
- Central ⁽²⁾	149,318	71.80	226,400	69.91	302,563	76.56
- Eastern ⁽³⁾	39,081	18.79	66,369	20.50	59,813	15.13
- Northern ⁽⁴⁾	19,576	9.41	21,800	6.73	20,665	5.23
- Southern ⁽⁵⁾	-	-	9,265	2.86	12,175	3.08
Total	207,975	100.00	323,834	100.00	395,216	100.00

Our principal market is Malaysia as we provide our foundation and geotechnical services to customers solely in Peninsular Malaysia.

Notes:

- (1) The classification of our revenue by geographical region is based on the locations of our projects.
- (2) Central region comprises Kuala Lumpur and Selangor.
- (3) Eastern region comprises Pahang.
- (4) Northern region comprises Penang and Kedah.
- (5) Southern region comprises Melaka and Johor.

Commentary:Comparison between FYE 2022 and FYE 2023

Our revenue increased by RM115.85 million or 55.70% to RM323.83 million for FYE 2023 (FYE 2022: RM207.98 million), which was due to the increase in revenue from both the foundation and geotechnical services segment as well as other related services segment. The increase in revenue was primarily driven by the recovery of the construction sector following the endemic in April 2022 and the improvement of economic conditions thereafter. The construction industry's recovery post-COVID-19 pandemic resulted in higher demand for properties. As disclosed in the IMR Report, the demand for properties is further driven by various factors, including economic growth, rising affluence, and growing commercial and industrial sectors.

Foundation and geotechnical services segment was our primary revenue contributor, contributing RM298.65 million or 92.22% of our total revenue for FYE 2023 (FYE 2022: RM203.67 million or 97.93%).

Central region was our main revenue contributor, which recorded RM226.40 million or 69.91% of our total revenue for FYE 2023 (FYE 2022: RM149.32 million or 71.80% of total revenue). Our Group recorded revenue from the southern region by securing a commercial development project in Melaka during FYE 2023, which contributed a total revenue of RM9.27 million.

11. FINANCIAL INFORMATION (Cont'd)***Foundation and geotechnical services***

Revenue from our foundation and geotechnical services segment increased by RM94.98 million or 46.63% to RM298.65 million for FYE 2023 (FYE 2022: RM203.67 million), mainly attributable to the net increase in the number of projects by 15 projects in FYE 2023 (including new projects which commenced the construction activities in FYE 2023). The total revenue contributed by new projects was RM174.25 million for FYE 2023 (FYE 2022: RM92.28 million), whereas the total revenue contributed by ongoing projects was RM124.40 million for FYE 2023 (FYE 2022: RM111.39 million). The increase in revenue was primarily due to higher revenue contributions from some of the new and ongoing projects which achieved further stage of completion during FYE 2023, primarily driven by:

- (i) revenue from the new projects which commenced their construction activities during FYE 2023, predominantly from the following:
 - a residential development project in the central region, which contributed RM29.81 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 64.22% for FYE 2023;
 - GENTING XINTIANDI (Phase 1A and 1B), a mixed development project in the eastern region, which contributed RM20.77 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 57.45% for FYE 2023;
 - a residential development project in the central region, which contributed RM19.43 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 58.01% for FYE 2023; and
 - Antara 2, a residential development project in the eastern region, which contributed RM15.62 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 53.88% for FYE 2023.
- (ii) the increase in revenue from ongoing projects since FYE 2022 was predominantly from the following:
 - a residential development project in the central region, which contributed to the growth in revenue of RM20.16 million or 283.94% to RM27.26 million for FYE 2023 (after being offset by the LAD incurred of RM4.68 million) (FYE 2022: RM7.10 million) due to this project achieving a higher percentage of completion, with a further completion stage of 83.34% for FYE 2023 (FYE 2022: 16.45%), contributed mainly from the piling works, slope stabilisation works and sub-structure works; and
 - Penang International Commercial City (Phase 2B), a residential development project in the northern region, which contributed to the growth in revenue of RM15.37 million or 288.37% to RM20.70 million for FYE 2023 (FYE 2022: RM5.33 million) due to this project achieving a higher percentage of completion, with a further completion stage of 76.80% for FYE 2023 (FYE 2022: 21.33%), contributed mainly from the bored piling works.

The above increases were partially offset by the decrease in revenue from an ongoing project, Dwitara Residence (Phase 2A), a residential development project in the central region, which contributed to the decrease in revenue of RM27.99 million or 81.34% to RM6.42 million for FYE 2023 (FYE 2022: RM34.41 million) as major bored piling works were completed in FYE 2022 and achieved a lower percentage of completion, with a further completion stage of 15.10% for FYE 2023 (FYE 2022: 80.91%).

11. FINANCIAL INFORMATION (Cont'd)***Other related services***

Revenue from our other related services segment increased by RM20.89 million or 485.81% to RM25.19 million for FYE 2023 (FYE 2022: RM4.30 million), mainly attributable to the higher revenue contributions from certain new and on-going projects. Our Group undertaken 34 projects during FYE 2023 (FYE 2022: 33 projects). The total revenue contributed by new projects was RM18.91 million for FYE 2023 (FYE 2022: RM2.11 million), whereas the total revenue contributed by ongoing projects was RM6.28 million for FYE 2023 (FYE 2022: RM2.19 million). The increase in revenue was primarily driven by revenue from the following projects undertaken during FYE 2023:

- GENTING XINTIANDI (Phase 1A and 1B), a new mixed development project in the eastern region, which contributed RM12.27 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 57.45% for FYE 2023;
- Ativo Annexe, a new mixed development project in the central region, which contributed RM1.45 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 3.10% for FYE 2023;
- a new residential development project in the central region, which contributed RM1.34 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 64.22% for FYE 2023;
- Alora Residences, a new residential development project in the central region, which contributed RM1.15 million to our revenue for FYE 2023 (FYE 2022: Nil) and achieved percentage of completion of 63.94% for FYE 2023; and
- the increase in revenue from an on-going project, a residential development project in the central region, which contributed to the growth in the revenue of RM3.16 million or 359.09% to RM4.04 million for FYE 2023 (after being offset by the LAD incurred of RM0.58 million) (FYE 2022: RM0.88 million) due to this project achieving higher percentage of completion, with a further completion stage of 83.34% for FYE 2023 (FYE 2022: 16.45%), contributed mainly from earthworks.

Comparison between FYE 2023 and FYE 2024

Our revenue increased by RM71.39 million or 22.05% to RM395.22 million for FYE 2024 (FYE 2023: RM323.83 million), which was due to the increase in revenue from both foundation and geotechnical services segment as well as other related services segment. The increase in revenue was primarily due to the higher continuous demand for properties creates demand for foundation and geotechnical services. As disclosed in the IMR Report, the demand for properties is further driven by various factors, including economic growth and rising affluence, growing commercial and industrial sectors, as well as an increased population and urbanisation.

Foundation and geotechnical services segment remained our primary revenue contributor, contributing RM351.39 million or 88.91% of our total revenue for FYE 2024 (FYE 2023: RM298.65 million or 92.22%).

Central region remained our main revenue contributor, which recorded RM302.56 million or 76.56% of our total revenue for FYE 2024 (FYE 2023: RM226.40 million or 69.91% of total revenue). Our revenue from the southern region increased further from RM9.27 million for FYE 2023 to RM12.18 million for FYE 2024, which was driven by our Group securing a residential development project and a commercial development project in Johor during FYE 2024, which collectively contributed total revenue of RM8.99 million in FYE 2023.

11. FINANCIAL INFORMATION (Cont'd)***Foundation and geotechnical services***

Revenue from our foundation and geotechnical services segment increased by RM52.74 million or 17.66% to RM351.39 million for FYE 2024 (FYE 2023: RM298.65 million), mainly attributable to the net increase in the number of projects by 12 projects during FYE 2024 (including new projects which commenced the construction activities in FYE 2024). The total revenue contributed by new projects was RM178.79 million for FYE 2024 (FYE 2023: RM174.25 million), whereas the total revenue contributed by ongoing projects was RM172.60 million for FYE 2024 (FYE 2023: RM124.40 million). The increase in revenue was primarily due to higher revenue contributions from certain new and ongoing projects which achieved further stage of completion during FYE 2024, primarily driven by:

- (i) the revenue from new projects during FYE 2024, predominantly from the following:
 - MapleTree Logistics Hub, a industrial development project in the central region, which contributed RM28.00 million to our revenue for FYE 2024 (FYE 2023: Nil) and achieved percentage of completion of 100.00% for FYE 2024;
 - Sunway Serene 2, a residential development project in the central region, which contributed RM21.29 million to our revenue for FYE 2024 (FYE 2023: Nil) and achieved percentage of completion of 50.21% for FYE 2024;
 - Infineon Phase 3, a industrial development project in the northern region, which contributed RM13.95 million to our revenue for FYE 2024 (FYE 2023: Nil) and achieved percentage of completion of 78.40% for FYE 2024;
 - Astrum, a residential development project in the central region, which contributed RM13.05 million to our revenue for FYE 2024 (FYE 2023: Nil) and achieved percentage of completion of 79.31% for FYE 2024;
 - The Ashwood, a residential development project in the central region, which contributed RM12.56 million to our revenue for FYE 2024 (FYE 2023: Nil) and achieved percentage of completion of 68.08% for FYE 2024; and
 - Anja Residences, a residential development project in the central region, which contributed RM12.34 million to our revenue for FYE 2024 (FYE 2023: Nil) and achieved percentage of completion of 76.66% for FYE 2024;
- (ii) increased revenue from an ongoing project, Ativo Annexe, a mixed development project in the central region, which contributed to the growth in revenue of RM21.22 million or 1,071.72% to RM23.20 million for FYE 2024 (FYE 2023: RM1.98 million) due to this project achieving a higher percentage of completion, with a further completion stage of 53.65% for FYE 2024 (FYE 2023: 3.10%), contributed mainly from the piling works and sub-structure works.

The above increases were partially offset by the decrease in revenue from certain on-going projects, primarily driven by the following:

- (i) decrease in revenue from a residential development project in the central region, which contributed to the decrease in revenue of RM23.73 million or 87.05% to RM3.53 million for FYE 2024 (including rebate on LAD from our customers of RM2.68 million) (FYE 2023: RM27.26 million) as the project was near completion by FYE 2023 due to major piling works, slope stabilisation works and sub-structure works having been carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 0.21% for FYE 2024 (FYE 2023: 83.34%) and completed during FYE 2024;

11. FINANCIAL INFORMATION (Cont'd)

- (ii) decrease in revenue from Penang International Commercial City (Phase 2B), a residential development project in the northern region, which contributed to the decrease in revenue of RM20.55 million or 99.28% to RM0.15 million for FYE 2024 (FYE 2023: RM20.70 million) as the project was near completion due to major bored piling works having been carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 1.87% for FYE 2024 (FYE 2023: 76.80%) and completed during FYE 2024;
- (iii) decrease in revenue from M Astra, a residential development project in the central region, which contributed to the decrease in revenue of RM15.37 million or 98.91% to RM0.17 million for FYE 2024 (FYE 2023: RM15.54 million) as the project being near completion due to major bored piling works and sub-structure works having been carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 0.80% for FYE 2024 (FYE 2023: 80.17%);
- (iv) decrease in revenue from a residential development project in the central region, which contributed to the decrease in revenue of RM14.63 million or 49.08% to RM15.18 million for FYE 2024 (FYE 2023: RM29.81 million) as major piling works were carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 35.78% for FYE 2024 (FYE 2023: 64.22%) and completed during FYE 2024; and
- (v) decrease in revenue from BBT2, a residential development project in the central region, which contributed to the decrease in revenue of RM14.55 million or 93.63% to RM0.99 million for FYE 2024 (FYE 2023: RM15.54 million) as the project was near completion due to major piling works were carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 1.69% for FYE 2024 (FYE 2023: 85.41%) and completed during FYE 2024.

Other related services

Revenue from our other related services segment increased by RM18.64 million or 74.00% to RM43.83 million for FYE 2024 (FYE 2023: RM25.19 million), mainly attributable to the net increase in the number of projects by four (4) projects (including new projects which commenced the construction activities in FYE 2024). The total revenue contributed by new projects was RM3.82 million for FYE 2024 (FYE 2023: RM18.91 million), whereas the total revenue contributed by ongoing projects was RM40.01 million for FYE 2024 (FYE 2023: RM6.28 million). The increase in revenue was primarily due to revenue from certain projects, primarily driven by the net effects of the following:

- (i) increase in revenue from an ongoing project, Ativo Annexe, a mixed development project in the central region, which contributed to the growth in revenue of RM34.74 million or 2,395.86% to RM36.19 million for FYE 2024 (FYE 2023: RM1.45 million) due to this project achieving a higher percentage of completion, with a further completion stage of 53.65% for FYE 2024 (FYE 2023: 3.10%), contributed mainly from the earthworks;
- (ii) Astrum, a new residential development project in the central region, which contributed RM1.31 million to our revenue for FYE 2024 (FYE 2023: Nil) and achieved percentage of completion of 79.31% for FYE 2024;
- (iii) decrease in revenue from an on-going project, GENTING XINTIANDI (Phase 1A and 1B), a mixed development project in the eastern region, which contributed to the decrease in revenue of RM11.41 million or 92.99% to RM0.86 million for FYE 2024 (FYE 2023: RM12.27 million) as major earthworks were carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 42.55% for FYE 2024 (FYE 2023: 57.45%) and completed during FYE 2024;

11. FINANCIAL INFORMATION (Cont'd)

- (iv) decrease in revenue from a project, a residential development in the central region, which contributed to the decrease in revenue of RM4.33 million or 107.18% to reversal of RM0.29 million for FYE 2024 (including rebate on LAD from our customers of RM0.33 million) (FYE 2023: RM4.04 million) as the project was near completion by FYE 2023 due to major earthworks having been carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 0.21% for FYE 2024 (FYE 2023: 83.34%) and completed during FYE 2024; and
- (v) decrease in revenue from a project, a residential development project in the central region, which contributed to the decrease in revenue of RM1.09 million or 81.34% to RM0.25 million for FYE 2024 (FYE 2023: RM1.34 million) as major earthworks were carried out during FYE 2023, which achieved a lower percentage of completion, with a further completion stage of 35.78% for FYE 2024 (FYE 2023: 64.22%) and completed during FYE 2024.

(b) Cost of sales, GP and GP margin**Analysis of cost of sales by cost component**

A breakdown of our cost of sales by cost component for the Financial Years Under Review is as follows:

By cost component	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Subcontractor costs ⁽¹⁾	42,275	22.63	83,162	28.82	110,833	31.67
Materials consumed ⁽¹⁾	46,062	24.66	77,874	26.98	102,747	29.36
Upkeep and consumables ⁽¹⁾	34,546	18.50	42,673	14.79	42,663	12.19
Staff-related costs	23,763	12.72	34,965	12.12	40,082	11.45
Depreciation of PPE	19,305	10.34	21,461	7.44	26,020	7.44
Rental ^{(1) (2)}	11,107	5.95	16,003	5.54	12,685	3.62
Interest expenses ⁽³⁾	4,185	2.24	4,231	1.47	5,205	1.49
Site operating expenses ⁽¹⁾	3,354	1.80	4,494	1.56	5,846	1.67
Others ⁽⁴⁾	2,174	1.16	3,710	1.28	3,902	1.11
Total	186,771	100.00	288,573	100.00	349,983	100.00

Notes:

- (1) These costs incurred may vary based on the design of the systems used across different types of developments (e.g. high-rise buildings, terraces and infrastructures), taking into account factors such as the types of terrain, soil conditions, mobility, climate, amongst others.
- (2) Comprises mainly rental of machinery.
- (3) Comprises interest on lease liabilities are in relation to machinery and site equipment purchased under hire purchase arrangements, interest on bankers' acceptances, interest on invoice financing and interest on bank guarantees for secured projects.
- (4) Comprises mainly professional fees such as consultancy fees mainly for site inspection, testing and inspection charges as well as entertainment expenses.

11. FINANCIAL INFORMATION (Cont'd)**Commentary:**Comparison between FYE 2022 and FYE 2023

Our cost of sales increased by RM101.80 million or 54.51% to RM288.57 million for FYE 2023 (FYE 2022: RM186.77 million), mainly attributable to the following costs, which increased in tandem with the increase in our revenue:

- (i) increase in subcontractor costs by RM40.88 million or 96.69% to RM83.16 million for FYE 2023 (FYE 2022: RM42.28 million);
- (ii) increase in materials consumed by RM31.81 million or 69.06% to RM77.87 million for FYE 2023 (FYE 2022: RM46.06 million); and
- (iii) increase in upkeep and consumables by RM8.12 million or 23.50% to RM42.67 million for FYE 2023 (FYE 2022: RM34.55 million).

Our Group recorded higher subcontractor costs for FYE 2023, which increased by 96.69%, at a rate higher than our revenue growth rate of 55.70%, primarily attributed to more projects for sub-structure works being undertaken during FYE 2023, in which we generally outsourced to subcontractors.

The increase in cost of sales was also due to the increase in staff-related costs by RM11.21 million or 47.18% to RM34.97 million for FYE 2023 (FYE 2022: RM23.76 million), mainly attributed to the increase in labour wages due to the increase in average foreign worker headcount from 280 workers for FYE 2022 to 374 workers for FYE 2023 and higher overtime costs and incentives incurred for foreign workers as well as increase in salaries as increase in average staff headcount from 133 staff for FYE 2022 to 153 staff for FYE 2023, mainly from operation department and higher annual salary increments in FYE 2023 as well as bonuses incurred for FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our cost of sales increased by RM61.41 million or 21.28% to RM349.98 million for FYE 2024 (FYE 2023: RM288.57 million), mainly attributable to the following costs, which increased in tandem with the increase in our revenue:

- (i) increase in materials consumed by RM24.88 million or 31.95% to RM102.75 million for FYE 2024 (FYE 2023: RM77.87 million); and
- (ii) increase in subcontractor costs by RM27.67 million or 33.27% to RM110.83 million for FYE 2024 (FYE 2023: RM83.16 million).

Our Group incurred higher costs from materials consumed for FYE 2024, which increased by 31.95% despite our revenue growth by 22.05%, primarily due to higher material costs incurred by foundation and geotechnical services segment, contributed mainly by a new industrial development project in the central region undertaken during FYE 2024 as a result of more ready-mix concrete required for this bore piling work due to the nature of the soil condition.

Our Group incurred higher subcontractor costs for FYE 2024, which increased by 33.27% despite our revenue growth by 22.05%, primarily attributed to higher subcontractor costs incurred for sub-structure works, mainly due to more projects being undertaken during FYE 2024 as well as higher subcontractors costs incurred as a result of the unfavourable soil conditions of a mixed development project in the central region.

Our staff-related costs increased by RM5.11 million or 14.61% to RM40.08 million for FYE 2024 (FYE 2023: RM34.97 million), mainly due to the increase in labour wages as the increase in average foreign worker headcount from 374 workers for FYE 2023 to 443 workers for FYE 2024 and higher overtime costs and incentives incurred for foreign workers as well as increase in salaries as increase in average staff headcount from 153 staff for FYE 2023 to 191 staff for FYE 2024, mainly from operation department.

11. FINANCIAL INFORMATION (Cont'd)**Analysis of cost of sales by business segment**

A breakdown of our cost of sales by business segment for the Financial Years Under Review is as follows:

By business segment	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Foundation and geotechnical services	182,721	97.83	266,662	92.41	310,129	88.61
Other related services	4,050	2.17	21,911	7.59	39,854	11.39
Total	186,771	100.00	288,573	100.00	349,983	100.00

Analysis of GP and GP margins by business segment

The breakdown of our Group's GP and GP margin by business segments for the Financial Years Under Review are as follows:

GP	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Foundation and geotechnical services	20,952	98.81	31,984	90.70	41,261	91.22
Other related services	252	1.19	3,278	9.30	3,972	8.78
Total	21,204	100.00	35,261	100.00	45,233	100.00

GP margin	Audited FYE		
	2022	2023	2024
	%	%	%
Foundation and geotechnical services	10.29	10.71	11.74
Other related services	5.86	13.01	9.06
Overall GP margin	10.20	10.89	11.45

Commentary:**Comparison between FYE 2022 and FYE 2023**

Our cost of sales increased by RM101.80 million or 54.51% to RM288.57 million for FYE 2023 (FYE 2022: RM186.77 million), which was attributable to the increase in cost of sales from both foundation and geotechnical services segment as well as other related services segment, which grew in tandem with our revenue as explained above. Correspondingly, our GP increased by RM14.06 million or 66.32% to RM35.26 million for FYE 2023 (FYE 2022: RM21.20 million).

Our Group recorded a lower GP margin for FYE 2022, mainly driven by the delay in the completion of projects secured prior to the movements control orders ("MCO") implemented by the Government of Malaysia during the COVID-19 pandemic, for which the prices for materials consumed, primarily for ready-mix concrete and steel bars, has increased as a result of the increase in global concrete and steel prices, as compared to the raw materials prices prior to the MCO. The increase in raw materials prices was primarily attributable to rising cost of production, recovering demand from construction activities post-MCO as well as supply chain disruptions. We were unable to pass on the increased costs to our customers in a timely manner due to pre-agreed contract prices with our customers despite the delay in the projects due to the MCO implemented by the Government of Malaysia during the COVID-19 pandemic. In addition, the lower GP margin for FYE 2022 was also attributed to higher costs incurred for certain ongoing residential development projects due to the unfavourable soil conditions, which arose from unforeseen ground conditions encountered during the course of piling works. As such, additional materials consumed costs incurred and longer periods required to complete the projects in order to strengthen the foundation.

11. FINANCIAL INFORMATION (Cont'd)

Our GP margin increased marginally from 10.20% for FYE 2022 to 10.89% for FYE 2023 mainly contributed by the increase in our GP margin from both the foundation and geotechnical services segment as well as other related services segment due to the reasons explained below.

Our GP of RM35.26 million and GP margin of 10.89% for FYE 2023 have been derived after being offset by the LAD of RM6.35 million incurred during FYE 2023 against our revenue for the reasons as explained in Section 11.3.2(a) above. For illustrative purposes only, if excluding the LAD, our Group would have recorded a GP of RM41.61 million and yielded a GP margin of 12.60% for FYE 2023, which was contributed by higher GP margin from both the foundation and geotechnical services segment as well as other related services segment due to the reasons as explained below.

Foundation and geotechnical services

Our cost of sales for our foundation and geotechnical services increased by RM83.94 million or 45.94% to RM266.66 million for FYE 2023 (FYE 2022: RM182.72 million), which increased in tandem with our revenue growth rate of 46.63%. Hence, our GP for this segment increased by RM11.03 million or 52.65% to RM31.98 million for FYE 2023 (FYE 2022: RM20.95 million).

Our GP margin increased from 10.29% for FYE 2022 to 10.71% for FYE 2023, primarily contributed by a new mixed development project and a residential project in the eastern region, which yielded a better GP margin than other projects, as the piling work for this project required specialised skills due to the machinery access restriction at the steep slope terrain (i.e. caisson piling works, which involved the manual excavation of soil). In addition, a slope stabilisation project undertaken during FYE 2023 yielded a better margin than other projects due to the familiarity with the site conditions.

Our revenue for FYE 2023 was netted off by LAD of RM5.74 million. For illustrative purposes only, if excluding the LAD, our revenue for this segment would have increased by 49.45%, which grew in tandem with the increase in our cost of sales of 45.94%, and our Group would have recorded an adjusted GP of RM37.72 million and yielded an adjusted GP margin of 12.39% for FYE 2023. The increase in the adjusted GP margin for FYE 2023 was mainly due to the reasons explained above.

Other related services

In tandem with our revenue growth in this segment, our cost of sales for this segment increased by RM17.86 million or 440.99% to RM21.91 million for FYE 2023 (FYE 2022: RM4.05 million). Our GP for this segment increased by RM3.03 million or 1,212.00% to RM3.28 million for FYE 2023 (FYE 2022: RM0.25 million), and our GP margin increased from 5.86% for FYE 2022 to 13.01% for FYE 2023, mainly due to the reason explained below, which was partially offset by the LAD incurred for FYE 2023.

For illustrative purposes only, if excluding the LAD of RM0.61 million, our Group would have recorded a GP of RM3.89 million and yielded a GP margin of 15.07% for FYE 2023. The increase in our adjusted GP and GP margin was mainly due to some of the new projects involving the earthworks being undertaken using our internal resources instead of sub-contractors that resulted in cost savings, as the earthworks involved cut and fill excavation rather than soil dumping through the licensed contractors.

Comparison between FYE 2023 and FYE 2024

Our cost of sales increased by RM61.41 million or 21.28% to RM349.98 million for FYE 2024 (FYE 2023: RM288.57 million), which was attributable to the increase in cost of sales from both foundation and geotechnical services segment as well as other related services segment, which grew in line with our revenue as explained in Section 11.3.2(a) above.

11. FINANCIAL INFORMATION (Cont'd)

Correspondingly, our GP increased by RM9.97 million or 28.28% to RM45.23 million for FYE 2024 (FYE 2023: RM35.26 million), which was driven by higher GP from the foundation and geotechnical services segment.

Our GP margin increased from 10.89% for FYE 2023 to 11.45% for FYE 2024 which contributed by the increase in our GP margin from the foundation and geotechnical services segment as explained below. The said improvement in GP margin was offset by the decrease in our GP margin from the other related services segment for the reasons explained below.

Our GP of RM45.23 million (FYE 2023: RM35.26 million) and GP margin of 11.45% (FYE 2023: 10.89%) for FYE 2024 was derived after being offset by the LAD rebates of RM0.43 million during FYE 2024 (FYE 2023: LAD incurred of RM6.35 million) against our revenue for the reasons as explained in Section 11.3.2(a) above. For illustrative purposes only, if excluding the LAD rebates, our Group would have recorded an adjusted GP of RM44.80 for FYE 2024 (FYE 2023: RM41.61 million) and yielded a lower adjusted GP margin of 11.35% for FYE 2024 (FYE 2023: 12.60%), mainly contributed by lower adjusted GP margin from other related services segment due to the reasons as explained below.

Foundation and geotechnical services

Our cost of sales for this segment increased by RM43.47 million or 16.30% to RM310.13 million for FYE 2024 (FYE 2023: RM266.66 million), which increased in tandem with our revenue growth for this segment as explained above. Correspondingly, our GP for this segment increased by RM9.28 million or 29.02% to RM41.26 million for FYE 2024 (FYE 2023: RM31.98 million) and our GP margin increased from 10.71% for FYE 2023 to 11.74% for FYE 2024. This was mainly due to the LAD recorded in FYE 2023 of RM5.74 million incurred during FYE 2023 and LAD rebates of RM0.16 million recorded during FYE 2024 for the reasons as explained in Section 11.3.2(a) above.

For illustrative purposes only, if excluding the LAD for FYE 2023 and LAD rebates for FYE 2024, our Group would have recorded an adjusted GP of RM41.11 million (FYE 2023: RM37.72 million) and yielded an adjusted GP margin of 11.70% for FYE 2024 (FYE 2023: 12.39%). The lower adjusted GP margin recorded was mainly attributable to higher material costs incurred for a new industrial development project in the central region undertaken during FYE 2024 as a result of the more ready-mix concrete required for this bore piling work due to the nature of the soil condition.

Other related services

Our cost of sales for our other related services increased by RM17.94 million or 81.88% to RM39.85 million for FYE 2024 (FYE 2023: RM21.91 million), which increased in tandem with our revenue growth for this segment as explained in Section 11.3.2(a) above. Hence, our GP for this segment increased marginally by RM0.69 million or 21.04% to RM3.97 million for FYE 2024 (FYE 2023: RM3.28 million).

Despite recording an increase in GP, our Group recorded a lower GP margin for this segment, which decreased from 13.01% for FYE 2023 to 9.06% for FYE 2024, mainly due to higher subcontractor costs incurred for this segment as a result of the unfavourable soil conditions of a mixed development project in the central region as well as the completion of the projects with high margin attributed from the cost savings as explained in FYE 2023.

Our GP and GP margin for this segment for FYE 2023 and FYE 2024 were derived after being offset by the net LAD of RM0.61 million and net LAD rebates of RM0.28 million against our revenue, respectively, for FYE 2023 and FYE 2024 for the reasons as explained in Section 11.3.2(a) above. For illustrative purposes only, if excluding the LAD, our Group would have recorded an adjusted GP of RM3.70 million (FYE 2023: RM3.89 million) and yielded an adjusted GP margin of 8.49% for FYE 2024 (FYE 2023: 15.07%). The decrease in the adjusted GP margin for FYE 2024 was mainly due to the reasons explained above.

11. FINANCIAL INFORMATION (Cont'd)**(c) Other income**

The breakdown of our other income for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Net gain on disposal of PPE	331	8.61	225	33.83	3,201	76.93
LAD received	-	-	-	-	545	13.10
Reversal of provision for contract foreseeable losses	2,865	74.51	35	5.26	-	-
Rental income	156	4.06	155	23.31	174	4.18
Sales of scrap ⁽¹⁾	279	7.26	183	27.52	228	5.48
Insurance compensation ⁽²⁾	94	2.44	67	10.08	1	0.02
Others ⁽³⁾	120	3.12	-	-	12	0.29
Total	3,845	100.00	665	100.00	4,161	100.00

Notes:

- (1) Comprises mainly sales of scrap metals.
- (2) Insurance compensation mainly for damaged site equipment and site machinery due to accidents.
- (3) Comprises mainly waiver of advances from a Director and government subsidy received.

Commentary:Comparison between FYE 2022 and FYE 2023

Our other income decreased by RM3.18 million or 82.60% to RM0.67 million for FYE 2023 (FYE 2022: RM3.85 million), mainly attributable to the decrease in reversal of provision for contract foreseeable losses of RM2.83 million or 98.61% to RM0.04 million for FYE 2023 (FYE 2022: RM2.87 million). The higher reversal of provision for contract foreseeable losses for FYE 2022 was mainly in relation to the losses of five (5) projects was recognised in FYE 2022.

Comparison between FYE 2023 and FYE 2024

Our other income increased by RM3.49 million or 520.90% to RM4.16 million for FYE 2024 (FYE 2023: RM0.67 million), mainly attributable to the following:

- (i) increase in net gain on disposal of PPE by RM2.97 million or 1,291.30% to RM3.20 million for FYE 2024 (FYE 2023: RM0.23 million), mainly due to the disposal of site machineries, comprises mainly boring machines and cranes, to third parties for replacement with newer site machineries; and
- (ii) there was a LAD received of RM0.55 million, pertaining to the late delivery of an IP, a freehold building under construction located in Kuala Lumpur, which was completed during FYE 2024 and classified under assets held for sale.

11. FINANCIAL INFORMATION (Cont'd)**(d) Administrative expenses**

The breakdown of our administrative expenses for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Depreciation of PPE	1,707	12.68	1,692	9.31	1,763	7.87
Directors' remuneration	1,138	8.45	1,508	8.30	1,812	8.08
Insurance and road tax	180	1.34	280	1.54	333	1.49
Legal and professional fees	392	2.91	453	2.49	453	2.02
Listing expenses	-	-	-	-	465	2.07
Staff-related costs	9,520	70.72	13,547	74.54	15,650	69.83
Stamp duty	37	0.28	139	0.77	311	1.39
Subscription fee	107	0.79	145	0.80	424	1.89
Upkeep expenses	126	0.94	196	1.08	402	1.79
Others ⁽¹⁾	255	1.89	213	1.17	800	3.57
Total	13,462	100.00	18,173	100.00	22,413	100.00

Note:

- (1) Comprise mainly entertainment expenses, travelling and transportation expenses as well as utilities.

Commentary:Comparison between FYE 2022 and FYE 2023

Our administrative expenses increased by RM4.71 million or 34.99% to RM18.17 million for FYE 2023 (FYE 2022: RM13.46 million), mainly attributable to the increase in staff-related costs by RM4.03 million or 42.33% to RM13.55 million for FYE 2023 (FYE 2022: RM9.52 million), mainly due to (i) the increase in salaries as increase in average staff headcount from 72 staff for FYE 2022 to 85 staff for FYE 2023; (ii) higher annual salary increments in FYE 2023; (iii) bonuses incurred for FYE 2023; and (iv) higher levies and insurance incurred for foreign workers.

Comparison between FYE 2023 and FYE 2024

Our administrative expenses increased by RM4.24 million or 23.34% to RM22.41 million for FYE 2024 (FYE 2023: RM18.17 million), mainly attributable to the following:

- (i) increase in staff-related costs by RM2.10 million or 15.50% to RM15.65 million for FYE 2024 (FYE 2023: RM13.55 million), mainly due to the increase in salaries as a result of the increase in average staff headcount from 85 staff for FYE 2023 to 109 staff for FYE 2024;
- (ii) increase in other administrative expenses by RM0.59 million or 280.95% to RM0.80 million for FYE 2024 (FYE 2023: RM0.21 million), primarily due to higher entertainment expenses arising from the annual dinner for FYE 2024 and absence of tax penalty refund related to prior years' tax audit; and
- (iii) there were listing expenses incurred for the Listing of RM0.47 million for FYE 2024 (FYE 2023: Nil).

11. FINANCIAL INFORMATION (Cont'd)**(e) Net impairment loss on financial assets**

The breakdown of our net impairment loss on financial assets for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Impairment loss on trade receivables	⁽¹⁾ 986	100.00	-	-	⁽²⁾ 262	203.10
Reversal of impairment loss on trade receivables	-	-	-	-	⁽³⁾ (133)	(103.10)
Total	986	100.00	-	-	129	100.00

Notes:

- (1) It was general impairment losses on trade receivables after excluding those impaired individual trade receivables, which were assessed separately. The higher impairment loss on trade receivables of RM0.99 million for FYE 2022 was primarily driven by the expected higher collection risk on receivables and changes in forward-looking macroeconomic assumptions.
- (2) It was specific impairment losses on individual trade receivables, which were mainly due to long outstanding debts and delay in payments by customers.
- (3) It was reversal of general impairment losses on trade receivables in FYE 2024 attributable to the general impairment loss balance previously recorded as at 31 December 2023, primarily driven by the expected lower collection risk on receivables and changes in forward-looking macroeconomic assumptions.

(f) Other expenses

The breakdown of our other expenses for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Bad debts written off ⁽¹⁾	304	83.52	-	-	-	-
Deposits written off	*	*	-	-	26	0.52
Fair value loss on IP ⁽²⁾	-	-	-	-	976	19.52
Loss on disposal of IP ⁽³⁾	25	6.87	25	36.23	36	0.72
PPE written off	35	9.61	44	63.77	49	0.98
Provision for contract foreseeable losses	-	-	-	-	3,912	78.26
Total	364	100.00	69	100.00	4,999	100.00

Notes:

* Less than RM1,000 and 0.01%.

- (1) Bad debts were written off for a customer due to uncollectible long outstanding trade debts.
- (2) Loss arising from the changes in fair value of the Group's investment properties under the fair value accounting policy for investment properties, which is in accordance with the relevant accounting standards.
- (3) Loss arising from the disposal of the Group's investment properties, i.e., the difference between the net disposal proceeds and the carrying amount of the asset, which is in accordance with the relevant accounting standards.

11. FINANCIAL INFORMATION (Cont'd)**Commentary:**Comparison between FYE 2022 and FYE 2023

Our other expenses decreased by RM0.29 million or 80.56% to RM0.07 million for FYE 2023 (FYE 2022: RM0.36 million), mainly attributable to the absence of bad debts written off in FYE 2023 (FYE 2022: RM0.30 million).

Comparison between FYE 2023 and FYE 2024

Our other expenses increased by RM4.93 million or 7,042.86% to RM5.00 million for FYE 2024 (FYE 2023: RM0.07 million), mainly attributable to the following:

- (i) there was provision for contract foreseeable losses of RM3.91 million for FYE 2024 (FYE 2023: reversal of provision for contract foreseeable losses of RM0.04 million), primarily due to additional materials costs and longer periods required to complete some of the new residential development projects in the central region to manage the challenging soil conditions as well as limitation in accessibility to the project site due to narrow entrance and poor traffic; and
- (ii) there was fair value loss on IP of RM0.98 million for FYE 2024 (FYE 2023: Nil).

(g) Finance income

The breakdown of our finance income for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Interest income:-						
Deposits with licensed banks	280	99.64	349	98.03	993	98.41
Bank balances	1	0.36	7	1.97	16	1.59
Total	281	100.00	356	100.00	1,009	100.00

Commentary:Comparison between FYE 2022 and FYE 2023

Our finance income increased by RM0.08 million or 28.57% to RM0.36 million for FYE 2023 (FYE 2022: RM0.28 million), mainly attributable to the increase in interest income from deposits with licensed banks by RM0.07 million or 25.00% to RM0.35 million for FYE 2023 (FYE 2022: RM0.28 million) as a result of higher placement of deposits during FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our finance income increased by RM0.65 million or 180.56% to RM1.01 million for FYE 2024 (FYE 2023: RM0.36 million), mainly attributable to the increase in interest income from deposits with licensed banks by RM0.64 million or 182.86% to RM0.99 million for FYE 2024 (FYE 2023: RM0.35 million) as a result of higher placement of deposits during FYE 2024.

11. FINANCIAL INFORMATION (Cont'd)**(h) Finance costs**

The breakdown of our finance costs for the Financial Years Under Review is as follows:

	Audited FYE					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Interest expenses:						
Bank overdraft	143	25.95	42	8.75	43	7.44
Lease liabilities ⁽¹⁾	18	3.27	21	4.38	23	3.98
Term loans	382	69.33	395	82.29	442	76.47
Bank charges	-	-	10	2.08	11	1.90
Bank guarantee ⁽²⁾	8	1.45	12	2.50	59	10.21
Total	551	100.00	480	100.00	578	100.00

Notes:

- (1) Interest on lease liabilities are in relation to motor vehicles purchased under hire purchase arrangements.
- (2) Interest on bank guarantees for tendering of projects.

Commentary:Comparison between FYE 2022 and FYE 2023

Our finance costs decreased by RM0.07 million or 12.73% to RM0.48 million for FYE 2023 (FYE 2022: RM0.55 million), mainly attributable to the decrease in interest on bank overdraft by RM0.10 million or 71.43% to RM0.04 million for FYE 2023 (FYE 2022: RM0.14 million) as a result of lower utilisation of bank overdraft during FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our finance costs increased by RM0.10 million or 20.83% to RM0.58 million for FYE 2024 (FYE 2023: RM0.48 million), mainly attributable to the following:

- (i) increase in bank guarantee fees by RM0.05 million or 500.00% to RM0.06 million for FYE 2024 (FYE 2023: RM0.01 million) as a result of higher bank guarantees to secure additional banking facility; and
- (ii) increase in interest on term loans by RM0.04 million or 10.00% to RM0.44 million for FYE 2024 (FYE 2023: RM0.40 million) as a result of purchase of IP comprises a freehold building under construction located in Kuala Lumpur, which was completed during FYE 2024 and classified under assets held for sale.

(i) Tax expense

The breakdown of our tax expense for the Financial Years Under Review is set out below:

	Audited FYE		
	2022	2023	2024
Tax expense (RM'000)	2,246	1,385	6,276
Effective tax rate (%) ⁽¹⁾	22.53	7.89	28.16
Malaysia statutory tax rate (%)	24.00	24.00	24.00
Singapore statutory tax rate (%)	17.00	17.00	17.00

Note:

- (1) Effective tax rate is calculated based on tax expenses divided by PBT.

11. FINANCIAL INFORMATION (Cont'd)**Commentary:**Comparison between FYE 2022 and FYE 2023

Our tax expenses decreased by RM0.86 million or 38.22% to RM1.39 million for FYE 2023 (FYE 2022: RM2.25 million) despite higher PBT recorded for FYE 2023. Such decrease was mainly due to lower deferred tax expenses, primarily due to utilisation of unabsorbed business losses which was under-recognised as deferred tax assets in the prior financial year of RM4.03 million.

Our effective tax rate of 22.53% for FYE 2022 was lower than the statutory tax rate, mainly attributable to the over recognised of deferred tax liabilities in prior financial year of RM4.19 million, primarily related to PPE, which was partially offset by the deferred tax assets not recognised of RM3.55 million, primarily related to unutilised business losses.

Our effective tax rate of 7.89% for FYE 2023 was lower than the statutory tax rate, mainly attributable to the utilisation of unabsorbed business losses which was under recognised as deferred tax assets in prior financial year of RM4.03 million and partially offset by under provision of tax expense in prior financial year of RM0.73 million.

Comparison between FYE 2023 and FYE 2024

Our tax expenses increased by RM4.89 million or 351.80% to RM6.28 million for FYE 2024 (FYE 2023: RM1.39 million), mainly attributable to higher PBT recorded for FYE 2024.

Our effective tax rate of 28.16% for FYE 2024 was higher than the statutory tax rate, mainly attributable to the expenses not deductible for tax of RM3.32 million, comprised mainly fair value loss on IP, legal and professional fees (such as legal fees for new banking facilities and tax fees), entertainment expenses, depreciation of non-qualifying assets, stamp duties and listing expenses.

(j) PBT, PBT margin, PAT and PAT margin

The PBT, PBT margin, PAT and PAT margin of our Group for the Financial Years Under Review are as follows:

	Audited FYE		
	2022	2023	2024
PBT (RM'000)	9,967	17,560	22,284
PBT margin (%)	4.79	5.42	5.64
PAT (RM'000)	7,721	16,175	16,008
PAT margin (%)	3.71	4.99	4.05

Commentary:Comparison between FYE 2022 and FYE 2023

We recorded an increase in PBT of RM7.59 million or 76.13% to RM17.56 million for FYE 2023 (FYE 2022: RM9.97 million) and our PBT margin also increased from 4.79% for FYE 2022 to 5.42% for FYE 2023. The increase in PBT and PBT margin was mainly due to the increase in GP and GP margin as explained in Section 11.3.2(b) above, which was partially offset by the higher administrative expenses as explained in Section 11.3.2(d) above and lower other income as explained in Section 11.3.2(c) above.

We recorded an increase in PAT of RM8.46 million or 109.59% to RM16.18 million for FYE 2023 (FYE 2022: RM7.72 million) and our PAT margin also increased from 3.71% for FYE 2022 to 4.99% for FYE 2023, mainly due to higher PBT and PBT margin for FYE 2023 as explained above and lower tax expenses for FYE 2023 as explained in Section 11.3.2(i) above.

11. FINANCIAL INFORMATION (Cont'd)Comparison between FYE 2023 and FYE 2024

We recorded an increase in PBT of RM4.72 million or 26.88% to RM22.28 million for FYE 2024 (FYE 2023: RM17.56 million) and our PBT margin also increased marginally from 5.42% for FYE 2023 to 5.64% for FYE 2024. The increase in PBT and PBT margin was mainly due to the increase in GP and GP margin as explained in Section 11.3.2(b) above, which was partially offset by the higher other expenses as explained in Section 11.3.2(f).

Nevertheless, we recorded a decrease in PAT of RM0.17 million or 1.05% to RM16.01 million for FYE 2024 (FYE 2023: RM16.18 million) and our PAT margin also decreased from 4.99% for FYE 2023 to 4.05% for FYE 2024, despite the higher PBT and PBT margin recorded for FYE 2024 as explained above. The decrease in PAT and PAT margin was mainly due to the higher tax expenses for FYE 2024, as explained in Section 11.3.2(i) above.

11.4 SIGNIFICANT FACTORS MATERIALLY AFFECTING OUR OPERATIONS AND FINANCIAL RESULTS

Our business operations and financial conditions have been and will continue to be affected by factors including, but not limited to, the following:

(a) We are exposed to unexpected interruptions or delays caused by geotechnical risk, machinery and equipment failures as well as other external factors, which may lead to interruptions in our operations

The time frame required to complete our foundation and geotechnical construction works may be adversely affected by various external factors which are beyond our control, which include:

- (i) exposure to geotechnical risks in the form of unforeseen geological conditions, including landslides, rock falls and mud flows;
- (ii) potential failure of machinery and equipment, as we rely on a series of machinery and equipment to provide foundation and geotechnical services to our customers; and
- (iii) others external factors including delays or inability to obtain approvals from various regulators as scheduled; shortage of labour as well as building materials in adequate amounts; unfavourable credit terms; delays or poor performance by subcontractors; and unforeseen circumstances affecting our customers' ability and willingness to pay us, amongst others.

These external factors may disrupt our work progress, increase the hazardous nature of our work and/or increase our overall project costs due to additional works required. All of which may result in cost overruns and/or delays in the completion of our works, thereby subject us to claims for LAD by our customers. Furthermore, in the event of cost overruns, our Group's cash flow and financial performance may be adversely affected.

In FYE 2023 and FYE 2024, our Group recorded LAD of RM6.35 million and RM2.58 million respectively, primarily resulted from the delay in the completion of three (3) residential development projects and one (1) infrastructure project in the central region. For further information on the impact of LAD to our Group's financial performances, please refer to Section 11.3.2 of this Prospectus.

For the Financial Years Under Review and up to the LPD, save for the aforementioned, there were no occurrences of geotechnical risk, machinery and equipment failures or other external factors that resulted in material disruptions to our service provisions and/or material cost overruns that had a material adverse impacts to our Group's financial performances and business prospects. However, there can be no assurance that these events will not happen in the future, and will not cause any adverse impact to our business operations, financial performance and prospects.

11. FINANCIAL INFORMATION (Cont'd)**(b) Our growth and profitability are dependent on our ability to continuously secure new projects and maintain or grow our order book**

Due to the nature of our business whereby we provide foundation and geotechnical services on a project basis, our financial performance may fluctuate and is dependent on our ability to continuously secure new projects. Failure to do so may result in a decline in our order book, which may lead to adverse impact to our growth and profitability.

In April 2025, the government of USA had announced an imposition of reciprocal tariff on import of goods from other countries, including Malaysia. In July 2025, the government of USA announced that effective 1 August 2025, the government of USA is imposing a 25% tariff (a 1% increase from the initial 24% tariff announced in April 2025) on imports from Malaysia. While the imposition of reciprocal tariff by the government of USA currently has no direct impact on the foundation and geotechnical industry or the construction industry in Malaysia, there can be no assurance that there will not be material adverse impact to our order book from ongoing projects with our major customers resulting from the imposition of reciprocal tariff, as the overall impact remains uncertain and is subject to the outcomes of negotiations between governments. Notwithstanding that, our Group does not foresee any potential major impact on our order book from ongoing projects with our major customers, as our Group solely operates in Malaysia as at LPD.

As at LPD, our order book amounted to a total of RM382.66 million. For the Financial Years Under Review and up to the LPD, we have not experienced major challenges in securing new projects and maintaining or growing our order book. However, there is no assurance that we will be able to maintain or grow our order book moving forward, as it is subject to various factors beyond our control, including market demand, competitive dynamics and economic conditions in Malaysia. Any unfavourable development of these factors may result in a decline in the demand for foundation and geotechnical services as a whole, which may consequently affect our project pipeline, hence adversely impacting our growth and profitability.

(c) We are exposed to contractual pricing mechanism which lacks flexibility for adjustment

Our projects are secured on contractual basis and our order book comprises mainly contracts awarded on:

- (i) firm-price basis, where the cost of wages, building materials, fuel, temporary works or transport, amongst others, shall be fixed (i.e. there shall be no adjustment on the agreed cost in the event of fluctuation or variation in prices, which may occur during the work progress); while the final contract sum is adjustable according to the actual measurement quantities at site; and
- (ii) lump-sum basis, where the final contract sum is fixed and cannot be adjusted.

Our Group has not experienced any cost overrun situations which had a material adverse impact on our profitability and financial performance in the Financial Years Under Review and up to the LPD. However, there is no assurance that we will be able to cover or avoid cost overruns for all our projects in the future, which may adversely affect our business operations, financial performance and prospects.

11. FINANCIAL INFORMATION (Cont'd)**(d) We are exposed to risks arising from defect liability periods, including claims from customers due to defective or unsatisfactory works by our Group and/or our subcontractors, as well as uncollectible retention sums**

The defect liability periods of our contracts range from one (1) to two (2) years from the receipt of CPC from our customers. Any findings of defective works or dissatisfaction amongst our customers within the defect liability period may give rise to claims against our Group, which may result in the incurrence of additional costs for the remediation or rectification works. This includes defective or unsatisfactory works that were performed by our subcontractors, whereby our Group will be held responsible for remediation or rectification. In addition, we may also be required to compensate our customers for the defective or unsatisfactory works, which may adversely affect our financial performance. While we may attempt to seek compensation from the relevant subcontractors, we may be required to compensate our customers prior to receiving compensation from subcontractors. In the event we are unable to seek compensation from subcontractors or the amount of the claims cannot be recovered in full, or at all, from the subcontractors, we may be required to bear some or all of the costs of the claims. These additional costs will increase our overall costs and may adversely impact our financial performance.

For the Financial Years Under Review and up to the LPD, we have not received or encountered any major complaints from our customers in relation to defective and unsatisfactory works during the defect liability period which require our Group to incur significant rectification or remedial costs, as well as incidences where our customers fail to release the retention sum to our Group upon the expiry of the defect liability period.

However, there is no assurance that we would not experience any defect liability claims or failure to collect all retention sum in full in the future, or that these incidences would not adversely impact our business operations, financial performance and prospects.

(e) We are exposed to credit risks and default payment by customers

We generally grant our customers a credit period of up to 60 days upon completion of a project milestone as stipulated in the respective contracts. In the event of not receiving payment within the credit period or default in payment by our customers, our operating cash flows or financial results of operations may be adversely affected. Further, it may also lead to impairment losses on financial assets or writing-off of trade receivables as bad debts, which may adversely affect our financial performance.

During the Financial Years Under Review, our impairment loss and bad debts does not had a material adverse impact to our Group's financial performance. Nevertheless, there can be no assurance that any delay or failure in receiving payments from our customers in the future may not result in trade receivables being written off as bad debts, which could have material adverse impact to our financial performance.

(f) Our insurance coverage may be inadequate to cover all losses or liabilities that may arise in connection with our operations

We maintain insurance at levels that are customary in our industry to protect against various losses and liabilities. As at the LPD, the insurance policies which our Group has taken up include contractors' all risk insurance, fire insurance, machineries and equipment insurance, professional indemnity and workmen compensation insurance, amongst others. However, there is no assurance that our insurance coverage is sufficient to cover all damages to our Group or business operations.

Moreover, we will be subject to the risk that we may not be able to maintain or obtain insurance of the type and amount desired at reasonable rates. In the event of increase in insurance premium in the future. In addition, if we were to incur a significant liability for which we were not fully insured, for instance major mishaps or major incidents, it may result us incurring additional cost that may adversely affect our business operations and financial performance.

11. FINANCIAL INFORMATION (Cont'd)

For the Financial Years Under Review and up to the LPD, we have not experienced any claims arising from major mishaps or major incidents which are not sufficiently covered by insurance and having a material adverse impact on our business operations and financial performance.

(g) We are exposed to borrowing and interest risks

Our Group's business operations are funded through a combination of internally generated funds and external financing from financial institutions and machinery leasing companies. Our total borrowings as at 31 December 2024 which consist of term loans, bankers acceptances, invoice financing and lease liabilities amounted to approximately RM100.32 million, all of which are borrowed from local financial institutions and machinery leasing company, and are interest bearing. As such, we have interest commitment due to loan or borrowings granted by financial institutions. Any additional borrowings or increase in interest rates which is beyond our control may adversely affect our profitability.

There can be no assurance that we will not increase our borrowings or that the current interest rate of our borrowings will be maintained in the future. Notwithstanding the above, For the Financial Years Under Review and up to the LPD, we have not experienced any substantial increase in interest rate which had adversely affected our profitability or financial performance.

(h) We are subject to fluctuation in prices and availability of building materials and raw materials

In carrying out our foundation and geotechnical services, we use a range of building materials (e.g. ready-mix concrete, steel bars, API pipes and cement), as well as other raw materials such as diesel. The prices of these materials are subject to fluctuations as a result of supply and demand conditions, geopolitical and economic conditions as well as potential disruptions in the supply chain. Our business and financial performance may be affected by the fluctuation in material prices as any unanticipated and substantial increase in the prices may result in cost overruns for our projects.

In FYE 2022, we recorded a lower GP margin as we were unable to pass on the increased material costs resulted from increase in prices for ready-mix concrete and steel bars to our customers. For further details of the impact of material price fluctuations to our GP margins, please refer to Section 11.2 of this Prospectus. Save for the aforementioned, we were generally able to pass on any substantial increase in material costs to our customers. Notwithstanding that, there is no assurance that we will be able to continue to pass on future increases in cost to our customers.

Further, for the Financial Years Under Review and up to the LPD, we have not experienced any shortage of building materials which had a material adverse effect on our Group's business operations and financial performance. However, moving forward, there can be no assurance that we will not be faced with shortage of building materials.

(i) Impact of inflation

There was no material impact of inflation on our Group's financial performance for the Financial Years Under Review.

However, there can be no assurance that any significant increase in the future inflation rate will not adversely affect our Group's business, financial performance or financial condition.

(j) Impact of Government, economic, fiscal or monetary policies

There were no government, economic, fiscal or monetary policies or factors which have materially affected our financial performance during the Financial Years Under Review. There can be no assurance that our financial performance will not be adversely affected by the impact of further changes in government, economic, fiscal or monetary policies or factors moving forward.

11. FINANCIAL INFORMATION (Cont'd)**11.5 LIQUIDITY AND CAPITAL RESOURCES****11.5.1 Working Capital**

Our operations are funded through cash generated from operations, credit extended by trade payables and/or financial institutions as well as cash and bank balances. Our facilities from financial institutions comprise bank overdraft, term loans, bankers' acceptances, invoice financing, lease liabilities and bank guarantees.

As at 31 December 2024, our Group has cash and bank balances of RM10.45 million, deposits with licensed banks of RM31.32 million, and working capital of RM7.41 million, being the difference between current assets of RM212.30 million and current liabilities of RM204.89 million. Our Group also recorded a net cash from operating activities of RM56.17 million for the FYE 2024.

Based on the above and after taking into consideration of the release and/or discharge of the personal guarantees given by Lee Kim Seng and/or his brother by substituting the same with corporate guarantees from our Company, our funding requirements for our committed capital expenditure, existing level of cash and bank balances, expected cash flows to be generated from our operations, and the estimated net proceeds from the Public Issue, our Board is of the view that we will have sufficient working capital for a period of 12 months from the date of this Prospectus.

11.5.2 Cash flows summary

The table below sets out the summary of our Group's historical audited combined statements of cash flows for the Financial Years Under Review:

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
Net cash from operating activities	37,267	45,778	56,170
Net cash used in investing activities	(8,664)	(3,953)	(5,385)
Net cash used in financing activities	(22,934)	(30,787)	(44,839)
Net increase in cash and cash equivalents	5,669	11,038	5,946
Cash and cash equivalents at the beginning of the financial years	11,912	17,585	28,630
Effect of exchange rate changes on cash and cash equivalents	4	7	(6)
Cash and cash equivalents at the end of the financial years	17,585	28,630	34,570
Cash and cash equivalents at end of the financial year comprise:			
Cash and bank balances	11,885	8,457	10,449
Deposits with licensed banks	12,879	25,988	31,317
	24,764	34,445	41,766
Less: Deposits pledged with licensed banks	(7,179)	(5,815)	(7,196)
	17,585	28,630	34,570

There are no legal, financial or economic restrictions on the ability of our subsidiaries to transfer funds to our Company in the form of cash dividends, loans or advances, subject to the availability of distributable reserves and compliance with financial covenants.

11. FINANCIAL INFORMATION (Cont'd)**Commentary:****Net cash from operating activities****FYE 2022**

For the FYE 2022, our operating profit before working capital changes was RM36.39 million. After adjusting for the following key items, our net cash from our operating activities was RM37.27 million:

- (i) decrease in net contract assets of RM8.48 million, mainly for billing milestones achieved for the work performed;
- (ii) increase in receivables of RM10.71 million, mainly due to the following:
 - (a) increase in trade receivables of RM8.08 million as higher billings were issued to customers in the last quarter of FYE 2022 as compared to FYE 2021 and higher retention sum receivable from our customers; and
 - (b) increase in other receivables of RM2.63 million, mainly due to the net effects of the following:
 - (aa) increase in prepayments of RM1.66 million, mainly due to higher prepayments of lease liabilities;
 - (bb) increase in advances to subcontractors of RM3.84 million, mainly for the purchases of materials; and
 - (cc) decrease in non-trade receivables of RM2.81 million, mainly due to outstanding proceed receipt from the disposal of an IP and a contra property in FYE 2021.
- (iii) increase in payables of RM4.07 million, mainly due to the net effects of the following:
 - (a) decrease in trade payables (excluding outstanding payables for the purchase of PPE) of RM1.99 million, mainly due to fewer jobs awarded to a subcontractor in FYE 2022; and
 - (b) increase in other payables of RM6.06 million, mainly due to the net effects of the following:
 - (aa) increase in accruals of RM9.10 million, mainly due to higher accruals of purchases of materials and subcontractor costs; and
 - (bb) decrease in provision for contract foreseeable losses of RM2.86 million, mainly due to there were reversal of provision for contract foreseeable losses for five (5) projects as these projects progress further in FYE 2023 which the loss is recognised.
- (iv) income tax refunded of RM0.03 million; and
- (v) income tax paid of RM0.99 million.

11. FINANCIAL INFORMATION (Cont'd)**FYE 2023**

For the FYE 2023, our operating profit before working capital changes was RM44.91 million. After adjusting for the following key items, our net cash from our operating activities was RM45.78 million:

- (i) decrease in net contract assets of RM9.40 million, mainly for billing milestones achieved for the work performed;
- (ii) increase in receivables of RM42.35 million, mainly due to the following:
 - (a) increase in trade receivables of RM27.77 million as higher billings were issued to customers in the last quarter of FYE 2023 as compared to FYE 2022 and higher retention sum receivable from our customers; and
 - (b) increase in other receivables of RM14.58 million, mainly due to the following:
 - (aa) increase in advances to subcontractors of RM8.41 million, mainly due to higher purchases of materials;
 - (bb) increase in non-trade receivables of RM0.72 million, mainly due to outstanding proceeds receivable from the disposal of an IP;
 - (cc) increase in deposits of RM4.02 million, mainly due to deposits paid for the purchase of IP (which was subsequently refunded in FYE 2024 as a result of the said transactions were being called off) and deposit paid for the purchase of site machineries; and
 - (dd) increase in prepayments of RM1.43 million, mainly due to higher prepayments of lease liabilities.
- (iii) increase in payables of RM32.84 million, mainly due to the following:
 - (a) increase in trade payables (excluding outstanding payables for the purchase of PPE) of RM18.76 million, mainly due to higher purchases made towards the end of FYE 2023;
 - (b) increase in other payables of RM14.08 million, mainly due to the following:
 - (aa) increase in accruals of RM12.48 million, mainly due to higher accruals of purchases of materials and subcontractor costs; and
 - (bb) increase in non-trade payables of RM1.75 million, mainly due to there were amount payables for the purchase of IP.
- (iv) income tax refunded of RM2.89 million as a result of overpayment of income tax in prior years; and
- (v) income tax paid of RM1.91 million.

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11. FINANCIAL INFORMATION (Cont'd)**FYE 2024**

For the FYE 2024, our operating profit before working capital changes was RM52.83 million. After adjusting for the following key items, our net cash from our operating activities was RM56.17 million:

- (i) increase in net contract assets of RM34.32 million, mainly for work performed ahead of billing milestones;
- (ii) decrease in receivables of RM21.85 million, mainly due to the following:
 - (a) decrease in trade receivables of RM17.27 million as lower billings were issued to customers in the last quarter of FYE 2024 as compared to FYE 2023; and
 - (b) decrease in other receivables of RM4.58 million, mainly due to the net effects of the following:
 - (aa) decrease in advances to subcontractors of RM4.49 million, mainly due to lower purchases of materials;
 - (bb) increase in deposits of RM0.68 million, mainly due to higher deposit for the purchase of site machineries, which was partially offset by the deposit refunded for the purchase of IP; and
 - (cc) decrease in prepayments of RM0.85 million, mainly due to lower prepayments of lease liabilities and prepaid insurance was charged out to expenses in FYE 2024.
- (iii) increase in payables of RM19.17 million, mainly due to the following:
 - (c) decrease in trade payables (excluding outstanding payables for the purchase of PPE) of RM14.79 million, mainly due to lower subcontractors costs incurred in the last quarter of FYE 2024 and lower purchase of ready-mix concrete from a supplier in the last quarter of FYE 2024;
 - (d) increase in other payables of RM33.96 million, mainly due to the following:
 - (aa) increase in accruals of RM29.54 million, mainly due to higher accruals of purchases of materials and subcontractor costs as well as site machineries; and
 - (bb) increase in provision for contract foreseeable losses of RM3.91 million, mainly due to additional materials costs and longer periods required to complete some of the new residential development projects in the central region to manage the challenging soil conditions as well as limitation in accessibility to the project site due to narrow entrance and poor traffic; and
- (iii) income tax paid of RM3.36 million.

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11. FINANCIAL INFORMATION (Cont'd)**Net cash used in investing activities****FYE 2022**

Our Group recorded net cash used in investing activities of RM8.66 million for the FYE 2022. This was mainly attributed to the net effects of the following:

- (i) interest received of RM0.28 million, mainly from deposits with licensed banks;
- (ii) cash purchase of PPE of RM7.68 million, comprise mainly site equipment of RM3.08 million, site machineries of RM4.47 million and office equipment of RM0.06 million for our business operation;
- (iii) cash purchase of IP of RM2.31 million, comprise mainly additional cost incurred for freehold buildings under construction of RM0.78 million and leasehold buildings under construction of RM1.53 million;
- (iv) proceeds from the disposal of IP of RM0.58 million, comprise a leasehold building; and
- (v) proceeds from the disposal of PPE of RM0.46 million, comprise mainly site machineries and motor vehicles.

FYE 2023

Our Group recorded net cash used in investing activities of RM3.95 million for the FYE 2023. This was mainly attributed to the net effects of the following:

- (i) interest received of RM0.36 million, mainly from deposits with licensed banks;
- (ii) cash purchase of PPE of RM4.21 million, comprise mainly site equipment of RM2.03 million, site machinery of RM1.38 million, office equipment of RM0.19 million, site furniture and fittings of RM0.44 million, renovation of RM0.05 million and site office equipment of RM0.05 million for our business operation;
- (iii) cash purchase of IP of RM3.32 million, comprise mainly cost incurred for freehold buildings of RM2.92 million and leasehold buildings of RM0.40 million;
- (iv) proceeds from the disposal of IP of RM0.68 million, comprise a freehold building; and
- (v) proceeds from the disposal of PPE of RM2.55 million, comprise mainly site machineries, motor vehicles and site equipment.

FYE 2024

Our Group recorded net cash used in investing activities of RM5.38 million for the FYE 2024. This was mainly attributed to the net effects of the following:

- (i) interest received of RM1.01 million, mainly from deposits with licensed banks;
- (ii) cash purchase of PPE of RM10.24 million, comprise mainly site equipment of RM5.19 million, site machineries of RM4.06 million, furniture and fittings of RM0.13 million, office equipment of RM0.18 million, site furniture and fittings of RM0.26 million, site office equipment of RM0.10 million and renovation of RM0.18 million for our business operation;
- (iii) cash purchase of IP of RM1.82 million, comprise mainly cost incurred for freehold buildings under construction of RM1.82 million;
- (iv) proceeds from the disposal of IP of RM2.31 million, comprise two (2) units of freehold buildings and a leasehold building; and
- (v) proceeds from the disposal of PPE of RM3.36 million, comprise mainly site machineries.

11. FINANCIAL INFORMATION (Cont'd)**Net cash used in financing activities****FYE 2022**

Our Group recorded net cash used in financing activities of RM22.93 million for the FYE 2022 mainly due to the net effects of the following:

- (i) drawdown of bankers' acceptances of RM41.43 million and invoice financing of RM4.38 million for payments to the suppliers;
- (ii) drawdown of lease liabilities of RM0.66 million mainly for the purchase of site machineries;
- (iii) interest paid of RM4.74 million mainly for lease liabilities, bankers' acceptances, invoice financing, bank guarantee and term loans;
- (iv) repayments of term loans of RM4.79 million, bankers' acceptances of RM36.03 million, invoice financing of RM3.78 million and lease liabilities of RM20.75 million; and
- (v) withdrawal of deposits pledged with licensed banks of RM0.63 million.

FYE 2023

Our Group recorded net cash used in financing activities of RM30.79 million for the FYE 2023 mainly due to the net effects of the following:

- (i) repayments to Directors of RM2.42 million;
- (ii) drawdown of bankers' acceptances of RM45.26 million and invoice financing of RM7.56 million for payments to the suppliers;
- (iii) drawdown of lease liabilities of RM0.16 million mainly for the purchase of site machineries;
- (iv) interest paid of RM4.71 million mainly for lease liabilities, bankers' acceptances, invoice financing, bank guarantee and term loans;
- (v) repayments of term loans of RM0.80 million, bankers' acceptances of RM44.95 million, invoice financing of RM7.16 million and lease liabilities of RM25.09 million; and
- (vi) withdrawal of deposits pledged with licensed banks of RM1.37 million.

FYE 2024

Our Group recorded net cash used in financing activities of RM44.84 million for the FYE 2024 mainly due to the net effects of the following:

- (i) repayments to Directors of RM2.32 million;
- (ii) drawdown of bankers' acceptances of RM25.16 million and invoice financing of RM30.38 million for payments to the suppliers;
- (iii) drawdown of lease liabilities of RM3.16 million mainly for the purchase of site machineries;
- (iv) interest paid of RM5.78 million mainly for lease liabilities, bankers' acceptances, invoice financing, bank guarantee and term loans;
- (v) repayments of term loans of RM1.59 million, bankers' acceptances of RM38.47 million, invoice financing of RM16.49 million and lease liabilities of RM28.55 million;
- (vi) placement of deposits pledged with licensed banks of RM1.38 million;

11. FINANCIAL INFORMATION (Cont'd)

- (vii) dividend paid of RM9.09 million to shareholders; and
- (viii) issuance of shares by our Company of RM0.13 million.

11.5.3 Borrowings

As at 31 December 2024, our total outstanding borrowings stood at RM100.32 million, which can be analysed further as follows:

Type of bank borrowings	Tenure	Effective interest rates (per annum)	Payable within 12 months (RM'000)	Payable after 12 months (RM'000)	Total (RM'000)
Term loans	78 to 240 months	3.39% to 8.50%	838	8,083	8,921
Bankers' acceptances	120 days	4.83% to 5.03%	3,139	-	3,139
Invoice financing	120 days	4.71% to 4.88%	14,897	-	14,897
Lease liabilities	3 to 5 years	4.08% to 9.31%	24,129	49,239	73,368
Total borrowings			43,003	57,322	100,325
Gearing ratio as at 31 December 2024 (times)*					0.76

Note:

- * Computed based on total borrowings over our pro forma total equity (after the Acquisitions but before the Public Issue and use of proceeds) as at 31 December 2024 of RM131.52 million.

As at the LPD, all our bank borrowings are secured, interest bearing and denominated in RM. Our credit facilities are secured by the following:

- (i) First party legal charges over the freehold land and building and freehold buildings under construction of our Group;
- (ii) First party legal charges over the freehold land and building of our Group;
- (iii) First party charge over deposits placed with the licensed banks of our Group;
- (iv) Corporate guarantee by GHSB;
- (v) Corporate guarantee by Syarikat Jaminan Pembiayaan Berhad;
- (vi) Personal guarantee by a Director of our Company; and
- (vii) Pledged by the insurance policy coverage of our Group.

We have not defaulted on any payment of either principal sum and/or interest in relation to our borrowings during the Financial Years Under Review and up to the LPD. We also do not encounter any seasonality in our borrowings trend and there is no restriction on our committed borrowing facilities.

As at the LPD, we have not breached any terms and conditions or covenants associated with our credit arrangements or bank borrowings, which can materially affect our business operations, financial position or results of operations or the investment by holders of securities in our Group.

11. FINANCIAL INFORMATION (Cont'd)**11.5.4 Type of financial instruments used**

As at the LPD, save for bank borrowings as disclosed in Section 11.5.3 of this Prospectus, we do not use any other financial instruments.

For clarity purposes, the financial instruments of our Group which are used in the ordinary course of business, from an accounting perspective, may include financial assets such as cash and cash equivalents, trade and other receivables, as well as financial liabilities such as borrowings, lease obligations and trade and other payables. These are shown in the combined statements of financial position of our Group.

As at the LPD, we do not use any financial instrument for hedging purposes.

11.5.5 Treasury policies and objectives

We finance our operations through internally generated funds as well as external sources of funds, such as credit term granted from suppliers as well as short-term and long-term bank borrowings.

The primary objective of our financial management and treasury policies is to maintain sufficient working capital at all times and ensure our ability to support and grow our business in order to maximise shareholders' value. We review and manage our capital structure to maintain its debt-to-equity ratio at an optimal level based on the business requirements and prevailing economic conditions.

Our Group has not entered into any interest rate swap to hedge against fluctuations in interest rates. Our Group manages its exposure to interest rate movements by maintaining a combination of both fixed-rate and floating-rate borrowings.

11.5.6 Material commitment

As at the LPD, save as disclosed below and the use of IPO proceeds as disclosed in Section 4.5 of the Prospectus, our Board, after having made all reasonable enquiries, confirm that there are no material commitment which upon becoming enforceable, may have a material impact on the financial position of our Group.

	Amount RM'000
Approved and contracted for:-	
PPE	
Site machineries	20,254
Site equipment	1,682
Renovation	272
IP	
Freehold buildings under construction	4,502
Approved but not contracted for:-	
PPE	
Site machineries	500
Total	27,210

The above capital commitment will be financed through internally generated funds and/or bank borrowings.

11. FINANCIAL INFORMATION (Cont'd)**11.5.7 Material contingent liabilities**

As at the LPD, there are no contingent liabilities, which upon becoming enforceable may have a material impact on the financial performance and position of our Group.

11.5.8 Material capital expenditures

Our Group's material capital expenditure for the Financial Years Under Review and up to the LPD are as follows:

At cost:	Audited FYE			Unaudited
	2022 RM'000	2023 RM'000	2024 RM'000	1 January 2025 up to the LPD RM'000
PPE				
Motor vehicles	521	625	558	274
Furniture and fitting	-	7	127	-
Site equipment	3,470	3,321	5,188	614
Site furniture and fitting	-	438	262	-
Site machineries	10,863	33,549	54,381	3,534
Office equipment	57	192	179	11
Renovation	-	52	176	-
Site office equipment	30	53	104	-
Capital work-in-progress	-	4	97	-
	14,941	38,241	61,072	4,433
IP				
Freehold land and buildings	-	3,590	-	-
Leasehold buildings	-	404	-	-
Freehold buildings under construction	1,138	-	3,920	296
Leasehold buildings under construction	1,527	-	-	-
	2,665	3,994	3,920	296
Total	17,606	42,235	64,992	4,729

Our material capital expenditures were primarily funded via a combination of bank borrowings and/or internally generated funds.

FYE 2022

For the FYE 2022, our capital expenditures mainly related to the following:

- (i) site equipment comprise mainly steel plate, boring parts for replacement, rock buckets and roller core barrels;
- (ii) site machineries comprise mainly boring machines, cranes, excavators and air compressors;
- (iii) freehold buildings under construction comprise mainly three (3) service residence units in Kuala Lumpur, a service residence unit in Mont Kiara and a condominium unit in Petaling Jaya; and
- (iv) leasehold buildings under construction comprise mainly two (2) condominium units in Wangsa Maju and two (2) service residence units in Kuala Lumpur;

11. FINANCIAL INFORMATION (Cont'd)**FYE 2023**

For the FYE 2023, our capital expenditures mainly related to the following:

- (i) site equipment comprise mainly boring parts for replacement, rock bucket, cross cutter and core barrel;
- (ii) site machineries comprise mainly air compressors, boring machines, cranes, hydraulic vibro hammer and excavators; and
- (iii) freehold land and buildings comprise mainly two (2) service residence units in Ampang;

FYE 2024

For the FYE 2024, our capital expenditures mainly related to the following:

- (i) site equipment comprise mainly boring parts for replacement, rock bucket, boring buckets, solar panels and hydraulic PDA hammer testing equipment;
- (ii) site machineries comprise mainly boring machines, excavators, cranes and air compressors; and
- (iii) freehold buildings under construction comprise mainly additional cost incurred for a condominium unit in Seputeh;

11.5.9 Material divestitures

Our Group's material divestitures for the Financial Years Under Review and up to the LPD are as follows:

	Audited FYE			Unaudited 1 January 2025 up to the LPD RM'000
	2022 RM'000	2023 RM'000	2024 RM'000	
At cost:				
PPE				
Motor vehicles	144	94	83	-
Site equipment	-	501	-	-
Site machineries ⁽¹⁾	1,560	5,623	12,509	13,437
Office equipment	12	3	11	-
Site office equipment	9	20	12	-
	1,725	6,241	12,615	13,437
IP				
Freehold land and buildings ⁽²⁾	-	700	1,854	2,700
Leasehold buildings	-	-	489	490
Leasehold buildings under construction	607	-	-	-
	607	700	2,343	3,190
Total	2,332	6,941	14,958	16,627

Notes:

- (1) Disposal of site machineries for the replacement of aged machineries with newer and more efficient machineries.
- (2) Disposal of freehold land and buildings are mainly investment properties which are not used for our business operations.

11. FINANCIAL INFORMATION (Cont'd)**FYE 2022**

For the FYE 2022, our capital divestitures primarily related to the site machineries comprise mainly cranes.

FYE 2023

For the FYE 2023, our capital divestitures primarily related to the site machineries comprise mainly submersible pumps, excavators and cranes.

FYE 2024

For the FYE 2024, our capital divestitures mainly related to the following:

- (i) site machineries comprise mainly boring machines and cranes; and
- (ii) freehold buildings comprise mainly a service residence unit in Mont Kiara.

11.5.10 Material litigation

As at the LPD, our Group is not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which may have a material and/or adverse effect on the financial position or business of our Group.

11.6 KEY FINANCIAL RATIOS

The key financial ratios of our Group are as follows:

	Audited FYE		
	2022	2023	2024
Trade receivables turnover period (days)	56	47	37
Trade payables turnover period (days)	64	54	55
Current ratio (times)	1.10	1.09	1.04
Gearing ratio (times)	0.78	0.72	0.76

11.6.1 Trade receivables

A summary of our trade receivables turnover period for the Financial Years Under Review is set out below:

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
Revenue	207,975	323,834	395,216
Average trade receivables ⁽¹⁾	31,737	41,933	40,122
Trade receivables turnover period (days) ⁽²⁾	56	47	37

Notes:

- (1) Average trade receivables were derived based on the average sum of the opening balances and closing balances of trade receivables (excluding retention sums) of the respective financial years.
- (2) Computed based on average trade receivables of the respective financial years (excluding retention sums) divided by the revenue of the respective financial years, multiplied by 365 days.

The normal credit period granted by our Group to our contract clients is up to 60 days from the date of progress billings depending on the terms of the contracts.

11. FINANCIAL INFORMATION (Cont'd)

Our trade receivables turnover period was computed excluding retention sums. Due to the nature of the industry, our clients are entitled to retain 10.0% of each progress billing as retention sum up to a maximum of 5.0% of the total contract sum awarded, in accordance with the terms of the contracts. Our clients will retain the entire retention sum throughout the contract period until the issuance of the CPC, of which half of the total retention sums will be released to us, whilst the remaining half will be released to us at the end of the contracted DLP and upon issuance of the CMGD. As such, the exclusion of the retention sums in the computation of trade receivables turnover period represents a more accurate measure of the average number of days that our Group requires for the collection of debts.

The trade receivable turnover period is dependent on the mix of clients and projects undertaken by us during the Financial Years Under Review. The changes in our receivable turnover days are very much dependent on the time taken by the respective clients to process the payments.

Our trade receivable turnover period for FYE 2022, FYE 2023 and FYE 2024 is 56 days, 47 days and 37 days respectively, which is within the payment period granted to us.

Despite our trade receivables increased by RM17.00 million (excluding retention sum) as at the end of FYE 2023, our trade receivables turnover period decreased from 56 days for FYE 2022 to 47 days for FYE 2023, mainly attributable to the improved collections from our customers resulting from our continuous effort to improve our credit control monitoring process.

Our trade receivables turnover period decreased from 47 days for FYE 2023 to 37 days for FYE 2024, mainly attributable to the improved collections from our customers resulting from our continuous effort to improve our credit control monitoring process.

As at 31 December 2024, the trade receivables of our Group amounted to RM29.81 million, the ageing analysis in respect of trade receivables are analysed as follows:

	Within credit period	<-----Exceed credit period by----->				Total
		1 – 30 days	31 – 60 days	61 – 90 days	> 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivables	59,949	2,259	1,733	946	8,837	73,724
Less: Retention sums	(42,249)	-	-	-	-	(42,249)
Less: Impairment losses*	(433)	(24)	(24)	(17)	(1,167)	(1,665)
Net trade receivables	17,267	2,235	1,709	929	7,670	29,810
% of total trade receivables	57.92	7.50	5.73	3.12	25.73	100.00
Subsequent collections up to the LPD	17,226	2,088	475	127	5,798	25,714
Outstanding net trade receivables	41	147	1,234	802	1,872	4,096

Note:

* Comprise specific impairment losses on individual trade receivables, which were mainly due to long outstanding debts and delay in payments by customers, and general impairment losses on trade receivables after excluding those impaired individual trade receivables, which were assessed separately. The general impairment losses on trade receivables were recognised based on an overall assessment of collection risks and changes in forward-looking macroeconomics assumptions.

11. FINANCIAL INFORMATION (Cont'd)

For clarification, RM42.25 million is the retention sum as at 31 December 2024, which will be released to us in accordance to the terms of the respective contracts.

Up to the LPD, we have collected RM25.71 million, representing about 86.25% of the total net trade receivables as at 31 December 2024. After taking into consideration the subsequent collections up to the LPD, RM8.49 million or about 28.48% of the total net trade receivables had exceeded credit period.

The outstanding net trade receivables of RM4.10 million include the following:

- (i) RM3.22 million will be offset against the outstanding balances for materials purchased on behalf by customer, upon finalisation of accounts; and
- (ii) The remaining balances receivable from customers who are currently in the process of negotiating the repayment terms with our Group.

Appropriate debts recovery process has been carried out by the project management and finance team to minimise the likelihood of these outstanding trade receivables turning into bad debts. Our Directors are of the view that the remaining trade receivables are recoverable and no further provision for impairment is required after taking into consideration of our relationship with these customers as well as our efforts to improve collection and implement various credit control measures to reduce exposure of credit risk to our Group.

11.6.2 Trade payables

A summary of our trade payables turnover period for the Financial Years Under Review is set out below:

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
Cost of sales	186,771	288,573	349,983
Average trade payables ⁽¹⁾	32,939	42,964	53,078
Trade payables turnover period (days) ⁽²⁾	64	54	55

Notes:

- (1) Average trade payables were derived based on the average sum of the opening balances and closing balances of trade payables (excluding retention sums) of the respective financial years.
- (2) Computed based on average trade payables of the respective financial years (excluding retention sums) divided by the cost of sales of the respective financial years, multiplied by 365 days.

The normal payment period granted to us by our trade payable ranges from 30 days to 90 days. We have not experienced any disruptions in supplies from our subcontractors and suppliers for the Financial Years Under Review. Retention sum is excluded in arriving at our trade payables turnover period.

Our trade payables turnover period for the FYE 2022, FYE 2023, and FYE 2024 were 64 days, 54 days and 55 days respectively, which is within the payment period granted to us.

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11. FINANCIAL INFORMATION (Cont'd)

The ageing analysis of our trade payables as at 31 December 2024 and the subsequent payments up to the LPD are set out below:

	Within credit period	<-----Exceed credit period by----->				Total
		1 – 30 days	31 – 60 days	61 – 90 days	> 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables	28,491	12,764	8,485	7,577	3,635	60,952
Less: Retention sums	(8,165)	-	-	-	-	(8,165)
Net trade payables	20,326	12,764	8,485	7,577	3,635	52,787
% of total trade payables	38.51	24.18	16.07	14.35	6.89	100.00
Subsequent payments up to the LPD	17,396	12,007	8,203	7,436	3,046	48,088
Outstanding net trade payables	2,930	757	282	141	589	4,699

For clarification, RM8.17 million is the retention sum retained by us in relation to our construction projects as at 31 December 2024. In general, we will release half of the retention sum to our subcontractors upon the issuance of the CPC, whilst the remaining half will be released at the end of the defect liability period and upon the issuance of CMGD.

Up to the LPD we have settled RM48.09 million or 91.10% of the total net trade payables which were outstanding as at 31 December 2024. The outstanding net trade payables of RM4.70 million is in relation to both ongoing and completed projects as well as outstanding payables for the purchase of PPE. We have gained our suppliers' support and understanding regarding the prioritisation of payments based on our collection of receivables. We will continue to make payments and maintain open communication with them on this matter until our trade payables are fully settled.

There was no matter in dispute with respect to trade payables, as well as no legal action was initiated by any of our suppliers and/or subcontractors to demand for payment for the Financial Years Under Review.

11.6.3 Current ratio

A summary of our current ratio for the Financial Years Under Review is set out below:

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
Current assets	143,757	194,576	212,304
Current liabilities	130,225	179,244	204,890
Current ratio (times)	1.10	1.09	1.04

Current ratio measures the liquidity position of our Group to meet our short-term obligations. The liquidity position of our Group has been manageable as reflected in the current ratio for the Financial Years Under Review which has been fairly consistent ranging between 1.04 times and 1.10 times.

Our current ratio slightly decreased from 1.10 times as at 31 December 2022 to 1.09 times as at 31 December 2023. This was mainly attributable to the net effects of the following:

- (i) increase in trade receivables of RM26.87 million as higher billings were issued to customers in the last quarter of FYE 2023 as compared to FYE 2022 and higher retention sum receivable from our customers;
- (ii) increase in other receivables of RM15.48 million, mainly due to the increase in advances to suppliers of RM8.41 million, mainly due to higher purchase of materials; and

11. FINANCIAL INFORMATION (Cont'd)

- (iii) increase in deposits with licensed banks of RM13.11 million, mainly due to higher placement of deposits during FYE 2023 and internally generated funds contributed by our business growth;
- (iv) decrease in net contract assets of RM9.40 million, mainly for billing milestones achieved for the work performed;
- (v) increase in trade payables of RM22.77 million, mainly due to higher purchases made towards the end of FYE 2023; and
- (vi) increase in other payables of RM14.08 million, mainly due to the increase in accruals of RM12.48 million, mainly due to higher accruals of purchases of materials and subcontractor costs.

Our current ratio decreased from 1.09 times as at 31 December 2023 to 1.04 times as at 31 December 2024. This was mainly attributable to the following:

- (i) increase in net contract assets of RM34.32 million, mainly for work performed ahead of billing milestones;
- (ii) increase in deposits with licensed banks of RM5.33 million, mainly due to higher placement of deposits during FYE 2024 and internally generated funds contributed by our business growth;
- (iii) decrease in trade receivables of RM17.40 million as lower billings were issued to customers in the last quarter of FYE 2024 as compared to FYE 2023; and
- (iv) increase in other payables of RM33.93 million, mainly due to the increase in accruals of RM29.54 million, mainly due to higher accruals of purchases of materials and subcontractor costs as well as site machineries.

11.6.4 Gearing ratio

A summary of our gearing ratio for the Financial Years Under Review is set out below:

	Audited FYE		
	2022 RM'000	2023 RM'000	2024 RM'000
Total loans and borrowings	84,143	89,813	100,325
Total equity	108,140	124,287	131,524
Gearing ratio (times)	0.78	0.72	0.76

Our gearing ratio has decreased from 0.78 times as at 31 December 2022 to 0.72 times as at 31 December 2023 mainly due to the net effects of the following:

- (vi) increase in total equity of RM16.15 million, mainly due to the PAT of RM16.17 million in FYE 2023; and
- (vii) increase in loans and borrowing of RM5.67 million, mainly due to additional lease liabilities arising from the drawdown of hire purchase arrangements for the purchase of machineries, site equipment and motor vehicles.

Our gearing ratio has increased from 0.72 times as at 31 December 2023 to 0.76 times as at 31 December 2024 mainly due to the net effects of the following:

- (i) increase in loans and borrowing of RM10.51 million, mainly due to additional lease liabilities arising from the drawdown of hire purchase arrangements for the purchase of machineries, site equipment and motor vehicles; and

11. FINANCIAL INFORMATION (Cont'd)

- (ii) increase in total equity of RM7.24 million, mainly due to the PAT of RM16.01 million in FYE 2024, which was partially offset by the dividend paid of RM9.09 million.

11.7 TREND INFORMATION

As at the LPD, to the best of the knowledge and belief of our Board, the financial conditions and operations of our Group have not been and are not expected to be affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expects to have, a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those discussed in this section and in Sections 6 and 8 of this Prospectus;
- (ii) material commitment for capital expenditure save as disclosed in Section 11.5.8 of this Prospectus;
- (iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save for those that had been disclosed in this section and in Section 8 of this Prospectus;
- (iv) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our revenue and/or profits, save for those that had been discussed in this section and in Section 8 of this Prospectus; and
- (v) known circumstances, trends, demands, commitments, events or uncertainties that are reasonably likely to make the historical financial statements not indicative of the future financial performance and position, save for those that had been disclosed in this section and in Section 8 of this Prospectus.

11.8 ORDER BOOK

As our revenue from our construction projects is recognised based on the stage of completion method, our order book excludes the value of completed works in respect of on-going projects which have been recognised in revenue.

Our order book as at the LPD is expected to be realised over the following financial years:

	Order book as at the LPD RM'000	Estimated revenue to be recognised in FYE 2025 RM'000	Estimated revenue to be recognised in FYE 2026 RM'000
Foundation and geotechnical services	320,407	230,875	89,532
Other related services	62,249	53,893	8,356
Total	382,656	284,768	97,888

The estimated revenue to be recognised may be change as there may be variations from the amount awarded as compared to the final works to be performed resulting from, amongst others, changes in project requirements, which may take place during the implementation of the project.

11.9 SIGNIFICANT CHANGES

Saved as disclosed in Section 12 of this Prospectus, there are no other significant changes since FYE 2024, being our most recent financial statements, which may have a material effect on the financial position and results of our Group.

11. FINANCIAL INFORMATION (Cont'd)**11.10 DIVIDEND POLICY**

Our Group presently does not have any formal dividend policy and the declaration of dividends and other distributions are subject to the discretion of our Board. It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. However, our ability to pay dividends or make other distributions to our shareholders in the future years is subject to various factors, such as having profit and excess funds, which are not required to be retained to fund our business.

Our Directors will take into consideration, among others, the following factors when recommending dividends for approval by our shareholders or when declaring any dividends:

- (i) the availability of adequate reserves and cash flows. As an investment holding company, our income, and therefore our ability to pay dividends, depends on the dividends or other distributions received from our subsidiaries;
- (ii) our operating cash flow requirements and financing commitments;
- (iii) our anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans;
- (iv) our Company is solvent as required under the Act;
- (v) any material impact of tax laws and other regulatory requirements; and
- (vi) prior written consent from financial institutions, where required.

However, investors should note that the intention to recommend dividends should not be treated as a legal obligation on our Group to do so. The level of dividends should also not be treated as an indication of our Group's future dividend policy. There can be no assurance that dividends will be paid out in the future or on timing of any dividends that are to be paid in the future. In determining dividends in respect of subsequent financial years, consideration will be given to maximising shareholders' value. There is no dividend restriction being imposed on our Group currently.

In addition, our ability to declare and pay interim dividends as well as to recommend final dividends are subject to the discretion of our Board.

No inference should or can be made from any of the statements above as to our actual future profitability and our ability to pay dividends in the future.

Subject to the Act, our Company, in general meetings, may from time to time approve dividends or other distributions. However, no dividend or distribution shall be declared in excess of the amount recommended by our Board. Further, under the Act, our Company may not declare or pay dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that:

- (i) our Company is, or would after the payment be unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than its liabilities.

Save for the dividend declared and paid to our shareholders of RM9.09 million in FYE 2024 (representing a dividend payout ratio of 56.78%), which was funded via internally generated funds, there was no dividend declared and paid in FYE 2022, FYE 2023 and for the period beginning from 1 January 2025 up to the LPD. As at the LPD, our Group has no intention to declare further dividends until the completion of the Listing.

11. FINANCIAL INFORMATION (Cont'd)

11.11 REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

GEOHAN CORPORATION BERHAD
(Registration No: 201601003474 (1174400-V))
(Incorporated in Malaysia)

PRO FORMA COMBINED
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

GRANT THORNTON MALAYSIA PLT
CHARTERED ACCOUNTANTS
Member Firm of Grant Thornton International Ltd.

11. FINANCIAL INFORMATION (Cont'd)

**REPORTING ACCOUNTANTS' REPORT ON THE
COMPILATION OF THE PRO FORMA COMBINED
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

Date: 30 May 2025

The Board of Directors
Geohan Corporation Berhad
No 40, 42A & 42B
Jalan Datuk Sulaiman
Taman Tun Dr. Ismail
60000 Kuala Lumpur

Dear Sirs,

GEOHAN CORPORATION BERHAD ("COMPANY" OR "GEOHAN")

**REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS
OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**

We have completed our assurance engagement to report on the compilation of the Pro Forma Combined Statements of Financial Position of Geohan Corporation Berhad and its combining entities ("Geohan Group" or "the Group") as at 31 December 2024, together with the notes and assumptions thereto (which we have stamped for the purpose of identification). The Pro Forma Combined Statements of Financial Position have been compiled and prepared by the Directors of the Company ("Directors") for inclusion in the prospectus of the Company in connection with the initial public offering ("IPO") and the listing and quotation of the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing") ("Prospectus").

The applicable criteria on the basis of which the Directors have compiled the Pro Forma Combined Statements of Financial Position are described in the notes thereon to the Pro Forma Combined Statements of Financial Position. The Pro Forma Combined Statements of Financial Position is prepared in accordance with the requirements of Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia ("the Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The Pro Forma Combined Statements of Financial Position as at 31 December 2024 have been compiled by the Directors, for illustrative purposes only, to show the effects of the events or transactions as described in the notes thereon to the Pro Forma Combined Statements of Financial Position as if the events had occurred or the transactions had been undertaken on 31 December 2024. As part of this process, information about the Group's Combined Statements of Financial Position has been extracted by the Directors from the Group's audited combined financial statements as at 31 December 2024.

Grant Thornton Malaysia PLT
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

T +603 2692 4022
F +603 2691 5229

11. FINANCIAL INFORMATION (Cont'd)**Directors' Responsibility for the Pro Forma Combined Statements of Financial Position**

The Directors are responsible for compiling the Pro Forma Combined Statements of Financial Position on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

Our Independence and Quality Control

We are independent in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board of Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Combined Statements of Financial Position have been properly compiled, in all material respects, by the Directors on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Combined Statements of Financial Position on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the Pro Forma Combined Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Combined Statements of Financial Position.

The purpose of the Pro Forma Combined Statements of Financial Position included in the Prospectus is solely to illustrate the effects as if the events had occurred or the transactions had been undertaken on 31 December 2024 for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at that date would have been as presented.

11. FINANCIAL INFORMATION (Cont'd)**Our Responsibility (cont'd)**

A reasonable assurance engagement to report on whether the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of Prospectus Guideline and the Guidance Note, involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Combined Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions enumerated in the notes thereto, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Combined Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the Pro Forma Combined Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Combined Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of Prospectus Guidelines and the Guidance Note.

Restriction on Distribution and Use

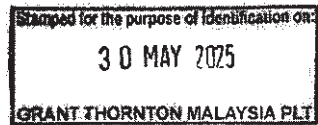
This report has been prepared solely for the purpose of inclusion in the Prospectus in connection with the Listing. It is not intended to be used for any other purposes. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

LIM CHOOI LING
(NO: 03537/11/2026(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
30 May 2025

11. FINANCIAL INFORMATION (Cont'd)
GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

The Pro Forma Combined Statements of Financial Position of the Group as at 31 December 2024 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note on the assumption that these transactions were completed on 31 December 2024, and should be read in conjunction with the accompanying notes to the Pro Forma Combined Statements of Financial Position.

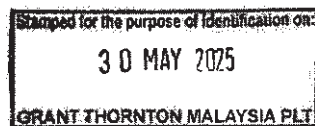
	Note	Audited as at 31 December 2024 RM	Pro Forma I After the Acquisitions RM	Pro Forma II After the Public Issue RM	Pro Forma III After the Share Transfer RM	Pro Forma IV After the Listing RM
ASSETS						
Non-current assets						
Property, plant and equipment	4.01	-	181,891,872	181,891,872	181,891,872	181,891,872
Investment properties	4.02	-	5,981,998	5,981,998	5,981,998	5,981,998
Goodwill on consolidation	4.03	-	683,758	683,758	683,758	683,758
Deferred tax assets	4.04	-	990,500	990,500	990,500	990,500
Total non-current assets		-	189,548,128	189,548,128	189,548,128	189,548,128
Current assets						
Trade receivables	4.05	-	72,058,554	72,058,554	72,058,554	72,058,554
Other receivables	4.06	-	22,952,836	22,952,836	22,952,836	22,952,836
Contract assets	4.07	-	70,596,193	70,596,193	70,596,193	70,596,193
Tax recoverable	4.08	37	970,574	970,574	970,574	970,574
Deposits with licensed banks	4.09	-	31,317,093	31,317,093	31,317,093	31,317,093
Cash and bank balances	4.10	3,079	10,449,197	[•]	[•]	[•]
Asset held for sale	4.11	3,116	208,344,447	[•]	[•]	[•]
		-	3,960,000	3,960,000	3,960,000	3,960,000
Total current assets		3,116	212,304,447	[•]	[•]	[•]
TOTAL ASSETS		3,116	401,852,575	[•]	[•]	[•]
EQUITY AND LIABILITIES						
EQUITY						
Equity attributable to owners of the Company						
Share capital	4.12	128,000	131,650,915	[•]	[•]	[•]
Merger deficit	4.13	-	(103,459,880)	(103,459,880)	(103,459,880)	(103,459,880)
Reserve	4.14	-	144,208	144,208	144,208	144,208
(Accumulated losses)/Retained earnings	4.15	(127,384)	103,188,935	103,188,935	103,188,935	[•]
Total equity		616	131,524,178	[•]	[•]	[•]
LIABILITIES						
Non-current liabilities						
Lease liabilities	4.16	-	49,238,767	49,238,767	49,238,767	49,238,767
Borrowings	4.17	-	8,083,155	8,083,155	8,083,155	8,083,155
Deferred tax liabilities	4.18	-	8,115,854	8,115,854	8,115,854	8,115,854
Total non-current liabilities		-	65,437,776	65,437,776	65,437,776	65,437,776
Current liabilities						
Trade payables	4.19	-	60,952,400	60,952,400	60,952,400	60,952,400
Other payables	4.20	2,500	89,643,087	89,643,087	89,643,087	89,643,087
Contract liabilities	4.21	-	10,772,298	10,772,298	10,772,298	10,772,298
Lease liabilities	4.16	-	24,128,535	24,128,535	24,128,535	24,128,535
Borrowings	4.17	-	18,874,092	18,874,092	18,874,092	18,874,092
Tax payables	4.22	-	520,209	520,209	520,209	520,209
Total current liabilities		2,500	204,890,621	204,890,621	204,890,621	204,890,621
Total liabilities		2,500	270,328,397	270,328,397	270,328,397	270,328,397
TOTAL EQUITY AND LIABILITIES		3,116	401,852,575	[•]	[•]	[•]
No. of ordinary shares	4.12	128,008	308,000,000	440,000,000	440,000,000	440,000,000
Net assets per share (RM)		-*	0.43	[•]	[•]	[•]
Borrowings⁽¹⁾		-	100,324,549	100,324,549	100,324,549	100,324,549
Gearing ratio (times)⁽²⁾		-	0.76	[•]	[•]	[•]

* Less than RM0.01

Notes:-

(1) Including lease liabilities

(2) Computed based on total borrowings including lease liabilities divided by total equity

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024****1. BACKGROUND**

The Company was incorporated in Malaysia under the Companies Act 1965 on 29 January 2016 as a private limited company under the name of Geohan Corporation Sdn Bhd and is deemed registered under the Companies Act 2016. The Company was converted into a public limited company on 21 March 2016. The Company was subsequently converted back into a private limited company and on 25 November 2024 to facilitate the implementation of the pre-listing re-organisation exercise. Subsequent on 23 April 2025, the Company was converted to a public limited company and assumed its present name to facilitate the Listing.

The registered office of the Company is located at Third floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor. The principal place of business of the Company is located at No. 40, 42A & 42B, Jalan Datuk Sulaiman, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

2. BASIS OF PREPARATION

The Pro Forma Combined Statements of Financial Position of Geohan Group have been prepared for illustrative purposes only.

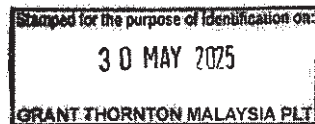
The applicable criteria on the basis of which the Directors have compiled the Pro Forma Combined Statements of Financial Position are as described below. The Pro Forma Combined Statements of Financial Position is prepared in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

The Pro Forma Combined Statements of Financial Position have been prepared based on the audited Combined Financial Statements of the Group for the financial year ended 31 December 2024, which was prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards ("IFRSs") and in a manner consistent with the format of the statements of financial position and accounting policies adopted by the Group, and adjusted for the events and transactions detailed in Note 3.

Merger method of accounting

For the purpose of accounting for the acquisition of its combining entities, namely Geohan Holding Sdn. Bhd. and its subsidiaries ("Acquisitions" or "Combined entities"), the Company has adopted the merger accounting principles as the Combined entities are under common control by the same parties before and immediately after the Acquisitions. Under merger accounting principles, the difference between the cost of investment recorded by the Company (i.e. the consideration for the acquisition of its combining entities) and the share capital of its combining entities are accounted for as merger reserve, computed as follows:-

	RM
Consideration for the acquisition of its combining entities	115,247,880
Less: Issued share capital of its combining entities as at 31 December 2024	<u>(11,788,000)</u>
Merger reserve	<u>103,459,880</u>

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****3. LISTING SCHEME****(i) Pro Forma I: Acquisition****(a) Acquisition of Equity Interests from Vendors**

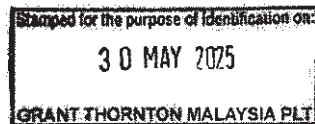
The Company has entered into a share sale and purchase agreement ("SSA") with the vendors of Geohan Holding Sdn. Bhd. ("GHSB"), Geohan Equipment Sdn. Bhd. ("GESB") and Geohan Sdn Bhd ("GSB") for the acquisition of 100% equity interest in GHSB, 14.09% equity interest in GESB and approximately 14.09% equity interest in GSB for a total purchase consideration of approximately RM131,522,915. The purchase consideration was satisfied entirely by the issuance and allotment of 307,871,992 new ordinary shares in the Company ("Shares") in aggregate at an issue price of RM0.4272 per Share to the vendors of GHSB, GESB and GSB.

(b) Acquisition of Equity Interests from GHSB and GSB

The Company has entered into the following:

- (i) a SSA with the vendors of GESB, GSB and Geohan Mix Sdn. Bhd. ("GMSB") for the acquisition of 85.91% equity interest in GESB, approximately 85.91% equity interest in GSB and 100% equity interest in GMSB for a total purchase consideration of RM26,330,000, which shall be settled in such manner and on such terms as may be agreed between the Company and GHSB and GSB; and
- (ii) a SSA with the vendor of Geohan Pte. Ltd. ("GPL") for the acquisition of 100% equity interest in GPL for a total purchase consideration of RM80,000, which shall be settled in such manner and on such terms as may be agreed between the Company and GSB.

Following the completion of the Acquisitions, GHSB, GESB, GSB, GMSB and GPL become the wholly owned subsidiaries of the Company.

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****3. LISTING SCHEME (CONT'D)****(ii) Pro Forma II: Public Issue**

The Public Issue of 132,000,000 IPO Shares, representing 30.00% of the enlarged issued share capital of the Company, at the IPO Price of RM[•] per Share made available in the following manner:

- (a) 22,000,000 IPO Shares, representing 5.00% of the enlarged issued share capital of the Company, made available for application by the Malaysian Public via balloting, of which at least 50.00% is to be set aside strictly for application by Bumiputera investors;
- (b) 11,000,000 IPO Shares, representing 2.50% of the enlarged issued share capital of the Company, made available for application by the eligible Directors, employees and persons who have contributed to the success of the Group;
- (c) 55,000,000 IPO Shares, representing 12.50% of the enlarged issued share capital of the Company, made available by way of private placement to Bumiputera investors approved by the Ministry of Investment, Trade and Industry; and
- (d) 44,000,000 IPO Shares representing approximately 10.00% of the enlarged issued share capital of the Company, made available by way of private placement to institutional and selected investors.

(iii) Pro Forma III: Share Transfer

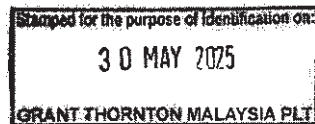
In conjunction with the IPO, transfer by Mr. Lee Kim Seng of 114,367,200 Shares to Rogamas Sdn. Bhd. during the prescription period, which enable Rogamas Sdn. Bhd. to hold 55.00% shareholding in the Company (equivalent to 242,000,000 Shares).

(iv) Pro Forma VI: Listing

Subsequent to the above, the Company's entire enlarged issued share capital of approximately RM[•] comprising 440,000,000 Shares shall be listed on the Main Market of Bursa Securities.

The total gross proceeds from the Public Issue will be amount to RM[•] based on the IPO Price. The Company expects the proceeds to be used in the following manner:

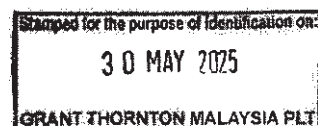
Details of utilisation	Estimated time frame for the use (from the Listing date)	RM	%
Capital expenditure ⁽¹⁾	Within 36 months	[•]	[•]
Working capital ⁽²⁾	Within 12 months	[•]	[•]
Estimated listing expenses ⁽³⁾	Within 3 months	[•]	[•]
Total estimated proceeds		[•]	[•]

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****3. LISTING SCHEME (CONT'D)****(v) Pro Forma VI: Listing (cont'd)****Notes:**

- (1) As at the latest practicable date of 10 May 2025 ("LPD"), the Group did not enter into any contractual binding arrangements in relation to the above capital expenditure. Accordingly, the use of proceeds earmarked for capital expenditure is not reflected in the Pro Forma Combined Statements of Financial Position.
- (2) The working capital is for the payment to suppliers for purchases of construction materials as well as payment for subcontractor services. The use of proceeds earmarked for working capital purposes is not reflected in the Pro Forma Combined Statements of Financial Position.
- (3) If the actual listing expenses are higher than budgeted, the shortfall will be funded from the portion allocated for working capital purposes. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes.

The estimated listing expenses of RM[•] directly attributable to the Public Issue will be debited against the share capital and the remaining estimated listing expenses of RM[•] that is attributable to the Listing will be charged out to profit or loss account.

11. FINANCIAL INFORMATION (Cont'd)



GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)

4.01 PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>181,891,872</u>
As per Pro Forma I/II/III/IV	<u>181,891,872</u>

4.02 INVESTMENT PROPERTIES

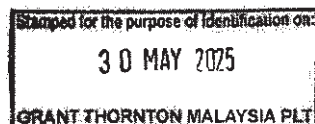
The movements of investment properties are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>5,981,998</u>
As per Pro Forma I/II/III/IV	<u>5,981,998</u>

4.03 GOODWILL ON CONSOLIDATION

The movements of goodwill on consolidation are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>683,758</u>
As per Pro Forma I/II/III/IV	<u>683,758</u>

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****4.04 DEFERRED TAX ASSETS**

The movements of deferred tax assets are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>990,500</u>
As per Pro Forma I/II/III/IV	<u>990,500</u>

4.05 TRADE RECEIVABLES

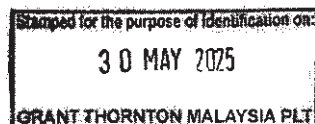
The movements of trade receivables are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>72,058,554</u>
As per Pro Forma I/II/III/IV	<u>72,058,554</u>

4.06 OTHER RECEIVABLES

The movements of other receivables are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>22,952,836</u>
As per Pro Forma I/II/III/IV	<u>22,952,836</u>

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****4.07 CONTRACT ASSETS**

The movements of contract assets are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>70,596,193</u>
As per Pro Forma I/II/III/IV	<u>70,596,193</u>

4.08 TAX RECOVERABLE

The movements of tax recoverable are as follows:-

	<u>Amount</u> RM
At 31 December 2024	37
Pursuant to the Acquisitions	<u>970,537</u>
As per Pro Forma I/II/III/IV	<u>970,574</u>

4.09 DEPOSITS WITH LICENSED BANKS

The movements of deposits with licensed banks are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>31,317,093</u>
As per Pro Forma I/II/III/IV	<u>31,317,093</u>

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****4.10 CASH AND BANK BALANCES**

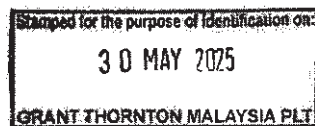
The movements of cash and bank balances are as follows:-

	<u>Amount</u> RM
At 31 December 2024	3,079
Pursuant to the Acquisitions	<u>10,446,118</u>
As per Pro Forma I	10,449,197
Pursuant to the Public Issue	<u>[•]</u>
As per Pro Forma II/III	[•]
Pursuant to the Listing	<u>[•]</u>
As per Pro Forma IV	<u>[•]</u>

4.11 ASSETS HELD FOR SALE

The movements of assets held for sale are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>3,960,000</u>
As per Pro Forma I/II/III/IV	<u>3,960,000</u>

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****4.12 SHARE CAPITAL**

The movements of share capital are as follows:-

	Number of ordinary shares Unit	Amount RM
At 31 December 2024	128,008	128,000
Pursuant to the Acquisitions	307,871,992	131,522,915
As per Pro Forma I	308,000,000	131,650,915
Pursuant to the Public Issue	132,000,000	[•]
As per Pro Forma II/III	440,000,000	[•]
Pursuant to the Listing	-	[•]
As per Pro Forma IV	440,000,000	[•]

4.13 MERGER DEFICIT

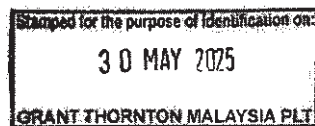
The movements of merger deficit are as follows:-

	Amount RM
At 31 December 2024	-
Pursuant to the Acquisitions	(103,459,880)
As per Pro Forma I/II/III/IV	(103,459,880)

4.14 RESERVE

The movements of reserve are as follows:-

	Amount RM
At 31 December 2024	-
Pursuant to the Acquisitions	144,208
As per Pro Forma I/II/III/IV	144,208

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****4.15 (ACCUMULATED LOSSES)/RETAINED EARNINGS**

The movements of (accumulated losses)/retained earnings are as follows:-

	<u>Amount</u> RM
At 31 December 2024	(127,384)
Pursuant to the Acquisitions	<u>103,316,319</u>
As per Pro Forma I/II/III	103,188,935
Pursuant to the Listing	<u>[•]</u>
As per Pro Forma IV	<u>[•]</u>

4.16 LEASE LIABILITIES

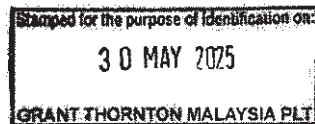
The movements of lease liabilities are as follows:-

	<u>Non-current</u> RM	<u>Current</u> RM	<u>Total</u> <u>amount</u> RM
At 31 December 2024	-	-	-
Pursuant to the Acquisitions	<u>49,238,767</u>	<u>24,128,535</u>	<u>73,367,302</u>
As per Pro Forma I/II/III/IV	<u>49,238,767</u>	<u>24,128,535</u>	<u>73,367,302</u>

4.17 BORROWINGS

The movements of borrowings are as follows:-

	<u>Non-current</u> RM	<u>Current</u> RM	<u>Total</u> <u>amount</u> RM
At 31 December 2024	-	-	-
Pursuant to the Acquisitions	<u>8,083,155</u>	<u>18,874,092</u>	<u>26,957,247</u>
As per Pro Forma I/II/III/IV	<u>8,083,155</u>	<u>18,874,092</u>	<u>26,957,247</u>

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****4.18 DEFERRED TAX LIABILITIES**

The movements of deferred tax liabilities are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>8,115,854</u>
As per Pro Forma I/II/III/IV	<u>8,115,854</u>

4.19 TRADE PAYABLES

The movements of trade payables are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>60,952,400</u>
As per Pro Forma I/II/III/IV	<u>60,952,400</u>

4.20 OTHER PAYABLES

The movements of other payables are as follows:-

	<u>Amount</u> RM
At 31 December 2024	2,500
Pursuant to the Acquisitions	<u>89,640,587</u>
As per Pro Forma I/II/III/IV	<u>89,643,087</u>

11. FINANCIAL INFORMATION (Cont'd)**GEOHAN CORPORATION BERHAD AND ITS COMBINING ENTITIES****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)****4.21 CONTRACT LIABILITIES**

The movements of contract liabilities are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>10,772,298</u>
As per Pro Forma I/II/III/IV	<u><u>10,772,298</u></u>

4.22 TAX PAYABLE

The movements of tax payable are as follows:-

	<u>Amount</u> RM
At 31 December 2024	-
Pursuant to the Acquisitions	<u>520,209</u>
As per Pro Forma I/II/III/IV	<u><u>520,209</u></u>

12. ACCOUNTANTS' REPORT

GEOHAN CORPORATION BERHAD
(Registration No.: 201601003474 (1174400-V))
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT
FOR THE FINANCIAL YEARS ENDED
31 DECEMBER 2022, 31 DECEMBER 2023
AND 31 DECEMBER 2024

GRANT THORNTON MALAYSIA PLT

CHARTERED ACCOUNTANTS

Member Firm of Grant Thornton International Ltd.

12. ACCOUNTANTS' REPORT (Cont'd)

Date: 30 May 2025

The Board of Directors
Geohan Corporation Berhad
 No 40, 42A & 42B
 Jalan Datuk Sulaiman
 Taman Tun Dr. Ismail
 60000 Kuala Lumpur

Dear Sirs,

Grant Thornton Malaysia PLT
 Level 11, Sheraton Imperial Court
 Jalan Sultan Ismail
 50250 Kuala Lumpur
 Malaysia

T +603 2692 4022
F +603 2691 5229

Reporting Accountants' Opinion on the Financial Information Contained in the Accountants' Report of Geohan Corporation Berhad ("the Company" or "Geohan")

Opinion

We have audited the accompanying Combined Financial Statements ("financial information") of Geohan and its combining entities (collectively known as "the Group" or "Geohan Group") which comprises the combined statements of financial position of the Group as at 31 December 2022, 31 December 2023 and 31 December 2024, the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 and material accounting policies information and other explanatory notes, as set out on pages 4 to 57. This historical financial information has been prepared for inclusion in the prospectus of the Company in connection with the initial public offering and the listing and quotation of the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing") ("Prospectus"). The Accountants' Report is required by the Prospectus Guidelines issued by the Securities Commission Malaysia pursuant to Chapter 10, Part II Division 1: Equity and for no other purposes ("Prospectus Guidelines").

In our opinion, the accompanying combined financial statements give a true and fair view of the combined statements of financial position of the Group as at 31 December 2022, 31 December 2023 and 31 December 2024, and of their combined financial performance and their combined cash flows for the financial years then ended in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

12. ACCOUNTANTS' REPORT (Cont'd)**Basis for Opinion (cont'd)***Independence and Other Ethical Responsibilities*

We are independent of the Group in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Responsibilities of the Directors for the Combined Financial Statements

The Directors of the Company ("Directors") are responsible for the preparation of the Combined Financial Statements of the Group that give a true and fair view in accordance with the Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of Combined Financial Statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the Combined Financial Statements of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the Combined Financial Statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a reporting accountants' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Combined Financial Statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Combined Financial Statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

12. ACCOUNTANTS' REPORT (Cont'd)**Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (cont'd)**

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (cont'd):

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountants' report to the related disclosures in the Combined Financial Statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Combined Financial Statements of the Group, including the disclosures, and whether the Combined Financial Statements of the Group represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Combined Financial Statements of the entity or business activities within the Group to express an opinion on the Combined Financial Statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Restriction on Distribution and Use

This report has been prepared solely to comply with the Prospectus Guidelines and Main Market Listing Requirements issued by Bursa Securities for inclusion in the Prospectus and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

LIM CHOOI LING
(NO: 03537/11/2026(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
30 May 2025

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)

(Incorporated in Malaysia)

COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022, 31 DECEMBER 2023 AND 31 DECEMBER 2024

	Note	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM
ASSETS				
Non-current assets				
Property, plant and equipment	3	136,391,308	149,109,101	181,891,872
Investment properties	4	5,597,401	8,891,671	5,981,998
Goodwill on consolidation	5	683,758	683,758	683,758
Deferred tax assets	6	1,636,000	2,396,000	990,500
Total non-current assets		144,308,467	161,080,530	189,548,128
Current assets				
Trade receivables	7	62,583,357	89,456,806	72,058,554
Other receivables	8	12,053,891	27,536,269	22,952,836
Contract assets	9	41,448,921	42,800,725	70,596,193
Tax recoverable		2,906,118	337,780	970,574
Deposits with licensed banks	10	12,879,302	25,987,625	31,317,093
Cash and bank balances		11,885,025	8,456,599	10,449,197
Assets held for sale	11	143,756,614	194,575,804	208,344,447
		-	-	3,960,000
Total current assets		143,756,614	194,575,804	212,304,447
TOTAL ASSETS		288,065,081	355,656,334	401,852,575
EQUITY AND LIABILITIES				
EQUITY				
Equity attributable to owners of the Company:-				
Share capital	12	11,788,002	11,788,002	11,916,000
Reserve	13	(16,496)	(40,056)	123,888
Retained earnings		83,247,700	97,194,332	103,209,499
Non-controlling interests	14	95,019,206	108,942,278	115,249,387
		13,120,675	15,345,162	16,274,791
Total equity		108,139,881	124,287,440	131,524,178
LIABILITIES				
Non-current liabilities				
Lease liabilities	15	36,084,826	38,062,046	49,238,767
Borrowings	16	7,770,614	7,615,529	8,083,155
Deferred tax liabilities	6	5,844,547	6,447,006	8,115,854
Total non-current liabilities		49,699,987	52,124,581	65,437,776
Current liabilities				
Trade payables	17	36,940,742	59,714,823	60,952,400
Other payables	18	41,640,425	55,717,363	89,643,087
Contract liabilities	9	6,545,940	17,300,782	10,772,298
Amount due to Directors	19	4,722,296	2,334,891	-
Lease liabilities	15	22,766,662	25,882,530	24,128,535
Borrowings	16	17,520,217	18,252,704	18,874,092
Tax payable		88,931	41,220	520,209
Total current liabilities		130,225,213	179,244,313	204,890,621
Total liabilities		179,925,200	231,368,894	270,328,397
TOTAL EQUITY AND LIABILITIES		288,065,081	355,656,334	401,852,575

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)
GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS ENDED
31 DECEMBER 2022, 31 DECEMBER 2023 AND 31 DECEMBER 2024**

	Note	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM
Revenue	20	207,975,215	323,834,136	395,215,995
Cost of sales		(186,771,485)	(288,572,702)	(349,983,256)
Gross profit		21,203,730	35,261,434	45,232,739
Other income		3,845,108	664,955	4,161,307
Administrative expenses		(13,462,194)	(18,173,236)	(22,412,907)
Net impairment loss on financial assets		(985,871)	-	(129,118)
Other expenses		(363,457)	(68,942)	(4,999,171)
Operating profit		10,237,316	17,684,211	21,852,850
Finance income	21	281,562	355,771	1,009,822
Finance costs	22	(551,452)	(480,101)	(578,461)
Profit before tax	23	9,967,426	17,559,881	22,284,211
Tax expense	24	(2,246,704)	(1,384,898)	(6,276,277)
Profit for the financial year		7,720,722	16,174,983	16,007,934
Other comprehensive (loss)/income for the financial year, net of tax				
- Revaluation reserve		-	-	154,250
- Foreign currency exchange differences		(17,311)	(27,424)	36,583
Total other comprehensive (loss)/income for the financial year, net of tax		(17,311)	(27,424)	190,833
Total comprehensive income for the financial year		7,703,411	16,147,559	16,198,767
Profit for the financial year attributable to:-				
Owners of the Company		6,684,422	13,946,632	13,824,398
Non-controlling interests		1,036,300	2,228,351	2,183,536
		7,720,722	16,174,983	16,007,934
Total comprehensive income for the financial year attributable to:-				
Owners of the Company		6,669,550	13,923,072	13,988,342
Non-controlling interests		1,033,861	2,224,487	2,210,425
		7,703,411	16,147,559	16,198,767

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023 AND 31 DECEMBER 2024

	Note	Share capital RM	Reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
Balance at 1 January 2022		11,788,002	(1,624)	76,563,278	88,349,656	12,086,814	100,436,470
Profit for the financial year		-	-	6,684,422	6,684,422	1,036,300	7,720,722
Other comprehensive loss for the financial year		-	(14,872)	-	(14,872)	(2,439)	(17,311)
Total comprehensive income for the financial year		-	(14,872)	6,684,422	6,669,550	1,033,861	7,703,411
Balance at 31 December 2022		11,788,002	(16,496)	83,247,700	95,019,206	13,120,675	108,139,881
Profit for the financial year		-	-	13,946,632	13,946,632	2,228,351	16,174,983
Other comprehensive loss for the financial year		-	(23,560)	-	(23,560)	(3,864)	(27,424)
Total comprehensive income for the financial year		-	(23,560)	13,946,632	13,923,072	2,224,487	16,147,559
Balance at 31 December 2023		11,788,002	(40,056)	97,194,332	108,942,278	15,345,162	124,287,440
Transaction with owners:-							
Issuance of shares	12	127,998	-	-	127,998	-	127,998
Dividends paid	28	-	-	(7,809,231)	(7,809,231)	(1,280,796)	(9,090,027)
Profit for the financial year		-	-	13,824,398	13,824,398	2,183,536	16,007,934
Other comprehensive income for the financial year		-	163,944	-	163,944	26,889	190,833
Total comprehensive income for the financial year		-	163,944	13,824,398	13,988,342	2,210,425	16,198,767
Balance at 31 December 2024		11,916,000	123,888	103,209,499	115,249,387	16,274,791	131,524,178

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)

(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023 AND 31 DECEMBER 2024

	Note	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM
OPERATING ACTIVITIES				
Profit before tax		9,967,426	17,559,881	22,284,211
Adjustments for:-				
Bad debts written off		304,027	-	-
Depreciation of property, plant and equipment		21,011,759	23,153,137	27,783,596
Fair value loss on investment properties		-	-	976,185
Loss on disposal of investment properties		24,549	25,000	36,007
Net gain on disposal of property, plant and equipment		(331,156)	(224,629)	(3,201,459)
Impairment loss on trade receivables		985,871	-	261,943
Interest expenses		4,736,013	4,710,846	5,783,078
Interest income		(281,562)	(355,771)	(1,009,822)
Property, plant and equipment written off		34,681	43,950	48,531
Reversal of impairment loss on trade receivables		-	-	(132,825)
Waiver of debts		(63,447)	-	-
Operating profit before working capital changes		36,388,161	44,912,414	52,829,445
Changes in working capital:-				
Contract assets and liabilities		8,475,613	9,403,038	(34,323,952)
Receivables		(10,707,984)	(42,355,757)	21,852,505
Payables		4,070,292	32,840,528	19,167,436
Cash generated from operations		38,226,082	44,800,223	59,525,434
Tax refunded		33,466	2,893,927	-
Tax paid		(992,017)	(1,915,739)	(3,355,734)
Net cash from operating activities		37,267,531	45,778,411	56,169,700
INVESTING ACTIVITIES				
Interest received		281,562	355,771	1,009,822
Purchase of property, plant and equipment	A	(7,680,076)	(4,211,734)	(10,239,671)
Purchase of investment properties	B	(2,310,695)	(3,323,907)	(1,824,319)
Proceeds from disposal of investment properties		582,890	675,000	2,307,000
Proceeds from disposal of property, plant and equipment		462,360	2,551,165	3,362,508
Net cash used in investing activities		(8,663,959)	(3,953,705)	(5,384,660)
FINANCING ACTIVITIES				
Advance from/(Repayment to) Directors		46,391	(2,420,661)	(2,322,674)
Drawdown of bankers' acceptances		41,432,000	45,263,000	25,163,000
Drawdown of invoice financing		4,383,698	7,556,009	30,383,620
Drawdown of lease liabilities		658,665	162,000	3,165,164
Dividend paid		-	-	(9,090,027)
Issuance of shares		-	-	127,998
Interest paid		(4,736,013)	(4,710,846)	(5,783,078)
Repayment of term loans		(4,785,355)	(804,951)	(1,593,620)
Repayment of bankers' acceptances		(36,034,000)	(44,950,000)	(38,473,000)
Repayment of invoice financing		(3,782,443)	(7,157,019)	(16,486,186)
Repayment lease liabilities		(20,749,033)	(25,089,934)	(28,548,471)
Withdrawal/(Placement) of deposits pledged with licensed banks		631,780	1,365,406	(1,381,929)
Net cash used in financing activities		(22,934,310)	(30,786,996)	(44,839,203)

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023 AND 31 DECEMBER 2024 (CONT'D)

	Note	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM
CASH AND CASH EQUIVALENTS				
Net changes		5,669,262	11,037,710	5,945,837
Effect of changes in foreign currency exchange		4,263	7,593	(5,700)
Brought forward		11,911,501	17,585,026	28,630,329
Carried forward	C	17,585,026	28,630,329	34,570,466

NOTES TO COMBINED STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM
Total purchase of property, plant and equipment	14,941,374	38,241,416	61,071,697
Less: Financed by lease liabilities	(7,081,298)	(30,021,022)	(34,806,033)
Less: Financed by trade payables	(180,000)	(4,008,660)	(16,025,993)
	7,680,076	4,211,734	10,239,671

B. PURCHASE OF INVESTMENT PROPERTIES

	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM
Total purchase of investment properties	2,664,809	3,994,270	3,919,519
Less: Financed by term loans	(354,114)	(670,363)	(2,095,200)
	2,310,695	3,323,907	1,824,319

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the combined statements of cash flows comprise the following amounts:-

	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM
Cash and bank balances	11,885,025	8,456,599	10,449,197
Deposits with licensed banks	12,879,302	25,987,625	31,317,093
	24,764,327	34,444,224	41,766,290
Less: Deposits pledged with licensed banks	(7,179,301)	(5,813,895)	(7,195,824)
	17,585,026	28,630,329	34,570,466

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)

(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023 AND 31 DECEMBER 2024 (CONT'D)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	1 January 2022 RM	Drawdown RM	Repayments RM	Forex translation RM	Non-cash movement RM	31 December 2022 RM
Amount due to Directors	4,718,872	46,391	-	20,480	(63,447)	4,722,296
Bankers' acceptances	10,738,000	41,432,000	(36,034,000)	-	-	16,136,000
Invoice financing	-	4,383,698	(3,782,443)	-	-	601,255
Term loans	12,984,817	354,114	(4,785,355)	-	-	8,553,576
Lease liabilities	71,860,558	7,739,963	(20,749,033)	-	-	58,851,488
	<u>100,302,247</u>	<u>53,956,166</u>	<u>(65,350,831)</u>	<u>20,480</u>	<u>(63,447)</u>	<u>88,864,615</u>
	1 January 2023 RM	Drawdown RM	Repayments RM	Forex translation RM	Non-cash movement RM	31 December 2023 RM
Amount due to Directors	4,722,296	-	(2,420,661)	33,256	-	2,334,891
Bankers' acceptances	16,136,000	45,263,000	(44,950,000)	-	-	16,449,000
Invoice financing	601,255	7,556,009	(7,157,019)	-	-	1,000,245
Term loans	8,553,576	670,363	(804,951)	-	-	8,418,988
Lease liabilities	58,851,488	30,183,022	(25,089,934)	-	-	63,944,576
	<u>88,864,615</u>	<u>83,672,394</u>	<u>(80,422,565)</u>	<u>33,256</u>	<u>-</u>	<u>92,147,700</u>
	1 January 2024 RM	Drawdown RM	Repayments RM	Forex translation RM	Non-cash movement RM	31 December 2024 RM
Amount due to Directors	2,334,891	-	(2,322,674)	(12,217)	-	-
Bankers' acceptances	16,449,000	25,163,000	(38,473,000)	-	-	3,139,000
Invoice financing	1,000,245	30,383,620	(16,486,186)	-	-	14,897,679
Term loans	8,418,988	2,095,200	(1,593,620)	-	-	8,920,568
Lease liabilities	63,944,576	37,971,197	(28,548,471)	-	-	73,367,302
	<u>92,147,700</u>	<u>95,613,017</u>	<u>(87,423,951)</u>	<u>(12,217)</u>	<u>-</u>	<u>100,324,549</u>

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)**GEOHAN CORPORATION BERHAD**

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS**1. GENERAL INFORMATION****1.1 Introduction**

This report has been prepared solely to comply with the Prospectus Guidelines and Main Market Listing Requirements issued by Bursa Securities for inclusion in the Prospectus and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

1.2 Background

The Company was incorporated in Malaysia under the Companies Act 1965 on 29 January 2016 as a private limited company under the name of Geohan Corporation Sdn Bhd and is deemed registered under the Companies Act 2016. The Company was converted to a public limited company on 21 March 2016. The Company was subsequently converted back to a private limited company on 25 November 2024 to facilitate the implementation of the pre-listing re-organisation exercise. Subsequently, on 23 April 2025, the Company was converted to a public limited company and assumed its present name to facilitate the Listing.

The registered office of the Company is located at Third floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor. The principal place of business of the Company is located at No. 40, 42A & 42B, Jalan Datuk Sulaiman, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

1.3 Principal activities

The Company is principally engaged in investment holding.

As of the date of this report, the details of the combining entities of Geohan are as follows:-

Name of company	Effective ownership	Principal activities	Date of incorporation	Country of incorporation
Geohan Holding Sdn. Bhd. ("GHSB")	100%	Provision of foundation and geotechnical services, as well as other related services, sub-contractor, and wholesale of construction of materials.	14 July 1992	Malaysia

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

1. GENERAL INFORMATION (CONT'D)

1.3 Principal activities (cont'd)

As of the date of this report, the details of the combining entities of Geohan are as follows (cont'd):-

Name of company	Effective ownership	Principal activities	Date of incorporation	Country of incorporation
Held by the GHSB:-				
Geohan Sdn. Bhd. ("GSB")	85.91	Provision of foundation and geotechnical services, as well as other related services, sub-contractor, and wholesale of construction of materials.	20 December 1996	Malaysia
Geohan Equipment Sdn. Bhd. ("GESB")	85.91	Hiring of equipment and machinery; Services activities incidental to land transportation.	8 June 1999	Malaysia
Held by GSB:-				
Geohan Mix Sdn. Bhd.* ("GMSB")	100%	Building and earthwork contractors and sub-contractor.	15 September 2003	Malaysia
Geohan Pte. Ltd. ("GPL")	100%	Foundation works (including micropiling, conventional piling and underpinning); General building engineering design and consultancy services.	3 May 2007	Singapore

* Dormant as at the date of this report.

There was no significant change in the nature of the principal activities of the Geohan and its combining entities.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

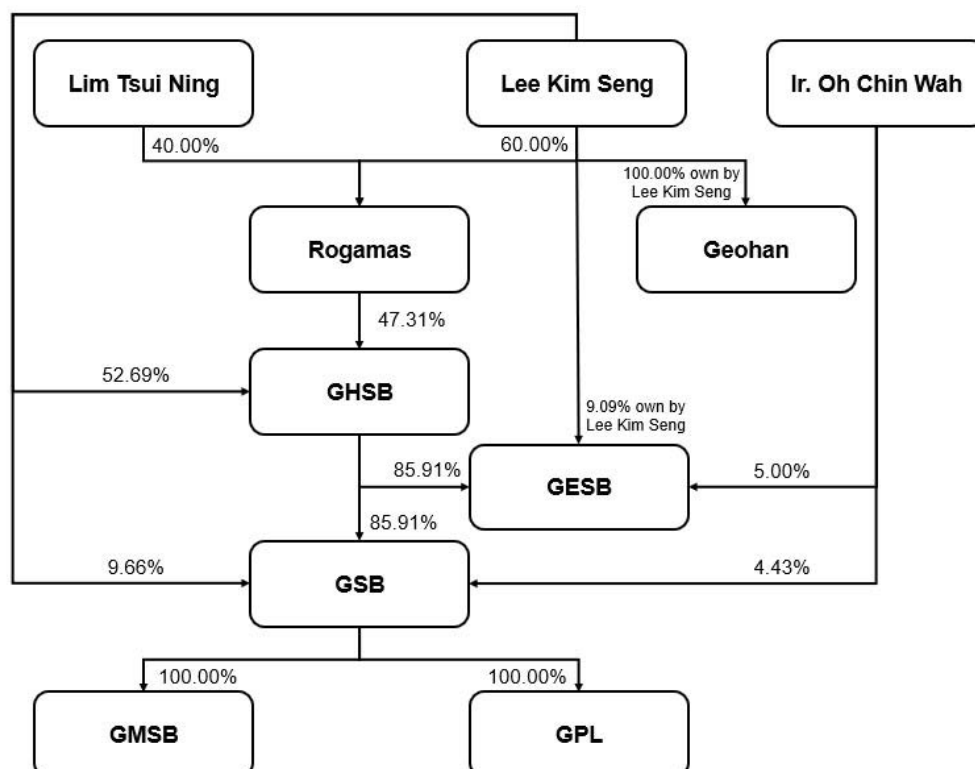
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

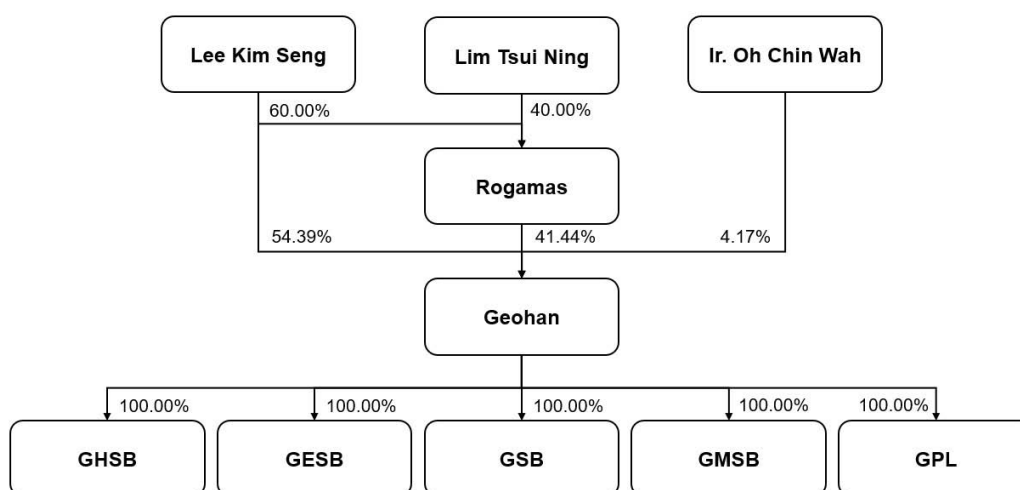
1. GENERAL INFORMATION (CONT'D)

1.4 Group Structure

Before the Acquisitions



After the Acquisitions



12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

1. GENERAL INFORMATION (CONT'D)

1.5 Auditors

The Combined Financial Statements of Geohan Group reflect the financial information of Geohan Corporation Berhad, Geohan Holding Sdn Bhd, Geohan Sdn Bhd, Geohan Equipment Sdn Bhd, Geohan Mix Sdn Bhd and Geohan Pte Ltd.

The relevant financial years of the audited financial statements presented for the purpose of this report and the Auditors of the company within the Group is as follows:-

Company	Relevant Financial Years	Auditors
Geohan Corporation Berhad Geohan Holding Sdn Bhd Geohan Sdn Bhd Geohan Equipment Sdn Bhd Geohan Mix Sdn Bhd	Financial years ended 31 December 2022, 31 December 2023 and 31 December 2024	Grant Thornton Malaysia PLT
Geohan Pte Ltd	Financial years ended 31 December 2022, 31 December 2023 and 31 December 2024	Solaris Assurance PAC (formerly known as Robert Tan & Co)

The audited financial statements of Geohan Group for the Relevant Financial Years reported above were not subject to any qualification or modification.

12. ACCOUNTANTS' REPORT (*Cont'd*)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
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2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS

2.1 Statement of Compliance

The Combined Financial Statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards ("IFRSs") based on the Guidance Note on 'Combined Financial Statements' issued by the Malaysian Institute of Accountants in relation to the Listing.

The Combined Financial Statements consist of the financial statements of the combining entities ("the Group") as disclosed in Note 1.3 to this report, which were under common control throughout the reporting years by virtue of common controlling shareholders.

The Combined Financial Statements have been prepared using financial information obtained from the records of the combining entities during the reporting years.

The financial information as presented in the Combined Financial Statements do not correspond to the financial statements of the Group, as the Combined Financial Statements reflect business combinations under common control for the purpose of the Listing. Consequently, the financial information from the Combined Financial Statements do not purport to predict the financial positions, results of operations and cash flows of the combining entities during the reporting years.

2.2 Basis of Measurement

The Combined Financial Statements of the Group are prepared under the historical cost convention.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming the market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)
2.2 Basis of Measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the Combined Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the Combined Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and Presentation Currency

The Combined Financial Statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs
2.4.1 Adoption of New Standards/Amendments/Improvements to MFRSs

At the beginning of the current financial year, the Group adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2024.

Initial application of the new standards/amendments/improvements to the standards did not have material financial impact to the Combined Financial Statements.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
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2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)

2.4 MFRSs (cont'd)

2.4.2 Standards Issued but Not Yet Effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's Combined Financial Statements are disclosed below. The Group intends to adopt new and amended standards, if applicable, when they become effective.

Effective for financial period beginning on or after effective 1 January 2025:-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Effective for financial period beginning on or after effective 1 January 2026:-

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments - Disclosures - Amendments to the Classification and Measurement of Financial Instruments

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments - Disclosures - Contracts Refencing Nature - Dependent Electricity

Annual Improvements to MFRS Accounting Standards - Volume 11

Effective for financial period beginning on or after effective 1 January 2027:-

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability - Disclosures

Amendments to MFRSs - effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above applicable standards and amendments are not expected to have any material financial impact to the combined financial statements.

2.5 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the combined financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results.

12. ACCOUNTANTS' REPORT (Cont'd)**GEOHAN CORPORATION BERHAD**

Registration No.: 201601003474 (1174400-V)
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2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)**2.5.1 Estimation Uncertainty**

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are as follows.

Useful Lives of Depreciable Assets

Management estimates the useful lives of the property, plant and equipment to be within 5 to 50 years and reviews the useful lives of the depreciable assets at the end of each reporting year. Management assess that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to change in the expected level of usage and technological developments which resulting the adjustment to the Group's assets.

Impairment of Non-financial Assets

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management make assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Provision for Expected Credit Losses ("ECLs") of Trade Receivables and Contract Assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns such as customer type and rating, and other forms of credit insurance.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Income Taxes/Deferred Tax Liabilities

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters result is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
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2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)
2.5 Significant Accounting Estimates and Judgements (cont'd)
2.5.1 Estimation Uncertainty (cont'd)
Fair Value Valuation of Investment Properties

The Group measures the investment properties at fair value with any change in fair value being recognised in profit or loss. Significant judgement is required in the determination of fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and reliance on the work of specialists. The Group engages independent valuation specialists to determine the fair values.

Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unused tax credits to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

2.5.2 Significant Management Judgement

The following are significant management judgements made in applying the accounting policies of the Group that has the most significant effect on the Combined Financial Statements.

Revenue from Contracts with Customers

Revenue is recognised when or as the control of the asset is transferred to our customers and, depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time. If control of the asset transfers over time, revenue is recognised over period of the contract by reference to the progress, based on the physical proportion of contract work-to-date certified by the Group and the customers.

Significant judgement is required in determining the process based on the certified work-to-date corroborated by the level of completion of the construction and installation based on actual costs incurred to date over the estimated total construction and installation costs. The total estimated costs are based on approved budgets, which requires assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgments, management relies on past experience and the work of specialists. A change in the estimated will directly affect the revenue to be recognised.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)

(Incorporated in Malaysia)

3. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Freehold buildings RM	Freehold land and buildings RM	Motor vehicles RM	Furniture and fittings RM	Site equipment RM	Site furniture and fittings RM	Site machineries RM	Office equipment RM	Renovation RM	Site office equipment RM	Capital work-in- progress RM	Total RM
Cost													
At 1 January 2022	5,085,322	4,839,507	6,384,500	1,879,479	233,622	13,885,600	1,078,854	207,566,252	1,685,898	1,121,033	719,111	184,811	244,663,989
Additions	-	-	-	521,545	-	3,469,731	-	10,863,388	56,811	-	29,899	-	14,941,374
Disposals	-	-	-	(143,765)	-	-	-	(1,560,211)	(12,415)	-	(8,668)	-	(1,725,059)
Written off	-	-	-	-	-	(20,202)	(49,360)	(9,901)	(38,470)	-	(54,996)	-	(172,929)
Reclassification	-	-	-	-	-	182,211	-	-	-	-	-	(182,211)	-
At 31 December 2022	5,085,322	4,839,507	6,384,500	2,257,259	233,622	17,517,340	1,029,494	216,859,528	1,691,824	1,121,033	685,346	2,600	257,707,375
Additions	-	-	-	625,118	7,217	3,321,076	438,535	33,548,961	191,902	51,600	53,107	3,900	38,241,416
Disposals	-	-	-	(93,579)	-	(500,900)	-	(5,622,484)	(3,280)	-	(20,429)	-	(6,240,672)
Written off	-	-	-	-	(3,350)	(1,303,768)	-	(38,344)	(209,590)	(181,964)	(138,004)	-	(1,875,020)
At 31 December 2023	5,085,322	4,839,507	6,384,500	2,788,798	237,489	19,033,748	1,468,029	244,747,661	1,670,856	990,669	580,020	6,500	287,833,099
Additions	-	-	-	557,495	127,082	5,188,135	262,039	54,381,349	178,970	175,559	103,848	97,220	61,071,697
Disposals	-	-	-	(83,516)	-	-	-	(12,509,119)	(10,575)	-	(12,260)	-	(12,615,470)
Written off	-	-	-	-	-	(30,800)	(13,700)	(2,254,913)	(92,441)	-	(35,197)	-	(2,427,051)
Transfer to investment properties	-	-	(350,000)	-	-	-	-	-	-	-	-	-	(350,000)
At 31 December 2024	5,085,322	4,839,507	6,034,500	3,262,777	364,571	24,191,083	1,716,368	284,364,978	1,746,810	1,166,228	636,411	103,720	333,512,275

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

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3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM	Freehold buildings RM	Freehold land and buildings RM	Motor vehicles RM	Furniture and fittings RM	Site equipment RM	Site furniture and fittings RM	Site machineries RM	Office equipment RM	Renovation RM	Site office equipment RM	Capital work-in- progress RM	Total RM
Accumulated depreciation													
At 1 January 2022	-	508,148	859,430	1,660,487	141,868	6,417,425	716,780	89,808,055	850,965	683,062	390,191	-	102,036,411
Charge for the financial year	-	96,790	127,690	100,608	22,534	1,506,304	101,087	18,765,250	134,255	93,892	63,349	-	21,011,759
Disposals	-	-	-	(143,761)	-	-	-	(1,437,292)	(8,046)	-	(4,756)	-	(1,593,855)
Written off	-	-	-	-	-	(18,377)	(42,810)	(6,960)	(33,161)	-	(36,940)	-	(138,248)
At 31 December 2022	-	604,938	987,120	1,617,334	164,402	7,905,352	775,057	107,129,053	944,013	776,954	411,844	-	121,316,067
Charge for the financial year	-	96,791	127,690	231,048	22,626	2,213,885	110,709	20,058,037	137,500	97,761	57,090	-	23,153,137
Disposals	-	-	-	(93,576)	-	(167,737)	-	(3,636,535)	(2,242)	-	(14,046)	-	(3,914,136)
Written off	-	-	-	-	(3,349)	(1,303,765)	-	(27,098)	(205,559)	(181,962)	(109,337)	-	(1,831,070)
At 31 December 2023	-	701,729	1,114,810	1,754,806	183,679	8,647,735	885,766	123,523,457	873,712	692,753	345,551	-	138,723,998
Charge for the financial year	-	96,790	127,690	316,734	30,374	2,804,139	133,970	23,956,220	152,472	112,259	52,948	-	27,783,596
Disposals	-	-	-	(83,515)	-	-	-	(12,349,772)	(9,866)	-	(11,268)	-	(12,454,421)
Written off	-	-	-	-	-	(28,633)	(13,698)	(2,226,056)	(86,501)	-	(23,632)	-	(2,378,520)
Transfer to investment properties	-	-	(54,250)	-	-	-	-	-	-	-	-	-	(54,250)
At 31 December 2024	-	798,519	1,188,250	1,988,025	214,053	11,423,241	1,006,038	132,903,849	929,817	805,012	363,599	-	151,620,403
Net carrying amount													
At 31 December 2022	5,085,322	4,234,569	5,397,380	639,925	69,220	9,611,988	254,437	109,730,475	747,811	344,079	273,502	2,600	136,391,308
At 31 December 2023	5,085,322	4,137,778	5,269,690	1,033,992	53,810	10,386,013	582,263	121,224,204	797,144	297,916	234,469	6,500	149,109,101
At 31 December 2024	5,085,322	4,040,988	4,846,250	1,274,752	150,518	12,767,842	710,330	151,461,129	816,993	361,216	272,812	103,720	181,891,872

12. ACCOUNTANTS' REPORT (Cont'd)

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3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group's cost and carrying amounts of the freehold land are not segregated from the buildings as required details are not available and unreasonable expenses would be incurred.

3.1 Assets charged to secure banking facilities

The net carrying amount of assets pledged as securities for banking facilities are:-

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Freehold land	5,085,322	5,085,322	5,085,322
Freehold buildings	4,234,569	4,137,778	4,040,988
Freehold land and buildings	<u>4,649,750</u>	<u>4,549,750</u>	<u>4,154,000</u>
	<u>13,969,641</u>	<u>13,772,850</u>	<u>13,280,310</u>

3.2 Leased assets

Included in the net carrying amount of property, plant and equipment are right-of-use assets as below:-

	<u>Motor vehicles</u> RM	<u>Site machineries</u> RM	<u>Site equipment</u> RM	<u>Total</u> RM
Cost				
At 1 January 2022	87,377	108,772,534	3,398,743	112,258,654
Additions	521,545	7,622,182	463,406	8,607,133
Transfer to property, plant and equipment	<u>(87,377)</u>	<u>-</u>	<u>(370,500)</u>	<u>(457,877)</u>
At 31 December 2022	521,545	116,394,716	3,491,649	120,407,910
Additions	617,154	31,399,614	1,393,231	33,409,999
Transfer to property, plant and equipment	<u>-</u>	<u>(2,386,321)</u>	<u>(1,478,287)</u>	<u>(3,864,608)</u>
At 31 December 2023	1,138,699	145,408,009	3,406,593	149,953,301
Additions	547,117	36,971,538	1,118,000	38,636,655
Transfer from property, plant and equipment	-	4,538,660	-	4,538,660
Transfer to property, plant and equipment	<u>-</u>	<u>(32,730,333)</u>	<u>(1,049,681)</u>	<u>(33,780,014)</u>
At 31 December 2024	<u>1,685,816</u>	<u>154,187,874</u>	<u>3,474,912</u>	<u>159,348,602</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

3.2 Leased assets (cont'd)

Included in the net carrying amount of property, plant and equipment are right-of-use assets as below (cont'd):-

	Motor vehicles RM	Site machineries RM	Site equipment RM	Total RM
Accumulated depreciation				
At 1 January 2022	81,552	21,789,909	892,912	22,764,373
Charge for the financial year	39,203	11,049,637	533,488	11,622,328
Transfer to property, plant and equipment	(87,376)	-	(132,763)	(220,139)
At 31 December 2022	33,379	32,839,546	1,293,637	34,166,562
Charge for the financial year	175,577	13,447,499	720,381	14,343,457
Transfer to property, plant and equipment	-	(1,245,766)	(724,706)	(1,970,472)
At 31 December 2023	208,956	45,041,279	1,289,312	46,539,547
Charge for the financial year	260,960	16,745,418	760,819	17,767,197
Transfer from property, plant and equipment	-	211,020	-	211,020
Transfer to property, plant and equipment	-	(18,638,935)	(889,567)	(19,528,502)
At 31 December 2024	469,916	43,358,782	1,160,564	44,989,262
Net carrying amount				
At 31 December 2022	488,166	83,555,170	2,198,012	86,241,348
At 31 December 2023	929,743	100,366,730	2,117,281	103,413,754
At 31 December 2024	1,215,900	110,829,092	2,314,348	114,359,340

The above assets are under finance lease arrangement are pledged as security for the related lease liabilities.

Material accounting policy information

All property, plant and equipment are measured at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

12. ACCOUNTANTS' REPORT (Cont'd)**GEOHAN CORPORATION BERHAD**

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3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**Material accounting policy information (cont'd)**

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life. All property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Freehold buildings	2%
Motor vehicles	20%
Furniture and fittings	10%
Site equipment	10%
Site furniture and fittings	10%
Site machineries	20%
Office equipment	10%
Renovation	10%
Site office equipment	10%

Freehold land is not depreciated but is subject to impairment test if there is indication of impairment.

Capital work-in-progress consists of software under installation for management and administration purposes. Assets under installation are not depreciated until it is completed and ready for their intended use.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Transfer to investment properties

During the financial year, a building was transferred to investment properties because it was no longer used by the Group and this building was leased to a third party.

Immediately before the transfer, the Group remeasured the property at fair value and recognised a gain of RM154,250 in other comprehensive income. The valuation techniques and significant unobservable input used in measuring the fair value of the building at the date of transfer were the same as those applied to investment properties.

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

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4. INVESTMENT PROPERTIES

	At fair value		At cost		
	Freehold land and buildings RM	Leasehold buildings RM	Freehold buildings under construction RM	Leasehold buildings under construction RM	Total RM
At 1 January 2022	934,400	-	2,394,080	211,551	3,540,031
Additions	-	-	1,138,111	1,526,698	2,664,809
Disposals	-	-	-	(607,439)	(607,439)
At 31 December 2022	934,400	-	3,532,191	1,130,810	5,597,401
Additions	3,590,159	404,111	-	-	3,994,270
Disposals	(700,000)	-	-	-	(700,000)
Reclassification	1,624,723	1,130,810	(1,624,723)	(1,130,810)	-
At 31 December 2023	5,449,282	1,534,921	1,907,468	-	8,891,671
Additions	-	-	3,919,519	-	3,919,519
Disposals	(1,853,736)	(489,271)	-	-	(2,343,007)
Fair value loss	(900,535)	(75,650)	-	-	(976,185)
Reclassification	3,054,989	-	(3,054,989)	-	-
Transfer to assets held for sale	(2,990,000)	(970,000)	-	-	(3,960,000)
Transfer from property, plant and equipment	450,000	-	-	-	450,000
At 31 December 2024	3,210,000	-	2,771,998	-	5,981,998

12. ACCOUNTANTS' REPORT (Cont'd)**GEOHAN CORPORATION BERHAD**

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4. INVESTMENT PROPERTIES (CONT'D)

The net carrying amount of investment properties pledged as securities for banking facilities granted to the Group are:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Freehold land and buildings	498,800	2,690,632	1,900,000
Freehold buildings under construction	<u>1,837,037</u>	<u>212,314</u>	<u>-</u>
	<u>2,335,837</u>	<u>2,902,946</u>	<u>1,900,000</u>

Income and expenses recognised in profit or loss

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Rental income	27,600	27,600	30,300
Direct operating expenses:			
- Income generating investment properties	442	442	445
- Non-income generating investment properties	<u>9,484</u>	<u>29,050</u>	<u>69,326</u>

Fair value basic of investment properties

Fair value measurement of the investment properties was categorised as follows:-

	Level 3	Level 3	Level 2
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Recurring fair value measurement:-			
Freehold land and buildings	934,400	5,449,282	3,210,000
Leasehold buildings	<u>-</u>	<u>1,534,921</u>	<u>-</u>

The fair value of the investment properties is based on valuations performed by an accredited independent valuer with recent transactions in the location and category of properties being valued (31.12.2023 and 31.12.2022: estimated by the Director based on the recent transacted prices in the market of properties with similar condition and location). The Directors are of the opinion that the prevailing market condition at the reporting date did not significantly change from the date on which the independent valuation was carried out.

Level 2 Fair Value

Level 2 fair values of land and building have been generally derived using the sales comparison approach and income approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

12. ACCOUNTANTS' REPORT (Cont'd)

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4. INVESTMENT PROPERTIES (CONT'D)

Level 3 Fair Value

Level 3 fair value of the investment properties was estimated by the Directors based on the recent transacted prices in the market of properties with similar condition and location. In estimating the fair value of the investment properties, the highest and best use of the investment properties is its current use.

Investment properties at fair value

The operating lease payments to be received are as follows:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Within 1 year	27,600	27,600	30,300
Later than 1 year but not later than 5 years	-	27,600	-
	<u>27,600</u>	<u>55,200</u>	<u>30,300</u>

Material accounting policy information

Investment properties are measured subsequently at fair value with any changes there in recognised in profit or loss for the period in which they arise.

Leasehold and freehold buildings under construction which are stated at cost comprise of condominiums under construction in Malaysia. Management concludes that due to the absence of an active market and observable/unobservable inputs, its fair value cannot be reliably determined.

5. GOODWILL ON CONSOLIDATION

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Brought forward/Carried forward	<u>683,758</u>	<u>683,758</u>	<u>683,758</u>

Impairment loss review of goodwill on consolidation

Goodwill acquired in a business combination is allocated, at acquisition date, to the cash-generating unit ("CGU") that is expected to benefit from the business combination.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

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5. GOODWILL ON CONSOLIDATION (CONT'D)

Impairment loss review of goodwill on consolidation (cont'd)

Key assumptions made in determining the value-in-use are as follows:

- Cash flows were projected based on actual operating results and the five-year business plan;
- The discount rate applied to the cash flows projections are derived from the weighted average cost of capital of the Group plus a reasonable risk premium;
- The size of operation will remain at least or not lower than the current results.

The key assumptions used for determining the value in use, which are determined based on management's past experience and expectation of the future development, are as follows:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	%	%	%
Projected growth rate	5	5	5
Discount rate	<u>5</u>	<u>5</u>	<u>5</u>

The projected cash flows from use are derived from the most recent financial budgets approved by management.

With regard to the assessments, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying values of these units to differ materially from their recoverable amounts except for the changes in the prevailing operating environment which are not ascertainable.

6. DEFERRED TAX ASSETS/(LIABILITIES)

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Brought forward	(5,531,959)	(4,208,547)	(4,051,006)
Recognised in profit or loss	<u>1,323,412</u>	<u>157,541</u>	<u>(3,074,348)</u>
Carried forward	<u>(4,208,547)</u>	<u>(4,051,006)</u>	<u>(7,125,354)</u>
Presented after appropriate offsetting as follows:-			
Deferred tax assets	1,636,000	2,396,000	990,500
Deferred tax liabilities	<u>(5,844,547)</u>	<u>(6,447,006)</u>	<u>(8,115,854)</u>
	<u>(4,208,547)</u>	<u>(4,051,006)</u>	<u>(7,125,354)</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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6. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The deferred tax assets/(liabilities) are made up of temporary differences arising from:-

Deferred tax assets

	Property, plant and equipment RM	Provision RM	Impairment RM	Unutilised business losses RM	Unabsorbed capital allowances RM	Total RM
At 1 January 2022	(488,000)	1,002,000	317,000	-	805,000	1,636,000
Recognised in profit or loss	(401,000)	(687,000)	52,000	854,000	182,000	-
At 31 December 2022	(889,000)	315,000	369,000	854,000	987,000	1,636,000
Recognised in profit or loss	166,000	(9,000)	-	1,590,000	(987,000)	760,000
At 31 December 2023	(723,000)	306,000	369,000	2,444,000	-	2,396,000
Recognised in profit or loss	68,500	939,000	31,000	(2,444,000)	-	(1,405,500)
At 31 December 2024	(654,500)	1,245,000	400,000	-	-	990,500

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6. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The deferred tax assets/(liabilities) are made up of temporary differences arising from (cont'd):-

Deferred tax liabilities

	Property, plant and <u>equipment</u> RM	<u>Impairment</u> RM	<u>Total</u> RM
At 1 January 2022	(7,231,959)	64,000	(7,167,959)
Recognised in profit or loss	1,387,412	(64,000)	1,323,412
At 31 December 2022	(5,844,547)	-	(5,844,547)
Recognised in profit or loss	(602,459)	-	(602,459)
At 31 December 2023	(6,447,006)	-	(6,447,006)
Recognised in profit or loss	(1,668,848)	-	(1,668,848)
At 31 December 2024	(8,115,854)	-	(8,115,854)

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7. TRADE RECEIVABLES

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Trade receivables	34,968,544	51,969,915	31,475,111
Retention sum	<u>29,150,770</u>	<u>39,022,848</u>	<u>42,248,518</u>
	64,119,314	90,992,763	73,723,629
Less: Allowance for ECLs	<u>(1,535,957)</u>	<u>(1,535,957)</u>	<u>(1,665,075)</u>
	<u>62,583,357</u>	<u>89,456,806</u>	<u>72,058,554</u>

Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The normal trade credit term granted by the Group to customers trade receivables is ranging from cash term to 60 days (31.12.2023 and 31.12.2022: cash term to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

Retention sums are unsecured, non-interest bearing and are expected to be collected within the operating cycle ranging from 1 to 3 years (31.12.2023 and 31.12.2022: 1 to 3 years).

The movements in the allowance for ECLs in respect of trade receivables during the financial year were as follows:-

	<u>Individually</u>	<u>Collectively</u>	<u>Total</u>
	<u>impaired</u>	<u>impaired</u>	<u>RM</u>
	RM	RM	
At 1 January 2022	1,035,798	550,086	1,585,884
Additions	-	985,871	985,871
Written off	<u>(1,035,798)</u>	<u>-</u>	<u>(1,035,798)</u>
At 31 December 2022/31 December 2023	-	1,535,957	1,535,957
Additions	261,943	-	261,943
Reversal	<u>-</u>	<u>(132,825)</u>	<u>(132,825)</u>
At 31 December 2024	<u>261,943</u>	<u>1,403,132</u>	<u>1,665,075</u>

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8. OTHER RECEIVABLES

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Non-trade receivables	160,199	1,776,267	1,852,089
Advance to sub-contractors	5,295,276	13,709,068	9,219,126
Deposits	1,664,112	5,682,751	6,364,058
Prepayments	4,900,679	6,334,558	5,483,938
Goods and services tax recoverable	33,625	33,625	33,625
	<u>12,053,891</u>	<u>27,536,269</u>	<u>22,952,836</u>

9. CONTRACT ASSETS/(LIABILITIES)

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Contract assets			
Accrued billings	<u>41,448,921</u>	<u>42,800,725</u>	<u>70,596,193</u>
Contract liabilities			
Deposit received	<u>(6,545,940)</u>	<u>(17,300,782)</u>	<u>(10,772,298)</u>

Contract assets primarily relate to the Group's rights to consideration for work completed on construction services but not yet billed at the reporting date. Typically, the amount will be billed based on the terms stipulated in the signed contract.

Contract liabilities primarily relate to the advanced consideration received from customers for the goods or services which are yet to be transferred or performed by the Group as at the reporting date.

Contract value yet to be recognised as revenue

As at the reporting date, revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of the Group is RM352,164,116 (31.12.2023: RM284,923,723 and 31.12.2022: RM164,844,641). The Group expected to recognise this revenue over the next 1 to 2 years (31.12.2023 and 31.12.2022: 1 to 2 years).

10. DEPOSITS WITH LICENSED BANKS

The deposits with licensed banks of the Group amounting to RM7,195,824 (31.12.2023: RM5,813,895 and 31.12.2022: RM7,179,301) have been pledged for banking facilities granted to the Group.

The interest rates for deposits with licensed banks of the Group ranging from 2.00% to 4.25% (31.12.2023: 1.30% to 4.25% and 31.12.2022: 1.30% to 3.80%) per annum.

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11. ASSETS HELD FOR SALE

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Transfer from investment properties/At 31 December	-	-	3,960,000

The freehold buildings are classified as assets held for sale following the commitment of the Group's management to a plan to disposal of the assets. Effort to sell the assets have commenced and a sale is expected by subsequent financial year.

The freehold buildings with net carrying amount of RM2,700,000 (31.12.2023 and 31.12.2022: RMNil) is pledged as securities to a financial institution for bank borrowings granted to the Group.

12. SHARE CAPITAL

	Number of ordinary shares		
	<u>31.12.2022</u> Unit	<u>31.12.2023</u> Unit	<u>31.12.2024</u> Unit
<u>Company</u>			
Issued and fully paid with no par value:-			
At 1 January	10	10	10
Issuance during the year	-	-	127,998
At 31 December	10	10	128,008
<u>GHSB</u>			
Issued and fully paid with no par value:-			
At 1 January/31 December	11,788,000	11,788,000	11,788,000
	11,788,010	11,788,010	11,916,008
	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
<u>Company</u>			
Issued and fully paid with no par value:-			
At 1 January	2	2	2
Issuance during the year	-	-	127,998
At 31 December	2	2	128,000
<u>GHSB</u>			
Issued and fully paid with no par value:-			
At 1 January/31 December	11,788,000	11,788,000	11,788,000
	11,788,002	11,788,002	11,916,000

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12. SHARE CAPITAL (CONT'D)

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

13. RESERVE

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Non-distributable:-			
Foreign currency translation reserve	(16,496)	(40,056)	(8,628)
Revaluation reserve	-	-	132,516
	<u>(16,496)</u>	<u>(40,056)</u>	<u>123,888</u>

Foreign currency translation reserve

The foreign exchange translation reserve is in respect of foreign exchange differences on translation of the financial statements of the Group's foreign subsidiary.

Revaluation reserve

Revaluation reserve arising from revaluation of property is not available for distribution as dividends.

14. NON-CONTROLLING INTERESTS

The Group's subsidiaries held by GHSB that have material non-controlling interests are as follows:-

	<u>GSB</u>	<u>GESB</u>	<u>Other individually immaterial subsidiaries</u>	<u>Total</u>
31.12.2022				
Percentage of ownership interest and voting interest (%)	<u>14.09</u>	<u>14.09</u>	<u>14.09</u>	
Carrying amount of non-controlling interest (RM)	<u>5,415,770</u>	<u>7,690,823</u>	<u>14,082</u>	<u>13,120,675</u>
Profit/(Loss) allocated to non-controlling interest (RM)	<u>165,329</u>	<u>905,094</u>	<u>(34,123)</u>	<u>1,036,300</u>
Total comprehensive income/(loss) allocated to non-controlling interest (RM)	<u>165,329</u>	<u>905,094</u>	<u>(36,562)</u>	<u>1,033,861</u>

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14. NON-CONTROLLING INTERESTS (CONT'D)

The Group's subsidiaries held by GHSB that have material non-controlling interests are as follows (cont'd):-

	<u>GSB</u>	<u>GESB</u>	<u>Other individually immaterial subsidiaries</u>	<u>Total</u>
31.12.2023				
Percentage of ownership interest and voting interest (%)	14.09	14.09	14.09	
Carrying amount of non- controlling interest (RM)	6,954,010	8,399,914	(8,762)	15,345,162
Profit/(Loss) allocated to non-controlling interest (RM)	1,538,240	709,091	(18,980)	2,228,351
Total comprehensive income/(loss) allocated to non-controlling interest (RM)	1,538,240	709,091	(22,844)	2,224,487
31.12.2024				
Percentage of ownership interest and voting interest (%)	14.09	14.09	14.09	
Carrying amount of non- controlling interest (RM)	7,158,073	9,137,629	(20,912)	16,274,791
Profit/(Loss) allocated to non-controlling interest (RM)	1,484,860	715,981	(17,305)	2,183,536
Total comprehensive income/(loss) allocated to non-controlling interest (RM)	1,484,860	737,715	(12,150)	2,210,425

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14. NON-CONTROLLING INTERESTS (CONT'D)

The summary of financial information before intra-group elimination for the Group's subsidiaries held by GHSB that have material non-controlling interests are as below:-

	GSB RM	GESB RM
31.12.2022		
Summary of financial position		
Non-current assets	18,617,691	124,959,381
Current assets	130,664,372	17,161,665
Non-current liabilities	(4,464,132)	(45,149,032)
Current liabilities	(106,380,955)	(42,388,457)
Equity attributable to owners of the Company	38,436,976	54,583,557
Summary of financial performance		
Revenue	207,381,740	46,280,557
Expenses	(206,208,362)	(39,856,895)
Profit after tax and total comprehensive income for the financial year	1,173,378	6,423,662
Summary of cash flows		
Net cash from operating activities	5,102,497	33,294,051
Net cash used in investing activities	(569,558)	(6,041,672)
Net cash from/(used in) financing activities	594,392	(27,048,684)
Net cash inflows	5,127,331	203,695
31.12.2023		
Summary of financial position		
Non-current assets	21,954,134	138,422,698
Current assets	169,573,179	10,153,834
Non-current liabilities	(5,059,059)	(47,064,633)
Current liabilities	(137,114,033)	(41,895,760)
Equity attributable to owners of the Company	49,354,221	59,616,139
Summary of financial performance		
Revenue	326,410,836	54,465,454
Expenses	(315,493,591)	(49,432,872)
Profit after tax and total comprehensive income for the financial year	10,917,245	5,032,582
Summary of cash flows		
Net cash from operating activities	11,068,500	38,403,853
Net cash used in investing activities	(3,017,555)	(4,920,273)
Net cash used in financing activities	(8,965,627)	(33,740,804)
Net cash outflows	(914,682)	(257,224)

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14. NON-CONTROLLING INTERESTS (CONT'D)

The summary of financial information before intra-group elimination for the Group's subsidiaries held by GHSB that have material non-controlling interests are as below (cont'd):-

	<u>GSB</u> RM	<u>GESB</u> RM
31.12.2024		
Summary of financial position		
Non-current assets	17,348,846	171,608,274
Current assets	191,060,329	13,155,520
Non-current liabilities	(6,415,527)	(59,021,360)
Current liabilities	<u>(151,191,142)</u>	<u>(60,890,560)</u>
Equity attributable to owners of the Company	<u>50,802,506</u>	<u>64,851,874</u>
Summary of financial performance		
Revenue	395,062,573	59,650,528
Expenses	<u>(384,524,178)</u>	<u>(54,569,043)</u>
Profit for the financial year	10,538,395	5,081,485
Other comprehensive income	<u>-</u>	<u>154,250</u>
Total comprehensive income for the financial year	<u>10,538,395</u>	<u>5,235,735</u>
Dividend paid non-controlling interests	<u>1,280,796</u>	<u>-</u>
Summary of cash flows		
Net cash from operating activities	27,508,606	29,573,165
Net cash used in investing activities	(6,998,572)	(5,676,069)
Net cash used in financing activities	<u>(14,192,281)</u>	<u>(22,621,786)</u>
Net cash inflows	<u>6,317,753</u>	<u>1,275,310</u>

15. LEASE LIABILITIES

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Non-current	36,084,826	38,062,046	49,238,767
Current	<u>22,766,662</u>	<u>25,882,530</u>	<u>24,128,535</u>
	<u>58,851,488</u>	<u>63,944,576</u>	<u>73,367,302</u>

The maturity analysis of lease liabilities is disclosed in Note 30 to the combined financial statements.

The Group's total cash outflows for leases amounting to RM42,169,502 (31.12.2023: RM36,137,146 and 31.12.2022: RM29,147,880).

The effective interest rates of the lease liabilities of the Group are ranging from 4.08% to 9.31% (31.12.2023: 4.08% to 9.31% and 31.12.2022: 4.08% to 7.07%) per annum.

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15. LEASE LIABILITIES (CONT'D)

The lease liabilities of the Group amounting to RM71,189,067 (31.12.2023: RM56,914,906 and 31.12.2022: RM47,456,541) are secured by way of corporate guarantee by the Group and/or a personal guarantee by the Director of the Company.

16. BORROWINGS

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Secured:-			
Non-current			
Term loans	<u>7,770,614</u>	<u>7,615,529</u>	<u>8,083,155</u>
Secured:-			
Current			
Bankers' acceptances	16,136,000	16,449,000	3,139,000
Invoice financing	601,255	1,000,245	14,897,679
Term loans	<u>782,962</u>	<u>803,459</u>	<u>837,413</u>
	<u>17,520,217</u>	<u>18,252,704</u>	<u>18,874,092</u>
	<u>25,290,831</u>	<u>25,868,233</u>	<u>26,957,247</u>
Amount repayable:-			
Within 1 year	17,520,217	18,252,704	18,874,092
Later than 1 year but not later than 5 years	3,988,872	3,428,469	3,029,859
More than 5 years	<u>3,781,742</u>	<u>4,187,060</u>	<u>5,053,296</u>
	<u>25,290,831</u>	<u>25,868,233</u>	<u>26,957,247</u>

The borrowings of the Group are secured by means of the followings:-

- First party legal charges over the freehold land and building and freehold buildings under construction of the Group as disclosed in Notes 3, 4 and 11 to the combined financial statements;
- First party legal charges over the freehold land and building of the Group;
- First party charge over deposits placed with the licensed banks of the Group;
- Corporate guarantee by GHSB;
- Corporate guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad;
- Personal guarantee by a Director of the Company; and
- Pledged by insurance policy coverage of the Group.

The term loans of the Group bear interest rates ranging from 3.39% to 8.50% (31.12.2023: 3.27% to 8.50% and 31.12.2022: 3.27% to 10.70%) per annum.

The bankers' acceptances of the Group bear interest rates ranging from 4.83% to 5.03% (31.12.2023: 4.80% to 5.02% and 31.12.2022: 3.21% to 5.10%) per annum.

The invoice financing of the Group bear interest rates ranging from 4.71% to 4.88% (31.12.2023: 4.72% to 5.10% and 31.12.2022: 3.70% to 5.15%) per annum.

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17. TRADE PAYABLES

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Trade payables	32,416,879	52,866,588	52,654,375
Related party	142,388	500,747	132,580
Retention sum	<u>4,381,475</u>	<u>6,347,488</u>	<u>8,165,445</u>
	<u>36,940,742</u>	<u>59,714,823</u>	<u>60,952,400</u>

The normal trade credit term granted by the suppliers of the Group is ranging from 30 to 90 days (31.12.2023 and 31.12.2022: 30 to 90 days).

Related party refer to a company connected to a shareholder.

18. OTHER PAYABLES

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Non-trade payables	98,969	1,745,613	2,174,665
Deposits received	683,529	664,689	711,394
Accruals	39,546,451	52,030,474	81,568,393
Provision for contract foreseeable losses	<u>1,311,476</u>	<u>1,276,587</u>	<u>5,188,635</u>
	<u>41,640,425</u>	<u>55,717,363</u>	<u>89,643,087</u>

19. AMOUNT DUE TO DIRECTORS

In prior financial year, the amount due to Directors are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

20. REVENUE

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Revenue from contracts with customers			
<u>Services transferred over time:-</u>			
Contract revenue	<u>207,975,215</u>	<u>323,834,136</u>	<u>395,215,995</u>

20.1 Performance obligations

Information about the Group's performance obligations are summarised below:-

Contract revenue

Revenue from the construction contract is recognised by reference to the stage of completion. Stage of completion is measured by reference to actual cost incurred to date as a percentage of total budgeted cost for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

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21. FINANCE INCOME

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Interest income:			
- Deposits with licensed banks	280,243	349,023	992,925
- Bank balances	<u>1,319</u>	<u>6,748</u>	<u>16,897</u>
	<u>281,562</u>	<u>355,771</u>	<u>1,009,822</u>

22. FINANCE COSTS

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Interest expenses:			
- Bank overdraft	143,191	42,100	42,962
- Lease liabilities	18,145	21,043	23,607
- Term loans	382,458	395,207	441,649
- Others	<u>7,658</u>	<u>21,751</u>	<u>70,243</u>
	<u>551,452</u>	<u>480,101</u>	<u>578,461</u>

23. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting), amongst other items, the following:-

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Auditors' remuneration:-			
Grant Thornton Malaysia PLT:			
- Statutory audit	114,000	114,000	143,000
Other external auditor	4,787	5,097	5,131
Bad debts written off	304,207	-	-
Bankers' acceptance interest:			
- Included in cost of sales	532,390	722,518	404,482
Bank guarantee interest:			
- Included in cost of sales	278,977	363,721	808,904

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23. PROFIT BEFORE TAX (CONT'D)

Profit before tax has been determined after charging/(crediting), amongst other items, the following (cont'd):-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Invoice financing interest:			
- Included in cost of sales	37,223	71,453	246,236
Depreciation of property, plant and equipment	21,011,759	23,153,137	27,783,596
Expenses arising from short-term leases:			
- Included in cost of sales	5,044,731	7,953,116	9,852,429
Fair value loss on investment properties	-	-	976,185
Net gain on disposal of property, plant and equipment	(331,156)	(224,629)	(3,201,459)
Impairment loss on trade receivables	985,871	-	261,943
Lease liabilities interest:			
- Included in cost of sales	3,335,971	3,073,053	3,744,995
Loss on disposal of investment properties	24,549	25,000	36,007
Property, plant and equipment written off	34,681	43,950	48,531
Reversal of impairment loss on trade receivables	-	-	(132,825)
Net realised loss/(gain) on foreign exchange	30	32,397	(347)
Rental income	(155,520)	(155,117)	(174,400)
Waiver of debts	(63,447)	-	-

24. TAX EXPENSE

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Current tax			
- Current financial year	896,679	809,846	3,054,138
- Under provision in prior financial year	26,613	732,593	147,791
	<u>923,292</u>	<u>1,542,439</u>	<u>3,201,929</u>
Deferred tax			
- Current financial year	5,511,795	3,870,049	3,128,048
- Over recognised in prior financial year	(4,188,383)	(4,027,590)	(53,700)
	<u>1,323,412</u>	<u>(157,541)</u>	<u>3,074,348</u>
	<u>2,246,704</u>	<u>1,384,898</u>	<u>6,276,277</u>

Malaysian income tax is calculated at the statutory tax rate 24% (31.12.2023 and 31.12.2022: 24%) of the estimated taxable profit for the financial year.

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24. TAX EXPENSE (CONT'D)

The numerical reconciliation between the effective tax rate and the statutory tax rate of the Group are as follows:-

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Profit before tax	<u>9,967,426</u>	<u>17,559,881</u>	<u>22,284,211</u>
Tax at statutory tax rate of 24%	2,392,182	4,214,371	5,348,210
Tax effects in respect of:-			
Expenses not deductible for tax	564,140	433,782	797,540
Income not subject to tax	(99,736)	-	(14,688)
Movement of deferred tax assets not recognised	3,551,888	31,742	51,124
Under provision of tax expense in prior financial year	26,613	732,593	147,791
Over recognised of deferred tax in prior financial year	<u>(4,188,383)</u>	<u>(4,027,590)</u>	<u>(53,700)</u>
	<u>2,246,704</u>	<u>1,384,898</u>	<u>6,276,277</u>

Deferred tax assets have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom.

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Unutilised business losses	<u>309,718</u>	<u>444,080</u>	<u>657,097</u>

The expiry of the unutilised business losses is as follows:-

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
<u>Unutilised business losses</u>			
- foreign subsidiary (without expiry)	204,625	366,886	579,903
- expiring year of assessment 2028	583	-	-
- expiring year of assessment 2032	<u>104,510</u>	<u>77,194</u>	<u>77,194</u>
	<u>309,718</u>	<u>444,080</u>	<u>657,097</u>

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25. EMPLOYEE BENEFITS EXPENSE

The employee benefits expenses of the Group include the Directors of the Group, key senior management of the Group and other employees of the Group, in which the details are as follows:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Directors of the Group			
Directors of the Company			
- Salaries	859,800	1,069,500	1,271,000
- Defined contribution plan	103,188	99,142	114,920
- Social security contribution	2,004	1,936	1,997
- Other emoluments	7,000	135,250	181,000
	<u>971,992</u>	<u>1,305,828</u>	<u>1,568,917</u>
Director of the subsidiary			
- Salaries	153,182	173,988	201,249
- Defined contribution plan	13,148	28,491	41,826
	<u>166,330</u>	<u>202,479</u>	<u>243,075</u>
Total Directors' remuneration	<u>1,138,322</u>	<u>1,508,307</u>	<u>1,811,992</u>
Key senior management of the Group			
- Salaries, wages and bonus	362,400	484,500	1,022,205
- Defined contribution plan	43,488	58,284	128,886
- Social security contribution	1,002	1,159	3,763
- Other employee benefits	23,365	37,200	117,065
	<u>430,255</u>	<u>581,143</u>	<u>1,271,919</u>
Other employees of the Group			
- Salaries, wages and bonus	27,151,915	44,307,031	50,991,774
- Defined contribution plan	1,759,614	2,219,275	2,843,679
- Social security contribution	253,093	425,530	603,856
- Other employee benefits	1,337,003	2,514,042	2,041,962
	<u>30,501,625</u>	<u>49,465,878</u>	<u>56,481,271</u>
Total employee benefits expenses	<u>32,070,202</u>	<u>51,555,328</u>	<u>59,565,182</u>

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26. RELATED PARTY DISCLOSURES

(a) Significant related party transactions for the financial year were as follows:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Advance from Directors	5,763,102	269,076	-
Purchase from a related party	<u>409,254</u>	<u>974,759</u>	<u>817,589</u>

(b) The outstanding balances arising from related party transactions as at reporting date are disclosed in Notes 17 and 19 to the combined financial statements.

27. EARNINGS PER SHARE

Basic/Diluted earnings per ordinary share

Basic earnings per share are calculated by dividing profit for the financial year attributable to ordinary equity holders of the Company by the enlarged number of ordinary shares of the Company upon completion of the Listing.

Diluted earnings per ordinary share equals to basic earnings per share as there are no dilutive potential ordinary shares.

Profits attributable to equity holders of the Company

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
Profit used for the computation of basic/diluted earnings per ordinary share:			
- Profit attributable to equity holders of the Company (RM)	<u>6,684,422</u>	<u>13,946,632</u>	<u>13,824,398</u>
Enlarged number of ordinary shares	440,000,000	440,000,000	440,000,000
Basic/Diluted earnings per ordinary share (sen)	<u>1.52</u>	<u>3.17</u>	<u>3.14</u>

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28. DIVIDEND

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
<u>In respect of the financial year ended 31 December 2024:-</u>			
<u>Geohan Holding Sdn Bhd</u>			
First interim single tier dividend of RM0.5131 per ordinary share, paid on 29 November 2024	-	-	6,048,095
Second interim single tier dividend of RM0.1494 per ordinary share, paid on 30 December 2024	-	-	1,761,136
<u>Geohan Sdn Bhd</u>			
First interim single tier dividend of RM0.8000 per ordinary share, paid on 28 November 2024	-	-	991,951
Second interim single tier dividend of RM0.2330 per ordinary share, paid on 27 December 2024	-	-	288,845
	<u>-</u>	<u>-</u>	<u>9,090,027</u>

The Directors do not recommend any final dividend for the current financial year.

29. CAPITAL COMMITMENTS

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Authorised and contracted for in respect of:-			
Site machineries	6,674,558	22,451,218	3,115,005
Freehold buildings under construction	8,201,909	7,265,332	4,798,602
Leasehold buildings under construction	705,590	-	-
	<u>15,582,057</u>	<u>29,716,550</u>	<u>7,913,607</u>

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30. FINANCIAL INSTRUMENTS**30.1 Categories of Financial Instruments**

The table below provides an analysis of financial instruments categories as financial assets and financial liabilities measured at amortised cost.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Financial assets			
Trade receivables	62,583,357	89,456,806	72,058,554
Other receivables	7,119,587	21,168,086	17,435,273
Deposits with licensed banks	12,879,302	25,987,625	31,317,093
Cash and bank balances	11,885,025	8,456,599	10,499,197
	<u>94,467,271</u>	<u>145,069,116</u>	<u>131,310,117</u>
Financial liabilities			
Trade payables	36,940,742	59,714,823	60,952,400
Other payables	41,640,425	55,717,363	89,643,087
Amount due to Directors	4,722,296	2,334,891	-
Borrowings	25,290,831	25,868,233	26,957,247
	<u>108,594,294</u>	<u>143,635,310</u>	<u>177,552,734</u>

30.2 Financial Risk Management

The Group are mainly exposed to credit risk, liquidity risk and interest rate risk. The Group has formal risk management policies and guidelines, as approved by the Board of Directors, which set out its overall business strategies, its tolerance for risks and its general risk management philosophy. Such policies are monitored and undertaken by the management.

The following sections explain key risks faced by the Group and its management.

30.2.1 Credit Risk

Credit risk refers to the risk that a counterparty will default in its contractual obligations resulting in financial loss to the Group. For other financial assets, the Group adopts the policy of dealing with reputation institutions.

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30. FINANCIAL INSTRUMENTS (CONT'D)**30.2 Financial Risk Management (cont'd)****30.2.1 Credit Risk (cont'd)**

Following are the areas where the Group are exposed to credit risk.

Exposure to credit risk

Maximum exposure of the Group to credit risk is limited to the carrying amount of financial assets recognised at reporting date, as summarised below:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Classes of financial assets:-			
Trade receivables	62,583,357	89,456,806	72,058,554
Other receivables	7,119,587	21,168,086	17,435,273
Contract assets	41,448,921	42,800,725	70,596,193
Deposits with licensed banks	12,879,302	25,987,625	31,317,093
Cash and bank balances	11,885,025	8,456,599	10,499,197
	<u>135,916,192</u>	<u>187,869,841</u>	<u>201,906,310</u>

Receivables and contract assets**Recognition and measurement of impairment loss**

In managing credit risk of trade receivables and contract assets, the Group manages its debtors and take appropriate actions to recover long overdue balances. For trade receivables' and contract assets' credit term that are past due but not impaired, the Group will initiate a structured debt recovery process which is monitored via management reporting procedures.

The Group applies the simplified approach under MFRS 9 to measure expected credit losses, which uses a lifetime expected credit losses for all trade receivables and contract assets. The Group evaluates the credit losses on a case-by-case basis.

The Group assesses the expected loss rates based on historical payment profiles of the trade receivables and contract assets and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the financial capability of the debtor and default or significant delay in payments. No significant changes to estimation techniques or assumptions were made during the reporting period.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired. The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Trade receivables and contract assets that are written off are still subjected to enforcement activities.

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30. FINANCIAL INSTRUMENTS (CONT'D)

30.2 Financial Risk Management (cont'd)

30.2.1 Credit Risk (cont'd)

Receivables and contract assets (cont'd)

Recognition and measurement of impairment loss (cont'd)

None of the Group's financial assets are secured by collateral or other credit enhancements.

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables and contract assets.

		Days past due				
	Current	1 to 30 days	31 to 60 days	61 to 90 days	More than 90 days	Total
	RM	RM	RM	RM	RM	RM
31.12.2022						
Trade receivables	47,076,013	6,045,043	2,490,299	2,064,519	6,443,440	64,119,314
Collectively impaired	(71,995)	(139,082)	(163,527)	(112,268)	(1,049,085)	(1,535,957)
Net balance	47,004,018	5,905,961	2,326,772	1,952,251	5,394,355	62,583,357
Contract assets	41,448,921	-	-	-	-	41,448,921
31.12.2023						
Trade receivables	69,073,155	10,971,316	1,765,877	524,734	8,657,681	90,992,763
Collectively impaired	(209,540)	(212,715)	(127,677)	(61,872)	(924,153)	(1,535,957)
Net balance	68,863,615	10,758,601	1,638,200	462,862	7,733,528	89,456,806
Contract assets	42,800,725	-	-	-	-	42,800,725
31.12.2024						
Trade receivables	59,950,365	2,258,401	1,732,800	945,061	8,837,002	73,723,629
Collectively impaired	(171,113)	(23,883)	(24,130)	(16,648)	(1,167,358)	(1,403,132)
Individual impaired	(261,943)	-	-	-	-	(261,943)
Net balance	59,517,309	2,234,518	1,708,670	928,413	7,669,644	72,058,554
Contract assets	70,596,193	-	-	-	-	70,596,193

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30. FINANCIAL INSTRUMENTS (CONT'D)

30.2 Financial Risk Management (cont'd)

30.2.1 Credit Risk (cont'd)

Credit risk concentration profile

All the trade receivables and contract assets are concentrated within Malaysia.

In prior financial year, 10% (31.12.2022: Nil) of the Group's trade receivable is due from 1 customer (31.12.2022: Nil).

As at the reporting date, 17% (31.12.2023: 37% and 31.12.2022: 14%) of the Group's contract assets is due from 1 customer (31.12.2023: 3 and 31.12.2022: 1 customer).

The Group continuously monitors credit standing of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. External credit ratings and/or reports on customers and other counterparties may also be used.

Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default. Consequently, the Group are of the view that the allowance is not material and hence, it is not provided for.

Performance guarantee

The Group provides unsecured financial guarantees to banks in respect of performance guarantees granted to certain customers. The maximum exposure to credit risk is disclosed in Note 30.2.2 to the combined financial statements as at the reporting date. The Group monitors on an ongoing basis the results and repayments made by the customers. As at the end of the reporting year, there was no indication that the customers would default on repayment.

30.2.2 Liquidity Risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting its obligations as they fall.

In managing its exposure to liquidity risk arises principally from its various payables, the Group maintains a level of cash and cash equivalents deemed adequate by the management to ensure it has sufficient liquidity to meet its liabilities when they fall due.

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30. FINANCIAL INSTRUMENTS (CONT'D)

30.2 Financial Risk Management (cont'd)

30.2.2 Liquidity Risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows:-

			Contractual cash flows		
			Current	Non-current	
	Carrying amount	Total	On demand/ Within one	2 to 5	More than
	RM	RM	year	years	5 years
			RM	RM	RM
31.12.2022					
<i>Non-derivative financial liabilities</i>					
Trade payables	36,940,742	36,940,742	36,940,742	-	-
Other payables	41,640,425	41,640,425	41,640,425	-	-
Amount due to Directors	4,722,296	4,722,296	4,722,296	-	-
Lease liabilities	58,851,488	63,364,633	25,288,237	38,076,396	-
Borrowings	25,290,831	30,034,402	18,066,820	5,713,836	6,253,746
	167,445,782	176,702,498	126,658,520	43,790,232	6,253,746
Performance guarantee*	-	12,571,097	12,571,097	-	-
31.12.2023					
<i>Non-derivative financial liabilities</i>					
Trade payables	59,714,823	59,714,823	59,714,823	-	-
Other payables	55,717,363	55,717,363	55,717,363	-	-
Amount due to Directors	2,334,891	2,334,891	2,334,891	-	-
Lease liabilities	63,944,576	69,990,192	28,747,223	41,242,969	-
Borrowings	25,868,233	31,174,787	18,829,947	5,277,312	7,067,528
	207,579,886	218,932,056	165,344,247	46,520,281	7,067,528
Performance guarantee*	-	24,645,655	24,645,655	-	-

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30. FINANCIAL INSTRUMENTS (CONT'D)**30.2 Financial Risk Management (cont'd)****30.2.2 Liquidity Risk (cont'd)**Analysis of financial instruments by remaining contractual maturities (cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows (cont'd):-

	Carrying amount RM	Total RM	Contractual cash flows		
			Current On demand/ Within one year RM	Non-current 2 to 5 years RM	More than 5 years RM
31.12.2024					
<i>Non-derivative financial liabilities</i>					
Trade payables	60,952,400	60,952,400	60,952,400	-	-
Other payables	89,643,087	89,643,087	89,643,087	-	-
Lease liabilities	73,367,302	81,591,371	27,702,527	53,888,844	-
Borrowings	26,957,247	32,546,030	19,468,263	5,083,886	7,993,881
	<u>250,920,036</u>	<u>264,732,888</u>	<u>197,766,277</u>	<u>58,972,730</u>	<u>7,993,881</u>
Performance guarantee*	-	33,758,660	33,758,660	-	-

* This exposure is included in liquidity risk for illustration only. No performance guarantee was called upon by the holders as at the end of the reporting period.

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the financial liabilities at the reporting date.

30.2.3 Interest Rate Risk

Interest rate risk is caused by changes in market interest rate resulting in fluctuation in fair value or future cash flow of financial instruments of the Group. The Group's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

The Group's borrowing is at fixed interest rates. The exposure to interest rates for the Group's short-term placement is considered immaterial.

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30. FINANCIAL INSTRUMENTS (CONT'D)**30.2 Financial Risk Management (cont'd)****30.2.3 Interest Rate Risk (cont'd)**

The carrying amount of the Group's financial instruments that are exposed to interest rate risk are as follows:-

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Fixed rate instruments			
<u>Financial asset</u>			
Deposits with licensed banks	<u>12,879,302</u>	<u>25,987,625</u>	<u>31,317,093</u>
<u>Financial liabilities</u>			
Lease liabilities	(58,851,488)	(63,944,576)	(73,367,302)
Bankers' acceptances	(16,136,000)	(16,449,000)	(3,139,000)
Invoice financing	<u>(601,255)</u>	<u>(1,000,245)</u>	<u>(14,897,679)</u>
	<u>(75,588,743)</u>	<u>(81,393,821)</u>	<u>(91,403,981)</u>
	<u>(62,709,441)</u>	<u>(55,406,196)</u>	<u>(60,086,888)</u>
Floating rate instruments			
<u>Financial liability</u>			
Term loans	<u>(8,553,576)</u>	<u>(8,418,988)</u>	<u>(8,920,568)</u>

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Fair value sensitivity analysis for floating rate instruments

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of +/-25 (31.12.2023 and 31.12.2022: +/-25) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each year, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

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30. FINANCIAL INSTRUMENTS (CONT'D)

30.2 Financial Risk Management (cont'd)

30.2.3 Interest Rate Risk (cont'd)

Fair value sensitivity analysis for floating rate instruments (cont'd)

	Effect on (loss)/profit for the year/equity	
	RM +25bp	RM -25bp
31.12.2022	(21,384)	21,384
31.12.2023	(21,047)	21,047
31.12.2024	(22,301)	22,301

Fair value measurement

The carrying amounts of financial assets and liabilities of the Group at the reporting date approximate their fair values due to their short-term nature or they are floating rate instruments re-priced to market interest rates on or near the reporting date.

30.3 Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities of the Group at the reporting date approximate their fair values due to their short-term nature and insignificant impact of discounting.

30.4 Fair Value Hierarchy

No fair value hierarchy has been disclosed as the Group does not have financial instruments measured at fair value.

31. CAPITAL MANAGEMENT

The capital structure of the Group consists of debts and equity. The Group monitors their capital using a gearing ratio, based on total borrowings divided by total equity. The Directors review the capital structure on a quarterly basis, and consider the cost of capital and the risks associated with each class of capital. During the current financial year, no significant changes were made in the objectives, policies or processes for managing capital.

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32. EVENTS AFTER THE REPORTING PERIOD

- (a) On 22 January 2025, GSB has entered into a Sale and Purchase Agreement with a third party to dispose a freehold building for a total cash consideration of RM480,000.
- (b) On 22 April 2025, the Company has entered into a share sale and purchase agreement ("SSA") with the vendors of GHSB, GESB and GSB for the acquisition of 100% equity interest in GHSB, 14.09% equity interest in GESB and approximately 14.09% equity interest in GSB, for a total purchase consideration of approximately RM131,522,915 which will be satisfied entirely by the issuance and allotment of 307,871,992 new ordinary shares in the Company ("Share") in aggregate at an issue price of RM0.4272 per Share.
- (c) On 22 April 2025, the Company has entered into a SSA with the vendors of the GESB, GSB and GMSB for the acquisition of 85.91% equity interest in GESB, approximately 85.91% equity interest in GSB and 100% equity interest in GMSB, for a total purchase consideration of RM26,330,000, which shall be settled in such manner and on such terms as may be agreed between the Company and GHSB and GSB.
- (d) On 22 April 2025, the Company has entered into a SSA with the vendor of GPL for the acquisition of 100% equity interest in GPL for a total purchase consideration of RM80,000, which shall be settled in such manner and on such terms as may be agreed between the parties.

33. SEGMENTAL INFORMATION

The Group is principally involved in provision of foundation and geotechnical services, as well as other related services.

Business segment

For management purposes, the Group is organised into two major business units based on their services which comprises the following:-

- (a) Segment I - Foundation and geotechnical services
- (b) Segment II - Other related services

Management monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain aspects as explained in the table below, is measured differently from operating profit or loss in the combined financial statements.

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33. SEGMENTAL INFORMATION (CONT'D)

Business segment (cont'd)

Transfer prices between operating segments are on negotiated basis.

	<u>Note</u>	<u>Segment I</u> RM	<u>Segment II</u> RM	<u>Elimination</u> RM	<u>Total</u> RM
31.12.2022					
Revenue:-					
External revenue		203,673,328	4,301,887	-	207,975,215
Inter-segment revenue	(a)	-	67,087,311	(67,087,311)	-
Total revenue		203,673,328	71,389,198	(67,087,311)	207,975,215
Results:-					
Finance income					281,562
Finance costs					(551,452)
Depreciation					(21,011,759)
Other non-cash expenses	(b)				(1,261,132)
Tax expense					(2,246,704)
Segment profit	(c)				7,990,612
Assets:-					
Unallocated segment assets	(d)				283,522,963
Additions to non-current assets	(e)				17,606,183
Liabilities:-					
Unallocated segment liabilities	(f)				89,849,403
31.12.2023					
Revenue:-					
External revenue		298,645,518	25,188,618	-	323,834,136
Inter-segment revenue	(a)	-	73,901,854	(73,901,854)	-
Total revenue		298,645,518	99,090,472	(73,901,854)	323,834,136
Results:-					
Finance income					355,771
Finance costs					(480,101)
Depreciation					(23,153,137)
Other non-cash expenses	(b)				(43,950)
Tax expense					(1,384,898)
Segment profit	(c)				16,299,313
Assets:-					
Unallocated segment assets	(d)				352,922,554
Additions to non-current assets	(e)				42,235,686
Liabilities:-					
Unallocated segment liabilities	(f)				135,067,859

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33. SEGMENTAL INFORMATION (CONT'D)

Business segment (cont'd)

	<u>Note</u>	<u>Segment I</u> RM	<u>Segment II</u> RM	<u>Elimination</u> RM	<u>Total</u> RM
31.12.2024					
Revenue:-					
External revenue		351,389,825	43,826,170	-	395,215,995
Inter-segment revenue	(a)	-	65,019,506	(65,019,506)	-
Total revenue		351,389,825	108,845,676	(65,019,506)	395,215,995
Results:-					
Finance income					1,009,822
Finance costs					(578,461)
Depreciation					(27,783,596)
Other non-cash expenses	(b)				(1,153,834)
Tax expense					(6,276,277)
Segment profit	(c)				15,576,573
Assets:-					
Unallocated segment assets	(d)				399,891,501
Additions to non-current assets	(e)				64,991,216
Liabilities:-					
Unallocated segment liabilities	(f)				161,367,785

Notes:-

- (a) Intersegment revenues are eliminated on consolidation.
- (b) Notes to other non-cash income/(expenses) consist of the following items:-

	<u>31.12.2022</u> RM	<u>31.12.2023</u> RM	<u>31.12.2024</u> RM
Bad debt written off	(304,027)	-	-
Fair value loss on investment properties	-	-	(976,185)
Impairment loss on trade receivables	(985,871)	-	(261,943)
Property, plant and equipment written off	(34,681)	(43,950)	(48,531)
Reversal of impairment loss on trade receivables	-	-	132,825
Waiver of debts	63,447	-	-
	<u>(1,261,132)</u>	<u>(43,950)</u>	<u>(1,153,834)</u>

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

33. SEGMENTAL INFORMATION (CONT'D)

Business segment (cont'd)

Notes (cont'd):-

- (c) The following items are added to/(deducted from) segment profit to arrive at profit after tax reported in the statements of profit or loss:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Segment profit	7,990,612	16,299,313	15,576,573
Finance income	281,562	355,771	1,009,822
Finance costs	(551,452)	(480,101)	(578,461)
Profit after tax	<u>7,720,722</u>	<u>16,174,983</u>	<u>16,007,934</u>

- (d) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Segment assets	283,522,963	352,922,554	399,891,501
Tax recoverable	2,906,118	337,780	970,574
Deferred tax assets	<u>1,636,000</u>	<u>2,396,000</u>	<u>990,500</u>
Total assets	<u>288,065,081</u>	<u>355,656,334</u>	<u>401,852,575</u>

- (e) Additions to non-current assets consist of:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Property, plant and equipment	14,941,374	38,241,416	61,071,697
Investment properties	<u>2,664,809</u>	<u>3,994,270</u>	<u>3,919,519</u>
	<u>17,606,183</u>	<u>42,235,686</u>	<u>64,991,216</u>

- (f) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:-

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM	RM	RM
Segment liabilities	89,849,403	135,067,859	161,367,785
Borrowings	25,290,831	25,868,233	26,957,247
Lease liabilities	58,851,488	63,944,576	73,367,302
Tax payable	88,931	41,220	520,209
Deferred tax liabilities	<u>5,844,547</u>	<u>6,447,006</u>	<u>8,115,854</u>
Total liabilities	<u>179,925,200</u>	<u>231,368,894</u>	<u>270,328,397</u>

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

33. SEGMENTAL INFORMATION (CONT'D)
Geographical information

All revenue and non-current assets are earned and held in Malaysia.

Information about major customers

The following are major customers with revenue equal or more than 10 percent of the Group's revenue:-

	RM	%	Operating Segment
<u>31.12.2022</u>			
Customer A	34,408,504	16	Foundation and geotechnical services
Customer B	<u>22,137,506</u>	<u>11</u>	Foundation and geotechnical services
	<u>56,546,010</u>	<u>27</u>	
<u>31.12.2023</u>			
Customer A	<u>33,033,459</u>	<u>10</u>	Foundation and geotechnical services
<u>31.12.2024</u>			
Customer A	<u>59,388,219</u>	<u>15</u>	Foundation and geotechnical services

12. ACCOUNTANTS' REPORT (Cont'd)

GEOHAN CORPORATION BERHAD

Registration No.: 201601003474 (1174400-V)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

We, the undersigned, being the Directors of the Group, do hereby state that, in our opinion, the accompanying Combined Financial Statements set out on pages 4 to 57 are drawn up in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards so as to give a true and fair view of the combined statements of financial position of the Group as at 31 December 2022, 31 December 2023 and 31 December 2024, and of combined statements of profit or loss and other comprehensive income, combined statements of change of equity and combined statements of cash flows of the Group for the financial years then ended.

Signed by the Directors in accordance with a resolution of the Board of Directors.



LEE KIM SENG



IR. OH CHIN WAH

Kuala Lumpur
30 May 2025

13. VALUATION CERTIFICATES



Our Ref : 30V250089, 30V250090, 30V250093 & 30V250094

21st April 2025

Geohan Sdn Bhd
Geohan Equipment Sdn Bhd
 40 Jalan Datuk Sulaiman
 Taman Tun Dr Ismail
 60000 Kuala Lumpur

Dear Sirs,

VALUATION CERTIFICATE OF FIVE (5) PROPERTIES (REFER TO ATTACHMENT) FOR SUBMISISON TO SECURITIES COMMISSION MALAYSIA

This Valuation Certificate has been prepared for inclusion in the Prospectus of **Geohan Corporation Berhad** in relation to the **listing and quotation of the entire enlarged issued share capital of Geohan Corporation Berhad on the Main Market of Bursa Malaysia Securities Berhad ("Listing")**.

In accordance with the instructions from **Geohan Sdn Bhd** and **Geohan Equipment Sdn Bhd**, we have valued the subject properties vide our Valuation Reports, all dated 21st April 2025 vide Reference Nos. 30V250089, 30V250090, 30V250093 and 30V250094.

The purpose of the valuation is for **submission to Securities Commission Malaysia ("SC") pursuant to the listing and quotation of the entire enlarged issued share capital of Geohan Corporation Berhad on the Main Market of Bursa Malaysia Securities Berhad ("Listing")**.

We are pleased to certify that we have conducted the valuation on the legal interest of the subject properties as at the material date of valuation on 28th February 2025.

This Valuation Certificate have been prepared in compliance with the Malaysian Valuation Standards (Sixth Edition 2019) issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia and the Asset Valuation Guidelines [SC-GL/AV-2009 (R1-2017)] issued by SC.

The basis of valuation for the purpose of the Valuation Reports and Valuations is the Market Value as defined in the Malaysian Valuation Standards (Sixth Edition 2019). Market Value as defined in Standard 4 – Market Value Basis of Valuation as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion."

For the purpose as mentioned above, we have prepared this Valuation Certificate which summarises our Valuation Reports, all dated 21st April 2025 vide Reference Nos. 30V250089, 30V250090, 30V250093 and 30V250094 and outlines key factors which have been considered in arriving at our opinion of the Market Values.

Rahim & Co International Sdn Bhd
 Reg No: 201501001265

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 24 Jalan Perak
 50450 Kuala Lumpur, Malaysia

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089, 30V250090, 30V250093 & 30V250094

This Valuation Certificate contains all the necessary data and supporting information included in our Valuation Reports. For further information in relation to those contained herein, reference should be made to the respective Valuation Reports.

The summary of Market Values of the Subject Properties as at 28th February 2025, is as follows:-

No.	Our Ref. No.	Subject Properties	Market Value
1.	30V250089	<u>3 Towers, Jalan Ampang, Kuala Lumpur</u> Two (2) units of stratified commercial office suites and both are located within a 26-storey stratified office building with 7-storey elevated car park and two (2) levels of basement car park and are identified as follows: 1) Parcel No. 458, Storey No. 11, Building No. M1C, together with Accessory Parcel Nos. A1404 and A1405 and held under Strata Title No. Geran 80739/M1C/11/458 (Property Address: Unit No. T3-10-20, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur) 2) Parcel No. 525, Storey No. 14, Building No. M1C, together with Accessory Parcel No. A1484 and held under Strata Title No. Geran 80739/M1C/14/525 (Property Address: Unit No. T3-13-13, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur)	RM1,310,000/- <i>M</i>
2.	30V250090	<u>Damansara Seresta, Bandar Sri Damansara, Selangor Darul Ehsan</u> A duplex condominium unit identified as Developer's Parcel No. A-18-06, Storey No. 18, Building No. Tower A, with Accessory Parcel Nos. Car Park Nos. 48 & 49 (Level P2) and A/C Ledge, located on Parent Lot No. 73003 (formerly PT 82), Bandar Sri Damansara, District of Petaling, State of Selangor Darul Ehsan and held under Master Title No. Geran 335444 (formerly H.S.(D) 316604) (Property Address: Unit No. A-18-06, Block A, Damansara Seresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Petaling Jaya, Selangor Darul Ehsan)	RM890,000/- <i>M</i>

13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089, 30V250090, 30V250093 & 30V250094

No.	Our Ref. No.	Subject Properties	Market Value
3.	30V250093	<u>Bandar Bukit Beruntung, Rawang, Selangor Darul Ehsan</u> An intermediate 2-storey terraced house identified as Lot No. 22099, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan and held under Title No. GM 154419 (Property Address: No. 17, Jalan Adenium 3A/2, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan)	RM450,000/
4.	30V250094	<u>Bandar Bukit Beruntung, Rawang, Selangor Darul Ehsan</u> A corner 2-storey terraced house identified as Lot No. 22119, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan and held under Title No. GRN 154439 (Property Address: No. 23, Jalan Adenium 3A/3, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan)	RM560,000/

The details of the subject properties as extracted from the respective Valuation Reports and Valuations are appended as **SCHEDULE 1 to SCHEDULE 4 herein**.

Yours faithfully,
RAHIM & CO INTERNATIONAL SDN BHD

Sr THONG SOO FUN, MRISM, MPEPS
 Senior General Manager
 Registered Valuer (V-561)



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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(i)**SUBJECT PROPERTIES : 3 TOWERS, JALAN AMPANG, KUALA LUMPUR****PROPERTY DETAILS*****Subject Properties & Postal Addresses***

1. Parcel No. 458, Storey No. 11, Building No. M1C together with Accessory Parcel Nos. A1404 and A1405
(Property Address : Unit No. T3-10-20, Tower 3, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur)
2. Parcel No. 525, Storey No. 14, Building No. M1C together with Accessory Parcel No. A1484
(Property Address : Unit No. T3-13-13, Tower 3, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur)

Property TypeUnit No. T3-10-20

A corner unit of stratified commercial office suite

Unit No. T3-13-13

An intermediate unit of stratified commercial office suite

Subject Development

The subject properties are located within Tower 3 of an integrated commercial development located along Jalan Ampang known as 3 Towers. It is a mixed development of office suites, hotel and SOHO that spread over three blocks of tower referred to as Tower 1, Tower 2A & 2B and Tower 3. The towers are located atop 7-storey elevated car park podium and two basement levels of car park.

Strata Title No. and Accessory Parcels *

Subject Properties	Strata Title No.	Accessory Parcel No.
Unit No. T3-10-20	Geran 80739/M1C/11/458	A1404 & A1405
Unit No. T3-13-13	Geran 80739/M1C/14/525	A1484

Tenure *

Freehold interest

Parent Lot No. *

Lot 20022 Seksyen 88, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur

Registered Owner *

Ketua Menteri Sabah (1/1 share)

The Proprietor **

Ketua Menteri Sabah, for both units

The Vendor **

Sri Donglai Sdn Bhd, for both units

The Purchaser **

Geohan Sdn Bhd, for both units

Main Parcel Strata Area*

Subject Properties	Floor Area (sq. metres)	Floor Area (sq. feet)
Unit No. T3-10-20	136	1,464
Unit No. T3-13-13	78	840

Category of Usage* Building, for both units

13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(ii)**Express Condition*** "Pejabat", for both units**Restriction-in-Interest *** "Tiada", for both units**Encumbrances *** Not stated ^, for both units**^ The client has confirmed that the subject properties are not assigned to any financial institution****Caveat *** Not stated, for both units**Unit Shares of the Parcel ***

Subject Properties	Unit Share
Unit No. T3-10-20	574
Unit No. T3-13-13	318

Total Unit Shares of all Subdivided Buildings on the Land * 330,342, for both units**Location of Properties**

The subject properties are located within an integrated commercial development known as 3 Towers, No. 296, Jalan Ampang, Kuala Lumpur.

The 3 Towers, wherein the subject properties are situated, is located approximately 8.3 kilometres by road due east of Kuala Lumpur city centre. It is easily accessible from Kuala Lumpur city centre via Jalan Ampang. Jalan Ampang is also accessible via Jalan Tun Razak, the Middle Ring Road II (MRR 2) and the Ampang-Kuala Lumpur Elevated Highway (AKLEH).

*** As extracted from the computer printout copies of the private search of the respective strata title documents obtained from the Wilayah Persekutuan Kuala Lumpur Registry of Titles Office's website portal on 27th February 2025.**

**** As extracted from the respective copies of the subject Sale and Purchase Agreements (Principal Agreements) both dated 18th August 2023 signed between Ketua Menteri Sabah (the Proprietor), Sri Donglai Sdn Bhd. (the Vendor) and Geohan Sdn Bhd (the Purchaser) as given by the client. The purchase price is RM1,056,250/- for Unit No. T3-10-20 and RM566,800/- for Unit No. T3-13-13.**

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(iii)**GENERAL DESCRIPTION*****Brief Description of the Subject Properties***

The subject properties comprise two (2) units of stratified commercial office suites and both are located within a 26-storey stratified office building with 7-storey elevated car park and two (2) levels of basement car park known as Tower 3 of 3 Towers development. The subject properties bear postal addresses of Unit Nos. T3-10-20 and T3-13-13, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur.

The subject office building is of reinforced concrete framework with plastered and painted brick-walls and glass cladding walls supporting a reinforced concrete flat roof. Vertical access between floors is via seven passenger/Bomba lifts and staircases. The floor finishes of the subject properties are mainly of ceramic tiles. The ceilings of the subject properties are mainly of plastered ceiling and fairfaced concrete.

The strata area for the main parcel of the subject properties are 136 sq. metres (approximately 1,464 sq. feet) for Unit No. T3-10-20 and 78 sq. metres (approximately 840 sq. feet) for Unit No. T3-13-13. The Accessory Parcels for Unit No. T3-10-20 are a balcony (A1404) and an air-conditioner ledge (A1405), whilst for Unit No. T3-13-13, the Accessory Parcel (A1484) is an air-conditioner ledge.

At the time of inspection, we noted that the subject properties were unoccupied and in a good decorative state of repair. We also noted that Unit No. T3-10-20 is fitted with four units of split-unit ceiling mounted air-conditioners and Unit No. T3-13-13 is installed with a wall-mounted split-unit air-conditioner. Both units are fitted with small kitchen cabinets as noted during the inspection.

Planning Provision

The subject properties are designated for office use as noted in the respective strata titles. During the site inspection, we noted that there is no breach of the relevant laws, regulations and rules. Tower 3 development, wherein the subject properties are located, has been issued with a Certificate of Completion and Compliance (CCC) bearing Reference No. LAM/WP/No.13861, dated 28 February 2020.

VALUATION***Date of Valuation*** : 28th February 2025***Approach to Valuation*** : Comparison Approach and Investment Method under Income Approach**Comparison Approach**

The Comparison Approach entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences. In valuing the subject properties, we have taken into consideration all relevant factors, which include the floor area, the position and floor level of the comparables.

In arriving at the market value of the subject properties, we have carried out a separate working for the intermediate unit (Unit T3-13-13) and a corner unit (Unit No. T3-10-20). We have identified and analysed the following transactions of stratified office units located within the same building as the subject properties.

13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(iv)**Analysis of Comparables : Unit No. T3-13-13 (Intermediate Unit)**

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Strata Title No.	Geran 80739/M1C/23/702, Parcel No. 702, Storey No. 23, Building No. M1C	Geran 80739/M1C/19/629, Parcel No. 629, Storey No. 19, Building No. M1C	Geran 80739/M1C/11/477, Parcel No. 477, Storey No. 11, Building No. M1C	Developer's Parcel No. T3-13-01
Property Address	Unit No. T3-22-13A, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur	Unit No. T3-18-07, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur	Unit No. T3-10-01, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur	Unit No. T3-13-01, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur
Tenure	Freehold	Freehold	Freehold	Freehold
Floor Area	114 sq. metres (1,227 sq. feet)	84 sq. metres (904 sq. feet)	138 sq. metres (1,485 sq. feet)	138 sq. metres * (1,485 sq. feet)
Position	Intermediate unit	Intermediate unit	Corner unit	Corner unit
Consideration	RM684,230/-	RM640,000/-	RM735,000/-	RM1,300,000/-
Date of Transaction	12 th July 2024	16 th April 2024	15 th March 2024	26 th January 2024
Vendor	Ketua Menteri Sabah	Ketua Menteri Sabah	Ketua Menteri Sabah	Si Chin Hua @ Sie Chin Hua
Purchaser	Inflextec Engineering Sdn Bhd	Liew Geok Hong	UPT Seri Bumi Sdn Bhd	Too Siew Kean
Source	Valuation and Property Services Department			
Adjustment	An upward adjustment on the size factor. No adjustment on other factors, i.e. time, location (facing pylon tower), type, tenure and orientation	No adjustment on all factors, i.e. time, location (facing pylon tower), type, size, tenure and orientation	An upward adjustment on the size factor and a downward adjustment on the orientation factor. No adjustment on other factors, i.e. time, location (facing pylon tower), type and tenure	An upward adjustment on the size factor and a downward adjustment on the orientation factor. No adjustment on other factors, i.e. time, location (facing pylon tower), type and tenure
Adjusted Value	RM585 per sq. foot	RM708 per sq. foot	RM495 per sq. foot	RM875 per sq. foot

**as extracted from the Certified Plan No. PA(B) 200416-56*

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(v)**Analysis of Comparables : Unit No. T3-10-20 (Corner Unit)**

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Strata Title No.	Geran 80739/M1C/23/702, Parcel No. 702, Storey No. 23, Building No. M1C	Geran 80739/M1C/19/629, Parcel No. 629, Storey No. 19, Building No. M1C	Geran 80739/M1C/11/477, Parcel No. 477, Storey No. 11, Building No. M1C	Developer's Parcel No. T3-13-01
Address	Unit No. T3-22-13A, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur	Unit No. T3-18-07, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur	Unit No. T3-10-01, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur	Unit No. T3-13-01, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur
Tenure	Freehold	Freehold	Freehold	Freehold
Floor Area	114 sq. metres (1,227 sq. feet)	84 sq. metres (904 sq. feet)	138 sq. metres (1,485 sq. feet)	138 sq. metres * (1,485 sq. feet)
Position	Intermediate unit	Intermediate unit	Corner unit	Corner unit
Consideration	RM684,230/-	RM640,000/-	RM735,000/-	RM1,300,000/-
Date of Transaction	12 th July 2024	16 th April 2024	15 th March 2024	26 th January 2024
Vendor	Ketua Menteri Sabah	Ketua Menteri Sabah	Ketua Menteri Sabah	Si Chin Hua @ Sie Chin Hua
Purchaser	Inflextec Engineering Sdn Bhd	Liew Geok Hong	UPT Seri Bumi Sdn Bhd	Too Siew Kean
Source	Valuation and Property Services Department			
Adjustment	A downward adjustment on location (facing pylon tower) and an upward adjustment on the orientation factor. No adjustment on other factors, i.e. time, type, size and tenure	Downward adjustments on location (facing pylon tower) and size factors. An upward adjustment on the orientation factor. No adjustment on other factors, i.e. time, type and tenure	A downward adjustment on location (facing pylon tower). No adjustment on other factors, i.e. time, type, size, tenure and orientation	A downward adjustment on location (facing pylon tower). No adjustment on other factors, i.e. time, type, size, tenure and orientation
Adjusted Value	RM558 per sq. foot	RM672 per sq. foot	RM470 per sq. foot	RM831 per sq. foot

**as extracted from the Certified Plan No. PA(B) 200416-56*

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(vi)

The output on the analysis of the comparables is as follows:

Intermediate unit (Unit No. T3-13-13)

Based on the adjustments mentioned above, the adjusted values of Comparable 1 is RM585/- per sq. foot, Comparable 2 is RM708/- per sq. foot, Comparable 3 is RM495/- per sq. foot and Comparable 4 is RM875/- per sq. foot. We have adopted the adjusted value of Comparable 1, i.e. RM585/- per sq. foot, as the best comparable because it is the most recent transaction. Therefore, in this valuation exercise, we have adopted RM585/- per sq. foot as the market value of the subject property.

Corner unit (Unit No. T3-10-20)

Based on the adjustments mentioned above, the adjusted values of Comparable 1 is RM558/- per sq. foot, Comparable 2 is RM672/- per sq. foot, Comparable 3 is RM470/- per sq. foot and Comparable 4 is RM831/- per sq. foot. We have adopted the adjusted value of Comparable 1, i.e. at RM558/- per sq. foot, as the best comparable because it is the most recent transaction. We have rounded up the said adjusted value to RM560 per sq. foot. Therefore, in this valuation exercise, we have adopted RM560/- per sq. foot as the market value of the subject property.

Investment Method under Income Approach

The Investment Method under Income Approach entails the determination of the probable gross annual rental of the property capable of producing and deducting therefrom the outgoings to arrive at the annual net income. The annual net income is capitalised using a rate of interest to arrive at the capital value of the property.

Monthly Gross Rental

The subject properties were both unoccupied as at the date of valuation. Based on the data from Valuation & Property Services Department, the passing gross rentals for office units within Tower 3 development are ranging between RM2.17 to RM2.31 per sq. foot per month. It is noted that the tenancy agreements were signed in year 2022 and 2023.

The gross rentals for the purpose-built office space located within the vicinity of the subject properties, as extracted from Property Market Report 2024 issued by Valuation & Property Services Department are ranging from RM2.29 to RM5.50 per sq. foot per month.

The asking gross rentals for office units located within 3 Towers development are ranging from RM2.58 to RM3.96 per sq. foot per month, depending on the floor area and positioning of the office units. From the gross rentals of the surrounding office spaces and the asking rentals, we are of the opinion that the fair gross rental for the subject property is **RM3.00** per sq. foot per month.

Capitalisation Rates

In analysing the net yield of the above transacted comparables, we have adopted the same parameters as the subject properties and the estimated net yields arrived at are in the region of about 2.60% to 4.61%. In view of the above, we are of the opinion that the achievable net yield for the subject properties is **4.00%**.

13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(vii)**Outgoings**

We have analysed the annual outgoings of the respective property as given by the client and the outgoings are arrived at RM0.78 and RM0.77 for Unit No. T3-10-20 and Unit No. T3-13-13, respectively. Based on the outgoings, the average outgoings per month adopted for the subject properties is **RM0.80** per sq. foot.

Void

As at the date of valuation, the subject properties were vacant. Void factor is an allowance for vacancy and marketing period. We have taken into consideration the locality of the subject property which is located along Jalan Ampang. Therefore, we are of the opinion that a void of **10%** is reasonable for the subject properties.

VALUATION OUTPUTS

The Market Value arrived at using Comparison Approach and Investment Method under Income Approach are as follow:

Subject Properties	Market Value	
	Comparison Approach	Investment Method under Income Approach
Unit No. T3-10-20	RM820,000/-	RM830,000/-
Unit No. T3-13-13	RM490,000/-	RM480,000/-

RECONCILIATION OF VALUE**1) Unit No. T3-10-20**

The value arrived by the Comparison Approach and Investment Method under Income Approach is RM820,000/- and RM830,000/- respectively. We are of the opinion that the Market Value of the subject property is **RM830,000/-**, based on Investment Method under Income Approach.

2) Unit No. T3-13-13

The value arrived by the Comparison Approach and Investment Method under Income Approach is RM490,000/- and RM480,000/- respectively. We are of the opinion that the Market Value of the subject property is **RM480,000/-**, based on Investment Method under Income Approach.

We have adopted Investment Method under the Income Approach as the main approach due to the volatility of the market value of transacted office units in the 3 Towers development. We also noted that there are many office units are sold and are currently advertised for auction purposes, which resulted in a wide range of market value of office units in 3 Towers development.

From the data sourced from Valuation and Property Services Department, the transaction of office units in Tower 3 in year 2024, ranged from RM495 per sq. foot to RM1,065 per sq. foot, depending on the size of the office units. We also noted that there are units sold by the proprietor, i.e. Ketua Menteri Sabah.

Therefore, we are of the opinion that the Investment Method under the Income Approach is the most suitable approach in determining the market value of the subject properties since there is less volatility in the gross rental and the outgoings are remained stable.

13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250089

SCHEDULE 1(viii)

OPINION OF VALUE

We are of the opinion that the Market Value of the subject properties, i.e. **TWO (2) UNITS OF STRATIFIED COMMERCIAL OFFICE SUITES** as stated below, **BOTH LOCATED ON PARENT LOT NO. 20022, SEKSYEN 88, TOWN AND DISTRICT OF KUALA LUMPUR. STATE OF WILAYAH PERSEKUTUAN**, as at 28th February 2025, in its existing condition, subject to the limiting conditions attached in the full valuation report, free from all encumbrances, with the strata titles held under freehold tenure and are good, marketable and registrable as well as with vacant possession, are as follows:-

Subject Properties	Market Value
PARCEL NO. 458, STOREY NO. 11, BUILDING NO. M1C, TOGETHER WITH ACCESSORY PARCEL NOS. A1404 AND A1405 AND HELD UNDER STRATA TITLE NO. GERAN 80739/M1C/11/458 (Property Address : Unit No. T3-10-20, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur)	RM830,000/- (Ringgit Malaysia : Eight Hundred And Thirty Thousand Only)
PARCEL NO. 525, STOREY NO. 14, BUILDING NO. M1C, TOGETHER WITH ACCESSORY PARCEL NO. A1484 AND HELD UNDER STRATA TITLE NO. GERAN 80739/M1C/14/525 (Property Address : Unit No. T3-13-13, Tower 3, Menara 3, No. 296 Jalan Ampang, 50450 Kuala Lumpur)	RM480,000/- (Ringgit Malaysia : Four Hundred And Eighty Thousand Only)
Total Market Value	RM1,310,000/-  (Ringgit Malaysia : One Million. Three Hundred And Ten Thousand Only)

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250090

SCHEDULE 2(i)

SUBJECT PROPERTY : DAMANSARA SERESTA, BANDAR SRI DAMANSARA, PETALING JAYA, SELANGOR DARUL EHSAN

PROPERTY DETAILS

Subject Property	Developer's Parcel No. A-18-06, Storey No. 18, Building No. Tower A, together with Accessory Parcel Nos. Car Park Nos. 48 & 49 (Level P2) and A/C Ledge, Damansara Seresta
Postal Address	Unit No. A-18-06, Block A, Damansara Seresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Petaling Jaya, Selangor Darul Ehsan
Property Type	A duplex condominium unit (Type D1) with two car park bays as accessory parcels
Strata Title No.	Not issued yet as informed by client and confirmed by the management office
Master Title No. *	Geran 335444 (formerly H.S.(D) 316604)
Parent Lot No. *	Lot 73003 (formerly PT 82), Bandar Sri Damansara, District of Petaling, State of Selangor Darul Ehsan
Tenure of the Parent Lot *	Freehold interest
Registered Owner (Parent Lot) *	Perbadanan Pengurusan Damansara Seresta (1/1 share)
The Developer **	Sri Damansara Sdn Bhd
The Purchaser **	Geohan Sdn Bhd
Provisional Floor Area **	Approximately 165 sq. metres or 1,778 sq. feet ^ ^ We noted that in the First Schedule of the subject Sale & Purchase Agreement dated 26 th June 2019, the floor area for Type D1 is stated as 1,778sf/165 m ² . In this valuation exercise, we have adopted 1,778 sq. feet as the floor area of the subject property
Category of Usage*	Building
Express Condition*	"Bangunan Kediaman"
Restriction-in-Interest *	"Tiada"

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250090

SCHEDULE 2(ii)

Encumbrances *

Not stated ^

- ^ 1. The parent lot is no longer charged to OCBC Bank (Malaysia) Berhad as per the copy of the Master Title, vide Presn. No. 00SC115321/2024, "Melepaskan Gadaian", registered on 27 June 2024; and
2. As per the Statement of Particulars To Be Lodged With Charge extended by the client, the subject property has been charged to Public Islamic Bank Berhad.

Caveat *

Not stated

Location of Property

The subject property is located within a 44-storey condominium block referred to as Block A of Damansara Seresta in Bandar Sri Damansara, Petaling Jaya, Selangor Darul Ehsan

Damansara Seresta, wherein the subject property situated, is located approximately 16 kilometres by road due north-west of Kuala Lumpur city centre. It is easily accessible from Kuala Lumpur city centre via the New Klang Valley Expressway (NKVE) and exit at the Sungai Buloh interchange and thereafter continues onto Jalan Kuala Selangor and then followed by Persiaran Perdana in Bandar Sri Damansara to reach Persiaran Meranti, wherein Damansara Seresta is located.

Bandar Sri Damansara is served with three (3) Mass Rapid Transit (MRT) stations of Putrajaya MRT Line, i.e. Sri Damansara Sentral station, Sri Damansara Barat station and Sri Damansara Timur station. Sri Damansara Timur station is connected to the Kepong Sentral station of Keretapi Tanah Melayu (KTM) commuter line. All stations are located along Jalan Kuala Selangor.

** As extracted from the computer printout copy of the private search of the master title document obtained from the Selangor Registry of Titles Office's website portal on 25th March 2025.*

*** As extracted from the subject Sale and Purchase Agreement (Principal Agreement) dated 26th June 2019 signed between Sri Damansara Sdn. Bhd. (the Developer) and Geohan Sdn. Bhd. (the Purchaser).*

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250090

SCHEDULE 2(iii)**GENERAL DESCRIPTION**

The subject property is located in Block A of Damansara Seresta in Bandar Sri Damansara, Petaling Jaya, Selangor Darul Ehsan. The subject building is a 44-storey condominium block inclusive of 7-storey elevated car park podium and two facilities floors, i.e. Level 8 and Level 44. The said building is constructed of reinforced concrete framework supporting a reinforced concrete flat roof and with plastered and painted brick walls with glass cladding. The building is served with four passenger/Bomba lifts and reinforced concrete staircases.

The facilities available within Damansara Seresta include an infinity swimming pool, a wading pool, a multi-purpose hall, a squash court, outdoor tennis courts, a gymnasium, two sauna room, a children play area, an indoor games room, a laundry room, landscaped area, male & female prayer room, a reading area and a tree house.

Brief Description of the Subject Property

The subject property is a duplex condominium unit with two car park bays as accessory parcels and are located on Level P2 of Block A, bearing postal address Unit No. A-18-06, Block A, Damansara Seresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Petaling Jaya, Selangor Darul Ehsan. The subject duplex condominium unit (Type D1) is located at the Lower Floor on Level 18, whilst the Upper Floor is located on Level 19. Both floors have separate access. At the date of valuation, the subject property is vacant.

The floor finishes of the subject property are mainly of ceramic tiles and cement rendered. The provisional floor area is 165 sq. metres or 1,778 sq. feet. There are three (3) accessory parcels comprising two car park bays identified as Car Park Nos. 48 & 49 and are located at Level P2 of Block A and an air-conditioner ledge located at the Upper Floor (Level 19).

During the site inspection, we noted that the kitchen area is further fitted with wall and floor kitchen cabinets and all three bedrooms are installed with split-unit wall-mounted air-conditioners.

Planning Provision

The subject property is designated for condominium use as noted in the subject Sale and Purchase Agreement. During the site inspection, we noted that there is no breach of the relevant laws, regulations and rules. The subject building, wherein the subject property is located, has been issued with a Certificate of Completion and Compliance (CCC) bearing Reference No. LAM/S/No. 39680, dated 23 August 2023.

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250090

SCHEDULE 2(iv)**VALUATION****Date of Valuation :** 28th February 2025**Approach to Valuation :** Comparison Approach

We have only adopted one valuation approach for the subject property as there are sufficient and suitable transacted comparables in the market to substantiate the market value of the subject property. Residential properties such as the subject property are normally acquired for own-occupation where rental return is not the primary consideration. Moreover, the wide variation in yields make it difficult to apply a market-derived yield to justify the capital value using the investment method under income approach. Therefore, we are of the opinion that the Comparison Approach is considered the most appropriate and reliable valuation approach due to sufficient recent transactions of similar properties in the same locality.

Comparison Approach

The Comparison Approach entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences. In valuing the subject properties, we have taken into consideration all relevant factors, which include the floor area, the position and floor level of the comparables.

Based on the database from Valuation and Property Services Department, there is no transaction of condominium units in Damansara Seresta as at the date of valuation. In assessing the market value of the subject property, we have adopted the transaction of condominium units in Damansara Foresta, which was completed in Year 2016 and is located adjacent to Damansara Seresta and was developed by the same developer as Damansara Seresta, i.e. Sri Damansara Sdn Bhd.

We have identified and analysed the following transactions of condominium units located within Damansara Foresta.

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Subject Property	Developer's Parcel No. 73002/C/11/02	Developer's Parcel No. 73002/B/11/01	Developer's Parcel No. 73002/B/19/05	Developer's Parcel No. 73002/B/15/01
Property Address	Unit No. C-11-02, Block C, Damansara Foresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Kuala Lumpur	Unit No. B-11-01, Block B, Damansara Foresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Kuala Lumpur	Unit No. B-19-05, Block B, Damansara Foresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Kuala Lumpur	Unit No. B-15-01, Block B, Damansara Foresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Kuala Lumpur
Tenure	Freehold	Freehold	Freehold	Freehold
Floor Area	149.60 sq. metres (about 1,610 sq. feet)	129.60 sq. metres (about 1,395 sq. feet)	138.65 sq. metres (about 1,492 sq. feet)	129.60 sq. metres (about 1,395 sq. feet)
Consideration	RM650,000.00	RM630,000.00	RM710,000.00	RM630,000.00
Date of Transaction	4 September 2024	28 th May 2024	20 th May 2024	28 th February 2024
Vendor	N/A	N/A	N/A	Low Eng Keong
Purchaser	N/A	N/A	N/A	Lee Jia Yee & another purchaser

13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250090

SCHEDULE 2(iv)

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Share	1/1	1/1	1/1	1/1
Source	Valuation and Property Services Department			
Adjustment	Upward adjustment on the age of building No adjustment on time, location, size and tenure factors	Upward adjustment on the age of building No adjustment on time, location, size and tenure factors	Upward adjustment on the age of building No adjustment on time, location, size and tenure factors	Upward adjustment on the age of building No adjustment on time, location, size and tenure factors
Adjusted Value	RM424 per sq. foot	RM474 per sq. foot	RM500 per sq. foot	RM474 per sq. foot

From the adjustments mentioned above, the adjusted values of Comparable 1 is RM424 per sq. foot, Comparable 2 is RM474 per sq. foot, Comparable 3 is RM500 per sq. foot and Comparable 4 is RM474 per sq. foot.

We have adopted the adjusted value of Comparable 3, i.e. RM500 per sq. foot, as the best comparable since Comparable 3 is located on the 19th floor which is about the same level as the subject property. Therefore, in this valuation exercise, we have adopted the adjusted value of RM500 per sq. foot which translates to the market value of RM890,000/-.

OPINION OF VALUE

We are of the opinion that the Market Value of the subject property, i.e. **A DUPLEX CONDOMINIUM UNIT IDENTIFIED AS DEVELOPER'S PARCEL NO. A-18-06, STOREY NO. 18, BUILDING NO. TOWER A, WITH ACCESSORY PARCEL NOS. CAR PARK NOS. 48 & 49 (LEVEL P2) AND A/C LEDGE, LOCATED ON PARENT LOT NO. 73003 (FORMERLY PT 82), BANDAR SRI DAMANSARA, DISTRICT OF PETALING, STATE OF SELANGOR DARUL EHSAN AND HELD UNDER MASTER TITLE NO. GERAN 335444 (FORMERLY H.S.(D) 316604) (Property Address : Unit No. A-18-06, Block A, Damansara Seresta, Persiaran Meranti, Bandar Sri Damansara, PJU 9, 52200 Petaling Jaya, Selangor Darul Ehsan), as at 28th February 2025, in its existing condition, subject to the limiting conditions attached in the full valuation report, free from all encumbrances, with the strata title upon issuance, will be held under freehold tenure as per the parent lot and will be good, marketable and registrable as well as with vacant possession, is **RM890,000/- (Ringgit Malaysia : Eight Hundred And Ninety Thousand Only).****

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref: 30V250093

SCHEDULE 3(i)**SUBJECT PROPERTY : BANDAR BUKIT BERUNTUNG, RAWANG, SELANGOR DARUL EHSAN****PROPERTY DETAILS**

Property Address	No. 17, Jalan Adenium 3A/2, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan
Property Type	An intermediate 2-storey terraced house of developer's standard design
Title No.*	GRN 154419
Lot No.*	Lot 22099, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan
Tenure*	Freehold
Registered Owner*	Geohan Equipment Sdn. Bhd. **
Surveyed Land Area*	111 sq. metres (about 1,195 sq. feet)
Category of Land Use*	"Bangunan"
Express Condition*	"Bangunan Kediaman"
Restriction-in-Interest*	"Tiada"
Encumbrances*	The subject property has been charged to Hong Leong Bank Berhad vide Presn. No. 001SC42266/2017, registered on 25 th May 2017.
Caveat*	Not stated
Location of Property	The subject property is located within a mixed development known as Adenium Indah in Bandar Bukit Beruntung township development. It is also located within the boundary limits of Majlis Perbandaran Hulu Selangor (MPHS). The subject property is located about 14 kilometres by road due north-west of Rawang town centre and is easily accessible from Kuala Lumpur via either the Kuala Lumpur-Ipoh trunk road or the North-South Expressway and exit at the Bukit Beruntung toll plaza. The said toll plaza is located approximately 2 kilometres away from the subject property. Prominent properties located within the neighbourhood include Seri Inai Preschool, Surau Al-Khairlah, Sekolah Kebangsaan Bukit Beruntung, Sekolah Jenis Kebangsaan Tamil Bukit Beruntung, Petronas Bukit Beruntung petrol station, Petron Bukit Beruntung petrol station, Pasaraya Grand Union, Sekolah Kebangsaan Bukit Beruntung 2, Lotus's Bukit Beruntung and the Terminal Bas & Teksi Bandar Baru Bukit Sentosa.

* As extracted from the computer print-out copy of the title document obtained from a private search via online purchase on the subject title at the Selangor Registry of Titles Office's website portal on 27th February 2025.

** The subject property has been purchased by Geohan Equipment Sdn. Bhd. (the Purchaser) from Castle Gardens Sdn. Bhd. (the Developer) for more than two (2) years vide a copy of the subject Sale and Purchase Agreement (Principal Agreement) dated 27th March 2017.

13. VALUATION CERTIFICATES (Cont'd)



Our Ref: 30V250093

SCHEDULE 3(ii)

GENERAL DESCRIPTION

Brief Description of the Subject Property

The subject property is an intermediate 2-storey terraced house of developer's standard design and construction, bearing postal address No. 17, Jalan Adenium 3A/2, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan.

The subject site is an intermediate plot of freehold terraced residential land and is identified as Lot No. 22099, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan. The site encompasses a surveyed land area of 111 sq. metres (about 1,195 sq. feet) as noted in the title.

The subject building is generally constructed of reinforced concrete framework with plastered and painted brick walls supporting a pitched roof covered with interlocking concrete roof tiles. Vertical access between floors is via a reinforced concrete staircase finished with laminated timber flooring.

The floor finishes of the subject property are mainly porcelain tiles, ceramic tiles, laminated timber floor and concrete imprint. The ceilings of the subject property are mainly of fairfaced concrete and skim coat / fibrous plaster board.

The subject building accommodates a car porch, a living area, a dining area, a kitchen, a bedroom and a bath/W.C. on the ground floor; and a master bedroom with an attached bath/W.C and two (2) bedrooms with a shared bath/W.C. on the first floor.

It has a main floor area of approximately 1,493 sq. feet (about 138.70 sq. metres) and ancillary floor area of approximately 200 sq. feet (about 18.58 sq. metres).

At the time of inspection, we noted that the subject property is in a good decorative state of repair and is currently tenanted.

Planning Provision

The subject property is designated for residential use as noted in the title deed.

The building is about 8 years old as noted in the said Certificate of Completion and Compliance (CCC).

The subject development, wherein the subject property located, comprises eighty-three (83) units of 2-storey terraced houses together with a TNB sub-station has been issued with a Certificate of Completion and Compliance (CCC) vide Reference No. LAM/S/No. 21643 dated 15th June 2017 by the architect.

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref: 30V250093

SCHEDULE 3(iii)**VALUATION*****Date of Valuation*** : 28th February 2025***Approach to Valuation*** : Comparison Approach

The Comparison Approach entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

We have only adopted one valuation approach for the subject property as there are sufficient and suitable transacted comparables in the market to substantiate the market value of the subject property. Residential properties such as the subject property are normally acquired for own-occupation where rental return is not the primary consideration. Moreover, the wide variation in yields makes it difficult to apply a market-derived yield to justify the capital value using the investment method under income approach. Therefore, we are of the opinion that the Comparison Approach is considered the most appropriate and reliable valuation approach due to sufficient recent transactions of similar properties in the same locality.

We have identified and analysed the following transactions of similar design of intermediate 2-storey terraced houses located within the vicinity of the subject property and having similar tenure:-

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Legal Description	Title No. GRN 149220, Lot No. 21728, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan	Title No. GRN 157630, Lot No. 22423, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan	Title No. GRN 150245, Lot No. 21774, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan	Title No. GRN 154407, Lot No. 22087, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan
Property Address	No. 31, Jalan Adenium 6, Seksyen BB5, Bandar Bukit Beruntung	No. 7, Jalan Adenium 2B/1, Seksyen BB5, Bandar Bukit Beruntung	No. 3, Jalan Adenium 6A/1, Seksyen BB5, Bandar Bukit Beruntung	No. 8, Jalan Adenium 3A/1, Seksyen BB5, Bandar Bukit Beruntung
Surveyed Land Area	111 sq. metres (about 1,195 sq. feet)	111 sq. metres (about 1,195 sq. feet)	111 sq. metres (about 1,195 sq. feet)	111 sq. metres (about 1,195 sq. feet)
Consideration	RM480,000/-	RM410,000/-	RM460,000/-	RM450,000/-
Date of Transaction	12 th September 2024	29 th February 2024	15 th November 2023	6 th July 2023
Vendor	N/A	Muhamad Ashrof Bin Mohamad	Mohd Azrin Bin Mohd Nor and another vendor	Zulkeffeli Mohd Zain and another vendor
Purchaser	N/A	Md Zaidi Bin Md Ishak	Sharmela A/P Sivalingam and 2 other purchasers	Syed Adnan Khan B Syed Leyar Kath Ali Khan
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Adjustments	Downward adjustment made on Location	Upward adjustment made on gated and guarded setting	Downward adjustment made on Location	No Adjustment
Adjusted Value	RM242/- per sq. foot	RM210/- per sq. foot	RM226/- per sq. foot	RM225/- per sq. foot

13. VALUATION CERTIFICATES (Cont'd)

Our Ref: 30V250093

SCHEDULE 3(iv)

Based on the adjustments mentioned above, the adjusted land values for Comparables 1, 2, 3, and 4, after deducting the building value, are RM242/- per sq. foot, RM210/- per sq. foot, RM226/- per sq. foot, and RM225/- per sq. foot, respectively. We have adopted the adjusted land value of Comparable 4 at RM225/- per sq. foot as the most suitable comparable, because it is located within the same locality of the subject property, with no adjustments made. The building rate for the main floor area is taken at RM120 per sq. foot and ancillary floor area at RM60 per sq. foot being the average industry rates and then depreciate the buildings accordingly.

OPINION OF VALUE

We are of the opinion that the Market Value of the subject property, i.e. **AN INTERMEDIATE 2-STOREY TERRACED HOUSE IDENTIFIED AS LOT NO. 22099, SEKSYEN 20, BANDAR SERENDAH, DISTRICT OF ULU SELANGOR, STATE OF SELANGOR DARUL EHSAN AND HELD UNDER TITLE NO. GRN 154419 [Property Address: No. 17, Jalan Adenium 3A/2, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan]**, as at 28th February 2025 and subject to the limiting conditions attached in the full valuation report, free from all encumbrances, with the title held under freehold interest and being good, marketable and registrable as well as with vacant possession is at **RM450,000/- (Ringgit Malaysia: Four Hundred And Fifty Thousand Only)**.

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250094

SCHEDULE 4(i)**SUBJECT PROPERTY : BANDAR BUKIT BERUNTUNG, RAWANG, SELANGOR DARUL EHSAN****PROPERTY DETAILS**

Property Address	No. 23, Jalan Adenium 3A/3, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan
Property Type	A corner 2-storey terraced house of developer's standard design
Title No.*	GRN 154439
Lot No.*	Lot 22119, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan
Tenure*	Freehold
Registered Owner*	Geohan Equipment Sdn. Bhd. **
Surveyed Land Area*	272 sq. metres (about 2,928 sq. feet)
Category of Land Use*	"Bangunan"
Express Condition*	"Bangunan Kediaman"
Restriction-in-Interest*	"Tiada"
Encumbrances*	The subject property has been charged to Hong Leong Bank Berhad vide Presn. No. 001SC42265/2017, registered on 25 th May 2017.
Caveat*	Not stated
Location of Property	The subject property is located within a mixed development known as Adenium Indah in Bandar Bukit Beruntung township development. It is also located within the boundary limits of Majlis Perbandaran Hulu Selangor (MPHS).

The subject property is located about 14 kilometres by road due north-west of Rawang town centre and is easily accessible from Kuala Lumpur via either the Kuala Lumpur-Ipoh trunk road or the North-South Expressway and exit at the Bukit Beruntung toll plaza. The said toll plaza is located approximately 2 kilometres away from the subject property.

Prominent properties located within the neighbourhood include Seri Inai Preschool, Surau Al-Khairlah, Sekolah Kebangsaan Bukit Beruntung, Sekolah Jenis Kebangsaan Tamil Bukit Beruntung, Petronas Bukit Beruntung petrol station, Petron Bukit Beruntung petrol station, Pasaraya Grand Union, Sekolah Kebangsaan Bukit Beruntung 2, Lotus's Bukit Beruntung and the Terminal Bas & Teksi Bandar Baru Bukit Sentosa.

* As extracted from the computer print-out copy of the title document obtained from a private search via online purchase on the subject title at the Selangor Registry of Titles Office's website portal on 27th February 2025.

** The subject property has been purchased by Geohan Equipment Sdn. Bhd. (the Purchaser) from Castle Gardens Sdn. Bhd. (the Developer) for more than two (2) years vide a copy of the subject Sale and Purchase Agreement (Principal Agreement) dated 27th March 2017.

13. VALUATION CERTIFICATES (Cont'd)

Our Ref : 30V250094

SCHEDULE 4(ii)**GENERAL DESCRIPTION*****Brief Description of the Subject Property***

The subject property is a corner 2-storey terraced house of developer's standard design and construction, bearing postal address No. 23, Jalan Adenium 3A/3, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan.

The subject site is a freehold corner plot of terraced residential land and is identified as Lot No. 22119, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan. The site encompasses a surveyed land area of 272 sq. metres (about 2,928 sq. feet) as noted in the title.

The subject building is generally constructed of reinforced concrete framework with plastered and painted brick walls supporting a pitched roof covered with interlocking concrete roof tiles. Vertical access between floors is via a reinforced concrete staircase finished with laminated timber flooring.

The floor finishes of the subject property are mainly porcelain tiles, ceramic tiles, laminated timber floor and concrete imprint. The ceilings of the subject property are mainly of fairfaced concrete and plastered ceilings with down lights.

The subject building which generally accommodates a car porch, a side terrace area, a living area, a dining area, a kitchen, a bedroom and a bath/W.C. on the ground floor; and a master bedroom with an attached bath/W.C and two (2) bedrooms with a shared bath/W.C. on the first floor.

It has a main floor area of approximately 1,497 sq. feet (about 139.08 sq. metres) and ancillary floor area of approximately 298 sq. feet (about 27.69 sq. metres).

At the time of inspection, we noted that the subject property is in a good decorative state of repair and is currently tenanted and used as a kindergarten.

Planning Provision

The subject property is designated for residential use as noted in the title deed.

The building is about 8 years old as noted in the said Certificate of Completion and Compliance (CCC).

The subject development, wherein the subject property located, comprises eighty-three (83) units of 2-storey terraced houses together with a TNB sub-station and has been issued with a Certificate of Completion and Compliance (CCC) vide Reference No. LAM/S/No. 21643 dated 15th June 2017 by the architect.

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13. VALUATION CERTIFICATES (Cont'd)

Our Ref: 30V250094

SCHEDULE 4(iii)**VALUATION*****Date of Valuation*** : 28th February 2025***Approach to Valuation*** : Comparison Approach

The Comparison Approach entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

We have only adopted one valuation approach for the subject property as there are sufficient and suitable transacted comparables in the market to substantiate the market value of the subject property. Residential properties such as the subject property are normally acquired for own-occupation where rental return is not the primary consideration. Moreover, the wide variation in yields makes it difficult to apply a market-derived yield to justify the capital value using the investment method under income approach. Therefore, we are of the opinion that the Comparison Approach is considered the most appropriate and reliable valuation approach due to sufficient recent transactions of similar properties in the same locality.

We have identified and analysed the following transactions of corner 2-storey terraced houses located within the vicinity of the subject property and having similar tenure:-

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Legal Description	Title No. GRN 150273, Lot No. 21803, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan	Title No. HSD 47976, Lot No. PT 16277, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan	Title No. GRN 152103, Lot No. 21930, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan	Title No. GRN 149176, Lot No. 21683, Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor Darul Ehsan
Property Address	No. 25, Jalan Adenium 6A, Seksyen BB5, Bandar Bukit Beruntung	No. 39, Jalan Adenium 5B/5, Seksyen BB5, Bandar Bukit Beruntung	No. 1, Jalan Adenium 3B/1, Seksyen BB5, Bandar Bukit Beruntung	No. 2, Jalan Adenium 5A/1, Seksyen BB5, Bandar Bukit Beruntung
Surveyed Land Area	231 sq. metres (about 2,486 sq. feet)	230.91 sq. metres (about 2,485 sq. feet)	310 sq. metres (about 3,337 sq. feet)	291 sq. metres (about 3,132 sq. feet)
Consideration	RM575,000/-	RM579,000/-	RM595,000/-	RM640,000/-
Date of Transaction	24 th April 2024	8 th November 2023	31 st July 2023	26 th May 2022
Vendor	N/A	Md Bakhtiar Bin Hamdan and another vendor	Zayd Ariff Bin Zakaria and another vendor	Chia Tek Kiang and another vendor
Purchaser	N/A	Tan Boon Phong and another purchaser	Shahrin Bin Mahaldin and another purchaser	Mohd Zulhelimie Bin Omar
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Adjustments	Downward adjustment made on shape of the land / Upward adjustment made on location	Upward adjustment made on location	Upward adjustment made on location	Downward adjustment made on shape of the land / Upward adjustment made on location
Adjusted Value	RM155/- per sq. foot	RM136/- per sq. foot	RM126/- per sq. foot	RM127/- per sq. foot

13. VALUATION CERTIFICATES (Cont'd)

Our Ref: 30V250094

SCHEDULE 4(iv)

Based on the adjustments mentioned above, the adjusted land values for Comparables 1, 2, 3, and 4, after deducting the building value, are RM155/- per sq. foot, RM136/- per sq. foot, RM126/- per sq. foot, and RM127/- per sq. foot, respectively. We have adopted the adjusted land value of Comparable 3 at RM126/- per sq. foot as the most suitable comparable, because it is located within the same locality as the subject property, with less adjustments made. Therefore, in this valuation exercise, we have adopted the rounded down adjusted value of RM125/- per sq. foot for the land of the subject property. The building rate for the main floor area is taken at RM125 per sq. foot and ancillary floor area at RM63 per sq. foot being the average industry rates, reflecting average industry rates while taking into account the property's corner position, and then depreciate the buildings accordingly.

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13. VALUATION CERTIFICATES (Cont'd)



Our Ref: 30V250094

SCHEDULE 4(v)

OPINION OF VALUE

We are of the opinion that the Market Value of the subject property, i.e. **A CORNER 2-STOREY TERRACED HOUSE IDENTIFIED AS LOT NO. 22119, SEKSYEN 20, BANDAR SERENDAH, DISTRICT OF ULU SELANGOR, STATE OF SELANGOR DARUL EHSAN AND HELD UNDER TITLE NO. GRN 154439 [Property Address: No. 23, Jalan Adenium 3A/3, Seksyen BB5, Bandar Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan]**, as at 28th February 2025 and subject to the limiting conditions attached in the full valuation report, free from all encumbrances, with the title held under freehold interest and being good, marketable and registrable as well as with vacant possession is at **RM560,000/- (Ringgit Malaysia: Five Hundred And Sixty Thousand Only)**.

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14. ADDITIONAL INFORMATION

14.1 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Company's Constitution which complies with the Listing Requirements, the Act and the Rules of Bursa Depository.

The words and expressions appearing in the following provisions shall bear the same meanings used in our Company's Constitution unless they are otherwise defined or the context otherwise requires.

(i) Remuneration, voting and borrowing powers of Directors

Clause 101 – Directors' remuneration

Subject to the Act and the Listing Requirements, the fees of the Directors and any benefits payable to the Directors shall from time to time be determined by way of an ordinary resolution of the Company in a general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine and in default of agreement equally, except that if a Director has held office for part only of the period in respect of which such fees are payable, such a Director shall be entitled only to that proportion of the fees as is related to the period during which he has held office PROVIDED ALWAYS that:-

- (i) salaries, benefits and other emoluments payable to executive Director(s) pursuant to an employment contract or a contract of service need not be determined by the Company in a general meeting but such salaries may not include a commission on or percentage of turnover;
- (ii) fees payable to non-executive Directors shall be a fixed sum and not by way of a commission on or percentage of profits or turnover; and
- (iii) any fee paid to an Alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 102 – Reimbursement of expenses

- (a) The Directors shall be entitled to be reimbursed for all travelling or expenses as may be incurred in attending meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. In addition to the foregoing, a Director shall be entitled to such reasonable fixed allowance as may be determined by the Directors in respect of any attendance at any meeting and/or the performance of any duty or other things required of him as a Director.
- (b) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for any director's fees payable to him from time to time.

Clause 128 – Remuneration of chief executive, executive Director, managing Director

The remuneration of the chief executive, executive Director, managing Director or any person holding an equivalent position, shall, from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of turnover but it may be a term of their appointment that they shall receive a pension, gratuity or other benefits upon their retirement.

14. ADDITIONAL INFORMATION (Cont'd)

Clause 78 – Chairman's casting vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

Clause 106 – Directors' borrowing powers

- (a) Subject to the Act and the Listing Requirements, the Directors may exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any related party (as defined in Section 7 of the Act):
- (i) borrow money;
 - (ii) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;
 - (iii) issue debentures and other securities whether outright or as security;
 - (iv) lend and advance money or give credit to any person or company;
 - (v) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; and/or
 - (vi) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company; and otherwise to assist any person or of any related party (as defined in Section 7 of the Act).
- (b) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

Clause 120 – Votes by majority and chairman of the meeting to have a casting vote

Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes of the Directors present and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote, except where at the meeting only two (2) Directors form a quorum, the chairman of the meeting at which only such a quorum is present, or only two (2) Directors are competent to vote on the question at issue shall not have a casting vote.

Clause 123 – Restriction on voting

Subject to the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

14. ADDITIONAL INFORMATION (Cont'd)

Clause 124 – Power to vote

A Director may vote in respect of:

- (i) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company;
- (ii) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security;
- (iii) any contract by the Director himself to subscribe for or underwrite shares or debentures of the Company; or
- (iv) any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities in that company.

(ii) Changes to share capital

Clause 56 – Power to increase capital

The Company in a general meeting may from time to time, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital, voting or otherwise as the general meeting resolving upon such increase may direct.

Clause 57 - Issuance of new shares to Members

Subject to any direction to the contrary that may be given by the Company in general meeting and the Listing Requirements, all new shares or other convertible securities shall, before issuance, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to the shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or Securities are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.

For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained for implementation of a scheme that involves a new issuance of shares or other convertible securities to employees of the Company and its subsidiaries and approval obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above inapplicable.

14. ADDITIONAL INFORMATION (Cont'd)

In any case and in respect of any issuance of shares or convertible securities, the preemptive rights of Members are strictly as contained in the Constitution and accordingly, the provisions of Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply and the Company is not required to offer new shares or convertible securities in proportion to the shareholdings of the existing Members.

Clause 59 – Power to alter capital

Subject to the provisions of this Constitution, the Act, the Listing Requirements, the Central Depositories Act, and the Rules, the Company may by ordinary resolution:

- (i) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;
- (ii) convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares;
- (iii) subdivide its shares or any of its shares, such that whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or
- (iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

Clause 60 – Power to reduce capital

The Company may by special resolution, reduce its share capital in any manner permitted or authorised under and in compliance with the Act and the Applicable Laws.

Clause 61 – Purchase by the Company of its own shares

The Company may, subject to its obtaining such approval from the relevant authorities (if required) and to its compliance with the Act, the Listing Requirements and the Applicable Laws, purchase its own shares. Any shares so purchased by the Company shall be dealt with in accordance with the Act, the Listing Requirements, the Central Depositories Act and Rules, and all Applicable Laws. The provisions of Clauses 59 and 60 herein above shall not affect the power of the Company to cancel any shares or reduce its share capital pursuant to any exercise of the Company's powers under this Clause. The cancellation of shares purchased shall not be deemed to be a reduction of share capital within the meaning of the Act.

(iii) Transfer of securities

Clause 30 – Transfer in writing

Subject to this Constitution, the Listing Requirements, the Central Depositories Act and the Rules, any Member may transfer all or any of his Securities (except those Deposited Securities which are for the time being designated as securities in suspense) by an instrument in writing in the form prescribed and approved by the Exchange upon which the Company is listed on the Exchange. The instrument shall have been executed by or on behalf of the transferor and the transferee, and the transferor shall remain the holder of the Securities transferred until the transfer is registered and the name of the transferee is entered in the Record of Depositors.

Clause 31 – Transfer of Securities

The transfer of any Deposited Securities shall be made by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such Deposited Securities.

14. ADDITIONAL INFORMATION (Cont'd)

Clause 32 – No restriction on the transfer of fully paid Securities

Subject to this Constitution, the Listing Requirements, the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid Securities except where required by law or transfer is in respect of the partly paid shares in respect of which a call has been made and is unpaid.

Clause 33(a) – Refusal to register

The Central Depository may, in its absolute discretion, refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and/or the Rules.

(iv) Rights, preferences and restrictions attached to each class of shares relating to voting, dividend, liquidation and any special rights

Clause 7 – Allotment of shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, the Act, the Listing Requirements, any Applicable Laws, and to the provisions of any resolution of the Company, the Board may issue, allot or grant rights to subscribe for or otherwise dispose of such shares to such persons at such price, on such terms and conditions, with such preferred, deferred and/or other special rights and subject to such restrictions, whether in regard to dividend, voting, return of capital or otherwise as they deem proper, and at such times as the Board may determine but the Board in making any issuance of shares shall comply with the following conditions:-

- (i) in the case of shares, other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution and in the resolution creating the same;
- (ii) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in general meetings;
- (iii) every issuance of shares or options to employees and/or Directors of the Company and/or its subsidiaries under an employee share option scheme shall be approved by the Members in general meeting;
- (iv) no Director shall participate in a scheme that involves a new issuance of shares or options unless the Members in a general meeting have approved the specific allotment to be made to such Director and such Director must not vote on the resolution approving the said allotment; and
- (v) except in the case of an issuance of Securities on a pro-rata basis to all Members, or, pursuant to a back-to-back placement or a Dividend Reinvestment Scheme undertaken in compliance with the Listing Requirements, there shall be no issuance and allotment of Securities to a Director, major shareholder, chief executive or person connected with any Director, major shareholder or chief executive (hereinafter referred to as the "interested Director", "interested major shareholder", "interested chief executive" or "interested person connected with a Director, major shareholder or chief executive" respectively) unless the Members in a general meeting have approved of the specific allotment to be made to such aforesaid interested Director, interested major shareholder, interested chief executive or interested person connected with a Director, major shareholder or chief executive, as the case may be. In this Constitution, "major shareholder", "chief executive", "person connected with any Director, major shareholder or chief executive" and "Dividend Reinvestment Scheme" shall have the meaning ascribed thereto in the Listing Requirements.

14. ADDITIONAL INFORMATION (Cont'd)

Clause 8 – Rights of preference shareholders

Subject to the Act, the Listing Requirements and any Applicable Laws, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed and the Company shall not unless with the consent of the existing preference shareholders at a class of meeting issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. Preference shareholders shall have:

- (i) the same rights as ordinary shareholders as regards to receiving notices, reports and audited accounts and attending general meetings of the Company; and
- (ii) the right to vote at any meeting convened for the purpose of reducing the share capital of the Company or on a proposal to wind up or during the winding up of the Company, or sanctioning a sale of the whole of the Company's undertaking, property or business, or where any resolution to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares or part of the dividend is in arrears for more than six (6) months.

Clause 10 – Variation of class rights

Subject to Section 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with:

- (i) the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of the Members in that class; or
- (ii) the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons holding or representing by proxy at least one-third (1/3) of the number of the issued shares of the class (excluding any shares of that class held as treasury shares) and that any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one (1) vote for every such share held by him. For adjourned meetings, the quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

Clause 11 – Ranking of class rights

The rights conferred upon the holders of any shares or class of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of such shares of that class, as regards to participation in the profits or assets of the Company in some or in all respect be deemed to be varied by the creation or issuance of further shares ranking *pari passu* therewith.

Clause 42 – Person entitled may receive dividends etc

Where the registered holder of any share dies or becomes bankrupt, his personal representative or the assignee of his estate, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors and/or Depository on that behalf, be entitled to receive and may give a discharge for all dividends and other moneys payable in respect of the shares as the registered holder would have been entitled to if he had not died or become bankrupt, but he shall not be entitled to receive notice of or to attend or vote at any meeting, or, save as aforesaid, to exercise any of the rights and privileges of a Member, unless and until he shall have become a Member in respect of the shares.

14. ADDITIONAL INFORMATION (Cont'd)

Clause 54 – Rights of stock holders

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages with regards to dividends, participation in assets on a winding up, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, so that none of such rights, privileges or advantages (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in shares, have conferred such rights, privileges or advantages.

Clause 149 – Payments of dividends

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this Constitution as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

14.2 SHARE CAPITAL

- (i) No Shares will be allotted, issued or offered on the basis of this Prospectus later than six (6) months after the date of the issue of this Prospectus.
- (ii) There is no founder, management or deferred shares in our Company. As at the date of this Prospectus, we have only one (1) class of shares, namely ordinary shares, all of which rank equally with one (1) another. There are no special rights attached to our Shares.
- (iii) None of our Group's capital is under any option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.
- (iv) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocation.
- (v) There is no scheme involving our employees in the capital of our Group, except for the Pink Form Allocation.
- (vi) Save as disclosed in Sections 6.1.4 and 6.1.5 of this Prospectus, no shares, outstanding warrants, options, convertible securities or uncalled capital of our Group have been or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, for the Financial Years Under Review and up to the LPD.
- (vii) As at the date of this Prospectus, our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

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14. ADDITIONAL INFORMATION (Cont'd)

14.3 LIMITATION ON THE RIGHT TO OWN SECURITIES

There are no limitations imposed by law or by the constituent documents of our Company on the right to own securities, including limitation on the right of non-resident or foreign shareholders to hold or exercise voting rights on our Shares.

14.4 PUBLIC TAKE-OVERS

None of the following has occurred during the last financial year and up to the LPD:

- (i) public take-over offers by third parties in respect of our Group's shares; and
- (ii) public take-over offers by us in respect of other company's shares.

14.5 EXCHANGE CONTROLS/REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT

14.5.1 Malaysia

As at the LPD, there are no governmental laws, decrees, regulations and/or other requirements which may affect repatriation of capital and remittance of profit by or to our Group.

The Income Tax Act 1967 of Malaysia governs the taxation of income in Malaysia. All corporations in Malaysia are required to adopt single-tier dividends. Hence, all dividends distributed to our shareholders under a single tier dividend are not taxable. Further, the Malaysian government does not levy withholding tax on dividend payments. Therefore, the dividends to be paid to shareholders who are non-tax residents in Malaysia are not subject to withholding tax in Malaysia. There is no Malaysian capital gains tax arising from the disposal of listed shares.

Based on the Finance Act 2024 gazetted on 31 December 2024, dividend tax at the rate of 2.00% will be imposed on annual chargeable dividend income exceeding RM100,000.00 received by individual shareholders (resident and non-residents) as well as individuals who hold shares through nominees with certain exemptions, effective from year of assessment 2025.

14.5.2 Singapore

As at the LPD, there are no governmental laws, decrees, regulations and/or other requirements which may affect repatriation of capital and remittance of profit by way of dividend to our Group from the levy of income tax and/or imposition of exchange control restriction.

The Income Tax Act 1947 of Singapore governs the taxation of income in Singapore. Singapore adopts a one-tier corporate tax system where the tax paid by a Singapore tax-resident company on its chargeable income is the final tax. Dividends paid by such company are tax-exempt in the hands of its shareholder, regardless of the legal form or the tax residency status of the shareholder. Further, Singapore does not levy withholding tax on dividend payments by such company.

Shareholders are advised to consult their own tax advisers in respect of the tax laws of their respective countries of residence which are applicable on such dividends received by them and the applicability of any double taxation agreement that their country of residence may have with Singapore.

14.6 MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, we are not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and our Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business.

14. ADDITIONAL INFORMATION (Cont'd)**14.7 MATERIAL CONTRACTS**

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the period covered by the historical financial information as disclosed in this Prospectus up to the date of this Prospectus:

- (i) the sale and purchase agreement dated 26 April 2024 entered into between GSB as the vendor and Zhan, Lin as the purchaser for the sale and purchase of all that piece of service apartment known as Parcel No. A-08-08, Type C, Storey No. 8 and Building No. A in a housing development known as Residensi Solaris Parq bearing postal address of No. A-08-08, Residensi Solaris Parq, Changkat Hartamas, 50480 Wilayah Persekutuan Kuala Lumpur held under Master Title Geran 79849, Lot No. 81299, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur for purchase consideration of RM1,120,000.00. The said disposal was completed on 26 July 2024;
- (ii) the sale and purchase agreement dated 28 October 2024 entered into between GSB as the vendor and Shubham Gupta and Srishti Sharma as the purchasers for the sale and purchase of a unit of Condominium known as Parcel No. A-09-03, Level 9, Block A, Type D9 together with Car Park Bays Accessory Parcels No. 2-123, 2-124, 2-125 & 2-126 in a housing development known as Residensi Setia Sky Seputeh held under Strata Title Geran 79421/M1A/10/12, No. Bangunan: M1A, No. Tingkat: 10, No. Petak: 12, No. Petak Aksesori: A461, A462, A463, A464, A1138 & A1139, Lot 20005 Seksyen 94, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur and bearing postal address of A-09-03, Residensi Setia Sky Seputeh, No. 7, Jalan Taman Seputeh, Taman Seputeh, 58000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur for purchase consideration of RM2,700,000.00. The said disposal was completed on 10 March 2025;
- (iii) the sale and purchase agreement dated 17 October 2024 entered into between Indo Aman Bina Sdn Bhd as the developer and GSB as the purchaser for the sale and purchase of Parcel No. A-48-1, Storey No. 48, Building No. A of Land Parcel No. A-48-1, together with an accessory parcel No. A975(TLK), in a housing development known as Ativo Annexe (Residensi Damansara Avenue 1) held under Master Title H.S (D) 324998, Lot No. PT111, Bandar Sri Damansara, Daerah Petaling and Negeri Selangor for purchase consideration of RM822,000. The said acquisition is expected to be completed by FYE 2028;
- (iv) the sale and purchase agreement dated 15 November 2022 entered into between GBD Land Sdn Bhd as the proprietor, GBD Development Sdn Bhd as the developer and GSB as the purchaser for the sale and purchase of Parcel No. 16-3, Storey No. 16, Type C1, in a housing development known as Skylon Residensi held under Master Title H.S.(D) 122345, PT 50002 Seksyen 57 (formerly known as Geran 27284, Lot 1027 Seksyen 57), Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur for purchase consideration of RM876,600.00. The said acquisition is expected to be completed by fourth quarter of FYE 2025;
- (v) the sale and purchase agreement dated 15 November 2022 entered into between GBD Land Sdn Bhd as the proprietor, GBD Development Sdn Bhd as the developer and GSB as the purchaser for the sale and purchase of Parcel No. 16-3A, Storey No. 16, Type D, together with Car Park Bays Accessory Parcels No. P11-06, in a housing development known as Skylon Residensi held under Master Title H.S.(D) 122345, PT 50002 Seksyen 57 (formerly known as Geran 27284, Lot 1027 Seksyen 57), Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur for purchase consideration of RM1,433,700.00. The said acquisition is expected to be completed by fourth quarter of FYE 2025;
- (vi) the sale and purchase agreement dated 20 May 2022 entered into between GBD Land Sdn Bhd as the proprietor, GBD Development Sdn Bhd as the developer and GSB as the purchaser for the sale and purchase of Parcel No. 33-3, Storey No. 33, Type B, together with Car Park Bays Accessory Parcels No. P6-06, in a housing development known as Skylon Residensi held under Master Title H.S.(D) 122345, PT 50002 Seksyen 57 (formerly known as Geran 27284, Lot 1027 Seksyen 57), Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur for purchase consideration of RM1,788,300.00. The said acquisition is expected to be completed by fourth quarter of FYE 2025;

14. ADDITIONAL INFORMATION (Cont'd)

- (vii) the sale and purchase agreement dated 18 August 2023 entered into between Ketua Menteri Sabah as the proprietor, Sri Donglai Sdn Bhd as the vendor and GSB as the purchaser for the sale and purchase of Parcel No. T3-10-20, Level 10, Commercial Office Suites, Block T3 in a mixed commercial development known as The 3 Towers held under Geran 80739, Lot 20022 Seksyen 88 (formerly under HS(D) 120611, PT 218 Seksyen 88), Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (previously known as Geran No 74933, Lot 187, Seksyen 88, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur) for purchase consideration of RM1,056,250.00. The said acquisition was completed on 18 September 2023;
- (viii) the SSAs; and
- (ix) [the Underwriting Agreement].

14.8 CONSENTS

- (i) The written consents of our Principal Adviser, Sole Underwriter and Placement Agent, Solicitors as to the laws of Malaysia and Singapore, Company Secretaries, Share Registrar and Issuing House for the inclusion in this Prospectus of their names in the form and context in which their names appear in this Prospectus have been given before the issue of this Prospectus, and have not subsequently been withdrawn.
- (ii) The written consent of our Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position, and all references thereto in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus, and has not subsequently been withdrawn.
- (iii) The written consent of the IMR for the inclusion in this Prospectus of its name, the IMR Report and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.
- (iv) The written consent of the Independent Valuer for the inclusion in this Prospectus of its name, the Valuation Certificates and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

14.9 RESPONSIBILITY STATEMENTS

- (i) This Prospectus has been seen and approved by our Directors and Promoters and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.
- (ii) AIS, being our Principal Adviser, Sole Underwriter and Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts relating to our IPO.

14. ADDITIONAL INFORMATION (Cont'd)

14.10 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of six (6) months from the date of this Prospectus:

- (i) our Constitution;
- (ii) the IMR Report as referred to in Section 7 of this Prospectus;
- (iii) the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position of our Group as referred to in Section 11.11 of this Prospectus;
- (iv) the Accountants' Report as referred to in Section 12 of this Prospectus;
- (v) the Valuation Certificates as referred to in Section 13 of this Prospectus and the valuation reports;
- (vi) the material contracts as referred to in Section 14.7 of this Prospectus;
- (vii) the letters of consent as referred to in Section 14.8 of this Prospectus; and
- (viii) the audited financial statements of our Company and our Subsidiaries for the FYE 2022, FYE 2023 and FYE 2024.

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15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF THIS PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT OUR ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in this Prospectus. Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

15.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10:00 A.M., [●]

CLOSING OF THE APPLICATION PERIOD: 5:00 P.M., [●]

Applications for the IPO Shares will open and close at the time and dates stated above.

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

Late Applications will not be accepted.

15.2 METHODS OF APPLICATIONS**15.2.1 Application for our IPO Shares by the Malaysian Public and Eligible Persons**

Application must accord with this Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

No.	Types of Application and category of investors	Application method
(a)	Applications by Malaysian Public:	
	(i) Individuals	WHITE Application Form; or Electronic Share Application; or Internet Share Application
	(ii) Non-Individuals	WHITE Application Form only
(b)	Applications by Eligible Persons	PINK Application Form only

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15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.2.2 Application by selected investors via private placement**

No.	Types of Application	Application method
(a)	Applications by Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.
(b)	Applications by institutional and selected investors	The Placement Agent will contact the institutional and selected investors directly. They should follow the Placement Agent's instructions.

Bumiputera investors approved by MITI and institutional and selected investors may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

15.3 ELIGIBILITY**15.3.1 General**

You must have a CDS Account and a correspondence address in Malaysia. If you do not have a CDS Account, you may open a CDS Account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities. The CDS Account must be in your own name. **Invalid, nominee or third party CDS Accounts** will not be accepted for the Applications.

Only **ONE (1)** Application Form for each category from each Applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000.00 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMIZES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

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15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

15.3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfil all of the following:

- (i) You must be one (1) of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or
 - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) You must not be a director or employee of our Issuing House or an immediate family member of a director or employee of our Issuing House; and
- (iii) You must submit Applications by using only one (1) of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

15.3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation, as well as detailed procedures on how to subscribe to the allocated IPO Shares. The Eligible Persons must follow the notes and instructions in those documents and where relevant, of this Prospectus. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

The Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, Issuing House, AIS, participating organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM[●] for each IPO Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO. [●]**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Method below is relevant for White Application Form only whereas for Pink Application Form, kindly direct the submission of the form to our Company, through the Human Resources or Finance Department.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one (1) of the following methods:

- (a) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

Or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

- (b) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan

so as to arrive not later than 5:00 p.m. on [●] or by such other time and date specified in any change to the date and time for closing.

We, together with our Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to our Issuing House.

15.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

15.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd (*formerly known as CGS-CIMB Securities Sdn Bhd*), Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

15.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

Our Issuing House, on the authority of our Board reserves the right to:

- (a) reject Applications which:
 - (i) do not conform to the instructions of this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (ii) are illegible, incomplete or inaccurate; or
 - (iii) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (b) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (c) bank in all Application monies (including those from unsuccessful / partially successful Applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of our Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15.8 OVER / UNDER-SUBSCRIPTION

In the event of over-subscription, our Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of Applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of our IPO Shares and the balloting results in connection therewith will be furnished by our Issuing House to the SC and/or Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at www.mih.com.my within one (1) Market Day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Company's enlarged issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest or any share of revenue or benefits arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/or Eligible Persons, subject to the underwriting arrangements and clawback and reallocation as set out in Section 4.1.2 of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

15.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

15.9.1 For applications by way of Application Forms

- (a) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful Applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful Applications) within 10 Market Days from the date of the final ballot at your own risk.
- (b) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House as per items (a) and (b) above (as the case may be).
- (d) Our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful Applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (b) above (as the case may be).

15.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (a) Our Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within two (2) Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) within two (2) Market Days after the receipt of confirmation from our Issuing House.
- (b) You may check your account on the fifth (5th) Market Day from the balloting date.
- (c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by our Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions will be informed of the unsuccessful or partially successful Applications within two (2) Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions will credit the Application monies or any part thereof (without interest) within two (2) Market Days after the receipt of confirmation from our Issuing House.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.10 SUCCESSFUL APPLICANTS**

If you are successful in your Application:

- (a) Our IPO Shares allotted to you will be credited into your CDS account.
- (b) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (c) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository. As such, our IPO Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (d) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

15.11 ENQUIRIES

Enquiries in respect of the Applications may be directed as follows:

Mode of Application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at telephone no. (603) 7890 4700
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firms and Authorised Financial Institution

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 PM. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS

Our Group is dependent on the following major approvals, licences and permits for our operations. As at the LPD, details of the major approvals, licences and permits, together with salient conditions imposed and status of compliance, are as follows:

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
1.	GHSB	CIDB	Certificate of Registration (<i>Perakuan Pendaftaran</i>) certifying that GHSB has registered with CIDB as Grade 7 Contractor with specialisation in: (i) Category B, registration specialisation B04, B05, B12 and B13; (ii) Category CE, registration specialisation CE01, CE04, CE08, CE10, CE11, CE12, CE13, CE21, CE34 and CE36; and (iii) Category ME, registration specialisation M01 and M15	Registration No.: 1970709-SL039451	Registration Date: 19 July 2000 Validity Period: 14 September 2023 to 20 September 2025	1. General conditions (a) This certificate is non-transferable. (b) CIDB reserves the right to review GHSB's registration grade from time to time. 2. GHSB's responsibilities and obligations (a) GHSB shall comply with the provisions of the CIDB Act, the regulations made thereunder and any terms, conditions or restrictions imposed by CIDB from time to time. (b) GHSB shall not participate in any tender or carry out any construction works after the expiration of this certificate and until it is renewed. (c) GHSB shall not undertake to build any construction project which exceeds the value of construction works specified under its registration grade and shall not carry out any construction works outside its registration category. (d) GHSB shall submit information about any new construction works or contract(s) within 14 days after it is awarded or before work begins, whichever is earlier. (e) GHSB shall submit any information required by CIDB from time to time. (f) GHSB shall display the certificate of registration issued by CIDB or a copy of the certificate of registration certified by CIDB at the place of business.	Noted Noted Complied Complied Complied Complied ⁽¹⁾ Complied Complied

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
						(g) GHSB shall display its registration number on the signboard at each construction site. (h) GHSB shall apply to renew the registration within 60 days before the expiry date stated in the certificate of registration. (i) GHSB shall comply with all requirements and stipulations in the Contractor Code of Ethics. (j) GHSB shall employ skilled construction workers and site supervisors who are accredited and certified by CIDB. (k) All construction site workers must have a valid construction personnel card.	Complied Complied
2.	GHSB	CIDB	Procurement of Government Works Certificate (<i>Sijil Perolehan Kerja Kerajaan (SPKK)</i>) certifying that GHSB is registered with CIDB as Grade 7 for the following categories: (i) Category B: Building Construction; (ii) Category CE: Civil Engineering Construction; and (iii) Category ME: Mechanical and Electrical. <u>Authorised company officer:</u> Ir. Oh Chin Wah Lee Kim Seng	Registration No: 1970709-SL039451	Registration Date: 19 July 2000 Validity period: 16 September 2023 to 20 September 2025	1. General conditions 1.3 This certificate will be revoked automatically if the certificate of registration as a contractor has expired or cancelled/ suspended/ revoked in accordance with Regulation 15 of Registration of Contractors (Construction Industry) Regulations 1995. 2. Responsibilities of GHSB 2.1 GHSB shall not lend, lease, transfer, permit or cause the certificate to be used by someone who has not been named to use this certificate for the purpose of procuring government work. b) GHSB shall not participate in any tender or carry out any construction works after the expiration of this certificate and until it is renewed.	Noted Noted Complied

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
						2.2 Only officers of GHSB who are named in this certificate are authorised to sign GHSB's contract documents and take tender document as well as attending work site for voting, bidding and tender work. GHSB shall not authorise any other officer for the aforesaid matters. 2.3 GHSB shall ensure all terms and conditions to obtain this certificate are complied with during the validity period of this certificate. 2.4 Any changes in information shall be notified to the CIDB within 30 days from the date of the change occurs. 2.5 GHSB shall comply with all instructions and resolutions issued by the Government via treasury instructions, CIDB's circulars issued from time to time. 4. Financial limit (work cost) 4.1 GHSB shall only participate in tender allowed under the registration grade it registered.	Complied Complied Complied Complied Complied
3.	GHSB	DBKL	Business Licence for office and signboard at 40-G, 40-1, 40-2, Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Kuala Lumpur	DBKL.JPPP/01855/04/2025/KM-01	Validity period: 23 April 2025 to 22 April 2026	(a) DBKL reserves the right to impose any additional terms and conditions as a business control measure from time to time and to take actions based on the law together with any other relevant department/agency. (b) The licence must be renewed annually within 60 days from the expiry date without notice from DBKL. (c) The workers in the premise must consist of 50.00% Malaysians and 50.00% non-Malaysians with valid work permits.	Noted Complied Complied

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
4.	GSB	CIDB	Certificate of Registration (<i>Perakuan Pendaftaran</i>) certifying that GSB has registered with CIDB as Grade 7 Contractor with specialisation in: (i) Category B, registration specialisation B04 and B05; (ii) Category CE, registration specialisation CE01, CE08, CE10, CE12 and CE21; and (iii) Category ME, registration specialisation M15 and M16	Registration No: 0120030804-WP086959	Registration Date: 4 August 2003 Validity period: 30 September 2024 to 29 September 2027	1. General conditions (a) This certificate is non-transferable. (b) CIDB reserves the right to review GSB's registration grade from time to time. 2. GSB's responsibilities and obligations (a) GSB shall comply with the provisions of the CIDB Act, the regulations made thereunder and any terms, conditions or restrictions imposed by CIDB from time to time. (b) GSB shall not participate in any tender or carry out any construction works after the expiration of this certificate and until it is renewed. (c) GSB shall not undertake to build any construction project which exceeds the value of construction works specified under its registration grade and shall not carry out any construction works outside its registration category. (d) GSB shall submit information about any new construction works or contract(s) within 14 days after it is awarded or before work begins, whichever is earlier. (e) GSB shall submit any information required by CIDB from time to time. (f) GSB shall display the certificate of registration issued by CIDB or a copy of the certificate of registration certified by CIDB at the place of business.	Noted Noted Complied Complied Complied Complied⁽¹⁾ Complied Complied

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
						(g) GSB shall display its registration number on the signboard at each construction site. (h) GSB shall apply to renew the registration within 60 days before the expiry date stated in the certificate of registration. (i) GSB shall comply with all requirements and stipulations in the Contractor Code of Ethics. (j) GSB shall employ skilled construction workers and site supervisors who are accredited and certified by CIDB. (k) All construction site workers must have a valid construction personnel card.	Complied Complied Complied Complied Complied
5.	GSB	DBKL	Business Licence for signboard at 42A Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Kuala Lumpur	DBKL.JPPP/08064/13/2018/IK00	Validity period: 12 July 2024 to 11 July 2025	(a) DBKL reserves the right to impose any additional terms and conditions as a business control measure from time to time and to take actions based on the law together with any other relevant department/agency. (b) The licence must be renewed annually within 60 days from the expiry date without notice from DBKL. (c) The workers in the premise must consist of 50.00% Malaysians and 50.00% non-Malaysians with valid work permits.	Noted Complied Complied

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
6.	GSB	DBKL	Business Licence for office at 40, 40A & 42A, 42B Jalan Datuk Sulaiman, Taman Tun Dr Ismail, 60000 Kuala Lumpur	DBKL.JPPP/00349/10/2016/PR01	Validity period: 23 April 2025 to 22 April 2026	(a) DBKL reserves the right to impose any additional terms and conditions as a business control measure from time to time and to take actions based on the law together with any other relevant department/agency. (b) The licence must be renewed annually within 60 days from the expiry date without notice from DBKL. (c) The workers in the premise must consist of 50.00% Malaysians and 50.00% non-Malaysians with valid work permits.	Noted Complied Complied
7.	GSB	MODTCL	Scheduled Articles Permit for purchase and storage of diesel at Plot A, Jalan UTAS 15/7, Seksyen 15, 40300 Shah Alam, Selangor, Malaysia	PBKB/2025/B/B-000273	Validity period: 21 March 2025 to 28 August 2025 ⁽²⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied Complied
8.	GSB	MODTCL	Scheduled Articles Permit for purchase and storage of diesel at Lot 72990, 72991, 72993 and Lot 73013, Persiaran Perdana, Bandar Sri Damansara, Mukim Sungai Buloh, Daerah Petaling, 55200 Petaling Jaya, Wilayah Persekutuan Kuala Lumpur, Malaysia	PBKB/2024/B/B-000838	Validity Period: 20 August 2024 to 19 August 2025 ⁽²⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied Complied

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
9.	GSB	MODTCL	Scheduled Articles Permit for purchase and storage of diesel at Lot 263, Seksyen 89A, Jalan Ampang Hilir Bandar Kuala Lumpur, 55000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia	PBKB/2024/B/W-000272	Validity Period: 15 April 2024 to 31 December 2025 ⁽²⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied Complied
10.	GSB	MODTCL	Scheduled Articles Permit for purchase and storage of diesel at Lot 201058 (Lot Lama PT 9761), Jalan Melati Quarza 1, Off Lingkaran Tengah 2, Mukim Setapak, 53200 Setapak, Wilayah Persekutuan Kuala Lumpur, Malaysia	PBKB/2024/B/W-000322	Validity Period: 1 July 2024 to 31 December 2025 ⁽²⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied Complied
11.	GSB	MODTCL	Scheduled Articles Permit for purchase and storage of diesel at Lot 10363, Genting Permai, Mukim Bentong, Daerah Bentong, Genting Highlands, 69000 Bentong, Pahang, Malaysia	PBKB/2025/P/C-000135	Validity Period: 10 January 2025 to 9 January 2027 ⁽²⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied Complied
12.	GSB	MODTCL	Scheduled Articles Permit for purchase and storage of diesel at Lot 3808, Sebahagian Lot 3807 dan Sebahagian Lot 2833 (Tanah Rezab Warta Seksyen 62), Jalan Kebun Bunga, Mukim 18, Daerah Timur Laut, 10470 George Town, Pulau Pinang, Malaysia	PBKB/2025/B/P-000144	Validity Period: 1 October 2024 to 30 September 2027 ⁽²⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied Complied
12.	GESB	MPHS	Business Licence at Bukit Beruntung Depot	B 00385	Validity period: 1 January 2025 to 31 December 2025	This licence must be displayed.	Complied

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
13.	GESB	MPHS	Temporary permit in respect of the open roof structure at Bukit Beruntung Depot	O 0001/2025	Validity Period: 14 March 2025 to 31 December 2025	(a) The permit validity period ends on 31st December each year and must be renewed on 1st January each year. (b) The maximum approval period for an annual permit is up to three (3) years. After this period expires, the building owner is required to dismantle/demolish the structure. If the building owner wishes to retain the structure beyond the three (3) years period, they must submit an extension request letter to maintain the structure. (c) The applicant is required to submit a written undertaking not to construct any other building structure. The building owner and consultant shall be fully responsible for the structural, integrity and stability of the constructed structure. MPHS shall not be liable for any claims, lawsuits, compensation, or damages, or for any legal actions related to the original building and the additional structure. The premises owner is responsible for ensuring that the structure does not cause disturbances to neighbouring properties, the public, or the surrounding area. (d) The premises owner is required to purchase insurance to ensure the safety of the public, property, and buildings/structures within the boundary. (e) The PSP (Principal Submitting Person) is responsible for designing the exit routes, providing exit signs ("Keluar"), emergency lights, and fire extinguishers at appropriate locations to ensure worker safety within the premises. (f) The terms and conditions imposed may be updated from time to time.	Noted Noted Complied Complied Complied Noted

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
14.	GESB	MODTCL	Scheduled Articles Permit for purchase and storage of diesel at Bukit Beruntung Depot	PBKB/2024/P/B-001562	Validity Period: 13 December 2024 to 12 December 2025	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied Complied
15.	GESB	DOSH	Certificate of Fitness for Double Girder EOTC (Serial No: 839.15.04.059) (Registration No. SL PMA 50836) made by Kuli Hoist Ltd	PMA-SL/A25-480294	Validity Period: 23 April 2025 to 22 July 2026	Nil.	N/A
16.	GESB	DOSH	Certificate of Fitness for Horizontal Air Receiver Tank (Serial No: TH 26 1053) (Registration No. SL PMT 41179) made by Hitachi Industrial Equipment (M) Sdn Bhd	PMT-SL/A25-480296	Validity Period: 23 April 2025 to 22 July 2026	Nil.	N/A
17.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG0085KHJFC00332) (Registration No: WP-PMA-85466) made by Xuzhou Construction Machinery Group Inc	PMA-SL/A25-484958	Validity Period: 19 May 2025 to 18 August 2026	Nil.	N/A
18.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG0055KLJFC00781) (Registration No: SL-PMA-88030) made by XCMG Construction Machinery Co., Ltd	PMA-SL/A25-477102	Validity Period: 8 April 2025 to 7 July 2026	Nil.	N/A

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
19.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG0085KTJFC00450) (Registration No: WP-PMA-A86175)	PMA-KD/A24-59520	Validity Period: 16 July 2024 to 15 October 2025	Nil.	N/A
20.	GESB	DOSH	Certificate of Fitness for Machinery for Crawler Crane (Serial No: XUG0085KLJFC00460) (Registration No: WP-PMA-A86173)	PMA-SL/A25 477100	Validity Period: 8 April 2025 to 7 July 2026	Nil.	N/A
21.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG0085KHJFC00461) (Registration No: WP-PMA-A86174) made by Xuzhou Construction Machinery Group Inc.	PMA-SL/A24-434740	Validity Period: 14 August 2024 to 13 November 2025	Nil.	N/A
22.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG0085KEJFC00459/D9189 013004) (Registration No: SL-PMA-89157) made by XCMG	PMA-WP/A24-206651	Validity Period: 27 August 2024 to 26 November 2025	Nil.	N/A
23.	GESB	DOSH	Certificate of Fitness for Machinery (Hoisting Machine) for Crawler Crane (Serial No: XUG0085KVLFC00720) (Registration No: WP-PMA-92041) made by Xuzhou Construction Machinery Group Inc.	PMA-WP/24 201838	Validity Period: 1 July 2024 to 30 September 2025	Nil.	N/A

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
24.	GESB	DOSH	Certificate of Fitness for Machinery (Hoisting Machine) for Crawler Crane (Serial No: XUG0085KELFC00724) (Registration No: SL-PMA-94462) made by Xuzhou Construction Machinery Group Inc.	PMA-SL/24 426402	Validity Period: 11 June 2024 to 10 September 2025	Nil.	N/A
25.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG0055KLLFC01089) (Registration No: PH-PMA-81784)	PMA-WP/A25-216253	Validity Period: 13 January 2025 to 12 April 2026	Nil.	N/A
26.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG00085KMFC00267) (Registration No: SL-PMA-100343) made by XCMG Construction Machinery Co., Ltd	PMA-SL/A24-432410	Validity Period: 30 July 2024 to 29 October 2025	Nil.	N/A
27.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG00085JMFC00268) (Registration No: SL-PMA-100342)	PMA-PP/A25-165228	Validity Period: 20 March 2025 to 19 June 2026	Nil.	N/A
28.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: 220600062) (Registration No: SL-PMA-102938) made by Xuzhou Construction Machinery Co., Ltd	PMA-SL/A24-437452	Validity Period: 28 August 2024 to 27 November 2025	Nil.	N/A

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
29.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: 220500080) (Registration No: SL-PMA-102939) made by Xuzhou Construction Machinery Group Imp. & Exp. Co., Ltd	PMA-SL/A25-477101	Validity Period: 8 April 2025 to 7 July 2026	Nil.	N/A
30.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG0100AHNFC01001) (Registration No: SL-PMA-103533) made by XCMG	PMA-SL/A24-431805	Validity Period: 25 July 2024 to 24 October 2025	Nil.	N/A
31.	GESB	DOSH	Certificate of Fitness for Machinery (Hoisting Machine) for Crawler Crane (Serial No: XUG0100AENFC01002) (Registration No: SL-PMA-103532) made by XCMG	PMA-WP/24 201911	Validity Period: 2 July 2024 to 1 October 2025	Nil.	N/A
32.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG00085LPFC00815) (Registration No: SL-PMA-108906) made by Xuzhou Construction Machinery Group Imp. & Exp. Co., Ltd	PMA-SL/A24-441289	Validity Period: 20 September 2024 to 19 December 2025	Nil.	N/A
33.	GESB	DOSH	Certificate of Fitness for Crawler Crane (Serial No: XUG00085APFC00814) (Registration No: SL-PMA-108907) made by Xuzhou Construction Machinery Group Imp. & Exp. Co., Ltd	PMA-JH/A25-280059	Validity Period: 18 April 2025 to 17 July 2026	Nil.	N/A

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
34.	GESB	DOSH	Certificate of Fitness for Mobile Crane (Serial No: XUG0400RJPAC00002) (Registration No: SL-PMA-104756) made by Xuzhou Construction Machinery Group Co., Ltd	PMA-SL/A24-453800	Validity Period: 29 November 2024 to 27 February 2026	Pursuant to regulation 15(1) of the Occupational Safety and Health (Plant requiring Certificate of Fitness) Regulations 2024, each tower crane or mobile crane shall be operated only by a competent person who is a crane operator.	Complied
35.	GESB	DOSH	Certificate of Fitness for Mobile Crane (Serial No: LXGCPA304PA003615) (Registration No: SL-PMA-104675)	PMA-SL/A25-466734	Validity Period: 6 February 2025 to 5 May 2026	Pursuant to regulation 15(1) of the Occupational Safety and Health (Plant requiring Certificate of Fitness) Regulations 2024, each tower crane or mobile crane shall be operated only by a competent person who is a crane operator.	Complied
36.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA14212) (Registration No: SL-PMA-48881) made by Elephant Chain Block Co. Ltd	PMA-WP/A25-221954	Validity Period: 27 March 2025 to 26 June 2026	Nil.	N/A
37.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA14214) (Registration No: SL-PMA-A48883) made by Elephant Chain Block Co. Ltd	PMA-WP/A25-221950	Validity Period: 27 March 2025 to 26 June 2026	Nil.	N/A
38.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA13368) (Registration No: WP-PMA-19611) made by Elephant Chain Block Co. Ltd	PMA-WP/A25-221952	Validity Period: 27 March 2025 to 26 June 2026	Nil.	N/A
39.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA13372) (Registration No: WP-PMA-19615) made by Elephant Chain Block Co. Ltd	PMA-WP/A25-221958	Validity Period: 27 March 2025 to 26 June 2026	Nil.	N/A

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
40.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA12383) (Registration No: WP-PMA-16876)	PMA-PP/A25-161364	Validity Period: 15 January 2025 to 14 April 2026	Nil.	N/A
41.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA12392) (Registration No: WP-PMA-16885)	PMA-PP/A25-161365	Validity Period: 15 January 2025 to 14 April 2026	Nil.	N/A
42.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA12393) (Registration No: WP-PMA-16886)	PMA-PP/A25-161366	Validity Period: 15 January 2025 to 14 April 2026	Nil.	N/A
43.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA13397) (Registration No: WP-PMA-A20625) made by Elephant Chain Block Co. Ltd	PMA-PP/A25-161363	Validity Period: 15 January 2025 to 14 April 2026	Nil.	N/A
44.	GESB	DOSH	Certificate of Fitness for Electric Chain Hoist (Serial No: DA14338) (Registration No: WP-PMA-20643) made by Elephant Chain Block Co. Ltd.	PMA-PP/A25-161385	Validity Period: 21 January 2025 to 20 April 2026	Nil.	N/A

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
45.	GPL	Building and Construction Authority of Singapore ("BCA")	Specialist Builder (Piling Works) licence under Part VA of the Building Control Act and Building Control (Licensing of Builders) Regulations 2008 of Singapore <u>Approved person*:</u> Tang Ji Jian *Under the Building Control (Licensing of Builders) Regulations 2008 of Singapore, an "approved person", in relation to GPL, means any individual under whose charge and direction the management of the business of GPL, in so far it relates to general building works or specialist building works in Singapore is to be at all times.	Serial No.: C2502010	Validity Period: 6 January 2025 to 6 January 2028	GPL is required to notify BCA (in writing) of the following: (a) the appointed approved person ceases to take charge of and direct the management of the business of GPL; (b) the appointed technical controller ceases to supervise the execution and performance of building works undertaken by GPL; (c) the management status, address (both mailing and email addresses) or any other pertinent particulars which may occur from time to time; and (d) expiry date of the employment pass if the appointed approved person and technical controller is a foreigner.	Noted Noted Noted Noted
46.	GPL	BCA	Registered in the Contractors Registration System ("CRS") maintained by the BCA as Registered Contractor for Piling Works under Workhead CR08, with a financial grade of Grade L1. Subject to the validity period of GPL's CRS registration status and any extension thereof, this allows GPL to tender for public sector construction contracts with contracts value of up to SGD0.8 million from 1 July 2025 to 30 June 2026. Workhead CR08 is under the Construction Related Workhead category of CRS registration.	BCA Reference: BCA ID 87.1.9	Validity Period for Workhead CR08: Probationary approval for up to 1 year from 23 May 2025 to 1 May 2026	(a) Work Permit Holders (WPHs) employed as construction worker or construction worker-cum-driver are to be deployed only in activities as set out in the Fourth Schedule, Part V of the Employment of Foreign Manpower (Work Passes) Regulations 2012. Constructions workers are not allowed to be deployed in job roles including, but not limited to, accounting executives, cleaners and pest control workers. Enforcement actions may be taken against errant employers for any non-compliance.	Noted

ANNEXURE A – MAJOR APPROVALS, LICENCES AND PERMITS (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence / permits	Licence/ Reference No. / Registration No.	Registration Date / Validity Period	Equity and/or salient conditions imposed	Status of compliance
						(b) BCA's logo should not be reproduced or printed on GPL's letterhead or any other publication, including any website that may belong to GPL. However, company may use the bracketed text (BCA Registered Firm (for public sector works) – warhead (grade)) to reflect GPL's registration status.	Noted

Notes:

- (1) Please refer to Section 6.24(i)(a) of this Prospectus for disclosure of past non-compliances.
- (2) The renewal of these permits are subject to the requirements of the projects. If required, we will submit the renewal application for these permits within 30 days prior to their expiry.

We will renew all our approvals, licences and permits as disclosed above prior to their expiry or depending on the requirement of the projects (where applicable) in accordance with the conditions imposed. As at the LPD, our Group has obtained all the requisite approvals, licences and permits for our business operations and in the past, our Group has not faced any issues in relation to the renewal of our approvals, licences and permits.