

PROSPECTUS

THIS PROSPECTUS IS DATED 7 OCTOBER 2025



INSIGHTS ANALYTICS BERHAD

(Registration No. 202401035770 (1581617-V))
(Incorporated in Malaysia)

Adviser, Sponsor,
Underwriter and Placement Agent



M & A SECURITIES SDN BHD
(Registration No. 197301001503 (15017-H))
(A Participating Organisation of
Bursa Malaysia Securities Berhad)

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

(I) PUBLIC ISSUE OF 121,000,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:

- 27,500,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 11,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP;
- 41,250,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY ("MITI"); AND
- 41,250,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS.

(II) OFFER FOR SALE OF 27,500,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MITI

AT AN ISSUE/OFFER PRICE OF RM0.36 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

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

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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 207.

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

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

INSIGHTS ANALYTICS BERHAD

PROSPECTUS



INSIGHTS ANALYTICS BERHAD

(Registration No. 202401035770 (1581617-V))
(Incorporated in Malaysia)

Parcel Lot No. D272, D273 & D274, 1st Floor, Block D, Icom Square
Jalan Pending, 93450 Kuching, Sarawak, Malaysia

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www.insightsanalytics.ai

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

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

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

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

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

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 19 June 2025. Our admission to the Official List of ACE Market of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. Bursa Securities shall not be liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

The SC (as defined herein) has on 20 June 2025 approved our application under the Bumiputera equity requirements for public listed companies pursuant to our Listing (as defined herein).

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

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

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

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

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

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

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

ELECTRONIC PROSPECTUS

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

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

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

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

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

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

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

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

The Internet Participating Financial Institutions 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

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

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

Events	Indicative date
Issuance of this Prospectus / Opening of Application	7 October 2025
Closing of Application	13 October 2025
Balloting of Application	15 October 2025
Allotment / Transfer of IPO Shares to successful applicants	23 October 2025
Date of Listing	27 October 2025

In the event there is any change to the timeline, 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.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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

All references to "IAB" and "Company" in this Prospectus are to Insights Analytics Berhad (Registration No. 202401035770 (1581617-V)). Unless otherwise stated, references to "Group" are to our Company and our subsidiaries taken as a whole; and references to "we", "us", "our" and "ourselves" are to our Company, and save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to "Management" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

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

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

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

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

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

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

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FORWARD-LOOKING STATEMENTS

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

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

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

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

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

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

- (a) the economic, political and investment environment in the countries which we operate in; and
- (b) Government policy, legislation or regulation of the countries which we operate in.

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

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

DEFINITIONS

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

COMPANIES WITHIN OUR GROUP:

"IAB" or "Company" : Insights Analytics Berhad (202401035770 (1581617-V))

"IAB Group" or "Group" : IAB and its subsidiaries, collectively

Subsidiaries

"Exxor Technologies" : Exxor Technologies Sdn Bhd (200301013508 (0615928-W))

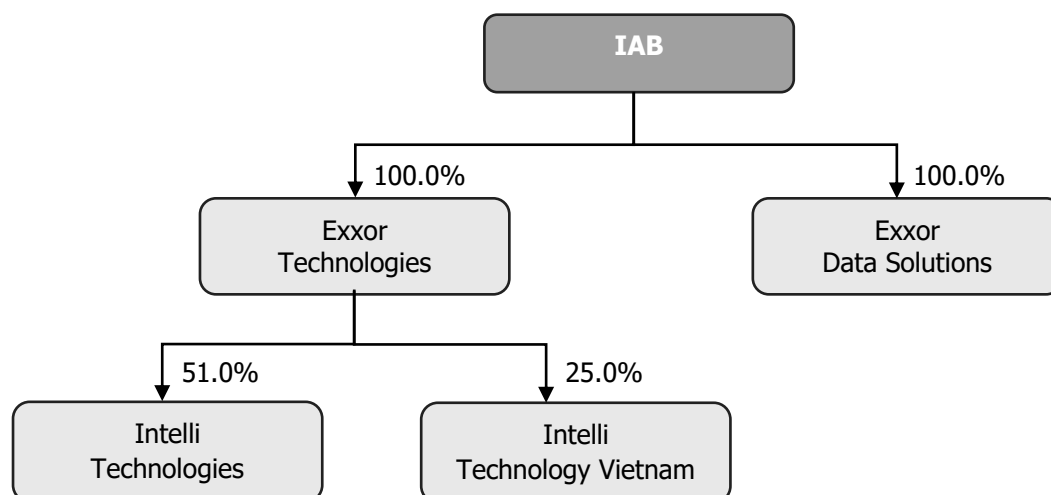
"Exxor Data Solutions" : Exxor Data Solutions Sdn Bhd (202201011324 (1457021-W))

"Intelli Technologies" : Intelli Technologies Sdn Bhd (201901011906 (1321234-V))

Associated company

"Intelli Technology Vietnam" : Intelli Technology Joint Stock Company (0315749071), a company duly incorporated and validly existing under the laws of Vietnam as a joint stock company

A diagrammatic illustration of our Group's structure is as follows:



MAJOR CUSTOMERS OF OUR GROUP:

"Customer A" : A private limited company based in Malaysia, incorporated on 16 June 2005 and is principally involved in construction. Based on Customer A's latest available audited financial statement for the financial year ended 30 September 2024, the key financial information are as follows:

Key Financial Information	Amount (RM'000)
Total assets	34,312
Net assets	8,831
Revenue	5,042

We are unable to disclose the identity of Customer A as the customer stated in writing that all business-related information is to be treated as confidential and we were not able to procure their consent for such disclosure.

DEFINITIONS (Cont'd)

"Customer B" : A private limited company based in Malaysia, which is principally involved in restaurant operations as well as the provision of technology solutions and training.

We are unable to disclose the identity of Customer B as the customer stated in writing that all business-related information is to be treated as confidential and we were not able to procure their consent for such disclosure.

GENERAL:

"ACCA" : Association of Chartered Certified Accountants

"ACE Market" : ACE Market of Bursa Securities

"Acquisitions" : Acquisition of Exxor Technologies and Acquisition of Exxor Data Solutions, collectively

"Acquisition of Exxor Technologies" : Acquisition by our Company of the entire equity interest of Exxor Technologies from Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee for a purchase consideration of RM19,562,395 which was wholly satisfied by the issuance of 428,999,900 new Shares at an issue price of RM0.0456 per share, which was completed on 15 July 2025

"Acquisition of Exxor Data Solutions" : Acquisition by our Company of the entire equity interest of Exxor Data Solutions from Ts. Wee Khiam Hui and Bong Joon Fook for a cash consideration of RM1,000, which was completed on 21 July 2025

"Act" : Companies Act 2016

"ADA" : Authorised Depository Agent

"Adviser" or "Sponsor" or "Underwriter" or "Placement Agent" : M&A Securities

"AGM" : Annual general meeting

"Application(s)" : Application(s) for IPO Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s)

"Application Form(s)" : Printed application form(s) for the application of our IPO Shares accompanying this Prospectus

"ATM" : Automated teller machine

"BNM" : Bank Negara Malaysia

"Board" : Board of Directors of IAB

"Bursa Depository" or "Depository" : Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))

DEFINITIONS (Cont'd)

"Bursa Securities"	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
"CAGR"	:	Compound annual growth rate
"CCC"	:	Certificate of completion and compliance
"CDS"	:	Central Depository System
"CDS Account(s)"	:	Account established by Bursa Depository for a depositor for the recording and dealing in securities by the depositor
"Central Depositories Act" or "SICDA"	:	Securities Industry (Central Depositories) Act 1991
"CIDB"	:	Construction Industry Development Board
"CIDB Act"	:	Lembaga Pembangunan Industri Pembinaan Malaysia Act, 1994
"CMSA"	:	Capital Markets and Services Act 2007
"Coast"	:	Coast Enterprise (Sarawak) Sdn Bhd (198201005716 (85470-P))
"Constitution"	:	Our constitution
"COVID-19"	:	Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
"Depository Rules" or "Rules of Bursa Depository"	:	Rules of Bursa Depository and any appendices thereto
"Director(s)"	:	An executive director or a non-executive director of our Company within the meaning of Section 2 of the Act
"DLP"	:	Defect liability period
"DOSH"	:	Department of Occupational Safety and Health
"EBIT"	:	Earnings before interest and tax
"EBITDA"	:	Earnings before interest, tax, depreciation and amortisation
"Electronic Prospectus"	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium
"Electronic Share Application(s)"	:	Application(s) for IPO Shares through a Participating Financial Institution's ATM
"Eligible Person(s)"	:	The eligible Director(s) and employee(s) of our Group as well as person(s) who have contributed to the success of our Group who are eligible to participate in the Pink Form Allocations, collectively
"EPS"	:	Earnings per share
"FYE"	:	Financial year(s) ended/ending 30 April, as the case may be

DEFINITIONS (Cont'd)

"Government"	:	Government of Malaysia
"GP"	:	Gross profit
"HR"	:	Human resources
"ICT" or "IT"	:	Information and communications technology or information technology
"IFRS"	:	International Financial Reporting Standards
"IMR" or "SMITH ZANDER"	:	Smith Zander International Sdn Bhd (201301028298 (1058128-V)), our Independent Market Researcher
"IMR Report"	:	Independent Market Research Report titled "Water Management Industry in Malaysia and Intelligent Asset Management Solutions Industry in Malaysia" dated 17 September 2025
"Internet Participating Financial Institution(s)" or "Participating Securities Firm(s)"	:	Participating financial institution(s) or securities firm(s) for Internet Share Application(s) as listed in Section 16.6
"Internet Share Application(s)"	:	Application(s) for IPO Shares through an online share application service provided by Internet Participating Financial Institution(s) or Participating Securities Firm(s)
"Initial Public Offering" or "IPO"	:	Our initial public offering comprising the Public Issue and Offer for Sale
"IPO Price"	:	Issue/Offer price of RM0.36 per Share pursuant to our Public Issue and Offer for Sale
"IPO Share(s)"	:	Issue Share(s) and Offer Share(s), collectively
"Issue Share(s)"	:	New Share(s) to be issued under the Public Issue
"Issuing House"	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
"JBALB"	:	Jabatan Bekalan Air Luar Bandar Sarawak
"Listing"	:	Listing of and quotation for our entire enlarged share capital of RM63,122,495 comprising 550,000,000 Shares on the ACE Market
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"Listing Scheme"	:	Comprising the Public Issue, Offer for Sale and Listing, collectively
"LPD"	:	8 September 2025, being the latest practicable date for ascertaining certain information contained in this Prospectus
"M&A Securities"	:	M & A Securities Sdn Bhd (197301001503 (15017-H))

DEFINITIONS (Cont'd)

“Malaysian Public”	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia, but excluding the Directors of IAB Group, substantial shareholders of IAB and persons connected or associated with them (as defined by the Listing Requirements)
“Market Day”	:	Any day between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for the trading of securities. This may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
“MCCG”	:	Malaysian Code on Corporate Governance
“MFRS”	:	Malaysian Financial Reporting Standards
“MIA”	:	Malaysian Institute of Accountants
“MITI”	:	Ministry of Investment, Trade and Industry
“MOF”	:	Ministry of Finance
“MOU”	:	Memorandum of understanding
“M&E”	:	Mechanical and electrical
“MyIPO”	:	Intellectual Property Corporation of Malaysia
“NA”	:	Net assets
“NBV”	:	Net book value
“NIOSH”	:	National Institute of Occupational Safety and Health, Malaysia
“Offer for Sale”	:	Offer for sale of 27,500,000 Offer Shares by our Selling Shareholders at our IPO Price
“Offer Share(s)”	:	27,500,000 existing Share(s) to be offered by our Selling Shareholders pursuant to our Offer for Sale
“Official List”	:	A list specifying all securities which have been admitted for listing on the ACE Market and not removed
“OSHA”	:	Occupational safety and health administration
“Participating Institution(s)”	Financial	Participating financial institution(s) for Electronic Share Application as listed in Section 16.5
“PAT”	:	Profit after tax
“PBT”	:	Profit before tax
“PE Multiple”	:	Price-to-earnings multiple

DEFINITIONS (Cont'd)

"Pink Form Allocations"	:	Allocation of 11,000,000 Issue Shares to the Eligible Persons, which forms part of our Public Issue
"Place2Stay"	:	Place2Stay Management Sdn Bhd (201701010479 (1224644-W))
"Promoter(s)"	:	Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee, collectively
"Prospectus"	:	This prospectus dated 7 October 2025 in relation to our IPO
"Public Issue"	:	Public issue of 121,000,000 Issue Shares at our IPO Price
"R&D"	:	Research and development
"ROC"	:	Registrar of Companies
"SC"	:	Securities Commission Malaysia
"Selling Shareholder(s)"	:	Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee, who are undertaking the Offer for Sale, collectively
"Share(s)" or "Share(s)"	"IAB	: Ordinary share(s) in IAB
"SLA"	:	Service level agreement
"SMA"	:	Sarawak Multimedia Authority
"SMA Ordinance"	:	Sarawak Multimedia Authority Ordinance, 2017
"Specified Shareholder(s)"	:	Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee, collectively
"UK"	:	United Kingdom
"Underwriting Agreement"	:	Underwriting agreement dated 18 August 2025 entered into between our Company and our Underwriter for the purpose of our IPO
"UNIMAS"	:	University Malaysia Sarawak
"UPKJ"	:	Unit Pendaftaran Kontraktor & Juruperunding
"UPKJ Guidelines"	:	Contractor & Consultant Registration Guidelines issued by UPKJ (revised on 8 November 2024)

CURRENCY AND UNITS:

"RM" and "sen"	:	Ringgit Malaysia and sen
"EUR"	:	Euro
"USD"	:	United States Dollar
"VND"	:	Vietnamese Dong
"sq ft"	:	Square feet

TECHNICAL GLOSSARY

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

"Alum level"	:	Alum (aluminum sulfate) level refers to the concentration of alum added to water as a coagulant in the water treatment process. Alum helps to remove suspended particles, colloids and other impurities from water by forming larger particles that can be removed through sedimentation and filtration
"Artificial intelligence" or "AI"	:	A computer system or machine that leverages on algorithms to mimic the problem-solving and decision-making capabilities of the human mind
"Certificate of Practical Completion" or "CPC"	:	CPC is issued by the customer when the contractor has completed his contractor obligations and has handed over the works to the customer
"Certificate of Making Good Defects" or "CMGD"	:	CMGD is issued by the customer after considering that the defects identified have been rectified upon expiry of the DLP
"Configuration"	:	A process of managing, linking and arranging functional units or components of a system systematically
"Data analytics"	:	A process of analysing raw data sets in order to derive insights from the data
"Data logger"	:	A device used to record, collect and store data from various sources, such as flow meters, sensors and water meters
"Debugging"	:	The process of finding, isolating and resolving coding errors known as bugs in software programmes
"District metering areas" or "DMA"	:	Isolated areas within a water distribution system, monitored by the flow through one or more meters for the purpose of NRW management
"Flow meter"	:	A device used to measure the volume or rate of flow of water in a pipe or system
"Geographic Information System" or "GIS"	:	A digital mapping system that displays and analyse geographically referenced information/ marked assets (i.e. pipes and facilities). It is generally used to manage an asset registry, analyse system performance, optimise work, and collaborate between teams in the office and the field
"GPS" or "Global positioning system"	:	A satellite-based navigation system used to provide live tracking and coordinates to determine the exact position of a vehicles
"Intelligent asset management solutions"	:	Intelligent asset management solutions which enable predictive analytics, automated reporting and proactive alerts, helping businesses to make informed decisions and respond quickly to potential issues in their operations

TECHNICAL GLOSSARY (Cont'd)

"Internet of Things" or "IoT"	:	A concept of internet connections embedded in everyday objects, which enables them to transmit data and messages, and allow objects to be controlled or sensed remotely by electronic devices across existing network infrastructure
"Non-revenue water" or "NRW"	:	Water that is lost from leakages and theft in the water distribution network and hence does not generate revenue
"pH"	:	pH (potential of hydrogen) level is a measure of the concentration of hydrogen ions in water, indicating its acidity or alkalinity
"Pressure management areas" or "PMA"	:	Specified areas for the implementation of advanced water pressure management systems to control leaks within the DMAs
"Smart meter"	:	A water meter that uses advanced technologies such as IoT, ultrasonic waves, data analytics and communication protocols to provide accurate and detailed information on water consumption, usage patterns, leak detection, and other relevant data
"Sensor"	:	A device that detects and measures physical (i.e. water pressure, temperature and flow rates) or chemical parameters (i.e. pH and turbidity)
"Supervisor control and data acquisition" or "SCADA"	:	A system of software and hardware that allows consolidation, monitoring and analysis of real-time data from devices such as sensors and meters
"Troubleshooting"	:	A form of problem solving, often applied to identify and fix technical issues found in machines, computers and software systems
"Turbidity level"	:	A measure of the clarity or cloudiness of water, caused by the presence of suspended particles, such as sediment, algae or other impurities
"User acceptance testing" or "UAT"	:	A type of testing conducted by end users to verify and ensure that a software system performs correctly as per the end user's requirements
"User experience" or "UX"	:	The experience of users interacting and communicating through an application
"User interface" or "UI"	:	A space which enables interaction between users and computer systems
"Water meter"	:	A type of flow meter specifically designed to measure the volume of water consumed by end customers. Water meters are typically installed at the point of service, where the water line enters the customer's premises
"Water quality analyser"	:	A device or system used to measure and monitor various physical, chemical and biological parameters of water quality

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Designation	Residential address	Nationality	Gender
Datuk Haji Abdul Wahab Bin Aziz	Independent Non-Executive Chairman	621, Lorong 11B Jalan Pisang Barat 93150 Kuching Sarawak	Malaysian	Male
Ts. Wee Khiam Hui	Managing Director	161, Lorong Hup Kee 3 Jalan Hup Kee 93350 Kuching Sarawak	Malaysian	Male
Bong Joon Fook	Executive Director	741, Lorong A3 Taman BDC Jalan Stampin 93250 Kuching Sarawak	Malaysian	Male
Fong Tshu Kwong @ Fong Tshun Kwong	Independent Non-Executive Director	283E, Lorong Seladah 5 Jalan Seladah 93350 Kuching Sarawak	Malaysian	Male
Helen Tan Miang Kieng	Independent Non-Executive Director	6, Lorong 5G Richmond Hill Jalan Stampin Tengah 93350 Kuching Sarawak	Malaysian	Female
Prof. Dr. Loo Chu Kiong	Independent Non-Executive Director	216-C, Sin Hoe Garden Bukit Baru 75150 Melaka	Malaysian	Male

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1. CORPORATE DIRECTORY (Cont'd)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Fong Tshu Kwong @ Fong Tshun Kwong	Chairman	Independent Non-Executive Director
Helen Tan Miang Kieng	Member	Independent Non-Executive Director
Prof. Dr. Loo Chu Kiong	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Helen Tan Miang Kieng	Chairperson	Independent Non-Executive Director
Fong Tshu Kwong @ Fong Tshun Kwong	Member	Independent Non-Executive Director
Prof. Dr. Loo Chu Kiong	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Helen Tan Miang Kieng	Chairperson	Independent Non-Executive Director
Fong Tshu Kwong @ Fong Tshun Kwong	Member	Independent Non-Executive Director
Prof. Dr. Loo Chu Kiong	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARIES : **Yeow Sze Min (MAICSA7065735)**
SSM Practising Certificate No. 201908003120

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

Telephone: +603-2084 9000

Yeo Puay Huang (LS0000577)
SSM Practising Certificate No. 202008000727

1st Floor, Lot 10899
Section 64, Kuching Town Land District
69-A, Jalan Tun Jugah
93350 Kuching, Sarawak

Telephone: +6082-572 801

REGISTERED OFFICE : Parcel Lot No. D272, D273 & D274
1st Floor, Block D, ICOM Square
Jalan Pending
93450 Kuching, Sarawak

Telephone: +6082-266 607

HEAD OFFICE : Parcel Lot No. D272, D273 & D274
1st Floor, Block D, ICOM Square
Jalan Pending
93450 Kuching, Sarawak

Telephone: +6082-266 607

EMAIL ADDRESS AND WEBSITE : Website: www.insightsanalytics.ai
Email: info@insightsanalytics.ai

AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING : **Baker Tilly Monteiro Heng PLT**
(201906000600 (LLP0019411-LCA) & AF 0117)

Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur

Partner-in-charge: Paul Tan Hong
Approval number: 03459/11/2025 J
(Chartered Accountant of the Malaysian Institute of Accountants and Fellow Member of the Association of Chartered Certified Accountants)

Telephone: +603-2297 1000

1. CORPORATE DIRECTORY (Cont'd)

- ADVISER, SPONSOR,
UNDERWRITER AND
PLACEMENT AGENT** : **M & A Securities Sdn Bhd**
(197301001503 (15017-H))

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

Telephone: +603-2284 2911
- SOLICITORS FOR OUR
LISTING** : **Ong Eu Jin Partnership**

Unit 9-1, Level 9
Wisma Mont Kiara
No. 1, Jalan Kiara Mont Kiara
50480 Kuala Lumpur

Telephone: +603-6203 2053
- SOLICITORS FOR
SARAWAK LAWS** : **H.C. Lee & Partners Advocates**

Lot 10513, 2nd and 3rd Floors, Wang Commercial Centre
Jalan Tun Jugah
93350 Kuching, Sarawak

Telephone: +6082-466666
- ISSUING HOUSE** : **Tricor Investor & Issuing House Services Sdn Bhd**
(197101000970 (11324-H))

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone number: +603-2783 9299
- SHARE REGISTRAR** : **Securities Services (Holdings) Sdn Bhd**
(197701005827 (36869-T))

Level 7, Menara Millenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

Telephone: +603-2084 9000

1. CORPORATE DIRECTORY (Cont'd)

INDEPENDENT MARKET RESEARCHER : **Smith Zander International Sdn Bhd**
(201301028298 (1058128-V))

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

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

Telephone: +603-2732 7537

LISTING SOUGHT : ACE Market

SHARIAH STATUS : Approved by the Shariah Advisory Council of the SC

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2. PROSPECTUS SUMMARY

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

2.1 PRINCIPAL DETAILS OF IPO

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

	Public Issue		Offer for Sale		Total	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Malaysian Public ⁽²⁾	27,500,000	5.0	-	-	27,500,000	5.0
Pink Form Allocations	11,000,000	2.0	-	-	11,000,000	2.0
Private placement to MITI approved Bumiputera investors	41,250,000	7.5	27,500,000	5.0	68,750,000	12.5
Private placement to selected investors	41,250,000	7.5	-	-	41,250,000	7.5
	121,000,000	22.0	27,500,000	5.0	148,500,000	27.0

Enlarged number of Shares upon Listing	550,000,000
IPO Price per Share (RM)	0.36
Market capitalisation upon Listing (based on our IPO Price and enlarged number of Shares upon Listing) (RM)	198,000,000

Notes:

- (1) Based on our enlarged share capital of 550,000,000 Shares after our IPO.
- (2) 13,750,000 Shares will be set aside for Bumiputera public investors.

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

In compliance with Rule 3.19(1) of the Listing Requirements, our Specified Shareholders, namely Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee's entire shareholdings after our IPO will be held under moratorium for 6 months from the date of our Listing. Thereafter, their shareholdings amounting to 45.0% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight-line basis) of their shares held under moratorium upon expiry of the second 6-month period. The moratorium has been fully accepted by the Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the moratorium period.

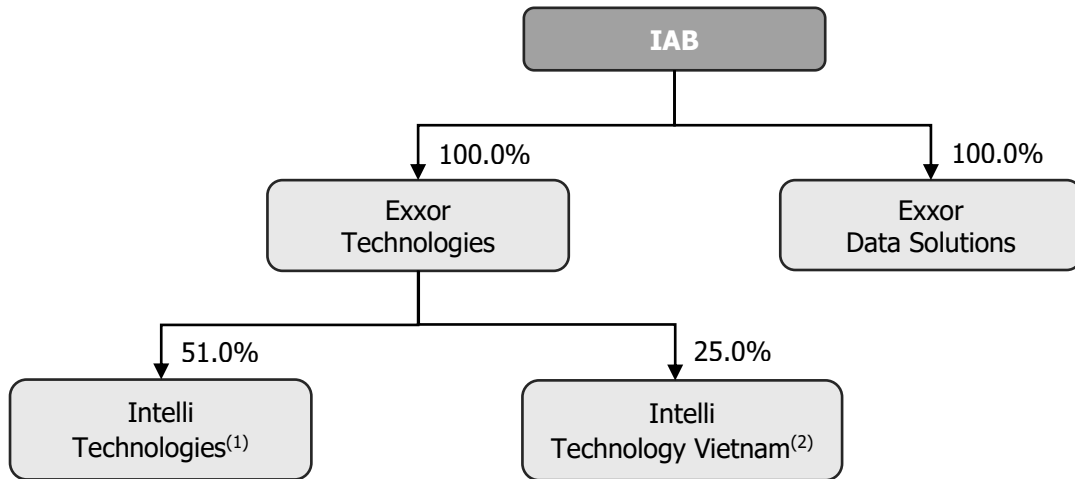
Further details on the moratorium on our Shares are set out in Section 3.2.

2. PROSPECTUS SUMMARY (Cont'd)

2.2 GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS

Our Company was incorporated in Malaysia under the Act on 27 August 2024 as a private limited company under the name of Insights Analytics Sdn Bhd. On 8 January 2025, we converted into a public limited company and adopted our present name.

Our principal activity is investment holding company. Our Group structure as at LPD is as follows:



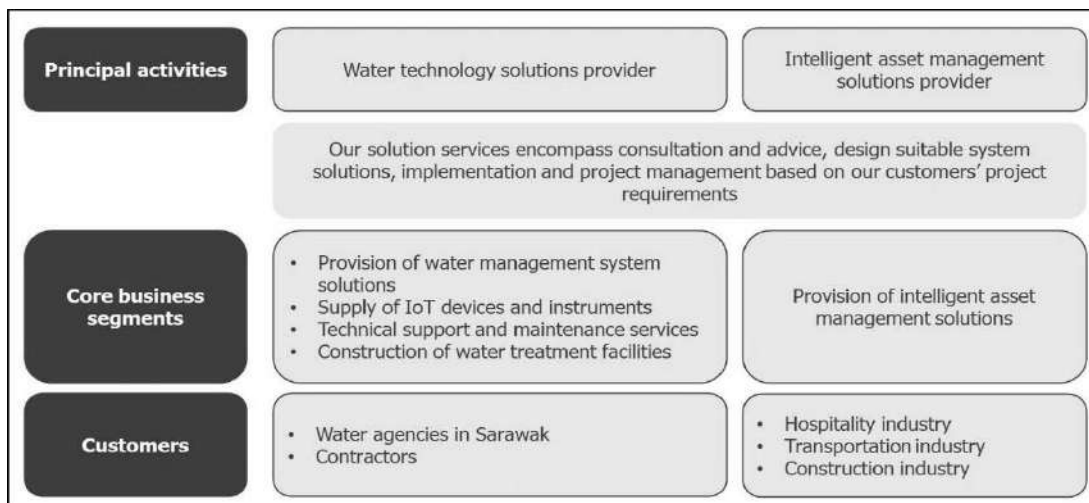
Notes:

- (1) The remaining shares of Intelli Technologies are held by Diep Do Nhu Phuong (49.0%), a Vietnamese citizen who has no relationship with our Group other than as a shareholder and director in Intelli Technologies and Intelli Technology Vietnam.
- (2) The remaining shares of Intelli Technology Vietnam are held by Diep Do Nhu Phuong (51.0%), Nguyen Thanh Trung (12.0%) and Nguyen Van Phu (12.0%), all of whom are Vietnamese citizens and none of them has any relationship with our Group other than as shareholders in Intelli Technology Vietnam and Diep Do Nhu Phuong as a shareholder and director of both Intelli Technologies and Intelli Technology Vietnam.

Company	Principal activities
IAB	Investment holding
Subsidiaries	Principal activities
Exxor Technologies	Provision of water technology solutions and intelligent asset management solutions
Exxor Data Solutions	Dormant, intended for provision of infrastructure for hosting, data processing services and related activities as well as ICT system security
Intelli Technologies	Provision of software development and related services
Associated company of Exxor Technologies	Principal activities
Intelli Technology Vietnam	Provision of software development and related services

2. PROSPECTUS SUMMARY (Cont'd)

Our Group's business model is as follows:



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

The breakdown of our Group's revenue by principal business activities for FYE 2022 to 2025 is as follows:

Revenue by business segment	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Water technology solutions	29,117	100.0	40,617	100.0	21,744	68.1	15,709	31.6
- Water management system solutions	25,549	87.8	7,217	17.8	10,973	34.4	3,669	7.4
- Supply of IoT devices and instruments	1,109	3.8	14,326	35.3	4,611	14.4	758	1.5
- Technical support and maintenance services	2,459	8.4	7,373	18.1	6,160	19.3	5,451	11.0
- Construction of water treatment facilities	-	-	11,701	28.8	-	-	5,831	11.7
Intelligent asset management solutions⁽¹⁾	-	-	-	-	10,206	31.9	33,930	68.4
- IntelliTrack System	-	-	-	-	4,074	12.8	1,552	3.1
- IntelliHotel System	-	-	-	-	1,923	6.0	526	1.1
- IntelliRoad System	-	-	-	-	1,441	4.5	311	0.6
- IntelliConstruct System	-	-	-	-	462	1.4	25,914	52.2
- Others ⁽²⁾	-	-	-	-	2,306	7.2	5,627	11.4
	29,117	100.0	40,617	100.0	31,950	100.0	49,639	100.0

Notes:

- (1) The acquisitions of 4 intelligent management solutions from Place2Stay for a total purchase consideration of RM13.4 million (including sales and service tax) were completed in October 2024 and November 2024 upon the successful transfer of the ownership to and registration of copyright for the 4 intelligent management solutions by Exxor Technologies, with the remaining RM13.2 million purchase consideration to be settled on a deferred monthly basis over 36 months, amounting to a monthly repayment of RM0.37 million. Please refer to Section 7.2.2.2 for further details.

2. PROSPECTUS SUMMARY (Cont'd)

- (2) Comprises a one-off project generated from the provision of IT consultancy, IT training, IT manpower supply, and the implementation of various management systems (such as procurement management, building management, billing management as well as human resource and finance management) for our customers.

2.3 INTERRUPTION TO BUSINESS AND OPERATIONS

Our Group had not experienced any other interruptions in our business and operations in the last 12 months from LPD which had a significant effect on our operations.

2.4 COMPETITIVE STRENGTHS

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

- (a) We have an established history and proven track record, with 20 years of experience in the water management industry in Sarawak. Our extensive knowledge and experience in the industry has allowed us to provide a variety of water technology solutions across the water utility supply chain from water treatment to water distribution. Furthermore, we design system solutions for our customers based on their project requirements, our core expertise being our technical knowledge and incorporation of water technology in our solutions. In addition, our subsidiary, Exxor Technologies is registered with the highest CIDB classification grade as a contractor, allowing us to tender for construction contracts of unlimited value for building construction, M&E, civil and engineering construction works;
- (b) We have a strong portfolio of customers in the water management industry with whom we have established longstanding relationships, such as JBALB, Sibul Water Board, Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd) and Kuching Water Board. Our Group has maintained our business relationships with these customers through repeat contracts, providing us with opportunities to pursue future business opportunities with our existing customers and support the continued growth of our Group;
- (c) We have the capability to adapt our intelligent asset management solutions to cater to different industry applications, allowing us to serve a wide customer base. Our Group's expertise in water technology solutions has provided us with an understanding of managing complex assets in real time, allowing us to source and adapt intelligent asset management solutions to manage assets in other industries; and
- (d) Our Group has an experienced and hands-on management team led by our Managing Director, Wee Khiam Hui, who has more than 32 years of working experience, with 20 years of working experience in the water sector. His technical and industry knowledge is instrumental to our Group's strategic direction and business development. He is supported by our Executive Director and key senior management who has the relevant experience in their respective fields.

Further details of our competitive strengths are set out in Section 7.14.

2. PROSPECTUS SUMMARY (Cont'd)

2.5 FUTURE PLANS AND STRATEGIES

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

- (a) We intend to expand our in-house IT capabilities to support our R&D activities through the recruitment of additional 9 new employees under our IT department to enhance our intelligent asset management solutions segment. Furthermore, we also intend to set up a mini data centre to upgrade our existing IT and networking infrastructure;
- (b) We intend to grow our market share and presence in the water management industry by continuing to tender for and secure more projects from the water agencies in Sarawak. As at LPD, our Group has submitted 4 project tenders with a potential project value of RM27.8 million for the provision of water technology solutions in Sarawak. Our Group stands to benefit from the increasing opportunities and demand for water technology from the government initiatives in the water sector;
- (c) We intend to strengthen our market presence in West Malaysia by setting up a new support team based at our branch office in West Malaysia through the recruitment of 9 new employees. Having employees permanently based at our West Malaysia branch office will support our business expansion in West Malaysia and allow us to obtain more business opportunities in the region;
- (d) We intend to relocate to a larger office in Sarawak as our new corporate office in anticipation for our business expansion. The new corporate office will comprise (i) a mini data centre to enhance our IT facilities and (ii) a larger area to house the increased workforce resulting from our business expansion; and
- (e) We intend to expand our business through strategic investments, mergers and acquisitions that enhances our offerings, providing value chain integration for our existing segments and customers by way of facilitation of our Group's entry into new verticals.

Further details of our future plans and strategies are set out in Section 7.15.

2.6 RISK FACTORS

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

- (a) We are dependent on the capital and operating expenditure of the water agencies in Sarawak, namely JBALB, Sibu Water Board, Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd) and Kuching Water Board, all of which are our Group's existing end customers who contributed to majority of our revenue in water technology segment, which accounted for 100.0%, 100.0%, 68.1% and 31.6% of our Group's revenue during FYE 2022 to 2025 respectively. The loss of any of these end customers will cause a reduction in projects which may result in a loss of our Group's revenue and overall financial performance. In addition, a decrease in government spending and budgets for the water sector in Sarawak may adversely affect the operations of water agencies, which may result in the decline in the number of contracts to be awarded to us;

2. PROSPECTUS SUMMARY (Cont'd)

- (b) The continuity of our order book is not assured and any significant decline in our order book will adversely affect our long-term sustainability and growth. Our Group's contracts are on a project basis or purchase order basis, and we do not have long term agreements with our customers. The nature of competitive bidding for contracts in the water management industry poses the risk that our Group may not be able to secure projects we tender for, which may adversely affect our business growth and financial performance;
- (c) The project-based nature of our business and/or the timing of delivery may lead to fluctuations in our Group's revenue, profit and operating cash flow. The timing of project delivery will affect our billing schedule which will in turn affect our revenue recognition. If our Group is unable to secure new projects and customers in a timely manner or if the project delivery schedules are delayed, it will materially affect our Group's overall profitability, operating cashflow and financial performance;
- (d) We retain the ownership rights of our Intelli Water System, IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System. There are possibilities that the intellectual property rights of these systems may be infringed by third party(s), or our source code is leaked or hacked. Further, as our solutions involve system design works, there are also possibilities that we could inadvertently infringe intellectual property rights held by third party(s). This would result in the risk of the third party challenging our Group's intellectual property rights or taking legal action against us;
- (e) We generally grant our customers credit periods between 30 and 90 days from the date of invoice. Our cash flow may be adversely affected by delays in collection or non-recoverability of trade receivables. There can be no assurance at 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 adversely impact our financial performance. As at LPD, RM3.7 million of the overdue receivables have not been collected;
- (f) Our future plans and strategies are focused on growing our market share and market presence, as well as expanding our IT capabilities. There can be no assurance that we will be able to successfully execute our plans, or that these business strategies will not be more difficult or costly than we had originally anticipated. We also intend to pursue strategic investments, mergers and acquisitions opportunities using the gross proceed of RM9.0 million from our Public Issue. However, there is no assurance that we will be able to identify suitable investment or acquisition targets, negotiate favorable terms or successfully integrate acquired businesses into our operations. Further, we may not be able to successfully integrate the business and operations of the acquisition target with our existing business; and
- (g) While majority of the possible cost arising from rectifying defects during the DLP will be borne by our suppliers and/or subcontractors through back-to-back arrangements for products supplied by them or for their workmanship, we may provide replacement of certain consumables such as batteries, if required, at our cost. If we are required to rectify substantial number of defects not covered by our suppliers and/or subcontractors during the DLP and warranty period, which may result in substantial costs being borne by us, the margin from the particular project will be reduced.

Further details of our risk factors are set out in Section 9.

2. PROSPECTUS SUMMARY (Cont'd)

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Datuk Haji Abdul Wahab Bin Aziz	Independent Non-Executive Chairman
Ts. Wee Khiam Hui	Managing Director
Bong Joon Fook	Executive Director
Fong Tshu Kwong @ Fong Tshun Kwong	Independent Non-Executive Director
Helen Tan Miang Kieng	Independent Non-Executive Director
Prof. Dr. Loo Chu Kiong	Independent Non-Executive Director
Key senior management	
Charlene Bong Myn Ee	Chief Operating Officer
Chong Chiew Mien	Chief Financial Officer
Ts. Dr. Peggy Loh Yee Wey	Chief Technology Officer
Aelred Bong Nan Wyan	Chief Project Officer

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

2.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

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

Name	Nationality	⁽¹⁾ After Acquisitions but before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ts. Wee Khiam Hui	Malaysian	218,790,000	51.0	-	-	204,765,000	37.2	-	-
Bong Joon Fook	Malaysian	102,960,000	24.0	⁽³⁾ 107,250,000	25.0	96,360,000	17.5	⁽³⁾ 100,375,000	18.3
Charlene Bong Myn Ee	Malaysian	107,250,000	25.0	-	-	100,375,000	18.3	-	-

Notes:

- (1) Based on the share capital of 429,000,000 Shares after completion of the Acquisitions but before our IPO.
- (2) Based on the enlarged share capital of 550,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his daughter, Charlene Bong Myn Ee's interest pursuant to Section 59(11)(c) of the Act.

Further details of our Promoters and substantial shareholders are set out in Section 5.

2. PROSPECTUS SUMMARY (Cont'd)

2.9 UTILISATION OF PROCEEDS

The gross proceeds of RM43.6 million to be raised from our Public Issue shall be utilised in the following manner:

Utilisation of proceeds	RM'000	%	⁽¹⁾ Estimated timeframe for utilisation
Business expansion			
• Expansion of corporate office in Sarawak with a mini data centre	4,400	10.1	Within 18 months
• Expansion of IT operations	1,860	4.3	Within 24 months
• Expansion of West Malaysia branch office	1,212	2.8	Within 24 months
General working capital	22,181	50.9	Within 24 months
Strategic investments, mergers and acquisitions opportunities	9,000	20.7	Within 24 months
Estimated listing expenses	4,907	11.2	Immediately
	43,560	100.0	

Note:

(1) From the date of Listing.

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

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

The gross proceeds from the Offer for Sale of approximately RM9.9 million shall accrue entirely to the Selling Shareholders.

2.10 FINANCIAL HIGHLIGHTS

2.10.1 Combined statements of comprehensive income

The following table sets out the financial highlights based on our combined statements of comprehensive income for FYE 2022 to 2025:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	29,117	40,617	31,950	49,639
GP	5,478	9,058	12,774	29,683
PBT	3,368	6,271	9,688	25,636
PAT attributable to owners of the Company	2,332	4,788	6,919	18,996
GP margin (%) ⁽¹⁾	18.8	22.3	40.0	59.8
PAT margin (%) ⁽²⁾	8.0	11.8	21.6	38.2
EPS (sen) ⁽³⁾	0.4	0.9	1.3	3.5

Notes:

(1) GP margin is calculated based on GP divided by revenue.

(2) PAT margin is calculated based on PAT divided by revenue.

(3) Calculated based on PAT attributable to owners of our Company divided by our enlarged share capital of 550,000,000 Shares after our IPO.

2. PROSPECTUS SUMMARY (Cont'd)

Our GP margin of 40.0% and PAT margin of 21.6% in FYE 2024 were higher than our GP margin of 22.3% and PAT margin of 11.8% in FYE 2023, despite the decrease in our revenue from RM40.6 million in FYE 2023 to RM32.0 million in FYE 2024. This was mainly attributed to our expansion into offering intelligent asset management solutions in FYE 2024, which yielded a higher GP margin as our intelligent asset management solutions are customised solutions tailored to our customers' specific requirements, which allowed us to secure higher selling prices. Subsequently, our GP margin of 59.8% and PAT margin of 38.2% in FYE 2025 were higher than our GP margin of 40.0% and PAT margin of 21.6% in FYE 2024, mainly attributed to higher revenue recorded for our intelligent asset management solutions segment arising from the commencement of 30 new projects under IntelliConstruct System as well as higher selling prices negotiated with customers.

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

2.10.2 Pro forma combined statements of financial position

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

	Combined statements of financial position as at 30 April 2025	I	II	III
	RM'000	After Acquisitions	After I and Public Issue	After II and utilisation of proceeds
		RM'000	RM'000	RM'000
ASSETS				
Total non-current assets ⁽¹⁾	14,478	14,478	14,478	14,478
Total current assets	53,773	53,772	97,332	93,219
TOTAL ASSETS	68,251	68,250	111,810	107,697
EQUITY AND LIABILITIES				
Share capital	-	19,562	63,122	61,058
Invested equity	1,000	-	-	-
Reorganisation reserve	-	(18,563)	(18,563)	(18,563)
Retained earnings	37,937	37,937	37,937	35,888
	38,937	38,936	82,496	78,383
Non-controlling interests	(34)	(34)	(34)	(34)
TOTAL EQUITY	38,903	38,902	82,462	78,349
Total non-current liabilities ⁽¹⁾	7,364	7,364	7,364	7,364
Total current liabilities ⁽¹⁾	21,984	21,984	21,984	21,984
TOTAL LIABILITIES	29,348	29,348	29,348	29,348
TOTAL EQUITY AND LIABILITIES	68,251	68,250	111,810	107,697

2. PROSPECTUS SUMMARY (Cont'd)

	Combined statements of financial position as at 30 April 2025 RM'000	I After Acquisitions RM'000	II After I and Public Issue RM'000	III After II and utilisation of proceeds RM'000
No. of Shares assumed to be in issue ('000)	1,000	429,000	550,000	550,000
NA per Share (RM)	38.94	0.09	0.15	0.14

Note:

- (1) Includes the acquisitions of 4 intelligent asset management solutions from Place2Stay for a total purchase consideration of RM13.4 million (including sales and service tax), which were completed in October and November 2024 upon the successful transfer of ownership to and registration of copyright for the 4 intelligent asset management solutions by Exxor Technologies, as set out in Section 6.8.3. The purchase consideration of RM0.2 million for Integrated Smart Road Maintenance and Management System has been paid in full, whilst the remaining RM13.2 million purchase consideration is to be settled on a deferred monthly basis over 36 months, amounting to a monthly repayment of RM0.37 million via our internally generated funds. Please refer to Section 7.2.2.2 for further details.

2.11 DIVIDEND POLICY

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

During FYE 2022 to 2025 and up to LPD, we have declared and paid the following dividends:

	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000	1 May 2025 up to LPD RM'000
Dividends declared and paid	-	-	2,627	-	-

The dividends declared and paid in FYE 2024 were funded via internally generated funds. Further to the above, we do not intend to declare or pay any dividends from LPD up to our Listing.

Further details of our dividend policy are set out in Section 12.15.

3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities approval

Bursa Securities had, vide its letter dated 19 June 2025, approved our admission to the Official List of the ACE Market, the listing of and quotation for our entire enlarged issued share capital on the ACE Market.

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

No.	Details of conditions imposed	Status of compliance
1.	Submission of the following information with respect to the moratorium on the shareholdings of the specified shareholders to Bursa Depository: <ul style="list-style-type: none"> (a) Name of shareholders; (b) Number of shares; and (c) Date of expiry of the moratorium for each block of shares. 	To be complied
2.	Approvals from other relevant authorities have been obtained for implementation of the Listing;	Complied
3.	The Bumiputera equity requirements for public listed companies as approved/ exempted by the SC including any conditions imposed thereon;	Complied
4.	Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	To be complied
5.	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire enlarged issued share capital of IAB on the first day of Listing;	To be complied
6.	In relation to the public offering to be undertaken by IAB, please announce at least 2 Market Days prior to the listing date, the result of the offering including the following: <ul style="list-style-type: none"> (a) Level of subscription of public balloting and placement; (b) Basis of allotment/ allocation; (c) A table showing the distribution for placement tranche; and (d) Disclosure of placees who become substantial shareholders of IAB arising from the Public Issue, if any. 	To be complied
7.	IAB/ M&A to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of IAB to the Official List of the ACE Market.	To be complied

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

Bursa Securities also had, vide its letter dated 19 June 2025, approved our application for waiver in complying with Rule 3.06 of the Listing Requirements for our Company to comply with the requirement in respect of an applicant who is seeking admission to the Official List must have continuity of substantially the same management at the level of executive directors and senior management for 3 full financial years before submitting its listing application to Bursa Securities or since commencement of its operations (if less than 3 full financial years).

3.1.2 SC approval

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

The SC had, vide its letter dated 20 June 2025, approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing.

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

No.	Details of conditions imposed	Status of compliance
(a)	IAB to allocate shares equivalent to 12.5% of its enlarged number of issued shares upon listing to Bumiputera investors to be approved by MITI; and	Complied
(b)	IAB to make available at least 50.0% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.	Complied

Shariah Advisory Council of the SC had on 20 March 2025 classified our Shares as Shariah-compliant based on our audited combined financial statements for the FYE 2024.

3.1.3 MITI approval

The MITI had, vide its letter dated 19 March 2025, taken note of and has no objection to our Listing.

3.2 MORATORIUM ON OUR SHARES

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

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

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

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

Specified Shareholders	Year 1				Year 2		Year 3	
	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium		Moratorium shares		Moratorium shares	
	No. of Shares ⁽¹⁾	(2)%	No. of Shares ⁽¹⁾	(2)%	No. of Shares ⁽¹⁾	(2)%	No. of Shares ⁽¹⁾	(2)%
Ts. Wee Khiam Hui	204,765,000	37.2	126,225,000	22.9	84,150,000	15.3	42,075,000	7.6
Bong Joon Fook	96,360,000	17.5	59,400,000	10.8	39,600,000	7.2	19,800,000	3.6
Charlene Bong Myn Ee	100,375,000	18.3	61,875,000	11.3	41,250,000	7.5	20,625,000	3.8
	401,500,000	73.0	247,500,000	45.0	165,000,000	30.0	82,500,000	15.0

Notes:

(1) After Offer for Sale.

(2) Based on our enlarged share capital of 550,000,000 Shares after our IPO.

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

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

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4. DETAILS OF IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 7 October 2025 and will remain open until 5.00 p.m. on 13 October 2025. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

Events	Indicative date
Issuance of this Prospectus / Opening of Application	7 October 2025
Closing of Application	13 October 2025
Balloting of Application	15 October 2025
Allotment / Transfer of IPO Shares to successful applicants	23 October 2025
Date of Listing	27 October 2025

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

4.3 DETAILS OF OUR IPO

4.3.1 Listing scheme

(a) Public Issue

A total of 121,000,000 Issue Shares, representing 22.0% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

27,500,000 Issue Shares, representing 5.0% of our enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

(aa) 13,750,000 Issue Shares made available to public investors; and

(bb) 13,750,000 Issue Shares made available to Bumiputera public investors.

(ii) Eligible Persons

11,000,000 Issue Shares, representing 2.0% of our enlarged share capital, are reserved for our Eligible Persons under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.3.3.

(iii) Private placement to Bumiputera investors approved by MITI

41,250,000 Issue Shares, representing 7.5% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

4. DETAILS OF IPO (Cont'd)

(iv) Private placement to selected investors

41,250,000 Issue Shares, representing 7.5% of our enlarged share capital, are reserved for private placement to selected investors.

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

Upon completion of our Public Issue, our share capital will increase from RM19,562,495 comprising 429,000,000 Shares to RM63,122,495 comprising 550,000,000 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

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

(b) Offer for Sale

Our Selling Shareholders will undertake an offer for sale of 27,500,000 Offer Shares, representing 5.0% of our enlarged share capital at our IPO Price. The Offer Shares shall be undertaken by way of private placement to Bumiputera investors approved by MITI.

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

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

(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM63,122,495 comprising 550,000,000 Shares shall be listed on the ACE Market.

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4. DETAILS OF IPO (Cont'd)

4.3.2 Selling Shareholders

Details of our Selling Shareholders are as follows:

Name / Residential address	Relationship with our Group	⁽¹⁾ As at LPD/ Before IPO		Offer Shares offered			After IPO	
		No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %	⁽³⁾ %	No. of Shares	⁽³⁾ %
Ts. Wee Khiam Hui / 161, Lorong Hup Kee 3 Jalan Hup Kee 93350 Kuching Sarawak	Promoter, Managing Director and substantial shareholder	218,790,000	51.0	14,025,000	3.3	2.5	204,765,000	37.2
Bong Joon Fook / 741, Lorong A3 Taman BDC Jalan Stampin 93250 Kuching Sarawak	Promoter, Executive Director and substantial shareholder	102,960,000	24.0	6,600,000	1.5	1.2	96,360,000	17.5
Charlene Bong Myn Ee / 741, Lorong A3 Taman BDC Jalan Stampin 93250 Kuching Sarawak	Promoter, substantial shareholder and Chief Operating Officer	107,250,000	25.0	6,875,000	1.6	1.3	100,375,000	18.3

Notes:

- (1) After completion of the Acquisitions but before our IPO.
- (2) Based on our share capital of 429,000,000 Shares before our IPO.
- (3) Based on our enlarged share capital of 550,000,000 Shares after our IPO.

4. DETAILS OF IPO (Cont'd)

4.3.3 Pink Form Allocations

We have allocated 11,000,000 Issue Shares under the Pink Form Allocations to our Eligible Person(s) as follows:

Category	No. of eligible persons	Aggregate no. of Issue Shares allocated
Eligible Directors	4	6,050,000
Eligible employees	20	3,843,300
Persons who have contributed to the success of our Group	1	1,106,700
	25	11,000,000

Pink Form Allocations which are not accepted by certain Eligible Persons will be re-allocated among the Eligible Persons at the discretion of our Board.

(a) Allocation to eligible Directors

The criteria for allocation to our eligible Directors (as approved by our Board where the interested Director has abstained from deliberation on their respective allocation) are based on, amongst others, their past and anticipated contribution to our Group. Our Managing Director and Executive Director, namely, Ts. Wee Khiam Hui and Bong Joon Fook have opted not to participate in the Pink Form Allocations as they already undertaking the Offer for Sale.

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

Name	Designation	No. of Issue Shares allocated
Datuk Haji Abdul Wahab Bin Aziz	Independent Non-Executive Chairman	2,035,000
Fong Tshu Kwong @ Fong Tshun Kwong	Independent Non-Executive Director	990,000
Helen Tan Miang Kieng	Independent Non-Executive Director	2,035,000
Prof. Dr. Loo Chu Kiong	Independent Non-Executive Director	990,000
		6,050,000

(b) Allocation to our eligible employees

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

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

4. DETAILS OF IPO (Cont'd)

Included in the allocation to our eligible employees comprises the proposed allocations to our key senior management as follows:

Name	Designation	No. of Issue Shares allocated
Chong Chiew Mien	Chief Financial Officer	100,000
Ts. Dr. Peggy Loh Yee Wey	Chief Technology Officer	990,000
		1,090,000

Our Chief Operating Officer, Charlene Bong Myn Ee has opted not to participate in the Pink Form Allocations as she is undertaking the Offer for Sale. Our Chief Project Officer, Aelred Bong Nan Wyan has opted not to participate in the Pink Form Allocations as his father (Bong Joon Fook) and sister (Charlene Bong Myn Ee), both of whom are substantial shareholders and are persons connected to him, are undertaking the Offer for Sale.

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

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

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

4.3.4 Placement and underwriting arrangement

Our Underwriter will underwrite 38,500,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 82,500,000 Issue Shares and 27,500,000 Offer Shares available for application by Bumiputera investors approved by MITI and selected investors will not be underwritten and will be placed out by our Placement Agent.

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

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

4. DETAILS OF IPO (Cont'd)

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

- (a) Any unsubscribed Issue Shares allocated to Bumiputera investors approved by MITI shall firstly be reallocated to Bumiputera public investors via public balloting. If after the above reallocation, there are still Issue Shares not taken up, the said unsubscribed Issue Shares shall then be offered to Malaysian institutional investors.
- (b) After (a) above, the remaining portion will be made available for:
 - (i) Malaysian Public, in the event of an over-subscription; or
 - (ii) application by way of private placement to selected investors to be identified, the proportion of which will be determined by our Board and Placement Agent.

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

4.3.5 Minimum and over-subscription

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

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

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

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

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

4. DETAILS OF IPO (Cont'd)

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS

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

Details	No. of Shares	RM
As at the date of incorporation	100	100
Issued pursuant to the Acquisitions	428,999,900	19,562,395
As at the date of this Prospectus	429,000,000	19,562,495
Issued under our Public Issue	121,000,000	⁽¹⁾ 43,560,000
Enlarged share capital upon our Listing	550,000,000	63,122,495

Note:

(1) Calculated based on the IPO Price and before adjusting against our share capital, the estimated listing expenses assumed to be directly attributable to the Public Issue.

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

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

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

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

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

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. Every shareholder present in person or by proxy or by other duly authorised representative shall have 1 vote for each ordinary share held.

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4. DETAILS OF IPO (Cont'd)

4.5 PURPOSES OF OUR IPO

The purposes of our IPO are as follows:

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

4.6 BASIS OF ARRIVING AT OUR IPO PRICE

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

- (a) Our pro forma NA per Share of RM0.14 as at 30 April 2025 after IPO and utilisation of proceeds, calculated based on our pro forma NA after Acquisitions, Public Issue and utilisation of proceeds as at 30 April 2025 of approximately RM78.4 million and enlarged share capital of 550,000,000 Shares upon Listing;
- (b) The PE Multiple of our IPO Price of approximately 10.4 times, calculated based on our PAT attributable to owners of the Company for FYE 2025 of RM19.0 million and market capitalisation of RM198.0 million upon Listing;
- (c) Our historical financial track record as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	29,117	40,617	31,950	49,639
GP	5,478	9,058	12,774	29,683
PAT attributable to owners of the Company	2,332	4,788	6,919	18,996

- (d) Our competitive strengths as set out in Section 7.14; and
- (e) Our future plans and strategies as set out in Section 7.15.

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

4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and enlarged share capital of 550,000,000 Shares upon Listing, our total market capitalisation will be RM198.0 million.

4. DETAILS OF IPO (Cont'd)

4.8 DILUTION

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

	RM
IPO Price	0.36
Pro forma NA per Share as at 30 April 2025 ⁽¹⁾ after Acquisitions but before Public Issue	0.09
Pro forma NA per Share as at 30 April 2025 ⁽¹⁾ after Acquisitions, Public Issue and utilisation of proceeds	0.14
Increase in pro forma NA per Share attributable to existing shareholders	0.05
(Decrease) in pro forma NA per Share to our new public investors	(0.22)
(Decrease) in pro forma NA per Share as a percentage of our IPO Price	(61.1%)

Note:

- ⁽¹⁾ Includes the acquisition of 4 intelligent management solutions from Place2Stay for a total purchase consideration of RM13.4 million (including sales and service tax), which were completed in October and November 2024 upon the successful transfer of the ownership to and registration of copyright for the 4 intelligent management solutions by Exxor Technologies, as set out in Section 6.8.3. The purchase consideration of RM0.2 million for Integrated Smart Road Maintenance and Management System has been paid in full, whilst the remaining RM13.2 million purchase consideration is to be settled on a deferred monthly basis over 36 months, amounting to a monthly repayment of RM0.37 million via our internally generated funds. Please refer to Section 7.2.2.2 for further details.

Further details of our pro forma NA per Share as at 30 April 2025 is set out in Section 14.

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

Shareholders	⁽¹⁾No. of Shares received	Total consideration	Average effective cost per Share
		RM	RM
Ts. Wee Khiam Hui	218,789,949	9,976,821	0.0456
Bong Joon Fook	102,959,976	4,694,975	0.0456
Charlene Bong Myn Ee	107,249,975	4,890,599	0.0456
	428,999,900	19,562,395	

Note:

- ⁽¹⁾ Being Shares issued under the Acquisitions.

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

4. DETAILS OF IPO (Cont'd)

4.9 UTILISATION OF PROCEEDS

4.9.1 Public Issue

The estimated gross proceeds from our Public Issue of RM43.6 million will accrue entirely to us and are planned to be utilised in the following manner:

Utilisation of proceeds	Notes	RM'000	%	⁽¹⁾Estimated timeframe for utilisation
Business expansion				
• Expansion of corporate office in Sarawak with a mini data centre	(a)	4,400	10.1	Within 18 months
• Expansion of IT operations	(a)	1,860	4.3	Within 24 months
• Expansion of West Malaysia branch office	(a)	1,212	2.8	Within 24 months
General working capital	(b)	22,181	50.9	Within 24 months
Expansion through strategic investments, mergers and acquisition opportunities	(c)	9,000	20.7	Within 24 months
Estimated listing expenses	(d)	4,907	11.2	Immediately
		43,560	100.0	

Note:

(1) From the date of Listing.

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

(a) Business expansion

As part of our continuous effort to grow our business, we intend to expand our business in the following manner:

- (i) Expansion of corporate office in Sarawak with a mini data centre

As at LPD, our Group operates mainly from our existing corporate office located in Kuching, Sarawak. Our existing corporate office comprises 2 premises owned by our Group and 1 rented premise which all 3 premises have a total built-up area of 2,766 sq ft and currently accommodate up to a total of 34 employees. Due to space constraints in our current corporate office, our Group allows work-from-home arrangements for our employees. Moving forward, we plan to recruit up to a total of 9 employees for our IT department to cater for our business expansion as our existing employees may not be sufficient to sustain our business growth.

As such, we intend to acquire a new premise in Kuching, Sarawak to be established as our new corporate office with an estimated built-up area of approximately 6,000 to 7,000 sq ft. The larger space will enable us to accommodate up to 50 employees.

4. DETAILS OF IPO (Cont'd)

As at LPD, our Group is in the midst of identifying a suitable property to be acquired. Based on the property listings surveyed by our Group, the cost of acquiring commercial property in Kuching, Sarawak is estimated to be approximately RM5.0 million. As such, our Group intends to allocate approximately RM2.5 million from the proceeds raised from our Public Issue for the acquisition of new corporate office and the remaining will be funded from our internally generated funds and/or bank borrowings.

In identifying the suitable premise, we will be guided by the following criteria:

- (a) Location – Kuching, Sarawak
- (b) Type of building – Commercial
- (c) Size – a built-up area of approximately 6,000 to 7,000 sq ft

The estimated timeline to setup the new corporate office within 18 months from the date of Listing is as follows:

Estimated timeline from the date of Listing	Milestones
First 12 months	<ul style="list-style-type: none"> • Identify suitable premise • Execution of sale and purchase agreement for our new corporate office • Completion of acquisition of our new corporate office • Submission of application for the relevant permits required for the commencement of renovations and fit-out works⁽¹⁾ • Commencement of renovation and fit-out works • Completion of renovation and fit-out works
Subsequent 6 months	<ul style="list-style-type: none"> • Submission of application for the relevant licences or permits required for commencement of operations at the new corporate office • Commencement of operations at the new corporate office

Note:

- (1) Approval from Majlis Bandaraya Kuching Selatan (“**MBKS**”) is required for office renovations and the said approval is expected to be obtained within 6 months from the date of application.

In addition, we intend to allocate approximately RM0.8 million from the proceeds of our Public Issue for renovation and interior fit-out of the new corporate office as follows:

Description	Estimated expenditure RM'000
Interior design fitting-out	450
Mechanical, electrical and plumbing works	300
Preliminaries ⁽¹⁾	50
	800

Note:

- (1) Includes, among others, expenses for application to authorities, interior design drawing, cleaning works and rubbish disposal.

4. DETAILS OF IPO (Cont'd)

Following the above, our new corporate office will house a mini data centre of approximately 200 to 300 sq ft as part of our effort to enhance our IT facilities, such as hardware infrastructure and servers, allowing for higher processing capabilities, increasing our capacity to provide our solutions and manage our increasing data solutions needs. Currently, our IT facilities comprise, amongst others, computing infrastructure and in-house servers, which are managed by our IT operations team in our existing corporate office located in Kuching, Sarawak.

Moving forward, the mini data centre will act as a hub for our IT operations, offering scalability, cost efficiency and cybersecurity. For avoidance of doubt, the mini data centre will be operated solely for the purpose of our internal IT operations, as such, no licence or approval is required.

In addition, the mini data centre consists of energy-efficient technologies and modern cooling systems which will lower energy consumption and align with our sustainability goals. Further, the redundancy measures and backup systems of the mini data centre will ensure high availability and minimal downtime for critical applications of our IT solutions.

Following the above, our Group intend to allocate approximately RM1.1 million from the proceeds raised from our Public Issue for the installation of hardware and software for the implementation of our solutions in the following manner:

Description	Estimated expenditure RM'000
• Hardware	
- Server infrastructure	200
- Cooling and climate control	100
- Network infrastructure	50
- Storage systems	50
• Software	
- Geographic information system software	300
- Virtualisation software	200
- Operating system	150
- Security software	50
	1,100

The establishment of the new corporate office with a mini data centre will enable our Group to enhance our corporate image amongst customers, suppliers, subcontractors, employees and other stakeholders.

Upon relocation of our operations to the new corporate office and subject to the prevailing property market conditions, our Group will evaluate on the options whether to dispose the 2 premises currently owned by our Group (for the purpose of corporate office) or lease them out for investment purposes. Whereas for the rented premise of our existing corporate office, we will terminate the tenancy agreement upon relocation of our operations to the new corporate office.

4. DETAILS OF IPO (Cont'd)

Pending the receipt of our IPO proceeds, we may proceed with our plans as set out above by utilising our internally generated funds and/or bank borrowings. Therefore, when we have received the proceeds from the Public Issue, we will use the proceeds allocated for the acquisition of new corporate office, renovation and interior fit-out for the new corporate office and installation of mini data centre to replenish our internally generated funds and/or repay our bank borrowings.

(ii) Expansion of IT operations

In line with our Group's expansion, we intend to strengthen our human resources capabilities through the recruitment of new employees with the relevant technical skillset and knowledge for our IT operations. Accordingly, our Group intends to allocate approximately RM1.9 million to expand our IT operations team by recruiting up to a total of 9 employees. These new employees will bring skills in areas such as machine learning, data analytics, AI model development, and cloud-based solutions, enabling us to accelerate the creation of new IT solutions and enhance the performance of our existing IT solution services.

The total costs of the recruitment of IT operations employees were arrived at based on our salary records, surveys and estimates. These costs include the salaries and benefits for 24 months of IT operations employees, which will be entirely funded from the proceeds raised from our Public Issue as set out below:

Description	Estimated expenditure
	RM'000
Salaries and benefits for 24 months of IT operations employees comprising:	
- 3 software engineers	510
- 1 system analyst	192
- 3 machine learning engineers	648
- 2 data research scientists	510
	1,860

(iii) Expansion of West Malaysia branch office

Our Group has presence in West Malaysia, particularly in the state of Selangor and Kelantan. As at LPD, we are serving 3 customers under our intelligent asset management solutions segment, all of whom are based in Selangor. In addition, we have implemented and handed over the Intelli Water System to Air Kelantan Sdn Bhd in February 2023, and we continue to maintain a good relationship with Air Kelantan Sdn Bhd.

Our business operations in West Malaysia are supported by our Managing Director, Chief Technology Officer, Chief Project Officer and Kuching, Sarawak based IT operations team that travels to West Malaysia whenever there are inquiries from prospective customers, presentations to customers, implementation of project, maintenance and support, and other relevant professional services required in West Malaysia.

4. DETAILS OF IPO (Cont'd)

As such, we intend to expand our operations in West Malaysia through recruiting up to a total of 9 employees to be stationed permanently at our West Malaysia branch office, establishing a stronger presence in West Malaysia. Please refer to Section 7.15.3 for further details on the expansion of our West Malaysia branch office.

As at LPD, we have rented an office premise in Puchong, Selangor as our West Malaysia branch office and the rental is paid via our internally generated funds.

Our Group intends to allocate approximately RM1.2 million of our proceeds from the Public Issue for the expansion of our West Malaysia branch office within 24 months from the date of Listing, with details as follows:

Description	Estimated expenditure RM'000
Salaries and benefits for 24 months of employees to be stationed at West Malaysia branch office:	
- 1 business development manager	192
- 3 business development executives	324
- 2 market research analyst	288
- 2 technical business developer	336
- 1 IT administrative assistant	72
	<u>1,212</u>

The business development manager, business development executives, market research analyst are mainly responsible to promote our Group's products and services in West Malaysia, addressing any inquiries from prospective customers and presentations to customers.

Whereas the technical business developer and IT administrative assistant (who will be part of our IT operations team) are mainly responsible in the implementation of our projects as well as providing maintenance and support for our customers in West Malaysia. Nevertheless, our IT operations team who are based in Sarawak shall travel to West Malaysia whenever required.

Pending the receipt of our Public Issue proceeds, we may proceed with our plans as set out above by utilising our internally generated funds. Therefore, when the Public Issue proceeds that we have allocated for the strengthening of West Malaysia operation are received, we will use the proceeds allocated to replenish the internally generated funds.

In the event there is any excess available from the costs allocated above, such excess of proceeds will be allocated for our general working capital requirements. Conversely, if the allocated proceeds are insufficient, such shortfall will be funded via internally generated funds and/or bank borrowings.

(b) General working capital

Our Group's general working capital requirements are expected to increase along with the growth of our business operations. As such, our Group intends to allocate proceeds for the working capital requirements of our on-going and future projects under the provision of water technology solutions segment, such as provision of water management system solutions, supply of IoT devices and instruments, technical support and maintenance services as well as construction of water treatment facilities.

4. DETAILS OF IPO (Cont'd)

We intend to allocate approximately RM22.2 million from the proceeds raised from our Public Issue to supplement our general working capital for our Group's provision of water technology solutions segment over 24 months from the date of our Listing and the details are set out as follows:

Description	Estimated expenditure
	RM'000
Payment to subcontractors and suppliers	
- Subcontractor services ⁽¹⁾	20,000
- Purchase of devices, instruments, and consumables ⁽²⁾	2,181
	22,181

Notes:

- (1) Includes costs incurred to engage third-party subcontractors for fieldwork on designing and building services for water treatment facilities (i.e. installation, integration, calibration, testing and commission of devices and instruments to deliver fully operational water treatment facilities), construction services such as civil, structural, mechanical and electrical works as well as maintenance and technical support works such as leak detection, repair and rehabilitation works.
- (2) Includes purchase of IoT devices, instruments, and fittings.

Subcontractor costs and cost of devices, instruments and consumables accounted for RM22.2 million, RM30.5 million, RM18.2 million and RM18.3 million collectively in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. In addition, as at LPD, our Group has an unbilled order book of RM18.9 million for our water technology solutions segment, in which RM8.2 million is expected to be fully recognised as revenue in FYE 2026.

This allocation of working capital is expected to enhance our group's liquidity and cash flow position to support the expected growth of our business.

(c) Expansion through strategic investments, mergers and acquisitions opportunities

One of our growth strategies involves explorations of investments, merger and acquisitions activities that are complementary to our Group's business to enhance our Group's operational efficiencies and expand our Group's core services. We are selective about company acquisitions, first assessing if the proposed target business presents a clear value proposition or is in possession of certifications which are able to complement our Group's business. We intend to seek acquisition of companies which are able to enhance our Group's business reputation, expand our Group's capacity in the offering of water technology solutions and intelligent asset management solutions, provide value chain integration for our existing segments and customers by way of facilitating our Group's entry into new verticals.

We intend to focus on our acquisition targets on companies having, amongst others, the following:

- (i) provision of water technology solutions relating to NRW solutions as well as technical support and maintenance services for water related devices, instruments and systems; and
- (ii) provision of intelligent asset management solutions for various industries.

4. DETAILS OF IPO (Cont'd)

Our Group is exploring investment and acquisition opportunities in companies within Malaysia which meet the abovementioned criteria.

Notwithstanding that, as at LPD, our Group has an outstanding balance of RM9.6 million to be settled with Place2Stay on a deferred monthly basis of RM0.37 million per month for the acquisition of intelligent asset management solutions as set out in Section 7.2.2.2, our Group intends to use the proceeds raised of approximately RM9.0 million for strategic investments, mergers and acquisitions opportunities that are aligned with and synergistic to our Group's principal business activities instead of repayment to Place2Stay, as any early repayment with Place2Stay offers no advantage to our Group. In this regard, there was no interest imputed in the deferred payment to Place2Stay for the acquisition of intelligent asset management solutions, and therefore no savings in the event we accelerate the repayment.

As at LPD, our Group has not identified any prospective acquisition nor have we entered into any binding agreements for any acquisition. Notwithstanding this, based on our industry knowledge built upon our experience and networking in the water sector and IT industry over the years, we believe that the allocation of RM9.0 million is the minimum cost of investment required (after taking into consideration factors such as, amongst others, the potential companies' past financial performance, technology infrastructure and related development costs incurred for such technology, as well as market opportunities) to invest in or acquire a stake in a suitable target company, to make it a subsidiary of our Group.

In addition, our Group does not have particular intentions to retain incoming staff post-acquisition. However, such considerations will depend upon, amongst others, the compatibility of the incoming asset/company, the synergistic potential which may enable resource savings upon integration, and also the extent of our Group's capacity to assimilate existing resources with the target company.

Any excess funds not used for this purpose will be used to meet the working capital of our Group. However, in the event the allocated proceeds are insufficient for investments in and/or acquisition of target companies, such shortfall will be funded through internally generated funds and/or bank borrowings.

For the avoidance of doubt, such strategic investments, mergers and acquisitions shall be distinguished from our future plan in relation to business expansion in Malaysia as set out in Section 4.9(a) above, which is organic in nature.

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4. DETAILS OF IPO (Cont'd)

(d) Estimated listing expenses

An amount of RM4.9 million is allocated to meet the estimated cost of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Details	Estimated expenditure RM'000
Professional fees ⁽¹⁾	3,103
Fees to authorities	96
Underwriting, placement and brokerage fees	1,358
Printing, advertising fees and contingencies ⁽²⁾	350
	4,907

Notes:

(1) Includes advisory/professional fees for, amongst others, our Adviser, solicitors, Reporting Accountants, IMR, independent internal control reviewer and Issuing House.

(2) Other incidental or related expenses in connection with our IPO.

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

4.9.2 Offer for Sale

The Offer for Sale is expected to raise gross proceeds of approximately RM9.9 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

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

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4. DETAILS OF IPO (Cont'd)

4.10 BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION

4.10.1 Brokerage fees

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

4.10.2 Placement fees

Our Placement Agent will place out a total of 82,500,000 Issue Shares and 27,500,000 Offer Shares by way of private placement to Bumiputera investors approved by MITI and selected investors.

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

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

4.10.3 Underwriting commission

Our Underwriter has agreed to underwrite 38,500,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission of 3.0% of our IPO Price multiplied by the number of Shares underwritten.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M&A Securities, to underwrite 38,500,000 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.4.

The salient terms in the Underwriting Agreement are as follows:

4.11.1 Conditions precedent

The several obligations of our Underwriter under the Underwriting Agreement shall be conditional upon:

- (a) the acceptance of our listing and the clearance of registrable prospectus from Bursa Securities, and the lodgement of registrable prospectus with the Companies Commission of Malaysia respectively together with copies of all documents required under Section 154 of the Act prior to the issuance of this Prospectus to the public;
- (b) the issuance of this Prospectus (including all procedures, requirements, letters and documents) required under Section 154 of the Act to the public within 3 months from the date of the Underwriting Agreement or such extension as consented by our Underwriter;

4. DETAILS OF IPO (Cont'd)

- (c) there having been, as at any time hereafter up to and including the date adopted in the Prospectus as the last date for acceptance and receipt of application for the subscription to the Issue Shares or such other later date as our Company and our Underwriter may agree upon ("**Closing Date**"), no material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise of our Group (which in the reasonable opinion of our Underwriter is or will be material in the context of the issue of the Issue Shares) from that set forth in this Prospectus, nor the occurrence of any event nor the discovery of any fact rendering inaccurate, untrue or incorrect to an extent which is or will be material in any of the representations, warranties and undertakings contained in the Underwriting Agreement, if they are repeated on and as of the Closing Date;
- (d) the issue, offering and subscription of the Issue Shares in accordance with the provisions of the Underwriting Agreement and this Prospectus not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
- (e) all necessary approvals and consents required in relation to our Public Issue including but not limited to governmental approvals having been obtained and are in full force and effect;
- (f) our Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;
- (g) the delivery to our Underwriter prior to the date of registration of this Prospectus of:
 - (i) a copy certified as a true copy by an authorised officer of our Company of all the resolutions of the Directors of our Company and the shareholders in general meeting approving the Underwriting Agreement, this Prospectus, our Public Issue and authorising the execution of the Underwriting Agreement and the issuance of this Prospectus; and
 - (ii) a certificate dated the date of this Prospectus signed by duly authorised officers of our Company stating that, after having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in sub-section (c) above;
- (h) the delivery to our Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from our Board as our Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of Group nor the occurrence of any event rendering, untrue or incorrect, to a material extent any representations and/or warranties contained in the Underwriting Agreement as though they have been given and/or made on such date; and
- (i) our Underwriter being satisfied that our Company will, following completion of our Public Issue, be admitted to the Official List and our issued share capital listed and quoted on the ACE Market without undue delay.

4. DETAILS OF IPO (Cont'd)

4.11.2 Non-fulfilment of conditions precedent

In the event any of the conditions set forth in Section 4.11.1 are not satisfied by the Closing Date, our Underwriter shall thereupon be entitled, but not bound, to terminate the Underwriting Agreement by notice given to our Company not later than 3 Market Days after the Closing Date. Upon such termination, our Company and our Underwriter shall be released and discharged from our respective obligations under the Underwriting Agreement, save for any surviving obligations, and neither party shall have any claim against the other, save for antecedent breaches by our Company and claims arising therefrom. Each party shall in such event return any and all monies paid to the other party under the Underwriting Agreement within 72 hours of the receipt of such notice (except for monies paid by our Company for the payment of the expenses as provided in the Underwriting Agreement). Our Underwriter reserves the right to waive or modify any of the aforesaid conditions and such waiver or modification shall not prejudice our Underwriter's rights under the Underwriting Agreement.

4.11.3 Termination

Notwithstanding anything herein contained, our Underwriter may by notice in writing to our Company given at any time on or before the allotment and issuance of the Issue Shares, terminate and cancel and withdraw its commitment to underwrite the Underwritten Shares if:

- (a) there is any breach by our Company of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from our Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our Public Issue, or the distribution of the Issue Shares; or
- (b) there is withholding of information of a material nature from our Underwriter, which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, which, in the opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group and the success of our Public Issue, or the distribution of the Issue Shares; or
- (c) there shall have occurred, happened or come into effect in the opinion of our Underwriter any material and/or adverse change to the business or financial condition of our Group; or
- (d) there shall have occurred, happened or come into effect any of the following circumstances: -
 - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or

4. DETAILS OF IPO (Cont'd)

- (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Company and/or our Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); which, in the reasonable opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Group and the success of our Public Issue, or the distribution of the Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (iii) the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (1) on or after the date of the Underwriting Agreement; and
 - (2) prior to the allotment of the Issue Shares,

lower than ninety percent (90%) of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least 3 Market Days; or
- (iv) in the event of national disorder, outbreak of war or the declaration of a state of national emergency;
- (e) there is failure on the part of our Company to perform any of our obligations contained in the Underwriting Agreement; or
- (f) any matter which arose immediately before the date of this Prospectus would have constituted a material and adverse omission in the context of our Public Issue; or
- (g) any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on our Company pursuant to the indemnities contained under the Underwriting Agreement.

4.12 TRADING AND SETTLEMENT IN SECONDARY MARKET

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

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

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

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

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

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

Name	Nationality	⁽¹⁾ After Acquisitions but before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ts. Wee Khiam Hui	Malaysian	218,790,000	51.0	-	-	204,765,000	37.2	-	-
Bong Joon Fook	Malaysian	102,960,000	24.0	⁽³⁾ 107,250,000	25.0	96,360,000	17.5	⁽³⁾ 100,375,000	18.3
Charlene Bong Myn Ee	Malaysian	107,250,000	25.0	-	-	100,375,000	18.3	-	-

Notes:

- (1) Based on the share capital of 429,000,000 Shares after completion of the Acquisitions but before our IPO.
- (2) Based on the enlarged share capital of 550,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his daughter, Charlene Bong Myn Ee's interest pursuant to Section 59(11)(c) of the Act.

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

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

5.1.2 Profiles of Promoters and substantial shareholders

(a) Ts. Wee Khiam Hui

Ts. Wee Khiam Hui, a Malaysian male aged 56, is our Promoter, substantial shareholder and Managing Director. He is appointed to our Board on 27 August 2024. He is responsible for steering and overseeing our Group's overall strategic initiatives and business directions to drive the development, growth and expansion of our Group.

He graduated with a Bachelor of Science, majoring in the School of Mathematical and Information Sciences from La Trobe University, Australia, in 1993. He has been a member of the International Water Association since 2022. He has also been a member of the Malaysian Water Association and Smart Water Network Forum and the Australian Water Association since 2023, 2024 and 2025 respectively. He is a Professional Technologist, registered with the Malaysian Board of Technologist since September 2025.

Upon his graduation, he returned to Malaysia in the same year and commenced his career as an Electronic Data Processing Executive at Sarawak Computerisation Services Sdn Bhd (now known as Sarawak Information Systems Sdn Bhd ("**SAINS**")), where he was involved in the development of the Land and Survey Information System.

He left SAINS in December 1995 and took a 4-month break to explore other career opportunities. He joined Malayan Banking Berhad's ("**Maybank**") Kuching branch, Sarawak in May 1996 as a Bank Officer, where he was responsible for managing service accounts, safe deposit boxes, and current accounts. In December 1996, he was posted to Maybank's Penang branch, where he served as a Bank Officer in the Clearing Department, Corporate Finance, and Trade Finance divisions. In 2000, he resigned and returned to Sarawak to assist in his family's business, Coast Enterprise (Sarawak) Sdn Bhd, where he was primarily responsible for managing water treatment plants projects until 2001.

In 2001, he founded and was appointed as the Director of Definitive Systems Sdn Bhd, a company principally involved in the supply of safety equipment in the electrical and electronics industry. He was responsible for overseeing the company's overall operations. However, since 2005, he is no longer actively involved in the company's operations.

In 2003, he co-founded and took on the role of Managing Director of Exor Technologies. He was responsible for overseeing the company's day-to-day operations and business development functions, leveraging advanced technologies to streamline processes and enhance efficiency. In 2019, he co-founded Intelli Technologies, along with Bong Joon Fook and Diep Do Nhu Phuong. As Director of Intelli Technologies, he oversees the company's operations, alongside Bong Joon Fook.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(b).

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

(b) Bong Joon Fook

Bong Joon Fook, a Malaysian male aged 66, is our Promoter, substantial shareholder and Executive Director. He was appointed to our Board on 27 August 2024. He is responsible for overseeing our Group's overall finance, human resource and administrative functions.

In 1982, he graduated with a Bachelor of Arts, majoring in Economics and Administrative Studies from University of Winnipeg, Canada.

In 1983, he returned to Malaysia and joined UMW (Sarawak) Sdn Bhd as Marketing Service Executive where he was responsible for providing marketing and administrative support in the marketing team. In 1985, he was redesignated to Credit Control Executive where he provided support for the debt collection functions. In 1988, he was promoted to Credit Manager where he was responsible for overseeing the credit control division.

In October 1989, he was seconded to Seabanc Kredit Sdn Bhd (dissolved in 2022), an associate company of UMW (Sarawak) Sdn Bhd, where he assumed the same role and responsibilities as Credit Manager. In November 1989, he was officially transferred to Seabanc Kredit Sdn Bhd where he assumed the same role and responsibilities. In 1991, he was redesignated as Manager for the East Malaysia Operations, where he oversaw the debt collection functions for the Sabah and Sarawak branches. In January 1993, pursuant to the joint venture between UMW (Sarawak) Sdn Bhd and GE Capital Corp, he was redesignated as Divisional Manager, Marketing and Sales (East Malaysia) of Seabanc GE Capital Sdn Bhd (now known as Toyota Capital Malaysia Sdn Bhd), where his scope of responsibilities expanded to include overseeing both the marketing and debt collection divisions.

He resigned in December 1993 and subsequently in 1994, he took on the role as Marketing Director of Asprogress Sdn Bhd, a company involved in the distribution of steel products in the Sabah and Sarawak markets, where he was responsible for overseeing the overall operations of the company. He left the company in 1998 to pursue other business ventures.

In 1999, he was appointed as the Director of MAG Intertrade Engineering (M) Sdn Bhd, a company involved in general trading and import/export of engineering building products and construction materials, as well as civil construction. Since 2013, he has not been actively involved in the company's day-to-day operations. The company subsequently became dormant since 2017.

In 2014, he was appointed as the Director of Exxor Technologies, where he initially oversaw the company's overall operations alongside Ts. Wee Khiam Hui. Overtime, his role was streamlined to focus on overseeing the company's finance, human resource and administrative functions. In 2019, he co-founded Intelli Technologies, along with Ts. Wee Khiam Hui and Diep Do Nhu Phuong. As Director of Intelli Technologies, he oversees the company's operations together with Ts. Wee Khiam Hui.

He is the father of Charlene Bong Myn Ee, our Promoter, substantial shareholder and Chief Operating Officer, and Aelred Bong Nan Wyan, our Chief Project Officer.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(c).

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

(c) Charlene Bong Myn Ee

Charlene Bong Myn Ee, a Malaysian female aged 34, is our Promoter, substantial shareholder and Chief Operating Officer. She is responsible for overseeing the operations of our Group. She is also responsible for overseeing and executing our business development strategies and initiatives, maintaining key stakeholder relationships and managing the sales pipeline, and identify market opportunities for expansion.

She graduated with a Bachelor of Arts in Mass Communication from the University of Sunderland, UK in 2014. She has also been a member of the Malaysian Water Association and the Australian Water Association since 2024 and 2025 respectively.

In 2015, she joined Kuching Hotels Sdn Bhd as a Marketing and Communications Officer where she assisted the Marketing and Communications Manager in executing various marketing and communications activities for Grand Margherita Hotel and Riverside Majestic Hotel. She left the company in April 2016.

In May 2016, she joined Permata Kenyalang Sdn Bhd, as Marcom Manager of Pullman Kuching where she was responsible for planning and executing various marketing and communications activities for the hotel. She left the company in November 2016 and founded Sparks Creation Company, a sole proprietorship involved in event management, which became dormant since 2020.

In 2020, she joined Exxor Technologies as Project Executive, where she was responsible for managing projects including overseeing project timelines and coordinating team activities. In 2021, she was appointed as the Director of Exxor Technologies, a role she presently assumes. In 2022, she also took on the role of Operations Manager where she was responsible for handling budgets and resource allocation, maintaining client relations, and implementing quality control processes as well as health and safety protocols to ensure compliance with regulatory standards and client specifications. In 2024, she was redesignated as Chief Operating Officer, a role she presently assumes.

She is the daughter of Bong Joon Fook, our Promoter, substantial shareholder and Executive Director, and the sister of Aelred Bong Nan Wyan, our Chief Project Officer.

Details of her involvement in other companies outside of our Group are set out in Section 5.3.4(a).

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

5.1.3 Changes in Promoters' and substantial shareholders' shareholdings

The changes in our Promoters and substantial shareholders' respective shareholdings in our Company since our incorporation are as follows:

Name	As at incorporation				⁽¹⁾ After Acquisitions but before IPO				⁽²⁾ After IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ts. Wee Khiam Hui	51	51.0	-	-	218,790,000	51.0	-	-	204,765,000	37.2	-	-
Bong Joon Fook	24	24.0	⁽³⁾ 25	25.0	102,960,000	24.0	⁽³⁾ 107,250,000	25.0	96,360,000	17.5	⁽³⁾ 100,375,000	18.3
Charlene Bong Myn Ee	25	25.0	-	-	107,250,000	25.0	-	-	100,375,000	18.3	-	-

Notes:

- (1) Based on the share capital of 429,000,000 Shares after completion of the Acquisitions but before our IPO.
- (2) Based on our enlarged share capital of 550,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his daughter, Charlene Bong Myn Ee's interest pursuant to Section 59(11)(c) of the Act.

5.1.4 Persons exercising control over the corporation

Save for our Promoters and substantial shareholders as set out in Section 5.1.1, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at LPD, there is no arrangement between our Company, the Promoters and substantial shareholders with any third party of which may at a subsequent date result in a change in control of our Company.

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

Save for the issuance of our Shares as disclosed in Section 6.2(a), the dividends paid or intended to be as set out in Section 12.15 and aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.4, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

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

5.2 DIRECTORS

5.2.1 Directors' shareholdings

The shareholdings of our Directors in our Company before and after IPO are set out below:

Name	Designation / Nationality	⁽¹⁾ After Acquisitions but before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Datuk Haji Abdul Wahab Bin Aziz	Independent Non-Executive Chairman/ Malaysia	-	-	-	-	⁽³⁾ 2,035,000	0.4	-	-
Ts. Wee Khiam Hui	Managing Director/ Malaysian	218,790,000	51.0	-	-	204,765,000	37.2	-	-
Bong Joon Fook	Executive Director/ Malaysian	102,960,000	24.0	⁽⁴⁾ 107,250,000	25.0	96,360,000	17.5	⁽⁴⁾ 100,375,000	18.3
Fong Tshu Kwong @ Fong Tshun Kwong	Independent Non-Executive Director/ Malaysian	-	-	-	-	⁽³⁾ 990,000	0.2	-	-
Helen Tan Miang Kieng	Independent Non-Executive Director/ Malaysian	-	-	-	-	⁽³⁾ 2,035,000	0.4	-	-
Prof. Dr. Loo Chu Kiong	Independent Non-Executive Director/ Malaysian	-	-	-	-	⁽³⁾ 990,000	0.2	-	-

Notes:

- (1) Based on the share capital of 429,000,000 Shares after completion of the Acquisitions but before our IPO.
- (2) Based on the enlarged share capital of 550,000,000 Shares after our IPO.
- (3) Assuming he/she fully subscribes for his/her respective entitlements under the Pink Form Allocations.
- (4) Deemed interested by virtue of his daughter, Charlene Bong Myn Ee's interest pursuant to Section 59(11)(c) of the Act.

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

5.2.2 Profiles of Directors

The profiles of Ts. Wee Khiam Hui and Bong Joon Fook are set out in Section 5.1.2. The profiles of our other Directors are as follows:

(a) Datuk Haji Abdul Wahab Bin Aziz

Datuk Haji Abdul Wahab bin Aziz, a Malaysian male aged 78, is our Independent Non-Executive Chairman. He was appointed to our Board on 24 October 2024.

In 1979, he obtained a Diploma in Sciences Management (Distinction) from the National Institute of Public Administration (INTAN). In 1981, he obtained his Master of Science for the course of study in Public Sector Management from University of Aston, UK.

In 1965, he started his career as a Sarawak Administrative Officer under the Sarawak Government, where his responsibilities included addressing and resolving community issues whilst liaising with the Village Development and Security Committee and headmen, as well as hearing non-cognizable offences.

In 1974, he took a study break to pursue the External (Intermediate) LL.B Degree in Law from Universiti Teknologi MARA. Prior to completing said course, he returned to the Bureau Office of the Chief Minister Office of Sarawak in 1976 where he was promoted to Secretary of Suggestions and Complaints Bureau. In the said role, he was responsible for evaluating whether further actions should be taken in response to the complaints.

In 1978, he pursued his Diploma. After obtaining said Diploma, he returned to the Sarawak Government in 1979 and was posted as District Officer of Belaga in the same year, overseeing the overall administration and governance of the district. In February 1980, he was transferred to the Public Service Commission Sarawak as Secretary where he was responsible for the recruitment of officers. He subsequently went to UK in September 1980 for in-service training and to pursue his Master's. Upon his return to Malaysia in 1981, he was assigned the role of Principal Assistant Secretary under the Sarawak State Financial Secretary Office.

In 1985, he went to pursue a Master of Philosophy in South-East Asian studies in Kent University, UK. Prior to completing the said course, he returned to Malaysia in 1987 and ran for the Sarawak elections.

In 1989, he was appointed as the Chairman of Commercial Vehicle Licensing Board Sarawak, under the Federal Ministry of Public Enterprise where he was responsible for overseeing the implementation and development of commercial vehicle licensing policies and regulations. He relinquished his role in 1990. From 1991 to 2021 (30 years), he was the Sarawak State Legislative Assembly Representative.

In 1998, he was also appointed as the Chairman of the Public Accounts Committee under the Sarawak State Legislative Assembly, where he was responsible for evaluating and assessing all state accounts audits. He relinquished the said role in 2004 and was subsequently appointed as the Chairman of the Sarawak Housing Development Corporation in 2005, overseeing Sarawak's housing matters, particularly focusing on low-cost housing and development initiatives.

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

From 2009 to 2010, he was also assigned the position of Assistant Minister under the Ministry of Housing and Urban Development and was subsequently assigned to the Ministry of Land and Rural Development in 2011 up till May 2016. He was appointed as the Chairman of the Sarawak Tourism Board from July 2016 to 2020. He retired from politics in 2021 and is no longer involved in any politically related matters.

In April 2023, he was appointed as the Pro-Chancellor of Universiti Teknologi MARA, a role he presently assumes, where he serves as the ceremonial head of the institution.

Since 1990, he is the President of UiTM Alumni Sarawak and the Chairman of Saratok Muslim Charitable Trust Board since 1991. He has also been a Member of the Board of Trustees of the Sarawak Malay Cultural Foundation Charitable Trust since 2020. He still presently holds the said positions.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(a).

(b) Fong Tshu Kwong @ Fong Tshun Kwong

Fong Tshu Kwong @ Fong Tshun Kwong, a Malaysian male aged 67, is our Independent Non-Executive Director. He was appointed to our Board on 24 October 2024. He is also the Chairman of our Audit and Risk Management Committee, and a member of our Nomination Committee and Remuneration Committee.

He is admitted as a member of Malaysian Association of Certified Public Accountant (MACPA) (now known as Malaysian Institute of Certified Public Accountant (MICPA)) since March 1989. He has been certified as a Registered Accountant by MIA since August 1989 (subsequently known as Chartered Accountant since June 2001). He was a member of the Malaysian Institute of Corporate Governance since 1999 and was promoted to Life-Time Ordinary member since December 2013.

In 1978, he started his articled studentship with Turquand, Youngs & Co (now known as Ernst & Young)("EY"), which he subsequently completed in 1982. During the said studentship, he took on the role as an Audit Clerk in 1978, and subsequently as Audit Assistant in 1979, where he assisted the Audit Seniors in audit work for various companies. He held the role as an Audit Assistant until 1984, when he was promoted to Audit Senior. In the said role, he was responsible for planning, supervising and reviewing audits across various industries, including assessing accounting systems and controls. He also handled tax computations, insolvency work, and reviewed profit forecasts for companies. In 1988, he was promoted to Audit Manager where he was responsible for overseeing and reviewing audit assignments undertaken by Audit Seniors, as well as providing staff training on audit methodologies.

In 1990, he was seconded to EY's London Office, where he assumed the role of Audit Supervisor at the Banking and Financial Services Department. In the said role, he was responsible for handling external audits on banks and other financial services organizations including Unit Trusts and Pension Funds. Following his return to Malaysia, he was promoted to Senior Manager in 1992, based at EY's Miri branch, where he was responsible for overseeing the overall management of the said branch. In 1995, He was transferred to EY's Kuching branch as Senior Manager, where he headed the Corporate Advisory Services Department. His responsibilities also included providing external audits, assurance, and business advisory services, as well as managing corporate advisory assignments, including public listings, for clients in Sarawak, and other countries including Indonesia and Papua New Guinea.

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

He left EY and joined OMG Electronics Chemicals (M) Sdn Bhd, a wholly-owned subsidiary of OM Group Inc., a company that was listed on the New York Stock Exchange (now known as Macdermid Enthone Electronics Solutions (M) Sdn Bhd), as Managing Director in April 1996. During his tenure, he was instrumental in setting up a high-technology specialty chemical plant in Sama Jaya Free Industrial zone, Kuching, Sarawak. He was responsible for overseeing the overall operations of the manufacturing facility in Kuching and global product distribution. He relinquished his role in 2009.

In March 1996, he also served as the Independent Non-Executive Director of Sarawak Oil Palms Berhad, a company listed on the Main Market of Bursa Securities. He resigned in 2014 and joined Sarawak Oil Palm Plantation Owners Association ("**SOPPOA**") as the Chief Executive Officer, where he provided strategic and operational leadership to achieve the main objectives of SOPPOA, which are to advance, promote and protect the development of the palm oil industry in Sarawak through sustainable and responsible farming practices. He relinquished the role in 2017 following the end of his employment contract.

In 2001, he was appointed as the Independent Non-Executive Director of Kim Hin Industry Berhad, a company listed on the Main Market of Bursa Securities. He retired in May 2023.

He has been a Council Member of Malaysian Estate Owners Association since 2014, and a member of the Sarawak Chamber of Commerce and Industry since 2018.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(d).

(c) Helen Tan Miang Kieng

Helen Tan Miang Kieng, a Malaysian female aged 63, is our Independent Non-Executive Director. She was appointed to our Board on 24 October 2024. She is also the Chairperson of our Nomination Committee and Remuneration Committee, and a member of our Audit and Risk Management Committee.

In 1989, she graduated with a Bachelor of Science in Business Administration (Financial Management) from University of Montana, United States of America ("**USA**"). In March 1991, she subsequently obtained a Master of Business Administration (Financial Management) ("**MBA**") from Oregon State University, USA.

Upon her graduation, she started her career as a Registered Assistant at D.A. Davidson & Co (now known as DADCo), an investment firm based in USA. In the said role, she was responsible for assisting the manager in administrative and marketing tasks, as well as liaising with clients. She left the company in 1990 to pursue her MBA.

After completing her MBA in 1991, she returned to Malaysia and joined Sarawak Securities Sdn Bhd as a dealer representative. In 1992, she was promoted to Manager, overseeing retail investments. In 1994, she was promoted to General Manager, Institution and Retail Investment where her responsibilities included overseeing both the institutions and retail investments in the region, as well as setting up the company's operations and credit policies.

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

She left Sarawak Securities Sdn Bhd and joined Labuan Securities Sdn Bhd as Chief Executive Officer in 1996, where she was responsible for spearheading and setting the strategic direction, as well as overseeing the overall operations of the securities firm. She left the company in 2001.

In 2002, she joined OSK Investment Bank Berhad (now known as RHB Investment Bank Berhad, also known as OSK-RHB) as the Vice President, where her responsibilities included managing client relationships, leading investment strategies, and driving business development to support the bank's growth and profitability objectives.

She left OSK-RHB and joined TA Securities Holdings Berhad ("**TA Securities**") as the Head of Kuching branch in 2005, where she oversaw the branch's daily operations, managed staff, drove business growth and ensured compliance with regulatory standards. She left TA Securities and joined Kenanga Investment Bank Berhad in 2012 as the Head of Equity Broking, East Malaysia, where she is responsible for overseeing the equity broking presence of the bank in East Malaysia. She is the Regional Director of Equity Broking of Kenanga Investment Bank Berhad since 2019, where she assumes similar responsibilities.

She also served as the Independent Non-Executive Director of PESTEC International Berhad (formerly known as PESTECH International Berhad), a company listed on the Main Market of Bursa Securities, since 2021. She has retired from the said role in September 2025.

Details of her involvement in other companies outside of our Group are set out in Section 5.2.3(e).

(d) **Prof. Dr. Loo Chu Kiong**

Prof. Dr. Loo Chu Kiong, a Malaysian male aged 54, is our Independent Non-Executive Director. He was appointed to our Board on 24 October 2024. He is a member of our Remuneration Committee, Nomination Committee and Audit and Risk Management Committee.

In 1996, he graduated with a Degree of Bachelor of Engineering (Mechanical Engineering) (Honours), from University of Malaya (now known as Universiti Malaya) ("**UM**"). He subsequently obtained his Doctor of Philosophy (PhD) from Universiti Sains Malaysia ("**USM**") in 2004.

Upon his graduation from UM, he started his career as a System Design Engineer at Semiconductor Equipment Manufacturers Sdn Bhd (now known as LKT Automation Sdn Bhd), where he was responsible for the system integration processes in the Robotics Division and left in 2001.

In the same year in 2001, while studying for his PhD, he became a tutor in Multimedia University and was subsequently promoted to Lecturer in 2004 and Senior Lecturer in 2005, where he performed academic and administrative duties. He was then promoted to Dean of the Faculty of Information Science and Technology in 2008 and assumed the role of Associate Professor in 2009, where he was responsible for overseeing the development of the said faculty. Additionally, he also served as Director of the Centre of Robotics and Automation.

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

He left Multimedia University and joined UM as Professor of the Faculty of Computer Science and Information Technology in 2011 where he was responsible for preparing and delivering computational intelligence and robotics courses and examinations. In January 2022, he was appointed as the Dean and Senior Professor of the said faculty, where he was responsible for overseeing the development of the said faculty, as well as serving as the Director of Centre of Excellence of Artificial Intelligence and Emerging Technologies. In 2024, he relinquished his role as the Dean but continues to serve as Senior Professor to date.

Since November 2022, he also joined Murdoch University, Australia as an Adjunct Professor, where he is responsible for conducting research and co-supervising post-graduate students.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3.(f).

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

5.2.3 Principal business performed outside our Group

Details of our Directors' involvement in principal business activities and directorships outside our Group as at LPD ("**Present Involvements**") and in the past 5 years preceding LPD ("**Past Involvements**") are set out below:

(a) Datuk Haji Abdul Wahab bin Aziz

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvements</u>					
Rejang Transport Sdn Bhd	Bus passenger carriage services	Director / Shareholder	28 September 1992	2.3	-
Awacon Sdn Bhd	Electrical engineering and mechanical contractors	Director / Shareholder	13 September 2006	40.0	⁽¹⁾ 30.0
Mitsa Training and Services Sdn Bhd	Provision of training and consultancy services, and research	Director	9 September 2013	-	-
Awa Holdings Sdn Bhd	Wholesale of stationery, office furniture, equipment and accessories	Director / Shareholder	15 October 2020	50.0	-
Alti Mining and Construction Sdn Bhd	Mining and construction	Director / Shareholder	24 November 2023	70.0	-
Dubs Holdings Sdn Bhd	General trading and supply of stationaries, rations and furniture	Shareholder	-	50.0	-
Puncak Alana Development Sdn Bhd	Property development	Shareholder	-	50.0	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
Ku-De-En Sdn Bhd	Dormant with previous activity as commission agents for construction works	Shareholder	-	39.0	-
<u>Past Involvements</u>					
Sahaza Holdings Sdn Bhd	Dissolved on 13 November 2020. Dormant with previous activity in property development	Director / Shareholder	1 October 1982	4.0	-
Bina Usaha Jati Holding Sdn Bhd	Construction	Director	10 September 2020 / 14 December 2021	-	-

Note:

⁽¹⁾ Deemed interested by virtue of his daughters, Noraziah Binti Abdul Wahab and Norazira Binti Abdul Wahab's interests pursuant to Section 59(11)(c) of the Act.

(b) Ts. Wee Khiam Hui

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvements</u>					
Definitive Systems Sdn Bhd	Supply of safety equipment	Director / Shareholder	24 December 2001	85.0	-
Amerjati Sdn Bhd	Investment holding in shares of Mekong Amerjati Corporation	Director / Shareholder	2 May 2013	50.0	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Mekong Amerjati Corporation ⁽¹⁾	Sand extraction, sales of power supply products, streetlights and elevators maintenance	Director / Indirect Shareholder	10 August 2015	-	⁽²⁾ 49.0
Past Involvements					
Advantage Focus Sdn Bhd	Dissolved on 10 August 2023. Previously involved in the provision of installation services for waterworks projects	Director / Shareholder	14 June 2021	80.0	-
Global Utilities Sdn Bhd	Dissolved on 4 June 2024. Previously dormant with the intended activity of carrying out waterworks projects	Director / Indirect Shareholder	22 July 2020	-	⁽³⁾ 10.0
Kresthydro Sdn Bhd	Dissolved on 3 August 2020. Previously dormant with the intended activity of carrying out waterworks projects	Director / Shareholder	15 April 2005	33.3	-

Notes:

- (1) An entity incorporated in Cambodia. As at LPD, the directors of Mekong Amerjati Corporation are Rotdavy Heng, Reaksmei Hou, Bong Joon Fook and Ts. Wee Khiam Hui, and the shareholders are Mekong Advantech Group Co. Ltd. (51.0%) and Amerjati Sdn Bhd (49.0%).
For avoidance of doubt, Mekong Amerjati Corporation has no relationship with Intelli Technology Vietnam and the directors and/or shareholders of Intelli Technology Vietnam, i.e. Diep Do Nhu Phuong, Nguyen Thanh Trung and Nguyen Van Phu, save for Wee Khiam Hui's indirect shareholdings in Intelli Technology Vietnam as well as Ts. Wee Khiam Hui's indirect shareholdings and directorship in Mekong Amerjati Corporation.
- (2) Deemed interested by virtue of his shareholding in Amerjati Sdn Bhd pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of his shareholding in Exxor Technologies pursuant to Section 8 of the Act.

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

(c) Bong Joon Fook

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvements</u>					
MAG Intertrade Engineering (M) Sdn Bhd	Dormant, with previous activity in trading and import/export of engineering building products and construction materials, civil construction	Director / Shareholder	27 May 1999	50.0	-
Amerjati Sdn Bhd	Investment holding in shares of Mekong Amerjati Corporation	Director / Shareholder	2 May 2013	25.0	-
Mekong Amerjati Corporation ⁽¹⁾	Sand extraction, sales of power supply products, streetlights and elevators maintenance	Director / Indirect Shareholder	10 August 2015	-	⁽²⁾ 49.0
<u>Past Involvements</u>					
Advantage Focus Sdn Bhd	Dissolved on 10 August 2023. Previously involved in the provision of installation services for waterworks projects	Director	18 July 2017 / 14 June 2021	-	-
Maztrade Venture Sdn Bhd	Dissolved on 7 June 2022. Previously dormant with the intended activity of carrying out printing projects	Director / Shareholder	25 June 2019	20.0	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
Global Utilities Sdn Bhd	Dissolved on 4 June 2024. Previously dormant with the intended activity of carrying out waterworks projects	Indirect Shareholder	-	-	⁽³⁾ 10.0

Notes:

(1) An entity incorporated in Cambodia. As at LPD, the directors of Mekong Amerjati Corporation are Rotdavy Heng, Reaksmei Hou, Bong Joon Fook and Ts. Wee Khiam Hui, and the shareholders are Mekong Advantech Group Co. Ltd. (an entity incorporated in Cambodia) (51.0%) and Amerjati Sdn Bhd (49.0%).

For avoidance of doubt, Mekong Amerjati Corporation has no relationship with Intelli Technology Vietnam and its director and/or shareholders of Intelli Technology Vietnam, i.e. Diep Do Nhu Phuong, Nguyen Thanh Trung and Nguyen Van Phu, save for Bong Joon Fook's indirect shareholdings in Intelli Technology Vietnam as well as Bong Joon Fook's indirect shareholdings and directorship in Mekong Amerjati Corporation.

(2) Deemed interested by virtue of his shareholding in Amerjati Sdn Bhd pursuant to Section 8 of the Act.

(3) Deemed interested by virtue of his shareholding in Exxor Technologies pursuant to Section 8 of the Act.

(d) Fong Tshu Kwong @ Fong Tshun Kwong

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvement</u> SFTK Consultants Sdn Bhd	Dormant with no intended activity	Director / Shareholder	19 July 2018	100.0	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Past Involvements</u>					
Kim Hin Industry Berhad (listed on the Main Market of Bursa Securities)	Provision of management services and investment holding with subsidiaries involved in trading of building materials, wholesaling and retailing of pavers, tiles, natural stone and retaining walls, as well as importing and distributing of ceramic walls and floor tiles	Independent Non-Executive Director	21 May 2001 / 24 May 2023	<0.1	-

(e) Helen Tan Miang Kieng

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvements</u>					
Cellvia Global Network Sdn Bhd	<ul style="list-style-type: none"> Retail marketing for cosmetic products and direct sales Investment in real estate properties 	Director / Shareholder	30 March 2016	70.0	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
Quantum Minerals Sdn Bhd	Dormant with the following intended activities: <ul style="list-style-type: none"> • Civil work, construction, mechanical and engineering • Mining, extracting, trading and processing of coal and rare elements • Design, build, supply and maintenance of solar energy systems 	Director / Shareholder	9 November 2016	50.0	-
Infinite Aggregates Sdn Bhd	Dormant, with the following previous activities: <ul style="list-style-type: none"> • Food and beverages • Design, build and supply for franchise outlets • Supply of packaging, ingredients, food and beverage items for franchise outlets 	Director / Shareholder	9 November 2016	35.0	-
Pyramid Mega Builders Sdn Bhd	Construction, renovation, engineering, mechanical, electrical and mining works	Director / Shareholder	8 November 2019	45.0	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Serial Resources Sdn Bhd	Dormant with the following intended activities: <ul style="list-style-type: none"> Excavation, operation, trading and exports of coal, stones, rare earth metals, nickel and other minerals and its by-products Investment in properties, factories, land and other businesses 	Director / Shareholder	13 December 2022	40.0	-
Wealthexcel Holdings Sdn Bhd	Investment holding in shares of companies involved in distribution of skin care products	Shareholder	-	25.0	-
Cellvia PLT	<ul style="list-style-type: none"> Stores specialised in retail sale of perfumery, cosmetic and toilet articles Sale by commission agents 	Partner	19 August 2022	-	-
Sophydevine Sdn Bhd	<ul style="list-style-type: none"> Wholesale of perfumeries, cosmetics, soap and toiletries Stores specialised in retail sale of perfumery, cosmetic and toilet articles Hairdressing and other beauty treatment 	Director / Shareholder	23 January 2025	50.0	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
<u>Past Involvements</u>					
Asiapac Builders Sdn Bhd	Civil, earth works, piling and infrastructure works	Director	24 August 2017 / 1 June 2021	-	-
Betsol (Sarawak) Sdn Bhd	Dissolved on 3 May 2024, with previous activity in manufacture of prepared animal feeds and fertilizer	Director / Shareholder	23 October 2019	90.0	-
Islah Mega (Sarawak) Sdn Bhd	Construction development services	Director	6 August 2020 / 2 March 2022	-	-
PESTEC International Berhad (formerly known as PESTECH International Berhad) (listed on the Main Market of Bursa Securities)	Project management, engineering, digitalization, manufacturing, installation, testing and commissioning of electrical power infrastructures for power grid and rail network	Independent Non-Executive Director	25 November 2021 / 4 September 2025	-	-

(f) Prof. Dr. Loo Chu Kiong

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
<u>Present Involvements</u>					
UMCH Technology Sdn Bhd	Provision of connective fitness, wellness and healthcare technology solutions	Director	16 May 2013	-	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
UMCH Holdings Sdn Bhd	Investment holding in shares of UMCH Technology Sdn Bhd	Director / Shareholder	21 July 2015	17.0	-
Renaissance PLT	Dormant with previous activity in IT consultancy and R&D	Partner	23 June 2017	-	-
Qinfiniti PLT	R&D in quantum technology	Partner	14 May 2024	-	-
InnoEdge Limited ⁽¹⁾	Provision of technology consultancy services	Director / Shareholder	7 February 2024	100.0	-
QScape PLT	R&D in quantum artificial intelligence	Partner	13 September 2024	-	-
Innonics Sdn Bhd	R&D in engineering, technology and information communication technology	Director / Shareholder	24 April 2025	8.0	-
<u>Past Involvements</u>					
Flexilicate Sdn Bhd	<ul style="list-style-type: none"> • Manufacture and customisation of micro glass tubing and capillary arrays, and specialty optical fibres and photonic crystal fibres • Develop, install and commission sensors for structural health monitoring applications 	Director	24 October 2017 / 19 September 2024	-	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
RS & GIS Global Sdn Bhd (formerly known as MPTC Holdings Sdn Bhd)	Provision of general medical services and investment holdings, artificial intelligence and robotic R&D and commercialisation	Director	13 May 2020 / 16 April 2023	-	-
Synthetic Robotics	<ul style="list-style-type: none"> • Software research • Development, maintenance, research, design and fabrication of robotics 	Partner	19 February 2019 / 31 March 2021	-	-

Note:

(1) An entity incorporated in Hong Kong.

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

The involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Additionally, the involvement of our Executive Directors in those business activities does not require significant amount of time as they are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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

5.2.4 Directors' remuneration and benefits

The remuneration of our Directors including fees, salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board. The fees and any benefits payable to our Directors shall be subject to annual approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution. Please refer to Section 15.3 for further details.

The aggregate remuneration and material benefits-in-kind paid to our Directors for services rendered in all capacities to our Group for FYE 2024, FYE 2025 and proposed to be paid for FYE 2026 are as follows:

	Directors' fees	Salaries	Bonuses	Other emolument	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
FYE 2024 (Paid)						
Datuk Haji Abdul Wahab bin Aziz	-	-	-	-	-	-
Ts. Wee Khiam Hui	-	186	45	29	20	280
Bong Joon Fook	-	186	45	28	15	274
Fong Tshu Kwong @ Fong Tshun Kwong	-	-	-	-	-	-
Helen Tan Miang Kieng	-	-	-	-	-	-
Prof. Dr. Loo Chu Kiong	-	-	-	-	-	-
FYE 2025 (Paid)						
Datuk Haji Abdul Wahab Bin Aziz	(1)63	-	-	(1)1	-	(1)64
Ts. Wee Khiam Hui	(2)16	220	25	31	32	324
Bong Joon Fook	(2)16	201	17	27	29	290
Fong Tshu Kwong @ Fong Tshun Kwong	(4)16	-	-	(4)<1	-	(4)16
Helen Tan Miang Kieng	(4)16	-	-	(4)<1	-	(4)16
Prof. Dr. Loo Chu Kiong	(4)16	-	-	(4)<1	-	(4)16

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

	Directors' fees	Salaries	Bonuses	Other emolument	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
FYE 2026 (Proposed)						
Datuk Haji Abdul Wahab Bin Aziz	120	-	-	(1)-	-	120
Ts. Wee Khiam Hui	30	264	(3)-	33	41	368
Bong Joon Fook	30	208	(3)-	26	38	302
Fong Tshu Kwong @ Fong Tshun Kwong	30	-	-	(4)-	-	30
Helen Tan Miang Kieng	30	-	-	(4)-	-	30
Prof. Dr. Loo Chu Kiong	30	-	-	(4)-	-	30

Notes:

- (1) Our Independent Non-Executive Chairman was appointed to our Board on 24 October 2024. The monthly Director's fee of RM10,000 and meeting allowance of RM1,000 per meeting day is payable upon attending Board meeting as and when required.
- (2) Monthly Director's fee of RM2,500 commencing November 2024 after the formation of our Board on 24 October 2024.
- (3) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.
- (4) Our Independent Non-Executive Directors were appointed to our Board on 24 October 2024. The monthly Director's fee of RM2,500 and meeting allowance of RM300 per meeting day is payable upon attending Board meeting as and when required.

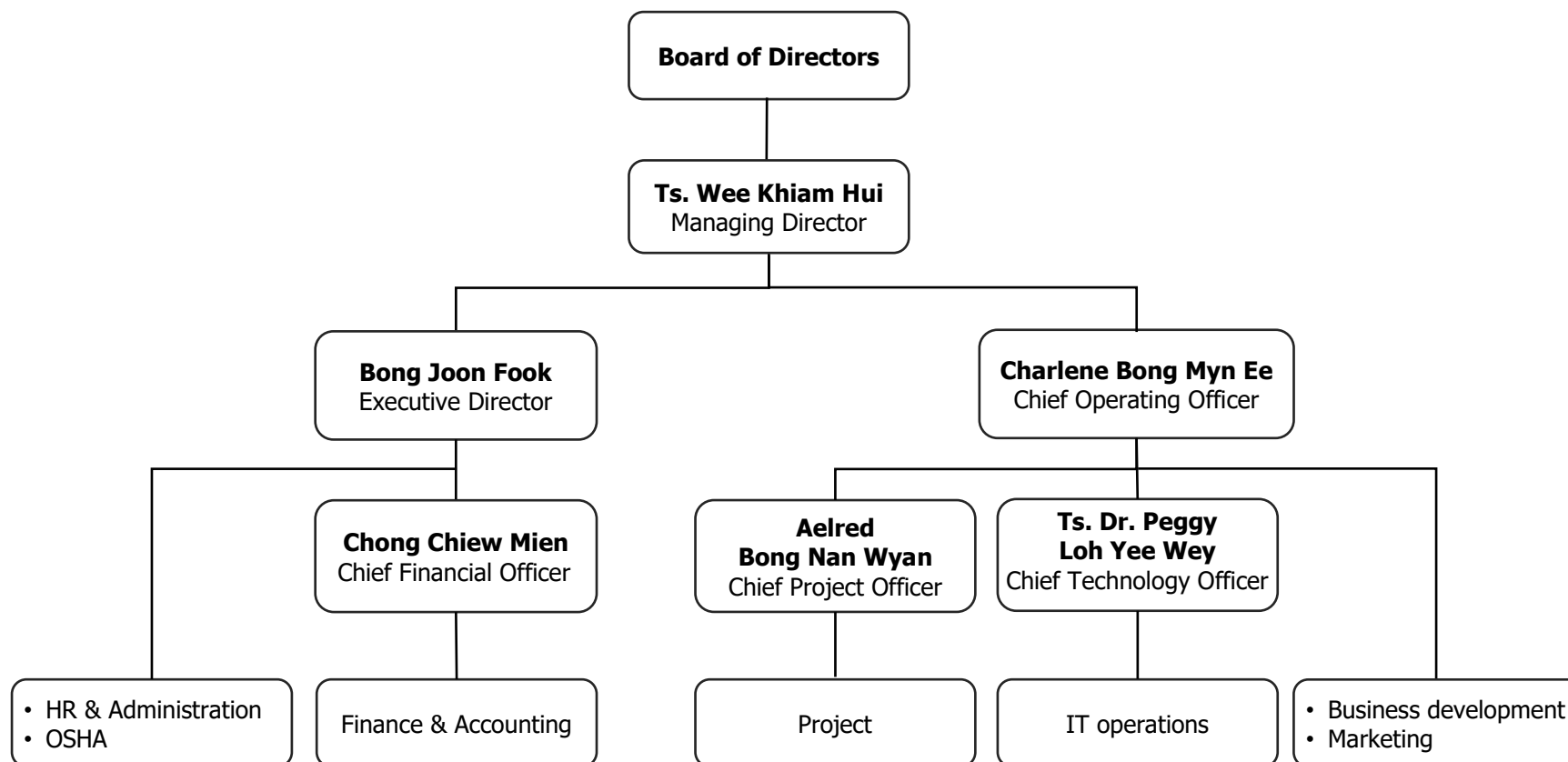
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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management structure

The management reporting structure of our Group is as follows:



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

5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Company before and after IPO, save for our Executive Directors (including our Managing Director), which are disclosed in Sections 5.1.1 and 5.2.1 are set out below:

Name	Designation / Nationality	⁽¹⁾ After Acquisitions but before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Charlene Bong Myn Ee	Chief Operating Officer / Malaysian	107,250,000	25.0	-	-	100,375,000	18.3	-	-
Chong Chiew Mien	Chief Financial Officer / Malaysian	-	-	-	-	⁽³⁾ 100,000	<0.1	-	-
Ts. Dr. Peggy Loh Yee Wey	Chief Technology Officer / Malaysian	-	-	-	-	⁽³⁾ 990,000	0.2	-	-

Notes:

- (1) Based on the share capital of 429,000,000 Shares after completion of the Acquisitions but before our IPO.
- (2) Based on the enlarged share capital of 550,000,000 Shares after our IPO.
- (3) Assuming she fully subscribes for her respective entitlements under the Pink Form Allocations.

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

5.3.3 Profiles of key senior management

Save for the profiles of Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee, which are set out in Section 5.1.2, the profiles of the other key senior management of our Group are as follows:

(a) Chong Chiew Mien

Chong Chiew Mien, a Malaysian female aged 49, is our Chief Financial Officer, responsible for overseeing our Group's accounting and finance functions.

In 1995, she obtained a Diploma in Accounting by the London Chamber of Commerce and Industry ("**LCCI**"). She was a Member of the ACCA since March 2012, and subsequently became a Fellow of the ACCA since 2017. In July 2012, she was certified as a Chartered Accountant by MIA.

In 1994, she joined Teo and Company, an audit firm, as an Audit Clerk. During the said tenure, she assisted in auditing tasks, semi-senior level accounting duties, and managing income tax-related matters.

She left the firm in 1999 and joined BHP Lysaght (Sarawak) Sdn Bhd (now known as NS BlueScope Lysaght (Sarawak) Sdn Bhd ("**BHP**") as an Account Assistant. During the said stint, she was responsible for assisting the accountant with bookkeeping matters and maintaining up-to-date accounting records.

She departed from BHP and she joined Yunco Enterprise Sdn Bhd in February 2000, for a short stint as an Account Assistant where she handled general accounting tasks, which include data entry, reconciling accounts, preparing invoices, and assisting with daily financial operations to ensure accurate record-keeping and reporting. In March 2000, she joined Eagle Food Industries (Sarawak) Sdn Bhd as a Senior Accounts Clerk, where she was responsible for maintaining ledgers, conducting year-end account closures and preparing monthly financial reports.

She left Eagle Food Industries (Sarawak) Sdn Bhd and joined Seng Huat Housewares Sdn Bhd (now known as HCE Borneo Supplies Sdn Bhd) in July 2000 as an Account Executive where she was responsible for supervising accounting and invoicing activities, as well as standardizing the company's management information system. She resigned in 2005 and took a career break.

From 2012 until 2015, she served as a part-time lecturer with FTMS International College (now known as FAME International College), lecturing in accounting, financial reporting and corporate governance related subjects. In 2013, she founded CM Chong Business Services, a sole proprietorship providing accounting and management services. The sole proprietorship was terminated in April 2025.

In August 2023, she joined Exxor Technologies as an Accountant where she is responsible for overseeing the finance and accounting department. She is also responsible for handling financial reporting tasks, developing and refining business processes, and training team members. In August 2024, she was redesignated to the role of Chief Financial Officer, a role she presently assumes. Prior to her employment with Exxor Technologies, the finance and accounting matters of our Group were managed by Chong Khiuk Moi, who was employed under Exxor Technologies since 2017 and continues to serve as the Finance Manager of our Group as at LPD.

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

Details of her involvements in other companies outside of our Group are set out in Section 5.3.4(b).

(b) Ts. Dr. Peggy Loh Yee Wey

Ts. Dr. Peggy Loh Yee Wey, a Malaysian female aged 39, is our Chief Technology Officer. She is responsible for leading our Group's overall IT operations and technological strategies, including the development and implementation of technological-driven initiatives, as well as overseeing the IT and engineering teams to ensure seamless operations.

She graduated with a Bachelor of Computer Science with Honours in Multimedia Computing from UNIMAS in 2009. She further obtained a Corporate Master in Business Administration from UNIMAS in October 2011. She also subsequently obtained her Doctor of Philosophy from UNIMAS in 2016. She has been a Professional Technologist, registered with the Malaysia Board of Technologists since November 2020.

In 2010, she commenced her career as a Project Coordinator and Project Assistant at Sebayor Holdings Sdn Bhd (now known as UNIMAS Holdings Sdn Bhd), where she was responsible for providing administrative support. She was promoted to Project and Operations Manager in July 2011 where she spearheaded projects across multiple sectors, including managing the implementation of Enterprise Resource Planning (ERP) system for a major Sarawak-based plantation company, integrating the GIS and data analytics to create comprehensive environmental sensitivity maps for an oil and gas corporation. She was also involved in the development of Decision Support Systems (DSS) for aquaculture, IoT-based smart farming frameworks, and digitization initiatives for Sarawak's tourism and utility sectors.

In 2019, she also took on the role of Project Manager at UNIMAS Holdings Sdn Bhd, where she was involved in digitalisation projects for utility agencies. In this capacity, she was responsible for managing the project lifecycle, offering consultancy on project design and implementation, and ensuring the alignment of advanced digital solutions with industry standards and client needs. She also managed key stakeholder relationships and oversaw risk management, quality assurance, and post-deployment optimization. She left the company in December 2023.

In January 2024, she joined UGlobal Solutions Sdn Bhd as the Project Manager, where she was responsible for project management, including overseeing project execution, managing timelines, deliverables, and stakeholders' relationship. She left the company and subsequently joined Exxor Technologies as Chief Technology Officer in August 2024, a role she presently assumes.

For information, she is the sister of Derick Loh Wei Chun ("**Derick Loh**"), the sole shareholder and director of Place2Stay since the incorporation of Place2Stay on 29 March 2017 up to LPD. Place2Stay and Derick Loh are not a related parties to our Group. Further, Place2Stay created a mobile application namely, Place2Stay, via its own internal IT team led by Derick Loh and Angela Wong (Project Director of Place2Stay) and for avoidance of doubt, Ts. Dr. Peggy Loh Yee Wey was not involved in the creation, design or development of the Place2Stay mobile application. Additionally, M&A Securities as the Sponsor confirms that there is no potential conflict of interest between our Group and Place2Stay.

Details of her involvement in other companies outside of our Group are set out in Section 5.3.4(c).

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

(c) Aelred Bong Nan Wyan

Aelred Bong Nan Wyan, a Malaysian male aged 32, is our Chief Project Officer, responsible for overseeing the planning and execution of projects, including managing project timelines, resources and budgets, ensuring all projects align with our Group's strategic objectives.

He graduated with a Bachelor of Science in Marketing from Newcastle University, UK in 2015. He is a member of the Malaysian Water Association since 2024.

In 2016, he started his career in Top Glove Sdn Bhd as a Marketing Executive where he was responsible for managing domestic and overseas sales, customer service, as well as executing marketing and promotional campaigns. He resigned from Top Glove Sdn Bhd and returned to Sarawak in June 2021, where he took a break.

In November 2021, he joined Exxor Technologies as the Business Development Executive, where he was responsible for coordinating and monitoring project timelines, as well as compiling and analysing sales data and market trends. He was also responsible for engaging with clients, which included preparing written proposals and product presentations to showcase the company's offerings, as well as participating in trade shows and conferences. In August 2023, he was redesignated to Business Development Manager, where he assumed similar responsibilities.

In September 2024, he was redesignated to Chief Project Officer, a role he presently assumes.

He is the son of Bong Joon Fook, our Promoter, substantial shareholder and Executive Director, and the brother of Charlene Bong Myn Ee, our Promoter, substantial shareholder and Chief Operating Officer.

Details of his involvements in other companies outside of our Group are set out in Section 5.3.4(d).

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

5.3.4 Principal business performed outside our Group

Save for our Executive Directors as disclosed in Section 5.2, the details of our key senior management's involvement in principal business activities and directorships outside our Group as at LPD ("**Present Involvements**") and in the past 5 years preceding LPD ("**Past Involvements**") are set out below:

(a) Charlene Bong Myn Ee

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvements</u>					
Amerjati Sdn Bhd	Investment holding in shares of Mekong Amerjati Corporation	Director / Shareholder	21 May 2021	25.0	-
Sarunity Sdn Bhd	Fitness centre	Director / Shareholder	27 April 2023	30.0	-
Mekong Amerjati Corporation ⁽¹⁾	Sand extraction, sales of power supply products, streetlights and elevators maintenance	Indirect shareholder	-	-	⁽²⁾ 49.0
Sparks Creations Company	Dormant, with previous activity in event management	Sole proprietor	22 November 2016	-	-
<u>Past Involvements</u>					
Advantage Focus Sdn Bhd	Dissolved on 10 August 2023. Previously involved in the provision of installation services for waterworks projects	Director	4 April 2018 / 14 June 2021	-	-

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

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
Maztrade Venture Sdn Bhd	Dissolved on 7 June 2022. Previously dormant with the intended activity of carrying out printing projects	Director / Shareholder	25 June 2019	29.0	-
Global Utilities Sdn Bhd	Dissolved on 4 June 2024. Previously dormant with the intended activity of carrying out waterworks projects	Indirect shareholder	-	-	⁽³⁾ 10.0

Notes:

- (1) An entity incorporated in Cambodia. As at LPD, the directors of Mekong Amerjati Corporation are Rotdavy Heng, Reaksmey Hou, Bong Joon Fook and Ts. Wee Khiam Hui, and the shareholders are Mekong Advantech Group Co. Ltd. (51.0%) and Amerjati Sdn Bhd (49.0%).
- (2) Deemed interested by virtue of her shareholding in Amerjati Sdn Bhd pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of her shareholdings in Exxor Technologies pursuant to Section 8 of the Act.

(b) Chong Chiew Mien

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvement</u>					
NIL					
<u>Past Involvement</u>					
CM Chong Business Services	Accounting and management service provider	Sole proprietor	10 December 2013 / 30 April 2025	-	-

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

(c) Ts. Dr Peggy Loh Yee Wey

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvement</u>					
Prescient Lead Sdn Bhd	Restaurant operations	Director / Shareholder	16 November 2021	100.0	-
<u>Past Involvement</u>					
NIL					

(d) Aelred Bong Nan Wyan

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment / Date of cessation</u>	<u>% of shareholdings held</u>	
				<u>Direct</u>	<u>Indirect</u>
<u>Present Involvement</u>					
Sarunity Sdn Bhd	Fitness centre	Director / Shareholder	27 April 2023	30.0	-
<u>Past Involvement</u>					
Advantage Focus Sdn Bhd	Dissolved on 10 August 2023. Previously involved in the provision of installation services for waterworks projects	Director	14 June 2021	20.0	-

The involvement of our key senior management in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Their involvement in those business activities (which are managed by the other partners/directors) does not require significant amount of time, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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

5.3.5 Key senior management remuneration and benefits

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

The aggregate remuneration and material benefits-in-kind (in bands of RM50,000) paid and proposed to be paid to our key senior management (save for our Directors which are disclosed in Section 5.2.4) for services rendered in all capacities to our Group for FYE 2024, FYE 2025 and FYE 2026 are as follows:

	⁽¹⁾ Remuneration band		
	FYE 2024	FYE 2025	⁽²⁾ FYE 2026
	(Paid)	(Paid)	(Proposed)
	RM'000	RM'000	RM'000
Charlene Bong Myn Ee	50 - 100	100 - 150	100 - 150
Chong Chiew Mien	50 - 100	100 - 150	100 - 150
Ts. Dr. Peggy Loh Yee Wey ⁽³⁾	⁽³⁾ -	50 - 100	100 - 150
Aelred Bong Nan Wyan	50 - 100	100 - 150	100 - 150

Notes:

- (1) The remuneration for key senior management includes salaries, bonuses, allowances and other emoluments.
- (2) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.
- (3) Ts. Dr. Peggy Loh Yee Wey joined our Group on 1 August 2024. Prior to the appointment of Ts. Dr. Peggy Loh Yee Wey as our Group's Chief Technology Officer, there was no Chief Technology Officer in our Group and our Managing Director, Ts. Wee Khiam Hui was overseeing our IT operations department. In this regard, the appointment of Ts. Dr. Peggy Loh Yee Wey was envisaged as our Group had progressively expanded its portfolio of IT solutions and would therefore benefit from her expertise in developing and implementing technological-driven initiatives in the growing range of IT solutions of our Group whilst relieving Ts. Wee Khiam Hui of the same for him to better carry out his duties as our Managing Director.

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

5.4 BOARD PRACTICE

5.4.1 Board

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

- (a) to provide leadership and oversee the overall conduct of our Group's businesses to ensure that our businesses are being properly managed;
- (b) to review and adopt strategic plans for our Group and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced;
- (c) to review and adopt corporate governance best practices in relation to risk management, legal and compliance management and internal control systems to safeguard our Group's reputation, and the employees and assets and to ensure compliance with applicable laws and regulations;
- (d) to ensure that our Group has effective Board committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by the MCCG;
- (e) to review and approve our Group's annual business plans, annual budget, financial statements and annual reports;
- (f) to monitor the relationship between our Group and our management, shareholders and stakeholders, and to develop and implement an investor relations programme or effective shareholders' communications policy for our Group;
- (g) to ensure that key senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of our Board and key senior management;
- (h) to ensure the integrity of our Group's financial and non-financial reporting; and
- (i) to appoint our Board committees, to delegate powers to such committees, to review the composition, performance and effectiveness of such committees, and to review the reports prepared by our Board committees and deliberate on the recommendations thereon.

In accordance with our Constitution, an election of Directors shall take place each year. At the first AGM of our Company, all our Directors shall retire from office, and at the AGM in every subsequent year, one-third (1/3) of the Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to 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 in every 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 whether adjourned or not.

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

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

Name	Date of appointment as Director	Date of expiration of the current term in office	Approximate tenure in office as at LPD
Datuk Haji Abdul Wahab Bin Aziz	24 October 2024	Retires at the forthcoming AGM in 2025	Less than 1 year
Ts. Wee Khiam Hui	27 August 2024	Retires at the forthcoming AGM in 2025	1 year and 1 month
Bong Joon Fook	27 August 2024	Retires at the forthcoming AGM in 2025	1 year and 1 month
Fong Tshu Kwong @ Fong Tshun Kwong	24 October 2024	Retires at the forthcoming AGM in 2025	Less than 1 year
Helen Tan Miang Kieng	24 October 2024	Retires at the forthcoming AGM in 2025	Less than 1 year
Prof. Dr. Loo Chu Kiong	24 October 2024	Retires at the forthcoming AGM in 2025	Less than 1 year

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

Our Board acknowledges and takes cognisance of the MCCG which contains best practices and guidance for listed companies and intends to have our Group adhere to its recommendations. Specifically, on Practice Note 5.9, where it is recommended that our Board comprise at least 30% women directors. As at the date of this Prospectus, our Board comprises 1 women Board member out of a total of 6 Board members, which represents 16.7% of our Board, and is a departure from Practice Note 5.9. We undertake to secure the appointment of 1 additional woman Director within a year after our Listing to meet the recommendation of 30% women Board members.

Save for Practice Note 5.9, 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 MCCG that at least half of the Board comprises Independent Non-Executive Directors and that our chairman of the Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee.

5.4.2 Audit and Risk Management Committee

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

- (a) to review the audit plan, evaluation of the system of internal controls and audit report with the external auditors;
- (b) to review the engagement, compensation, performance, qualifications and independence of our external auditors, its conduct of the annual statutory audit of our financial statements, and the engagement of external auditors for all other services;

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

- (c) to recommend the nomination or re-appointment of external auditors on annual basis;
- (d) to review and recommend our quarterly results and annual financial statements for approval by our Board, focusing in particular on any changes in or implementation of major accounting policies and practices, significant and unusual events, significant adjustments arising from the audit, going concern assumption and compliance with accounting standards and other regulatory or legal requirements;
- (e) to review and monitor any related party transactions entered into by our Group and any conflict of interest situations that may arise within our Group;
- (f) to oversee and recommend the risk management framework of our Group;
- (g) to review and recommend changes as needed to ensure that our Group has in place at all times a risk management policy which addresses the strategies, operational, financial and compliance risk;
- (h) to implement and maintain a sound risk management framework which identifies, assesses, manages and monitors our Group's business risks;
- (i) to review the risk profile of our Group and to evaluate the measures taken to mitigate the business risks;
- (j) to review the adequacy of our management's response to issues identified in risk registers, ensuring that our risks are managed within our Group's risk appetite;
- (k) to perform the oversight function over the administration of whistleblowing policy that is approved and adopted by our Board and to protect the values of transparency, integrity, impartiality and accountability where our Group conducts its business and affairs;
- (l) to consider the major findings of internal investigations and management's response;
- (m) to do the following:
 - (i) establishment of an internal audit function (either in house or outsourced , as applicable) which is independent of the activities its audits and to ensure that the internal audit function reports directly to the Audit and Risk Management Committee;
 - (ii) review the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - (iii) review the internal audit plan and results of the internal audit assessments undertaken and ensure that the appropriate action is taken on the recommendation of the internal auditors;
 - (iv) consider the internal audit reports and findings by the internal auditors, fraud investigation and actions and steps taken by our management in response to audit findings;
 - (v) appraise or assess the performance of members of the internal audit function; and

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

- (vi) monitor the overall performance of our Company's internal audit function;
- (n) to consider other areas as defined by our Board or as may be prescribed by Bursa Securities or any other relevant authority from time to time; and
- (o) to perform such other functions that may be mutually agreed upon by our Audit and Risk Management Committee and our Board.

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

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

Name	Designation	Directorship
Fong Tshu Kwong @ Fong Tshun Kwong	Chairman	Independent Non-Executive Director
Helen Tan Miang Kieng	Member	Independent Non-Executive Director
Prof. Dr. Loo Chu Kiong	Member	Independent Non-Executive Director

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

5.4.3 Nomination Committee

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

- (a) to assess and recommend to our Board, the candidate for directorship, Chairman or Chief Executive Officer, based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender;
- (b) when identifying candidate for directorship, Chairman or Chief Executive Officer, aside from recommendation by the existing Board members, management or shareholders, the Nomination Committee shall utilise independent sources or any other sources to identify the suitably qualified candidate;
- (c) to assess and examine, on annual basis or as and when require, the size and composition of our Board and Board committees, with a view to determining the impact of the number upon its effectiveness;
- (d) to ensure sufficient diversity and independence in our Board in order to achieve greater depth and breadth in the decision-making process;
- (e) to review on annual basis, the required mix of skills, experience, gender diversity and other qualities including core competencies which Non-Executive and Executive Directors should have;
- (f) to review on annual basis, the meeting attendance of the Directors at our Board and/or Board Committee(s) meetings and sufficiency of time commitment of the Directors in discharging their roles and responsibilities in our Company;
- (g) to review on annual basis, the term of office and performance of the Audit and Risk Management Committee and each of its members to determine whether the Audit and Risk Management Committee and members have carried out their duties in accordance

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

with the terms of reference of the Audit and Risk Management Committee;

- (h) to assess on annual basis, the effectiveness of our Board as a whole, our Board committee(s) and the contribution and performance of each individual Director;
- (i) to review on annual basis, the length of service each Independent Non-Executive Director and to assess their independence and ability to exercise of their independent judgement or the ability to act in the best interest of our Company;
- (j) for Independent Director whose terms have exceeded 9 years' tenure, to review his independence and if deemed appropriate for continuance in the office, to provide justification to our Board for consideration;
- (k) to review on annual basis, the training programmes attended by our Directors and to identify or recommend the training needs for our Directors;
- (l) to consider and recommend the re-election of Directors who will be retiring pursuant to our Constitution;
- (m) to develop and continually review the succession plan for our Board, Chairman and senior management of our Company;
- (n) to consider and examine such other matters as the Nomination Committee considers appropriate; and
- (o) to consider any other matters as defined by our Board.

The recommendations of our Nomination Committee are subject to the approval of our Board. The members of our Nomination Committee as at LPD are as follows:

Name	Designation	Directorship
Helen Tan Miang Kieng	Chairperson	Independent Non-Executive Director
Fong Tshu Kwong @ Fong Tshun Kwong	Member	Independent Non-Executive Director
Prof. Dr. Loo Chu Kiong	Member	Independent Non-Executive Director

5.4.4 Remuneration Committee

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

- (a) to administer a fair and transparent policy or procedure for setting remuneration of Directors and senior management, which takes into account the demands, complexities and performance of our Company as well as skills and experience required. The policy or procedure shall be reviewed periodically to ensure relevance to our Group;
- (b) to review and assess the remuneration package of the Executive Directors and senior management in all forms, with or without other independent professional advice or other outside advice;
- (c) to ensure the level of remuneration is sufficiently attractive and be able to retain and reward our Executive Directors and senior management in order to run businesses of our Group successfully;

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

- (d) to ensure the level of remuneration or fee should reflect the experience and level of responsibilities undertaken by the particular Director;
- (e) to recommend to our Board the remuneration package of the Executive Directors and directors' fee and other benefits for the Non-Executive Directors;
- (f) when recommending the fee and other benefits for the Independent Directors, the Remuneration Committee shall ensure it does not conflict with the Independent Directors' obligation to bring objectivity and independent judgment on matters discussed at Board meetings;
- (g) to consider and examine such other matters as the Remuneration Committee considers appropriate; and
- (h) to consider any other matters as defined by our Board.

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

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

Name	Designation	Directorship
Helen Tan Miang Kieng	Chairperson	Independent Non-Executive Director
Fong Tshu Kwong @ Fong Tshun Kwong	Member	Independent Non-Executive Director
Prof Dr. Loo Chu Kiong	Member	Independent Non-Executive Director

5.5 RELATIONSHIPS AND/OR ASSOCIATIONS

Save as disclosed below, there are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and key senior management as at LPD:

Name	Position	Relationship
Bong Joon Fook	Promoter, substantial shareholder and Executive Director	Father of Charlene Bong Myn Ee and Aelred Bong Nan Wyan
Charlene Bong Myn Ee	Promoter, substantial shareholder and Chief Operating Officer	Daughter of Bong Joon Fook
Aelred Bong Nan Wyan	Chief Project Officer	Son of Bong Joon Fook

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

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

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

5.7 DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

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

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6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON IAB

Our Company was incorporated in Malaysia under the Act on 27 August 2024 as a private limited company under the name of Insights Analytics Sdn Bhd. On 8 January 2025, we were converted into a public limited company and adopted our present name.

Our principal activity is investment holding. Through our subsidiaries, our Group is a technology solutions provider, principally involved in the supply of water technology solutions for water management across the water utility supply chain from water treatment to distribution, primarily in Sarawak. We also supply intelligent asset management solutions for customers in other industries such as hospitality, transportation and construction. Please refer to Sections 7.1 and 7.2 for detailed information of our Group's history and business model. Save as disclosed therein, there has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD.

As at LPD, our share capital is RM19,562,495 comprising 429,000,000 Shares, all of which have been issued and fully paid-up. The movements in our share capital since the date of our incorporation are set out below:

Date of allotment	No. of Shares allotted	Consideration / Types of issue	Cumulative share capital RM
27 August 2024	100	RM100 / Subscriber's share	100
15 July 2025	428,999,900	RM19,562,395 / Consideration for the Acquisitions	19,562,495

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

Upon completion of our IPO, our enlarged share capital will increase to RM63,122,495 comprising 550,000,000 Shares.

6.2 DETAILS OF THE ACQUISITIONS

In preparation for our Listing, we have undertaken the Acquisitions as follows:

(a) Acquisition of Exxor Technologies

On 26 December 2024, we entered into a conditional share sale agreement with Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee to acquire the entire equity interest in Exxor Technologies comprising 1,000,000 ordinary shares for a purchase consideration of RM19.6 million which was satisfied by the issuance of 428,999,900 new Shares to Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee at an issue price of approximately RM0.0456 each.

6. INFORMATION ON OUR GROUP (Cont'd)

Details of the vendors and the number of Shares issued to them under the Acquisition of Exxor Technologies are set out below:

Vendors	Shareholding in Exxor Technologies		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
Ts. Wee Khiam Hui	510,000	51.0	9,976,821	218,789,949
Bong Joon Fook	240,000	24.0	4,694,975	102,959,976
Charlene Bong Myn Ee	250,000	25.0	4,890,599	107,249,975
	1,000,000	100.0	19,562,395	428,999,900

The purchase consideration for the Acquisition of Exxor Technologies of RM19.6 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the audited consolidated NA of Exxor Technologies and its subsidiaries as at 30 April 2024 of approximately RM19.6 million.

(b) Acquisition of Exxor Data Solutions

On 26 December 2024, we entered into a conditional share sale agreement with Ts. Wee Khiam Hui and Bong Joon Fook to acquire the entire equity interest in Exxor Data Solutions comprising 100 ordinary shares for a cash consideration of RM1,000.

Vendors	Shareholding in Exxor Data Solutions		Purchase consideration
	No. of shares acquired	% of share capital	
Bong Joon Fook	50	50.0	500
Ts. Wee Khiam Hui	50	50.0	500
	100	100.0	1,000

The purchase consideration for the Acquisition of Exxor Data Solutions of RM1,000 was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited net liabilities of Exxor Data Solutions as at 30 April 2024 of RM8,906.

As at LPD, Exxor Data Solutions is a dormant company. The acquisition of Exxor Data Solutions is to facilitate our Group's intention to expand into the provision of infrastructure for hosting, data processing services and related activities as well as ICT system security.

The Acquisitions are subject to the following conditions precedent, as stipulated under the respective conditional share sale agreements:

- Bursa Securities' approval for the Listing being obtained;
- the approval-in-principle by Bursa Securities for the registration of the Prospectus being obtained; and
- any other approvals required in relation to the Acquisitions being obtained, if any.

6. INFORMATION ON OUR GROUP (Cont'd)

The Acquisitions were completed on 15 July 2025 and 21 July 2025, respectively. Thereafter, Exxor Technologies and Exxor Data Solutions became our wholly-owned subsidiaries, as set out in our group structure in Section 6.3.

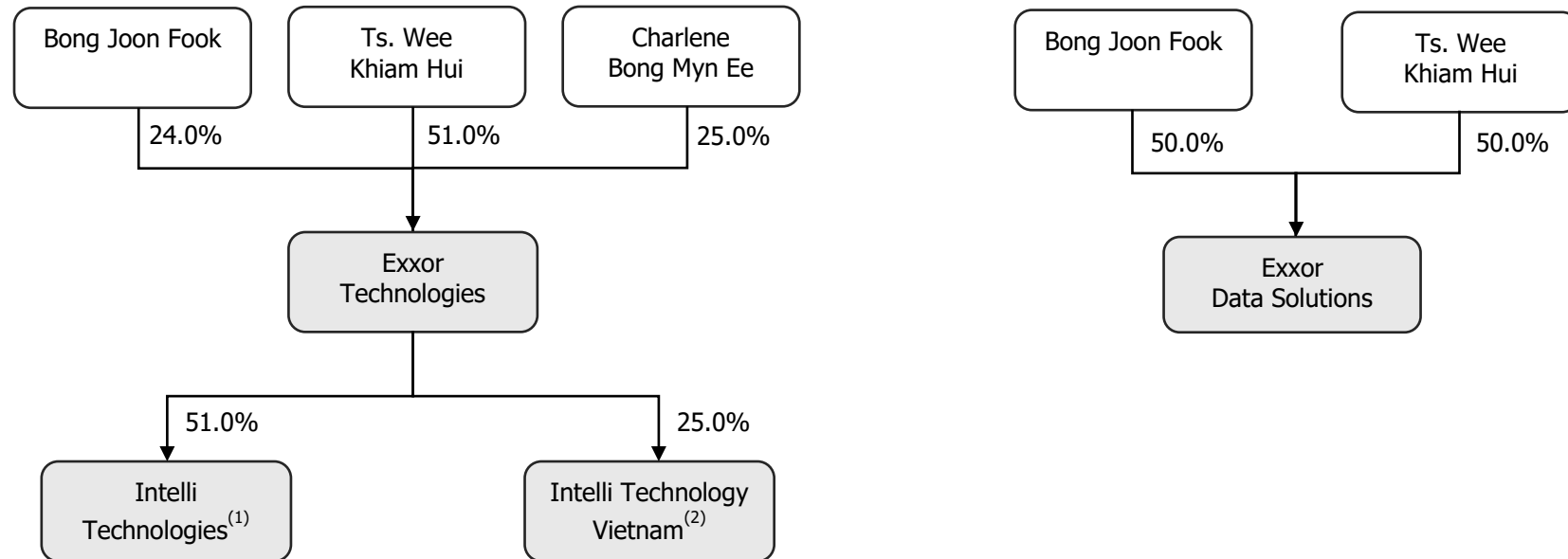
The new Shares issued under the Acquisitions rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and/or other distributions, the entitlement date of which is subsequent to the date of issuance of the new Shares.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.3 GROUP STRUCTURE

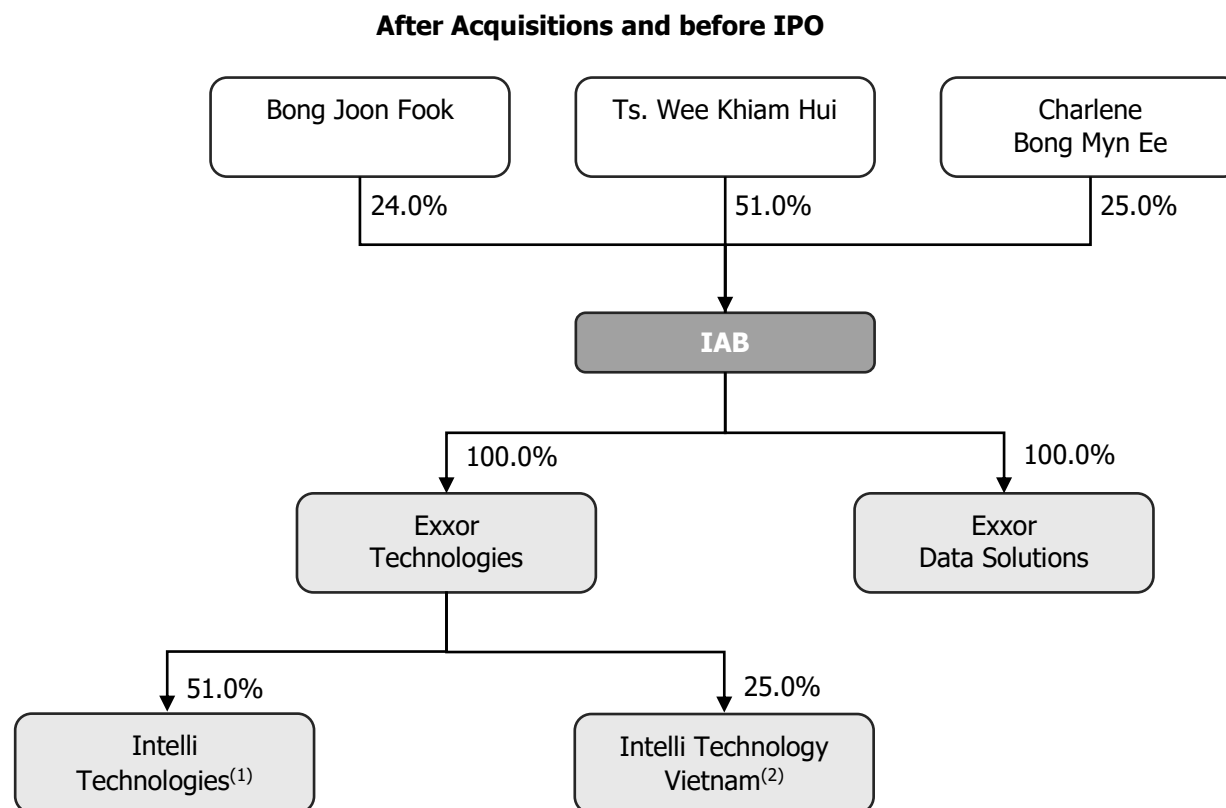
Before Acquisitions



Notes:

- (1) The remaining shares of Intelli Technologies are held by Diep Do Nhu Phuong (49.0%), a Vietnamese citizen and she has no relationship with our Group other than as a shareholder and director in Intelli Technologies and Intelli Technology Vietnam.
- (2) The remaining shares of Intelli Technology Vietnam are held by Diep Do Nhu Phuong (51.0%), Nguyen Thanh Trung (12.0%) and Nguyen Van Phu (12.0%), all of whom are Vietnamese citizens and none of them has any relationship with our Group other than as shareholders in Intelli Technology Vietnam and Diep Do Nhu Phuong as a shareholder and director of both Intelli Technologies and Intelli Technology Vietnam. Through Intelli Technologies, Diep Do Nhu Phuong currently oversees the coordination between our Group with her team in Intelli Technology Vietnam in relation to Intelli Water System.

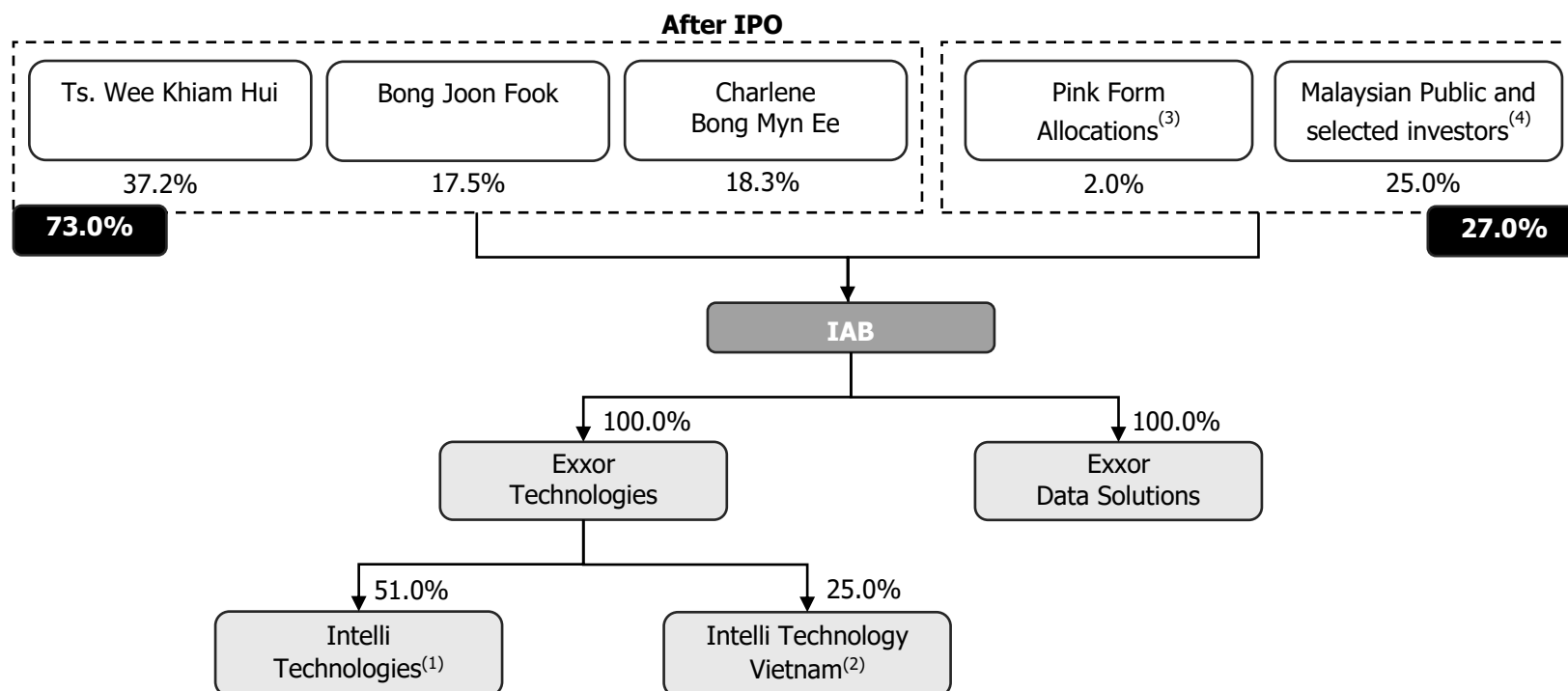
6. INFORMATION ON OUR GROUP (Cont'd)



Notes:

- (1) The remaining shares of Intelli Technologies are held by Diep Do Nhu Phuong (49.0%), a Vietnamese citizen and she has no relationship with our Group other than as a shareholder and director in Intelli Technologies and Intelli Technology Vietnam.
- (2) The remaining shares of Intelli Technology Vietnam are held by Diep Do Nhu Phuong (51.0%), Nguyen Thanh Trung (12.0%) and Nguyen Van Phu (12.0%), all of whom are Vietnamese citizens and none of them has any relationship with our Group other than as shareholders in Intelli Technology Vietnam and Diep Do Nhu Phuong as a shareholder and director of both Intelli Technologies and Intelli Technology Vietnam. Through Intelli Technologies, Diep Do Nhu Phuong currently oversees the coordination between our Group with her team in Intelli Technology Vietnam in relation to Intelli Water System.

6. INFORMATION ON OUR GROUP (Cont'd)



Notes:

- (1) The remaining shares of Intelli Technologies are held by Diep Do Nhu Phuong (49.0%), a Vietnamese citizen and she has no relationship with our Group other than as a shareholder and director in Intelli Technologies and Intelli Technology Vietnam.
- (2) The remaining shares of Intelli Technology Vietnam are held by Diep Do Nhu Phuong (51.0%), Nguyen Thanh Trung (12.0%) and Nguyen Van Phu (12.0%), all of whom are Vietnamese citizens and none of them has any relationship with our Group other than as shareholders in Intelli Technology Vietnam and Diep Do Nhu Phuong as a shareholder and director of both Intelli Technologies and Intelli Technology Vietnam. Through Intelli Technologies, Diep Do Nhu Phuong currently oversees the coordination between our Group with her team in Intelli Technology Vietnam in relation to Intelli Water System.
- (3) Assuming that all our Eligible Persons will subscribe for the Pink Form Allocations.
- (4) Includes Bumiputera investors approved by MITI.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4 SUBSIDIARIES AND ASSOCIATED COMPANY

Details of our subsidiaries and associated company as at LPD are summarised as follows:

<u>Company / Registration no.</u>	<u>Date / Place of incorporation</u>	<u>Principal place of business</u>	<u>Issued share capital</u>	<u>Effective equity interest %</u>	<u>Principal activities</u>
Exxor Technologies / 200301013508 (615928-W)	22 May 2003 / Malaysia	Malaysia	RM1,000,000	100.0	Provision of water technology solutions and intelligent asset management solutions
Exxor Data Solutions / 202201011324 (1457021-W)	29 March 2022 / Malaysia	Malaysia	RM100	100.0	Dormant, intended for provision of infrastructure for hosting, data processing services and related activities as well as ICT system security
<u>Subsidiary of Exxor Technologies</u>					
Intelli Technologies / 201901011906 (1321234-V)	8 April 2019 / Malaysia	Malaysia	RM100	(¹)51.0	Provision of software development and related services
<u>Associated company of Exxor Technologies</u>					
Intelli Technology Vietnam / 0315749071	20 June 2019 / Vietnam	Vietnam	VND9,000,000,000 (equivalent to RM1,440,000 based on BNM's exchange rate of VND100: RM0.0160 as at LPD)	(¹)25.0	Provision of software development and related services(²)

Notes:

- (¹) The voting rights held by our Group in Intelli Technologies and Intelli Technology Vietnam is proportional to our equity interest in the respective companies.

6. INFORMATION ON OUR GROUP (Cont'd)

- (2) Intelli Technology Vietnam offers intelligent asset management solutions for wastewater, electricity, telecommunication, gas and environmental management in Vietnam. Since the completion on the development of Intelli Water System as set out in Section 7.2.2.1, Intelli Technology Vietnam has continued to provide software programming and commissioning services to Intelli Technologies with regards to our customers who use the Intelli Water System, and on 10 December 2024, Intelli Technology Vietnam entered into a SLA with Intelli Technologies to formalise this arrangement. Further, Intelli Technology Vietnam has sold and implemented Intelli Water System for a water agency in Vietnam.

Details of the share capital of our subsidiaries and associated company are set out in Section 15.2.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.5 MATERIAL CONTRACTS

Save as disclosed below, there were no contracts which are or may be material (not being contracts entered into in the ordinary course of business) entered into by our Group for FYE 2022 to 2025 and up to LPD:

- (a) Sale agreement dated 21 October 2024 and supplemental agreement dated 6 May 2025 between Exxor Technologies and Place2Stay in respect of the acquisition of the Integrated Smart Hotel Operations, Management and Reservation System (IntelliHotel System) for a total cash consideration of RM5.0 million (including sales and service tax), which were completed in October 2024;
- (b) Sale agreement dated 21 October 2024 and supplemental agreement dated 6 May 2025 between Exxor Technologies and Place2Stay in respect of the acquisition of the Centralised Smart Transport Management System (IntelliTrack System) for a total cash consideration of RM4.0 million (including sales and service tax), which were completed in October 2024;
- (c) Sale agreement dated 21 October 2024 and supplemental agreement dated 6 May 2025 between Exxor Technologies and Place2Stay in respect of the acquisition of the Integrated Construction Site Resources Information Management System (IntelliConstruct System) for a total cash consideration of RM4.2 million (including sales and service tax), which were completed in October 2024;
- (d) Sale agreement dated 1 November 2024 and supplemental agreement dated 6 May 2025 between Exxor Technologies and Place2Stay in respect of the acquisition of the Integrated Smart Road Maintenance and Management System (IntelliRoad System) for a total cash consideration of RM0.2 million (including sales and service tax), which were completed in November 2024;
- (e) Shareholders' agreement dated 10 December 2024 between Exxor Technologies and Diep Do Nhu Phuong in respect of Intelli Technologies, pursuant to which the parties have agreed to enter into this agreement to regulate their respective rights as shareholders of Intelli Technologies;
- (f) Conditional share sale agreement dated 26 December 2024 with Bong Joon Fook, Ts. Wee Khiam Hui and Charlene Bong Myn Ee to acquire the entire equity interest in Exxor Technologies comprising 1,000,000 ordinary shares for a purchase consideration of RM19.6 million which was satisfied by the issuance of 428,999,900 new Shares to Bong Joon Fook, Ts. Wee Khiam Hui and Charlene Bong Myn Ee at an issue price of approximately RM0.0456 each, which was completed on 15 July 2025;
- (g) Conditional share sale agreement dated 26 December 2024 with Bong Joon Fook and Ts. Wee Khiam Hui to acquire the entire equity interest in Exxor Data Solutions comprising 100 ordinary shares for a purchase consideration of RM1,000 which was satisfied via cash to Bong Joon Fook and Ts. Wee Khiam Hui, which was completed on 21 July 2025; and
- (h) Underwriting agreement dated 18 August 2025 between our Company and M&A Securities for the underwriting of 38,500,000 Issue Shares for an underwriting commission of 3.0% of the IPO Price multiplied by the number of Issue Shares underwritten.

6. INFORMATION ON OUR GROUP (Cont'd)

The acquisition of the 4 intelligent asset management solutions as set out in item (a) to (d) above were completed upon the successful transfer or registration of the ownership and copyright under Exxor Technologies as set out in Section 6.8.3. The purchase consideration of RM0.2 million for Integrated Smart Road Maintenance and Management System has been paid in full, whilst the remaining RM13.2 million purchase consideration is to be settled on a deferred monthly basis over 36 months, amounting to a monthly repayment of RM0.37 million via our internally generated funds. Please refer to Section 7.2.2.2 for further details.

6.6 PUBLIC TAKE-OVERS

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

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

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6. INFORMATION ON OUR GROUP (Cont'd)

6.7 MAJOR APPROVALS AND LICENCES

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

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status												
(a)	Exxor Technologies	CIDB / Malaysia	29 May 2023 / 26 August 2026	Certificate of Registration in respect of Grade 7 for categories of: <table border="1" data-bbox="878 612 1348 844"> <thead> <tr> <th>Grade</th> <th>Category</th> <th>Specialist</th> </tr> </thead> <tbody> <tr> <td>G7</td> <td>B</td> <td>B04</td> </tr> <tr> <td>G7</td> <td>CE</td> <td>CE21 CE39</td> </tr> <tr> <td>G7</td> <td>ME</td> <td>M15 M20 M22 M23</td> </tr> </tbody> </table>	Grade	Category	Specialist	G7	B	B04	G7	CE	CE21 CE39	G7	ME	M15 M20 M22 M23	1. Exxor Technologies shall comply with the provisions of the CIDB Act, the regulations made under it and any terms, conditions or restrictions imposed by CIDB from time to time. 2. Exxor Technologies may not participate in any tender or perform any construction work after the expiry of this certificate until it is renewed. 3. Exxor Technologies shall not undertake to build any construction project that exceeds the value of construction work specified under the registered grade and shall be prohibited from carrying out any construction project outside its registration category.	Complied and noted Noted Complied
Grade	Category	Specialist																
G7	B	B04																
G7	CE	CE21 CE39																
G7	ME	M15 M20 M22 M23																
				Maximum value of construction work: unlimited														

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
					4. Exxor Technologies shall submit the information regarding any construction work or contract within a period of fourteen (14) days after being awarded or prior to commencement of the construction work, whichever is earlier.	Complied and noted
					5. Exxor Technologies shall submit any information required by CIDB from time to time.	Complied and noted
					6. Exxor Technologies shall exhibit its Certificate of Registration issued by CIDB or a copy of such at its place of business.	Complied
					7. Exxor Technologies shall apply for renewal within sixty (60) days prior to the expiry date specified in the certificate.	Noted
					8. Exxor Technologies shall appoint skilled construction workers and site supervisors accredited and certified by CIDB.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status						
(b)	Exxor Technologies	MOF Malaysia	/ 26 September 2023 / 11 December 2026	Certificate of Registration for the provision of supply and service under the following field codes:	<p>9. Exxor Technologies shall comply with all requirements and stipulations in the Contractor's Code of Ethics.</p> <p>10. All workers at the construction site must have a valid Construction Personnel Card.</p> <p>1. Exxor Technologies should ensure that the field registered in the certificate does not overlap with the field that has received approval by any companies that:</p> <p>(aa) comprise the same owner or board of directors/director, management and employee; or</p> <p>(ba) operates in the same premise.</p> <p>2. Newly registered companies are not allowed to make any changes to the shareholder or director within six (6) months from the date the company is registered.</p> <p>3. Exxor Technologies must submit the application for renewal within three (3) months prior to the expiry date of the certificate.</p>	<p>Complied</p> <p>Complied</p> <p>Complied and noted</p> <p>Complied</p> <p>Noted</p>						
				<table border="1"> <thead> <tr> <th>Code No.</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>080101</td> <td>Civil engineering, construction and public facilities equipment/ Public facilities/ equipment</td> </tr> <tr> <td>090102</td> <td>Construction materials and road safety equipment/ Construction materials/ Pipes and fittings</td> </tr> </tbody> </table>	Code No.	Details	080101	Civil engineering, construction and public facilities equipment/ Public facilities/ equipment	090102	Construction materials and road safety equipment/ Construction materials/ Pipes and fittings		
Code No.	Details											
080101	Civil engineering, construction and public facilities equipment/ Public facilities/ equipment											
090102	Construction materials and road safety equipment/ Construction materials/ Pipes and fittings											

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
				130102 Engineering equipment and production machines/ Machines, workshop equipment and production machines/ Specific machines and equipment	4. Exxor Technologies must ensure that the registration with the MOF remains active throughout the enforcement period of the contract.	Complied and noted
				220505 Services/ Maintenance/ repair engineering and communication/ Mechanisation system (conveyor, lift, etc.)		
				220507 Services/ Maintenance/ repair engineering and communication/ Pump/ water pipes and components		
				222602 Services/ Electrical and electronic engineering services/ Lighting (illumination)		
				210103 ICT/ Computer equipment and supplies/ Hardware and components/ Computer software, operating system, database, off-the-shelf packages including maintenance		

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
				210108 ICT/ Computer equipment and supplies/ Hardware and components/ Multimedia-products, services, and maintenance		
				210110 ICT/ Computer equipment and supplies/ Hardware and components/ Geographic information system (GIS) and services		
				130202 Engineering equipment and production machines/ Electric power and generator equipment/ Spare parts and batteries/ Specific machines and equipment		
				130301 Engineering equipment and production machines/ Sewerage system/ Sewerage system equipment and accessories		

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status																		
				<table border="1"> <tr> <td>140203</td> <td>Electrical and electronic engineering equipment/ Electric power stations and generator equipment/ Spare parts and batteries/ Energy storage devices and accessories</td> </tr> <tr> <td>220504</td> <td>Services/ maintenance/ repair of engineering and communications/ workshop machinery and equipment</td> </tr> <tr> <td>222701</td> <td>Services/ Other services/ Telecommunications management</td> </tr> </table>	140203	Electrical and electronic engineering equipment/ Electric power stations and generator equipment/ Spare parts and batteries/ Energy storage devices and accessories	220504	Services/ maintenance/ repair of engineering and communications/ workshop machinery and equipment	222701	Services/ Other services/ Telecommunications management														
140203	Electrical and electronic engineering equipment/ Electric power stations and generator equipment/ Spare parts and batteries/ Energy storage devices and accessories																							
220504	Services/ maintenance/ repair of engineering and communications/ workshop machinery and equipment																							
222701	Services/ Other services/ Telecommunications management																							
(c)	Exxor Technologies	UPKJ Sarawak, Malaysia	/ 19 October 2023 / 21 October 2026	<p>Certificate of Registration for the following field of supply and services:</p> <table border="1"> <thead> <tr> <th colspan="3">Classification of Registration</th> </tr> <tr> <th>Category</th> <th>Heading</th> <th>Sub-Heading</th> </tr> </thead> <tbody> <tr> <td>C*</td> <td>II</td> <td>3(iii), 5(b)(ii)</td> </tr> <tr> <td>A**</td> <td>III</td> <td>1(a), 1(b), 2</td> </tr> <tr> <td>A**</td> <td>IV</td> <td>8</td> </tr> <tr> <td>A**</td> <td>X</td> <td>3, 6</td> </tr> </tbody> </table>	Classification of Registration			Category	Heading	Sub-Heading	C*	II	3(iii), 5(b)(ii)	A**	III	1(a), 1(b), 2	A**	IV	8	A**	X	3, 6	<ol style="list-style-type: none"> Exxor Technologies must have a minimum paid capital of more than RM50,000 (for all Headings except Heading X) and RM200,000 (for Heading X). Exxor Technologies must have at least one (1) member of management who is either the owner, shareholder, or board member. 	<p>Complied</p> <p>Complied</p>
Classification of Registration																								
Category	Heading	Sub-Heading																						
C*	II	3(iii), 5(b)(ii)																						
A**	III	1(a), 1(b), 2																						
A**	IV	8																						
A**	X	3, 6																						

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
				<p>The following individuals are authorised by the company to handle government procurement works:</p> <p>1. Ts. Wee Khiam Hui 2. Charlene Bong Myn Ee</p> <p>* Maximum contract tendering value: Below RM200,000</p> <p>** Maximum contract tendering value: RM1 million and above</p>	<p>3. Management members who are not owners or shareholders or board members must be EPF contributors.</p> <p>4. Management members who are not Sarawakian must have a work permit in Sarawak or proof of being a permanent resident of Sarawak.</p> <p>5. Eighty percent (80%) of the equity/ shares of Exxor Technologies and ninety percent (90%) of the management must be Sarawakian.</p> <p><i>Note: applicable to classification of registration under Heading X only.</i></p> <p>6. Exxor Technologies must maintain a relevant business licence related to the field being applied for and it must be valid.</p> <p>7. Exxor Technologies must have at least one (1) technical staff who is a holder of a Degree/ Diploma in Information Technology/ Computer Engineering/ Data Scientist/ Computer Science/ other relevant degree.</p>	<p>Complied</p> <p>Complied</p> <p>Complied⁽¹⁾</p> <p>Complied and noted</p> <p>Complied</p>

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status									
(d)	Exxor Technologies	UPKJ/ Sarawak, Malaysia	22 October 2024 / 21 October 2026	<p>Certificate of Registration for the following field of mechanical:</p> <table border="1"> <thead> <tr> <th colspan="3">Classification of Registration</th> </tr> <tr> <th>Category</th> <th>Heading</th> <th>Sub-Heading</th> </tr> </thead> <tbody> <tr> <td>A*</td> <td>V</td> <td>2(a)</td> </tr> </tbody> </table> <p>The following individuals are authorised by the company to handle government procurement works:</p> <ol style="list-style-type: none"> Ts. Wee Khiam Hui Charlene Bong Myn Ee <p>* Maximum contract tendering value: RM10 million and above</p>	Classification of Registration			Category	Heading	Sub-Heading	A*	V	2(a)	<p><i>Note: applicable to classification of registration under Heading X only.</i></p> <ol style="list-style-type: none"> Exxor Technologies must have a minimum paid capital of more than RM150,000. Exxor Technologies must maintain a relevant business licence related to the field being applied for and it must be valid. Exxor Technologies must have a Certificate of Registration by CIDB under the mechanical and electrical (ME) category of any grade. Exxor Technologies must have at least one (1) technical staff who is a holder of a Degree in Mechanical Engineering. Exxor Technologies must provide proof of attendance at a basic safety course by submitting the following documents: <ol style="list-style-type: none"> a valid NIOSH Safety Card; NIOSH Safety Course Certificate 	<p>Complied</p> <p>Complied and noted</p> <p>Complied</p> <p>Complied</p> <p>Complied</p>
Classification of Registration															
Category	Heading	Sub-Heading													
A*	V	2(a)													

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status									
(e)	Exxor Technologies	UPKJ Sarawak, Malaysia	/ 22 October 2024 / 21 October 2026	Certificate of Registration for the following field of general works: <table border="1" data-bbox="878 877 1350 1141"> <thead> <tr> <th colspan="3">Classification of Registration</th> </tr> <tr> <th>Category</th> <th>Heading</th> <th>Sub-Heading</th> </tr> </thead> <tbody> <tr> <td>A*</td> <td>I</td> <td>1, 3(a)(i), 3(a)(ii), 3(b), 3(c), 4(a), 4(b), 4(c)</td> </tr> </tbody> </table> <p>The following individuals are authorised by the company to handle government procurement works:</p> <ol style="list-style-type: none"> Ts. Wee Khiam Hui Charlene Bong Myn Ee 	Classification of Registration			Category	Heading	Sub-Heading	A*	I	1, 3(a)(i), 3(a)(ii), 3(b), 3(c), 4(a), 4(b), 4(c)	<p>from the Contractor and Supplier Development Unit (UPKP) or other institutions recognized by NIOSH;</p> <p>(iii)relevant DOSH Safety Certificate (proof of registration as a Site Safety Supervisor that is still valid); or</p> <p>(iv)academic certificates related to safety.</p> <ol style="list-style-type: none"> Exxor Technologies must have a minimum paid capital of more than RM150,000. Exxor Technologies must maintain a relevant business licence related to the field being applied for and it must be valid. Exxor Technologies must have a Certificate of Registration by CIDB under the building construction (B) and civil engineering construction (CE) categories of any grade. Exxor Technologies must have at least one (1) technical staff who is holder of a degree in Civil Engineering. 	<p>Complied</p> <p>Complied and noted</p> <p>Complied</p> <p>Complied</p>
Classification of Registration															
Category	Heading	Sub-Heading													
A*	I	1, 3(a)(i), 3(a)(ii), 3(b), 3(c), 4(a), 4(b), 4(c)													

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
				* Maximum contract tendering value: RM10 million and above	<p>5. Exxor Technologies must maintain the Pipe Fitter Licence issued by the Ministry of Utility and Telecommunication, Electrical Inspectorate Unit.</p> <p>6. Exxor Technologies must provide proof of attendance at a basic safety course by submitting the following documents:</p> <p>(i) a valid NIOSH Safety Card;</p> <p>(ii) NIOSH Safety Course Certificate from the Contractor and Supplier Development Unit (UPKP) or other institutions recognized by NIOSH;</p> <p>(iii) relevant DOSH Safety Certificate (proof of registration as a Site Safety Supervisor that is still valid); or</p> <p>(iv) academic certificates related to safety.</p>	<p>Complied and noted</p> <p>Complied</p>
(f)	IAB	Sarawak Government / Sarawak, Malaysia	15 April 2025 / 14 April 2026	Trading licence for investment holding	Nil	N/A

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
(g)	Exxor Technologies	Sarawak Government / Sarawak, Malaysia	26 August 2025/ 2 October 2026	Trading licence for telecommunication and multimedia	Nil	N/A
(h)	Exxor Technologies	Sarawak Government / Sarawak, Malaysia	26 August 2025/ 2 October 2026	Trading licence for water supply materials	Nil	N/A
(i)	Exxor Technologies	Sarawak Government / Sarawak, Malaysia	16 June 2025/ 20 June 2026	Trading licence for mechanical and electric works and electric equipment	Nil	N/A
(j)	Exxor Technologies	Sarawak Government / Sarawak, Malaysia	14 April 2025/ 15 June 2026	Trading licence for supply and installation of industrial products, machinery and equipment	Nil	N/A
(k)	Exxor Technologies	Sarawak Government / Sarawak, Malaysia	6 February 2025/ 9 April 2026	Trading licence for supply of computerise telemetry system	Nil	N/A
(l)	Exxor Technologies	Sarawak Government / Sarawak, Malaysia	11 March 2025/ 24 May 2026	Trading licence for construction works	Nil	N/A

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority / Country	Date of issue / Date of expiry	Nature of approval / Licences	Equity and/or major conditions imposed	Compliance status
(m)	Exxor Technologies	Sarawak Government / Sarawak, Malaysia	9 September 2025/ 28 October 2026	Trading licence for IT and technology solutions provider	Nil	N/A
(n)	Intelli Technologies	Subang Jaya Council / Malaysia	25 April 2025/ 5 November 2025	Business premise and signboard licence in respect of the West Malaysia branch office	1. The licence is to be exhibited at the business premise. 2. The licence is to be renewed within 3 months prior to its expiry.	Complied To be complied ⁽²⁾

Notes:

- ⁽¹⁾ Such condition is imposed by the SMA, a regulatory body established under the SMA Ordinance with the primary functions of, inter alia:
- (i) advising the Sarawak Government on all matters concerning the Sarawak policy objectives for communications and multimedia activities to develop Sarawak's digital economy;
 - (ii) implementing and enforcing the provisions of Sarawak laws relating to communications and multimedia activities; and
 - (iii) supervising and monitoring communications and multimedia activities in Sarawak.

As at LPD, the entire shares in Exxor Technologies are held by Sarawakians. Upon completion of the Acquisitions and our Listing, Exxor Technologies will not be able to maintain the minimum 80.0% Sarawakian shareholdings, directly or indirectly. Notwithstanding the above, in view that our Group intends to undertake works under Heading X should the business opportunity arises, our Group had vide letter dated 24 October 2024 informed the Sarawak State Financial Secretary's Office and SMA of the Listing and the Acquisition of Exxor Technologies which would result in a change in the shareholders of Exxor Technologies. The Sarawak State Financial Secretary's Office and SMA had on 4 November 2024 and 5 November 2024 respectively informed that they have no objection to the Listing and the Acquisition of Exxor Technologies.

6. INFORMATION ON OUR GROUP (Cont'd)

The no objection from The Sarawak State Financial Secretary's Office and SMA indicates that the authorities will not revoke or cancel the existing UPKJ licence under Heading X issued to Exxor Technologies, which is valid until 2026. In this regard, our Group is able to participate in the procurement works under Heading X from the Sarawak Government until the expiry of the licence. Any participation after the validity period would be subject to the renewal of the licence, which remains at the discretion of the authorities. Nonetheless, it should be noted that none of our Group's ongoing projects and past projects have required the licence under Heading X.


- (2) Intelli Technologies had attempted to renew the business premise and signboard licence in August 2025 via the official portal of Subang Jaya Council, however, it is unable to do so as the system only allow renewal closer to the expiry date. Intelli Technologies will submit the application for renewal closer and prior to the expiry date (i.e. 5 November 2025).

We will renew all our approvals, licences and permits as disclosed above prior to their expiry in accordance with the conditions imposed. As at LPD, our Group has obtained all the requisite approvals, licenses 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.




6.8 INTELLECTUAL PROPERTIES

As at LPD, our Group does not own and has not applied for the registration of any other intellectual properties other than those disclosed below:


6.8.1 Trademark Registration

No.	Trademark	Registered owner	Trademark no. /Class / Description	Approving authority / Place of application or registration	Status / Registration validity
(a)		Intelli Technologies	TM2020002770/ 42 /Cloud computing; Computer programming; Computer software consultancy; Computer software design; Computer system analysis; Computer system design; Computer technology consultancy; Computer virus protection services; Conducting technical project studies; Consultancy in the design and development of computer hardware; Conversion of computer programmes and data, other than physical conversion; Conversion of data or documents from physical to electronic media; Creating and designing website-based indexes of information for	MyIPO/ Malaysia	Registered/ 13 February 2020 to 13 February 2030


6. INFORMATION ON OUR GROUP (Cont'd)

No.	Trademark	Registered owner	Trademark no. /Class / Description	Approving authority / Place of application or registration	Status / Registration validity
(b)	 INSIGHTS ANALYTICS	IAB	<p>others (information technology services); Data encryption services; Data security consultancy; Development of computer platforms; Duplication of computer programmes; Electronic data storage; Recovery of computer data; Rental of computer software; Rental of web servers; R&D of new products for others; Server hosting; Software development in the framework of software publishing; Technological consultancy; Updating of computer software; Water analysis.</p> <p>TM2024037774/ 38/ Telecommunications</p>	MyIPO/ Malaysia	Registered/ 29 November 2024 to 29 November 2034
(c)	 INSIGHTS ANALYTICS	IAB	<p>TM2024037776/ 42/ Scientific and technological services and research and design relating thereto; industrial analysis, industrial research and industrial design services; quality control and authentication services; design and development of computer hardware and software</p>	MyIPO/ Malaysia	Registered/ 29 November 2024 to 29 November 2034
(d)	 EXXOR	Exxor Technologies	TM2024037769/ 38/ Telecommunications	MyIPO/ Malaysia	Registered/ 29 November 2024 to 29 November 2034


6. INFORMATION ON OUR GROUP (Cont'd)

No.	Trademark	Registered owner	Trademark no. /Class / Description	Approving authority / Place of application or registration	Status / Registration validity
(e)		Exxor Technologies	TM2024037764/ 42/ Scientific and technological services and research and design relating thereto; industrial analysis, industrial research and industrial design services; quality control and authentication services; design and development of computer hardware and software	MyIPO/ Malaysia	Registered/ 29 November 2024 to 29 November 2034

6.8.2 Trademark Application

No.	Trademark	Applicant / Application No.	Class / Description	Approving authority / Place of application or registration	Status / Date of application
(a)		IAB / TM2024037773	9/ Scientific, research, navigation, surveying, photographic, cinematographic, audiovisual, optical, weighing, measuring, signalling, detecting, testing, inspecting, life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling the distribution or use of electricity; apparatus and instruments for recording, transmitting, reproducing or processing sound, images or data; recorded and downloadable media, computer software, blank digital or analogue recording and storage media; mechanisms for coin-operated apparatus; cash registers, calculating devices; computers and computer peripheral devices; diving suits, divers' masks, ear plugs for divers, nose clips for divers and swimmers, gloves for divers, breathing apparatus for underwater swimming; fire-extinguishing apparatus	MyIPO / Malaysia	Provisional refusal (Formality) ⁽¹⁾ / 29 November 2024

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Trademark	Applicant / Application No.	Class / Description	Approving authority / Place of application or registration	Status / Date of application
(b)		Exxor Technologies / TM2024037767	9/ Scientific, research, navigation, surveying, photographic, cinematographic, audiovisual, optical, weighing, measuring, signaling, detecting, testing, inspecting, life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling the distribution or use of electricity; apparatus and instruments for recording, transmitting, reproducing or processing sound, images or data; recorded and downloadable media, computer software, blank digital or analogue recording and storage media; mechanisms for coin-operated apparatus; cash registers, calculating devices; computers and computer peripheral devices; diving suits, divers' masks, ear plugs for divers, nose clips for divers and swimmers, gloves for divers, breathing apparatus for underwater swimming; fire-extinguishing apparatus	MyIPO / Malaysia	Provisional refusal (Formality) ⁽¹⁾ / 29 November 2024

Note:

⁽¹⁾ MyIPO has vide separate letters dated 3 June 2025 requested our Group to amend the list of goods or services, under which the trademark is to be registered, from 'Application for cloud computing; Application for cloud computing services; Application for virtual worlds; Application for virtual environments; Computer operating software for virtual environments; Computer operating software for virtual worlds' to 'Computer operating software for virtual environments; Computer operating software for virtual worlds and etc.' for accuracy. As at LPD, our Group has submitted the amendments and is currently pending further review by and approval from MyIPO.

6. INFORMATION ON OUR GROUP (Cont'd)

6.8.3 Copyright

No.	Copyright / Title of work	Registered owner	Copyright certificate no.	Approving authority / Place of application or registration	Status / Date of Creation
(a)	Intelli Water System	Exxor Technologies	CRLY2024Q03971	MyIPO / Malaysia	Registered / 7 January 2019
(b)	IntelliTrack: Centralised Smart Transport Management System (CSTMS)	Exxor Technologies	CRLY2024Q06873	MyIPO / Malaysia	Registered / 22 October 2024
(c)	IntelliConstruct: Integrated Construction Site Resources Information Management System (ICSRIMS)	Exxor Technologies	CRLY2024Q06967	MyIPO / Malaysia	Registered / 25 October 2024
(d)	IntelliHotel: Integrated Smart Hotel Operations, Management and Reservation System Using IOT (IHOMRS)	Exxor Technologies	CRLY2024Q06966	MyIPO / Malaysia	Registered / 25 October 2024
(e)	IntelliRoad: Integrated Smart Road Maintenance and Management System (ISRMMS)	Exxor Technologies	CRLY2024Q07568	MyIPO / Malaysia	Registered / 25 October 2024 ⁽¹⁾

Note:

⁽¹⁾ As Exxor Technologies has not performed any modification to the Integrated Smart Road Maintenance and Management System after the completion of its acquisition in November 2024, the date of creation is based on the date that the Integrated Smart Road Maintenance and Management System created by Place2Stay.

Our Group does not expect to be materially impacted if the trademarks above are not granted approval as our Group's business and profitability are not dependent on the above trademarks. In addition, our Group is able to initiate a passing off action against any person using a mark which is similar or identical to the above trademarks pursuant to common law principles.

As such, based on M&A Securities' assessment, there are no concerns on the above intellectual property which would materially affect the business and operations of our Group.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9 PROPERTY, PLANT AND EQUIPMENT

6.9.1 Properties owned by our Group

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

No.	Postal address / Title details	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Land area / Built-up area sq ft	Date of purchase ⁽¹⁾ / Date of CCC or its equivalent	Express conditions / Restrictions-in- interest / Encumbrances	NBV as at 30 April 2025 RM'000
(a)	<p><u>Postal address</u> D273, 1st floor, Block D ICOM Square Jalan Pending 93450 Kuching, Sarawak</p> <p><u>Title details</u> Block D, First Floor, Parcel Lot D273 of Parent Lot 2116, 7029, 7030, and 4422 (previously replaced by Lot 11097 and now replaced by Lot 11048 and 11049) Section 64 Kuching Town Land District</p>	<p><u>Description of property</u> 1st floor of a 4-storey shoptlot</p> <p><u>Existing use</u> Corporate office</p> <p><u>Expiry of lease (if any)</u> 60 years leasehold expiring on 9 March 2068</p> <p><u>Category of land use (if any)</u> Town land</p>	N/A / 922.0	3 August 2016 / 18 March 2016	<p><u>Express conditions</u> Commercial purpose</p> <p><u>Restriction-in- interest</u> No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys</p> <p><u>Encumbrances</u> Deed of Assignment in favour of Maybank Islamic Bhd registered on 16 November 2016</p>	369

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address / Title details	Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any)	Land area / Built-up area sq ft	Date of purchase⁽¹⁾ / Date of CCC or its equivalent	Express conditions / Restrictions-in- interest / Encumbrances	NBV as at 30 April 2025 RM'000
(b)	<p><u>Postal address</u> D274, 1st floor, Block D ICOM Square Jalan Pending 93450 Kuching, Sarawak</p> <p><u>Title details</u> Block D, First Floor, Parcel Lot D274 of Parent Lot 2116, 7029, 7030, and 4422 (previously replaced by Lot 11097 now replaced by Lot 11048 and 11049) Section 64 Kuching Town Land District</p>	<p><u>Description of property</u> 1st floor of a 4-storey shoptlot</p> <p><u>Existing use</u> Corporate office</p> <p><u>Expiry of lease (if any)</u> 60 years leasehold expiring on 9 March 2068</p> <p><u>Category of land use (if any)</u> Town land</p>	N/A / 922.0	3 August 2016/ 18 March 2016	<p><u>Express conditions</u> Commercial purpose</p> <p><u>Restriction-in- interest</u> No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys</p> <p><u>Encumbrances</u> Deed of Assignment in favour of Maybank Islamic Bhd registered on 16 November 2016</p>	394

Note:

(1) Based on date of the sale and purchase agreement.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.9.2 Properties rented by our Group

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

No.	Postal address	Landlord / Tenant	Description / Existing use	Date of CCC or its equivalent	Land area / Built-up area sq ft	Period of tenancy / Rental per annum
(a)	12A-3A, Persiaran Puteri 1 Bandar Puteri 47100 Puchong, Selangor	Tiandii Properties Sdn Bhd / Exxor Technologies	3 rd floor of a 4-storey shoplot/ Branch office	9 October 2003	N/A / 850.0	1 July 2025 to 30 June 2026/ RM24,000
(b)	D272, 1 st floor, Block D ICOM Square Jalan Pending Kuching, Sarawak	Wee Kang Soon and Ho Soh Hong / Exxor Technologies	1 st floor of a 4-storey shoplot/ Corporate office	18 March 2016	N/A / 922.0	1 June 2025 to 31 May 2027/ RM26,400
(c)	D469, 3 rd floor, Block D ICOM Square Jalan Pending 93450 Kuching, Sarawak	Lau Seng / Exxor Technologies	3 rd floor of a 4-storey shoplot/ Storage	18 March 2016	N/A / 984.0	1 September 2025 to 31 August 2027/ RM10,800

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

6.9.3 Acquisition of properties

We have not acquired nor entered into any agreements to acquire any properties during FYE 2022 to 2025 and up to LPD.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9.4 Material machinery

Our Group does not have any material machinery as at LPD.

6.9.5 Material capital expenditures and divestitures

(a) Material capital expenditures

Save for the expenditures disclosed below, there were no other capital expenditures made by us for FYE 2022 to 2025 and up to LPD:

Capital expenditures	At cost				
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 May 2025 up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Motor vehicles	122	-	-	-	-
Office equipment	2	7	-	18	4
Furniture and fittings	2	6	-	-	-
Computers	5	13	5	67	-
Intangible assets	-	-	-	13,868	-
	131	26	5	13,953	4

FYE 2022

In FYE 2022, our capital expenditures were mainly for the purchase of a car for our business operations which amounted to RM0.1 million.

FYE 2023

In FYE 2023, our capital expenditures were mainly related to the purchase of office equipment as well as furniture fittings for our corporate office in Kuching. In addition, we also purchase computers for our business operations.

FYE 2024

In FYE 2024, our capital expenditures were mainly related to the purchase of computers for our business operations.

FYE 2025

In FYE 2025, our capital expenditures were mainly related to the acquisition of 4 intelligent asset management solutions from Place2Stay amounted to approximately RM13.4 million (including sales and service tax) and the stamp duty fees paid for the abovementioned acquisitions amounted to approximately RM0.5 million.

1 May 2025 up to LPD

From 1 May 2025 up to LPD, our capital expenditures were mainly related to the purchase of 1 air-conditioner for our corporate office in Kuching.

The above capital expenditures were financed by a combination of internally generated funds and bank borrowings, save for the acquisition of 4 intelligent asset management solutions from Place2Stay amounted to approximately RM13.4 million (including sales and service tax) which will be financed via our internally generated funds.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) Material capital divestitures

Save for the divestitures disclosed below, there were no other capital divestitures made by us for FYE 2022 to 2025 and up to LPD:

	At cost				
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 May 2025 up to LPD
Capital divestitures	RM'000	RM'000	RM'000	RM'000	RM'000
Motor vehicles	-	38	62	-	105
Office equipment	16	-	25	2	-
Furniture and fittings	4	-	4	-	-
Computers	-	-	18	-	-
	20	38	109	2	105

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

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

6.9.6 Material plans to construct, expand or improve our facilities

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

6.10 RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS

Save as disclosed below, there are no major laws, regulations, rules and requirements governing the conduct of our Group's business which may materially affect our business operations:

(a) CIDB Act

The CIDB Act governs the registration of construction personnel as well as skills and competency certification. The CIDB Act 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 a registration issued by the CIDB under the CIDB Act.

Any person who carries out construction works without being registered with CIDB shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM100,000.

Our Group has not faced any issues in renewing the CIDB licence issued by CIDB. As at LPD, our Group holds and maintains valid CIDB licence issued by CIDB.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) UPKJ's Guidelines

With effect from 1 January 1997, all contractors, suppliers and consultants who wish to participate in Sarawak Government's procurement activities are required to be registered with UPKJ. UPKJ is a unit within the Sarawak State Financial Secretary's Office, which is the State Financial Authority of Sarawak established in accordance with Sarawak State Constitution. The Sarawak State Financial Secretary's Office is responsible for all financial affairs of the Sarawak Government.

"Contractor" means any person who intends to enter into a contract for the execution of building or engineering works or other specialist works of any description for any department of the Government or any agency of the Government, and includes a supplier.

"Consultant" means any person or firm who intends to enter a contract to provide consultancy services or expertise advisory for a physical project, studies (physical or non-physical) or any other professional services for any departments of Government or any agency of the Government.

Pursuant to the UPKJ's Guidelines, disciplinary actions will be taken against any contractors, suppliers and consultants for any non-compliance with or violation of the conditions for registration, for the non-compliance with the process of tendering and execution of contracts, and for the commission of any criminal and/or civil offences in law.

Subject to the type of non-compliance, the disciplinary actions include, but not limited to, cancellation of the company's registration for all fields, the company's board of directors/owners will be blacklisted for a maximum period of 5 years, and re-application for registration can only be made after the end of the penalty period (i.e. 5 years).

As at LPD, our Group holds and maintains valid Certificates of Registration with UPKJ for supply and services, mechanical as well as general works.

(c) Water Ordinance 1994 ("Water Ordinance") and Water Supply Regulations 1995 ("Water Supply Regulations")

The Water Supply Regulations was made under the power granted to the Yang di-Pertua Negeri under Section 51 of the Water Ordinance.

Regulation 9(1) of the Water Supply Regulations stipulates that no fitting shall be used for conveying and receiving water supplied from the mains unless such fitting is approved by the State Water Authority of Sarawak. Any person who fails to comply with such provision of the Water Supply Regulations shall be guilty of an offence and is punishable with a maximum fine RM5,000 or imprisonment for up to 2 years or both.

As at LPD, Exxor Technologies is the authorised distributor of the ultrasonic water meters for Kamstrup A/S. A Certificate of Approval for Water Supply Product has been issued by the State Water Authority of Sarawak to Kamstrup A/S in respect of the ultrasonic flowmeter which remains valid and subsisting as at LPD.

6. INFORMATION ON OUR GROUP (Cont'd)

(d) Businesses, Professions and Trades Licensing Ordinance of Sarawak ("Sarawak Ordinance")

Pursuant to Section 3(1) of the Sarawak Ordinance, any person who carries on any business in Sarawak or carries on such business in any premises or place, or by means of any vessel or vehicle or other means or thing whatsoever without a trading licence shall be guilty of an offence that carries the penalty of RM1,000 fine.

Section 3(2) further provides that a separate trading licence is required for each of the businesses in the First Schedule which may be carried on and, if such Schedule so provides, for every premises at which a business to which the Sarawak Ordinance applies is being carried on or, as the case may be, for every vessel or vehicle or other means of thing by which such business is carried on.

As at LPD, our Group holds and maintains valid trading licences to carry on each type of the businesses at our offices located at Lot D272, D273 and D274, 1st floor, Block D, ICOM Square, Jalan Pending, 93450 Kuching, Sarawak.

(e) Local Government Act 1976 ("LGA 1976")

The LGA 1976 empowers every local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor. The LGA 1976 is applicable only in Peninsular Malaysia.

As our Group is occupying an office in Puchong, we are required to obtain the business premise and signboard licence pursuant to the Licensing of Trade, Business and Industries (Subang Jaya Municipal Council) By-Laws 2007 ("**Subang Jaya By-Laws**") and the Advertisement (Subang Jaya Municipal Council) By-Laws 2007 ("**Subang Jaya Advertisement By-Laws**").

Pursuant to the Subang Jaya By-Laws, no person shall operate any activity of trade, business and industry or use any place or premise in the local area of the Subang Jaya for any activity of trade, business and industry without a licence issued by the licensing authority.

In addition, the Subang Jaya Advertisement By-Laws provides that no person shall exhibit or cause or permit to be exhibited any advertisement without a licence granted by the licensing authority.

Any person who contravenes any provisions of the provisions of the Subang Jaya By-Laws or the Subang Jaya Advertisement By-Laws shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or both, and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

As at LPD, our Group holds and maintains valid business premise and signboard licence in respect of our office located in Puchong.

6. INFORMATION ON OUR GROUP (Cont'd)

(f) Personal Data Protection Act 2010 ("PDPA 2010")

The PDPA 2010 regulates the processing of personal data in commercial transactions and provides for connected and incidental matters. The PDPA 2010 applies to (a) any person who processes and (b) any person who has control over or authorises the processing of any personal data in respect of commercial transactions ("**Data Controllers**").

The processing of personal data by a Data Controller must be in compliance with various personal data protection principles, namely (a) the General Principle; (b) the Notice and Choice Principle; (c) the Disclosure Principle; (d) the Security Principle; (e) the Retention Principle; (f) the Data Integrity Principle; and (g) the Access Principle (collectively, "**the Personal Data Protection Principles**"). A Data Controller who contravenes the Personal Data Protection Principles commits an offence and shall, on conviction, be liable to a fine not exceeding RM300,000 or to imprisonment for a term not exceeding 2 years or to both.

Notwithstanding that our Group is not required to be registered as Data Controllers under PDPA 2010 as we do not fall within the classes of data users identified under the PDPA 2010, in the course of our Group's business, we may process and store data collected by our customers in our servers as part of our scope of work to our customers. As such, we are required to comply with the relevant provisions of the PDPA 2010.

As at LPD, our Group has adopted data processing and protection policies which are in compliance with the PDPA 2010.

(g) Water Services Industry Act 2006 ("WSIA 2006")

The WSIA 2006 regulates water supply services and sewerage services and matters incidental thereto in Peninsular Malaysia and the Federal Territories of Putrajaya and Labuan.

Under Section 50(1) of the WSIA 2006, subject to such exemptions as may be specified by the Suruhanjaya Perkhidmatan Air Negara ("**SPAN**") established under the Suruhanjaya Perkhidmatan Air Negara Act 2006, no person shall:

- (i) carry out any construction, connection, modifications or repairs to water pipes and water fittings which convey or will convey water from the public mains;
- (ii) carry out any works necessary to connect a private connection pipe to a sewer or sewerage treatment works;
- (iii) construct, install or modify any part of a water supply system or sewerage system;
- (iv) carry out maintenance services for a water supply system or a sewerage system but does not involve the operation of such systems; or
- (v) undertake, provide or make available sewerage desludging services or any other sewerage services,

without a written permit issued by SPAN.

6. INFORMATION ON OUR GROUP (Cont'd)

A person who fails to comply with Section 50(1) of the WSIA 2006 commits an offence and shall, on conviction, be liable to a fine not exceeding RM300,000 or to imprisonment for a term not exceeding 3 years or to both.

In addition, pursuant to Section 129 of the WSIA 2006, a person who uses or supplies any non-standard equipment, device, material, system or facility that he knows or has reason to believe is a non-standard equipment, device, material, system or facility to be used for any purpose of installing, working or operating the equipment, device, material, system or facility commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 6 months or to both.

As at LPD, our Group does not carry out any of the abovementioned activities in Peninsular Malaysia which requires a permit from SPAN. Nonetheless, should we intend to expand our business which include any of the activities above to Peninsular Malaysia, our Group is required to obtain a permit from SPAN.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.11 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") PRACTICES

Our ESG Policy and Framework demonstrate our strong commitment to identifying, prioritising, and managing sustainability risks. We integrate these considerations into every aspect of our decision-making processes and our entire value chain. Our primary objective is to promote sustainable development among stakeholders by providing accessible renewable energy, fostering innovation, and empowering both our employees and the community. As a responsible entity in public governance, we are devoted to championing sustainability and driving positive global change.

We are committed to building an organisation that fosters sustainable development for the benefit of both the community and our stakeholders. This statement emphasizes our unwavering dedication to adopting impactful practices and initiatives that address the effects of our operations on the local Economy, Environment, Society, and Governance. We continuously strive to enhance our performance in these areas, ensuring our actions contribute positively to a sustainable future.

We remain focused on generating sustainable value for our stakeholders and will continue to provide comprehensive, balanced, comparable, and meaningful reports through our ongoing reporting initiatives. These initiatives align with Bursa Securities's Sustainability Reporting Guide, the IFRS Foundation's International Integrated Reporting Framework and Integrated Thinking Principles, the AA1000 Accountability Principles for addressing sustainability challenges, and the AA1000 Stakeholder Engagement Standard to ensure transparent communication with stakeholders. Additionally, they incorporate the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals (UN SDGs).

(a) Environmental

We are dedicated to improving our environmental efforts by utilising greener alternatives:

- As a locally-owned technology firm in Malaysia with significant regional experience and expertise, our core business is dedicated to reducing water wastage through cutting-edge technology designed to monitor public water consumption and detect leaks for utility companies.
- Our goal aligns with the net-zero initiative to minimize energy consumption and reduce our carbon footprint through investments in renewable energy sources and improved energy efficiency measures.
- Although our water usage is relatively low, we are dedicated to further reducing overall water consumption by promoting water conservation practices.

(b) Social

We aim to cultivate a secure and supportive workplace environment that fosters collaboration and actively contributes to the local community.

- We prioritise the safety and well-being of our employees by implementing rigorous standard operating procedures in accordance with authority guidelines, ensuring they can fulfill their duties while safeguarding the interests of our shareholders.

6. INFORMATION ON OUR GROUP (Cont'd)

- We are committed to creating a workplace where employees feel safe and respected, and we support this through the implementation of an Anti-Sexual Harassment Policy.
- Our commitment aligns with the vision of the International Labour Organisation's Fair Recruitment Initiative, ensuring our recruitment practices comply with labor standards, promote social dialogue, and uphold gender equality.
- We strive to maintain a discrimination-free workplace, where every individual is treated fairly and equitably, regardless of race, color, gender, religion, national origin, age, disability, genetic information, marital status, or any other legally protected classification. The Code of Conduct and Ethics ensures that all employees adhere to the principles of fairness and integrity.
- Our goal is to create an inclusive environment that supports women, minorities, veterans, and individuals with disabilities, providing equal opportunities for all employees to thrive and reach their full potential. This is reinforced by our Diversity & Inclusion Policy, which is designed to promote an inclusive and equitable workplace.
- We are committed to cultivating a workplace culture that embraces diversity and equality, recruiting employees based on skills and experience through a fair and unbiased selection process.
- To evaluate employee performance, we conduct transparent and objective annual performance reviews, offering valuable feedback to our employees.
- We invest in our human capital by supporting employee development to meet the evolving demands of our business. Our employees benefit from training through various internal and external programmes, including mandatory and voluntary options to ensure they possess the relevant skills and knowledge to perform their jobs effectively.
- Beyond the workplace, we actively contribute to the community through diverse initiatives, including donations and sponsorships via charitable organizations.

(c) Governance

- We emphasise the importance of good governance, with our Board recognizing that a robust risk management framework and internal control system are essential for effective corporate governance, as outlined in the MCCG 2021. By providing relevant sustainability information, we aim to enhance transparency in our management practices and build greater trust among customers, stakeholders, communities, and the public.
- We adopt a zero-tolerance policy against fraud, bribery, corruption, money laundering, and the financing of terrorism. To promote transparency and ethical conduct, we have implemented an Anti-Bribery and Corruption Policy and a Whistleblowing Policy, reinforcing our commitment to integrity within the organisation.

6. INFORMATION ON OUR GROUP (Cont'd)

- In managing data and information, we adhere to the relevant data privacy laws, including Malaysia's Personal Data Protection Act 2010, ensuring the confidentiality and security of personal data across all levels of the organization. Our Personal Data Protection Policy outlines our commitment to safeguarding personal data and ensuring compliance with legal requirements, reinforcing our dedication to confidentiality and security across all levels of the organization.
- We are dedicated to obtaining certifications that reflect our commitment to maintaining rigorous standards of quality and safety across all our operations.

Certificate

ISO 9001:2015

Award Body

Intertek Certification Limited

- We are committed to integrating sustainability principles into our procurement processes, emphasizing responsible sourcing, environmental stewardship, and social responsibility in our acquisition of goods and services.
- We prioritise suppliers who are committed to environmental sustainability, striving to minimize the ecological impact of the products and services we procure.
- We actively promote the use of innovative technologies and sustainable practices that enhance water conservation, increase operational efficiency, and support eco-friendly water management solutions.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.12 EMPLOYEES

As at LPD, we have a total workforce of 33 employees, of which all are Malaysian.

The breakdown of our employees as at 30 April 2025 and LPD are as follows:

	No. of employees		
	Permanent	Contract	Total
As at 30 April 2025			
Executive Directors	2	-	2
Key senior management	4	-	4
Accounts and finance	2	1	3
Human resources and administration	3	-	3
IT ⁽¹⁾	6	1	7
Business development and marketing	2	-	2
OSHA	-	1	1
Projects (operations and engineering)	9	2	11
	28	5	33
As at LPD			
Executive Directors	2	-	2
Key senior management	4	-	4
Accounts and finance	2	1	3
Human resources and administration	3	-	3
IT ⁽¹⁾	6	1	7
Business development and marketing	3	-	3
OSHA	-	1	1
Projects (operations and engineering)	8	2	10
	28	5	33

Note:

⁽¹⁾ As at 30 April 2025 and LPD, our R&D activities are carried out by 3 and 5 IT employees respectively, under our Chief Technology Officer. Prior to the appointment of our Chief Technology Officer in August 2024, our Group's R&D activities are led by our Managing Director.

There were no significant changes in the number of employees of our Group as at 30 April 2025 and up to LPD.

None of our employees belong to any labour union and over FYE 2022 to 2025 and up to LPD, there is no labour dispute between our management and our employees. Additionally, over FYE 2022 to 2025 and up to LPD, there has not been any incident of work stoppage that has materially affected our operations.

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7. BUSINESS OVERVIEW

7.1 HISTORY AND MILESTONES OF OUR GROUP

Our Company was incorporated in Malaysia under the Act on 27 August 2024 as a private limited company under the name Insights Analytics Sdn Bhd. On 8 January 2025, we converted into a public limited company and assumed our present name. We were incorporated as a special purpose vehicle to facilitate the Listing.

The history of our Group can be traced back to 22 May 2003 with the incorporation of Exxor Technologies. Exxor Technologies remained dormant until 2005 when we commenced business in the provision of water technology solutions and subsequently, in 2024, we expanded to offer intelligent asset management solutions for various industries. The history and development of our Group and business operations since 2003 as well as the incorporation of our subsidiaries and changes in shareholders are as follows:

Key events and milestones of our business

The table below sets out the history and milestones of our business:

Year	Key events and milestones
2005	<ul style="list-style-type: none"> At the initial stage of our business, we were mainly involved in supplying and installing equipment and consumables for water treatment plants. Our Group commenced our operations from a rented shop office in Jalan Petanak, Kuching, Sarawak.
2011	<ul style="list-style-type: none"> We expanded our offerings to the provision of advanced water pressure management systems. We were appointed as the exclusive distributor of i2O intelligent pressure management system in the Sarawak region by i2O Water Malaysia Sdn Bhd, a company that later became a subsidiary of Mueller Water Products, Inc., a UK based company which specialises in pressure control valves used to optimise water supply system through efficient pressure management to reduce leakage. Our Group secured our first contract to supply, install and commission an advanced water pressure management system for Sibu Water Board whereby we supplied related hardware (e.g. i2O data logger, controller and valves) and software, as well as configured and integrated the system to the customer's water management system. An advanced water pressure management system enables remote control and automatic optimisation of water pressure at pressure reducing valves and pumps across a water distribution network. It has advanced technology comprising self-learning algorithm that enables the system to learn from data and improve its performance over time. Due to the need for larger office space to cater for our expansion, we relocated to a shop office in Jalan Padungan, Kuching, Sarawak.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key events and milestones
2013	<ul style="list-style-type: none"> • Our Group expanded our water technology solutions to include NRW reduction solutions. This was a significant step that enabled us to provide comprehensive solutions, including setting up the necessary infrastructure for NRW solutions comprising establishment of DMAs which are isolated areas within a water distribution system, and PMAs which are specified areas for the implementation of advanced water pressure management systems to detect leaks within the DMAs. <p>Previously, we relied on other solution providers to set up the infrastructure for NRW management, limiting our role to supply hardware which is the advanced water pressure management system used in NRW solutions. This expansion enhances our capabilities and value proposition to customers, allowing us to deliver more integrated NRW management solutions.</p> <ul style="list-style-type: none"> • We secured our first NRW project for the Jabatan Kerja Raya Sarawak in Bandar Mukah, Sarawak through a joint venture arrangement with Jalur Cahaya Sdn Bhd. We were involved in the design, supply and installation of the hardware and software required for NRW solutions, design leak testing procedures, as well as inspect, detect and repair leaks; while Jalur Cahaya Sdn Bhd led the works related to the design and establishment of DMAs and PMAs. • Within the same year, we secured another NRW project on our own, in Sungai Maaw, Sibu West and Lanang Barat for Sibu Water Board.
2014	<ul style="list-style-type: none"> • Our Group expanded our water technology solutions to include the provision of water distribution SCADA system. • We secured our first contract to supply a water distribution SCADA system with Sibu Water Board. The SCADA system was an enhancement to Sibu Water Board's existing NRW infrastructure. We were involved in the supply of hardware and software related to SCADA system for onsite and offsite monitoring, customer service monitoring system, telemetry system and cabling works. We also managed the integration of SCADA system with existing systems, and the provision of operations and maintenance services.
2016	<ul style="list-style-type: none"> • Through our past projects with water agencies, we discovered their need for a system to consolidate and integrate multiple water monitoring systems under a platform for seamless monitoring and communication. We began to look out for opportunities to explore the development and feasibility of such solution. • Through a distributor conference, our Managing Director, Ts. Wee Khiam Hui met Diep Do Nhu Phuong. Over time, Diep Do Nhu Phuong introduced an environmental monitoring software developed by her company, which had been implemented in factories in Vietnam. We began to explore the suitability of this software to be adapted for water management and this eventually led to a formal collaboration with Diep Do Nhu Phuong to develop Intelli Water System in 2019.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key events and milestones
2017	<ul style="list-style-type: none"> Our Group expanded our solution offerings by providing design and build of water treatment facilities. We secured our first contract to design, supply, install, operate and maintain alternative water supply systems which include raw water intake, water treatment plant, pipelines, communication pipes and treated water storage tanks as part of JBALB's Sarawak Alternative Water Supply ("SAWAS") programme. For avoidance of doubt, we had obtained the necessary approvals and licences (i.e. relevant trading licences, CIDB licence and UPKJ registration) prior to securing our first contract from JBALB. Due to the need for a larger office space to cater for our expansion, we relocated to our current office in Jalan Pending, Kuching, Sarawak.
2019	<ul style="list-style-type: none"> We jointly developed our in-house smart water management system, namely Intelli Water System with Diep Do Nhu Phuong through Intelli Technology Vietnam and Intelli Technologies, both incorporated during the year. Through Intelli Technologies, we led the design of Intelli Water System by providing our domain knowledge on water management and operations to advise on the features and functions of the software, while leveraging on Intelli Technology Vietnam's programming resources, led by Diep Do Nhu Phuong, to develop the software. We aimed to develop a centralised platform that consolidates all water management systems under a platform for real-time monitoring and data analysis to optimise operation processes. Please refer to Section 6.3 for further information on Diep Do Nhu Phuong's role in our Group. We secured a contract to perform refurbishment works for a water treatment plant at Basong and Old Tingkas Raw Water Intake for JBALB.
2020	<ul style="list-style-type: none"> We secured a contract to supply, install, integrate, test and commission a smart water supply system for JBALB. We deployed our Intelli Water System for this project which allows the integration of data from multiple systems in JBALB under a centralised platform for seamless monitoring and data analytics to optimise operation processes.
2021	<ul style="list-style-type: none"> Our Group enhanced our product offerings by offering smart meters that allow remote meter reading. We secured our first contract for smart meter asset management, replacement and associated works for the Serian division of JBALB. On top of supplying the hardware and software required, we also installed and commissioned backend support systems comprising monitoring system, storage server and automated meter reading system, and provided training to our customer on the system implemented. We secured our first contract for operation and maintenance of alternative water supply systems as part of the SAWAS programme for JBALB.
2022	<ul style="list-style-type: none"> Our Group was appointed as a non-exclusive distributor of water metering solutions in Sarawak by Kamstrup A/S, a company based in Denmark which specialises in the provision of system solutions for smart energy and water metering. We were also appointed as a non-exclusive authorised distributor for Echologics brand of solutions by Mueller Water Products, Inc. in Sarawak, Sabah and Brunei. Please refer to Section 7.2.2.1(c) for further information on Echologics solutions.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key events and milestones
2022	<ul style="list-style-type: none"> Leveraging on our knowledge in our intelligent water management solutions, we began to explore the application of similar intelligent asset management solutions for industries beyond the water sector. We began our journey by exploring the application of intelligent asset management solutions in the agriculture industry (i.e. smart farming) through a MOU with UNIMAS to collaborate R&D works.
2023	<ul style="list-style-type: none"> Our Group identified and collaborated with Place2Stay, a third-party software solution provider we met through UNIMAS events, through a MOU to conduct proof of concept to assess the functionality and feasibility of the intelligent asset management solutions for other industry applications. Thereafter, we assessed the value and potential return on investment of the solution for potential customers. We successfully commercialised several intelligent asset management solutions and began offering them to other industry users: <ul style="list-style-type: none"> We secured our first contract to study, design, develop, install, implement, integrate, test, commission, train and maintain a Smart Transport Management System for KJS Capital Sdn Bhd. We secured our first contract to design, develop, install, implement, commission and maintain a Smart Road Management System for J&T Enterprise. We secured our first contract to design, develop, install, implement, integrate, test, commission, train and maintain a Smart Hotel Information Management System for Customer B. As part of our continuous efforts in enhancing our Intelli Water System, we began a collaboration with TeamSolve Pte Ltd to explore the integration of their AI assistant, Knowledge Twin (previously known as Lily) with our Intelli Water System. Arising from this collaboration, we were appointed as the exclusive distributor of Knowledge Twin in Sarawak and Sabah by TeamSolve Pte Ltd. Please refer to Section 7.2.2.1(a) for further information on Knowledge Twin.
2024	<ul style="list-style-type: none"> Our Group continued to expand our intelligent asset management solution offerings for new industry applications. We secured our first contract to design, develop, install, implement, commission and maintain a Smart Construction Site Information Management System for Gravitas Builder Sdn Bhd. Our Group received the certificate of copyright notification as the owner of Intelli Water System in July 2024.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key events and milestones
2024	<ul style="list-style-type: none"> <li data-bbox="453 293 1402 815">• We acquired 4 intelligent asset management solutions, namely the Integrated Smart Hotel Operations, Management and Reservation System, Centralised Smart Transport Management System, Integrated Smart Road Maintenance and Management System and Integrated Construction Site Resources Information Management System and rebranded these respective solutions to IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System. The aggregate purchase consideration for the abovementioned intelligent asset management solutions (i.e. RM13.4 million) were arrived based on a "willing-buyer willing-seller" basis and negotiations between Place2Stay and our Group after taking into consideration the complexity and features of the intelligent asset management solutions as well as the estimated revenue and profit to be derived by our Group arising from the sales of intelligent asset management solutions. We also obtained the copyrights for all the abovementioned intelligent asset management solutions in October and November 2024. <li data-bbox="453 815 1402 1039">• Our Group entered into a new MOU with UNIMAS on 19 December 2024, aimed to enhance R&D, education, and capabilities in the field of AI, IoT, GIS and digital technology. Through this MOU, we will collaborate with UNIMAS to facilitate cooperation and knowledge-sharing between the parties through joint organisation of ICT related events, sharing of knowledge and expertise, and provision of industrial training programmes.
2025	<ul style="list-style-type: none"> <li data-bbox="453 1039 1402 1144">• Our Group secured our first SLA with KJS Capital Sdn Bhd in June 2025, to provide maintenance and support for 5 years on the implemented IntelliTrack System. <li data-bbox="453 1144 1402 1592">• Our Group entered into a MOU with collaboration with 51VR Pty Ltd ("51WORLD") on 18 June 2025 to leverage on their advanced digital twin technologies in infrastructure and utilities management. 51WORLD is an international digital twin solutions provider headquartered in Beijing, China, specialising in digital replicas of physical environments and infrastructures. The company's expertise covers applications in smart city management, transportation systems, energy infrastructure, industrial facilities, port logistics, and water resource management. Through this MOU, we will collaborate with 51WORLD to jointly explore and develop market opportunities in Malaysia for 51WORLD's digital twin solutions. The said MOU shall remain valid unless and until it is superseded by a definitive agreement entered between the parties or is terminated by mutual consent. For clarity, no cost of investment is required under the said MOU. <li data-bbox="453 1592 1402 2040">• Our Group entered into a MOU with Origin Tech Limited on 4 July 2025 to explore the deployment, evaluation and potential commercial integration of earth observation enabled technologies (technologies used in gathering information about the earth's surface, waters and atmosphere via ground-based, airborne and/or satellite remote sensing platforms) in water infrastructure monitoring, non-visible leak detection and smart city development. Through this MOU, we will collaborate with Origin Tech Limited to conduct joint technical planning and assessment on its earth observation technology, execution of pilot deployment, joint participation in related events, sharing of knowledge and expertise, and identification of opportunities for commercial contracts, co-investment or research collaboration. The said MOU shall remain valid for 12 months unless extended by mutual agreement or terminated earlier with 30 days' written notice. For clarity, no cost of investment is required under the said MOU.

7. BUSINESS OVERVIEW (Cont'd)

Incorporation of our subsidiaries and associated company, and changes in shareholdings

Exxor Technologies

- Exxor Technologies was incorporated on 22 May 2003, by our Group's Managing Director, Ts. Wee Khiam Hui and Wee Kang Soon, father of Ts. Wee Khiam Hui each holding an equity interest of 50.0%. Ts. Wee Khiam Hui and Wee Kang Soon each then subscribed for additional shares on 5 December 2003 and maintained their equity interest at 50.0% each.
- On 29 September 2011, Ts. Wee Khiam Hui and Wee Kang Soon each subscribed for additional shares which resulted in both holding an equity interest of 75.0% and 25.0% respectively.
- On 5 September 2014, Ts. Wee Khiam Hui and Wee Kang Soon each transferred their equity interest of 25.0% to Bong Joon Fook which resulted in the departure of Wee Kang Soon as a shareholder, and Ts. Wee Khiam Hui and Bong Joon Fook each holding an equity interest of 50.0%.
- Bong Joon Fook subsequently transferred 25.0% of his equity interest to Charlene Bong Myn Ee on 25 May 2021 and 1.0% of his equity interest to Ts. Wee Khiam Hui on 10 April 2023, which resulted in Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee each holding 51.0%, 24.0% and 25.0% respectively.
- On 15 July 2025, Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee transferred their equity interest of 51.0%, 24.0% and 25.0% respectively to IAB pursuant to the Acquisition of Exxor Technologies which resulted in Exxor Technologies becoming our wholly-owned subsidiary.

Intelli Technologies

- Intelli Technologies was incorporated on 8 April 2019 under the Act by Diep Do Nhu Phuong, Ts. Wee Khiam Hui and Bong Joon Fook, each holding an equity interest of 49.0%, 26.0% and 25.0%, respectively.
- On 11 October 2023, Ts. Wee Khiam Hui and Bong Joon Fook disposed all their shares representing 51.0% equity interest collectively to Exxor Technologies⁽¹⁾ for a total cash consideration of RM51.

Exxor Data Solutions

- Exxor Data Solutions was incorporated on 29 March 2022, by our Managing Director and Executive Director (Ts. Wee Khiam Hui and Bong Joon Fook), each holding an equity interest of 50.0%.
- On 21 July 2025, Ts. Wee Khiam Hui and Bong Joon Fook transferred their equity interest of 50.0% each to IAB pursuant to the Acquisition of Exxor Data Solutions which resulted in Exxor Data Solutions becoming our wholly-owned subsidiary.

7. BUSINESS OVERVIEW (Cont'd)Intelli Technology Vietnam

- Intelli Technology Vietnam was incorporated on 20 June 2019 under the Law on Enterprises 2014 (now replaced by the Law on Enterprises 2020) as a joint stock company in Vietnam, by Diep Do Nhu Phuong (55.0%), Nguyen Thanh Trung (15.0%), Nguyen Van Phu (15.0%), Nguyen Viet Cuong (15.0%).
- On 21 November 2023, Diep Do Nhu Phuong transferred 4.0% equity interest, Nguyen Thanh Trung transferred 3.0% equity interest, Nguyen Van Phu transferred 3.0% equity interest and Nguyen Viet Cuong transferred all his 15.0% equity interest to Exxor Technologies for a total cash consideration of VND2,250,000,000 (equivalent to RM360,000 based on BNM's exchange rate of VND100: RM0.0160 as at LPD), based on cost of investment.

Note:

- (1) There was no revenue and PBT contributed from Intelli Technologies to our Group during FYE 2022 and FYE 2023 prior to the acquisition of Intelli Technologies by Exxor Technologies in October 2023. In FYE 2024, Intelli Technologies contributed nil revenue and loss before tax of RM0.1 million to our Group. In FYE 2025, Intelli Technologies contributed RM12,480 revenue and loss before tax of RM36,125 to our Group.

The revenue and loss before tax recorded by Intelli Technologies for FYE 2022 to 2025 is set out as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	792	132	256	12
Loss before tax	276	44	32	36

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7. BUSINESS OVERVIEW (Cont'd)

7.2 PRINCIPAL BUSINESS ACTIVITIES AND BUSINESS MODEL

Our Group is a technology solutions provider, principally involved in the supply of water technology solutions for water management across the water utility supply chain from water treatment to distribution, primarily in Sarawak. We also supply intelligent asset management solutions for customers in other industries such as hospitality, transportation and construction.

Backed by our Group's in-house intelligent water management solution, namely Intelli Water System, we aim to offer hardware and software solutions to manage water assets and operations with advanced technologies such as IoT, automatic high frequency periodic monitoring and data analytics to facilitate and drive our customers' operational digitalisation efforts. Our customers for water technology solutions mainly comprise water agencies in Sarawak, namely JBALB, Sibul Water Board, Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd) and Kuching Water Board. For clarity, on 1 August 2025, Sibul Water Board and Kuching Water Board have been integrated into Sarawak Water Sdn Bhd. On top of our direct relationship with the water agencies in Sarawak, we also supplied their projects through other contractors, whereby we acted as subcontractor.

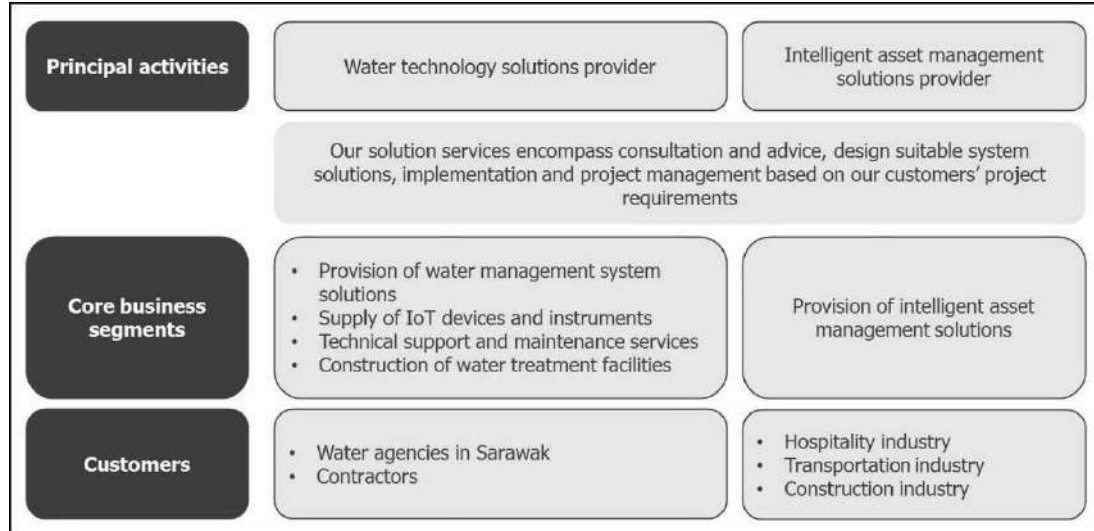
Our intelligent asset management solutions for customers in other industries are IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System. Similar to our Intelli Water System, these intelligent asset management solutions enable seamless intelligent data management of moving and complex network of assets in a centralised and real-time environment, allowing for proactive management of assets in our customers' operations. As at LPD, our customers for intelligent asset management solutions are mostly based in Sarawak and we have 3 customers for intelligent asset management solutions based in Selangor.

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7. BUSINESS OVERVIEW (Cont'd)

7.2.1 Business model

Our business model is summarised below:



Our solutions encompass consultation and advice, design system solutions as well as implementation and project management based on our customers' project requirements, as detailed below:

- Consultation and advice** – We assess and analyse the challenges faced in our customers' operations, identify areas for improvement and provide recommendations to enhance their operation efficiency and productivity.
- Design system solutions** – We design system solutions for our customers based on their project requirements. Our core expertise is in our technical knowledge and incorporation of water technology in our solutions. We identify, assess, select, source and supply the hardware and software with suitable technology required for the system solutions. We also engage, manage and supervise subcontractors to perform services required for the project such as fieldwork (i.e. installation, integration, calibration, testing and commission), maintenance and technical support works as well as construction services.
- Implementation and project management** – We have in-house project managers and site engineers to plan, manage, supervise and monitor the entire project implementation. We prepare work programmes which details the work activities, sequence and milestones according to project requirements and specifications. We manage and supervise subcontractors to ensure works are completed in accordance to project milestones and requirements. We also prepare and implement a project quality assurance plan according to the project's progress, as well as perform final inspections, testing, commissioning and training jointly with our subcontractors at the end of project, where required.

7. BUSINESS OVERVIEW (Cont'd)

Based on our customers' project requirements, our core business segments can be categorised into the following:

(a) Provision of water technology solutions

- **Provision of water management system solutions** – end-to-end solutions from design, supply, installation and implementation of system solutions for water management. This includes designing the system solutions, sourcing and supplying the IoT devices, instruments and software systems required, as well as installing, integrating, testing and commissioning the system solutions.

Our offerings of system solutions support our customers' water treatment and distribution operations in NRW management and intelligent data management throughout the water treatment facilities and water distribution network.

- **Supply of IoT devices and instruments** – source and supply hardware comprising IoT devices and instruments, and related services including installation and integration of hardware, and deployment of technology in accordance with project requirements.
- **Technical support and maintenance services** – inspect, calibrate, repair and maintenance of water technology solutions implemented by us or our customers' existing devices, instruments or systems.
- **Construction of water treatment facilities** – design and build water treatment facilities.

- (b) **Provision of intelligent asset management solutions** – source and supply intelligent asset management solutions for various industries such as hospitality, transportation and construction. The solutions are customised to our customers' requirements.

7.2.2 Products and services

7.2.2.1 Water technology solutions

We supply water technology solutions for water management across the water utility supply chain from water treatment to distribution. Based on project requirements, we may provide one or more of the following:

- (a) Provision of water management system solutions

- (i) NRW solutions

NRW is water that is lost from leakages and theft in the water distribution network and hence does not generate revenue. Our NRW reduction strategies focus on identifying and mitigating the causes of water loss, whether due to leaks, unauthorised consumption, or metering inaccuracies.

7. BUSINESS OVERVIEW (Cont'd)

We are able to provide comprehensive NRW solutions, including setting up the necessary infrastructure for NRW solutions comprising establishment of DMAs which are isolated areas within a water distribution system, and PMAs which are specified areas for the implementation of advanced water pressure management systems to control leaks within the DMAs. We also supply the IoT devices and instruments required in NRW management for leakage detection, monitoring, reporting and real-time data analysis.

Further, we are able to modularise and customise the hardware and software to be implemented in our NRW solutions for the following:

- automatic high frequency periodic update and monitoring to detect and alert water leakages along water distribution pipes for immediate remedial action (e.g. rectification of faulty pipes causing the leakages) to reduce NRW; and
- manage water pressure along water distribution networks. Water pressures need to be managed as high water pressure is a common cause of burst pipes leading to water leakages, and low water pressure results in insufficient water supply to end consumers. By optimising water pressure management, water pressure levels are maintained at ideal ranges and pipe leakages can be prevented.

(ii) Intelligent data management throughout the water treatment facilities and water distribution network

Our Intelli Water System is a critical pillar in our water technology solutions, designed to optimise water operations through advanced technologies (i.e. IoT, data analytics and AI), ensuring efficient, secure and reliable water distribution. Intelli Water System integrates multiple systems such as SCADA and GIS in a platform that enables seamless intelligent data management comprising data collection, monitoring, storage and analysis in a centralised environment, allowing for proactive management of the water supply.

Our comprehensive suite of water management services enhances the performance of water networks by focusing on key areas such as water monitoring and leakage control, NRW reduction, pressure management, and the installation and calibration of smart meters. These solutions are meticulously engineered to track critical parameters like flow rates, pressure levels, and water movement, boosting efficiency across the entire distribution system. The tenure of the contracts for the provision of water management system solutions is typically 12 months.

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7. BUSINESS OVERVIEW (Cont'd)

Intelli Water System

In 2019, we completed the development of our Intelli Water System, an in-house smart water management system through the joint development of Intelli Technologies and our associated company and technology partner, namely Intelli Technology Vietnam. Through Intelli Technologies, we led the design of Intelli Water System by providing our domain knowledge on water management and operations to advise on the features and functions of the software, while leveraging on Intelli Technology Vietnam's programming resources to develop the software. The Intelli Water System source codes belong to Exxor Technologies upon completion of the development as Exxor Technologies funded the development.

Our Intelli Water System is a platform comprising hardware and software to monitor, present and integrate water pressure, flow rate and water level data from water treatment plants, high level tanks, booster stations to increase the quality and efficiency of water distribution networks. Intelli Water System does not fall within the qualification to be protected under the Patents Act 1983, neither our Group nor Intelli Technology Vietnam have registered the Intelli Water System to be protected under the Patents Act 1983. Notwithstanding the above, Intelli Water System is protected under copyright law where Exxor Technologies have obtained the copyright for Intelli Water System in July 2024. Further, in order to prevent other competitors from leveraging the same technology as our Intelli Water System, we safeguard the source code of our Intelli Water System through access control and encryption, making it difficult for unauthorised parties to copy or replicate the technology unlawfully or potentially misuse the technology. Please refer to Section 7.4.2 for further information on our source code protection.

The types of hardware that can be incorporated into the Intelli Water System are IoT devices (e.g. flow meters, data loggers, sensors and smart meters) and water quality analysers that functions as follows:

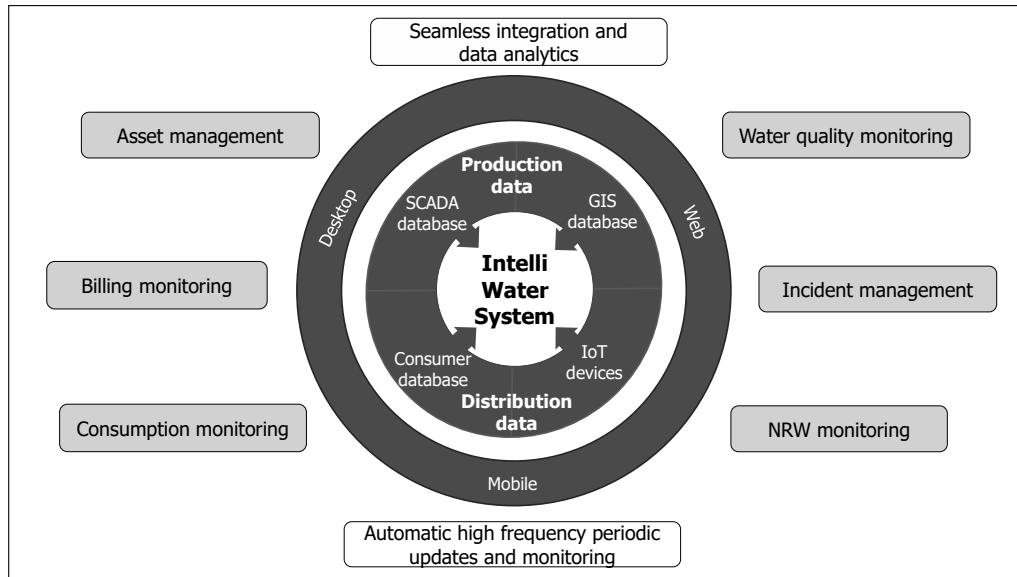
- detects and measures water quality at the raw water intake source and at the water treatment plant, ensuring compliance with health and safety standards;
- monitors and measures the flow, pressure and movement of water within water supply pipes from the water treatment plant to end consumers within the water distribution network; and
- detects and measures loss of water within the water distribution network to address potential inefficiencies and reducing NRW.

Our software integrates the hardware by providing a communication platform whereby data is automatically collected, processed and analysed in frequent intervals to provide continuous monitoring of water quality and supply reliability, as well as improve revenue water ratio.

Further, our Intelli Water System is able to seamlessly access, communicate and integrate with existing SCADA or other system applications which our customers may have.

7. BUSINESS OVERVIEW (Cont'd)

An illustration of our Intelli Water System is as follows:



Our Intelli Water System also comprises modules with different functions tailored to the needs of the water management industry. Examples of key modules of our Intelli Water System are as follows:

Modules	Description
Asset management	This module focuses on tracking, managing and optimising the production and distribution assets of the water network. This includes asset lifecycle management, meter performance and replacement monitoring, automatic high frequency periodic update of water network data (e.g. location of assets and pipelines).
Billing monitoring	This module focuses on reading consumer billing data and monitoring actual consumption to detect and prevent discrepancies which enables accurate billing.
Consumption monitoring	This module monitors water consumption patterns. This includes automatic high frequency periodic tracking of water usage data and analysing water usage data to identify unusual consumption patterns for demand planning (i.e. water pressure control).
Water quality monitoring	This module tracks the relevant parameters of water (e.g. pH level, chlorine level, turbidity level, alum level, fluoride level) via remote devices and instruments (i.e. water quality analysers) within the water treatment plant to ensure water quality standards are met for the distribution network.
Incident management	This module manages and responds to incidents affecting the water network. Its features include incident reporting (e.g. pipe bursts/leaks, meter breakdown, water supply disruption), incident prioritisation and response management to resolve issues quickly. It also includes leakage module which can track and analyse historical leaks at sites, as well as the time and date of the incident.

7. BUSINESS OVERVIEW (Cont'd)

Modules	Description
NRW monitoring	This module identifies and addresses water losses within the water network that does not generate revenue, such as loss from leakages and theft. Its features include detecting leakage areas and tracking water losses which help water agencies with addressing the losses accordingly and minimising NRW losses.

Please refer to Section 7.6.1 for further information on our Intelli Water System.

Aside from the implementation of customisable modules, we also provide data and security privacy for our Intelli Water System as well as hands-on training to our customers' employees.

As at LPD, we have sold and implemented our Intelli Water System to 3 customers, namely JBALB, Sibul Water Board and Air Kelantan Sdn Bhd, whereby the system has been implemented at the water distribution network under the jurisdiction of JBALB, Sibul Water Board and Air Kelantan Sdn Bhd, respectively. For avoidance of doubt, while our customers are granted the right to use our Intelli Water System, the source code and ownership of our Intelli Water System remain with our Group. The tenure of the contracts for the provision of water technology solutions and/or installation of the Intelli Water System is typically 12 months.

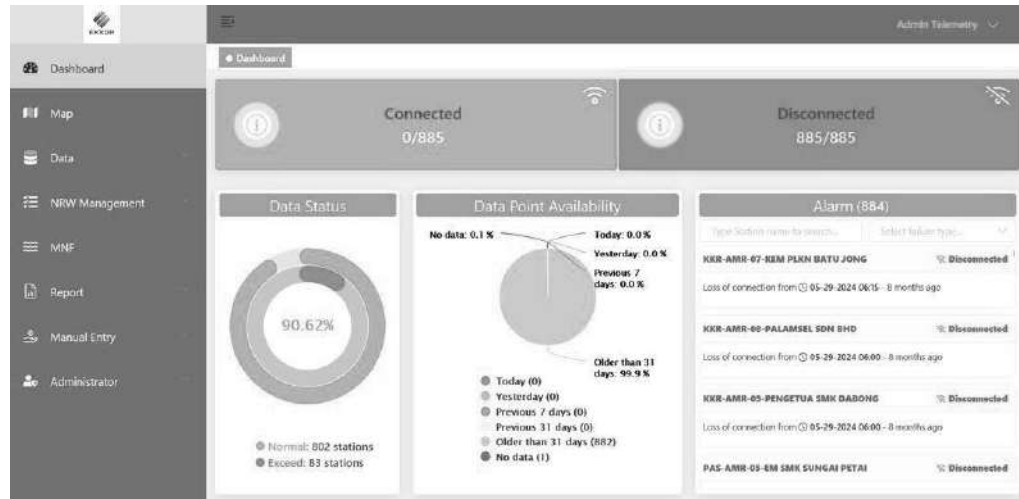
We implemented and handed over the Intelli Water System to JBALB, Sibul Water Board and Air Kelantan Sdn Bhd in October 2021, December 2022 and February 2023, respectively, whereby the system, including the command centre, is fully operated by JBALB, Sibul Water Board and Air Kelantan Sdn Bhd. Upon the completion of DLP, our Group has been providing technical support and maintenance services to JBALB for the Intelli Water System implemented since November 2022, through a SLA that renewed on a yearly basis. As at LPD, there are no SLAs signed with Sibul Water Board and Air Kelantan Sdn Bhd since the completion of DLPs for their respective projects. We had sold only GIS modules under our Intelli Water System implemented for Sibul Water Board and Air Kelantan Sdn Bhd which do not require continuous support and maintenance services from our Group. Instead, the customers were equipped and trained by our Group to manage and maintain it, and therefore these customers did not sign SLAs with our Group.

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7. BUSINESS OVERVIEW (Cont'd)

For illustration purposes, please refer to some screenshots of Intelli Water System below:

- Asset management monitoring dashboard



- Incident management dashboard



SCADA

SCADA provides continuous, real-time monitoring of water treatment plants. This system not only monitors water quality, identifies vulnerabilities and detects abnormal conditions instantly but also reports security breaches, ensuring the integrity of the water treatment plants and supply reliability.

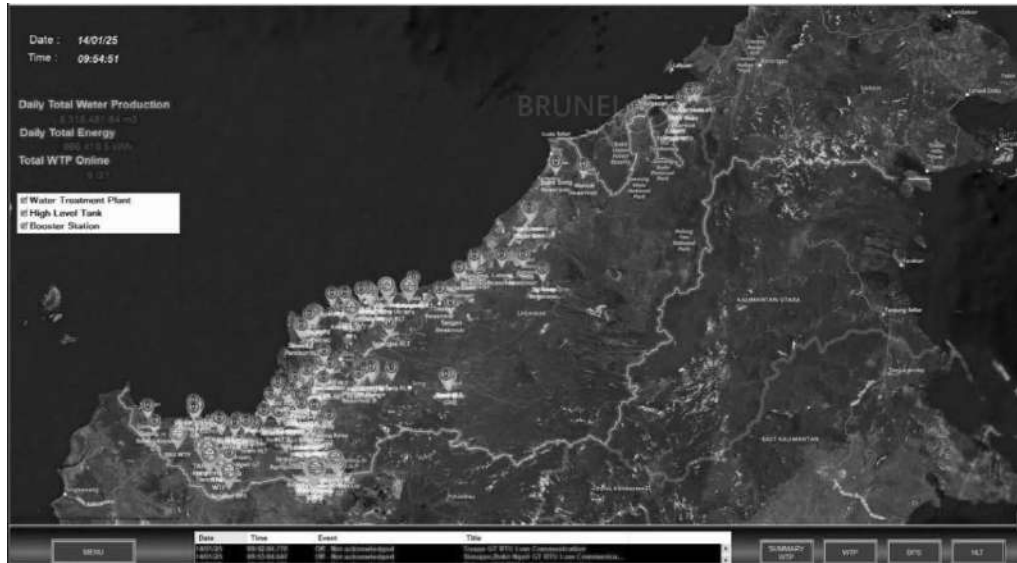
When SCADA is integrated with our Intelli Water System (for avoidance of doubt, there are no additional fees required for such integration), the data collected, processed and analysed can be presented through SCADA system which comprises control monitoring panels located on-site at the water treatment plants, and off-site monitoring located at a command centre. Additionally, remote monitoring through web and mobile applications can also be integrated into the SCADA system for enhanced accessibility.

7. BUSINESS OVERVIEW (Cont'd)

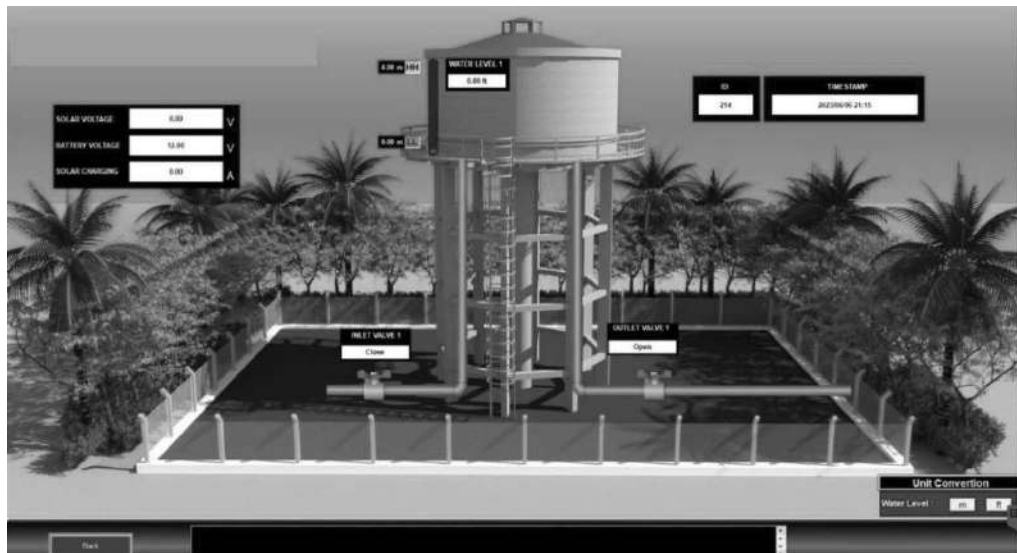
In addition, as SCADA is a software sourced from third-party provider, we will source for the licence, integrated with our Intelli Water System and sold as an independent module under our Intelli Water System or as part of a complete integrated Intelli Water System. Hence, the source codes and ownership of SCADA remain with the licensee.

For illustration purposes, please refer to the screenshots below for the SCADA monitoring system:

- Monitoring overview dashboard



- Water tank monitoring



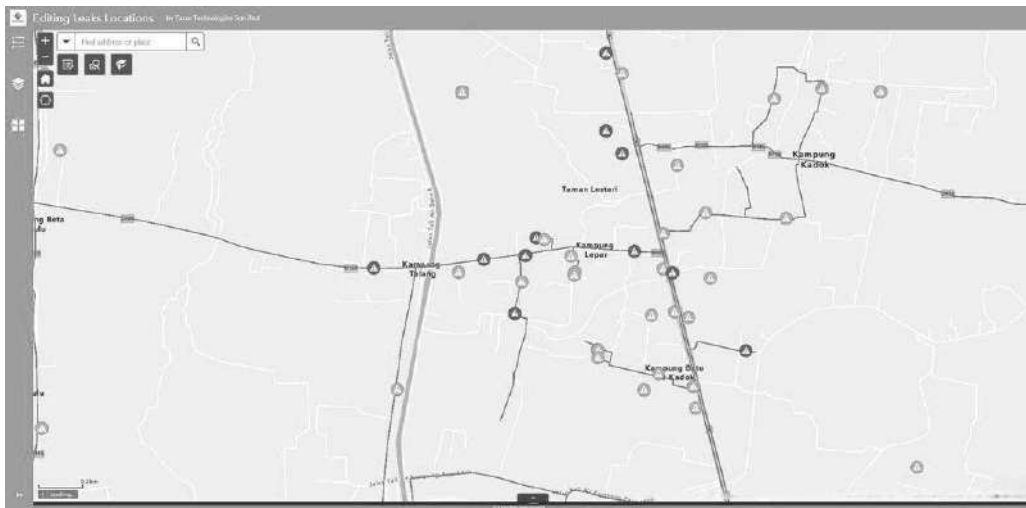
7. BUSINESS OVERVIEW (Cont'd)

GIS

GIS is a digital mapping system that displays and analyses geographically referenced information (e.g. pipes and facilities). It is generally used to manage an asset registry, analyse system performance, optimise work, and collaborate between teams in the office and the field. The usage of GIS with the Intelli Water System enables field personnel to easily visualise, collect, and analyse crucial data, streamlining workflows and enhancing operational efficiency across the water networks. For avoidance of doubt, no additional fees are required for such the integration of GIS into our Intelli Water System.

In addition, GIS can be sold as an independent module under our Intelli Water System or as part of a complete integrated Intelli Water System. However, the source codes and ownership of GIS (which is part of our Intelli Water System) remain with our Group.

For illustration purposes, please refer to the screenshot below for the mapping dashboard in GIS indicating the network of referenced assets:



AI assistant, Knowledge Twin (previously known as Lily)

We are appointed by TeamSolve Pte Ltd as the exclusive distributor of Knowledge Twin for the region of Sarawak and Sabah. The exclusive distributorship will be reviewed every 12 months and will continue in effect until either party gives notice of termination. There is no sales target set by TeamSolve Pte Ltd. TeamSolve Pte Ltd is a Singaporean based company, specialising in the provision of digital solutions and transformation projects for water utilities. Knowledge Twin is an AI assistant that acts as a knowledge twin, a digital replica of an expert team, machine or complex system to provide human-like assistance to users on operational insights. The usage of Knowledge Twin with our Intelli Water System will enable real-time, adaptive and easy-to-understand assistance provided to users (i.e. field workers) through the integration of data such as historical incident and asset information (e.g. dates of previous failures, issues, maintenance of distribution assets) and automate the generation of customised post operation reports. As at LPD, the integration and implementation of Knowledge Twin in our Intelli Water System is in development stage and is targeted to be completed by fourth quarter of 2025.



7. BUSINESS OVERVIEW (Cont'd)

(b) Supply of IoT devices and instruments


As part of our water technology solutions, we source and supply IoT devices and instruments that meet our customers’ requirements to solve their water management issues. If required, we may engage and oversee subcontractors for additional labour services to facilitate the replacement and installation of the required hardware and instruments.

We source and establish distributor-principal relationships with our principals, whereby we serve as authorised distributor to our brand principals.

As at LPD, we are the authorised and exclusive distributor for Mueller Water Products, Inc and a non-exclusive distributor for Kamstrup A/S. The list of products we distribute are as follows:

Product	Description	Brand	Principal
<p>Advanced pressure management system:</p> <ul style="list-style-type: none"> Advanced pilot valve 	<p>Advanced pressure management system enables remote control and automatic optimisation of water pressure across the water supply network to reduce background leakage and pipe bursts.</p>	i2O	Mueller Water Products, Inc. ⁽¹⁾
<ul style="list-style-type: none"> Data logger and controller 	<p>Advanced pressure management system integrates IoT devices and i2O software to calculate the optimal water pressure and flow levels based on consumption data gathered from data loggers and controllers throughout the day. This enables automatic and proactive analysis of water demand and reduces the need for manual analysis or intervention.</p>		
	<p>Advanced pressure management system consists of the following IoT devices:</p> <ul style="list-style-type: none"> Advanced pilot valve – used to remotely control water pressure to automatically deliver target water pressure at a critical point; and Data logger and controller – provides accurate and reliable flow rate and water pressure data which can be transmitted wirelessly to a centralised monitoring system. Data sampling intervals, data logging intervals and alarm thresholds can be customised for each device. 		

7. BUSINESS OVERVIEW (Cont'd)

Product	Description	Brand	Principal
Ultrasonic water meters 	Ultrasonic water meters emit ultrasound waves to accurately and reliably measure the flow of water through water pipelines. We supply 3 models of ultrasonic water meters catering to customers of different needs, which are: <ul style="list-style-type: none"> • flowIQ 2200 for residential water metering; and • flowIQ 3200 and 4200 for commercial and district water metering 	Kamstrup	Kamstrup A/S ⁽²⁾

Notes:

- (1) In 2011, we were appointed as the exclusive distributor of i2O intelligent pressure management system for Sarawak region by i2O Water Malaysia Sdn Bhd, a company that later became a subsidiary of Mueller Water Products, Inc., a UK based company which specialises in pressure control valves used to optimise water supply system through efficient pressure management to reduce leakage. As at LPD, the tenure of our latest renewed appointment is 11 months which will be due for renewal on 31 December 2025. The appointment is renewed on annual basis, upon expiry or upon request by our Group. There is no sales target set by i2O Water Malaysia Sdn Bhd.
- (2) In 2022, we were appointed as a non-exclusive distributor of water metering solutions for Sarawak region by Kamstrup A/S, a company based in Denmark which specialises in the provision of system solutions for smart energy and water metering. As at LPD, the tenure of our latest renewed appointment is 15 months which will be due for renewal on 1 February 2026. The appointment is renewed automatically on annual basis. There is an annual sales target of EUR100,000 set by Kamstrup A/S for the first year of the agreement, with a 10.0% year-on-year increment thereafter. As this partnership is newly established and the Sarawak market represents a new geographic focus for Kamstrup A/S, the sales target has not been met to date. However, this sales target is not strictly enforced by Kamstrup A/S at this early stage of the collaboration. As our current sales and operational activities related to Kamstrup A/S products remain minimal, the non-fulfilment of the sales target is not expected to have a material impact on our Group's financial performance and result in the cancellation of the distributorship. Our Group is working closely with Kamstrup A/S to distribute its products in Sarawak and to achieve the sales targets over time. For clarity, as at LPD, our Group's distributorship with Kamstrup A/S has not been affected by the sales target above.

As at LPD, we have completed a proof of concept using Kamstrup ultrasonic smart meter in leak detection throughout the water system for Sarawak Water Sdn Bhd (formerly known as Laku Management Sdn Bhd) and Sibu Water Board, and we are in discussion with these water agencies to adopt Kamstrup ultrasonic smart meter in leak detection for their future projects.

Other than our principals, we may source and supply other brands and products (e.g. related fittings and consumables such as batteries and signal transmitters) from other suppliers, based on our customers' project requirements.

7. BUSINESS OVERVIEW (Cont'd)

(c) Technical support and maintenance services

Our technical support and maintenance services are customised based on our customers' needs. We engage, manage and supervise specialised subcontractors to perform technical support and maintenance services to our customers.

Our technical support services enable the seamless operation and maintenance of the water technology solutions that we implement. These services encompass meter audit, calibration and inspection of the devices and instruments, leak detection as well as repair and rehabilitation works.

As at LPD, we are the authorised distributor for Echologics brand of solutions by Mueller Water Products, Inc. in Sarawak, Sabah and Brunei. Echologics solutions comprise pipe condition assessment and pipe monitoring. As the authorised distributor, we are also certified to perform ePulse pipe condition assessment services, a non-invasive leak detection service which use acoustic technology to examine the condition of water pipes for pipe corrosion and leakages. This helps with maintenance planning, budgeting and scheduling to prevent pipe leakages. As at LPD, we have not provided ePulse services to our customers and there is no sales target set by Mueller Water Products, Inc.

Further, we support customers through our maintenance services by resolving software and hardware issues, conducting inspections and repairs, and maintaining system functionality for the water technology solutions that we implement, including Intelli Water System. These services are essential in minimising downtime and prevent costly operational disruptions, driving efficiency and reliability across their operations. With proactive maintenance and timely troubleshooting, our customers can mitigate risks and extend the lifespan of their assets and infrastructure, resulting in long-term cost savings.

We also provide operating and maintenance services for our customers' water assets and infrastructure which encompass routine activities (e.g. process monitoring and control, chemical management, laboratory testing and analysis) and equipment maintenance and repair.

Ultimately, our technical support and maintenance services allow our customers to focus on their core business while relying on us to keep their assets and infrastructure optimised and up to date.

(d) Construction of water treatment facilities

Our Group provides design and build services for water treatment facilities such as alternative water supply systems, primarily serving rural areas of Sarawak. We manage every phase of the project, from initial concept to final execution, including engaging, managing and supervising subcontractors to perform civil, structural, mechanical and electrical works, as well as installation, calibration and commissioning of devices and instruments to deliver fully operational water treatment facility that meet our customers' requirements.

We participate in projects related to the construction of water treatment facilities to allow us to supply IoT devices and instruments for water treatment facilities such as alternative water supply systems. This allows us to expand our offerings to serve wider water technology needs along the water supply chain. We engage and project manage subcontractors for the construction works required.

7. BUSINESS OVERVIEW (Cont'd)

Following the implementation of our water technology solutions, and subsequent handover to our customers, we provide technical support services during the DLP as part of our scope of service for the project. Further, we also cover the rectification and/or replacement of faulty parts for the hardware supplied and structures of water treatment plants due to workmanship and product/material defects, as well as faults caused by software errors in our water management system solutions. We have back-to-back arrangements with our suppliers and/or subcontractors on product warranty for products supplied by them or for their workmanship. Hence, the relevant costs involved in rectifying such issues during the DLP will be borne by our suppliers and/or subcontractors. Our suppliers generally provide 12 months of product warranty for the products supplied to our projects. If product warranty provided by our suppliers has ended prior to the completion of DLP of the projects, the additional cost of replacement will be borne by our suppliers as part of their scope of services to us for the projects. We may provide replacement of certain consumables such as batteries, if required, at our cost. In the event of loss of hardware due to theft, accident or vandalism during the DLP, the cost of replacement will be claimed from the insurance we purchase for the project for such coverage.

Post DLP, our customers have the option to engage us for technical support and maintenance services on ad-hoc basis or via SLA, which will be charged separately.

7.2.2.2 Intelligent asset management solutions

Leveraging on our technology expertise in asset management solutions and our Intelli Water System, we supply customised intelligent asset management solutions for customers from various industries. Intelligent asset management solutions enable predictive analytics, automated reporting, and proactive alerts, helping our customers make informed decisions and respond quickly to potential issues in their operations. The tenure of the contracts for the provision and/or installation of asset management solutions ranges between 3 to 18 months.

In 2023, our Group identified and collaborated with Place2Stay, a third-party software solution provider we met through UNIMAS events, through a MOU to conduct proof of concept to assess the functionality and feasibility of the intelligent asset management solutions for other industry applications.

In FYE 2024, we started to source intelligent asset management solutions from Place2Stay and managed the customisation and adaptation of the solutions based on our customers' requirements. We provide domain expertise comprising our knowledge of the solution's functional requirements, business processes and industry-specific requirements while leveraging on Place2Stay's programming skills to execute the customisation and adaptation of the solutions. The entire process was managed by our in-house team, comprising 1 project director (our Managing Director, Ts. Wee Khiam Hui was the initial project director and subsequently this role is assumed by Ts. Dr. Peggy Loh Yee Wey upon her appointment as our Chief Technology Officer) and 1 project manager for each project.

In October and November 2024, we acquired 4 intelligent asset management solutions, as follows:

- (a) Integrated Smart Hotel Operations, Management and Reservation System;
- (b) Centralised Smart Transport Management System;
- (c) Integrated Smart Road Maintenance and Management System; and
- (d) Integrated Construction Site Resources Information Management System,

from Place2Stay for the purchase consideration of RM5.0 million, RM4.0 million, RM0.2 million and RM4.2 million respectively, and collectively for a total purchase consideration of RM13.4 million (including sales and service tax).

7. BUSINESS OVERVIEW (Cont'd)

The acquisition of the 4 intelligent asset management solutions were completed in October 2024 and November 2024 upon the successful transfer of the ownership to and registration of copyright for the 4 intelligent management solutions by Exxor Technologies, as set out in Section 6.8.3. The purchase consideration of RM0.2 million for Integrated Smart Road Maintenance and Management System has been paid in full, whilst the remaining RM13.2 million purchase consideration is to be settled on a deferred monthly basis over 36 months, amounting to a monthly repayment of RM0.37 million via our internally generated funds. In this regard, the deferred payment was negotiated to ease our Group's cash flows. As there was no interest imputed in the deferred payment to Place2Stay, there would be no savings in the event we accelerate the repayment. The status of the settlement as at LPD is as follows:

Intelligent asset management solutions	First date of settlement	Amount paid as at LPD (RM)
Integrated Smart Hotel Operations, Management and Reservation System	28 November 2024	3,687,000
Centralised Smart Transport Management System	28 November 2024	
Integrated Construction Site Resources Information Management System	28 November 2024	
Integrated Smart Road Maintenance and Management System	6 January 2025	⁽¹⁾ 150,000

Note:

- ⁽¹⁾ The purchase consideration for the acquisition of Integrated Smart Road Maintenance and Management System has been fully settled on 6 January 2025.

The Integrated Smart Road Maintenance and Management System has a lower purchase consideration as it features less modules and functionalities as compared to the other 3 intelligent asset management solutions. We intend to further enhance the Integrated Smart Road Maintenance and Management System (now known as IntelliRoad System) to add new modules and features. Please refer to Section 7.13 for further details on our on-going R&D projects.

We have previously in FYE 2024 engaged Place2Stay as a software solutions provider to customise and develop the intelligent asset management solutions for our customers, and decided to acquire these customised solutions based on their successful implementation. Based on the agreements with Place2Stay, Exxor Technologies will, upon completion of the acquisitions, gain full and unrestricted ownership of the intelligent asset management solutions, including the source code and all associated intellectual property which allows Exxor Technologies to rebrand, modify, or commercialise the software as we deem fit. Pursuant thereto, we have rebranded the solutions to IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System. Our Group has also obtained the copyrights for all the abovementioned intelligent asset management solutions in October and November 2024.

Pursuant to the abovementioned agreements and the respective supplemental agreements, Place2Stay is allowed to continue servicing its existing customers with software incorporating the source code of each of the 4 intelligent asset management solutions ("**Existing Software**") until the expiry of the respective service agreements entered into between Place2Stay and the said customers ("**Existing Service Agreements**"). It was further agreed that upon expiry of the Existing Service Agreements, Place2Stay shall:

7. BUSINESS OVERVIEW (Cont'd)

- (a) immediately cease all use of the Existing Software;
- (b) not renew, extend, or enter into any new service agreements with the existing customers;
- (c) not, whether directly or indirectly, use, reproduce, modify, adapt, distribute, sublicense, or otherwise exploit the Existing Software in any manner whatsoever, nor shall Place2Stay permit or allow any third party to do so, in whole or in part, for any purpose; and
- (d) do all things necessary to facilitate and fully cooperate in the seamless transition of the existing customers to Exxor Technologies, including making the necessary introductions and providing assistance to ensure continuity in the provision of services to the existing customers by Exxor Technologies.

In addition, Place2Stay is prohibited from (i) using the source code or any derived knowledge thereof to develop, market, or distribute similar and/or competing systems; and (ii) transferring, licensing, or sublicensing the source code, its components and/or derivatives to any third parties. Place2Stay is also prohibited from soliciting or engaging with our customers or prospects, as well as from disrupting or interfering with our business relationships with them. In the event of any breach of these obligations, Place2Stay is required to indemnify Exxor Technologies for any resulting losses.

For clarity, Section 11 of the Patents Act 1983 provides that an invention is patentable if it is new, involves an inventive step and is industry applicable. The IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System utilise technologies such as IoT, AI-driven analytics and cloud computing for management optimisation, all of which are features of existing technologies, the intelligent asset management solutions do not qualify as a novel technical solution to be protected under the Patents Act 1983. Notwithstanding the above, patents are not required in this regard as the Group's rights are adequately protected under the Copyright Act 1987. Further, in order to prevent other competitors from leveraging the same technology as our intelligent asset management solutions, we safeguard the source code of our intelligent asset management solutions through access control and encryption, making it difficult for unauthorised parties to copy or replicate the technology unlawfully or potentially misuse the technology. Please refer to Section 7.4.2 for further information on our source code protection.

We are currently adapting our Intelli Water System, IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System to develop new intelligent asset management solutions to manage complex network of assets for more industry applications.

Further information on our IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System are as follows:

(a) IntelliHotel System

An integrated smart hotel operations, management and reservation system using IoT devices. IoT devices use sensors to detect and identify the movement of items such as electrical appliances, bedsheets and towels in and out of the rooms, based on the identification tags on these items. The data collected helps to automate hotel operations by streamlining reservations, guest management and housekeeping schedule in an integrated and real-time environment, enhancing efficiency and improving the overall guest experience.

7. BUSINESS OVERVIEW (Cont'd)

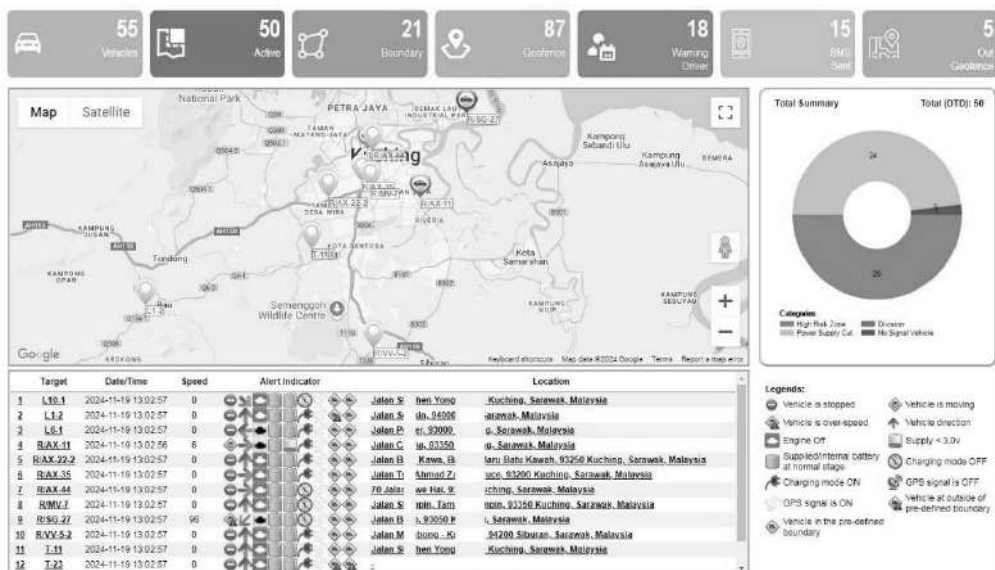
For illustration purposes, the screenshot below shows the dashboard of IntelliHotel System:



(b) IntelliTrack System

A centralised smart transport management system which optimises transport operations using AI and data from IoT devices. IoT devices are installed onto vehicles to track the driving pattern, vehicle route, fuel consumption and efficiency within a specified geofenced area. The AI performs data analytics on the data collected from IoT devices to assist in fleet management, route planning, shipment tracking as well as improving fuel consumption and efficiency, reducing costs and ensuring timely deliveries. The AI also helps to generate data analytics reports whenever required.

For illustration purposes, the screenshot below shows the dashboard of IntelliTrack System:



7. BUSINESS OVERVIEW (Cont'd)

(c) IntelliRoad System

A GIS-based system for efficient road management and maintenance using IoT devices. IoT devices such as sensors, cameras and GPS trackers are used on road infrastructure (bridges, pavements, signages and drainage systems) and vehicles on the road. It uses AI for predictive analytics for road deterioration which helps to optimise maintenance schedules to reduce cost and improve efficiency. It also detects anomalies in historical records to properly address root causes for road deterioration. As such, the system ensures proactive maintenance, optimised operations, and safer road networks.

For illustration purposes, the screenshot below shows the dashboard of IntelliRoad System:



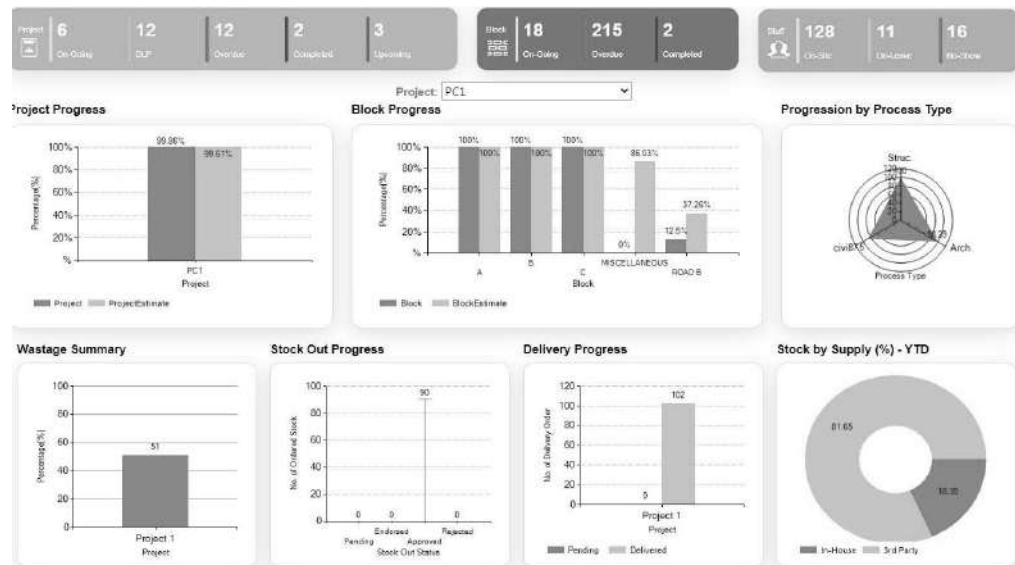
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7. BUSINESS OVERVIEW (Cont'd)

(d) IntelliConstruct System

An integrated construction site resources information management system. It enhances construction project efficiency by automating site operations and resource management. It tracks real-time data on workforce, task management, materials and equipment inventory, enabling better decision-making, reducing delays, and improving overall project coordination.

For illustration purposes, the screenshot below shows the dashboard of IntelliConstruct System:



Please refer to Section 7.6 for further information of our intelligent asset management solutions.

The modules and interfaces for each of our intelligent asset management solutions are customisable and adaptable to our customers’ requirements. We may develop new modules to enhance the features and overall user experience.

As at LPD, the status of our on-going and completed intelligent asset management solutions projects are as follows:

Intelligent management solutions	asset	No. of users	No. of projects		Under warranty period
			On-going	Completed	
IntelliTrack System		(1)8	(2)2	8	3
IntelliHotel System		(3)2	(4)1	2	-
IntelliRoad System		(5)2	(6)1	2	1
IntelliConstruct System		(7)34	11	28	27
Others		9	5	(8)4	3
		(9)55	20	44	34

Notes:

(1) For clarity, 2 users of our IntelliTrack System entered into 2 respective SLAs for IntelliTrack System.

7. BUSINESS OVERVIEW (Cont'd)

- (2) Consist of 2 SLAs of IntelliTrack System. For clarity, warranty period is not applicable to SLAs.
- (3) For clarity, 1 user of our IntelliHotel System entered into a SLA for IntelliHotel System.
- (4) Consist of 1 SLA of IntelliHotel System. For clarity, warranty period is not applicable to SLA.
- (5) For clarity, 1 user of our IntelliRoad System entered into a SLA for IntelliRoad System.
- (6) Consist of 1 SLA of IntelliRoad System. For clarity, warranty period is not applicable to SLA.
- (7) For clarity, 4 users of our IntelliConstruct System purchased additional modules for IntelliConstruct System under separate project contracts. Further, 1 of these 4 users of our IntelliConstruct System entered into a SLA for IntelliConstruct System.
- (8) Consist of one completed project relating to IT consultancy, IT training and IT manpower supply. No warranty period is given for this project.
- (9) Consist of 49 customers as 6 of our customers are the users of more than 1 of our intelligent asset management solutions.

Following the deployment of our intelligent asset management solutions, and subsequent handover to our customers, we provide a warranty period ranging from 6 to 12 months, whereby we provide technical support, maintenance and debugging services as well as rectifying and resolving customers' technical issues, as part of our scope of project. During the warranty period, we will repair or replace any defective hardware at no additional cost to our customers. We have back-to-back arrangements with our suppliers on product warranty for products supplied by them. Hence, any repairs and replacement cost will be claimed from our suppliers during the warranty period will be borne by our suppliers. Our suppliers generally provide 12 months of product warranty for the products supplied to our projects. If product warranty provided by our suppliers has ended prior to the completion of DLP of the projects, the additional cost of replacement will be borne by our suppliers as part of their scope of service to us for the projects.

For post warranty period, our customers have the option to engage us via SLAs, for periods ranging from 12 to 36 months for maintenance and troubleshoot works. We also provide troubleshoot works and system configuration for hardware optimisation and performance enhancement.

As at LPD, we have secured 5 SLAs, of which 2 SLAs are for Intelli Track System, 1 SLA for IntelliRoad System, 1 SLA for IntelliConstruct System and 1 SLA for IntelliHotel System to provide maintenance services for 5 years. Under the SLAs which we have secured, we generally provide maintenance and support for the application software and IT infrastructure related to the system implemented by us. Our scope of work for system support includes software updates, technical support services (e.g. troubleshooting, diagnosis and rectification), system log management, preventive maintenance; while our scope of work for IT infrastructure includes system monitoring and maintenance, troubleshooting and diagnosis, backup and recovery, certificate and license monitoring, technical advisory and coordination. We charge a fixed annual service fees and any out-of-scope services provided will be charged separately. The contract value of our SLAs ranges between RM0.5 million and RM1.5 million.

7. BUSINESS OVERVIEW (Cont'd)**7.2.3 Principal place of business**

Our Group currently operates from the following locations:

Location	Description	Main function	Approximate built-up area sq ft
<u>Headquarters</u>			
D272, 1st floor, Block D, ICOM Square, Jalan Pending, 93450 Kuching, Sarawak	An office unit in a 4-storey commercial building	Corporate office	922.0
D273, 1st floor, Block D, ICOM Square, Jalan Pending, 93450 Kuching, Sarawak	An office unit in a 4-storey commercial building	Corporate office	922.0
D274, 1st floor, Block D, ICOM Square, Jalan Pending, 93450 Kuching, Sarawak	An office unit in a 4-storey commercial building	Corporate office	922.0
<u>West Malaysia branch office</u>			
12A-3A, Persiaran Puteri 1, Bandar Puteri, 47100 Puchong, Selangor	An office unit in a 4-storey commercial building	Branch office	850.0

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7. BUSINESS OVERVIEW (Cont'd)

7.3 OUR BUSINESS SEGMENTS AND PRINCIPAL MARKETS

The breakdown of our Group's revenue by principal business activities for FYE 2022 to 2025 is as follows:

Revenue by business segment	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Water technology solutions	29,117	100.0	40,617	100.0	21,744	68.1	15,709	31.6
- Water management system solutions	25,549	87.8	7,217	17.8	10,973	34.4	3,669	7.4
- Supply of IoT devices and instruments	1,109	3.8	14,326	35.3	4,611	14.4	758	1.5
- Technical support and maintenance services	2,459	8.4	7,373	18.1	6,160	19.3	5,451	11.0
- Construction of water treatment facilities	-	-	11,701	28.8	-	-	5,831	11.7
Intelligent asset management solutions	-	-	-	-	10,206	31.9	33,930	68.4
- IntelliTrack System	-	-	-	-	4,074	12.8	1,552	3.1
- IntelliHotel System	-	-	-	-	1,923	6.0	526	1.1
- IntelliRoad System	-	-	-	-	1,441	4.5	311	0.6
- IntelliConstruct System	-	-	-	-	462	1.4	25,914	52.2
- Others ⁽¹⁾	-	-	-	-	2,306	7.2	5,627	11.4
	29,117	100.0	40,617	100.0	31,950	100.0	49,639	100.0

Note:

(1) Comprises a one-off project generated from the provision of IT consultancy, IT training, IT manpower supply, and the implementation of various management systems (such as procurement management, building management, billing management as well as human resource and finance management) for our customer.

The breakdown of our Group's revenue by geographical market is as follows:

Revenue by geographical market ⁽¹⁾	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	29,113	99.9	40,617	100.0	31,378	98.2	49,639	100.0
Overseas	4	<0.1	-	-	572	1.8	-	-
- Vietnam	4	<0.1	-	-	-	-	-	-
- Cambodia	-	-	-	-	572	1.8	-	-
	29,117	100.0	40,617	100.0	31,950	100.0	49,639	100.0

Note:

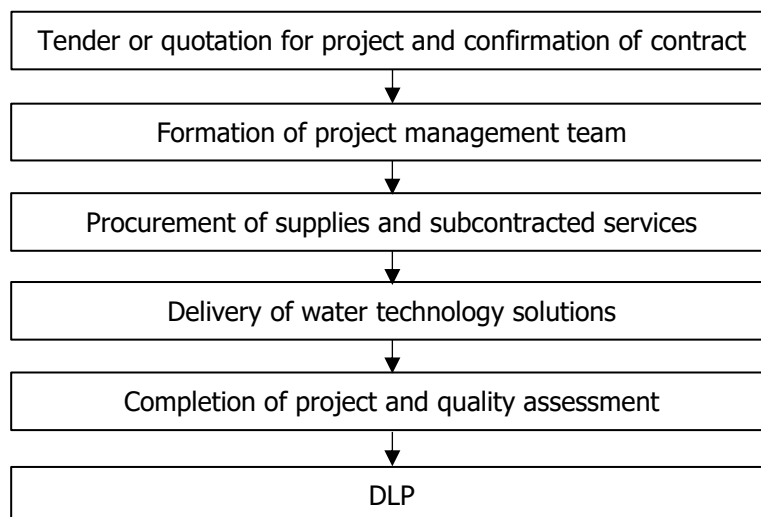
(1) Revenue by geographical market is based on the place of domicile of our customers.

7. BUSINESS OVERVIEW *(Cont'd)*

7.4 OUR BUSINESS AND OPERATIONAL PROCESS

Our Group's business process is as follows:

(a) Water technology solutions



(i) Tender or quotation for project and confirmation of contract

We actively look for and may be invited to bid in project tenders or receive requests to quote for projects. We will evaluate each project to determine the prospective returns, risk assessment, required resources and availability of resources. Following this evaluation, if a project is feasible, we will prepare and submit our tender and quotation for our prospective customer.

During preparation, for projects which does not involve tender bids, we may schedule meetings with our prospective customer to discuss the terms such as the scope of work, project budget, product requirements such as certification and technical specification and project schedule, or provide clarification on technical details or commercial terms. If our proposal is accepted by the customer, the customer will either present us with a letter of award prior to signing of a contract or issue us a purchase order. Purchase orders are mainly for direct supply of products (i.e. fittings and consumables). Once the purchase orders are received, we will proceed with the procurement and arrange for delivery of products based on delivery schedule.

For projects involving tender bids, we will prepare based on the specification provided in the tender documents. Upon the acceptance of the tender, our customers will present us with a letter of award prior to signing of a contract. Upon the acceptance of the letter of award, our Group will either submit the performance bond ranging from 2.5% to 5.0% of the contract sum, or our customer will be entitled to retain 10.0% of each progress billing, as retention sum, up to a maximum of 5.0% of the contract sum awarded, in accordance with the letter of award. The performance bond or retention sum serves as a security to our customer to safeguard and guarantee our performance towards the completion of projects as well as against the defects which may occur during the DLP.

7. BUSINESS OVERVIEW (Cont'd)

Further, we will purchase and submit the insurance policies required to commence work in accordance with the letter of award/acceptance.

For information, our contracts are mainly awarded by our existing customers.

(ii) Formation of project management team

Once the project is secured, we will form a project management team comprising a project manager and the required personnel who will undertake the project and be responsible for quality control, allocation of resources and tasks, procurement of supplies as well as the appointment of subcontractors, if required. We will prepare a work programme which details the work activities, sequence and milestones according to the project requirements and specifications. Formation of project management team and the appointment of subcontractors depends on project requirements.

(iii) Procurement of supplies and subcontracted services

For projects requiring supplies, comprising hardware and software such as advanced pilot valves, water meters, data loggers, controllers and software user licences, we will submit purchase orders to our principals or suppliers to procure the necessary supplies. We will make arrangements for the delivery and installation of the supplies through third party logistics services and our in-house team, respectively at our customers' designated location.

Where required, we will also engage and outsource services to subcontractors on a project basis according to the requirements of our customers, to assist and support the execution of the project on behalf of our customers.

(iv) Delivery of water technology solutions

NRW solutions

We commence work by gathering and reviewing available data on customers' water distribution network such as pipe conditions, flow patterns and technical specifications of existing water meters. We then plan the NRW solutions based on customers' operational challenges and requirements to design the most cost-effective manner to achieve NRW reduction. We may be required to establish new DMAs and PMAs prior to the delivery of NRW solutions for greater monitoring and management of water distribution systems which helps to identify the location of and prevent future water losses in the water distribution network.

Intelligent water management solutions

We will adapt our Intelli Water System in terms of the features, interface and data analytics required by our customers.

Once the necessary hardware is installed, we will perform data migration and integration of hardware and other related systems (i.e. SCADA, GIS or other systems, where required) to enable seamless communication between software and hardware. We will also prepare and submit periodic progress reports to our customers.

7. BUSINESS OVERVIEW (Cont'd)

Supply of IoT devices and instruments

We will procure the necessary supplies of IoT devices, instruments, related fittings and consumables from our principals or suppliers. We will make arrangements for the delivery of the supplies through third party logistics services and our in-house team to our customers' designated location. We may also be required to install, test and commission the IoT devices and instruments as well as provide basic training to our customers' employees based on each customer's requirements, all these are mainly conducted by our in-house team. We may engage subcontractors for additional labour services for large scale projects. We will also prepare and submit periodic progress reports to our customers.

Technical support and maintenance services

We engage, manage and supervise subcontractors to perform technical support and maintenance services to our customers. We will also prepare and submit periodic progress reports to our customers.

Construction of water treatment facilities

We manage the overall operation of all phases in the construction and rehabilitation projects which includes engaging, managing and supervising subcontractors to perform civil, structural, mechanical and electrical works. We will also prepare and submit periodic progress reports to our customers.

(v) Completion of project and quality assessment

NRW solutions, supply of IoT devices and instruments, technical support and maintenance services and construction of water treatment facilities

We will carry out a final inspection to ensure that our work has been completed in compliance with our customers' requirements upon the delivery of solutions. We will submit a final report comprising the health safety and environment (HSE), quality assurance plan (QAP), training attendance and supporting documents of the undertaken project to our customers for consideration at the end of the project. Once the customers are agreeable upon the final inspection and review of our final report, our customers will issue us the CPC.

Intelli Water System

Once the integration of the hardware and software of the Intelli Water System is complete, we will begin testing, debugging and configuring the Intelli Water System to ensure the overall solution functions as intended. Prior to deployment, our in-house team will conduct UAT with our customers to thoroughly review all functionalities and the UI/UX design.

Upon our customers' satisfaction and approval, we will conduct test runs with the Intelli Water System and begin training our customers' employees to ensure they are able to properly navigate and understand the different functionalities and modules of the system. Once test runs and trainings are conducted, we will deploy the Intelli Water System. Upon completion of the review of the Intelli Water System, our customers will issue us the CPC.

7. BUSINESS OVERVIEW (Cont'd)

(vi) DLP

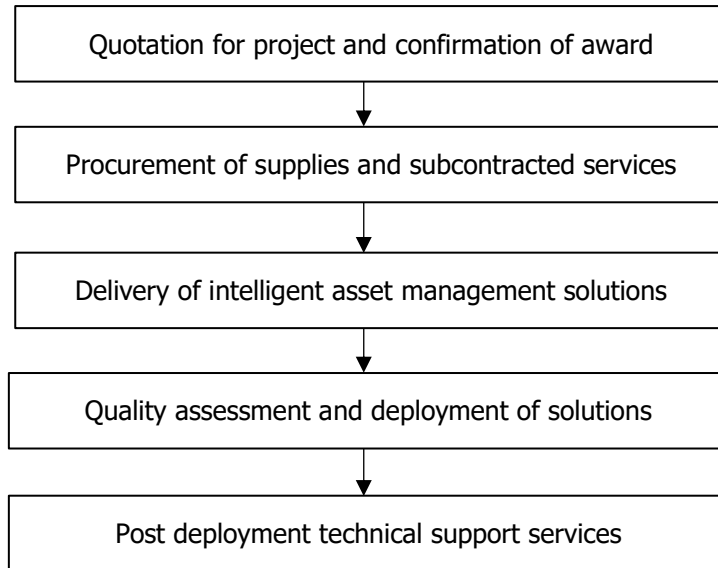
The DLP will begin when the CPC is issued by our customers. During the DLP, upon receiving reports of defects identified by our customers, we will investigate and rectify the defects. The length of the DLP generally ranges from 12 to 24 months. At the end of the DLP, our customers will issue us the CMGD. Thereafter, our customers will release the final payment to us.

Generally, our customers are entitled to either a performance bond ranging from 2.5% to 5.0% of the contract sum, or retain 10.0% of each progress billing, as retention sum, up to a maximum of 5.0% of the contract sum awarded. Our customers will retain the entire retention sum throughout the contract period until the submission of DLP report and issuance of the CMGD by our customers, whereby the full retention sum will be released. The retention sum may be utilised by our customers to remedy defects if we fail to rectify within the agreed period. Similarly, we also retain 10.0% of each certified work done against our subcontractors as retention sum, up to a maximum of 5.0% of the awarded sub-contract value. We will release the full retention sum to our subcontractors at the end of the DLP and upon the issuance of the CMGD as a back-to-back arrangement.

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7. BUSINESS OVERVIEW (Cont'd)

(b) Intelligent asset management solutions



(i) Quotation for project and confirmation of award

We may approach customers or receive requests to quote for projects to provide our intelligent asset management solutions. We may schedule meetings with our prospective customers to propose our solutions and discuss their terms such as the scope of work, project budget, product requirements such as modules and features required and project schedule.

If we need to source for new intelligent asset management solutions, we will send a draft proposal detailing the modules, features, function, flow and design of the customised intelligent asset management solutions upon understanding our customers' requirements. We may also receive requests from our existing customers of our intelligent asset management solutions for enhancements such as addition of modules and functions.

Customers may review our draft proposal and provide feedback and/or request for more features or modules. Once such customers agree to proceed with using our services, they will issue us a letter of award.

(ii) Procurement of supplies and subcontracted services

We will procure the hardware required for the intelligent asset management solutions comprising the IT infrastructure such as cellular modems, server storage, display monitors as well as IoT devices and instruments. We will submit purchase orders to our suppliers to procure the necessary supplies and make arrangements for the delivery and installation of the supplies through third party logistics services and/or our in-house team at our customers' designated location.

7. BUSINESS OVERVIEW (Cont'd)

In the past, we sourced intelligent asset management solutions from a third-party provider (i.e. Place2Stay). We also engage the same provider to adapt the software to suit our customers' requirements. As at LPD, we have our in-house team to adapt our Intelli Water System and existing intelligent asset management solutions to suit any new customers' requirements and industry applications, as well as to develop enhancement to our existing system solutions.

(iii) Delivery of intelligent asset management solutions

We will commence work with the collection of information and materials from our customers in preparation for the implementation of intelligent asset management solutions.

In the past, the installation and enhancement of the intelligent asset management solutions was done by the third-party provider who supplied us with the solutions. We supervised and monitored the work performed by the said provider to ensure that the system design is aligned with the customers' expectations, and the implementation of the software can be delivered in a timely manner.

As at LPD, we have our in-house IT team to develop enhancement to our existing system solutions as we own the copyrights to all our intelligent asset management solutions. Further, any installation, integration and commissioning works can also be conducted by our in-house IT team.

(iv) Quality assessment and deployment of solutions

Once the integration of the hardware and software of the intelligent asset management solutions is completed, we will begin testing, debugging and configuring the intelligent asset management solutions to ensure the overall solution functions are as intended.

Prior to deployment, our in-house team will conduct UAT with our customers to thoroughly review all functionalities and the UI/UX design.

Upon our customers' satisfaction and approval, we will conduct test runs with the intelligent asset management solutions and begin training our customers' employees to ensure they are able to properly navigate and understand the different functionalities and modules of the system. Once test runs and trainings have been conducted, we will deploy the intelligent asset management solutions. Following the deployment of the intelligent asset management solutions, the warranty period for the system will commence which generally ranges from 6 to 12 months.

(v) Post deployment technical support services

Post deployment, we will provide a warranty period, ranging from 6 to 12 months, whereby we provide technical support, maintenance and services to our customers' intelligent asset management solutions as part of our scope of project. During the warranty period, upon receiving reports of technical issues or defects identified by our customers, we will investigate and rectify the issues.

7. BUSINESS OVERVIEW (Cont'd)

7.4.1 Quality assurance and quality control

Our Group places great emphasis on the quality of the products and solutions we provide to our customers. We are committed to ensuring that the quality control procedures that we have put in place are compliant with internationally recognised standards and practices (i.e. ISO 9001:2015). We have adopted quality management procedures throughout our customers' project duration to ensure that our solutions comply with the required quality standards.

On 10 January 2025, our Group received our latest certification of registration for ISO 9001:2015 with effective date from 23 February 2022 to 23 February 2028 which certifies that the management system of Exxor Technologies for the provision of project management services for design, construction, civil and structural engineering, M&E engineering and infrastructure, and building works for water distribution systems, assessment and actions to reduce non-revenue water in a water distribution system complies with the requirements of ISO 9001:2015.

7.4.2 Source code protection

Our Intelli Water System and intelligent asset management systems are protected under copyright law where Exxor Technologies have obtained the copyright for Intelli Water System, IntelliTrack: Centralised Smart Transport Management System (CSTMS), IntelliConstruct: Integrated Construction Site Resources Information Management System (ICSRIMS), IntelliHotel: Integrated Smart Hotel Operations, Management and Reservation System Using IOT (IHOMRS) and IntelliRoad: Integrated Smart Road Maintenance and Management System (ISRMMS).

Further, in order to prevent other competitors from leveraging the same technology as our systems, we safeguard the source code of our systems through access control and encryption, making it difficult for unauthorised parties to copy or replicate the technology unlawfully or potentially misuse the technology, as detailed below:

Measures	Description
Access control	<ul style="list-style-type: none"> Access to the source code is restricted and limited to pieces of the respective modules to authorised personnel only. Multi-level authentication mechanisms, such as passwords and two-factor authentication, are used to verify user identity. Role-based permissions ensure that employees can only access the parts of the source code relevant to their responsibilities.
Encryption and secure storage	<ul style="list-style-type: none"> The source code is stored in encrypted repositories, making it inaccessible to unauthorised parties. Encryption ensures that even if the data is intercepted, it cannot be read or used without the decryption keys.
Version control and monitoring	<ul style="list-style-type: none"> All changes to the source code are tracked using secure version control systems. This ensures accountability and traceability, as every modification is logged and attributed to a specific user. Regular monitoring of access logs helps detect any unusual or unauthorised activity.

7. BUSINESS OVERVIEW (Cont'd)

Measures	• Description
Cybersecurity defenses	<ul style="list-style-type: none"> • Firewalls are in place to protect the systems from external cyber threats. • Regular security audits are conducted to identify and address vulnerabilities. • Actively monitoring hacking attempts, malware and phishing risks to prevent data breaches.
Risk assessment and mitigation	<ul style="list-style-type: none"> • Continuously assesses potential risks, including insider threats and external attacks. • Insider threats are mitigated by regular monitoring of access logs for unusual activity. • In the event of suspected infringement or leakage, we will rely on our copyright to take appropriate action against unauthorised usage or replication of its technology.

7.5 SALES AND MARKETING

Our Group's sales and marketing activities are as follows:

(a) Tenders

Our Group actively seeks open tender opportunities through tender notices published by water agencies on their website and newspapers. We will review the tenders and participate in tenders that we are interested in and qualified for. Apart from open tenders, we also participate in closed tenders when we are invited by potential customers (i.e. businesses and companies) directly.

(b) Direct approach and industry networking

We secure new customers by conducting internet searches on players that operate in the existing industries that we serve in other states in Malaysia and in overseas, and subsequently directly approaching them. We are also actively sourcing for new products and technologies for potential collaboration with brand principals to expand our product and solution offerings.

We may engage with potential customers or brand principals in a proof of concept (POC) phase to explore the feasibility of our customised solutions for their specific needs. This collaborative stage allows our customers or brand principals to gain a deeper understanding of how our solutions can address specific challenges and improve operations.

We actively engage with our existing customers by maintaining regular communication and following up closely with our customers. We stay up-to-date with their development plans, operational challenges and changing needs. This on-going dialogue allows us to identify new sales opportunities and tailor our offerings to better meet their requirements. We aim to build strong relationships with our customers by building trust and loyalty, which can translate into repeat business and long-term business relationships.

7. BUSINESS OVERVIEW (Cont'd)

Our networking activities allow us to stay informed about market trends, emerging technologies, and competitor activities. By engaging with our business associates, attending conferences and participating in relevant events, we gain valuable insights that facilitate our strategic decision-making. This knowledge enables us to adapt our solution offerings to better align with market demands, allowing us to remain competitive in the industry.

(c) Referrals from business associates

Our Group benefits from referrals from our business associates, including satisfied customers, suppliers, and subcontractors. By maintaining good relationships and providing quality services, we encourage our business associates to recommend our solutions to their networks. This approach can lead to increased credibility, new business opportunities, and long-term relationships. Through our interactions with these business associates, we also gain insights into emerging trends, industry needs and potential areas for improvement, which can improve our business development and innovation efforts. We value these referrals as they can contribute to our business growth and reputation in the industry.

(d) Participation in trade fairs and exhibitions

Our Group participates in trade fairs and exhibitions to increase brand visibility, market outreach and networking opportunities. These events provide a platform for us to showcase our products and services to a diverse audience, including potential customers, industry experts, and key stakeholders. By attending trade fairs, we can increase brand awareness, network with industry peers, gather market intelligence, and new product offerings. This helps us stay informed about the latest developments in the market, establish valuable connections, and position ourselves for on-going success in the competitive landscape.

During the FYE 2022 to 2025 and up to LPD, we have participated in the following trade fairs and exhibitions:

Year	Events	Organiser	Location
March 2022	World Water Day 2022	Kuching Water Board	Kuching, Sarawak
August 2022	Sarawak Water Supply Retreat 2022	Kuching Water Board	Kuching, Sarawak
October 2022	Borneo Water & Wastewater Exhibition & Conference 2022	The Malaysian Water Association	Kuching, Sarawak
March 2023	World Water Day 2023	Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd)	Bintulu, Sarawak
October 2023	World Congress on Innovation & Technology 2023	Sarawak Digital Economy Corporation Bhd	Kuching, Sarawak
October 2024	Borneo Water & Wastewater Exhibition & Conference 2024	The Malaysian Water Association	Kuching, Sarawak
July 2025	Digital Nexus 2025	UNIMAS	Kuching, Sarawak

7. BUSINESS OVERVIEW (Cont'd)

(e) Corporate website

We have established our corporate website at <https://insightsanalytics.ai> as a platform to introduce and broadcast our offerings and capabilities to potential customers. Our corporate website also serves to provide immediate searchable information on our Group.

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

7.6 TECHNOLOGY

With our extensive knowledge and experience in water technology solutions for water management, we have since 2019 successfully commercialised our Intelli Water System, an intelligent water management solution which we jointly developed with Intelli Technology Vietnam.

Intelli Water System is a type of intelligent asset management system that leverages on advanced technologies such as IoT, GIS and data analytics to optimise the lifecycle, performance, and maintenance of water assets. This enables proactive asset management and risk management to maximise an asset's value and performance throughout its entire lifespan, within a complex network of assets. By minimising costs through reduction of downtime, and ensuring peak efficiency, safety and compliance, the asset's lifespan is optimised throughout its lifecycle.

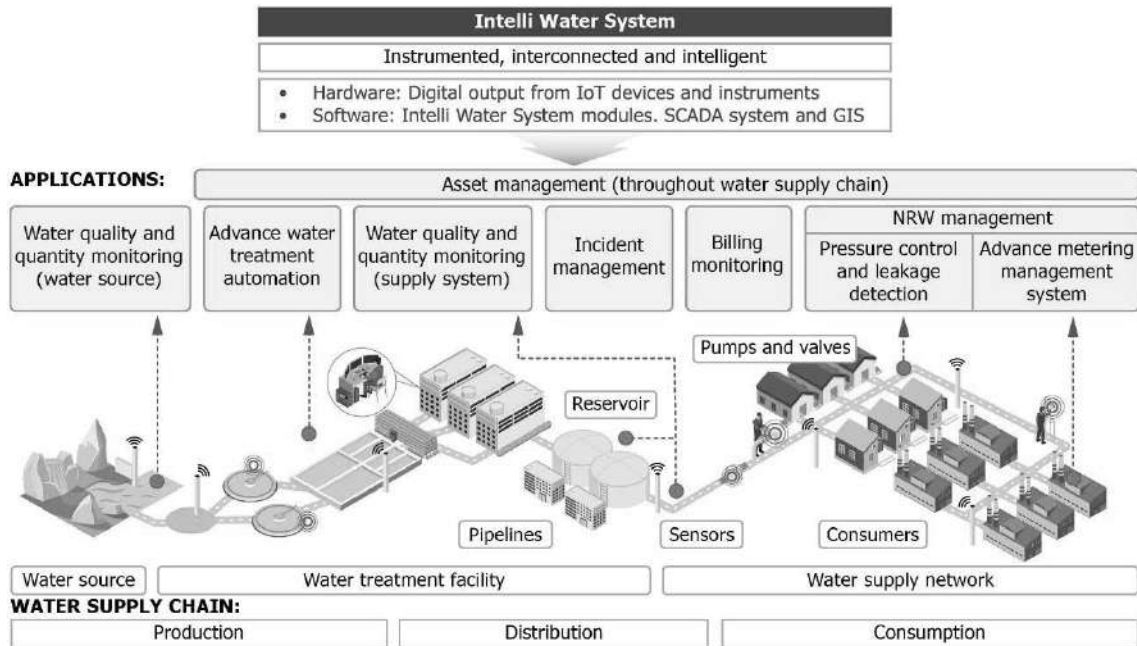
Intelligent asset management system is important in supporting operations across various industries particularly those with assets that are geographically dispersed, critical to operations, or require regular maintenance, efficient remote monitoring, high uptime and reliability, as well as optimised maintenance scheduling and execution. Therefore, leveraging on our knowledge in our Intelli Water System, we also offer IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System.

Each of our technology systems is elaborated below:

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7. BUSINESS OVERVIEW (Cont'd)

7.6.1 Intelli Water System



Intelli Water System has 3 main technological features, whereby it is instrumented, interconnected and intelligent:

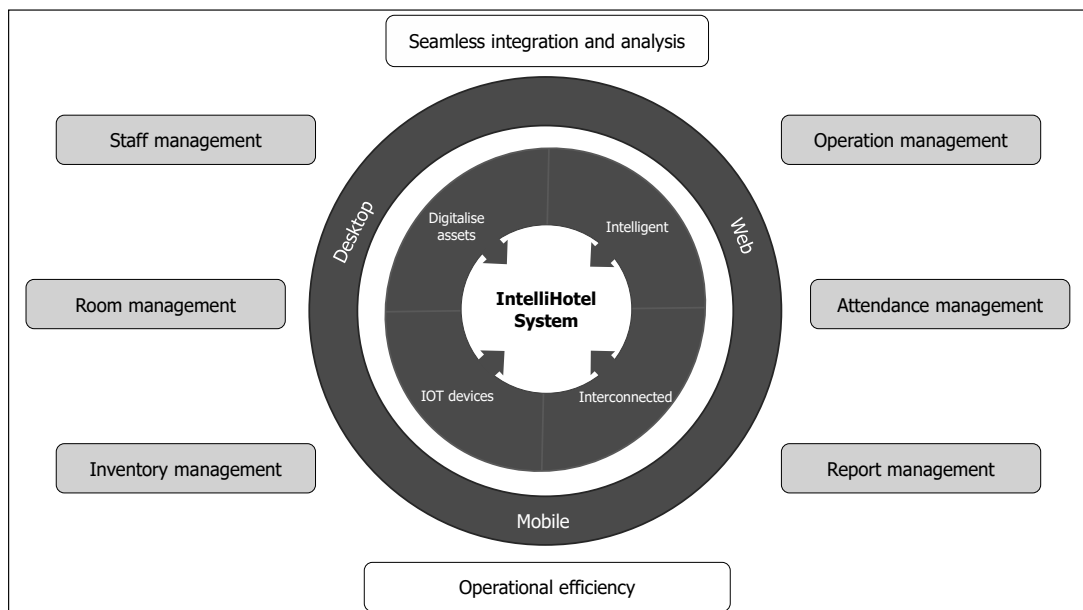
- Instrumented: Usage of IoT devices and instruments along the water supply chain to automatically detect, collect and record production and distribution data. The key technology features of each IoT devices and instruments are as follows:
 - Flow meters: Measure the volume or rate of flow of water through mechanical movement (e.g. rotating turbine or propeller), electromagnetic or ultrasonic waves.
 - Data loggers: Contains data storage to record, collect and store data from various sources, such as flow meters, sensors and water meters. Some data loggers have small screens for on-site data visualisation. Data loggers use various communication technologies to transmit data, such as wired communication and cellular internet.
 - Sensors: Automatically detect and measure physical (e.g. water pressure, temperature and flow rates) or chemical parameters (e.g pH and turbidity).
 - Smart meters: Use advanced technologies such as IoT, ultrasonic waves, data analytics and communication protocols to provide accurate and detailed information on water consumption, usage patterns, leak detection, and other relevant data.
 - Water quality analysers: Contain built-in measurement tools (e.g. colorimeter and turbidity meter) to measure and monitor various physical, chemical and biological parameters of water quality.

7. BUSINESS OVERVIEW (Cont'd)

These devices and instruments may be equipped with communication protocol to enable connection to cellular networks for remote communication, as well as data analytics and machine learning capabilities that allow predictive analytics and anomaly detection.

- **Interconnected:** Seamless communication amongst the hardware (e.g. IoT devices and instruments) and multiple software (e.g. GIS, SCADA systems, software of the respective IoT devices and instruments and other systems), with the following key technology features:
 - GIS, digital mapping system that displays and analyses geographically referenced pipes, IoT devices and instruments, and water treatment facilities.
 - High frequency periodic data collection, update and monitoring across water supply network. Automatically collects data from IoT devices and instruments and/or other systems, processes and analyses on a centralised platform. With continuous collection and analysis of data from various IoT devices and instruments across the water supply chain, water agencies can gain actionable insights into the performance of their water infrastructure. This proactive monitoring not only enables the early detection of abnormalities and potential failures but also supports the optimisation of operational processes and resource management.
 - Customisable accessibility for management team and operational personnels to centralise and update data through onsite and offsite/remote access on multiple devices, including web, desktop and mobile, to facilitate real-time data-backed decision making.
- **Intelligent:** Customisable modules with the ability to analyse data or issues, enable quick responses and optimise troubleshooting solutions.

7.6.2 IntelliHotel System



7. BUSINESS OVERVIEW (Cont'd)

IntelliHotel System is an integrated smart hotel operations, management and reservation system. IntelliHotel System has 3 main technological features that are also present in our Intelli Water System, as follows:

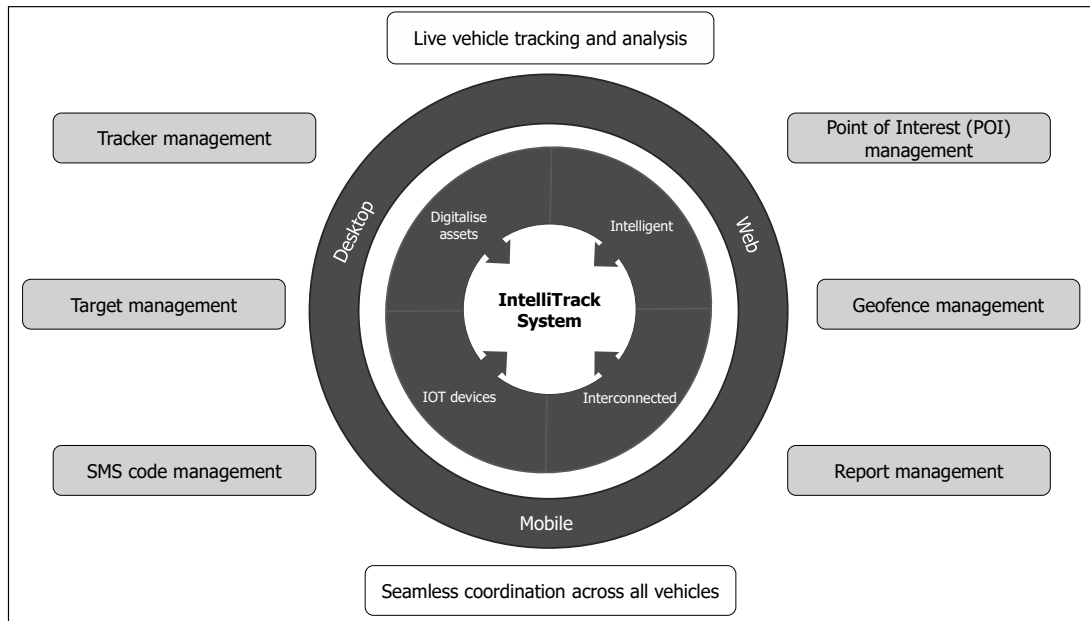
- **Digitalise asset:** Usage of IoT devices to create digital representations of physical assets, such as tagging items to automate data collection and monitor usage. Items like electrical appliances, bedsheets, and towels are equipped with identification tags, allowing IoT sensors to track their movement in and out of rooms. This reduces manual tracking errors, streamlines inventory management, and ensures optimal utilisation of hotel resources.
- **Interconnected:** Seamless integration of assets with communication networks enables real-time data exchange and centralised monitoring. The system supports both online and offline access for uninterrupted operation. Managers can remotely oversee hotel resources through a unified platform, enhancing coordination between departments and improving overall efficiency.
- **Intelligent:** The system aggregates data from various hotel operations, including occupancy rates and revenue trends. It generates detailed, tailored reports that provide actionable insights, enabling management to identify key strengths, address weaknesses, and make informed decisions to optimise performance and enhance overall efficiency. Further, through advanced data analytics, guest preferences can be identified to personalise marketing strategies, improve service delivery, and enhance the overall guest experience. Predictive maintenance further optimises asset performance, minimising downtime and extending asset lifespan.

IntelliHotel System comprises modules with different functions tailored to the needs of the hospitality industry. Examples of key modules of our IntelliHotel System are as follows:

Modules	Description
Staff management	Manages employee records, roles, schedules and performance. Enables seamless collaboration and productivity.
Room management	Facilitates efficient management of room reservation, availability, housekeeping and refurbishments.
Inventory management	Tracks and manages hotel inventory, including consumables, amenities, and maintenance supplies.
Operation management	Oversees day-to-day hotel operations, ensuring efficiency and quality service delivery.
Attendance management	Tracks staff attendance, working hours and other activities, ensuring compliance and accuracy for payroll processing.
Report management	Generates analytical reports for operational insights, revenue tracking and compliance monitoring.

7. BUSINESS OVERVIEW (Cont'd)

7.6.3 IntelliTrack System



IntelliTrack System is a centralised smart transport management system. IntelliTrack System has 3 main technological features that are also present in our Intelli Water System, as follows:

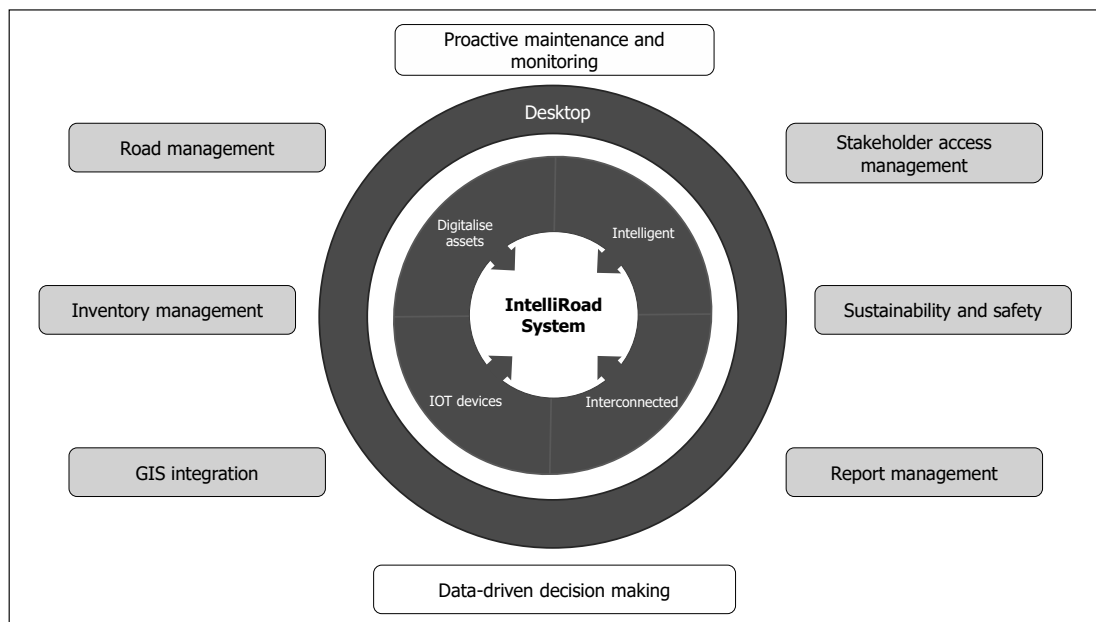
- **Digitalise assets:** Usage of IoT devices to create digital representations of physical assets by installing sensors on vehicles for automated data collection and asset monitoring. These devices track vehicle movement, driving patterns, routes, fuel consumption and efficiency within designated geofenced areas. Equipped with communication protocols, the IoT devices enable seamless connection to cellular networks for remote monitoring and real-time tracking.
- **Interconnected:** Integrates assets with communication networks to facilitate real-time data exchange and continuous remote monitoring. The system supports both online and offline access for uninterrupted tracking. A centralised monitoring platform allows the operators to oversee fleet activities, optimise routes and enable seamless coordination across all vehicles.
- **Intelligent:** AI-powered monitoring system provides continuous supervision and leverages advanced data analysis to optimise fleet performance. By utilising AI models, the system assists in fleet management, route planning and enhancing fuel efficiency. The system identifies patterns and generates insights, predicting maintenance requirements and detecting anomalies in driving behaviors. These capabilities contribute to cost reduction, improved resource utilisation, and enhanced fuel management, ultimately boosting overall operational efficiency and enabling data-driven decision-making.

7. BUSINESS OVERVIEW (Cont'd)

IntelliTrack System comprises modules with different functions tailored to the needs of the transportation industry. Examples of key modules of our IntelliTrack System are as follows:

Modules	Description
Tracker management	Handles registration, activation and monitoring of vehicle tracking devices.
Target management	Allows users to set and monitor specific tracking targets, such as destinations, routes or delivery milestones.
Short Message Service ("SMS") code management	Enables configuration and automation of SMS notifications related to vehicle tracking and alerts.
Point of Interest (POI) management	Manages key locations for better navigation and reporting.
Geofence management	Allows the creation and monitoring of virtual geographic boundaries for vehicle movement.
Report management	Generates detailed insights and summaries based on vehicle tracking data and operational metrics.

7.6.4 IntelliRoad System



IntelliRoad System is an integrated smart road management system. IntelliRoad System has 3 main technological features that are also present in our Intelli Water System, as follows:

- **Digitalise assets:** Usage of IoT devices to create digital representations of road infrastructure and assets, such as bridges, pavements and signages. These sensors automate data collection and monitor asset conditions, usage and traffic flow. Equipped with communication protocols, the devices enable real-time data transmission through cellular networks for seamless remote monitoring and management.

7. BUSINESS OVERVIEW (Cont'd)

- **Interconnected:** Integrates a GIS for centralised monitoring of road infrastructure and assets. It automatically collects, processes and updates high-frequency data from IoT devices, providing insights into road conditions and infrastructure health which can be accessed via desktop, both onsite and remotely, enabling data-driven decision-making and proactive infrastructure management.
- **Intelligent:** Continuous observation of road infrastructure helps to manage maintenance schedules and identifying issues through data analysis, enhancing efficiency and reducing costs.

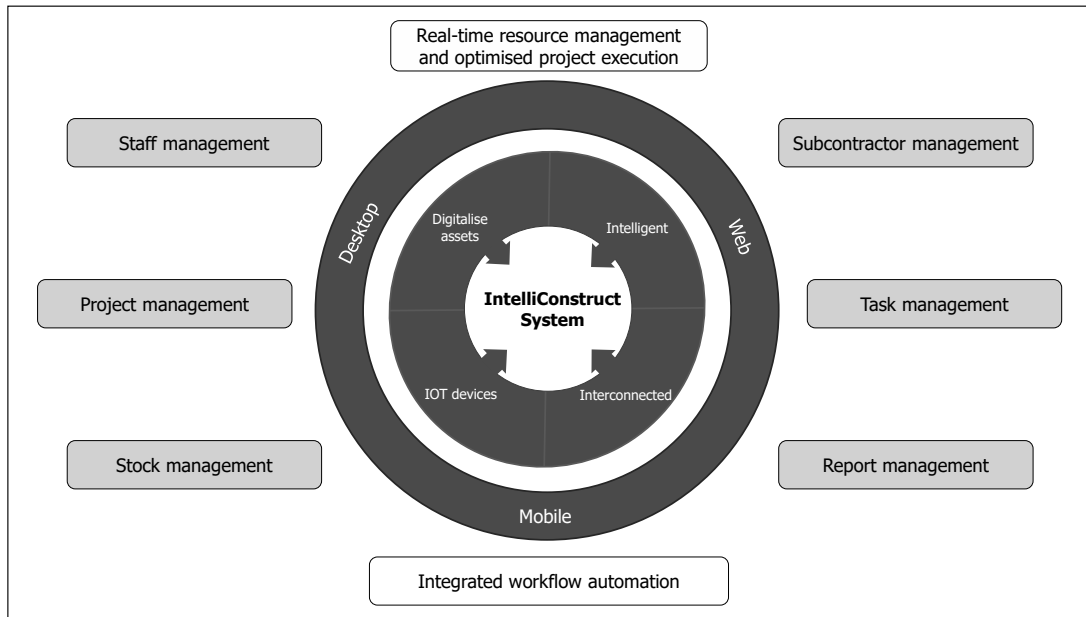
IntelliRoad System comprises modules with different functions tailored to the needs of the transportation industry. Examples of key modules of our IntelliRoad System are as follows:

Modules	Description
Road management	Stores all the details of road attributes (e.g. name, length, code, width, culvert, bridges, drainage and road shoulder).
Inventory management	Manages physical and digital assets related to roads, for example, signboards, route marker and traffic lights.
GIS integration	Leverages geospatial data to enhance road and inventory management, enabling location-based analysis and visualisation.
Stakeholder access management	Provides secure and role-based access to the system for various stakeholders.
Sustainability and safety	Ensures that the road network adheres to sustainability goals and safety standards.
Report management	Generates and stores reports to facilitate performance tracking and compliance reporting.

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7. BUSINESS OVERVIEW (Cont'd)

7.6.5 IntelliConstruct System



IntelliConstruct System is an integrated smart construction site information management system. IntelliConstruct System has 3 main technological features that are also present in our Intelli Water System, as follows:

- Digitalise assets:** Usage of IoT devices to establish digital representations of physical assets on construction sites, including machinery, equipment and materials. IoT sensors automate data collection and monitoring by detecting the movement, usage, and performance of these assets. This enables real-time tracking of equipment location, usage hours and operational efficiency, helping to prevent misuse, optimise resource allocation, and ensure visibility. Equipped with communication protocols, these devices seamlessly connect to cellular networks for remote monitoring and data transmission, enhancing asset management capabilities.
- Interconnected:** Enables real-time data exchange and remote monitoring through automated, high-frequency data collection from IoT devices and other systems. The data is processed and analysed on a centralised platform, offering real-time insights into machinery status, material inventory, and site performance. The customisable accessibility allows management teams and operational personnel to access updated data onsite or remotely via web, desktop, and mobile platforms, ensuring seamless, data-backed decision-making.
- Intelligent:** AI-powered monitoring system for continuous observation and advanced data analysis to optimise construction site operations. AI models perform predictive analysis to forecast equipment maintenance needs and resource requirements, reducing downtime and operational costs. The system detects anomalies in asset usage patterns to identify inefficiencies and address root causes promptly. By analysing site performance, AI enables smarter resource allocation, improves productivity and streamlines decision-making processes. These capabilities ensure proactive management, timely project completion and cost-effective operations.

7. BUSINESS OVERVIEW (Cont'd)

IntelliConstruct System comprises modules with different functions tailored to the needs of the construction industry. Examples of key modules of our IntelliConstruct System are as follows:

Modules	Description
Staff management	Enables efficient management of construction staff, including worker profiles, roles, attendance and payroll integration.
Project management	Monitors construction projects from initiation to completion, ensuring timelines, resources and budgets are aligned.
Stock management	Tracks the inventory of construction materials and equipment to ensure availability and prevent delays.
Subcontractor management	Manages contracts, performance and deliverables of subcontractors involved in the construction project.
Task management	Coordinates and assigns tasks to various teams, ensuring alignment with project goals and deadlines.
Report management	Generates reports for stakeholders, providing insights into project status and resources.

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7. BUSINESS OVERVIEW (Cont'd)

7.7 MAJOR CUSTOMERS

Our Group's top 5 major customers according to their revenue contribution for FYE 2022 to 2025 are as follows:

No.	Major customer	Revenue contribution		Products/ services sold	⁽¹⁾ Length of relationship Years
		RM'000	%		
FYE 2022					
1	JBALB	22,239	76.4	Water management system solutions, supply of IoT devices and instruments and technical support and maintenance services	⁽²⁾ 13
2	Syarikat Choo Brothers Construction ⁽³⁾	3,631	12.5	Water management system solutions	6
3	Good Friend Engineering Works & General Trading ⁽³⁾	630	2.2	Technical support and maintenance services	3
4	Sibu Water Board	624	2.1	Water management system solutions, supply of IoT devices and instruments, technical support and maintenance services	14
5	Syarikat Jerico Jaya ⁽³⁾	496	1.7	Technical support and maintenance services	4
	Sub-total	27,620	94.9		
	Total revenue	29,117	100.0		

Notes:

- (1) Length of relationship as at LPD.
- (2) JBALB was enforced in August 2015 and started to operate fully in April 2016. JBALB is entrusted with the responsibilities of taking over Jabatan Kerja Raya Sarawak in managing and improving water supply system especially in suburban and rural areas of Sarawak to resolve water supply issues in those areas. Prior to the establishment of JBALB, our Group had established working relationship with Jabatan Kerja Raya Sarawak since 2012.
- (3) These companies are the main contractors of JBALB to whom our Group acted as the subcontractor.

7. BUSINESS OVERVIEW (Cont'd)

No.	Major customer	Revenue contribution		Products/ services sold	⁽¹⁾ Length of relationship Years
		RM'000	%		
FYE 2023					
1	JBALB	22,250	54.8	Water management system solutions, supply of IoT devices and instruments and technical support and maintenance services	⁽²⁾ 13
2	Customer A ⁽³⁾⁽⁴⁾	11,701	28.8	Construction of water treatment facility	3
3	Good Friend Engineering Works & General Trading ⁽³⁾	2,107	5.2	Technical support and maintenance services	3
4	Layun Enterprise Sdn Bhd ⁽³⁾	1,285	3.2	Technical support and maintenance services	3
5	Coast ⁽⁵⁾	934	2.3	Water management system solutions, supply of fittings and technical support and maintenance services	13
Sub-total		38,277	94.3		
Total revenue		40,617	100.0		

Notes:

- (1) Length of relationship as at LPD.
- (2) JBALB was enforced in August 2015 and started to operate fully in April 2016. JBALB is entrusted with the responsibilities of taking over Jabatan Kerja Raya Sarawak in managing and improving water supply system especially in suburban and rural areas of Sarawak to resolve water supply issues in those areas. Prior to the establishment of JBALB, our Group had established working relationship with Jabatan Kerja Raya Sarawak since 2012.
- (3) These companies are the main contractors of JBALB to whom our Group acted as the subcontractor.
- (4) Customer A is a private limited company based in Malaysia, which is principally involved in construction.
- (5) Coast is the supplier and main contractor of JBALB, Sibul Water Board and Rajang Port Authority (Sibu, Sarawak) to whom our Group acted as the subcontractor. Coast is a related party to our Group, please refer to Section 10.1 for further details.

7. BUSINESS OVERVIEW (Cont'd)

No.	Major customer	Revenue contribution		Products/ services sold	⁽¹⁾ Length of relationship Years
		RM'000	%		
FYE 2024					
1	JBALB	14,963	46.8	Water management system solutions, supply of IoT devices and instruments and technical support and maintenance services	⁽²⁾ 13
2	Customer B ⁽³⁾	3,858	12.1	Intelligent asset management solution	2
3	Good Friend Engineering Works & General Trading ⁽⁴⁾	2,430	7.6	Technical support and maintenance services	3
4	Hytran Sdn Bhd ⁽⁵⁾	1,876	5.9	Intelligent asset management solution	8
5	Syarikat Choo Brothers Construction ⁽⁴⁾	1,565	4.9	Technical support and maintenance services	6
Sub-total		24,692	77.3		
Total revenue		31,950	100.0		

Notes:

- (1) Length of relationship as at LPD.
- (2) JBALB was enforced in August 2015 and started to operate fully in April 2016. JBALB is entrusted with the responsibilities of taking over Jabatan Kerja Raya Sarawak in managing and improving water supply system especially in suburban and rural areas of Sarawak to resolve water supply issues in those areas. Prior to the establishment of JBALB, our Group had established working relationship with Jabatan Kerja Raya Sarawak since 2012.
- (3) Customer B is a private limited company based in Malaysia, which is principally involved in restaurant operations as well as the provision of technology solutions and training.
- (4) These companies are the main contractors of JBALB to whom our Group acted as the subcontractor.
- (5) Hytran Sdn Bhd has been our supplier since 2017, providing equipment and maintenance services for water treatment plants. In January 2024, Hytran Sdn Bhd became our customer when we secured a contract to study, design, develop, install, implement, integrate, test, commission, train and maintain a smart transport management system for Hytran Sdn Bhd, to manage their fleet of motor vehicles.

7. BUSINESS OVERVIEW (Cont'd)

No.	Major customer	Revenue contribution		Products/ services sold	⁽¹⁾ Length of relationship Years
		RM'000	%		
FYE 2025					
1	Tele Kenyalang Engineering Sdn Bhd	5,324	10.7	Intelligent asset management solution	1
2	Winal Works Sdn Bhd ⁽²⁾	3,810	7.7	Building management and billing management system as well as construction of water treatment facilities	<1
3	Coast ⁽³⁾	2,981	6.0	Supply of IoT devices and consumables and technical support as well as maintenance services	13
4	Eternal Engineering Sdn Bhd	2,940	5.9	Intelligent asset management solution	4
5	Customer A ⁽²⁾⁽⁴⁾	2,580	5.2	Construction of water treatment facilities	3
Sub-total		17,635	35.5		
Total revenue		49,639	100.0		

Notes:

- (1) Length of relationship as at LPD.
- (2) These companies are the main contractors of JBALB to whom our Group acted as the subcontractor.
- (3) Coast is the supplier and main contractor of JBALB, Sibul Water Board and Rajang Port Authority (Sibu, Sarawak) to whom our Group acted as the subcontractor. Coast is a related party to our Group, please refer to Section 10.1 for further details.
- (4) Customer A is a private limited company based in Malaysia, which is principally involved in construction.

7. BUSINESS OVERVIEW (Cont'd)

For FYE 2022 to 2025, our top 5 major customers contributed approximately 94.9%, 94.3%, 77.3% and 35.5% to our Group's total revenue respectively. The majority of our revenue is transacted on project basis with project duration ranging from 12 to 36 months.

We are dependent on JBALB as they contributed approximately 76.4%, 54.8% and 46.8% to our total revenue during FYE 2022 to 2024 respectively, through direct contracts with JBALB. Further, we supplied to JBALB's projects through other contractors whereby we acted as subcontractor. Collectively, JBALB's projects contributed approximately 94.8%, 93.7% and 64.2% to our total revenue during FYE 2022 to 2024 respectively. Although JBALB was not our top 5 major customer in FYE 2025, JBALB remains an important customer to our Group as we have growing unbilled order book for contracts secured directly with JBALB and through other customer where we acted as subcontractor for JBALB's projects, which expected to contribute significantly to our revenue in FYE 2026.

Since the commencement of our business relationship with JBALB in 2011 up to LPD, we have completed 56 projects with JBALB (direct and through other main contractors of JBALB) with cumulative project value of RM252.9 million. Our Group's sales to JBALB are transacted mainly on project basis. Therefore, if JBALB cease to engage our Group's products and services, we will experience a reduction in projects which could result in a loss of revenue.

As a supporting service provider to the water agencies in Sarawak, we are dependent on the capital and operating expenditure of the water agencies in Sarawak, namely JBALB, Sibu Water Board, Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd) and Kuching Water Board, all of which are our Group's existing end customers. For clarity, on 1 August 2025, Sibu Water Board and Kuching Water Board have been integrated into Sarawak Water Sdn Bhd. If we are not able to secure more projects related to JBALB or from our other customers, our revenue will be materially affected. However, we are of the view that our Group's continuous effort as well as our long-standing business relationship with the water agencies will enable us to continue to secure future projects.

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7. BUSINESS OVERVIEW (Cont'd)**7.8 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES AND SERVICES**

The main inputs for our business during FYE 2022 to 2025 mainly comprised subcontractor services as well as devices, instruments and consumables as follows:

Supplies/ services	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Subcontracted services ⁽¹⁾	20,311	88.2	17,065	53.4	11,869	69.9	10,622	56.3
Devices, instruments and consumables ⁽²⁾	2,714	11.8	14,889	46.6	5,116	30.1	8,248	43.7
Total purchases	23,025	100.0	31,954	100.0	16,985	100.0	18,870	100.0

Notes:

- (1) Comprises costs incurred to engage third-party subcontractors for fieldwork (i.e. installation, integration, calibration, testing and commission), maintenance and technical support works as well as construction services.
- (2) Comprises IoT devices, instruments and fittings.

Our subcontracted services are sourced locally, while the devices, instruments and consumables are sourced from overseas and local suppliers. These products and services are readily available in the market.

During FYE 2022 to 2025, we have not experienced any material shortages in sourcing the required materials and supplies for our operations as they are readily available from many overseas as well as local suppliers. We also have not experienced any significant price fluctuations in the supplies and subcontractor services we sourced, which led to material impact on our financial performance during FYE 2022 to 2025.

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7. BUSINESS OVERVIEW (Cont'd)

7.9 MAJOR SUPPLIERS AND/OR SUBCONTRACTORS

Our Group's top 5 major suppliers and/or subcontractors according to the total purchases for FYE 2022 to 2025 are as follows:

No.	Major suppliers and/or subcontractors	Purchase value		Supplier or subcontractor	Products/ services sourced	(1)Length of relationship
		RM'000	%			Years
FYE 2022						
1	Hytran Sdn Bhd	5,232	22.7	Subcontractor and supplier	Equipment and maintenance services for water treatment plants	8
2	Rai Utility Sdn Bhd	4,385	19.0	Subcontractor	NRW hardware and software supply, establishment of DMAs and PMA, as well as fieldwork services	8
3	NetMg Consulting Sdn Bhd	2,622	11.4	Subcontractor	Digitisation of GIS drawing services	5
4	Abbaco Controls Sdn Bhd	1,893	8.2	Subcontractor and supplier	SCADA hardware and software	8
5	HHY Plumbing	1,722	7.5	Subcontractor	Meter and pipe installation services	6
	Sub-total	15,854	68.8			
	Total purchases	23,025	100.0			

Note:

(1) Length of relationship as at LPD.

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7. BUSINESS OVERVIEW (Cont'd)

No.	Major suppliers and/or subcontractors	Purchase value		Supplier or subcontractor	Products/ services sourced	⁽¹⁾ Length of relationship Years
		RM'000	%			
FYE 2023						
1	Empayar Setia Sdn Bhd	12,551	39.3	Supplier	Smart meters	3
2	Titisan Mutiara Tarat Sdn Bhd	8,000	25.0	Subcontractor	Construction services	3
3	Hydrateq Group ⁽²⁾	3,646	11.4	Subcontractor	Fieldwork service and meter auditing services as well as supply and installation of meter accessories and pipe fittings	6
4	Hytran Sdn Bhd	2,261	7.1	Subcontractor and supplier	Maintenance services for water treatment plants	8
5	Abbaco Controls Sdn Bhd	1,252	3.9	Subcontractor and supplier	SCADA hardware and software	8
	Sub-total	27,710	86.7			
	Total purchases	31,954	100.0			

Notes:

(1) Length of relationship as at LPD.

(2) The companies within our major supplier and/or subcontractor grouping are as follows:

Supplier and/or subcontractor grouping	Companies
Hydrateq Group	<ul style="list-style-type: none"> Hydrateq Services Sdn Bhd (shareholders being Mohd Saffian Bin Abd Rahman, Rozamizan Bin Mohd Zakuan and Mohd Aidil Bin Mohd Tauhid); and Hydrateq PLT (partners being Mohd Saffian Bin Abd Rahman, Rozamizan Bin Mohd Zakuan and Mohd Aidil Bin Mohd Tauhid).

7. BUSINESS OVERVIEW (Cont'd)

No.	Major suppliers and/or subcontractors	Purchase value		Supplier or subcontractor	Products/ services sourced	⁽¹⁾ Length of relationship Years
		RM'000	%			
FYE 2024						
1	Hydrateq Group ⁽⁴⁾	7,228	42.6	Subcontractor	Fieldwork service and meter auditing services as well as supply and installation of meter accessories and pipe fittings	6
2	Hytran Sdn Bhd	3,301	19.4	Subcontractor and supplier	Equipment and maintenance services for water treatment plants	8
3	Place2Stay	⁽²⁾ 2,797	16.5	Subcontractor	Intelligent asset management solutions ⁽³⁾	2
4	Abbaco Controls Sdn Bhd	1,109	6.5	Subcontractor and supplier	SCADA hardware and software	8
5	Empayar Setia Sdn Bhd	547	3.2	Supplier	Smart meters	3
	Sub-total	14,982	88.2			
	Total purchases	16,985	100.0			

Notes:

(1) Length of relationship as at LPD.

(2) Refers to the cost of the intelligent asset management solutions supplied by Place2Stay, comprising subcontracting fees for software development. For avoidance of doubt, this cost is not part of the purchase consideration of RM13.4 million (including sales and service tax) for the acquisition of source codes of the 4 intelligent asset management solutions from Place2Stay.

7. BUSINESS OVERVIEW (Cont'd)

- (3) After FYE 2024, we acquired the source codes of the 4 intelligent asset management solutions from Place2Stay and rebranded the solutions to IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System. Our Group has also obtained the copyrights for all the abovementioned intelligent asset management solutions in October and November 2024. Following this, the cost of such acquisitions is recorded as our intangible assets.
- (4) The companies within our major supplier and/or subcontractor grouping are as follows:

Supplier and/or subcontractor grouping	Companies
Hydrateq Group	<ul style="list-style-type: none">Hydrateq Services Sdn Bhd (shareholders being Mohd Saffian Bin Abd Rahman, Rozamizan Bin Mohd Zakuan and Mohd Aidil Bin Mohd Tauhid); andHydrateq PLT (partners being Mohd Saffian Bin Abd Rahman, Rozamizan Bin Mohd Zakuan and Mohd Aidil Bin Mohd Tauhid).

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7. BUSINESS OVERVIEW (Cont'd)

No.	Major suppliers and/or subcontractors	Purchase value		Supplier or subcontractor	Products/ services sourced	⁽¹⁾ Length of relationship Years
		RM'000	%			
FYE 2025						
1	Place2stay	⁽²⁾ 6,508	34.5	Subcontractor	Intelligent asset management solutions and other management systems ⁽²⁾	2
2	Hydrateq Group	4,907	26.0	Subcontractor	Fieldwork service and meter auditing services as well as supply and installation of meter accessories and pipe fittings	6
3	Titisan Mutiara Tarat Sdn Bhd	3,106	16.5	Subcontractor	Construction services	3
4	Hytran Sdn Bhd	2,324	12.3	Subcontractor and supplier	Equipment and maintenance services for water treatment plants	8
5	Kamstrup Asia Pacific Sdn Bhd	520	2.8	Supplier	Smart meters	3
Sub-total		17,365	92.1			
Total purchases		18,870	100.0			

Notes:

(1) Length of relationship as at LPD.

(2) Refers to the cost of the intelligent asset management solutions and other management systems (such as procurement management, building management, billing management as well as human resource and finance management) supplied by Place2Stay, comprising subcontracting fees for software development. For avoidance of doubt, this cost is not part of the purchase consideration of RM13.4 million (including sales and service tax) for the acquisition of source codes of the 4 intelligent asset management solutions from Place2Stay.

7. BUSINESS OVERVIEW (Cont'd)

For the FYE 2022 to 2025, our top 5 major suppliers and/or subcontractors contributed approximately 68.8%, 86.7%, 88.2% and 92.1% of our Group's total purchases respectively. All of our top 5 major suppliers and/or subcontractors for FYE 2022 to 2025 are based in Malaysia.

For the FYE 2022 to 2025, our subcontractor costs were the largest component of our cost of sales, accounted for 85.9%, 54.1%, 61.9% and 53.2% of our Group's cost of sales respectively. We engage subcontractors to perform services required for the project such as fieldwork (i.e. installation, integration, calibration, testing and commission), maintenance and technical support works as well as construction services, with the objective to reduce the need for our Group to employ and maintain a large workforce, which allows for us to better control such operating costs according to the required scale and capabilities of our projects. We also engage subcontractor to develop customised management systems for our customers, of which these systems are not our core intelligent asset management solution offerings. Notwithstanding that, our Group still undertakes the overall project planning, coordination and management of all our subcontracted works and we are accountable to our customers for the execution of the contract and the overall management of the project.

Empayar Setia Sdn Bhd was our Group's largest supplier in FYE 2023, contributing approximately 39.3% to our Group's total purchases. Our Group's purchases from Empayar Setia Sdn Bhd were mainly water meters. Since November 2022, our Group has been appointed by Kamstrup A/S as the authorised non-exclusive distributor for Kamstrup water meters. This enables us to reduce our dependency on Empayar Setia Sdn Bhd and to have an alternative supplier for water meters.

Hytran Sdn Bhd was amongst our top 5 major suppliers from FYE 2022 to 2025 which contributed approximately 22.7%, 7.1%, 19.4% and 12.3% of our Group's total purchases respectively. We engaged Hytran Sdn Bhd as subcontractor and/or supplier based on our project requirements. Hytran Sdn Bhd offers a range of products and services to serve the water industry. On top of the supply of equipment and provision of maintenance services for water treatment plants, it also provides maintenance of high-level tanks. Our Group is not dependent on Hytran Sdn Bhd as the products and services sourced from Hytran Sdn Bhd can be sourced from other suppliers or subcontractors. Nevertheless, as we have established a good long-term relationship with Hytran Sdn Bhd of 8 years as at LPD, we have continued to engage only Hytran Sdn Bhd as our preferred and trusted supplier and/or subcontractor for the supply of equipment and maintenance services for water treatment plants.

Hydrateq Group was amongst our top 5 major supplier in FYE 2023 to 2025 which contributed approximately 11.4%, 42.6% and 26.0% of our Group's total purchases respectively. We engaged Hydrateq Group as subcontractor based on our project requirements. Hydrateq Group offers a range of construction services to serve the water industry. Our Group is not dependent on Hydrateq Group as the products and services sourced from Hydrateq Group can be sourced from other subcontractors. Nevertheless, as we have established a good long-term relationship with Hydrateq Group of 6 years as at LPD, we continue to engage Hydrateq Group as our preferred and trusted subcontractor for fieldwork service and meter auditing services as well as supply and installation of meter accessories and pipe fittings.

7. BUSINESS OVERVIEW (Cont'd)

All purchases from our suppliers and engagement with our subcontractors are transacted by project or purchase order basis, based on our customers' project requirements. For FYE 2022 to 2025 and up to LPD, we did not experience any major disruptions from our major suppliers and/or subcontractors. Our Group is not dependent on any of our major suppliers and/or subcontractors, and is able to source for the same supplies/services from alternative suppliers/subcontractors in the event that any major suppliers/subcontractors cease to supply materials or services to our Group.

7.10 PRODUCTION CAPACITY

Due to the nature of our business whereby the sourcing and supply of products and services are done based on our customers' project requirements throughout the project tenure, operating capacity is not applicable to our business and operations.

7.11 INTERRUPTION TO BUSINESS AND OPERATIONS

Our Group had not experienced any interruptions in our business and operations in the last 12 months from LPD which had a significant effect on our operations.

7.12 SEASONALITY AND CYCLICALITY

Due to the nature of our business, there are no significant seasonality or cyclical patterns in the revenue of our Group during FYE 2022 to 2025.

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7. BUSINESS OVERVIEW (Cont'd)

7.13 R&D

Our R&D activities are currently carried out by our 5 IT employees as at LPD, under the leadership of our Chief Technology Officer. We are committed to deliver effective technology solutions that meet our customers' needs, through on-going investment in technology advancements. By staying informed about our customers' needs, evolving industry developments and stakeholder (e.g. industry governing authorities) goals, we continually improve and evolve our solutions to address current and emerging needs. Our historical R&D achievements as well as on-going R&D projects are summarised as follows:

Achievement / project	Description	Commencement year	Completed/ Target completion year
<u>Historical R&D achievements</u>			
Development of Intelli Water System	<ul style="list-style-type: none"> - Through our past projects with water agencies, we discovered their need for a system to consolidate and integrate multiple water monitoring systems on one platform for seamless monitoring and communication. With our domain knowledge in water management, we collaborated with Intelli Technology Vietnam to jointly develop our Intelli Water System. - We implemented the use of tools like advanced editing and productivity tools, integration of technology including SCADA systems and GIS, and enabled data pull from multiple sources. - Incorporated GIS-based visualisation tools to optimise resource allocation and improve decision-making processes for water agencies. - Successfully installed and implemented IoT devices and instruments to monitor river and reservoir conditions, integrating data such as water quality, flow rates, and pollution levels for comprehensive water asset management. - Engineered modular components for Intelli Water System, enabling our customers to customise features like data analytics, reporting and visualisation based on their needs. 	2019	2020

7. BUSINESS OVERVIEW (Cont'd)

Achievement / project	Description	Commencement year	Completed/ Target completion year
Development of intelligent asset management solutions for other industries	<ul style="list-style-type: none"> - We entered into a MOU with UNIMAS in 2022 and that UNIMAS, which was then developing a smart farming system, sparked our Group’s interest in expanding into other industries beyond water sector. We also expanded our networking activities to identify potential collaboration with software solution providers acquainted through UNIMAS events. - We identified and collaborated with Place2Stay, a software solution provider whom we met through UNIMAS events, through a MOU to conduct proof of concept to assess the functionality and feasibility of intelligent asset management solutions for other industry applications. - With our knowledge in our intelligent water management solution, we leverage on the software solution provider’s programming skills to execute joint R&D works. Eventually, the Integrated Smart Hotel Operations, Management and Reservation System, Centralised Smart Transport Management System, Integrated Smart Road Maintenance and Management System and Integrated Construction Site Resources Information Management System were successfully commercialised and rebranded to IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System. 	2022	2023
<u>On-going R&D projects</u>			
AI adaptation and enhancement	<ul style="list-style-type: none"> - Integration of Knowledge Twin (previously known as Lily) with Intelli Water System, to enable Knowledge Twin’s generative AI capabilities to provide users with real-time insights into site conditions and information on assets (e.g. performance, maintenance records and product specifications). - Application of AI for predictive maintenance in IntelliTrack System to enable automatic and adaptable monitoring of vehicles conditions for maintenance. - Study the use of AI in construction planning modules in IntelliConstruct System to facilitate resource scheduling, cost estimation and project progress tracking. 	2024	2025
		2024	2025
		2024	2026

7. BUSINESS OVERVIEW (Cont'd)

Achievement / project	Description	Commencement year	Completed/ Target completion year
Enhancement of existing Intelli Water System	<p>- Study the addition of new and upgraded features to expand the functionality of Intelli Water System. Examples of some key features are as follows:</p> <ul style="list-style-type: none"> • Include measures to enhance data encryption, secure Application Programming Interfaces (API), and user authentication processes to safeguard sensitive water distribution and consumer data. • Enhance data automation processes to ensure seamless integration and real-time synchronisation between production water data and distribution water data. • Enhance UI/UX to provide flexible interface for NRW monitoring; • Integrate billing system onto web-based GIS to enable seamless and automated extraction of data between systems; • Integrate geocoding data (from consumer meters) to analyse meter data (e.g. size, year and consumption) for meter performance tracking; and • Include river monitoring feature in water distribution monitoring module for real-time data collection on river conditions. 	2024	2027
New applications and features	- Addition of ticket management module in Intelli Water System, for improved leakage detection. This enables integration of leak incident data from other divisions, as well as inclusion of new web and mobile application designed for operation and dashboard for monitoring all tickets within the water network.	2024	2027
Implementation of new IoT devices	- For IntelliTrack System, to expand the use of sensors to allow real-time tracking of fuel levels, tyre pressure and engine performance of vehicles to support data-based decision making in fleet management.	2024	2027

7. BUSINESS OVERVIEW (Cont'd)

Achievement / project	Description	Commencement year	Completed/ Target completion year
Adaptive geofencing capabilities	- Application of adaptive geofencing technology in IntelliTrack System, to provide real-time tracking of fleet vehicles even under adverse weather conditions or heavy traffic. To develop algorithms that enable geofenced zones to adapt dynamically based on live data inputs, such as changing weather patterns and traffic conditions, to ensure safer and more efficient fleet operations.	2024	2027
<u>Future R&D projects</u>			
AI adaptation and enhancement	- Study the expanded use of AI for traffic flow management modules in IntelliRoad System, aimed at enabling users to predict and manage traffic congestion.	2026	2027
	- Study the use of AI analytics with drone-based surveillance in IntelliRoad System to allow remote inspection and monitoring of road and infrastructure conditions.	2026	2027
	- Study the use of AI in IntelliHotel System to enhance guest personalisation experiences through the automation of room temperature and lighting, to enable dynamic pricing and smart revenue management through predictive and adaptive analysis of historical data, market trends, and real-time demand patterns.	2026	2027
New applications and features	- Development of a mobile application for our IntelliHotel System which can be used by hotel guests for keyless room entry and personalised room service.	2026	2027
	- Study the use of building integrated modelling technology which is a 3D model-based tool that provides a digital representation of a site's physical and functional aspects, with real-time IoT device inputs for construction progress in IntelliConstruct System.	2026	2027

7. BUSINESS OVERVIEW (Cont'd)

Achievement / project	Description	Commencement year	Completed/ Target completion year
Implementation of new IoT devices	- For IntelliRoad System, to study the use of sensors to detect cracks, temperature and load stress on roads.	2026	2027
	- For IntelliHotel System, to expand the use of IoT devices to enable energy conservation in guest rooms via voice-activated controls and automatic adjustments, and to study the use of facial recognition devices for secure, contactless check-in and check-out processes.	2026	2027
Virtual Reality ("VR") / Augmented Reality ("AR")	<p>- To study the use of VR and AR technologies in our intelligent asset management solutions to help our customers with visual aids in their daily operations, for example:</p> <ul style="list-style-type: none"> • For IntelliTrack System, visualising fleet positions in real-time on 3D maps. • For IntelliHotel System, virtual concierge services and guided hotel tours on mobile devices. • For IntelliConstruct System, visualisation for design reviews. • For Intelli Water System, visualisation of the entire water network to enable simulation of water network in different scenarios as well as planning of network upgrades and repairs. 	2026	2027

For FYE 2022 to 2025, the R&D expenses incurred by our Group, comprising staff cost, amounted to approximately RM0.2 million for each FYE, representing 0.7%, 0.5%, 0.6% and 0.4% of our Group's total revenue, respectively. Between 1 May 2025 and up to LPD, the R&D expenses incurred by our Group, comprising staff cost, amounted to approximately RM0.1 million.

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7. BUSINESS OVERVIEW (Cont'd)

7.14 COMPETITIVE STRENGTHS

7.14.1 We have an established history and proven track record in the water management industry in Sarawak

We have an established track record in Sarawak as we are involved in the provision of water technology solutions for water management, with a history that spans 20 years since the commencement of our business in 2005.

Our Group has the capability to provide a variety of water technology solutions for water management across the water utility supply chain from water treatment to distribution in Sarawak. Our offerings comprise water management system solutions, supply of IoT devices and instruments, technical support and maintenance services and construction of water treatment facilities. Our solutions facilitate our customers' NRW management and overall management of their water supply operations. We design system solutions for our customers based on their project requirements, and our core expertise is in our technical knowledge and incorporation of water technology in our solutions. Our Intelli Water System is a critical pillar in our water technology solutions, designed to optimise water operations through advanced technologies (i.e. IoT and data analytics), ensuring efficient, secure and reliable water distribution.

Exxor Technologies is registered with UPKJ with the highest category and classification accorded by State Financial Authority of Sarawak (an organisation which oversees UPKJ), where Exxor Technologies is able to participate in Sarawak Government's procurement activities of RM1 million and above for supply and services, (save for the supply of machinery, vehicles, M&E equipment, power generators, workshop equipment including spare parts and accessories whereby our Group is allowed to participate in works below RM200,000 only), as well as RM10 million and above for mechanical and general works. Exxor Technologies is also registered with CIDB as a Grade G7 contractor, the highest classification accorded by CIDB, where it is allowed to tender for construction contracts of unlimited value for building construction, M&E, civil and engineering construction works.

Our integrated approach enables us to support our customers throughout the course of the implementation, operations and maintenance of their infrastructure and projects in the water management industry. We provide our customers with the assurance that they are able to reliably source the various resources required for their projects from us, from consultancy and technical expertise to equipment and technological tools.

Further, with our extensive knowledge and experience in the water management industry, we have since 2019 successfully commercialised our Intelli Water System, an intelligent water management solution which is tailored to the specific needs of our customers in the water sector to improve water pressure management and/or reduce NRW throughout the entire supply chain from water treatment to distribution.

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7. BUSINESS OVERVIEW (Cont'd)

7.14.2 We have a strong portfolio of customers in the water management industry with whom we have established longstanding relationships

Our customers are primarily in the water management industry in Sarawak, comprising JBALB, Sibü Water Board, Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd) and Kuching Water Board. For clarity, on 1 August 2025, Sibü Water Board and Kuching Water Board have been integrated into Sarawak Water Sdn Bhd.

Since securing these customers, our Group has established longstanding business relationships with them through repeated contracts as evidenced by the length of relationships of up to 13 years with some of our major customers in FYE 2022 to 2025. This has enabled us to pursue future business opportunities with our existing customers.

Our success in securing and retaining customers is a testament to the quality of our products, solution offerings and customer service levels, which provide confidence to our customers. Our growing reputation within the water management industry will in turn attract more business opportunities and continue to enhance our financial performance.

7.14.3 We have the capability to adapt our intelligent asset management solutions to cater to different industry applications, allowing us to serve a wide customer base

Our Group's expertise in water technology solutions, particularly in monitoring and tracking the flow, pressure, and movement of water throughout the entire supply chain from water treatment to distribution, has given us a unique understanding of how to manage complex assets in real-time. Our experience in using sensors, IoT devices, and SCADA systems to monitor and control water distribution networks has allowed us to develop a robust and adaptable system, namely Intelli Water System.

By leveraging this expertise, we can source and adapt intelligent asset management solutions to manage assets in other industries. This can include industries such as transportation, where our system can be used to monitor and track the movement of vehicles, goods and materials.

Furthermore, our use of IoT devices, SCADA system and GIS has given us a strong foundation in data analytics and interpretation, and digital mapping. This expertise can be applied to other industries, where our system can be used to analyse data from various sources, providing insights and recommendations for improvement.

Having an in-house IT team is a key strength of our Group. This team allows us to execute continuous R&D activities, enhancing our existing systems and exploring new industry applications. Our in-house IT team also enables us to respond quickly to changing market conditions and customer needs, ensuring that our solutions remain relevant and effective. Further, having our in-house IT team allows us to provide timely responses to technical issues, minimising downtime and ensuring the continuity of our services.

Our adaptability and customisation capability, combined with our expertise in water technology solutions, enables us to provide industry-specific solutions that meet the unique needs of our customers. Upon user acceptance, we are also able to provide service and maintenance and with the benefit of an in-house IT team, we are able to maintain continuous direct and close relationship with our customers and respond to their needs in a timely manner.

Overall, our Group's unique combination of expertise in water technology solutions, data analytics, and adaptability and customisation capability, combined with the strength of our in-house IT team, enables us to provide solutions that meet the specific needs across various industries and allows us to expand our customer base.

7. BUSINESS OVERVIEW (Cont'd)

7.14.4 We have an experienced and hands-on key senior management team

Our Group is led by a technically skilled and experienced management team with vast experience in the water management industry, as well as in-depth experience in their respective fields, key expertise and knowledge of our business operations.

Our Managing Director, Ts. Wee Khiam Hui, has approximately 32 years of working experience, with more than 20 years in the water sector. His technical and industry knowledge is instrumental in steering the overall strategic direction and business development of our Group. He leads our Group together with our Executive Director, Bong Joon Fook.

They are supported by our key senior management team, as follows:

Executive	Position	Years of working experience
Charlene Bong Myn Ee	Chief Operating Officer	10
Chong Chiew Mien	Chief Financial Officer	24
Ts. Dr. Peggy Loh Yee Wey	Chief Technology Officer	15
Aelred Bong Nan Wyan	Chief Project Officer	9

Our management team has in-depth knowledge and capabilities as a result of their years of experience. Our management team has played a vital role in promoting our growth and business expansion and will continue to contribute to our growth in the future. Please refer to Sections 5.1.2 and 5.3.3 for further details on the profiles of our Executive Directors and key senior management team.

7.15 FUTURE PLANS AND STRATEGIES

7.15.1 We intend to expand our in-house IT capabilities to support our R&D activities

For FYE 2025, our Group generated revenue of RM33.9 million from our intelligent asset management solution segment. As at LPD, our Group has secured 18 projects with an unbilled order book of RM16.4 million in the intelligent asset management solution segment. Further, we have secured 1 project related to our Intelli Water System with an unbilled order book of RM0.2 million for technical support or upgrading works.

In order to support our increased IT related projects and in line with our on-going expansion plan, we intend to expand our in-house software development and programming capabilities. To achieve this, we intend to recruit and hire additional employees dedicated to enhance our intelligent asset management solutions. This will involve the recruitment up to a total of 9 new employees under our IT department comprising software engineer, system analyst, machine learning engineer as well as data researcher. We intend to allocate RM1.9 million from our gross proceeds from the Public Issue to fully fund the salary cost of new employees within 24 months of our Listing.

In order to enhance our in-house software development capabilities as well as to accommodate the increase in working capacity from the recruitment of new employees, we intend to set up a mini data centre to upgrade our existing IT and networking infrastructure. The mini data centre comprises server infrastructure, storage solutions, networking infrastructure, security system and fire suppression system. We will utilise our existing hardware and software, and purchase more hardware (e.g. air conditioning system, server and network infrastructure as well as storage systems) and software (e.g. GIS, data visualisation, operating software and security software). We intend to allocate RM1.1 million from our gross proceeds from the Public Issue within 18 months of our Listing to fully fund the purchase of IT equipment and purchase and subscription of software.

7. BUSINESS OVERVIEW (Cont'd)

7.15.2 We intend to grow our market share and presence in the water management industry in Sarawak by securing more projects

For FYE 2022 to 2025, our water technology solutions segment contributed RM29.1 million, RM40.6 million, RM21.7 million and RM15.7 million to our Group's revenue respectively. As at LPD, our Group has secured 6 projects with an unbilled order book of RM18.9 million for our water technology solutions segment.

Notwithstanding our intelligent asset management solutions segment growing at a significant rate (68.4% contribution to our Group's revenue for FYE 2025) and attaining considerably better margins (GP margin of 77.0% compared to 22.6% for the water technology solutions segment in FYE 2025), we will continue to tender for and secure more projects from the water agencies in Sarawak, which will grow our revenue and subsequently increase our market share in the water management industry. As at LPD, our Group has submitted 4 project tenders with a potential project value of RM27.8 million for the provision of water technology solutions in Sarawak. We believe that this strategy is a more practical approach that capitalises on our reputation as a strong water management industry player in the past, and has more sustainable prospects with government projects.

As a reputable water technology industry player with established track records in Sarawak, our Group stands to benefit from the increasing opportunities and demand for water technology solutions from government initiatives in the water sector. For example, the Sarawak Government has emphasised, through the Water Sector Transformation 2040 ("**WST2040**") on the adoption and integration of water technology, in line with Industry 4.0 in water management for data-driven and efficient operations to support long-term development and resilience in the water sector; and Ministry of Energy Transition and Water Transformation (PETRA) announced the approval of its national NRW programme, aimed at enhancing water management throughout Malaysia, with an approved budget of RM2.5 billion. Additionally, RM4 billion has been allocated by Sarawak Government to implement the Sarawak Water Supply Grid programme, targeting water-stressed areas through the roll-out of 298 projects, including initiatives under SAWAS. SAWAS is an initiative to provide dedicated water supply systems for remote settlements that are located far from main water pipelines. The implementation of SAWAS serves as one of the key initiatives to help achieve Sarawak's goal of 100% water supply coverage by 2030. Further, we believe that our Group's continuous effort as well as our long-standing business relationship with JBALB and other water agencies in Sarawak will enable us to continue securing orders from them. We also intend to enhance our operations and secure more projects in West Malaysia, as detailed in Section 7.15.3.

For FYE 2022 to 2025, the subcontractor costs and cost of devices, instruments and consumables accounted for 94.0%, 96.5%, 94.7% and 91.8% to our Group's total cost of sales respectively. For the majority of our projects, a performance bond ranging from 2.5% to 5.0% of the contract sum, or retention sum of 10.0% of each progress billing and up to a maximum of 5.0% of the contract sum awarded is required by our customers. Hence, we require working capital to fund our on-going and future projects.

As such, we intend to allocate RM22.2 million from our gross proceeds from the Public Issue within 24 months of our Listing as working capital requirement to partially fund subcontractor costs and cost of IoT devices, instruments and consumables that will be used in the provision of water management system solutions, and payment of performance bond or retention sum. This will enable us to meet our short-term obligations for on-going projects as and when they fall due to support our business growth.

7. BUSINESS OVERVIEW (Cont'd)

7.15.3 We intend to strengthen our market presence in West Malaysia by setting up a new support team to be based at our West Malaysia branch office

As at LPD, our operations in West Malaysia is supported by our project and IT teams based in Kuching, Sarawak, who travel to West Malaysia as and when required as we do not have any employees permanently based at our West Malaysia branch office. We implemented and handed over our Intelli Water System to our first end user in West Malaysia, namely Air Kelantan Sdn Bhd, in February 2023. For intelligent asset management solution segment, our first customer in West Malaysia was Hytran Sdn Bhd whereby we implemented and handed over Smart Transport Management System (subsequently rebranded to IntelliTrack System) to them in May 2024 and its warranty period ended in July 2025. As at LPD, we have also implemented and handed over 4 more projects in the intelligent asset management solutions segment for 4 customers in West Malaysia and 3 of these projects are under warranty period of up to September 2026. Hence, as part of our business expansion, we intend to strengthen our market presence and operations in West Malaysia through the recruitment of employees to be permanently based at our West Malaysia branch office in Puchong, Selangor.

We intend to recruit up to a total 9 new employees comprising business development manager, business development executive, market research analyst, technical business developer and IT administrative assistant. We intend to allocate RM1.2 million from our gross proceeds from the Public Issue over a period of 24 months from the commencement of recruitment to fully fund the salary cost of employees at our West Malaysia branch office.

Having employees permanently based at our West Malaysia branch office will support our business expansion in West Malaysia and allow our Group to capture opportunities for water technology solutions and intelligent asset management solutions in West Malaysia as we will be in close proximity to, and accessible by, local customers in West Malaysia. Having a physical presence locally will allow us to enhance the delivery of our solutions and better support our customers, which will provide greater confidence to our local customers to source water technology solutions and intelligent asset management solutions from us. We believe that this will enable us to secure customers and grow our sales in West Malaysia, and subsequently drive the overall growth of our business.

7.15.4 We intend to relocate to a larger office as our new corporate office in anticipation of our business expansion

As at LPD, we are operating from our corporate office comprising 3 office units, 2 of which we currently own and 1 unit which we rent, located in Kuching, Sarawak. Our current office has a total built-up area of approximately 2,766 sq ft and comprises our management and administrative office and a small server room. To support the continued growth of our business, we intend to purchase and relocate to a larger office with built-up area of approximately 6,000 to 7,000 sq ft, to enable our Group to undertake the following expansion:

- (i) Approximately 200 to 300 sq ft of space will be allocated for the set up of the mini data centre to enhance our IT facilities, which is in line with our plan to enhance and expand our Intelli Water System and intelligent asset management solution offerings. Please refer to Section 7.15.1 for more details on our expansion of in-house IT capabilities.
- (ii) To house the expected increase in workforce in anticipation of our business expansion as we continue to secure more sales. We intend to recruit up to a total of 9 additional employees to support our business expansion. Please refer to Section 7.15.1 for more details on the recruitment and expansion of our IT department.

7. BUSINESS OVERVIEW (Cont'd)

The growth of our water technology solutions segment will continue to be driven by increasing need for operational efficiency in water management to strengthen the security of water resources and mitigate NRW, and government initiatives to leverage on water technology for sustainable and efficiency in water management. Given such prospects, our Group believes that by enhancing our solution offerings and expanding our business operations, we will be able to boost our competitiveness and to capture opportunities for water technology solution services.

As at LPD, we are in the midst of identifying a suitable office in Kuching, Sarawak as our new corporate office. The exact location and size of the new premises are subject to changes due to prevailing property prices and the availability of suitable office spaces. Nevertheless, we intend to allocate RM3.3 million from our gross proceeds from the Public Issue within 18 months of our Listing, to partially fund the setting up our new office which comprise purchase cost of the new corporate office as well as renovation and interior outfit cost. Upon relocating to the new corporate office, we intend to cease rental of 1 office unit and may rent out or sell the remaining 2 office units of our existing corporate office in Kuching, Sarawak.

7.15.5 We intend to expand our business through strategic investments, mergers and acquisitions opportunities

Our business growth strategies include strategic investments, mergers and acquisitions that directly strengthen our position as a leading water technology solutions provider. We intend to allocate RM9.0 million of the gross proceeds from our Public Issue for investments, mergers and acquisition opportunities that enhance our core capabilities, and we intend to focus our acquisition targets on companies providing:

- (i) water technology solutions relating to NRW reduction as well as technical support and maintenance services for water-related devices, instruments and systems; and
- (ii) intelligent asset management solutions for various industries.

Our acquisition criteria prioritise companies with established track record in water technology or intelligent asset management solutions with complementary expertise that enhances our offerings, providing value chain integration for our existing segments and customers by way of facilitating our Group's entry into new verticals. We seek companies that offer clear synergies with our existing water technology portfolio, particularly those with specialised expertise, proprietary technologies or established market presence that can expand our capacity and accelerate our service delivery and technical capabilities. Our Group is in the midst of exploring investment and acquisition opportunities in companies within Malaysia which meet the abovementioned criteria. As at LPD, our Group has not identified any prospective acquisition nor have we entered into any binding agreements for any acquisition.

Our evaluation process includes assessment of target companies' financial performance, market position, and growth potential, followed by evaluation of strategic fit with our existing business operations and long-term objectives. We conduct thorough due diligence processes to verify technical and operational capabilities, customer relationships, and financial performance before proceeding with any acquisition decisions.

For the avoidance of doubt, such strategic investments, mergers and acquisitions shall be distinguished from our future plan in relation to business expansion in Malaysia as set out in Section 7.15.1 to 7.15.4 above, which is organic in nature.

8. IMR REPORT

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SMITH ZANDER

Date: 17 September 2025

The Board of Directors

Insights Analytics Berhad

Parcel Lot No. D272, D273 & D274
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Jalan Pending
93450 Kuching, Sarawak

Dear Sirs/ Madams,

Independent Market Research Report on the Water Management Industry in Malaysia and Intelligent Asset Management Solutions Industry in Malaysia ("IMR Report")

This IMR Report has been prepared by SMITH ZANDER INTERNATIONAL SDN BHD ("SMITH ZANDER") for inclusion in the Prospectus in conjunction with the initial public offering and listing of Insights Analytics Berhad on the ACE Market of Bursa Malaysia Securities Berhad.

The objective of this IMR Report is to provide an independent view of the industry and market(s) in which Insights Analytics Berhad and its subsidiaries ("IAB Group") operate and to offer a clear understanding of the industry and market dynamics. As IAB Group is a technology solutions provider, principally involved in the supply of water technology solutions for water management across the water utility supply chain from water treatment to distribution, primarily in Sarawak, the scope of work for this IMR Report will address the following areas:

- (i) The water management industry in Malaysia;
- (ii) Key demand drivers, risks and challenges of the water management industry in Malaysia;
- (iii) Competitive landscape of the water management industry in Malaysia; and
- (iv) The intelligent asset management solutions industry in Malaysia.

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 and industry experts. 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 as mentioned in this report.

For and on behalf of SMITH ZANDER:



DENNIS TAN
MANAGING PARTNER

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The research for this IMR Report was completed on 8 September 2025.

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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.

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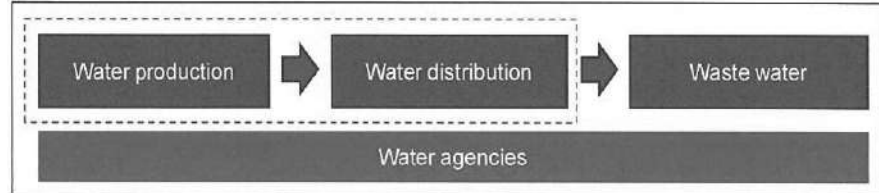
1 THE WATER MANAGEMENT INDUSTRY IN MALAYSIA

Overview

The water sector encompasses activities related to the production (i.e. sourcing and treatment) and distribution of water, wastewater treatment as well as the overall management and monitoring of the availability, usage and sustainability of water resources, infrastructure and systems throughout the water supply chain.

Water management refers to the strategic planning and development of water supply and distribution systems to ensure accessible, reliable and quality water supply, as well as to conserve valuable water resources for sustainable water supply.

Water supply chain, Malaysia



Note: [] denotes segments where IAB Group is supporting the water agencies.

Source: SMITH ZANDER

Management of non-revenue water (“NRW”) is critical in water management to effectively reduce water loss and revenue loss by water agencies. Water management solutions encompass a broad range of products and services, including technology solutions as well as devices and instruments (e.g. water meters, flow meters, data loggers and water quality analysers). These solutions are complemented by technical support, maintenance services, and construction services.

Effective 1 August 2025, water supply and management in Sarawak will be carried out by Sarawak Water Sdn Bhd, formerly known as LAKU Management Sdn Bhd, following a merger with the Sibu Water Board (“SWB”) and Kuching Water Board (“KWB”). Sarawak Water Sdn Bhd will assume the responsibilities previously carried out by SWB and KWB, including managing the water supply operations in the Southern, Central and Northern regions of Sarawak. The Sarawak Rural Water Supply Department or *Jabatan Bekalan Air Luar Bandar* (JBALB) was excluded from this merger and maintains jurisdiction over rural water infrastructure development.

Leveraging on water technology to drive sustainability and efficiency in water management

The adoption of water technology, comprising smart technologies and data analytics, is crucial in water management, as it enables automation and improves operational efficiency throughout the water supply chain. The Water Sector Transformation 2040 (“WST2040”) urges the adoption and integration of water technology, in line with Industry 4.0 in water management for data-driven and efficient operations to support long-term development and resilience in the water sector. Please refer to Chapter 2 of this IMR Report for further details on the WST2040.

The use of Internet of Things (“IoT”) devices, such as smart sensors and smart water meters, automates data collection and allows for constant monitoring, enabling proactive measures to manage water supply, detect leakages, and reduce losses. However, with multiple IoT devices and brands used along the water supply chain, each equipped with its own software and systems, consolidating data across various devices and systems is essential for seamless communication, centralised monitoring and meaningful analysis.

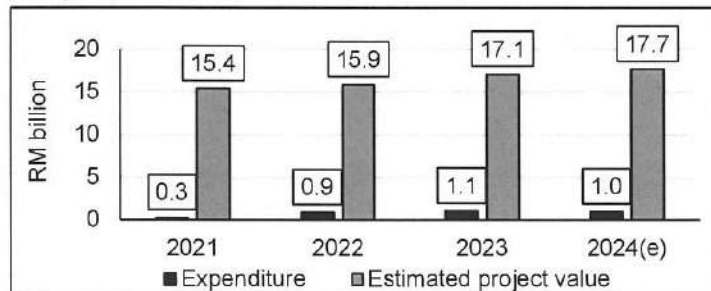
Intelligent water management solutions integrate advanced technologies including, but are not limited to, IoT devices, data analytics, artificial intelligence (“AI”), Supervisory Control and Data Acquisition (“SCADA”) system and Geographic Information System (“GIS”). Intelligent water management solutions provide a centralised platform for intelligent data management, enabling high periodic (near real-time) data collection, monitoring, storage and adaptable analysis. The solutions allow water agencies to have a holistic view of the water treatment and distribution system’s performance, increase onsite and offsite personnel accessibility to accurate information; allowing for data-driven decision-making, optimise resource management and proactive issue identification. This ultimately leads to improved service reliability, reduced operational costs, more efficient use of water assets and sustainability of water supply.

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Industry performance, size and growth

As a supporting industry to the water sector, the performance of the water management industry in Malaysia can be represented by the government's expenditure and estimated project value for the water sector in Malaysia.

Expenditure and estimated project value¹ for water sector, Malaysia, 2021 – 2024**Notes:**

- * Comprise federal level¹ expenditure and estimated project value for the development of national water resources; water supply plan; and NRW. The information specifically for Sarawak is not publicly available.
- (e) – estimate.

Sources: Ministry of Finance Malaysia, SMITH ZANDER

From 2021 to 2023, the growth in expenditure for the water sector in Malaysia increased from RM0.3 billion to RM1.1 billion at a compound annual growth rate ("CAGR") of 91.5%. Over the same period, the estimated project value for the water sector in Malaysia also exhibited a growth trend at a CAGR of 5.4% from RM15.4 billion in 2021 to RM17.1 billion in 2023.

According to the Ministry of Finance Malaysia, expenditure for the water sector is expected to decline at a year-on-year ("YOY") rate of 9.1% to RM1.0 billion in 2024. Nonetheless, the estimated project value in 2024 is expected to rise at a YOY rate of 3.5% to RM17.7 billion, in tandem with the rise in water development initiatives in Malaysia.

Some of the government initiatives to improve and upgrade the water sector throughout Malaysia are as follows:

- Approval of the National NRW Programme with the aim to alleviate NRW challenges, which will commence from 2025 to 2030. The National NRW Programme entails expenditure amounting to RM2.53 billion and consists of 2 strategies in tackling NRW. The first strategy involves the replacement of critical pipes and holistic NRW solutions, which include the adoption of water technologies, in Pahang, Kelantan, Perlis, Sabah, Sarawak and the Federal Territory of Labuan ("F.T. Labuan"). The second strategy is the introduction of a prorated rebate system to tackle NRW, which applies to the remaining states comprising Selangor, Johor, Negeri Sembilan, Melaka, Terengganu, Perak, Penang and Kedah.
- Annually, Pengurusan Aset Air Berhad ("PAAB") apportions RM1 billion for water piping system repair and upgrade works throughout Peninsular Malaysia.
- Provision of loan amounting to RM211.5 million by PAAB to replace asbestos pipes spanning a distance of 393 kilometres, with the project anticipated to complete by October 2025.
- To overcome water supply issues in Sabah and F.T. Labuan, the Government of Malaysia intends to focus on the restoration and replacement of infrastructure and equipment to improve water treatment plant capacity in Sabah, and replace dilapidated pipes and repair existing water infrastructure in F.T. Labuan.
- Allocation of RM500 million for the construction of the Machang Water Treatment Plant in Kelantan to address water supply issues and reduce NRW in Kelantan.
- Allocation of RM206.8 million for water infrastructure development in Johor.
- The announcement of 38 water infrastructure projects in Pahang under PETRA worth RM5.9 billion, with an allocation of RM504.2 million in 2025 for these initiatives.

¹ The federal level expenditure and estimated project value for the water sector is currently under the purview of the Ministry of Energy Transition and Water Transformation ("PETRA"). The data for 2021 to 2023 was captured under the previous relevant ministries.

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- Introduction of the REKA+ competition by the National Water Services Commission or *Suruhanjaya Perkhidmatan Air Negara* ("SPAN"), which is an initiative to encourage the youth to engage with and innovate on sustainable water solutions, as part of the MADANI Smart Water campaign.

In addition to the water initiatives rolled out by PETRA, the respective state governments in Malaysia have also implemented their own water development initiatives. The expenditure and estimated project value for the water sector for initiatives implemented by the respective local state governments, specifically for Sarawak, are not publicly available. Nevertheless, in Sarawak, some of the government initiatives introduced are as follows:

- In 2017, through the Ministry of Utility and Telecommunication Sarawak, the Sarawak Government introduced the Sarawak Alternative Water Supply ("SAWAS") initiative to provide dedicated water supply systems for remote settlements that are located far from main water pipelines. The implementation of SAWAS serves as one of the key initiatives to help achieve Sarawak's goal of 100% water supply coverage by 2030.
- A total of 46 projects, comprising 33 extension projects and 13 new projects, which amounted to RM6.01 billion were approved through PETRA under the 12th Malaysia Plan for Sarawak. The approved projects include various projects such as water treatment plant upgrades, sewerage system development and development of sewage treatment plants in Sarawak.
- Since 2018, under the Alternative Funding Scheme and allocations under the 12th Malaysia Plan, RM4.6 billion had been earmarked for the implementation of 407 water supply projects in Sarawak.
- According to the Sarawak Budget 2025, the Sarawak Government had set aside RM452 million under alternative funding to increase the supply of clean and treated water throughout the state. This includes allocation designated for the SAWAS initiative in 2025. Moreover, RM352 million had been allocated for the implementation of water supply projects under the 12th Malaysia Plan.
- By 2030, the Sarawak Government aspires to have a new water piping system in the state through the complete replacement of its water pipes with an allocation of RM1.1 billion, whereby the pipes would be connected to smart device systems.
- Under the Sarawak Water Supply Master Plan, Sarawak plans to develop 20 new water treatment plants to meet the rising demand for clean water across the state. An estimated RM20 billion is needed to have full water coverage supply to all areas in Sarawak.
- Furthermore, RM4 billion has been allocated to implement the Sarawak Water Supply Grid programme, targeting water-stressed areas through the roll-out of 304 projects, including initiatives under SAWAS.
- Under the 13th Malaysia plan, an additional RM600 million has been earmarked for strengthening of Sarawak's water supply system.

The introduction of the abovementioned government initiatives reflects the nation's commitment in elevating the water sector in Malaysia. The water management industry is in a strong position to leverage on the projects arising from the above government initiatives, as they cater to the demand for products and services that are vital in realising the nation's goals for the water sector. This is expected to continue supporting the growth of the water management industry moving forward.

2 KEY DEMAND DRIVERS, RISKS AND CHALLENGES OF THE WATER MANAGEMENT INDUSTRY IN MALAYSIA

Key demand drivers

► The WST2040 will drive the adoption of technology in water management

Under the 12th Malaysia Plan, the Government of Malaysia has introduced the WST2040 to enhance efficiency in water management, unlock the economic potential of the water sector, generate employment opportunities and safeguard water security. A long-term plan, the WST2040 will be implemented in 4 phases from the 12th to 15th Malaysia Plans, with initiatives in the 12th Malaysia Plan focusing on

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accelerating the adoption of Integrated Water Resources Management (“IWRM”) and the 13th Malaysia Plan focusing on developing indigenous technology that levels with international standards through research, development, commercialisation and innovation. According to the United Nations Environment Programme, IWRM is a process that promotes the coordinated development and management of water, land and related resources to maximise economic and social welfare in an equitable manner, without compromising the sustainability of vital ecosystems. The initiatives under the WST2040 include 87 strategies, 601 targets, and 601 key performance indicators that extend throughout the 4 phases up to 2040.

Amongst the strategies to be employed in the WST2040 agenda include the adoption of smart technology, encouragement of data-driven decision-making approach in water management as well as the development of homegrown technology that meets global standards. The 13th Malaysia Plan highlights technologies for water treatment and recycling systems, and smart management and monitoring of water resources and services as areas of particular focus. These include intelligent water management solutions such as IoT devices, data analytics, AI, SCADA and GIS that provide a centralised and integrated platform for data management to enhance water monitoring, storage, distribution and analysis. These solutions will enable data-driven decision-making, optimised resource management and proactive issue identification in the water sector.

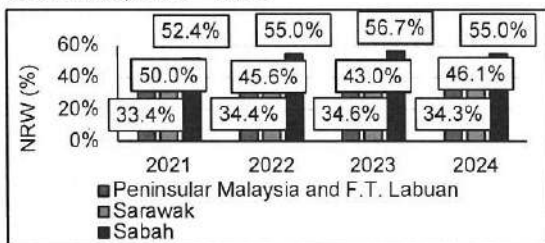
The Government of Malaysia aims to generate a cumulative value-add of RM172.6 billion for the water sector from 2021 to 2040 under the WST2040.

► **Increasing urgency to address the growing challenges of NRW as well as other water-related challenges amplifies the demand for water management solutions**

In Malaysia, NRW has emerged as a pressing concern as the nationwide NRW has exhibited an increasing trend in recent years. From 2021 to 2024, NRW in Malaysia increased from 33.4% to 34.3%. Higher NRW translates to more water losses, which also translates to wastage of energy and resources involved in the treatment of water as more energy and resources are required to treat more water to compensate for the water losses. According to SPAN, it is forecasted that Malaysia could lose RM4.05 billion in NRW in the next 6 years, representing a loss of 9.04 billion litres of water per day, if appropriate measures are not taken to address NRW.

In Sarawak, NRW decreased from more than 50.0%² in 2021 to 46.1% in 2024. Notwithstanding the decline, NRW in Sarawak remains higher than the national NRW average of 34.3% in 2024. High NRW is a clear indication of inefficient water distribution systems, and points to issues such as ageing and inadequate maintenance of water infrastructure as well as ineffective monitoring of the water distribution systems. In the long term, unaddressed NRW challenges may worsen water losses, giving rise to water shortages and threatening water security, which can negatively affect various vital economic and social activities. Water management solution providers are key enablers in addressing NRW challenges, and are expected to maintain proactive and long-term roles in keeping NRW issues under control. As such, the water management industry in Malaysia is expected to expand, driven by the increasing need to overcome NRW challenges.

NRW, Peninsular Malaysia, F.T. Labuan, Sarawak and Sabah, 2021 – 2024



Notes:

- NRW is calculated based on the difference between the volume of water distributed in the water distribution system and billed authorised consumption divided by the system input volume.
- NRW for Sarawak in 2021 and 2023 and Sabah in 2023 are approximate figures based on latest publicly available sources. Actual figures are not publicly available.

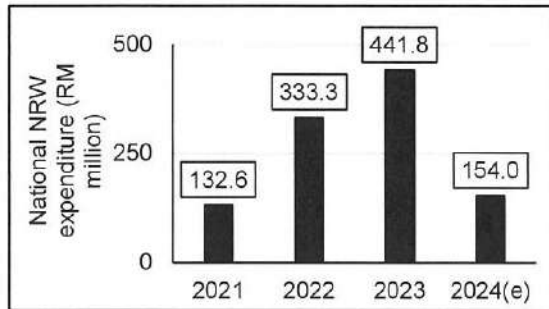
Sources: SPAN, Ministry of Utility and Telecommunication Sarawak, other various sources

² Source: Serian to help reduce Sarawak’s high non-revenue water, The Borneo Post, 30 March 2021.

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National NRW expenditure, Malaysia, 2021 – 2024



Note: (e) – estimate.

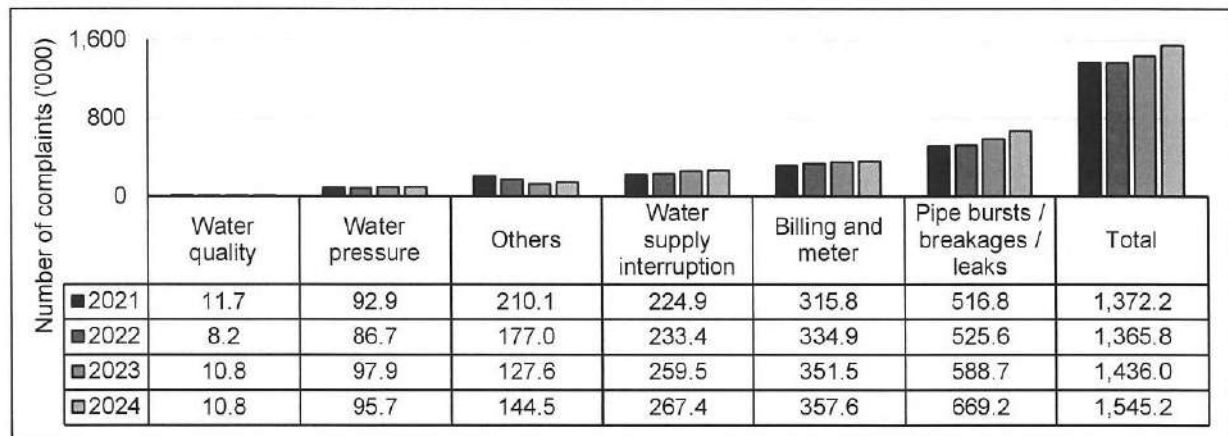
Source: Ministry of Finance Malaysia

In Malaysia, the primary challenge with NRW lies in ageing pipes that are leaking, damaged and deteriorating, whereby water is treated but lost due to leaks. Addressing this issue requires substantial funding to replace ageing pipes. From 2021 to 2023, the national NRW expenditure increased from RM132.6 million to RM441.8 million at a staggering CAGR of 82.5%, reflecting Malaysia's efforts in remediating NRW challenges. In 2024, the estimated NRW expenditure decreased YOY by 65.1% to RM154.0 million, likely due to the large investments made in previous years. It is expected to increase again in 2025 by 69.0% YOY to RM260.2 million with the rollout of new initiatives and/or new milestones for existing initiatives.

The Government of Malaysia aims to lower the nationwide NRW average to 28.8% by 2030, while Sarawak targets to reduce its NRW to 25.0%. This represents growth potential for water management industry players, offering them opportunities to play key roles in addressing NRW challenges and contributing to improvements in the water sector.

Despite abundant rainfall, Malaysia's water sources are at risk due to unpredictable weather patterns resulted from climate change as well as water pollution. Along with ageing water infrastructure and growing demand for water, this has led to a growing trend of water supply shortages and disruptions. As such, proper water management systems are becoming more critical in ensuring overall operational efficiency of water distribution systems, which supports the sustainability and reliability of water supply to communities and industries. There has been increasing challenges in the water sector to accommodate the rising demand for water, as evident by the increase in complaints over the years with regards to water issues such as pipe bursts, breakages and leakages, water quality, water pressure, water supply interruptions, as well as billing and meter.

Number of complaints received, Peninsular Malaysia and F.T. Labuan, 2021 – 2024



Note: The number of complaints for Sabah and Sarawak is not publicly available.

Source: SPAN

From 2021 to 2024, the total number of complaints received by SPAN grew at a CAGR of 2.3% from 1.4 million to 1.5 million. The major complaint received was pipe bursts / breakages / leaks, followed by complaints pertaining to billing and meter, water supply interruption, other complaints, water pressure and water quality. Rising number of complaints by consumers highlights the critical need for improved water management systems, which drives the demand for water management solutions.

In line with the WST2040, the adoption of water technologies will be key in addressing, and to remedy, the growing challenges of NRW, as data-driven decision-making is expected to lead to more efficient use of water assets and sustainability of water supply. The use of IoT devices such smart sensors and smart water

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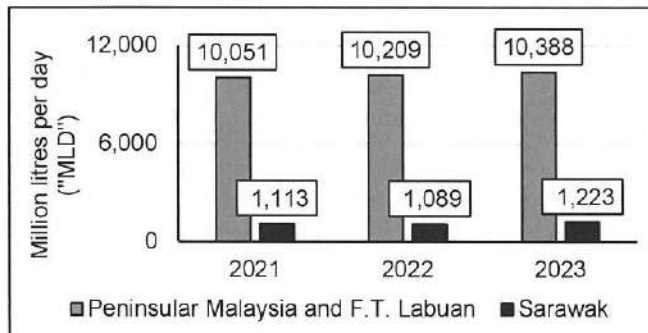
meters, when integrated with intelligent water management solutions such as data analytics, AI, SCADA and GIS, automates data collection and allows for constant monitoring, enabling proactive measures to manage water supply, detect leakages, and reduce losses.

► **Water is essential to support human life and various social and economic activities**

Water is a vital resource for human life to support essential activities for maintaining basic human health and comfort such as drinking and cooking, personal hygiene, household cleaning and laundry. Water is also crucial in supporting proper functioning and business operations of various economic activities and industries which lead to economic growth and expansion.

Effective management of water distribution systems enables reliable and sustainable water supply to ensure vital social and economic activities are not disrupted. This includes expansion of new facilities as well as scheduled and preventive maintenance, and upgrades of existing water assets which require water management products and services. As such, the importance of water will sustain the demand for water management solutions.

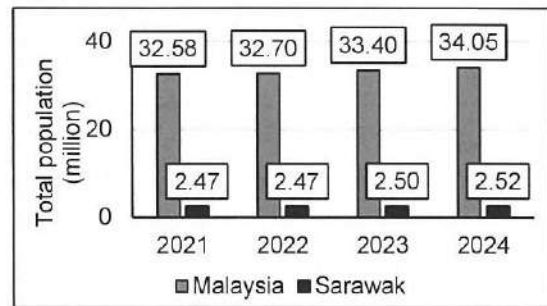
Water consumption, Peninsular Malaysia, F.T. Labuan and Sarawak, 2021 – 2023



Note: Complete data for Sabah is not publicly available.

Sources: DOSM and SPAN

Total population, Malaysia and Sarawak, 2021 – 2024



Note: Total population comprises citizens and non-citizens.

Source: DOSM

From 2021 to 2023, water consumption increased at CAGRs of 1.7% in Peninsular Malaysia and F.T. Labuan and 4.8% in Sarawak, supported by rising population. In 2024, water consumption in Peninsular Malaysia and F.T. Labuan increased YOY by 2.2% from 10,388 MLD to 10,614 MLD. Water consumption for Sarawak for 2024 is not publicly available.

Over the same period of 2021 to 2023, the total population in Malaysia and Sarawak increased from 32.58 million to 33.40 million and 2.47 million to 2.50 million, respectively. In 2024, the total population in Malaysia and Sarawak increased YOY by 2.0% to 34.05 million and 0.8% 2.52 million, respectively. The increasing demand for water gradually places more pressure on the existing water distribution system to distribute water to more consumers. In order to accommodate the growing demand for water in a sustainable and efficient manner, the water distribution system requires maintenance and upgrades of existing facilities over time, development of new water infrastructure, as well as integration with the latest technologies and solutions to adapt and keep up with the growing demand for clean water supply. This is expected to drive the demand for water management solutions.

Key risks and challenges

► **Reliance on the water sector in Malaysia**

The water sector in Malaysia is predominantly operated by government-linked utility agencies and the management structure involves a mix of state and federal oversight. Therefore, the growth of the water management solutions industry is dependent on the capital and operating expenditure of state and federal government as well as water agencies in Malaysia. The capital and operating expenditure of the water agencies in Sarawak determines the performance of the water sector, and this affects the demand for water management solutions, as these service solutions are essential in the water utility value chain. Any adverse

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economic conditions that affect the capital and operating expenditure of the water agencies in Malaysia at state and federal level will lead to a slowdown in the performance of the water management industry.

► **Exposure to cybersecurity threats for water management solutions**

Water management solutions can include digital infrastructure which transmit data via various forms of communication networks including wireless and wired communication networks, and store and back up data on various types of storage platforms including cloud platforms and on-premise storage platforms. While digital water management systems can be protected with network and data security applications such as firewalls and data encryption, the digital nature of water management systems exposes them to risks of cyberattacks such as cyber intrusions and malware attacks. Once in the system, cyber-attackers could manipulate the software programming or the hardware of the physical infrastructure which are integrated with the software, which in turn, could cause disruptions to the water supply and the operations of the water distribution system.

In addition, a successful cyberattack could result in unauthorised access to and a breach of sensitive information, threatening data security and privacy. Water management solutions are designed to collect, store and process large amounts of data, including end-consumer's information, water usage patterns and other operational data. The occurrence of unauthorised access to these data may result in misuse of data and thus, breaching the privacy of end-consumers. As a result, users of water management solutions and end-consumers of water may lose confidence in the security of water management solutions in the event of any cyberattacks which lead to the abovementioned scenarios. In turn, the demand for water management solutions may be adversely impacted.

3 COMPETITIVE LANDSCAPE OF THE WATER MANAGEMENT INDUSTRY IN MALAYSIA

Overview

The water management industry is supported by a diverse range of industry players, including solution providers, mechanical and electrical (M&E) engineering contractors, brand principals and authorised distributors of hardware and software. These industry players often operate across multiple industries that require water related solutions, such as piping and water treatment systems in agriculture, food and beverage manufacturing, pharmaceuticals, and palm oil processing. Some industry players specialise in providing products, services and solutions for the water sector, addressing its specific needs and challenges such as NRW and water supply management.

In the water sector, industry players may take on multiple roles within the sector. For example, IAB Group offer a range of services including consultation, design, implementation and project management. Industry players such as IAB Group brings technical capabilities, experience, expertise and their network of suppliers to customers in the water sector, and serve as main contractors and project managers for water utility projects. However, these industry players may subcontract specific components or specialised areas of work to other industry players with the necessary expertise.

The water sector is regulated, requiring companies to hold relevant licenses from government bodies such as the Construction Industry Development Board (CIDB), and state water authorities. The complexity and scope of water utility projects can vary widely, requiring a range of expertise and resources. As a result, industry players may possess the necessary licenses, expertise or capacity to undertake certain aspects of a project, but not all. This creates a competitive and collaborative dynamic, where industry players compete in some areas but also complement each other through subcontracting and collaboration. This synergy allows them to deliver comprehensive water management solutions by combining resources and expertise.

The barriers to entry into the water management industry in Malaysia is moderate, as new entrants can start by securing small-value projects and offer limited solutions that demand less technical expertise. However, to remain competitive, industry players require extensive and specialised technical expertise in the water sector as well as strong relationships and networks with industry players and stakeholders. These factors are key in ensuring industry players can secure higher-value and more complex projects, strengthen competitive edge and track records, grow their businesses and remain sustainable in the long run.

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Key industry players

As IAB Group is principally involved in the supply of water technology solutions for water management across the water utility supply chain from water treatment to distribution, the basis of selection of key industry players are as follows:

- Companies principally involved in the supply of water technology solutions for water management across the water utility supply chain that are similar to IAB Group. These companies may play multiple roles within the water utility supply chain; and
- Companies which recorded more than RM20.0 million in revenue based on their respective latest available financial years.

Company name ⁽¹⁾	Examples of role(s) within the water utility supply chain	Latest available financial year	Total revenue (RM million) ⁽²⁾	Segmental revenue (RM million) ⁽³⁾	Gross profit ("GP") (RM million)	GP margin (%)	Profit after tax ("PAT")/ (Loss after tax) ("LAT") (RM million)	PAT/(LAT) margin (%)
IAB Group	- Water technology solutions provider - Authorised distributor of hardware	30 April 2025	49.6	15.7	29.7	59.8	19.0	38.2
Aveva Asia Pacific Sdn Bhd ⁽⁴⁾	- Software product principal	31 December 2024	42.6	N/A	37.7	88.5	(0.4)	(0.9)
Ovarro Sdn Bhd	- Water technology solutions provider - Product principal of hardware and software	31 December 2024	38.3	N/A	5.8	15.1	1.1	2.9
Xylem Water Solutions Malaysia Sdn Bhd ⁽⁵⁾	- Water technology solutions provider - Product principal of hardware and software	31 December 2023	33.1	N/A	15.2	45.9	2.2	6.6
Cosmos Technology International Berhad ⁽⁶⁾	- Water technology solutions provider - Authorised distributor of hardware and software	30 April 2025	20.1	20.1	7.0	34.8	2.3	11.4
Premier Water Services Sdn Bhd	- Water technology solutions provider - Authorised distributor of hardware and software	31 March 2024	13.8	N/A	N/A	N/A	0.1	0.7

Notes:

- Latest available information as at 8 September 2025.
- 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 key industry players is exhaustive.
- N/A – Not available.

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- (1) *These companies may also be involved in the provision of other products and services besides water technology solutions.*
- (2) *The total revenue may include revenue derived from other businesses that are not related to water technology solutions.*
- (3) *Segmental revenue which comprises revenue derived from water technology solutions is disclosed where such information is publicly available.*
- (4) *A subsidiary of Schneider Electric SE, a company incorporated in France and listed on the Euronext Exchange. Schneider Electric SE and its group of companies are principally involved in the provision of electrification, automation and digitisation solutions for industries, infrastructure, data centers and buildings.*
- (5) *A subsidiary of Xylem Inc., a company incorporated in the United States of America and listed on the New York Stock Exchange. Xylem Inc. and its group of companies are principally involved in the design, manufacture and service of highly engineered products and solutions across a wide variety of critical applications primarily in the water sector.*
- (6) *Listed on the ACE Market of Bursa Malaysia Securities Berhad.*

Sources: IAB Group, various company websites, Companies Commission of Malaysia, SMITH ZANDER

IAB Group's market share for the water management industry

In 2024, IAB Group's market shares were approximately 2.1% and 0.1%, computed based on its revenue of RM21.7 million derived from the water technology solutions segment, against the expenditure for water sector in Malaysia of RM1.0 billion and estimated project value for water sector in Malaysia of RM17.7 billion, respectively. IAB Group's market shares in Sarawak cannot be computed as the government's expenditure and estimated project value for water sector in Sarawak are not publicly available.

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4 THE INTELLIGENT ASSET MANAGEMENT SOLUTIONS INDUSTRY IN MALAYSIA

Overview

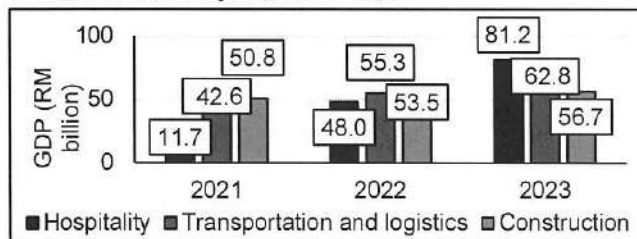
Intelligent asset management (“IAM”) solutions refer to systems that are designed to monitor, manage, maintain and optimise the lifecycle of assets using various technologies including IoT, AI, data analytics and cloud computing, amongst others. These technologies enable numerous functions such as real-time tracking and monitoring of assets, predictive analysis and maintenance, automated reporting of performance and status as well as proactive alerts, which help users make data-driven informed decisions and respond quickly to potential issues in their operations. Ultimately, IAM solutions can enhance operational efficiency, performance and cost-effectiveness, benefiting businesses across various industries as well as government and municipal bodies in the monitoring and management of various public assets.

The application of IAM solutions can be found in a wide range of activities including public utilities and infrastructure management (e.g. water and wastewater management; electricity generation; and road management and maintenance); logistics management; construction site management; hotel operations, management and reservation; manufacturing; oil and gas; healthcare; and telecommunications, amongst others. With such wide applications, IAM solutions play a critical role in the development of smart city infrastructure, where they can be integrated with other technologies to create a comprehensive and interconnected urban environment. As IAB Group’s IAM solutions serve the hospitality, transportation and logistics, and construction industries, this section will focus application on IAM solutions in these industries.

Rapid digitalisation initiatives to support growth across industries

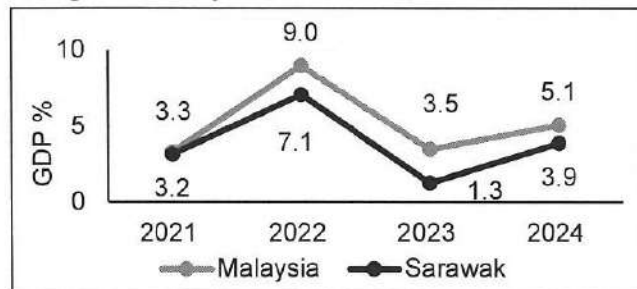
From 2021 to 2023, the hospitality industry, transportation and logistics industry and construction industry grew at CAGRs of 163.4%, 21.4% and 5.7%, respectively by gross domestic product (“GDP”). In 2024, the transportation and logistics industry grew by 10.7% YOY and the construction industry grew by 17.5% YOY. The 2024 GDP for the hospitality industry is not publicly available. These growth rates signal potential demand for IAM solutions in the long term as businesses seek digitalisation to improve operational efficiency to support further growth.

GDP for hospitality, transportation and logistics, and construction, Malaysia, 2021 – 2023



Source: DOSM

GDP growth, Malaysia and Sarawak, 2021 – 2024



Source: DOSM

In light of economic growth, the demand for various goods and services are on the rise, pressuring supply chains across various industries and sectors to meet the demands. Adopting digital technologies including IAM solutions is no longer optional, but essential to businesses in order to properly manage their assets to meet the demands efficiently and sustainably. From 2021 to 2023, the GDP for Sarawak and Malaysia demonstrated similar growth trends. Malaysia’s GDP expanded by 5.1% in 2024 from 3.5% in 2023, and is expected to grow between 4.0% and 4.8% in 2025 according to Bank Negara Malaysia.

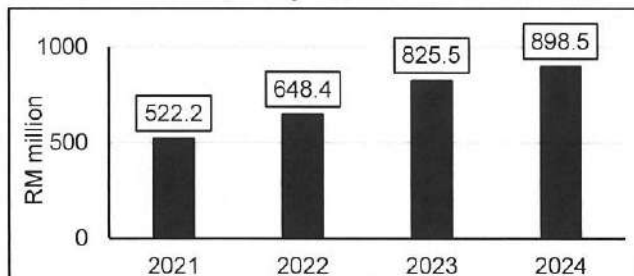
Under Sarawak’s post Covid-19 Development Strategy 2030 (“PCDS 2030”), Sarawak aspires to achieve average annual 8% GDP growth and GDP of RM282 billion by 2030, and to be a developed state by 2030, driven by data and innovation. One of the 7 strategic thrusts to accelerate the economic development is to accelerate digital adoption and utilisation across sectors.

The integration of IAM solutions and other technologies such as IoT and AI in various aspects of social, economic and public activities give rise to the development of smart cities. A smart city refers to a city that

8. IMR REPORT (Cont'd)**SMITH ZANDER**

leverages on technologies to optimise the use of limited resources, alleviate various urban challenges and improve quality of life. The Government of Malaysia has rolled out the Malaysia Smart City Framework 2019 – 2025 which details the proposed initiatives and strategies for the implementation of a smart city in Malaysia, highlighting the importance of smart city development as the approach to urban planning. Numerous smart city initiatives have been implemented or are in progress in Malaysia, targeting specific urban systems as well as the implementation of city-wide projects in urban areas such as Klang Valley, Penang, Iskandar Malaysia, Kuching and Kota Kinabalu.

Examples of these smart city initiatives are the implementation of intelligent transportation system, 5G infrastructure development, integrated waste management, digital healthcare, hyper-scale data centre and electric bus. As urbanisation and population are expected to continue to grow moving forward, the implementation of smart city initiatives is expected to continue and become more comprehensive, which in turn, will continue to drive the demand for IAM solutions across a wide range of applications to support the operations of smart cities.

Smart cities market, Malaysia, 2021 – 2024

Note: The smart cities market comprises revenue generated from components (e.g. IoT hardware, software and solutions) and services (e.g. equipment/system integration and maintenance) that enable connectivity and intelligence for smart cities.

In addition to transportation and logistics, hospitality and construction, the smart cities market includes revenue generated from other applications within a smart city such as utility management, healthcare, environmental, building control systems, etc.

Source: Statista

The smart cities market revenue in Malaysia grew at a CAGR of 19.8% from RM522.2 million in 2021 to RM898.5 million in 2024, representing rising demand for IAM solutions in Malaysia.

Government initiatives to boost digitalisation across industries

The Government of Malaysia is committed to driving the adoption of digital technologies, including IAM solutions across various industries through the introduction of initiatives, examples of which are as follows:

- To realise the aspiration of PCDS 2030, the Sarawak Digital Economy Blueprint 2030 was developed. One of the aspirations of PCDS 2030 is for Sarawak's digital economy to contribute about 20% to its GDP, 96% high-speed connectivity, 80% digitalisation of micro, small and medium enterprises and 50% growth in ICT and digital investments in Sarawak by 2030.
- In 2021, the Ministry of Science, Technology and Innovation introduced the Malaysia National Artificial Intelligence Roadmap 2021 to 2025 which entails the strategies involved in the development of the nation's AI capabilities during the 5-year period. The strategies comprise establishing AI governance, enhancing AI research and development, improving digital infrastructure to enable AI, cultivating AI talents, acculturating AI and kick-starting a national AI innovation system. The Malaysia National AI Technology Action Plan 2026 to 2030 will follow up on the previous roadmap by driving further collaboration for the adoption of AI and is expected to release in 2025. The advancement of AI capabilities is expected to drive the adoption of digital technologies in tandem as digitalisation of systems is a pre-requisite of AI adoption.
- In 2023, the MyDIGITAL Catalytic Projects Programme Report was released by the Ministry of Economy to introduce programmes to encourage digital investments from the private sector, develop the national digital ecosystem and leverage on Malaysia's investments in critical digital infrastructure. The programmes include conducting workshops and surveys to identify challenges and potential solutions in the industry, as well as rolling out projects/identify use cases that involve the adoption of digital technologies. The 5 sectors that have been identified as the focus areas are manufacturing, agriculture, transport and logistics, healthcare services and utilities. Amongst the technologies that must be adopted under this programme include AI, IoT, blockchain, cloud computing and big data analytics as well as advanced materials and technologies.

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- The 13th Malaysia Plan aims to increase adoption of AI across key sectors, including manufacturing, healthcare, agriculture, education, finance, security, housing, and public services. The Government of Malaysia plans to support this objective through developing AI literacy from the primary school level, as well as certification, upskilling, and reskilling initiatives. Additionally, priority will be given to key policies and strategies such as the National Science, Technology and Innovation Policy, the Fourth Industrial Revolution Policy, and the Malaysia Digital Economy Blueprint.

Competitive landscape of the IAM solutions industry

• Overview

The IAM solutions industry is competitive and fragmented, comprising many industry players offering IAM solutions for various types of applications, including transportation and logistics, hospitality, construction, water and wastewater management, warehouse management and agricultural monitoring, amongst others. Industry players may focus on the provision of IAM solutions for a particular industry application, such as transportation and logistics, or also offer IAM solutions for other types of industry applications. Leveraging on their technology expertise in IAM solutions, industry players may have the capability to offer customised IAM solutions tailored to each customer's specific needs or applications, which enables these industry players to compete across different industry application offerings in the IAM solutions market, compete with a broader range of industry players beyond their initial niche, and expand their market reach in the IAM solutions market.

Industry players compete in terms of functionality, compatibility and price of the IAM solutions, as well as industry expertise and after-sales support, amongst others. The barriers to entry for the IAM solutions industry is moderate, whereby industry players require technical knowledge of the industry applications for which their IAM solutions cater, in order to design, customise and scale IAM solutions that align with their customer's needs. In order to remain competitive, industry players must keep abreast of the latest industry developments and applications to expand their technical expertise in their focus industry applications, enhance their IAM solutions by leveraging newer and advanced technologies, as well as expand their IAM solutions to new industry applications which require constant proactive measures by industry players to identify emerging market opportunities to stay ahead of their competitors.

• Key industry players

Due to the fragmented nature of the IAM solutions industry, and as IAB Group's IAM solutions revenue is mainly derived from IntelliTrack System for financial year end ("FYE") 2024 and IntelliConstruct System for FYE 2025, the basis of selection of key industry players are:

- ❖ Companies that focus on the provision of IAM solutions for transport management (also known as fleet management) and/or construction management. Transport management systems can include management solutions for commercial trucks, buses, ferries and other marine vessels as well as public buses. The key industry players may also offer IAM solutions for other applications; and
- ❖ Companies that recorded more than RM10.0 million in revenue based on their respective latest available financial years.

Company name ⁽¹⁾	Examples of IAM solutions	Latest available financial year	Total revenue (RM million) ⁽²⁾	Segmental revenue (RM million) ⁽³⁾	Gross profit (RM million)	GP margin (%)	Profit/(Loss) after tax (RM million)	PAT/(LAT) margin (%)
Radius Business Solutions (Malaysia) Sdn Bhd	- Transport management system - Fuel management system	31 March 2024	135.7	5.0	10.3	7.6	(0.5)	(0.4)

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Company name ⁽¹⁾	Examples of IAM solutions	Latest available financial year	Total revenue (RM million) ⁽²⁾	Segmental revenue (RM million) ⁽³⁾	Gross profit (RM million)	GP margin (%)	Profit/(Loss) after tax (RM million)	PAT/(LAT) margin (%)
IAB Group	<ul style="list-style-type: none"> - Transport management system (i.e. IntelliTrack System) - Road management and maintenance system (i.e. IntelliRoad System) - Construction site resources information management system (i.e. IntelliConstruct System) - Hotel operations, management and reservation system (i.e. IntelliHotel System) 	30 April 2025	49.6	33.9	29.7	59.8	19.0	38.2
Go Hub Capital Berhad ⁽⁴⁾	<ul style="list-style-type: none"> - Transport management system - Inventory and reservation management system 	31 December 2024	39.4	34.9	22.2	56.3	5.6	14.2
Gussmann Technologies Sdn Bhd	<ul style="list-style-type: none"> - Transport management system - Haulage management system 	31 December 2024	35.8	N/A	21.9	61.2	7.4	20.7
Hexagon Measurement Technologies Sdn Bhd ⁽⁵⁾	<ul style="list-style-type: none"> - Construction management system - Agricultural monitoring system - Manufacturing management system - Fleet management system 	31 December 2024	29.5	N/A	9.8	33.2	3.5	11.9
TVH Malaysia Sdn Bhd	<ul style="list-style-type: none"> - Transport management system 	30 September 2024	17.1	N/A	6.0	35.1	1.3	7.6
Total Dynamic Holdings Berhad ⁽⁶⁾	<ul style="list-style-type: none"> - Transport management system - Logistics and warehouse management system 	31 December 2024	14.0	14.0	7.7	55.0	2.4	17.1
CSE Telematics Sdn Bhd	<ul style="list-style-type: none"> - Transport management system 	31 December 2023	12.5	N/A	5.3	42.4	1.3	10.4
Comcentric Solutions Sdn Bhd	<ul style="list-style-type: none"> - Transport management system - Vehicle security, monitoring and online diagnostics system 	30 September 2023	10.7	N/A	4.1	38.3	0.5	4.7
I-Tracking (M) Sdn Bhd	<ul style="list-style-type: none"> - Transport management system - Agricultural monitoring system - Construction monitoring system - Water quality monitoring system 	31 December 2023	10.3	N/A	8.8	85.4	1.9	18.4

8. IMR REPORT (Cont'd)

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Notes:

- Latest available information as at 8 September 2025.
- The list of key industry players comprise 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 key industry players is exhaustive.
- N/A – Not available.
 - (1) These companies may also be involved in the provision of other products and services besides IAM solutions.
 - (2) The total revenue may include revenue derived from other businesses that are not related to IAM solutions.
 - (3) Segmental revenue which comprises revenue derived from IAM solutions is disclosed where such information is publicly available.
 - (4) Listed on the ACE Market of Bursa Malaysia Securities Berhad.
 - (5) A subsidiary of Hexagon AB. Hexagon AB is a company incorporated and domiciled in Sweden, and is listed on Nasdaq Stockholm. Hexagon AB and its group of companies are principally involved in the provision of digital reality solutions combining sensor, software and autonomous technologies.
 - (6) Listed on the LEAP Market of Bursa Malaysia Securities Berhad.

Sources: IAB Group, various company websites, Companies Commission of Malaysia, SMITH ZANDER

In Malaysia, construction asset management systems are available in varying levels of complexities with various functions and modules, as well as can be integrated with intelligent technologies (e.g. IoT, AI and data analytics). The use of construction asset management systems with intelligent technologies such as IntelliConstruct System in Malaysia is still at its nascent stage. Most asset management systems for construction offered by industry players in Malaysia are conventional systems with limited intelligent technologies, focused on a specific module (e.g. either construction manpower or equipment management only), or are part of the broader enterprise resource management (ERP) systems with significantly different/complex applications compared to IntelliConstruct System. Hence, there are limited key industry players for construction asset management systems identified in the table above.

- **Market share**

In 2024, IAB Group's market share for the IAM solutions industry is 1.1%, computed based on its revenue derived from IAM solutions at RM10.2 million in the financial year ended 2024 against the smart cities market size in Malaysia at RM898.4 million in 2024.

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9. 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 SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 We are dependent on our largest major customer, JBALB, and other water agencies in Sarawak

We are dependent on JBALB as they contributed approximately 76.4%, 54.8% and 46.8% to our total revenue during FYE 2022 to 2024 respectively, through direct contracts with JBALB. Further, we supplied to JBALB's projects through other contractors whereby we acted as subcontractor. Collectively, JBALB's projects contributed approximately 94.8%, 93.7% and 64.2% to our total revenue during FYE 2022 to 2024 respectively. Although JBALB was not our top 5 major customer in FYE 2025, JBALB remains an important customer to our Group as we have growing unbilled order book for contracts secured directly with JBALB and through other customer where we acted as subcontractor for JBALB's projects, which is expected to contribute significantly to our revenue in FYE 2026. From 1 May 2025 up to LPD, we have recognised RM21.8 million revenue for JBALB's projects. In addition, as at LPD, our unbilled order book amounted to RM18.9 million are relating to JBALB's projects.

As a supporting service provider to the water agencies in Sarawak, we are dependent on the capital and operating expenditure of the water agencies in Sarawak, namely JBALB, Sibu Water Board, Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd) and Kuching Water Board, all of which are our existing end customers. Collectively, JBALB and other water agencies' projects contributed to majority of our revenue in the water technology solutions segment, which accounted for 100.0%, 100.0%, 68.1% and 31.6% of our Group's revenue during FYE 2022 to 2025 respectively. Hence, in addition to JBALB, we are also dependent on other water agencies in Sarawak.

Our Group's sales to JBALB and other water agencies in Sarawak, direct and through other contractors, are transacted mainly on project basis. Therefore, if JBALB or the other water agencies in Sarawak cease to engage our products and/or services, we will experience a reduction in projects which could result in a loss of revenue.

Given our past and on-going contracts with JBALB and other water agencies in Sarawak, they may continue to contribute significantly to our Group's revenue in the future. As at LPD, we have 6 ongoing JBALB's projects with latest completion date being October 2030, and we do not have any ongoing projects with other water agencies in Sarawak.

The expenditure of the water agencies in Sarawak is also dependent on government spending and budgets. In the event of decreased government spending and budgets for the water sector in Sarawak, the operations of JBALB and other water agencies in Sarawak will be adversely affected which may result in the decline in the number of contracts to be awarded to us. Given the above, there is no assurance that our financial performance and business operations will not be adversely affected by our reliance on JBALB and other water agencies in Sarawak.

9. RISK FACTORS (Cont'd)

9.1.2 The continuity of our order book is not assured and any significant decline in our order book will adversely affect our long term sustainability and growth

We are awarded with contracts on project basis with duration ranging from 12 to 36 months or we transact on purchase order basis. Hence, there is no assurance of continuity from one project to the next project, and we do not have long term agreements with our customers. In the water management industry, it is common for projects to be awarded based on competitive bidding, and as such, we have to bid for each project that we wish to secure. There is a risk that we may not be able to secure every project that we tender for and as such, this may affect the continuity of our order book. Further, the project-based nature of our Group's provision of intelligent asset management solutions may lead to fluctuation in our order book and result in uncertainties over our overall financial performance. Any significant decline in our order book will adversely affect our long term sustainability and business growth as well as the financial performance of our Group.

As at LPD, our order book comprised unbilled contracts amounting to a total of RM35.3 million. This unbilled order book will be recognised progressively over the next 6 financial years based on the expected progress of each project. The details of our order book are provided in Section 12.12. However, there can be no assurance that our current order book can be sustained in the future and there can be no certainty that projects from our order book will not be delayed or terminated and/or we may face a situation of inability to secure new contracts which in turn may result in an adverse impact on our long term sustainability and business growth as well as the financial performance of our Group.

9.1.3 The project-based nature of our business and/or the timing of delivery may lead to fluctuations in our Group's revenue, profit and operating cash flow

Our revenue is derived from the provision of water technology solutions and provision of intelligent asset management solutions. The provision of the majority of our solutions and services are carried out on project basis. Our customers may issue purchase orders for purchase of devices and consumables in smaller quantities on ad hoc basis.

Our revenue from the provision of water management system solutions and technical support and maintenance services are recognised based on project delivery milestones over the tenure of the projects. For the supply of IoT devices and instruments, our revenue is recognised when the customer accepts the delivery of the goods for contracts that involve only the sourcing and supplying of devices and instruments or over time for projects that involve ongoing services such as the installation, integration and deployment of hardware and technology. For the construction of water treatment facilities, revenue is recognised based on the proportion of construction costs incurred for work performed to date against the estimated total construction costs (as input method). Please refer to Section 12.2.1(b) for further details of our revenue recognition.

The timing of project delivery will affect our billing schedule which will in turn affect our revenue recognition and may cause our profit and operating cash flow to fluctuate. Our projects generally range for a period of 12 to 36 months, depending on the complexity of the project. Any enhancements, modifications, customisations and/or upgrades are subject to our customers' operational needs, business decisions and the customer's budget.

If our Group is unable to secure new projects and customers in a timely manner or if the project delivery schedules for existing project are delayed, it will materially affect our Group's overall profitability, operating cashflow and financial performance. Since the commencement of our business and up to LPD, our Group has not experienced any shortage of projects that has materially affected the financial performance of our Group. However, the non-recurrent nature of these projects secured from our customers may cause our revenue, profit and operating cash flow to fluctuate.

9. RISK FACTORS (Cont'd)

9.1.4 Our intellectual property rights may be infringed or our source code is leaked or hacked. Further, we may inadvertently infringe on third party's intellectual property rights

We retain the ownership rights of our Intelli Water System, IntelliHotel System, IntelliTrack System, IntelliRoad System and IntelliConstruct System. There are possibilities that the intellectual property rights of these systems may be infringed by third party(s), or our source code is leaked or hacked.

Third parties may unlawfully access or replicate the source code through hacking, reverse engineering, or exploiting system vulnerabilities, leading to unauthorised use or distribution of our proprietary technology. Insider threats, such as employees intentionally or accidentally disclosing source code through unsecured devices or channels, present significant risks. For example, an employee might store unencrypted code on personal devices, share the code through unprotected emails or mobile messaging applications, or transfer it using external drives, increasing the likelihood of unauthorised access or interception by third parties. If the source code is compromised, we could experience operational disruptions, including system downtime, delays in project timelines and customer dissatisfaction. Unauthorised modifications or malicious injections into the source code could disrupt systems used by customers, requiring costly recovery efforts. Furthermore, the exposure of proprietary technology to competitors could adversely affect our competitive advantage and business growth.

Further, as our solutions involve system design works, there are also possibilities that we could inadvertently infringe intellectual property rights held by third party(s). This would result in the risk of the third party challenging our Group's intellectual property rights or taking legal action against us.

There is no assurance that any of the above incidents, if they do occur, will be resolved in our favour. In the event that we are unsuccessful in pursuing any action against third party infringers, or a third party has successfully established that we have infringed its intellectual property, we may suffer significant loss arising from financial penalties and/or litigation costs. We may also be exposed to other risks such as adverse reputation which may impact our business operations and financial performance. During FYE 2022 to 2025 and up to LPD, our Group has not encountered any incidences relating to the infringement of our intellectual property rights, or our Group infringing on the intellectual property rights held by third party(s).

9.1.5 We are exposed to credit risks and default payments by customers

We generally grant our customers credit periods between 30 and 90 days from the date of invoice. Our cash flow may be adversely affected by delays in collection or non-recoverability of trade receivables. Our trade receivable turnovers were 80, 125, 253 and 226 days for the FYE 2022 to 2025, respectively. Please refer to Section 12.8.1 for further details on our trade receivable turnover.

Our customers have varying degrees of credit risk profiles which exposes us to the risk of default in payment by them. In the event that payment is not received within the credit period or there is a default in payment by our customers, we may provide impairment loss on trade receivables or write off trade receivables as bad debts, which may adversely affect our financial performance. During FYE 2022 to 2025 and up to LPD, we did not record any significant net loss or reversal on impairment losses. Please refer to Section 12.2.3(e) for further details on our impairment losses.

9. RISK FACTORS (Cont'd)

As at 30 April 2025, trade receivables past due but not impaired amounted to RM7.2 million or 20.5% of our total receivables. As at LPD, RM3.7 million of the overdue receivables have not been collected. This amount is owing from a total of 8 customers. While the receivables from these customers have exceeded the normal credit period, our Group have agreed upon proposed payment schedules with 5 of the customers, and is closely monitoring and following up with the remaining 3 customers. As such, our Group is of the view that these receivables are collectible, and no impairment is required at this juncture.

Save for a bad debt amounting to RM0.05 million that was written off in FYE 2023 which resulted from the dissolution from a related party's business, there was no trade receivables that was written off as bad debts for FYE 2022 to 2025 and up to LPD. Nevertheless, there can be no assurance at 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 adversely impact our financial performance.

9.1.6 Our future growth depends on our ability to execute our business strategies

Our future plans and strategies are focused on growing our market share and market presence, as well as expanding our IT capabilities. Please refer to Section 7.15 for further details of our future plans and strategies.

As the prospects of these initiatives are uncertain, there can be no assurance that we will be able to successfully execute our plans, or that these business strategies will not be more difficult or costly than we had originally anticipated. In this respect, our strategic initiatives may expose us to a number of risks and challenges, among others:

- the implementation of our operational plans and business strategies may require higher capital expenditures and operational costs than initially planned or anticipated. We may not be able to secure sufficient funding and/or bank borrowings in addition to the proceeds from our Public Issue;
- expanded business activities may result in lower growth or profit than we anticipate or are not profitable at all. For example, we may incur higher overhead costs than initially planned for. Such increase in costs will lead to a decrease in our profit margin if our business is unable to generate additional sales following the implementation of these strategies. In such event, our financial performance and prospects may be adversely affected;
- to support our continued growth, we are required to manage relationships with our customers, suppliers and/or subcontractors. If we are unable to expand our solution offerings when required, or if our business processes are inadequate to support the future growth of these relationships, our reputation and subsequently our financial performance may be adversely impacted; and
- the implementation of our future plans may require devotion of substantial amount of time by our management and may divert our attention and resources from our existing operations.

While our management has the experience and expertise in running our business operations, we are not able to guarantee that we will be successful in executing our future plans and strategies. Further, we cannot assure that we will be able to anticipate and mitigate all the business and operational risks associated with our future plans and strategies. In the event of any delays or failures in implementing our future plans and strategies efficiently, our growth may be negatively impacted and this could lead to a material adverse effect on our prospects and financial performance.

9. RISK FACTORS (Cont'd)

As part of our business expansion, we also intend to pursue strategic investments, mergers and acquisitions opportunities using the gross proceed of RM9.0 million from our Public Issue. However, there is no assurance that we will be able to identify suitable investment or acquisition targets, negotiate favorable terms or successfully integrate acquired businesses into our operations. Further, we may not be able to successfully integrate the business and operations of the acquisition target with our existing business. The process of integration may lead to unanticipated issues that may require the attention of our management and financial resources that we would otherwise use to develop and expand our existing business. This may lead to an adverse impact on our business and financial performance.

Further, we intend to explore opportunities for commercial contracts with 51WORLD and Origin Tech Limited through the respective MOUs entered with each party. While the MOUs formalise the collaborations, there is no cost of investment required and there is no any specific targets set to achieve under these MOUs. The success of the collaboration is also dependent on the joint effort of both parties, and the effort from 51WORLD and Origin Tech Limited is beyond our control. Therefore, we are not able to guarantee that we can materialise the MOU collaborations into commercial contracts that can contribute to the growth of our financial performance.

9.1.7 We are exposed to defect liability and warranty period claims by our customers

The solutions provided by our Group must conform to our customers' specifications and perform according to our customers' requirements. The DLP will begin upon the issuance of the CPC by our customers and generally ranges from 12 to 24 months to our customers for water technology solutions. Please refer to Section 7.2.2.1 for details of defect liability provided to our customers. We also provide warranty period generally ranging from 6 to 12 months upon the deployment of our intelligent asset management solutions, where we provide technical support, maintenance and services as well as rectify and resolve technical issues faced by customers' intelligent asset management solutions at no additional cost to our customers. Please refer to Section 7.2.2.2 for details of warranty period provided to our customers.

While majority of the possible cost arising from rectifying defects during the DLP will be borne by our suppliers and/or subcontractors through back-to-back arrangements for products supplied by them or for their workmanship, we may provide replacement of certain consumables such as batteries, if required, at our cost. If we are required to rectify substantial number of defects not covered by our suppliers and/or subcontractors during the DLP and warranty period, which may result in substantial costs being borne by us, the margin from the particular project will be reduced. During FYE 2022 to 2025 and up to LPD, we did not incur any material cost resulting from DLP and warranty claims from our customers. In the event of loss of hardware due to theft, accident or vandalism during the DLP, the cost of replacement will be claimed from the insurance we purchase for the project for such coverage. Please refer to Section 9.1.13 on further details on the risk of inadequate insurance coverage.

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9. RISK FACTORS (Cont'd)

9.1.8 We are exposed to IT system breaches, hacking, failures or disruption

We depend on IT systems to run and manage our operations, and support our R&D works such as process, store, and protect information, including data belonging to us and our customers.

Prior to handover, as part of adaptation stage of our Intelli Water System as well as intelligent asset management solutions, we may collect and transfer our customers' data into the system. Storage of data electronically and data transmission over the internet may expose our database to external security threats such as malware attacks, hacking, espionage or cyber intrusions, as well as internal security breaches which include unauthorised access to restricted information by our employees. In the event where there are security breaches that lead to leakage of our customers' information to unauthorised parties, our reputation and relationship with our customers may be adversely affected. Further, it may also lead to loss of customers' confidence in our Group which will adversely affect our reputation. For our Intelli Water System, upon the delivery and handover of the system, all data belonging to our customers will be stored in the system and we do not have access to and do not retain any of our customers data in our internal IT systems. For our intelligent asset management solutions, as we may offer data storage and hosting services as part of our scope of work to our customers, our customers' data may be stored in our servers after the delivery and handover of the solutions. Although our customers' data stored in our servers is encrypted and can only be accessed by the appointed personnel approved by our customers, there is no guarantee that there will not be security breaches that may cause leakage of our customers' data to unauthorised parties.

Our IT systems can experience failures on their own and are vulnerable to interruptions or damage from factors like power outages, human error, viruses, security breaches (such as cyberattacks and data theft) and other force majeure events such as natural disasters. Furthermore, hacking and data theft methods are constantly evolving, and our antivirus software and security protocols may struggle to keep up with these changes in time. Although we continuously strive to maintain secure and reliable systems, our efforts may not always be sufficient. If our IT systems or backup systems are compromised, damaged, or fail, it could disrupt our operations or lead to unauthorised access to proprietary or confidential data (including customer information), potentially harming our reputation and resulting in significant costs and legal challenges. Breaches or failures of systems belonging to our partners and customers could also cause similar negative outcomes. Any of these incidents could have a substantial and adverse impact on our reputation, financial performance and operations.

For FYE 2022 to 2025 and up to LPD, we have not encountered any security breaches, hacking, failures or disruption that have caused material adverse impact to our reputation, financial performance and operations.

9. RISK FACTORS (Cont'd)

9.1.9 We may fail to keep up with technological evolution and advancement

Our Group's future growth and success would depend on continuing market acceptance of our software solutions and our ability to develop and enhance our software solutions to meet the needs of our customers.

Our ability to grow is also subject to the risk of future disruptive technologies that may unexpectedly displace the current technology. Such disruptive technologies could adversely affect the competitiveness of our Group if we are unable to respond to the new technologies and adapt our software solutions accordingly. Although we continuously update and develop our software solutions in line with current technologies and meet our customers' requirements as well as maintain good business relationships with them, we cannot guarantee that our current software solutions will continue to be relevant and can always be adapted with the latest technology advancements. For example, our software solutions may not be compatible with all evolving advanced technologies and may require significant investment for major upgrades or a complete overhaul of our hardware and software infrastructure. This may result in significant costs for both our Group and our customers, potentially making our software solutions less attractive or even obsolete and irrelevant if customers choose more modern alternatives in the future.

In addition, there can be no assurance that we would be able to design and develop new software solutions using prevailing advanced technologies in a timely and cost-effective manner for commercialisation. Such circumstances may in turn adversely affect our competitiveness and financial performance.

9.1.10 We may not be able to renew or obtain licences, approvals and registration required to carry on our water technology solutions in Sarawak

As our Group's water technology solutions business segment involves procurement of works from the Sarawak Government for construction of buildings and infrastructure, M&E as well as supply and services, we are required to obtain approval/registration with UPKJ. UPKJ is a unit within the Sarawak State Financial Secretary's Office, which is the State Financial Authority of Sarawak established in accordance with Sarawak State Constitution. Further details on the approval/registration and the relevant laws and regulations governing the procurement of works from the Sarawak Government are as set out in Section 6.10(b).

Exxor Technologies is also registered with CIDB as a Grade G7 contractor, the highest classification accorded by CIDB, where it is allowed to tender for construction contracts of unlimited value for building construction, M&E, civil and engineering construction works. Further, Exxor Technologies has also obtained the necessary trading licences for the provision of our water technology solutions and intelligent asset management solutions with further details as set out in Section 6.7.

In addition, in October 2020, Exxor Technologies had obtained additional UPKJ registration under the heading for supply and services of telecommunication and ICT ("**Heading X**") which is also valid until 21 October 2026 as we intend to participate in the procurement of such works from the Sarawak Government. As disclosed in Section 6.7, Exxor Technologies will not be able to maintain the minimum 80% Sarawakian shareholdings requirement imposed by SMA upon the completion of the Acquisitions and Listing.

9. RISK FACTORS (Cont'd)

In view that our Group intends to undertake works under Heading X should the business opportunity arises, our Group had vide a letter dated 24 October 2024 informed the Sarawak State Financial Secretary's Office and SMA that the Listing and the Acquisition of Exxor Technologies which would result in change in the shareholders of Exxor Technologies. The Sarawak State Financial Secretary's Office and SMA had on 4 November 2024 and 5 November 2024 respectively informed that they have no objection to the Listing and the Acquisition of Exxor Technologies. The no objection from the Sarawak State Financial Secretary's Office and SMA indicates that the authorities will not revoke or cancel the existing UPKJ licence under Heading X issued to Exxor Technologies, which is valid until 2026. In this regard, our Group is able to participate in the procurement works under Heading X from the Sarawak Government until the expiry of the licence. Notwithstanding the above, should the approval for the renewal of the UPKJ registration under Heading X (which remains at the discretion of the relevant authorities) is not granted after its expiration in October 2026, our Group will not be able to participate in the procurement of the works specified under Heading X.

In the event of non-compliance, the relevant government authorities may take action by issuing warnings, imposing penalties, shortening the validity periods, and/or imposing additional conditions or restrictions to our licenses. Further, for any serious breaches or non-compliance our licences, approvals and registrations may be suspended, revoked or may not be renewed upon expiry. Any revocation or failure to obtain, maintain or renew any of these licences, approvals and registrations may adversely affect our ability to continue operations and hence affect our financial performance.

Further, new laws and regulations may also be introduced and enforced from time to time which may require additional licences, approvals and registrations to be obtained in addition to those we currently have, or additional requirements may be imposed on the operations of our business. If additional licences, approvals and registrations are required for the operations of any part of our business and we are not able to obtain such licences, approvals and registrations or even adjust our business model to comply with such new laws in a timely manner, we could be subject to operational disruption and/or penalties which may lead to material adverse impact to our business and financial performance. During FYE 2022 to 2025 and up to LPD, we have not encountered any circumstances of non-renewal or revocation of our licences, approvals and registrations.

9.1.11 We are dependent on our principals, suppliers and subcontractors for the supply of IoT devices and instruments, and support services to support the deployment to our customers' projects

As part of our water technology solutions, we source and supply IoT devices, instruments, general fittings and consumables that meets our customers' requirements to solve their water management issues. Save for general fittings and consumables which are readily available, we are dependent on the continuous supply of IoT devices, instruments which we source from principals and suppliers based in Malaysia.

9. RISK FACTORS (Cont'd)

We source and establish agency principal relationships with our principals, namely Mueller Water Products, Inc. and Kamstrup A/S, whereby we serve as the authorised distributor for our brand principals. If our existing principals were to terminate the business relationship with our Group, we may not be able to secure similar partnerships which can provide our Group with similar IoT devices and instruments in a timely and/or cost-effective manner. While we may be able to source similar IoT devices and instruments of other brands from their respective authorised distributors, we cannot guarantee that the pricing will be favourable to us. This may in turn adversely impact our ability to deliver our projects on time, our project cost and thus financial performance. For FYE 2022 to 2025 and up to LPD, we have not encountered any major incidences where our principals failed to supply the IoT devices and instruments for our Group which had materially affected our business operations and financial performance. Nevertheless, there is no assurance that our existing principals will continue to engage us in the future.

For third party branded IoT devices or instruments which we are not the appointed authorised distributor, we will source the supplies from the respective authorised distributors. Our purchases from these suppliers are based on purchase orders on an as-needed basis and we negotiate commercial terms per purchase order with them. The absence of long-term agreement with these suppliers poses a risk to us as we may be subject to unfavorable changes in the commercial terms as they are not obliged to supply their products to us. In such events, we are required to find alternative suppliers for products of similar specifications which can be time consuming. Any failure to identify suitable replacement at commercially acceptable terms or at all in a timely manner may lead to increased supply costs or interruptions in our project fulfilment which could lead to decreased customer confidence, loss of sales and adversely impact our Group's reputation, operations and financial performance. For FYE 2022 to 2025 and up to LPD, we have not encountered any major incidences where our suppliers failed to supply the IoT devices and instruments for our Group which had materially affected our business operations and financial performance.

Further, we also engage subcontractors to perform services required for the project such as fieldwork (i.e. installation, integration, calibration, testing and commission), maintenance and technical support works as well as construction services, with the objective to reduce the need for our Group to employ and maintain a large workforce, which allows us to better control such operating costs according to the scale and capabilities required for our projects. Notwithstanding that, our Group still undertakes the overall project planning, coordination and management of all our subcontracted works and we are accountable to our customers for the execution of the contract and the overall management of the project. For FYE 2022 to 2025, the subcontractor costs and cost of devices, instruments and consumables accounted for 94.0%, 96.5%, 94.7% and 91.8% to our Group's total cost of sales respectively.

Notwithstanding our formal contractual relationships with our subcontractors, any failure of a subcontractor to fulfil its contractual obligations may lead to damages and penalties against our Group in favour of the customer who awarded the project to us. Our subcontractors may also experience financial difficulties, resource constraints or other difficulties which may affect their ability to carry out the fieldwork, maintenance and technical support works as well as construction services. As a result, our projects may be delayed and experience cost overrun or poor quality work attributed to our subcontractors due to instances such as insufficient resources during the project period. For FYE 2022 to 2025 and up to LPD, we have not encountered any major incidences where our subcontractors failed to fulfil their contractual obligations which had materially affected our business operations and financial performance.

9. RISK FACTORS (Cont'd)

9.1.12 We are dependent on our Executive Directors and key senior management team for the continued success and growth of our business

Our Group's continued and future success largely depends on the collective and continuing contribution of our management team, comprising our Executive Directors and key senior management, all of whom have substantial experience in the water management industry as well as within their respective fields of expertise.

Our Managing Director, Ts. Wee Khiam Hui, and our Executive Director, Bong Joon Fook, has 20 years and 11 years of experience respectively in the water sector. They are supported by our key senior management, with years of working experience ranging from 9 to 24 years. Please refer to Section 5 for further details on the profiles of our Executive Directors and key senior management.

We recognise that our Group's ability to maintain and sustain our level of excellence in our products and solutions as well as our longstanding relationships with our customers and partners depend significantly on the capabilities and efforts of our Executive Directors and key senior management. As such, the loss of any of these personnel simultaneously or within a short period of time and without suitable and timely replacements would have an unfavourable and material impact on our Group's business operations and financial performance, and affecting the future growth our business. For FYE 2022 to 2025 and up to LPD, we have not encountered any unexpected incidence of loss of personnel from our management team simultaneously or within a short period of time.

9.1.13 We rely on the availability of skilled employees from our IT team and project team for the provision of our solutions

The provision of our solutions is dependent on the availability of skilled employees with the required technical expertise in software development, operations and engineering. As at LPD, we have a total of 7 employees in our IT team under our Chief Technology Officer, Ts. Dr. Peggy Loh Yee Wey, and 10 employees in our project team under our Chief Project Officer, Aelred Bong Nan Wyan.

Our ability to retain and to attract competent and skilled employees is crucial for our continued success, future business growth and expansion. Any loss of our skilled employees or our inability to find suitable replacements in a timely and cost-efficient (i.e. at competitive salary rates which are within our hiring budgets) manner may cause disruptions to our project deliverables. Any delays to our delivery schedules may lead to dissatisfaction from our customers and may impact our ability to secure future projects from these customers. Additionally, we may lose our competitive edge if we are unable to recruit competent and skilled employees at a rate consistent with our business growth.

During FYE 2022 to 2025 and up to LPD, our Group has not encountered instances of resource constraints of skilled employees which had materially affected our ability to deliver our solutions in accordance with our customers' delivery schedules. Nevertheless, there is no assurance that our Group will be able to hire sufficient skilled employees in a timely and cost-efficient manner should there be a sudden and unanticipated loss in our skilled employees and/or surges in demand for our solutions.

9. RISK FACTORS (Cont'd)

9.1.14 We are subject to the risk of inadequate insurance coverage

We maintain insurance coverage for our material assets and business operations at levels that are customary in our industry to protect against various losses and liabilities in our business operations. Further, we maintain insurance coverages as part of our contract requirements such as public liability policy, work insurance policy and workmen compensation policy. As at LPD and in addition to the insurance policies required as part of our contracts requirements, our Group has also taken up the insurance policies which include, but are not limited to fire insurance, public liability insurance, burglary insurance and group personal accident policy.

As these insurance coverages are subject to exclusions and limitations of liability both in amount and with respect to the insured events, our insurance may not be adequate to cover all losses or liabilities that might be incurred in our operations because of any unforeseen circumstances. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our business operations and financial performance. Moreover, we will be subject to the risk that, in the future, we may not be able to maintain or obtain insurance of the type and amount desired or required for the undertaking of our projects at competitive rates. During FYE 2022 to 2025 and up to LPD, we have not experienced any incidences of material losses, damages or liabilities incurred by us due to insufficient insurance coverage.

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9. RISK FACTORS (Cont'd)

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We are subject to risk relating to the economic, political and/or legal environment in Malaysia, particularly in Sarawak, and Vietnam

Any development in the political, economic and regulatory environment that are beyond our control in Malaysia, particularly in Sarawak and Vietnam, could materially or adversely affect our business operations and financial performance. Such developments include, but are not limited to, changes in political leadership, changes in general economic and business conditions, fluctuations in interest rates, acts of terrorism, riots, expropriation, nationalisation, fiscal and monetary policies of the Government such as inflation, deflation, methods of taxation, tax policies (including sales and service tax, excise duties and tariffs) and exchange control measures, unemployment trends, deterioration of international bilateral relationships, outbreak of diseases and other matters that influence government budgets. Our Group could also be affected by new laws, regulations, and guidelines that are introduced to regulate the water sector.

Increasing volatility in financial markets may also cause these factors to change with a greater degree of frequency and magnitude. Therefore, any unfavourable developments in the socio-political environment in Malaysia, particularly in Sarawak and Vietnam may materially and adversely affect our business operations, financial performance and prospects.

9.2.2 Our business is dependent on the water sector in Malaysia

Our business and growth prospects are dependent on government budget and initiatives, as well as the capital and operating expenditure of the water utility agencies in Malaysia. During FYE 2022 to 2025, revenue derived from the sales of our solutions to the water sector contributed 100.0%, 100.0%, 68.1% and 31.6% of our Group's revenue respectively.

Government budget and initiatives, as well as the capital and operating expenditure of the water agencies in Malaysia determines the performance of the water sector in Malaysia, and this affects the demand for our solutions, as the solutions we provide are essential in the water utility value chain. Any adverse economic conditions that affect the capital and operating expenditure of the water agencies in Sarawak will lead to a decline in the demand for our solutions, which will have a material adverse impact on our business and financial performance.

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9. RISK FACTORS (Cont'd)

9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

9.3.1 There is no prior market for our Shares

There was no public trading market for our Shares prior to our IPO. Hence, there is no assurance that upon our Listing, an active market for our Shares will develop, or, if developed, that such a market can be sustained. Our IPO Price was determined after taking into consideration various factors including but not limited to our business strategies, future plans 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 be traded on the ACE Market, upon or subsequent to our Listing, and the market price of our Shares will not decline below the IPO Price.

9.3.2 There may be a potential delay to or cancellation of our Listing

Our Listing may be aborted or delayed due to possible occurrences of certain events, which include, among others, the following:

- (a) the selected investors fail to subscribe for the portions of our IPO Shares;
- (b) our Underwriter exercises its rights under the Underwriting Agreement to discharge itself from its obligations therein;
- (c) we are unable to meet the minimum public shareholding spread requirement under the Listing Requirements, whereby at least 25.0% of our total number of Shares for which our Listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares at the point of our Listing; and/or
- (d) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

If any of these events occur, investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the Application within 14 days, failing which the provisions of Section 243(2) of the CMSA shall apply. Our Company shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC upon expiration of that period until the full refund is made.

If our Listing is aborted and/or terminated, and our Shares have been allotted to the investors, a return of monies to the investors could only be achieved by way of cancellation of share capital as provided under Sections 116 or 117 of the Act and its related rules. Such cancellation requires the approval of shareholders by special resolution in a general meeting, with sanction of the High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and ROC within 7 days of the date of the special resolution, and us meeting the solvency requirements under Section 117(3) of the Act. There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

Nonetheless, our Board will endeavor to comply with the various regulatory requirements, including, inter alia, public shareholding spread requirements for our Listing. However, there can be no assurance that the abovementioned factors/events will not cause a delay in or non-implementation of our Listing.

9. RISK FACTORS (Cont'd)

9.3.3 The trading and performance of our Shares following our Listing is subject to fluctuations

Upon completion of our Listing, the trading price of our Shares could be subject to significant fluctuation due to factors specific to our Group or industry in which our Group is operating. Some factors may not be within our control and are unrelated or disproportionate to our financial results. These factors may include, among others, variations in the results of our operations, changes in analyst's recommendations or projections, changes in general market conditions and broad market fluctuations. In addition, our Promoters could dispose some or all of their Shares after the moratorium period pursuant to their own investment objectives. If our Promoters sell, or are perceived as intending to sell a substantial amount of their Shares, the market price for our Shares could be adversely affected.

The performance of the stock market is also affected by the external factors such as the performance of the regional and world bourses, inflow or outflow of foreign funds, 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 the stock market, thus adding risks to the market price of our Shares.

9.4 OTHER RISKS**9.4.1 Our Promoters will be able to exercise significant control over our Company**

Upon Listing, our Promoters will collectively hold 73.0% of our enlarged number of issued Shares. As a result, they will be able to effectively control the business direction and management of our Group and as such there can be no assurance that the interests of our Promoters will be aligned with those of our other shareholders. The interests of our Promoters may differ from the interests of our other shareholders and they may be able to exercise significant influence over the vote of our Shares. Our Promoters could also have significant influence in determining the outcome of any corporate transactions or other matters submitted to our shareholders for approval. This includes the election of Directors, approval of business ventures and having substantial voting control over our Group. As such, our Promoters will have a deciding vote on the outcome of any ordinary resolution (which requires a simple majority of 50% plus 1 voting share) to be tabled at general meeting, unless they are required to abstain from voting by law, relevant guidelines or regulations.

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10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Save for the Acquisitions and as disclosed below, there were no transactions, existing and/or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, substantial shareholders and/or persons connected with them which are material to our Group during FYE 2022 to 2025 and up to LPD.

No.	Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD	
						RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%
(a)	Intelli Technologies	Exxor Technologies	Bong Joon Fook and Ts. Wee Khiam Hui	Bong Joon Fook and Ts. Wee Khiam Hui are our Promoters, substantial shareholders and Executive Directors	Provision of IT services, in particular, programming services relating to Intelli Water System, by Intelli Technologies to Exxor Technologies ⁽¹⁾	-	-	225	⁽⁹⁾ 0.7	19	⁽⁹⁾ 0.1	-	-	-	-
				They were the major shareholders and are currently the directors of Intelli Technologies											

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value								1 May 2025 up to LPD	
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		RM'000	(%)(12)
						RM'000	%	RM'000	%	RM'000	%	RM'000	%		
(b)	Wee Kang Soon and Ho Soh Hong	Exxor Technologies	Ts. Wee Khiam Hui	Wee Kang Soon and Ho Soh Hong are the parents of Ts. Wee Khiam Hui, who is our Promoter, substantial shareholder and Managing Director	Rental expenses paid to Wee Kang Soon and Ho Soh Hong ⁽²⁾ This transaction is recurrent and will subsist after our Listing	28	(10)1.4	28	(10)1.1	28	(10)1.0	27	(10)0.6	11	N/A
(c)	Coast	Exxor Technologies	Ts. Wee Khiam Hui	Wee Kang Soon and Ho Soh Hong are the parents of Ts. Wee Khiam Hui and Wee Khai Ying is the daughter of Ts. Wee Khiam Hui, who is our Promoter, substantial	Provision of water treatment plant services and technical support services to Coast ⁽³⁾ Supply of devices and instruments to Coast ⁽⁴⁾	376	(8)1.3	563	(8)1.4	331	(8)1.0	2,628	(8)5.3	256	N/A
						5	(8)<0.1	371	(8)0.9	276	(8)0.9	353	(8)0.7	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD	
						RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%
				shareholder and Managing Director	Purchase of fittings and consumables from Coast ⁽⁴⁾	25	⁽⁹⁾ 0.1	6	⁽⁹⁾ <0.1	-	-	-	-	-	-
				Wee Kang Soon and Ho Soh Hong are the directors and shareholders of Coast											
				Wee Khai Ying is the director of Coast											
(d)	Advantage Focus Sdn Bhd ⁽⁷⁾	Exxor Technologies	Ts. Wee Khiam Hui	Ts. Wee Khiam Hui is our Promoter, substantial shareholder and Managing Director	Provision of installation works by Advantage Focus Sdn Bhd to Exxor Technologies ⁽⁵⁾	-	-	6	⁽⁹⁾ <0.1	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related No.	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD	
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%
			Ts. Wee Khiam Hui was the director and major shareholder of Advantage Focus Sdn Bhd	Purchase of computer by Exxor Technologies from Advantage Focus Sdn Bhd ⁽⁵⁾	-	-	5	⁽¹¹⁾ <0.1	-	-	-	-	-	-
				Advances from Exxor Technologies to Advantage Focus Sdn Bhd for working capital requirement ⁽⁶⁾	10	⁽¹¹⁾ 0.1	6	⁽¹¹⁾ <0.1	-	-	-	-	-	-
				Payment on behalf of Advantage Focus Sdn Bhd by Exxor Technologies for administrative expenses ⁽⁶⁾	27	⁽¹¹⁾ 0.2	2	⁽¹¹⁾ <0.1	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related No.	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value										
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD		
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%	
				Repayment for payment on behalf by Advantage Focus Sdn Bhd to Exxor Technologies	-	-	5	(11)<0.1	-	-	-	-	-	-	
(e)	Ts. Wee Khiam Hui	Exxor Technologies	Ts. Wee Khiam Hui	Ts. Wee Khiam Hui is our Promoter, substantial shareholder and Managing Director	Payment on behalf of Exxor Technologies by Ts. Wee Khiam Hui for administrative expenses ⁽⁶⁾	-	-	90	(11)0.6	113	(11)0.6	70	(11)0.2	-	-
				Repayment for payment on behalf by Exxor Technologies to Ts. Wee Khiam Hui	-	-	64	(11)0.4	130	(11)0.7	79	(11)0.2	-	-	

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD	
						RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%
(f)	Bong Fook Joon	Exxor Technologies	Bong Fook Joon	Bong Fook Joon is our Promoter, substantial shareholder and Executive Director	Payment on behalf of Exxor Technologies by Bong Joon Fook for administrative expenses ⁽⁶⁾	-	-	106	⁽¹¹⁾ 0.7	30	⁽¹¹⁾ 0.2	21	⁽¹¹⁾ <0.1	-	-
					Repayment for payment on behalf by Exxor Technologies to Bong Joon Fook	-	-	86	⁽¹¹⁾ 0.6	47	⁽¹¹⁾ 0.2	24	⁽¹¹⁾ <0.1	-	-
(g)	Intelli Technology Vietnam	Intelli Technologies	Diep Do Nhu Phuong and Intelli Technologies	Diep Do Nhu Phuong is a major shareholder and director of Intelli Technologies. She is also a major shareholder and director of Intelli Technology Vietnam	Provision of IT services, in particular, programming services relating to Intelli Water System, by Intelli Technology Vietnam to Intelli Technologies ⁽¹⁾	497	⁽⁹⁾ 2.1	55	⁽⁹⁾ 0.2	197	⁽⁹⁾ 1.0	28	⁽⁹⁾ 0.1	17	N/A

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related No.	party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value													
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD					
						RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%				
					Intelli Technology Vietnam is an associated company of Exxor Technologies														
(h)	Ts. Wee Khiam Hui	Intelli Technologies	Ts. Wee Khiam Hui	Ts. Wee Khiam Hui is our Promoter, substantial shareholder and Managing Director	Advances from Ts. Wee Khiam Hui to Intelli Technologies for working capital requirement ⁽⁶⁾	-	-	-	-	58	⁽¹¹⁾ 0.3	-	-	-	-	-	-	-	-
					Repayment of advances by Intelli Technologies to Ts. Wee Khiam Hui	-	-	-	-	-	-	58	⁽¹¹⁾ 0.1	-	-	-	-	-	-
(i)	Bong Fook	Intelli Technologies	Bong Fook	Bong Fook is our Promoter, substantial shareholder and Executive Director	Advances from Bong Fook to Intelli Technologies for working capital requirement ⁽⁶⁾	-	-	-	-	58	⁽¹¹⁾ 0.3	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related No.	Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD	
						RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%
					Repayment of advances by Intelli Technologies to Bong Joon Fook	-	-	-	-	-	-	58	(11)0.1	-	-
(j)	Diep Do Nhu Phuong	Intelli Technologies	Diep Do Nhu Phuong	Diep Do Nhu Phuong is a major shareholder and director of Intelli Technologies	Repayment of advances by Diep Do Nhu Phuong to Intelli Technologies	20	(11)0.2	-	-	-	-	-	-	-	-
(k)	Ts. Wee Hui	Exxor Solutions	Data Ts. Khiam Hui	Ts. Wee Khiam Hui is our Promoter, substantial shareholder and Managing Director	Payment on behalf of Exxor Data Solutions by Ts. Wee Khiam Hui for administrative expenses ⁽⁶⁾	1	(11)<0.1	1	(11)<0.1	2	(11)<0.1	1	(11)<0.1	-	-
					Repayment for payment on behalf by Exxor Data Solutions to Ts. Wee Khiam Hui	-	-	-	-	-	-	5	(11)<0.1	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value															
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 May 2025 up to LPD							
						RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(12)%						
(l)	Bong Fook	Joon Exxor Data Solutions	Bong Fook	Joon	Bong Fook is our substantial shareholder and Executive Director	Joon	Payment on behalf of Exxor Data Solutions by Bong Fook for administrative expenses ⁽⁶⁾	1	(11)	<0.1	1	(11)	<0.1	2	(11)	<0.1	1	(11)	<0.1	-	-
							Repayment for payment on behalf by Exxor Data Solutions to Bong Fook	-	-	-	-	-	-	5	(11)	<0.1	-	-	-	-	

Notes:

(1) One of the transactions was a back-to-back arrangement whereby Exxor Technologies engaged Intelli Technologies, which in turn engaged Intelli Technology Vietnam for the provision of IT services, in particular, programming services relating to Intelli Water System, to Exxor Technologies' customer. This was a one-off transaction and was not conducted at arm's length basis as the fee charged by Intelli Technologies to Exxor Technologies for the said provision of the IT services was higher than the prevailing market rates. Save as disclosed above, the transactions were conducted on an arm's length basis as the fees charged by Intelli Technologies to Exxor Technologies as well as by Intelli Technology Vietnam to Intelli Technologies for the provision of IT services, in particular, programming services relating to Intelli Water System, were based on the prevailing market rates and comparable price from non-related parties.

The acquisition of Intelli Technologies was completed on 11 October 2023, which resulted in Intelli Technologies becoming a 51%-owned subsidiary of Exxor Technologies. Henceforth, there are no longer related party transactions between Exxor Technologies and Intelli Technologies in this respect. Notwithstanding the above and for avoidance of doubt, any future transactions between Intelli Technologies and Intelli Technology Vietnam will remain as related party transactions.

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (2) Exxor Technologies has entered into tenancy agreements with Wee Kang Soon and Ho Soh Hong dated 1 June 2023 and 2 January 2025 for the rental of our office located at Parcel Lot No. D272, First Floor, Block D, ICOM Square, Jalan Pending, 93450 Kuching for a monthly rental of RM2,200 from 1 June 2023 to 31 May 2025 and 1 June 2025 to 31 May 2027 respectively. The transactions were conducted on an arm's length basis as the rental rates paid to Wee Kang Soon and Ho Soh Hong was arrived at based on the prevailing market rental rates of similar properties within the vicinity.
- (3) As at LPD, our Group is the subcontractor for 2 projects which were awarded directly by Coast to our Group. We have completed the provision of all relevant water treatment plant services and technical support services to Coast, and accordingly there is no unbilled contract value with Coast. As at LPD, these 2 projects are under DLP and are expected to be completed upon the expiry of their respective DLPs in January 2026 and November 2026.

Coast was incorporated on 29 May 1982 and is principally involved in provision of maintenance works for water and wastewater treatment plants as well as supply and installation of marine equipment. Our Group has maintained a 12-year business relationship with Coast since 2012 up to LPD. Upon expiry of the DLP, our Group will cease to transact with Coast as Coast had vide a letter dated 1 October 2024 informed our Group that Coast shall cease its existing business operations upon the completion and expiry of DLP of the 2 projects and strike off the company as the 2 shareholders and directors of Coast (i.e. Wee Kang Soon and Ho Soh Hong) intend to retire.

The transactions were conducted on an arm's length basis as the subcontractor fees charged by Exxor Technologies to Coast for the provision of water treatment plant services and technical support services were based on the prevailing market rates and comparable price charged to non-related parties by our Group.

- (4) Exxor Technologies had purchased the fittings and consumables from Coast as well as supplied devices and instruments to Coast on an ad-hoc basis. These transactions were not conducted at arm's length basis as the goods were sold at agreed price and our Group did not procure comparable quotes to ascertain whether the abovementioned goods were sold at market rate. As such transaction may continue after our Listing until the completion of the 3 on-going projects as set out in note (3) above, our Group will ensure that all such future transactions will be carried out at arm's length basis and not detrimental to our minority shareholders.
- (5) Exxor Technologies had purchased 1 unit of computer from Advantage Focus Sdn Bhd as well as engaged Advantage Focus Sdn Bhd for installation works. These were a one-off transaction and were not conducted at arm's length basis as our Group did not procure comparable quotes to ascertain whether the abovementioned computer was sold at, and installation fee was charged at market rate due to the amounts being immaterial.
- (6) The advances and/or payment on behalf provided to and from the related parties to our Group were not conducted at an arm's length basis as the advances and/or payment on behalf were provided interest-free. However, they were not detrimental to our Group. As at LPD, all the advances and/or payment on behalf have been fully settled by our Group and the related parties save for the advances provided by our Group to Advantage Focus Sdn Bhd which has been recognised as unrecoverable and subsequently written off in FYE 2023. Moving forward, our Group will no longer obtain or provide any advances from or to its related parties.

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (7) Advantage Focus Sdn Bhd has been dissolved in August 2023.
- (8) Computed based on our Group's revenue for the respective financial years.
- (9) Computed based on our Group's cost of sales for the respective financial years.
- (10) Computed based on our Group's administrative expenses for the respective financial years.
- (11) Computed based on our Group's NA for the respective financial years.
- (12) The percentage of the related party transactions is not calculated as the financial statements up to LPD was not prepared.

Save as disclosed above, all our Group's related party transactions were conducted on an arm's length basis and on competitive commercial terms not more favourable to the related parties.

Moving forward, if there are potential related party transactions, the related parties must first inform our Audit and Risk Management Committee on their interests in the transaction and the nature of the transaction before the transaction is entered into. The Audit and Risk Management Committee is responsible for the review of all related party transactions to ensure that there is no conflict of interest. As at LPD, there are no other related party transactions entered into by our Group but not yet effected.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

Moving forward, in order to ensure that related party transactions are undertaken on arm's length basis and on normal commercial terms, we have established the following procedures:

(a) Recurrent related party transactions

- (i) At least 2 other contemporaneous transactions with third parties for similar products and/or quantities will be used as comparison, wherever possible, to determine if the price and terms offered by related parties are fair and reasonable and comparable to those offered by other third parties for the same or substantially similar type of products/services and/or quantities; or
- (ii) If quotation or comparative pricing from third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by other third parties for substantially similar type of transaction to ensure that the recurrent related party transactions are not detrimental to us.

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at a general meeting. Due to its time-sensitive nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

(b) Other related party transactions

- (i) Whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;
- (ii) The rationale for our Group to enter into the related party transaction and the nature of alternative transactions, if any; and
- (iii) Whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and the nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

For related party transactions that require shareholders' approval, the Directors, major shareholders and/or persons connected with such Director or major shareholder, which have any interest, direct or indirect, in the proposed related party transaction will abstain from deliberating and voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has interest, direct or indirect, in any proposed related party transactions, the Director or major shareholder concerned will also abstain from deliberating and voting in respect of his direct and/or indirect shareholdings. The relevant Directors who are deemed interested or conflicted in such transactions shall also abstain from our Board deliberations and voting on the Board resolutions relating to these transactions.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. If a member of our Audit and Risk Management Committee has an interest in any related party transaction, he is to abstain from participating in the review and approval process in relation to that transaction. Where necessary, our Board would make appropriate disclosures in our annual report with regard to any related party transaction entered into by us.

10.2 OTHER TRANSACTIONS

10.2.1 Transactions entered into that are unusual in their nature or conditions

There were no transactions that were unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party for FYE 2022 to 2025 and up to LPD.

10.2.2 Outstanding loans (including guarantees of any kind)

(a) Outstanding loans and/or balances

As at LPD, there are no outstanding loans made by our Group to/for the benefit of a related party or granted by the related parties for the benefit of our Group.

(b) Guarantees

As at LPD, our Group's Promoters and substantial shareholders, Ts. Wee Khiam Hui, Bong Joon Fook, and Charlene Bong Myn Ee have jointly and/or severally provided personal guarantees for the following banking facilities granted to our Group ("**Personal Guarantees**") by United Overseas Bank (Malaysia) Bhd ("**UOB**"):

<u>Financier</u>	<u>Type of Facilities</u>	<u>Outstanding balance as at LPD RM'000</u>	<u>Facility limit RM'000</u>	<u>Amount guaranteed RM'000</u>	<u>Guarantor(s)</u>
Banking facilities					
UOB	2 performance guarantees, 2 overdrafts and 2 term loans	1,135	9,645	9,645	<ul style="list-style-type: none"> • Ts. Wee Khiam Hui • Bong Joon Fook • Charlene Bong Myn Ee
		1,135	9,645	9,645	

In addition, Ts. Wee Khiam Hui and the following related parties have also provided their personal properties as securities for the banking facilities granted to our Group ("**Third-Party Securities**"):

- (a) Chiong Pik Lang, spouse of Bong Joon Fook and mother of Charlene Bong Myn Ee and Aelred Bong Nan Wyan, has assigned her benefits, rights, title and interest in the following properties to UOB:

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (i) a service apartment at Vivacity Jazz Suite 2, Kuching bearing postal address A6-04, Vivacity Jazz Suite 2, Jalan Wan Alwi, 93350 Kuching held under master title Lot 550, 556 & 558, Lot 2017 & 2018, Lot 3564 and Lot 615 & 616, Block 11, Muara Tebas Land District; and
 - (ii) a service apartment at Pacific Place @ Ara Damansara bearing postal address B-15-3, Jalan PJU 1A/4, Ara Damansara, 47301 Selangor held under master title PM 55, Lot 59215 and PN 8025, Lot 59216 both in Mukim Damansara, Daerah Petaling, Negeri Selangor;
- (b) Bong Mui Lan, sister of Bong Joon Fook, has assigned her benefits, rights, title and interest in a service apartment at Pacific Place @ Ara Damansara bearing postal address B-15-3A, Jalan PJU 1A/4, Ara Damansara, 47301 Selangor held under master title PM 55, Lot 59215 and PN 8025, Lot 59216 both in Mukim Damansara, Daerah Petaling, Negeri Selangor to UOB.

In conjunction with our Listing, we have applied to the UOB to obtain a conditional consent for the release and/or discharge of the Personal Guarantees and Third-Party Securities by substituting the same with a corporate guarantee from our Company and/or other securities from our Group acceptable to the UOB upon our successful listing on the ACE Market.

As at LPD, we have received conditional approval from UOB for the release and discharge of the Personal Guarantees and Third-Party Securities. The approval is subject to the successful Listing of our Company on the ACE Market.

(c) Financial assistance provided for the benefit of a related party

As at LPD, there is no financial assistance provided by us for the benefit of any related party.

10.2.3 Transactions entered into with M&A Securities

Save as disclosed below, we have not entered into any transactions with M&A Securities who is the Adviser, Sponsor, Placement Agent and Underwriter for our Listing:

- (a) Agreement dated 21 June 2024 entered into between Exxor Technologies and M&A Securities for the appointment of M&A Securities as Adviser, Sponsor and Placement Agent for our Listing; and
- (b) Underwriting Agreement dated 18 August 2025 entered into between our Company and M&A Securities for the underwriting of 38,500,000 Issue Shares.

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11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS, SUPPLIERS AND/OR SUBCONTRACTORS

As at LPD, none of our Directors and substantial shareholders has any interest, direct or indirect, in:

- (a) other businesses and corporations which are carrying on a similar trade as our Group; and
- (b) the business of our customers, suppliers and/or subcontractors.

It is our Directors' fiduciary duty to avoid conflict and in order to mitigate any possible conflict of interest situation in the future, our Directors will declare to our Nomination and Remuneration Committee and our Board their interests in other companies at the onset and as and when there are changes in their respective interests in companies outside our Group. Our Nomination and Remuneration Committee will then first evaluate if such Director's involvement gives rise to an actual or potential conflict of interest with our Group's business after the disclosure provided by such Director. After a determination has been made on whether there is an actual or potential conflict of interest of a Director, our Nomination and Remuneration Committee will then:

- (a) immediately inform our Audit and Risk Management Committee and Board of the conflict of interest situation;
- (b) after deliberation with our Audit and Risk Management Committee, to make recommendations to our Board to direct the conflicted Director to:
 - (i) withdraw from all his executive involvement in our Group in relation to the matter that has given rise to the conflict of interest (in the case where the conflicted Director is an Executive Director); and
 - (ii) abstain from all Board deliberation and voting in the matter that has given rise to the conflict of interest.

In relation to (b)(ii) above, the conflicted Director and persons connected to him (if applicable) shall be absent from any Board discussion relating to the recommendation of our Nomination and Remuneration Committee and the conflicted Director and persons connected to him (if applicable) shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director, may however at the request of the Chairman of our Board, be present at our Board meeting to answer any questions.

In circumstances where a Director is determined to have a significant, ongoing and irreconcilable conflict of interest with our Group, and where such conflict of interest significantly impedes the Director's ability to carry out his fiduciary responsibility to our Group, our Nomination Committee may determine that a resignation of the conflicted Director from our Board is appropriate and necessary.

Where there are related party transactions between our Group with our Directors (or person connected to them) or companies in which our Directors (or person connected to them) have an interest, our Audit and Risk Management Committee will, amongst others, supervise and monitor such related party transaction and the terms thereof and report to our Board for further action. Please refer to Section 10.1 for the procedures to be taken to ensure that related party transactions (if any) are undertaken on arm's length basis.

11. CONFLICT OF INTEREST (Cont'd)

11.2 DECLARATIONS OF CONFLICT OF INTEREST BY OUR ADVISERS

- (a) M&A Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Adviser, Sponsor, Placement Agent and Underwriter for our Listing;
- (b) Ong Eu Jin Partnership has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Solicitors for our Listing;
- (c) H.C. Lee & Partners Advocates has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Solicitors for Sarawak Laws;
- (d) Baker Tilly Monteiro Heng PLT has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Auditors and Reporting Accountants for our Listing; and
- (e) SMITH ZANDER has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as IMR for our Listing.

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12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our Company was incorporated as a private limited company on 27 August 2024 under Companies Act 2016. On 8 January 2025, our company was converted to a public limited company. Exxor Technologies and Exxor Data Solutions are assumed under the common control of our Company during FYE 2022 to 2025 and we completed the Acquisitions on 15 July 2025 and 21 July 2025, respectively. During FYE 2024, Exxor Technologies acquired 51% interest in Intelli Technologies and 25% interest in Intelli Technology Vietnam. Intelli Technologies and Intelli Technology Vietnam are accounted as subsidiary on 11 October 2023 and associate company on 21 November 2023, respectively. As such, the historical financial information of our Group is presented based on the combined audited financial statements of our Group.

The historical financial information for FYE 2022 to 2025 is prepared based on the combined audited financial statements and has been prepared in accordance with MFRS and IFRS, save for Intelli Technology Vietnam which was prepared in accordance with Vietnamese Accounting Standards. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows. It should be read in conjunction with the Management's Discussion and Analysis of Results of Operations and Financial Condition set out in Section 12.2 and the Accountants' Report set out in Sections 13.

12.1.1 Selected financial information from the historical combined statements of comprehensive income

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	29,117	40,617	31,950	49,639
Cost of sales	(23,639)	(31,559)	(19,176)	(19,956)
GP	5,478	9,058	12,774	29,683
Other income	75	21	33	1,468
Administrative expenses	(1,984)	(2,467)	(2,792)	(4,794)
Other operating expenses	(99)	(126)	(141)	(16)
Operating profit	3,470	6,486	9,874	26,341
Finance costs	(102)	(215)	(186)	(532)
Share of results of an associate, net of tax	-	-	*	(173)
PBT	3,368	6,271	9,688	25,636
Income tax expense	(1,036)	(1,483)	(2,789)	(6,658)
PAT/Total comprehensive income	2,332	4,788	6,899	18,978
PAT/Total comprehensive income attributable to:				
Owners of the Company	2,332	4,788	6,919	18,996
Non-controlling interests	-	-	(20)	(18)
	2,332	4,788	6,899	18,978
EBIT (RM'000) ⁽¹⁾	3,460	6,468	9,851	24,713
EBITDA (RM'000) ⁽¹⁾	4,230	7,216	10,419	25,921
GP margin (%) ⁽²⁾	18.8	22.3	40.0	59.8
PBT margin (%) ⁽³⁾	11.6	15.4	30.3	51.6
PAT margin (%) ⁽³⁾	8.0	11.8	21.6	38.2
Effective tax rate (%) ⁽⁴⁾	30.8	23.6	28.8	26.0
EPS (sen) ⁽⁵⁾	0.4	0.9	1.3	3.5

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

* Represents less than RM1,000.

(1) EBIT and EBITDA are calculated as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
PAT	2,332	4,788	6,899	18,978
Less:				
Interest income	(10)	(18)	(23)	(36)
Interest on discounting of long-term payables ^(a)	-	-	-	(1,419)
Add:				
Finance costs	102	215	186	532
Tax expense	1,036	1,483	2,789	6,658
EBIT	3,460	6,468	9,851	24,713
Add:				
Depreciation	770	748	561	515
Amortisation	-	-	7	693
EBITDA	4,230	7,216	10,419	25,921

Note:

- (a) Arises from the recognition of gain arising from the 36 monthly instalment payments for the acquisition of 3 intelligent asset management solutions. Pursuant to MFRS 9, our Group is required to take into account the time value of money to recognise the amount at its fair value at the reporting date. The present value for the purchase consideration of RM13.2 million amount to RM11.8 million, resulting in the one-off interest on discounting of long-term payables of RM1.4 million.
- (2) Calculated based on GP divided by revenue.
- (3) Calculated based on PBT or PAT divided by revenue.
- (4) Calculated based on income tax expenses divided by PBT.
- (5) Calculated based on PAT attributable to owners of our Company divided by our enlarged share capital of 550,000,000 Shares upon Listing.

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12. FINANCIAL INFORMATION (Cont'd)**12.1.2 Selected financial information from the combined statements of financial position**

	Audited			
	As at 30 April			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	2,637	1,946	1,442	1,042
Right-of-use assets	71	2	53	2
Intangible asset ⁽¹⁾	-	-	-	13,175
Investment in an associate	-	-	432	259
Other investments	180	119	-	-
Deferred tax assets	-	-	84	-
Total non-current assets	2,888	2,067	2,011	14,478
Current assets				
Inventories	189	1,441	54	519
Trade receivables	15,674	⁽²⁾ 24,754	29,692	37,850
Other receivables	3,348	3,186	507	1,352
Contract assets	3,568	⁽³⁾ 11,260	2,305	4,257
Other investments	1	-	-	-
Cash and short-term deposits	1,708	2,060	5,859	9,775
Current tax assets	372	-	63	20
Total current assets	24,860	42,701	38,480	53,773
TOTAL ASSETS	27,748	44,768	40,491	68,251
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Invested equity	1,000	1,000	1,000	1,000
Retained earnings	9,861	14,649	18,941	37,937
	10,861	15,649	19,941	38,937
Non-controlling interests	-	-	(16)	(34)
TOTAL EQUITY	10,861	15,649	19,925	38,903
Non-current liabilities				
Loans and borrowings	2,179	1,678	1,133	784
Lease liabilities	11	-	6	-
Deferred tax liabilities	92	40	-	301
Other payables	-	-	-	⁽⁵⁾ 6,279
Total non-current liabilities	2,282	1,718	1,139	7,364
Current liabilities				
Loans and borrowings	421	6,624	580	234
Lease liabilities	62	2	50	2
Trade payables	13,918	⁽⁴⁾ 19,788	15,145	11,173
Other payables	33	680	1,141	⁽⁵⁾ 7,318
Contract liabilities	171	54	417	328
Current tax liabilities	-	253	2,094	2,929
Total current liabilities	14,605	27,401	19,427	21,984
TOTAL LIABILITIES	16,887	29,119	20,566	29,348
TOTAL EQUITY AND LIABILITIES	27,748	44,768	40,491	68,251

12. FINANCIAL INFORMATION (Cont'd)

Notes:

- (1) The intangible assets are related to the following:
- (a) acquisition of 51% equity interest in Intelli Technologies on 11 October 2023, details as set out in Note 1 of the Accountants' Report. The intangible asset was fully amortised during FYE 2024; and
 - (b) acquisition of 4 intelligent asset management solutions from Place2Stay amounted to approximately RM13.4 million (including sales and service tax) and the stamp duty fees paid for the abovementioned acquisitions amounted to approximately RM0.5 million, as well as the relevant amortisation during FYE 2025. The amortisation of the 4 intelligent asset management solutions is recurrent in nature and is estimated to be fully amortised over a period of 10 years.
- (2) The increase in trade receivables as at 30 April 2023 was primarily due to trade receivables of RM11.7 million from a major customer where we were engaged as a subcontractor for the construction of water treatment facilities for JBALB, whereby payment will be made to our Group upon our customer receiving payment from JBALB.
- (3) The increase in contract assets as at 30 April 2023 was mainly due to work performed for our ongoing projects prior to their billing milestones.
- (4) The increase in trade payables as at 30 April 2023 was primarily due to trade payables of RM8.0 million owing to Titisari Mutiara Tarat Sdn Bhd in relation to the provision of construction of water treatment facilities for JBALB as these trade payables would be settled upon our Group receiving the corresponding payments from our customer, in line with the operation of the water treatment facilities.
- (5) The increase in other payables as at 30 April 2025 was primarily due to the amount owing to Place2Stay for the acquisition of 3 intelligent asset management solutions, namely, Integrated Smart Hotel Operations, Management and Reservation System (IntelliHotel System), Centralised Smart Transport Management System (IntelliTrack System), and Integrated Construction Site Resources Information Management System (IntelliConstruct System).

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12. FINANCIAL INFORMATION (Cont'd)**12.1.3 Selected financial information from the combined statements of cash flows**

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
PBT	3,368	6,271	9,688	25,636
Adjustments for:				
Depreciation of property, plant and equipment	719	690	524	485
Depreciation of right-of-use assets	51	58	37	30
Amortisation of intangible asset	-	-	7	693
Loss/(Gain) on disposal of property, plant and equipment	-	12	(1)	-
Property, plant and equipment written off	-	-	5	-
Gain on lease termination	-	*	-	(3)
Loss on disposal of other investment	-	-	*	-
Finance costs	102	215	186	532
Interest income	(10)	(18)	(23)	(1,455)
Bad debts written off	-	53	-	-
Gain on bargain purchase	-	-	(4)	-
Impairment loss on other investments	99	61	119	-
Reversal of impairment loss	*	-	-	-
Impairment loss on other receivables	*	-	-	-
Share of results of an associate	-	-	*	173
Net unrealised foreign exchange gain	-	-	*	(1)
Operating profits before changes in working capital	4,329	7,342	10,538	26,090
Changes in working capital:				
Contract assets	2,981	(7,692)	8,955	(1,952)
Inventories	(189)	(1,252)	1,387	(465)
Contract liabilities	171	(117)	363	(88)
Trade and other receivables	(7,446)	(8,968)	(4,647)	(9,000)
Trade and other payables	985	6,470	(4,531)	(1,448)
Net cash generated from/(used in) operations	831	(4,217)	12,065	13,137
Income tax paid	(1,877)	(910)	(1,135)	(5,395)
Interest paid	(102)	(215)	(186)	(532)
Interest received	10	18	23	36
Net cash (used in)/from operating activities	(1,138)	(5,324)	10,767	7,246
Cash flows from investing activities				
Purchase of property, plant and equipment	(12)	(26)	(5)	(85)
Purchase of intangible assets	-	-	-	(2,381)
Purchase of other investments	*	-	-	-
Acquisition of an associate, net of cash acquired	-	-	(432)	-

12. FINANCIAL INFORMATION (Cont'd)

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Proceeds from disposal of other investment	-	1	-	-
Advances to related parties	(37)	(3)	-	-
Proceeds from disposal of property, plant and equipment	-	15	1	-
Change in pledged deposits	(5)	(931)	914	(10)
Net cash inflow from acquisition of a subsidiary	-	-	5	-
Net cash (used in)/from investing activities	(54)	(944)	483	(2,476)
Cash flows from financing activities				
Repayment of term loans	(126)	(113)	(112)	(116)
Payment of lease liabilities	(50)	(60)	(36)	(30)
Repayment of hire purchase obligations	(400)	(385)	(380)	(476)
Issuance of share capital	-	-	-	*
Net change of trade facilities	-	4,588	(4,588)	-
Net change in amount owing to directors	-	47	89	(139)
Net cash (used in)/from financing activities	(576)	4,077	(5,027)	(761)
Net (decrease)/increase in cash and cash equivalents	(1,768)	(2,191)	6,223	4,009
Cash and cash equivalents at the beginning of the financial year	3,102	1,334	(857)	5,365
Effect of exchange rate changes on cash and cash balances	-	-	(1)	-
Cash and cash equivalents at end of the financial years	1,334	(857)	5,365	9,374

* Denotes < RM1,000

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12. FINANCIAL INFORMATION (Cont'd)

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following discussion and segmental analysis of our combined financial information for FYE 2022 to 2025 should be read with the Accountants' Report included in Section 13.

12.2.1 Overview of our operations
(a) Principal activities

We are a technology solutions provider, principally involved in the following:

- supply of water technology solutions across the water utility supply chain from water treatment to distribution, primarily in Sarawak; and
- supply of intelligent asset management solutions for customers in other industries such as hospitality, logistics and construction.

The business activities we undertake can be broadly categorised into the provision of water technology solutions and the provision of intelligent asset management solutions. Please refer to Section 7 for our Group's detailed business overview.

(b) Revenue

Our revenue is generated from the following segments:

Water technology solutions

The water technology solutions segment comprises the provision of water management system solutions, supply of IoT devices and instruments, technical support and maintenance services, and construction of water treatment facilities.

The revenue generated from the provision of water management system solutions, and technical support and maintenance services are recognised over time as the services are rendered because our customers receive and use the benefits simultaneously.

The revenue generated from the supply of IoT devices and instruments can be recognised at a point in time or over time, depending on the nature of the contracts secured. For contracts that involve only the sourcing and supplying of devices and instruments, revenue is recognised at a point in time when control of the products have been transferred, being when our customers accept the delivery of the goods. For contracts that involve ongoing services such as the installation, integration, and deployment of hardware and technology, revenue will be recognised over time as the services are rendered because our customers receive and use the benefits simultaneously.

The construction of water treatment facilities comprises multiple deliverables that require significant integration service and therefore is accounted as a single performance obligation. Under the terms of the contracts, control of the work performed is transferred over time as our Group creates or enhances an asset that the customer controls as the asset is created or enhanced. The progress towards the complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date against the estimated total construction costs (as input method), which includes the cost of installation and delivery of the relevant equipment or technology solutions/services for the project.

12. FINANCIAL INFORMATION (Cont'd)

Our Group recognises a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when the invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers, then our Group recognises a contract liability for the difference.

Intelligent asset management solutions

The provision of intelligent asset management solutions to our customers is on a contract basis where the revenue is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously.

For FYE 2022 to 2025, revenue recognised from contracts with our customers over time contributed to 97.2%, 98.1%, 95.8% and 98.4% of our total revenue respectively, whereas revenue recognised at a point in time contributed to 2.8%, 1.9%, 4.2% and 1.6% of our total revenue respectively.

(c) Cost of sales

Our cost of sales comprises mainly subcontractor costs, cost of devices, instruments, and consumables, staff-related costs, and amortisation of intangible assets.

(d) Other income

Other income comprises mainly interest on discounting of long-term payables, interest income, rental income, and government grant.

(e) Administrative expenses

Administrative expenses comprise mainly depreciation of property, plant and equipment, staff-related costs, directors' remuneration, professional fees, upkeep expenses, travelling expenses, and marketing expenses.

(f) Other operating expenses

Other operating expenses comprise mainly impairment loss on other investments, property, plant and equipment written off, loss on disposal of property, plant and equipment, bad debts written off, and net realised loss on foreign exchange.

(g) Finance costs

Finance costs comprise unwinding of interest on discounting of long-term payables and interest expenses on term loans, lease liabilities, hire purchase payables, trade facilities, and bank overdrafts.

(h) Recent developments

Save for the Acquisitions, there were no other significant events subsequent to our combined audited financial statements for FYE 2022 to 2025.

(i) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items during FYE 2022 to 2025. In addition, our combined audited financial statements for the financial years under review were not subject to any audit qualifications.

12. FINANCIAL INFORMATION (Cont'd)**(j) Significant account policy information, estimates and judgements**

Our significant accounting policies information are summarised in Note 3 of the Accountants' Report as set out in Section 13. There are no significant accounting policies or information that are peculiar to our Group because of the nature of our business activities. There were no material changes to our accounting policies and estimates during FYE 2022 to 2025.

12.2.2 Significant factors affecting our revenue

Section 9 details several risk factors relating to our business and the industry in which we operate. Some of these risk factors impact our Group's revenue and financial performance. The main factors which affect our financial performance include, but are not limited to the following:

(a) We are dependent on our largest major customer, JBALB, and other water agencies in Sarawak

We are dependent on JBALB as they contributed approximately 76.4%, 54.8%, and 46.8% of our total revenue during FYE 2022 to 2024 respectively, through direct contracts with JBALB. Further, we supplied to JBALB's projects through other contractors whereby we acted as subcontractor. Collectively, JBALB's projects contributed approximately 94.8%, 93.7% and 64.2% of our total revenue during FYE 2022 to 2024 respectively. Although JBALB was not our top 5 major customer in FYE 2025, JBALB remains an important customer to our Group as we have growing unbilled order book for contracts secured directly with JBALB and through other customer where we acted as subcontractor for JBALB's projects, which is expected to contribute significantly to our revenue in FYE 2026. From 1 May 2025 up to LPD, we have recognised RM21.8 million revenue for JBALB's projects. In addition, as at LPD, our unbilled order book amounted to RM18.9 million are relating to JBALB's projects.

As a supporting service provider to the water agencies in Sarawak, we are dependent on the capital and operating expenditure of the water agencies in Sarawak, namely JBALB, Sibu Water Board, Sarawak Water Sdn Bhd (formerly known as LAKU Management Sdn Bhd) and Kuching Water Board, all of which are our existing end customers. Collectively, water agencies' projects contributed to majority of our revenue in the water technology solution segment, which accounted for 100.0%, 100.0%, 68.1% and 31.6% of our Group's revenue during FYE 2022 to 2025 respectively. Hence, in addition to JBALB, we are also dependent on other water agencies in Sarawak.

Please refer to Section 9.1.1 for further details.

(b) The continuity of our order book is not assured and any significant decline in our order book will adversely affect our long-term sustainability and growth

We are awarded with contracts on a project basis and the duration of our projects typically range from 12 to 36 months. Hence, there is no assurance of continuity from one project to the next project. In addition, there is a risk that we may not be able to secure every project that we tender for and as such, this may affect the continuity of our order book. Any significant decline in our order book will adversely affect our long-term sustainability and business growth as well as the financial performance of our Group.

Please refer to Section 9.1.2 for further details.

12. FINANCIAL INFORMATION (Cont'd)**12.2.3 Review of our results of operations****(a) Revenue****Analysis of revenue by business segments**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Water technology solutions	29,117	100.0	40,617	100.0	21,744	68.1	15,709	31.6
- Water management system solutions	25,549	87.8	7,217	17.8	10,973	34.4	3,669	7.4
- Supply of IoT devices and instruments	1,109	3.8	14,326	35.3	4,611	14.4	758	1.5
- Technical support and maintenance services	2,459	8.4	7,373	18.1	6,160	19.3	5,451	11.0
- Construction of water treatment facilities	-	-	11,701	28.8	-	-	5,831	11.7
Intelligent asset management solutions	-	-	-	-	10,206	31.9	33,930	68.4
- IntelliTrack System	-	-	-	-	4,074	12.8	1,552	3.1
- IntelliHotel System	-	-	-	-	1,923	6.0	526	1.1
- IntelliRoad System	-	-	-	-	1,441	4.5	311	0.6
- IntelliConstruct System	-	-	-	-	462	1.4	25,914	52.2
- Others ⁽¹⁾	-	-	-	-	2,306	7.2	5,627	11.4
	29,117	100.0	40,617	100.0	31,950	100.0	49,639	100.0

Note:

- (1) Comprises one-off projects generated from the provision of IT consultancy, IT training, IT manpower supply, and the implementation of various management systems (such as procurement management, building management, billing management as well as human resource and finance management) for our customers.

Analysis of revenue by geographical location⁽¹⁾

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	29,113	99.9	40,617	100.0	31,378	98.2	49,639	100.0
Overseas	4	<0.1	-	-	572	1.8	-	-
- Cambodia	-	-	-	-	572	1.8	-	-
- Vietnam	4	<0.1	-	-	-	-	-	-
	29,117	100.0	40,617	100.0	31,950	100.0	49,639	100.0

Note:

- (1) Revenue by geographical market is based on the place of domicile of our customers.

12. FINANCIAL INFORMATION (Cont'd)

Comparison between FYE 2022 and FYE 2023

Our revenue for FYE 2022 and FYE 2023 was generated solely from the water technology solutions segment. Our revenue of RM40.6 million in FYE 2023 was contributed entirely by the Malaysian market (FYE 2022: RM29.1 million or 99.9%).

Our revenue increased by RM11.5 million or 39.5%, to RM40.6 million in FYE 2023 (FYE 2022: RM29.1 million), mainly due to the following:

- (i) increase in revenue generated from the supply of IoT devices and instruments to RM14.3 million in FYE 2023 (FYE 2022: RM1.1 million), mainly due to higher percentage of completion for a project in relation to smart water meter asset management, replacement and associated works for the Serian division for JBALB. The said project achieved a completion stage of 87.4% in FYE 2023 (FYE 2022: 1.5%) and contributed RM12.9 million to the revenue in FYE 2023 (FYE 2022: RM0.2 million);
- (ii) increase in revenue generated from the technical support and maintenance services to RM7.4 million in FYE 2023 (FYE 2022: RM2.5 million), mainly due to higher revenue generated from ad-hoc meter auditing services which contributed RM3.4 million to the revenue in FYE 2023 (FYE 2022: RM1.1 million), as well as the commencement of a project in relation to leak detection and pipe inspection which contributed RM1.9 million to the revenue in FYE 2023 (FYE 2022: RM Nil); and
- (iii) increase in revenue generated from the construction of water treatment facilities to RM11.7 million in FYE 2023 (FYE 2022: RM Nil), mainly due to the commencement of a project secured from a new customer in relation to the design and build of water treatment facilities located in Lubau Areas, Betong Division, which was completed in FYE 2023.

The above increase was partially offset by the decrease in revenue generated from the water management system solutions to RM7.2 million in FYE 2023 (FYE 2022: RM25.5 million). Such decrease was mainly due to the completion of the Intelli Water System implementation for JBALB in FYE 2022.

Comparison between FYE 2023 and FYE 2024

Our revenue decreased by RM8.6 million or 21.2%, to RM32.0 million in FYE 2024 (FYE 2023: RM40.6 million). This was due to the decrease in revenue generated from the water technology solutions segment and partially offset by the increase in revenue generated from the intelligent asset management solutions segment. The Malaysian market was our primary revenue contributor in FYE 2024, contributing RM31.4 million or 98.2% of our total revenue (FYE 2023: RM40.6 million or 100.0%).

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12. FINANCIAL INFORMATION (Cont'd)***Water technology solutions***

Our water technology solutions segment recorded a decrease in revenue of RM18.9 million or 46.6%, to RM21.7 million in FYE 2024 (FYE 2023: RM40.6 million), mainly due to the following:

- (i) decrease in revenue generated from the supply of IoT devices and instruments to RM4.6 million in FYE 2024 (FYE 2023: RM14.3 million), mainly due to the project in relation to smart water meter asset management, replacement and associated works for the Serian division for JBALB, which was substantially completed in FYE 2023. The said project is completed in FYE 2024 (FYE 2023: completion stage of 87.4%) and contributed RM3.4 million to the revenue in FYE 2024 (FYE 2023: RM12.9 million);
- (ii) decrease in revenue generated from the technical support and maintenance services to RM6.2 million in FYE 2024 (FYE 2023: RM7.4 million), mainly due to the completion of a project in relation to leak detection and pipe inspection, which was substantially completed in FYE 2023. The said project contributed RM349 to the revenue in FYE 2024 (FYE 2023: RM1.9 million); and
- (iii) no revenue generated from the construction of water treatment facilities in FYE 2024 (FYE 2023: RM11.7 million). There was a project carried out in relation to the design and build of water treatment facilities located in Lubau Areas, Betong division which was completed in FYE 2023.

The above decrease was partially offset by the increase in revenue generated from the water management system solutions to RM11.0 million in FYE 2024 (FYE 2023: RM7.2 million), mainly due to higher percentage of completion for a project in relation to the provision of NRW solutions for JBALB. The said project achieved a completion stage of 76.7% in FYE 2024 (FYE 2023: 12.1%).

Intelligent asset management solutions

Our intelligent asset management solutions segment recorded a revenue of RM10.2 million in FYE 2024 (FYE 2023: RM Nil), mainly due to the following:

- (i) implementation of IntelliTrack System for 4 customers, which collectively contributed RM4.1 million to our revenue;
- (ii) one-off project provided to one of our major customers in relation to the provision of IT consultancy, IT training, and IT manpower supply, which contributed RM2.3 million to our revenue;
- (iii) implementation of IntelliHotel System for 2 customers, which contributed RM1.9 million to our revenue;
- (iv) implementation of IntelliRoad System for a customer, which contributed RM1.4 million to our revenue; and
- (v) implementation of IntelliConstruct System for a customer, which contributed RM0.5 million to our revenue.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2025**

Our revenue increased by RM17.6 million or 55.0%, to RM49.6 million in FYE 2025 (FYE 2024: RM32.0 million). This was due to the increase in revenue generated from the intelligent asset management solutions segment and partially offset by the decrease in revenue generated from the water technology solutions segment. Our revenue of RM49.6 million in FYE 2025 was contributed entirely by the Malaysian market (FYE 2024: RM31.4 million or 98.2%).

Water technology solutions

Our water technology solutions segment recorded a decrease in revenue of RM6.0 million or 27.6%, to RM15.7 million in FYE 2025 (FYE 2024: RM21.7 million), mainly due to the following:

- (i) decrease in revenue generated from the water management system solutions to RM3.7 million in FYE 2025 (FYE 2024: RM11.0 million). This was mainly due to the completion of project in relation to the supply, install, integrate, test and commission of smart water supply system for JBALB, which contributed a total revenue of RM5.6 million in FYE 2024. As such, no revenue was generated from the said project in FYE 2025. The decrease in revenue generated from the water management system solutions was also due to a project in relation to the provision of NRW solutions to JBALB which was substantially completed in FYE 2024. The said project contributed RM1.7 million to the revenue in FYE 2025 (FYE 2024: RM5.4 million);
- (ii) decrease in revenue generated from the supply of IoT devices and instruments to RM0.8 million in FYE 2025 (FYE 2024: RM4.6 million). This was mainly due to a project in relation to the smart water meter asset management, replacement and associated works for Serian division for JBALB, which was completed in FYE 2024. As such, no revenue was generated from the said project in FYE 2025 (FYE 2024: RM3.4 million); and
- (iii) decrease in revenue generated from the technical support and maintenance services to RM5.5 million in FYE 2025 (FYE 2024: RM6.2 million), mainly due to the completion of ad-hoc meter auditing services provided to a customer in FYE 2024.

The above-mentioned decreases were partially offset by the increase in revenue generated from the construction of water treatment facilities to RM5.8 million in FYE 2025 (FYE 2024: RM Nil). This was mainly due to the commencement of a project in relation to the design and build of water treatment facilities located in Lichok, Betong Division, which is expected to be completed in October 2025, along with a project in relation to the upgrading of mechanical and pipeline works at Sematan, Lundu, Sarawak, which was completed in FYE 2025.

Intelligent asset management solutions

Our intelligent asset management solutions segment recorded an increase in revenue of RM23.7 million or 232.4%, to RM33.9 million in FYE 2025 (FYE 2024: RM10.2 million). This was mainly due to 30 new projects in relation to the implementation of IntelliConstruct System, each with varying contract values and implementation durations depending on the scale of deployment which collectively contributed RM25.2 million to the revenue in FYE 2025. The duration of implementation generally ranges from 2 to 12 months, depending on whether it involves standard module deployment or a more comprehensive module.

12. FINANCIAL INFORMATION (Cont'd)**(b) Cost of sales, GP and GP margin****Analysis of cost of sales by cost components**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Subcontractor costs ⁽¹⁾	20,311	85.9	17,065	54.1	11,869	61.9	10,622	53.2
Cost of devices, instruments, and consumables ⁽²⁾	1,914	8.1	13,387	42.4	6,292	32.8	7,708	38.6
Staff-related costs	803	3.4	857	2.7	804	4.2	856	4.3
Amortisation of intangible assets ⁽³⁾	-	-	-	-	-	-	693	3.5
Others ⁽⁴⁾	611	2.6	250	0.8	211	1.1	77	0.4
	23,639	100.0	31,559	100.0	19,176	100.0	19,956	100.0

Notes:

- (1) Comprises costs incurred to engage third-party subcontractors for fieldwork (i.e. installation, integration, calibration, testing, commission), maintenance and technical support as well as construction services.
- (2) Comprises IoT devices, instruments, and fittings.
- (3) Amortisation of intangible assets relating to the 4 intelligent asset management solutions, namely IntelliHotel System, IntelliTrack System, IntelliRoad System, and IntelliCostruct System. The amortisation of the 4 intelligent asset management solutions is recurrent in nature and is estimated to be fully amortised over a period of 10 years.
- (4) Comprises mainly utilities and travelling expenses.

Analysis of cost of sales by business segments

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Water technology solutions	23,639	100.0	31,559	100.0	16,118	84.1	12,165	61.0
Intelligent asset management solutions	-	-	-	-	3,058	15.9	7,791	39.0
	23,639	100.0	31,559	100.0	19,176	100.0	19,956	100.0

Analysis of GP and GP margin by business segments

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	GP		GP		GP		GP	
	GP margin	GP margin	GP margin	GP margin	GP margin	GP margin	GP margin	GP margin
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Water technology solutions	5,478	18.8	9,058	22.3	5,626	25.9	3,544	22.6
Intelligent asset management solutions	-	-	-	-	7,148	70.0	26,139	77.0
	5,478	18.8	9,058	22.3	12,774	40.0	29,683	59.8

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2022 and FYE 2023**

Our cost of sales and GP for FYE 2022 and FYE 2023 were recorded solely from the water technology solutions segment.

Our cost of sales increased by RM8.0 million or 33.9%, to RM31.6 million in FYE 2023 (FYE 2022: RM23.6 million), primarily resulting from the increase in cost of devices, instruments, and consumables to RM13.4 million in FYE 2023 (FYE 2022: RM1.9 million). This increase was mainly due to the higher supply of IoT devices and instruments in FYE 2023, in tandem with the increase in revenue for IoT devices and instruments. Such increase was partially offset by the decrease in subcontractor costs to RM17.1 million in FYE 2023 (FYE 2022: RM20.3 million). The higher subcontractor costs incurred in FYE 2022 was mainly due to the subcontractors engaged for the implementation of Intelli Water System for JBALB in FYE 2022.

Our GP increased by RM3.6 million or 65.5%, to RM9.1 million in FYE 2023 (FYE 2022: RM5.5 million), and our overall GP margin increased to 22.3% in FYE 2023 (FYE 2022: 18.8%). The higher GP margin recorded for FYE 2023 was mainly due to the relatively lower subcontractor costs incurred in FYE 2023. During FYE 2023, we provided continuous support services to JBALB in relation to the Intelli Water System, which was fully implemented in FYE 2022. These services required fewer subcontractors, resulting in lower subcontractor costs incurred, thereby contributing to the improved overall GP margin for FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our cost of sales for FYE 2024 decreased by RM12.4 million or 39.2%, to RM19.2 million in FYE 2024 (FYE 2023: RM31.6 million), mainly due to the decrease in cost of devices, instruments, and consumables to RM6.3 million in FYE 2024 (FYE 2023: RM13.4 million). This decrease was a result of the lower supply of IoT devices and instruments in FYE 2024, in tandem with the decrease in revenue from the supply of IoT devices and instruments. Additionally, our subcontractor costs also decreased to RM11.9 million in FYE 2024 (FYE 2023: RM17.1 million). The higher subcontractor costs incurred in FYE 2023 were mainly due to the subcontractors engaged for the project in relation to the design and build of water treatment facilities.

Our GP increased by RM3.7 million or 40.7%, to RM12.8 million in FYE 2024 (FYE 2023: RM9.1 million). This was due to the higher GP recorded from the intelligent asset management solutions segment (FYE 2024: RM7.1 million, FYE 2023: RM Nil) and partially offset by the lower GP recorded from the water technology solutions segment (FYE 2024: RM5.6 million, FYE 2023: RM9.1 million). Our overall GP margin increased to 40.0% in FYE 2024 (FYE 2023: 22.3%), mainly contributed by the intelligent asset management solutions segment and the improved GP margin for the water technology solutions segment.

Water technology solutions

Our cost of sales for the water technology solutions segment decreased by RM15.5 million or 49.1%, to RM16.1 million in FYE 2024 (FYE 2023: RM31.6 million) in tandem with the overall decrease in revenue for the water technology solutions segment. GP for this segment decreased by RM3.5 million or 38.5%, to RM5.6 million in FYE 2024 (FYE 2023: RM9.1 million), but GP margin increased to 25.9% in FYE 2024 (FYE 2023: 22.3%). The decrease in cost of sales of 49.1% was larger than the decrease in revenue of 46.6% in FYE 2024, mainly due to the lower subcontractor costs incurred in FYE 2024 resulting from the completion of the project in relation to the design and build of water treatment facilities in FYE 2023.

12. FINANCIAL INFORMATION (Cont'd)

The higher GP margin recorded in FYE 2024 was mainly due to the higher revenue generated from a project in relation to the provision of NRW solutions, which generally yields a higher GP margin due to the comprehensive scope of work involved.

Intelligent asset management solutions

Our intelligent asset management solutions segment recorded a cost of sales of RM3.1 million in FYE 2024 (FYE 2023: RM Nil) and a GP of RM7.1 million in FYE 2024 (FYE 2023: RM Nil).

The intelligent asset management solutions generally yielded a higher GP margin as the intelligent asset management solutions are customised solutions tailored to our customers' specific requirements, which allowed us to secure higher selling prices. As such, we recorded a GP margin of 70.0% for the intelligent asset management solutions segment in FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our cost of sales for FYE 2025 increased by RM0.8 million or 4.2%, to RM20.0 million in FYE 2025 (FYE 2024: RM19.2 million). This was mainly due to the increase in cost of devices, instruments, and consumables to RM7.7 million in FYE 2025 (FYE 2024: RM6.3 million), attributable to the purchases of materials for the project in relation to the upgrading of mechanical and pipeline works at Sematan, Lundu, Sarawak. Such increase was partially offset by the decrease in subcontractor costs to RM10.6 million in FYE 2025 (FYE 2024: RM11.9 million). The higher subcontractor costs incurred in FYE 2024 was mainly due to the subcontractors engaged in the project in relation to the supply, install, integrate, test and commission of smart water supply system for JBALB, as well as the project in relation to the smart water meter asset management, replacement and associated works for Serian division for JBALB. The said projects were completed in FYE 2024, resulting in the lower subcontracted costs in FYE 2025.

Our GP increased by RM16.9 million or 132.0%, to RM29.7 million in FYE 2025 (FYE 2024: RM12.8 million). This was due to the higher GP recorded from the intelligent asset management solutions segment (FYE 2025: RM26.1 million, FYE 2024: RM7.1 million) and partially offset by the lower GP recorded from the water technology solutions segment (FYE 2025: RM3.5 million, FYE 2024: RM5.6 million). Our overall GP margin increased to 59.8% in FYE 2025 (FYE 2024: 40.0%), contributed by the intelligent asset management solutions segment.

Water technology solutions

Our cost of sales for the water technology solutions segment decreased by RM3.9 million or 24.2%, to RM12.2 million in FYE 2025 (FYE 2024: RM16.1 million), which was in tandem with the overall decrease in revenue for the water technology solutions segment. As such, the GP for this segment decreased by RM2.1 million or 37.5%, to RM3.5 million in FYE 2025 (FYE 2024: RM5.6 million), and the GP margin decreased to 22.6% in FYE 2025 (FYE 2024: 25.9%).

The lower GP margin recorded in FYE 2025 was mainly due to the completion of the project in relation to the supply, install, integrate, test and commission of smart water supply system for JBALB in FYE 2024, coupled with the lower revenue generated from a project in relation to the provision of NRW solutions, both of which yielded a higher GP margin due to the higher complexity of the said projects. The lower GP margin is also attributable to the higher subcontractor costs incurred for the meter auditing service projects in FYE 2025, due to higher rate charged for a more comprehensive scope of work performed.

12. FINANCIAL INFORMATION (Cont'd)

Intelligent asset management solutions

Our cost of sales for the intelligent asset management solutions segment increased by RM4.7 million or 151.6%, to RM7.8 million in FYE 2025 (FYE 2024: RM3.1 million), which was lower than the revenue increase of 232.4% during FYE 2025. As such, the GP for this segment increased by RM19.0 million or 267.6%, to RM26.1 million in FYE 2025 (FYE 2024: RM7.1 million) and the GP margin increased to 77.0% in FYE 2025 (FYE 2024: 70.0%).

The higher GP margin recorded in FYE 2025 was mainly attributable to the higher revenue recorded in FYE 2025, resulting from the commencement of the 30 new projects in relation to the implementation of IntelliConstruct System which collectively contributed RM25.2 million to the revenue. Higher selling prices were negotiated with customers as we were able to customise the solutions according to their specific requirements. For clarity, our ability to customise solutions according to customers' requirements, and consequently to negotiate for higher selling prices, applies to the entire intelligent asset management solutions segment, not specifically to the IntelliConstruct System.

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12. FINANCIAL INFORMATION (Cont'd)**(c) Other income**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest on discounting of long-term payables ⁽¹⁾	-	-	-	-	-	-	1,419	96.7
Gain on bargain purchase ⁽²⁾	-	-	-	-	4	12.1	-	-
Interest income	10	13.3	18	85.7	23	69.7	36	2.4
Rental income	21	28.0	-	-	-	-	-	-
Government grant	41	54.7	-	-	-	-	-	-
Others ⁽³⁾	3	4.0	3	14.3	6	18.2	13	0.9
	75	100.0	21	100.0	33	100.0	1,468	100.0

Notes:

- (1) Arises from the recognition of gain arising from the 36 monthly instalment payments for the acquisition of 3 intelligent asset management solutions. Pursuant to MFRS 9, our Group is required to take into account the time value of money to recognise the amount at its fair value at the reporting date. The present value for the purchase consideration of RM13.2 million amount to RM11.8 million, resulting in the one-off interest on discounting of long-term payables of RM1.4 million.
- (2) Arises from the acquisition of 51% equity interest in Intelli Technologies on 11 October 2023, details as set out in Note 1 of the Accountants' Report.
- (3) Comprises mainly payment in lieu of resigned staff due to serving short notice, gain on lease termination, advances forfeited from a supplier, and gain on disposal of property, plant and equipment.

Comparison between FYE 2022 and FYE 2023

Our other income decreased by RM0.06 million or 75.0%, to RM0.02 million in FYE 2023 (FYE 2022: RM0.08 million). This was mainly due to the following:

- (i) There was no government grant received in FYE 2023 (FYE 2022: RM0.04 million). The government grant received in FYE 2022 was in relation to the wages subsidy programme provided by the Malaysian Government in relation to the COVID-19 and a one-off financial assistance provided by the Sarawak Government; and
- (ii) There was no rental income received in FYE 2023 (FYE 2022: RM0.02 million). The rental income in FYE 2022 was from the rental of motor vehicle to one of our subcontractors for project requirements in FYE 2022.

Comparison between FYE 2023 and FYE 2024

Our other income for FYE 2024 did not fluctuate significantly from FYE 2023.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2025**

Our other income increased to RM1.4 million in FYE 2025 (FYE 2024 RM0.03 million), mainly due to the interest on discounting of long-term payables resulted from the discounting impact of payables in relation to the acquisition of Integrated Smart Hotel Operations, Management and Reservation System (IntelliHotel System), Centralised Smart Transport Management System (IntelliTrack System), and Integrated Construction Site Resources Information Management System (IntelliConstruct System) via installment payments of 36 months.

(d) Administrative expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Depreciation	770	38.8	748	30.3	561	20.1	515	10.7
Staff-related costs	363	18.3	428	17.4	591	21.2	877	18.3
Directors' remuneration	404	20.4	415	16.8	607	21.7	770	16.0
Professional fees	57	2.9	207	8.4	209	7.5	1,526	31.8
Upkeep expenses	138	6.9	194	7.9	249	8.9	329	6.9
Travelling expenses	73	3.7	169	6.8	136	4.9	190	4.0
Marketing expenses	67	3.4	178	7.2	110	3.9	253	5.3
Penalty ⁽¹⁾	-	-	-	-	120	4.3	134	2.8
Others ⁽²⁾	112	5.6	128	5.2	209	7.5	200	4.2
	1,984	100.0	2,467	100.0	2,792	100.0	4,794	100.0

Notes:

- (1) Comprises provision for tax penalty for underestimation of income tax for year of assessment 2023, 2024, and 2025, penalty arising from tax audit for the years of assessment 2019, 2020, and 2021, and penalty for late stamping of legal documents.
- (2) Comprises mainly printing and stationery, utilities, stamp duty and bank charges. The increase in FYE 2024 mainly due to the general expenses incurred for overseas purchases.

Comparison between FYE 2022 and FYE 2023

Our administrative expenses increased by RM0.5 million or 25.0%, to RM2.5 million in FYE 2023 (FYE 2022: RM2.0 million), mainly due to the following:

- (i) professional fees increased to RM0.2 million in FYE 2023 (FYE 2022: RM0.1 million), mainly due to the increase in auditors' remuneration for the reaudit of FYE 2022 and FYE 2023 in preparation for our IPO;
- (ii) marketing expenses increased to RM0.2 million in FYE 2023 (FYE 2022: RM0.1 million), mainly due to higher exhibition costs incurred resulting from participation in more exhibition events; and
- (iii) travelling expenses increased to RM0.2 million in FYE 2023 (FYE 2022: RM0.1 million), mainly due to more business travelling during FYE 2023.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2023 and FYE 2024**

Our administrative expenses increased by RM0.3 million or 12.0%, to RM2.8 million in FYE 2024 (FYE 2023: RM2.5 million), mainly due to the following:

- (i) directors' remuneration increased to RM0.6 million in FYE 2024 (FYE 2023: RM0.4 million), mainly due to annual salary increments; and
- (ii) staff-related costs increased to RM0.6 million in FYE 2024 (FYE 2023: RM0.4 million), mainly due to annual salary increment, coupled with the recruitment of 3 employees for our operations.

The above increase was partially offset by the decrease in depreciation to RM0.6 million in FYE 2024 (FYE 2023: RM0.7 million), mainly due to 3 motor vehicles which were fully depreciated in FYE 2023.

Comparison between FYE 2024 and FYE 2025

Our administrative expenses increased by RM2.0 million or 71.4%, to RM4.8 million in FYE 2025 (FYE 2024: RM2.8 million), mainly due to the following:

- (i) increase in professional fees to RM1.5 million in FYE 2025 (FYE 2024: RM0.2 million), resulted from the fees incurred for the Listing; and
- (ii) staff-related costs increased to RM0.9 million in FYE 2025 (FYE 2024: RM0.6 million), mainly due to annual salary increment, coupled with the increased number of senior personnel in FYE 2025.

(e) Other operating expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Impairment loss on other investments	99	100.0	61	48.4	119	84.4	-	-
Impairment loss on other receivables	*	<0.1	-	-	-	-	-	-
Loss on disposal of other investment	-	-	-	-	*	<0.1	-	-
Loss on disposal of property, plant and equipment	-	-	12	9.5	-	-	-	-
Property, plant and equipment written off	-	-	-	-	5	3.5	-	-
Net realised loss on foreign exchange	-	-	-	-	17	12.1	16	100.0
Bad debt written off	-	-	53	42.1	-	-	-	-
	99	100.0	126	100.0	141	100.0	16	100.0

* Denotes < RM1,000

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2022 and FYE 2023**

Our other operating expenses increased by RM0.03 million or 30.0%, to RM0.13 million in FYE 2023 (FYE 2022: RM0.10 million). This was mainly due to the bad debts written off amounting to RM0.05 million in FYE 2023, resulting from the dissolution of a related party's business.

Comparison between FYE 2023 and FYE 2024

Our other operating expenses increased by RM0.01 million or 7.7%, to RM0.14 million in FYE 2024 (FYE 2023: RM0.13 million). This was mainly due to the higher impairment loss on other investments in FYE 2024, namely Bioion Vietnam Company Limited ("**Bioion**") which resulted from the member's voluntary winding-up in Vietnam due to its loss-making business operations. The member's voluntary winding-up was completed on 18 June 2024. Prior to its winding-up, Bioion was a wholly-owned subsidiary of our Group, whom principally involved in the export, import and wholesale distribution of household goods. For clarity, there were no related party transactions and related party balances between our Group and Bioion during the financial years under review.

For information, our Group invested in Bioion as we observed that there was business opportunities to offer household goods in Vietnam. However, Bioion faced significant challenges, primarily through disruptions in supply chain and distribution channels from the COVID-19 pandemic and resulted in its loss-making business operations. In addition, the geographical distance between Bioion and our Group posed additional operational challenges, making it difficult to manage and control operations effectively. As such, our Group has decided to wind up Bioion.

Comparison between FYE 2024 and FYE 2025

Our other operating expenses decreased to less than RM0.1 million in FYE 2025 (FYE 2024: RM0.1 million), due to the absence of impairment loss on other investments arising from the winding-up of Bioion in FYE 2025.

(f) Finance costs

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Unwinding of interest on discounting of long-term payables ⁽¹⁾	-	-	-	-	-	-	427	80.3
Interest expenses on:								
- Term loans	41	40.2	45	20.9	46	24.7	41	7.7
- Lease liabilities	4	3.9	3	1.4	4	2.2	1	0.2
- Hire purchase payables	56	54.9	54	25.1	54	29.0	63	11.8
- Trade facilities	-	-	77	35.8	43	23.1	-	-
- Bank overdrafts	1	1.0	36	16.8	39	21.0	*	<0.1
	102	100.0	215	100.0	186	100.0	532	100.0

* Denotes < RM1,000

Note:

(1) Arises from the interest charges on the 36 monthly instalment payments for the acquisition of 3 intelligent asset management solutions. The interest charges will be recognised over the payment term of 36 months.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2022 and FYE 2023**

Our finance costs increased by RM0.1 million or 100.0%, to RM0.2 million in FYE 2023 (FYE 2022: RM0.1 million), mainly due the increase in interests on trade facilities to RM0.1 million in FYE 2023 (FYE 2022: RM Nil), which resulted from the utilisation of invoice financing for payments to our suppliers and/or subcontractors.

Comparison between FYE 2023 and FYE 2024

Our finance costs for FYE 2024 did not fluctuate significantly from FYE 2023.

Comparison between FYE 2024 and FYE 2025

Our finance costs increased by RM0.3 million or 150.0%, to RM0.5 million in FYE 2025 (FYE 2024: RM0.2 million), mainly due to the unwinding of interest on discounting of long-term payables arising from the acquisition of 3 intangible assets for the intelligent asset management solutions pursuant to MFRS 9 as explained in Note 1 of Section 12.2.3(c).

(g) PBT, PAT, PBT margin and PAT margin

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
PBT (RM'000)	3,368	6,271	9,688	25,636
PBT margin (%)	11.6	15.4	30.3	51.6
PAT (RM'000)	2,332	4,788	6,899	18,978
PAT margin (%)	8.0	11.8	21.6	38.2

Comparison between FYE 2022 and FYE 2023

We recorded an increase in PBT of RM2.9 million or 85.3%, to RM6.3 million in FYE 2023 (FYE 2022: RM3.4 million), and our PBT margin increased from 11.6% in FYE 2022 to 15.4% in FYE 2023. The increase in PBT and PBT margin was mainly due to the higher GP and GP margin recorded, as explained in Section 12.2.3(b).

Correspondingly, our PAT increased by RM2.5 million or 108.7%, to RM4.8 million in FYE 2023 (FYE 2022: RM2.3 million), and our PAT margin increased from 8.0% in FYE 2022 to 11.8% in FYE 2023.

Comparison between FYE 2023 and FYE 2024

We recorded an increase in PBT of RM3.4 million or 54.0%, to RM9.7 million in FYE 2024 (FYE 2023: RM6.3 million), and our PBT margin increased from 15.4% in FYE 2023 to 30.3% in FYE 2024. The increase in PBT and PBT margin was mainly due to the higher GP and GP margin recorded, as explained in Section 12.2.3(b).

Correspondingly, our PAT increased by RM2.1 million or 43.8%, to RM6.9 million in FYE 2024 (FYE 2023: RM4.8 million), and our PAT margin increased from 11.8% in FYE 2023 to 21.6% in FYE 2024.

Comparison between FYE 2024 and FYE 2025

We recorded an increase in PBT of RM15.9 million or 163.9%, to RM25.6 million in FYE 2025 (FYE 2024: RM9.7 million), and our PBT margin increased from 30.3% in FYE 2024 to 51.6% in FYE 2025. The increase in PBT and PBT margin was mainly due to the higher GP and GP margin recorded, as explained in Section 12.2.3(b).

12. FINANCIAL INFORMATION (Cont'd)

Correspondingly, our PAT increased by RM12.1 million or 175.4%, to RM19.0 million in FYE 2025 (FYE 2024: RM6.9 million), and our PAT margin increased from 21.6% in FYE 2024 to 38.2% in FYE 2025.

(h) Income tax expense

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Tax expense (RM'000)	1,036	1,483	2,789	6,658
Statutory tax rate (%)	24.0	24.0	24.0	24.0
Effective tax rate (%) ⁽¹⁾	30.8	23.6	28.8	26.0

Note:

(1) Calculated based on income tax expense divided by PBT for each financial year.

Comparison between FYE 2022 and FYE 2023

Our income tax expenses increased by RM0.5 million or 50.0%, to RM1.5 million in FYE 2023 (FYE 2022: RM1.0 million), mainly due to the higher PBT recorded in FYE 2023. Our effective tax rate of 23.6% in FYE 2023 did not fluctuate significantly from the statutory tax rate of 24.0%.

In contrast, our effective tax rate in FYE 2022 was 30.8%, which was higher than the statutory tax rate of 24.0%. This was mainly due to certain expenses that were non-deductible for tax reporting purposes, mainly comprising depreciation of property, plant and equipment.

Comparison between FYE 2023 and FYE 2024

Our income tax expenses increased by RM1.3 million or 86.7%, to RM2.8 million in FYE 2024 (FYE 2023: RM1.5 million). This was mainly due to the higher PBT recorded in FYE 2024, coupled with the additional tax expenses arising from tax audit for the years of assessment 2019, 2020, and 2021.

Our effective tax rate for FYE 2024 was 28.8%, which was higher than the statutory tax rate of 24.0% mainly due to the following:

- (i) certain expenses that were non-deductible for tax reporting purposes, mainly comprising depreciation of property, plant and equipment, and impairment loss on other investments; and
- (ii) underprovision of income tax of RM0.3 million in respect of prior financial years.

Comparison between FYE 2024 and FYE 2025

Our income tax expenses increased by RM3.9 million or 139.3%, to RM6.7 million in FYE 2025 (FYE 2024: RM2.8 million), mainly due to the higher PBT recorded in FYE 2025. Our effective tax rate for FYE 2025 was 26.0%, which was higher than the statutory tax rate of 24.0%, mainly due to certain expenses that were non-deductible for tax reporting purposes mainly comprising the amortisation of intangible assets and the unwinding of interest on discounting of long-term payables.

12. FINANCIAL INFORMATION (Cont'd)**12.2.4 Review of cash flows**

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Net cash (used in)/from operating activities	(1,138)	(5,324)	10,767	7,246
Net cash (used in)/from investing activities	(54)	(944)	483	(2,476)
Net cash (used in)/from financing activities	(576)	4,077	(5,027)	(761)
Net (decrease)/increase in cash and cash equivalents	(1,768)	(2,191)	6,223	4,009
Cash and cash equivalents at the beginning of the financial year	3,102	1,334	(857)	5,365
Effect of exchange rate changes on cash and cash balances	-	-	(1)	-
Cash and cash equivalents at the end of the financial year	1,334	(857)	5,365	9,374
Cash and cash equivalents at the end of the financial year				
Cash and bank balances	1,334	755	5,468	9,374
Short-term deposits	374	1,305	391	401
	1,708	2,060	5,859	9,775
Less: Pledged deposits	(374)	(1,305)	(391)	(401)
Less: Bank overdrafts	-	(1,612)	(103)	-
	1,334	(857)	5,365	9,374

As tabulated above, our Group recorded net cash flows used in operating activities of RM1.1 million and RM5.3 million for FYE 2022 and FYE 2023 respectively. As water technology solutions provider, we offer hardware and software solutions to our customers along the water utility supply chain. In order for our Group to provide water management system solutions, supply of IoT devices and instruments, technical support and maintenance services as well as construction of water treatment facilities, we rely on internally generated funds as well as external borrowings such as trade financing from licensed bank for payments to our suppliers and/or subcontractors. Our Group requires flexibility in our working capital as we typically experience slower collection from our customers, which resulted in a timing mismatch between collection from our customers and payment to our suppliers and/or subcontractors.

To further analyse the negative net cash flow from operating activities for FYE 2022 and FYE 2023, the breakdown of cash flows from operating activities for FYE 2022 to 2025 is provided as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
PBT	3,368	6,271	9,688	25,636
Adjustments for:				
Depreciation of property, plant and equipment	719	690	524	485
Depreciation of right-of-use assets	51	58	37	30
Amortisation of intangible asset	-	-	7	693

12. FINANCIAL INFORMATION (Cont'd)

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Loss/(Gain) on disposal of property, plant and equipment	-	12	(1)	-
Property, plant and equipment written off	-	-	5	-
Gain on lease termination	-	*	-	(3)
Loss on disposal of other investment	-	-	*	-
Finance costs	102	215	186	532
Interest income	(10)	(18)	(23)	(1,455)
Bad debts written off	-	53	-	-
Gain on bargain purchase	-	-	(4)	-
Impairment loss on other investments	99	61	119	-
Reversal of impairment loss	*	-	-	-
Impairment loss on other receivables	*	-	-	-
Share of results of an associate	-	-	*	173
Net unrealised foreign exchange gain	-	-	*	(1)
Operating profits before changes in working capital	4,329	7,342	10,538	26,090
Changes in working capital:				
Contract assets	2,981	(7,692)	8,955	(1,952)
Inventories	(189)	(1,252)	1,387	(465)
Contract liabilities	171	(117)	363	(88)
Trade and other receivables	(7,446)	(8,968)	(4,647)	(9,000)
Trade and other payables	985	6,470	(4,531)	(1,448)
Net cash generated from/(used in) operations	831	(4,217)	12,065	13,137
Income tax paid	(1,877)	(910)	(1,135)	(5,395)
Interest paid	(102)	(215)	(186)	(532)
Interest received	10	18	23	36
Net cash (used in)/from operating activities	(1,138)	(5,324)	10,767	7,246

* Denotes < RM1,000

As shown above, our Group recorded an increasing operating profit before changes in working capital during FYE 2022 and FYE 2023, which increased from RM4.3 million in FYE 2022 to RM7.3 million in FYE 2023. This demonstrates that our Group's business operations are sustainable and profitable after fulfilling all related operating expenses for the business operations. However, the Group recorded negative operating cash flow positions of RM1.1 million and RM5.3 million for FYE 2022 and FYE 2023, primarily due to the changes in working capital.

In addition, although our Group recorded negative cash and cash equivalents of RM 0.9 million as at 30 April 2023, this was funded mainly through bank overdrafts temporarily, after which our Group had significantly improved collections in FYE 2024.

Premised on the above, our management is of the view that there is no concern with our Group's overall cash flow management for FYE 2022 and FYE 2023. Nonetheless, our management has taken note of its cash flow management in the past and continues to improve and avail more liquidity for working capital use as and when required.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2022****Net cash used in operating activities**

For FYE 2022, we recorded operating profits before working capital changes of RM4.3 million and operating cash outflow of RM1.1 million after adjusting for the following working capital changes:

- (i) decrease in contract assets of RM3.0 million, mainly due to billings to our customers for work performed;
- (ii) increase in trade and other receivables of RM7.4 million, mainly due to higher billings to our customers in the last quarter of FYE 2022;
- (iii) increase in trade and other payables of RM1.0 million, mainly due to the increase in trade accruals as there were higher accrual of project costs incurred pending the suppliers' invoices in FYE 2022; and
- (iv) income tax paid of RM1.9 million despite incurring RM1.0 million tax expenses in FYE 2022. These were excess payment for overestimation of income tax for FYE 2022.

Net cash used in investing activities

For FYE 2022, we recorded a net cash outflow of RM0.1 million for investing activities mainly due to the advances to a related party of RM0.04 million for working capital purposes.

Net cash used in financing activities

For FYE 2022, we recorded a net cash outflow of RM0.6 million for financing activities, mainly due to the following:

- (i) repayment of hire purchase obligations amounting to RM0.4 million;
- (ii) repayment of term loans amounting to RM0.1 million; and
- (iii) repayment of lease liabilities amounting to RM0.1 million.

FYE 2023**Net cash used in operating activities**

For FYE 2023, we recorded operating profits before working capital changes of RM7.3 million and operating cash outflow of RM5.3 million after adjusting for the following major working capital changes:

- (i) increase in contract assets of RM7.7 million, mainly due to work performed for our ongoing projects prior to their billing milestones;
- (ii) increase in inventories of RM1.3 million, comprise mainly inventories-in-transit for a project in relation to the smart meter asset management, replacement and associated works for Serian division for JBALB which required supply and installation of hardware and software;

12. FINANCIAL INFORMATION (Cont'd)

- (iii) increase in trade and other receivables of RM9.0 million, mainly due to the outstanding receivables from a major customer for a project secured in FYE 2023 where we were engaged as a subcontractor for construction of water treatment facilities;
- (iv) increase in trade and other payables of RM6.5 million, mainly due to outstanding payables owing to a major supplier in relation to the project as mentioned in note (iii) above, on a back-to-back basis; and
- (v) income tax paid of RM0.9 million.

Net cash used in investing activities

For FYE 2023, we recorded a net cash outflow of RM0.9 million for investing activities mainly due to additional deposits pledged amounting to RM0.9 million.

Net cash from financing activities

For FYE 2023, we recorded a net cash inflow of RM4.1 million for financing activities, mainly due to the net effects of the following:

- (i) borrowings from trade facilities amounting to RM4.6 million for payments to our suppliers and/or subcontractors;
- (ii) repayment of hire purchase obligations amounting to RM0.4 million;
- (iii) repayment of term loans amounting to RM0.1 million;
- (iv) repayment of lease liabilities amounting to RM0.1 million; and
- (v) net advances from directors amounting to RM0.05 million, comprising payment on behalf for administrative expenses.

FYE 2024

Net cash from operating activities

For FYE 2024, we recorded operating profits before working capital changes of RM10.5 million and operating cash inflow of RM10.8 million after adjusting for the following working capital changes:

- (i) decrease in contract assets of RM9.0 million, being the eventual billings to our customers for the work performed;
- (ii) decrease in inventories of RM1.4 million, mainly due to the completion of the project in relation to the smart meter asset management, replacement and associated works for Serian division for JBALB which required supply and installation of hardware and software;
- (iii) increase in trade and other receivables of RM4.6 million, mainly due to higher billings to our customers in the last quarter of FYE 2024;
- (iv) decrease in trade and other payables of RM4.5 million, mainly due to the decrease in trade accruals as there were lower accrual of project costs incurred pending the suppliers' invoices in FYE 2024; and

12. FINANCIAL INFORMATION (Cont'd)

- (v) income tax paid of RM1.1 million.

Net cash from investing activities

For FYE 2024, we recorded a net cash inflow of RM0.5 million from investing activities mainly due to upliftment of pledged deposits amounting to RM0.9 million. This was partially offset by the purchase of unquoted equity securities of Intelli Technology Vietnam amounting to RM0.4 million.

Net cash used in financing activities

For FYE 2024, we recorded a net cash outflow of RM5.0 million for financing activities, mainly due to the net effects of the following:

- (i) repayment of trade facilities amounting to RM4.6 million;
- (ii) repayment of hire purchase obligations amounting to RM0.4 million;
- (iii) repayment of term loans amounting to RM0.1 million;
- (iv) net advances from directors amounting to RM0.1 million for working capital purposes; and
- (v) repayment of lease liabilities amounting to RM0.04 million.

FYE 2025

Net cash from operating activities

For FYE 2025, we recorded operating profits before working capital changes of RM26.1 million and operating cash inflow of RM7.2 million after adjusting for the following working capital changes:

- (i) increase in contract assets of RM2.0 million, due to work performed for the new projects in the construction of water treatment facilities segment prior to the billing milestones;
- (ii) increase in trade and other receivables of RM9.0 million, mainly due to higher billings to the customers in the last quarter of FYE 2025;
- (iii) decrease in trade and other payables of RM1.4 million, mainly due to the decrease in trade payables resulted from payments made to the suppliers and/or subcontractors;
- (iv) income tax paid of RM5.4 million; and
- (v) interest paid of RM0.5 million.

Net cash used in investing activities

For FYE 2025, we recorded a net cash outflow of RM2.5 million for investing activities, primarily due to the instalment payments of RM2.4 million for the purchase of intangible assets for the intelligent asset management solutions.

12. FINANCIAL INFORMATION (Cont'd)

Net cash used in financing activities

For FYE 2025, we recorded a net cash outflow of RM0.8 million for financing activities, mainly due to the following:

- (i) repayment of hire purchase obligations of RM0.5 million;
- (ii) net repayment to directors amounting to RM0.1 million;
- (iii) repayment of term loans amounting to RM0.1 million; and
- (iv) repayment of lease liabilities amounting to RM0.03 million.

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12. FINANCIAL INFORMATION (Cont'd)

12.3 LIQUIDITY AND CAPITAL RESOURCES**12.3.1 Working capital**

We finance our operations with cash generated from operations, supplier's credit, various credit facilities extended by financial institutions as well as existing cash and bank balances. Our credit facilities from financial institutions comprise term loans, trade facilities, bank overdrafts and hire purchase payables.

The decision to utilise either internally generated funds or borrowings for our business operations depends on, amongst others, our cash and bank balances, expected cash inflows, future working capital requirements, future capital expenditure requirements and interest rates on borrowings. We carefully consider our cash position and ability to obtain further financing before making significant capital commitments.

Our Board is confident that our working capital will be sufficient for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus, taking into consideration the following:

- (a) our cash and cash equivalents of approximately RM9.5 million as at LPD;
- (b) our expected future cash flows from operations taking into account on unbilled order book of RM35.3 million as at LPD, out of which RM21.3 million is expected to be recognised by FYE 2026;
- (c) our total banking facilities limit as at LPD of RM9.6 million (excluding hire purchase), of which RM1.1 million have been utilised;
- (d) the proceeds from the Public Issue of RM43.6 million of which RM22.2 million has been earmarked for our general working capital; and
- (e) our pro forma gearing level of 0.01 times, based on our pro forma statements of financial position as at 30 April 2025 after the Acquisitions, Public Issue and utilisation of proceeds.

At this juncture, we do not foresee any circumstances which may materially affect our liquidity. Our Group has not encountered any major disputes with our debtors. Our finance and accounting team work closely with our sales and marketing team for the collection of outstanding balances on a monthly basis. This measure has proven to be effective while maintaining a cordial relationship with our customers.

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12. FINANCIAL INFORMATION (Cont'd)

12.4 BORROWINGS AND INDEBTEDNESS

As at 30 April 2025, our Group's total outstanding borrowings and indebtedness stood at RM1.0 million (excluding lease liabilities arising from right-of-use assets of RM2,000), details of which are set out below:

	Purposes	Interest rate % per annum	Tenure	As at 30 April 2025 RM'000
Current				
Term loans	To finance property, plant and equipment as well as keyman insurance	4.37 – 6.76	7 to 20 years	123
Hire purchases	To finance motor vehicles	2.13 – 3.58	5 to 7 years	111
			Total current borrowings	234
Non-current				
Term loans	To finance property, plant and equipment as well as keyman insurance	4.37 – 6.76	7 to 20 years	659
Hire purchases	To finance motor vehicles	2.13 – 3.58	5 to 7 years	125
			Total non-current borrowings	784
			Total borrowings	1,018
			Pro forma gearing (times)	
			After Acquisitions but before Public Issue and utilisation of proceeds ⁽¹⁾	0.03
			After Acquisitions, Public Issue and utilisation of proceeds ⁽²⁾	0.01

Notes:

- (1) Computed based on our pro forma total equity of RM38.9 million after Acquisitions but before the Public Issue and utilisation of proceeds.
- (2) Computed based on our pro forma total equity of RM78.4 million after Acquisitions, Public Issue and utilisation of proceeds.

12. FINANCIAL INFORMATION (Cont'd)

Separately, we have also recognised the following lease liabilities:

	<u>Purpose</u>	<u>Tenure</u>	<u>As at 30 April 2025</u>
			<u>RM'000</u>
Lease liabilities payable within 1 year	Rental of offices	Initial lease of 2 years with option to renew for another 2 years	2
Lease liabilities payable after 1 year	Rental of offices	Initial lease of 2 years with option to renew for another 2 years	-
			<u>2</u>

Our borrowings including term loans, trade facilities and bank overdrafts are secured by the following:

- (i) absolute assignment of life policy of certain directors of our Group;
- (ii) personal guarantee by certain directors of our Group;
- (iii) joint and/or several guarantee by directors of our Group;
- (iv) deed of assignment of contract proceeds;
- (v) pledge of first party fixed deposits receipt together with memorandum of legal charge over deposit and letter of set-off as disclosed in Note 14 of the Accountants' Report; and
- (vi) legal assignment over the buildings of certain directors of the Group and their family members.

As at LPD, all of our borrowings are interest bearing and denominated in RM. We have not defaulted on payments of principal sums and/or interests in respect of any borrowings throughout FYE 2022 to 2025 and up to LPD. We also do not encounter any seasonality in our borrowings trend. Our Group is not in breach of any terms, conditions or covenants associated with credit arrangements or bank loans, which can materially affect our financial position and results or business operations or the investments by holders of our securities. During FYE 2022 to 2025, we did not experience any claw back or reduction in the facilities limit granted to us by our lenders.

As at LPD, our Group's Promoters and substantial shareholders, Ts. Wee Khiam Hui, Bong Joon Fook and Charlene Bong Myn Ee have provided personal guarantees for the banking granted to our Group by UOB. In addition, the directors of our Group and their family members have also provided their personal properties as securities for the banking facilities granted to our Group.

12. FINANCIAL INFORMATION (Cont'd)

In conjunction with our Listing, we have applied to UOB to obtain a conditional consent for the release and/or discharge of the Personal Guarantees and Third-Party Securities by substituting the same with a corporate guarantee from our Company and/or other securities from our Group acceptable to UOB.

As at LPD, we have received conditional approval from UOB for the release and discharge of the Personal Guarantees and Third-Party Securities. The approval is subject to the successful Listing of our Company on the ACE Market.

12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

Save as disclosed in Section 12.4, we do not utilise any other financial instruments. We occasionally receive proceeds in USD in respect of our foreign sales in our foreign currency accounts.

We finance our operations mainly through cash generated from our operations, credit extended by trade payables as well as external sources of funds which mainly comprise borrowings. Save for our hire purchases which carry fixed interest rates, other borrowings bear variable interest rates based on the bank's cost of funds plus a rate which varies depending on the different types of bank facilities.

12.6 MATERIAL CAPITAL COMMITMENTS

As at LPD, save for the acquisition of 4 intelligent asset management solutions amounting to RM13.4 million (including sales and service tax), which have been approved and contracted for, we do not have any other material capital commitments. The acquisition of intelligent asset management solutions were completed in October and November 2024 upon the successful transfer of the ownership to and registration of copyright for the 4 intelligent management solutions by Exxor Technologies, as set out in Section 6.8.3. The purchase consideration of RM0.2 million for Integrated Smart Road Maintenance and Management System has been paid in full, whilst the remaining RM13.2 million purchase consideration is to be settled on a deferred monthly basis over 36 months, amounting to a monthly repayment of RM0.37 million via our internally generated funds. As at LPD, the balance payable for the said acquisition was RM9.6 million.

12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES

(a) Material litigation

As at 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 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.

(b) Contingent liabilities

As at LPD, there are no material contingent liabilities incurred by our Group, which upon becoming enforceable, may have a material effect on our Group's business, financial results and financial position.

12. FINANCIAL INFORMATION (Cont'd)**12.8 KEY FINANCIAL RATIOS**

The key financial ratios of our Group for FYE 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Trade receivables turnover (days) ⁽¹⁾	80	125	253	226
Trade payables turnover (days) ⁽²⁾	131	112	237	184
Inventory turnover (days) ⁽³⁾	N/A	N/A	N/A	N/A
Current ratio (times) ⁽⁴⁾	1.7	1.6	2.0	2.4
Gearing ratio (times) ⁽⁵⁾	0.2	0.5	0.1	0.03

Notes:

- (1) Computed based on average trade receivables (excluding retention sum) as at the end of each financial year divided by revenue for the respective financial years, multiplied by 365 days for FYE 2022, FYE 2023, and FYE 2025, and 366 days for FYE 2024.
- (2) Computed based on average trade payables (excluding retention sum and trade accruals) as at the end of each financial year divided by cost of sales for the respective financial years, multiplied by 365 days for FYE 2022, FYE 2023, and FYE 2025, and 366 days for FYE 2024.
- (3) N/A – Our Group’s inventories comprise water meters, fittings and consumables that were used in the provision of water technology solutions. Our Group generally maintains a minimal inventory level, and the level of inventory depends on the requirement for ongoing and upcoming projects. The value of our inventories at the end of any FYE may not correspond to our cost of sales as each projects have specific project costing. In this regard, we do not analyse inventory turnover period. Further, our inventories balance is not material and accounted for only 0.8%, 3.4%, 0.1%, and 1.0% of our current assets as at 30 April FYE 2022 to 2025 respectively.
- (4) Computed based on current assets divided by current liabilities as at the end of the respective financial years.
- (5) Computed based on total interest-bearing loans and borrowings (excluding lease liabilities) divided by total equity as at the end of the respective financial years.

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12. FINANCIAL INFORMATION (Cont'd)**12.8.1 Trade receivables turnover**

Our trade receivables turnover (days) for FYE 2022 to 2025 is stated as below:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade receivables	2,890	9,883	17,885	26,262
Closing trade receivables	9,883	17,885	26,262	35,286
Average trade receivables	6,387	13,884	22,074	30,774
Revenue	29,117	40,617	31,950	49,639
Trade receivables turnover (days)	80	125	253	226

The normal credit term granted by our Group to our customers ranges from 30 to 90 days from the date of invoice. Our credit terms to customers are assessed and approved on a case-by-case basis taking into consideration various factors such as relationship with customers, customers' payment history, credit worthiness and the quantum of amount owing. We use ageing analysis to monitor the credit quality of our trade receivables.

Our trade receivables turnover days for FYE 2022, 2023, 2024 and 2025 was 80 days, 125 days, 253 days and 226 days respectively. Our trade receivables turnover days increased to 125 days in FYE 2023 (FYE 2022: 80 days). This was mainly due to amount owing from a major customer in FYE 2023 where we were engaged as a subcontractor for construction of water treatment facilities for JBALB, whereby the payment will be made to our Group upon our customer receiving payment from JBALB. The receivables in relation to the said project amounted to RM11.7 million was fully settled as at LPD.

Our trade receivables turnover days increased to 253 days in FYE 2024 (FYE 2023: 125 days), mainly due to the following:

- (i) amount of RM9.8 million owing from a major customer which was brought forward from FYE 2023, pertaining to the construction of water treatment facilities for JBALB in FYE 2023 remained outstanding as at 30 April 2024. The said outstanding receivables was fully settled as at LPD; and
- (ii) billings to JBALB amounting to RM5.8 million and billings to 3 of our customers from the intelligent asset management solutions segment, collectively amounting to RM6.5 million in the last quarter of FYE 2024.

Our trade receivables turnover days for FYE 2025 was 226 days (FYE 2024: 253 days), which is not within the credit term granted by our Group, mainly due to the following:

- (i) higher billings in the last quarter of FYE 2025, amounting to RM19.0 million;
- (ii) amount of RM2.2 million owing from a customer from the intelligent asset management solutions segment, which was brought forward from FYE 2024, remained outstanding as at 30 April 2025. The said outstanding receivables as at LPD amounted to RM0.5 million; and
- (iii) slower collection from 3 of our customers from the intelligent asset management solutions segment, collectively amounted to RM5.7 million. The said outstanding receivables as at LPD amounted to RM3.3 million.

12. FINANCIAL INFORMATION (Cont'd)

In consideration of our increasing trade receivable turnover period, our Group is taking reasonable steps to improve the collection process, including the implementation of a revised collection schedule for the relevant customers. In addition, our Group plans to accelerate the upcoming collections, closely monitoring the recoverability of the trade receivables by following up with customers via phone calls and reminder emails.

Premised on the above and in view that most of the trade receivables causing the increase in turnover period have been collected, our management is of the view that there is no concern on our Group's trade receivables turnover period from FYE 2022 to 2025.

The ageing analysis of our trade receivables (excluding retention sum) as at 30 April 2025 is as follows:

	Trade receivables as at 30 April 2025	Collection from 1 May 2025 up to LPD	Balance as at LPD	
	RM'000	Percentage of trade receivables (a)/total of (a)	RM'000	
	(a)	(a)	(b)	
			(c) = (a)-(b)	
Neither past due nor impaired	28,041	79.5	6,866	21,175
Past due but not impaired:				
- less than 30 days	1,889	5.3	618	1,271
- 31 to 60 days	2,396	6.8	1,109	1,287
- 61 to 90 days	2,960	8.4	1,786	1,174
- more than 90 days	-	-	-	-
	7,245	20.5	3,513	3,732
	35,286	100.0	10,379	24,907

As at 30 April 2025, our total trade receivables stood at RM35.3 million, with RM7.2 million exceeding the normal credit period.

As at LPD, RM10.4 million or 29.4% of our trade receivables as at 30 April 2025 have been collected. The remaining balance of RM24.9 million have yet to be collected as at LPD, of which RM3.7 million have exceeded the credit period, which comprised the following:

- (i) RM2.4 million receivables from 5 customers in which our Group have agreed upon proposed payment schedules with the said customers; and
- (ii) RM1.3 million receivables from 3 customers in which our Group are closely monitoring and following up with.

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12. FINANCIAL INFORMATION (Cont'd)**12.8.2 Trade payables turnover**

Our trade payables turnover (days) for FYE 2022 to 2025 is stated as below:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade payables	9,655	7,318	12,030	12,829
Closing trade payables	7,318	12,030	12,829	7,271
Average trade payables	8,487	9,674	12,430	10,050
Cost of sales	23,639	31,559	19,176	19,956
Trade payables turnover (days)	131	112	237	184

The normal credit term granted to us by our suppliers and/or subcontractors range from 30 to 90 days from the date of invoice. Our trade payables turnover days for FYE 2022, 2023, 2024, and 2025 was 131 days, 112 days, 237, and 184 days respectively.

Our trade payables turnover days for FYE 2022 was 131 days, which exceeded the normal credit terms granted by our suppliers and/or subcontractors. This was mainly due to the long outstanding payables of RM4.1 million owing to Hytran Sdn Bhd and Abbaco Controls Sdn Bhd mainly in relation to the Intelli Water System implementation project for JBALB. The said amount was fully settled as at LPD.

Our trade payables turnover days for FYE 2023 was 112 days, which exceeded the normal credit terms granted by our suppliers and/or subcontractors. This was mainly due to the long outstanding payables of RM8.0 million owing to Titisian Mutiara Tarat Sdn Bhd in relation to the provision of construction of water treatment facilities for JBALB as these trade payables would be settled upon our Group receiving the corresponding payments from our customer, in line with the operation of the water treatment facilities. The said amount was fully settled as at LPD.

Our trade payables turnover days for FYE 2024 was 237 days, which exceeded the normal credit terms granted by our suppliers and/or subcontractors. This was mainly due to the following:

- (i) long outstanding payables of RM6.0 million owing to Titisian Mutiara Tarat Sdn Bhd in relation to the construction of water treatment facilities for JBALB which was brought forward from FYE 2023. The said amount was fully settled as at LPD;
- (ii) outstanding payables of RM1.2 million owing to Hytran Sdn Bhd mainly due to billings received in the last quarter of FYE 2024. The said amount was fully settled as at LPD; and
- (iii) long outstanding payables of RM1.4 million owing to Hydrateq PLT in relation to the supply and installation of meter accessory and pipe fittings, which was fully settled as at LPD.

Our trade payables turnover days for FYE 2025 decreased to 184 days (FYE 2024: 237 days). However, the trade payables turnover days for FYE 2025 still exceeded the normal credit terms granted by our suppliers and/or subcontractors. This was mainly due to the higher billings from the suppliers in the last quarter of FYE 2025, amounting to RM4.1 million.

12. FINANCIAL INFORMATION (Cont'd)

Our Group's suppliers and/or subcontractors have in practice allowed a longer period for payment in view of the back-to-back arrangements with our Group's receivables in the same project, and considering our Group's established relationship with them, the payment history and credentials of our Group. Our Group has not encountered any issue with the suppliers and/or subcontractors despite the slower payment to them. In addition, our Group has fully settled almost all of the outstanding payables (as mentioned above) to the suppliers and/or subcontractors as at LPD. As such, our management is of the view that there is no concern on our Group's trade payables turnover period from FYE 2022 to 2025.

The ageing analysis of our trade payables (excluding retention sum and trade accruals) as at 30 April 2025 is as follows:

	Trade payables as at 30 April 2025	Payment from 1 May 2025 up to LPD	Balance as at LPD
	RM'000	Percentage of trade payables (a)/total of (a)	RM'000
	(a)	(b)	(c) = (a)- (b)
Within credit period	5,379	74.0	2,668
Exceeding credit period:			
- 1 to 30 days	997	13.7	464
- 31 to 60 days	242	3.3	224
- More than 60 days	653	9.0	653
	1,892	26.0	1,341
	7,271	100.0	4,009
			3,262

As at 30 April 2025, our total trade payables stood at RM7.3 million, with RM1.9 million exceeding the normal credit period.

As at LPD, RM4.0 million or 55.1% of our trade payables as at 30 April 2025 have been paid. There is a remaining balance of RM3.3 million as at LPD, out of which RM0.6 million have exceeded the normal credit period, comprising mainly an amount owing to a major supplier and/or subcontractor, which will be paid upon receiving collections from our customers, due to back-to-back arrangement.

As at LPD, there are no disputes in respect of our trade payables and there is no legal action initiated by our suppliers and/or subcontractors to demand for payment from us.

12.8.3 Inventory turnover

Our inventories comprise water meters, fittings and consumables that were used in the provision of our water technology solutions. We purchase the inventories required for the implementation of projects and these inventories are typically shipped directly to the respective projects' sites for installation. As such, our inventories predominantly comprise inventories-in-transit, whereby we will transfer the ownership of such inventories upon project delivery. As such, we generally maintain a minimal inventory level. Our inventory balances as at 30 April 2022, 2023, 2024, and 2025 are RM0.2 million, RM1.4 million (mainly inventories in-transit), RM0.1 million and RM0.5 million respectively. In this regard, we do not analyse inventory turnover.

12. FINANCIAL INFORMATION (Cont'd)**12.8.4 Current ratio**

Our current ratio throughout FYE 2022 to 2025 is as follows:

	Audited			
	As at 30 April			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Current assets	24,860	42,701	38,480	53,773
Current liabilities	14,605	27,401	19,427	21,984
Net current assets	10,255	15,300	19,053	31,789
Current ratio (times)	1.7	1.6	2.0	2.4

Our current ratios range between 1.6 times to 2.4 times for FYE 2022 to 2025. This indicates that our Group is capable of meeting short-term obligations as our current assets, such as trade receivables, which can be readily converted to cash, together with our cash and cash equivalents, are enough to meet our current liabilities.

Our current ratio increased to 2.0 times as at 30 April 2024 (as at 30 April 2023: 1.6 times), mainly due to the decrease in loans and borrowings, largely attributable to the scheduled repayment of trade facilities amounting to RM4.6 million during FYE 2024.

Our current ratio further increased to 2.4 times as at 30 April 2025 (as at 30 April 2024: 2.0 times), mainly due to the increase in trade receivables, largely attributable to the higher billings in the last quarter of FYE 2025.

12.8.5 Gearing ratio

Our gearing ratio throughout FYE 2022 to 2025 is as follows:

	Audited			
	As at 30 April			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Total borrowings (excluding lease liabilities)	2,600	8,302	1,713	1,018
Total equity	10,861	15,649	19,925	38,903
Gearing ratio (times)	0.2	0.5	0.1	0.03

Our gearing ratio ranges from 0.03 times to 0.5 times for FYE 2022 to 2025.

We recorded a higher gearing ratio of 0.5 times as at 30 April 2023 as compared to 0.2 times as at 30 April 2022, mainly due to the increase in trade facilities in FYE 2023 for payments to our suppliers and/or subcontractors.

Our gearing ratio decreased to 0.1 times as at 30 April 2024 as compared to 0.5 times as at 30 April 2023, mainly due to scheduled repayment of borrowings, coupled with the higher total equity arising from the net profits recorded during FYE 2024.

Our gearing ratio further decreased to 0.03 times as at 30 April 2025 as compared to 0.1 times as at 30 April 2024, mainly due to the higher total equity arising from the net profits recorded during FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)**12.9 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 FYE 2022 to 2025. There is 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.

Risks relating to government, economic, fiscal or monetary policies or factors which may adversely and materially affect our operations are set out in Section 9.

12.10 IMPACT OF INFLATION

During FYE 2022 to 2025, our financial performance was not materially affected by the impact of inflation. However, there is no assurance that our financial performance will not be adversely affected by the impact of inflation moving forward. Any significant increase in our costs of sales in the future may adversely affect our operations and performance if we are unable to pass on the higher costs to our customers through an increase in selling prices.

12.11 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS**(a) Impact of foreign exchange rates**

Our proportion of sales and purchases denominated in local and foreign currencies are as follows:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sales denominated in:								
RM	29,117	100.0	40,617	100.0	31,378	98.2	49,639	100.0
USD	-	-	-	-	572	1.8	-	-
	29,117	100.0	40,617	100.0	31,950	100.0	49,639	100.0

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchases denominated in:								
RM	22,389	97.2	31,449	98.4	16,946	99.8	18,842	99.9
EUR	636	2.8	-	-	-	-	-	-
USD	-	-	505	1.6	39	0.2	28	0.1
	23,025	100.0	31,954	100.0	16,985	100.0	18,870	100.0

Our Group's gain or loss from foreign exchange fluctuations for FYE 2022 to 2025 are as follows:

	Audited			
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000
Net realised loss on foreign exchange	-	-	17	16
Net unrealised gain on foreign exchange	-	-	*	(1)
Net loss	-	-	17	15

* Denotes < RM1,000

12. FINANCIAL INFORMATION (Cont'd)

Based on the table above, our Group has not been materially impacted by the foreign exchange fluctuations.

(b) Impact of interest rates

Our exposure to changes in interest rate risk relates primarily to our loans and borrowings.

A sensitivity analysis performed on our Group based on the outstanding floating rate of our loans and borrowings as at 30 April 2025 indicates that our PAT for FYE 2025 would increase or decrease by approximately RM6,000 as a result of increase or decrease in interest rates by 100 basis points on these borrowings.

Our financial results for FYE 2022 to 2025 were not materially affected by fluctuations in interest rates.

(c) Impact of commodity prices

Due to the nature of our business, we are not affected by fluctuations in commodity prices.

12.12 ORDER BOOK

Details of our Group's unbilled order book as at LPD and the revenue recognition progressively up to FYE 2031 based on expected progress are as follows:

	Unbilled order book as at LPD RM'000	Expected revenue recognition		
		FYE 2026	FYE 2027	FYE 2028 to 2031
		RM'000	RM'000	RM'000
Water technology solutions	18,920	8,227	4,320	6,373
- Recurring	12,973	2,280	4,320	6,373
- Non-recurring	5,947	5,947	-	-
Intelligent asset management solutions	16,422	13,106	784	2,532
- Recurring	3,839	523	784	2,532
- Non-recurring	12,583	12,583	-	-
	35,342	21,333	5,104	8,905

The above unbilled order book relates to the contract value of projects which are on-going less revenue recognised up to LPD. This unbilled order book will be recognised progressively over the next 6 financial years based on the expected progress of each project.

As at LPD, the unbilled order book secured with JBALB amounted to RM18.9 million (through other customers where we acted as a subcontractor). Recognition of the unbilled order book related to JBALB is scheduled as follows: RM8.2 million in FYE 2026, RM4.3 million in FYE 2027, RM2.6 million in FYE 2028, RM2.0 million in FYE 2029, RM1.2 million in FYE 2030, and RM0.6 million in FYE 2031.

As at LPD, we do not have any unbilled order book contributed by our related party.

12. FINANCIAL INFORMATION (Cont'd)

12.13 DIRECTORS' STATEMENT ON OUR GROUP'S FINANCIAL PERFORMANCE

Our Board is of the opinion that:

- (a) our revenue will remain sustainable with an upward growth trend, in line with positive outlook of the water management industry and intelligent asset management solutions industry as set out in the IMR Report in Section 8;
- (b) our liquidity will improve subsequent to the Public Issue, given the additional funds to be raised for our Group to carry out our future plans and strategies as stated in Section 7.15; and
- (c) our capital resources will strengthen, considering the proceeds to be raised from the Public Issue as well as internally generated funds. We may consider debt funding for our business expansion should the need arise.

In addition to the above, our Board confirms that there are no circumstances which would result in a significant decline in our revenue and GP margins or know of any factors that are likely to have a material impact on our liquidity, revenue or profitability.

12.14 TREND INFORMATION

As at LPD, after all reasonable enquiries, our Board confirms that our operations have not been and are not expected to be affected by any of the following:

- (a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material impact on our Group's financial performance, position and operations other than those discussed in Sections 7, 8, 9 and 12.2;
- (b) material commitments for capital expenditure as disclosed in Section 12.6;
- (c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save as discussed in Sections 7.12 and 9;
- (d) known trends, demands, commitments, events or uncertainties that have resulted in a substantial increase in our Group's revenue save for those that had been discussed in Sections 12.2 and 12.11; and
- (e) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical combined financial statements not necessarily indicative of the future financial performance and position other than those discussed in Sections 12.2, 12.9 and 12.11.

Based on the above, our Board is optimistic about the future prospects of our Group given the long term positive outlook of the water management industry and intelligent asset management solutions industry in Malaysia as set out in the IMR Report in Section 8, our Group's competitive strengths set out in Section 7.14 and our Group's intention to implement the future plans and strategies as set out in Section 7.15.

12. FINANCIAL INFORMATION (Cont'd)**12.15 DIVIDEND POLICY**

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

As our Company is an investment holding company, our income and therefore our ability to pay dividends is dependent upon the dividends we receive from our subsidiaries, present or future. Our subsidiaries will require its financiers' consent (if any) as set out in the respective facility agreements to pay dividends to our Company. Save for compliance with the solvency requirement under the Act, which is applicable to all Malaysian companies, there are no legal, financial, or economic restrictions on the ability of our existing subsidiaries to transfer funds in the form of cash dividends, loans or advances to us.

During FYE 2022 to 2025 and up to LPD, we have declared and paid the following dividends:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 May 2025 up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Dividends declared and paid	-	-	2,627	-	-

There was a single-tier interim dividend of RM2.6 million declared with respect to FYE 2024, which was paid on 28 December 2023.

There were no further dividends declared and/or paid up to LPD. Further to the above, we do not intend to declare or pay any dividends from LPD up to our Listing.

You should take note that this dividend policy merely describes our current intention and shall not constitute legally binding statements in respect of our future dividends that are subject to our Board's discretion.

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12. FINANCIAL INFORMATION (Cont'd)**12.16 CAPITALISATION AND INDEBTEDNESS**

The table below summarises our capitalisation and indebtedness:

- (a) Based on latest combined unaudited financial information of our Group as at 8 September 2025; and
- (b) After adjusting for the effects of the Public Issue and utilisation of proceeds.

	I	II	III
	Unaudited		
	As at	After I and	After II and
	8 September	Public Issue	utilisation of
	2025	RM'000	proceeds
	RM'000	RM'000	RM'000
Indebtedness			
<u>Current</u>			
<i>Secured and guaranteed</i>			
Term loans	78	78	78
<i>Unsecured and unguaranteed</i>			
Lease liabilities	22	22	22
<u>Non-current</u>			
<i>Secured and guaranteed</i>			
Term loans	67	67	67
<i>Unsecured and unguaranteed</i>			
Lease liabilities	19	19	19
Total indebtedness	186	186	186
Total indebtedness (excluding lease liabilities)	145	145	145
Equity			
Share capital	19,562	63,122	61,058
Total capitalisation	19,562	63,122	61,058
Total capitalisation and indebtedness	19,748	63,308	61,244
Gearing ratio (times) ⁽¹⁾	0.01	(2)-	(2)-

Notes:

(1) Calculated based on total indebtedness (excluding lease liabilities) divided by total capitalisation.

(2) Negligible.

13. ACCOUNTANTS' REPORT



17 September 2025

The Board of Directors
Insights Analytics Berhad
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ICOM Square
Jalan Pending
93450 Kuching
Sarawak

Dear Sirs,

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Reporting Accountants' opinion on the Combined Financial Statements contained in the Accountants' Report of Insights Analytics Berhad ("IAB" or the "Company")

Opinion

We have audited the accompanying combined financial statements of the Company and its combining entities (collectively known as the "Group") as detailed in Note 2 to the combined financial statements, which comprise the combined statements of financial position as at 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025, the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years ended ("FYE(s)") 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025, and notes to the combined financial statements, including material accounting policy information, as set out on pages 6 to 81.

In our opinion, the accompanying combined financial statements contained in the Accountants' Report of the Company gives a true and fair view of the financial positions of the Group as at 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025, and of its financial performance and its cash flows for the FYEs 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards as well as Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia.

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 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 opinion.

13. ACCOUNTANTS' REPORT (*Cont'd*)



INSIGHTS ANALYTICS BERHAD (Incorporated in Malaysia)

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 are responsible for the preparation of the combined financial statements contained in the Accountants' Report of the Company, so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the 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.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
(Incorporated in Malaysia)

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (continued)

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.
- 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 Reporting Accountants' 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate 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 identify during our audit.

13. ACCOUNTANTS' REPORT (Cont'd)



INSIGHTS ANALYTICS BERHAD
(Incorporated in Malaysia)

Other Matter

This report is made solely to the Company and has been prepared solely to comply with the Prospectus Guidelines issued by the Securities Commission Malaysia for inclusion in the Prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad and should not be relied upon any other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Paul Tan Hong".

Paul Tan Hong
No. 03459/11/2025 J
Chartered Accountant

Kuala Lumpur

Date: 17 September 2025

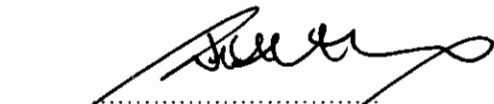
13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report


STATEMENT BY DIRECTORS

We, **WEE KHIAM HUI** and **BONG JOON FOOK**, being two of the directors of **INSIGHTS ANALYTICS BERHAD**, do hereby state that in the opinion of the directors, the accompanying combined financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025 and of its financial performance and cash flows for the financial years ended 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:



.....
WEE KHIAM HUI
Director



.....
BONG JOON FOOK
Director

Kuching, Sarawak

Date: **17 SEP 2025**

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**COMBINED STATEMENTS OF FINANCIAL POSITION**

		----- As at 30 April -----				
		2022	2023	2024	2025	
Note		RM'000	RM'000	RM'000	RM'000	
ASSETS						
Non-current assets						
	Property, plant and equipment	5	2,637	1,946	1,442	1,042
	Right-of-use assets	6	71	2	53	2
	Intangible asset	7	-	-	-	13,175
	Investment in an associate	8	-	-	432	259
	Other investments	9	180	119	-	-
	Deferred tax assets	18	-	-	84	-
	Total non-current assets		2,888	2,067	2,011	14,478
Current assets						
	Inventories	10	189	1,441	54	519
	Trade and other receivables	11	19,022	27,940	30,199	39,202
	Contract assets	12	3,568	11,260	2,305	4,257
	Other investments	9	1	-	-	-
	Cash and short-term deposits	13	1,708	2,060	5,859	9,775
	Current tax assets		372	-	63	20
	Total current assets		24,860	42,701	38,480	53,773
	TOTAL ASSETS		27,748	44,768	40,491	68,251
EQUITY AND LIABILITIES						
Equity attributable to owners of the Company						
	Invested equity	14	1,000	1,000	1,000	1,000
	Retained earnings		9,861	14,649	18,941	37,937
			10,861	15,649	19,941	38,937
	Non-controlling interests		-	-	(16)	(34)
	TOTAL EQUITY		10,861	15,649	19,925	38,903

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

	Note	----- As at 30 April -----			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Non-current liabilities					
Loans and borrowings	15	2,179	1,678	1,133	784
Lease liabilities	16	11	-	6	-
Other payables	17	-	-	-	6,279
Deferred tax liabilities	18	92	40	-	301
Total non-current liabilities		2,282	1,718	1,139	7,364
Current liabilities					
Loans and borrowings	15	421	6,624	580	234
Lease liabilities	16	62	2	50	2
Trade and other payables	17	13,951	20,468	16,286	18,491
Contract liabilities	12	171	54	417	328
Current tax liabilities		-	253	2,094	2,929
Total current liabilities		14,605	27,401	19,427	21,984
TOTAL LIABILITIES		16,887	29,119	20,566	29,348
TOTAL EQUITY AND LIABILITIES		27,748	44,768	40,491	68,251

The accompanying notes form an integral part of these combined financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**COMBINED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	----- FYE 30 April -----			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Revenue	19	29,117	40,617	31,950	49,639
Cost of sales		(23,639)	(31,559)	(19,176)	(19,956)
Gross profit		5,478	9,058	12,774	29,683
Other income	20	75	21	33	1,468
Administrative expenses		(1,984)	(2,467)	(2,792)	(4,794)
Other operating expenses		(99)	(126)	(141)	(16)
Operating profit		3,470	6,486	9,874	26,341
Finance costs	21	(102)	(215)	(186)	(532)
Share of results of an associate, net of tax		-	-	*	(173)
Profit before tax	22	3,368	6,271	9,688	25,636
Income tax expense	24	(1,036)	(1,483)	(2,789)	(6,658)
Profit for the financial year, representing total comprehensive income for the financial year		2,332	4,788	6,899	18,978
Profit attributable to:					
Owners of the Company		2,332	4,788	6,919	18,996
Non-controlling interests		-	-	(20)	(18)
		2,332	4,788	6,899	18,978
Total comprehensive income attributable to:					
Owners of the Company		2,332	4,788	6,919	18,996
Non-controlling interests		-	-	(20)	(18)
		2,332	4,788	6,899	18,978
Earnings per share					
Basic (sen)	25	233.20	478.80	691.90	1,899.60

* Denotes <RM1,000

The accompanying notes form an integral part of these combined financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY

	----- Attributable to ----- owners of the Company		Total equity RM'000
	Invested equity RM'000	Retained earnings RM'000	
At 1 May 2021	1,000	7,529	8,529
Total comprehensive income for the financial year			
Profit for the financial year, representing total comprehensive income for the financial year	-	2,332	2,332
Transactions with owners			
Issuance of ordinary shares	*	-	*
At 30 April 2022	1,000	9,861	10,861
Total comprehensive income for the financial year			
Profit for the financial year, representing total comprehensive income for the financial year	-	4,788	4,788
At 30 April 2023	1,000	14,649	15,649

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD

Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	----- Attributable to ----- owners of the Company		Sub-total	Non- controlling interests	Total equity
		Invested equity RM'000	Retained earnings RM'000	RM'000	RM'000	RM'000
At 1 May 2023		1,000	14,649	15,649	-	15,649
Total comprehensive income for the financial year						
Profit for the financial year, representing total comprehensive income for the financial year		-	6,919	6,919	(20)	6,899
Transactions with owners						
Non-controlling interests arising from acquisition of a new subsidiary	1	-	-	-	4	4
Dividend paid on shares	26	-	(2,627)	(2,627)	-	(2,627)
At 30 April 2024		1,000	18,941	19,941	(16)	19,925
Total comprehensive income for the financial year						
Profit for the financial year, representing total comprehensive income for the financial year		-	18,996	18,996	(18)	18,978
Transactions with owners						
Issuance of ordinary shares	14	*	-	-	-	-
At 30 April 2025		1,000	37,937	38,937	(34)	38,903

* Denotes <RM1,000

The accompanying notes form an integral part of these combined financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**COMBINED STATEMENTS OF CASH FLOWS**

	----- FYE 30 April -----				
	Note	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Cash flows from operating activities					
Profit before tax		3,368	6,271	9,688	25,636
Adjustments for:					
Depreciation of property, plant and equipment	5	719	690	524	485
Depreciation of right-of-use assets	6	51	58	37	30
Amortisation of intangible asset	7	-	-	7	693
Loss/(gain) on disposal of property, plant and equipment		-	12	(1)	-
Property, plant and equipment written off		-	-	5	-
Gain on lease termination		-	*	-	(3)
Loss on disposal of other investment		-	-	*	-
Finance costs		102	215	186	532
Interest income		(10)	(18)	(23)	(1,455)
Bad debts written off		-	53	-	-
Gain on bargain purchase	1	-	-	(4)	-
Impairment loss on investment in subsidiary	9	99	61	119	-
Reversal of impairment loss on other receivables		*	-	-	-
Impairment loss on other receivables		*	-	-	-
Share of results of an associate		-	-	*	173
Net unrealised gain on foreign exchange		-	-	*	(1)
Operating profits before changes in working capital		4,329	7,342	10,538	26,090
Changes in working capital:					
Contract assets		2,981	(7,692)	8,955	(1,952)
Inventories		(189)	(1,252)	1,387	(465)
Contract liabilities		171	(117)	363	(88)
Trade and other receivables		(7,446)	(8,968)	(4,647)	(9,000)
Trade and other payables		985	6,470	(4,531)	(1,448)
Net cash generated from/(used in) operations		831	(4,217)	12,065	13,137
Income tax paid		(1,877)	(910)	(1,135)	(5,395)
Interests paid		(102)	(215)	(186)	(532)
Interests received		10	18	23	36
Net cash (used in)/from operating activities		(1,138)	(5,324)	10,767	7,246

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)**

	Note	----- FYE 30 April -----			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Cash flows from investing activities					
Purchase of property, plant and equipment	13(ii)	(12)	(26)	(5)	(85)
Purchase of intangible assets	13(iii)	-	-	-	(2,381)
Purchase of other investments		*	-	-	-
Acquisition of an associate, net of cash acquired		-	-	(432)	-
Proceeds from disposal of other investment		-	1	-	-
Advances to related parties		(37)	(3)	-	-
Proceeds from disposal of property, plant and equipment		-	15	1	-
Change in pledged deposits	13	(5)	(931)	914	(10)
Net cash inflow from acquisition of a subsidiary	1	-	-	5	-
Net cash (used in)/from investing activities		(54)	(944)	483	(2,476)
Cash flows from financing activities					
	13(iv)				
Repayment of term loans		(126)	(113)	(112)	(116)
Payment of lease liabilities		(50)	(60)	(36)	(30)
Repayment of hire purchase obligations		(400)	(385)	(380)	(476)
Net change of trade facilities		-	4,588	(4,588)	-
Net change in amount owing to/(by) directors		-	47	89	(139)
Issuance of share capital		-	-	-	*
Net cash (used in)/from financing activities		(576)	4,077	(5,027)	(761)

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

	----- FYE 30 April -----			
	2022	2023	2024	2025
Note	RM'000	RM'000	RM'000	RM'000
Net (decrease)/increase in cash and cash equivalents	(1,768)	(2,191)	6,223	4,009
Cash and cash equivalents at the beginning of the financial year	3,102	1,334	(857)	5,365
Effect of exchange rate changes on cash and bank balances	-	-	(1)	-
Cash and cash equivalents at the end of the financial year	13(i) 1,334	(857)	5,365	9,374

The accompanying notes form an integral part of these combined financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS**1. GENERAL INFORMATION**

Insights Analytics Berhad ("IAB" or the "Company") was incorporated as a private company limited by shares on 27 August 2024 under Companies Act 2016 and is domiciled in Malaysia. On 8 January 2025, IAB was converted to a public limited company.

The registered office and principal place of the Company is located at D272, D273 & D274, 1st Floor Block D, ICOM Square Jalan Pending, 93450 Kuching, Sarawak.

The principal activity of the Company is investment holding. The details of the combining entities are as follows:

Combining entities	Principal place of business/country of incorporation	Principal activities
Exxor Technologies Sdn. Bhd.	Malaysia	Provision of water technology solutions and intelligent asset management solutions
Intelli Technologies Sdn. Bhd.*	Malaysia	Provision of software development and related services
Exxor Data Solutions Sdn. Bhd.	Malaysia	Dormant

* Audited by auditors other than Baker Tilly Monteiro Heng PLT

There have been no significant changes in the nature of these principal activities during the financial years under review.

The combined financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 8 September 2025.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(a) Acquisition of a subsidiary**

On 11 October 2023, Exxor Technologies Sdn. Bhd. had acquired 51 ordinary shares in Intelli Technologies Sdn. Bhd., representing 51% of the issued and paid up share capital of Intelli Technologies Sdn. Bhd. for a total cash consideration of RM51. The principal activities of the subsidiary were to provide software development and related services.

(i) Fair value of the identifiable assets acquired and liabilities recognised:

	Note	RM'000
Assets		
Property, plant and equipment	5	20
Right-of-use asset	6	36
Intangible asset	7	7
Trade and other receivables		238
Cash and bank balances		5
Total assets		306
Liabilities		
Trade and other payables		(260)
Lease liabilities		(38)
Total liabilities		(298)
Total identifiable net assets acquired		8
Gain on bargain purchase		(4)
Non-controlling interest at fair value		(4)
Fair value of consideration transferred		*

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(a) Acquisition of a subsidiary (continued)**

(ii) Effect of acquisition on cash flows:

	RM'000
Fair value of consideration transferred	*
Less: Cash and cash equivalents of the subsidiary acquired	(5)
Net cash inflows on acquisition	<u>(5)</u>

* Denotes <RM1,000

(iii) Effect of acquisition in the statements of comprehensive income:

From the date of acquisition, the subsidiary's contributed revenue and loss net of tax are as follows:

	RM'000
Revenue	50
Loss for the financial year	<u>(40)</u>

If the acquisition had occurred on 1 May 2023, the combined results for the financial year ended 30 April 2024 would have been as follows:

	RM'000
Revenue	32,156
Profit for the financial year	<u>6,907</u>

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(b) Non-controlling interests in a subsidiary**

The financial information of a subsidiary of the Group that has material non-controlling interests is as follows:

Equity interest held by non-controlling interests is as follows:

Name of Company	Principal place of business/country of incorporation	Ownership interest		
		2022 %	2023 %	2024 %
Intelli Technologies Sdn. Bhd.	Malaysia	-	-	49

Carrying amount of material non-controlling interests:

Name of company	----- As at 30 April -----		
	2022	2023	2024
	RM'000	RM'000	RM'000
Intelli Technologies Sdn. Bhd.	-	-	(16)

Profit or loss allocated to material non-controlling interests:

Name of company	----- As at 30 April -----		
	2022	2023	2024
	RM'000	RM'000	RM'000
Intelli Technologies Sdn. Bhd.	-	-	(20)

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(b) Non-controlling interests in a subsidiary (continued)

The financial information of a subsidiary of the Group that has material non-controlling interests is as follows: (continued)

The summarised financial information before intra-group elimination of a subsidiary that has material non-controlling interests is as follows:

	Intelli Technologies Sdn. Bhd. RM'000
Summarised statement of financial position	
As at 30 April 2024	
Non-current assets	17
Current assets	145
Current liabilities	(163)
Net liabilities	<u>(1)</u>
Summarised statement of comprehensive income	
Financial year ended 30 April 2024	
Revenue	256
Loss for the financial year	(32)
Total comprehensive loss	<u>(32)</u>
Summarised cash flow information	
Financial year ended 30 April 2024	
Net cash flows from operating activities, representing net increase in cash and cash equivalents	<u>15</u>
Dividends paid to non-controlling interests	<u>-</u>

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**2. BASIS OF PREPARATION**

The combined financial statements of IAB consist of the financial statements of the following entities under common control which is accounted for using the merger method of accounting (collectively hereinafter referred to as the "Group") for each of the financial years:

Entities Under Common Control	FYE 30 April			
	2022	2023	2024	2025
Insights Analytics Berhad	*	*	*	√, ^, !
Exxor Technologies Sdn. Bhd.	√, @	√, ^	√, ^	√, ^
Intelli Technologies Sdn. Bhd.	&	&	√, #	√, #
Exxor Data Solutions Sdn. Bhd.	*, @	√, @, >	√, @	√, ^

- √ The combined financial statements of the Group include the financial statements of these combining entities prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") and/or the International Financial Reporting Standards ("IFRSs") for the respective financial years.
- ^ The combined financial statements of the Group for the respective financial years have been prepared based on the audited financial statements which were audited by Baker Tilly Monteiro Heng PLT.
- @ The combined financial statements of the Group for the respective financial years have been prepared based on the audited financial statements which were re-audited by Baker Tilly Monteiro Heng PLT for the purpose of inclusion into the combined financial statements of the Group. The audited financial statements which were lodged with Companies Commission of Malaysian were audited by a firm of chartered accountants other than Baker Tilly Monteiro Heng PLT.
- & The financial statements were not applicable for Intelli Technologies Sdn. Bhd. as it was acquired on 11 October 2023.
- # The combined financial statements of the Group for the respective financial years have been prepared based on the audited financial statements which were audited by a firm of chartered accountants other than Baker Tilly Monteiro Heng PLT.
- * No financial statements were available for Exxor Data Solutions Sdn. Bhd. as it was incorporated on 29 March 2022.
No financial statements were available for Insights Analytics Berhad. as it was incorporated on 27 August 2024.
- > The first set of audited financial statements covered the financial period from 29 March 2022 (date of incorporation) to 28 February 2023. Subsequently, Company changed its financial year end to 30 April 2024.
- ! The first set of audited financial statements covered the financial period from 27 August 2024 (date of incorporation) to 30 April 2025.

The audited financial statements of all the combining entities within the Group for the relevant years reported above were not subject to any qualification or modification.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)**

Combined financial statements of the Group for FYE 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025

The combined financial statements of the Group for the relevant periods were prepared in a manner as if the entities under common control were operating as a single economic enterprise from the beginning of the earliest comparative period covered by the relevant period or the dates of incorporation of entities within the Group, if later.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory ("commonly controlled entities"). Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the commonly controlled entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The financial information presented in the combined financial statements may not correspond to those in the combined financial statements of the Group had the relevant transactions to legally constitute a group been incorporated in the combined financial statements for the respective financial years. Such financial information in the combined financial statements does not purport to predict the financial position, results and the cash flows of the entities under common control for those financial years.

The combined financial statements are prepared under the historical cost convention except otherwise indicated in the material accounting policy information.

The accounting policies applied by the Group are consistently applied for all the financial years presented in these combined financial statements.

2.1 Statement of compliance

The combined financial statements of the Group have been prepared in accordance with the MFRSs and IFRSs.

2.2 Adoption of new MFRS and amendments to MFRSs

The Group has adopted the following applicable new MFRS and amendments to MFRSs for the current financial year:

New MFRS

MFRS 17 Insurance Contracts

Amendments to MFRSs

MFRS 101 Presentation of Financial Statements

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

MFRS 112 Income Taxes

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)****2.2 Adoption of new MFRS and amendments to MFRSs (continued)**

The adoption of the above new MFRS and amendments to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group's existing accounting policies, except as discussed below.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

Accordingly, the Group disclosed its material accounting policy information in these financial statements. However, the amendments did not result in changes to the accounting policies of the Group.

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective

- (a) The Group has not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective.

		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2024/ 1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statements of Cash Flows	1 January 2024/ 1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)****2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)**

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces *MFRS 101 Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity’s financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**2. BASIS OF PREPARATION (CONTINUED)****2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)**

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below. (continued)

Amendments to MFRS 16 Leases

The amendments clarify how an entity should subsequently measure the leaseback liability that arise in a sale and leaseback transaction. Although MFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place, it has not specified how to measure the sale and leaseback transaction when reporting after that date.

The amendments add subsequent measurement requirements for the right-of-use assets and lease liability arising from a sale and leaseback transaction by clarifying that a seller-lessee in a sale and leaseback transaction shall apply paragraphs 29 to 35 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 to the lease liability arising from the leaseback. The amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period ; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**2. BASIS OF PREPARATION (CONTINUED)****2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)**

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below. (continued)

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures

Amendments to MFRS 107 and MFRS 7 respond to investors' concerns that some supplier finance arrangements – also referred to as supply chain finance, trade payables finance or reverse factoring arrangements – used by entities are not sufficiently visible, hindering investors' analysis.

The disclosure requirements require entities to disclose information that would enable users of financial statements to assess how supplier finance arrangements affect an entity's operations; including the effects supplier finance arrangements have on an entity's liability, cash flows and exposures to liquidity risk. The new disclosure requirements would also inform users of financial statements on how an entity might be affected if the arrangements were no longer available to it.

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates

Amendments to MFRS 121 respond to stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies.

Applying the Amendments, entities will be applying a consistent approach in determining if a currency can be exchanged into another currency. These amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency and the disclosures entities need to provide to enable users of financial statements to understand the impact on the entities' financial performance, financial position and cash flows as a result of a currency being not exchangeable into another currency.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below. (continued)

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the classification and measurement requirements, including:

- clarify how the contractual cash flows on financial assets with environmental, social and corporate governance and similar features should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

- (c) The initial application of the above applicable new MFRS and amendments to MFRSs are not expected to have any material impact on the financial statements.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (the "functional currency"). The combined financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The combined financial statements of the Group have been prepared on the historical cost basis, except as otherwise disclosed.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**3. MATERIAL ACCOUNTING POLICY INFORMATION**

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group.

3.1 Basis of combination/consolidation**(a) Subsidiaries and business combination**

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to reorganisation reserve or merger deficit.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

(c) Associates

Investment in associates is accounted for in the combined financial statements of the Group using the equity method.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and an associate are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.3 Financial instruments****Financial assets - subsequent measurement and gains and losses**Debt instruments at amortised cost

The Group subsequently measures these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt instruments at fair value through other comprehensive income

The Group subsequently measures these assets at fair value. Interest income calculated under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Financial liabilities - subsequent measurement and gains and losses

The Group classifies the financial liabilities at amortised cost.

The Group subsequently measures other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.4 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

All property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Buildings	50
Motor vehicles	5
Signboard	6.67
Office equipment	6.67
Furniture and fittings	6.67
Computers	6.67
Renovations	5

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.5 Leases****Lessee accounting**

The Group presents right-of-use assets and lease liabilities as separate lines in the combined statements of financial position.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments, that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

3.6 Intangible assets

Intangible assets, other than goodwill and licenses, that are acquired by the Group and the Company, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortization methods used and estimated useful lives are as follows:

	Useful lives (years)
Software	10

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost includes the actual cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost of inventories is measured by using the weighted average cost basis.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.8 Contract assets/(liabilities)**

Contract assets are the right to consideration in exchange for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Group's future performance).

Contract liabilities are the obligation to transfer services to customers for which the Group has received the consideration or has billed the customers.

3.9 Revenue and other income**(a) Sale of goods and services**

Revenue from sale of goods and services are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods and services.

(b) Construction contracts

Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the works performed is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. The progress towards complete satisfaction of a performance obligation is determined by the proportion of costs incurred for work performed to date bear to the estimated total project costs (an input method).

Sales are made with a credit term of 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customers based on achieving a series of performance-related milestones.

The Group recognises a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

(c) Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of combined financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's combined financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's combined financial statements within the next financial year are disclosed as follows:

Construction revenue

The Group recognised construction revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of contract assets and contract liabilities are disclosed in Note 12.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Buildings RM'000	Motor vehicles RM'000	Signboard RM'000	Office equipment RM'000	Furniture and fittings RM'000	Computers RM'000	Renovations RM'000	Total RM'000
Cost									
At 1 May 2021		930	3,270	7	133	139	101	266	4,846
Additions		-	122	-	2	2	5	-	131
Written off		-	-	-	(16)	(4)	-	-	(20)
At 30 April 2022		930	3,392	7	119	137	106	266	4,957
Accumulated depreciation									
At 1 May 2021		93	1,085	3	76	84	36	244	1,621
Depreciation charge for the financial year	22	19	623	1	18	20	16	22	719
Written off		-	-	-	(16)	(4)	-	-	(20)
At 30 April 2022		112	1,708	4	78	100	52	266	2,320
Net carrying amount									
At 30 April 2022		818	1,684	3	41	37	54	-	2,637

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Buildings RM'000	Motor vehicles RM'000	Signboard RM'000	Office equipment RM'000	Furniture and fittings RM'000	Computers RM'000	Renovations RM'000	Total RM'000
Cost									
At 1 May 2022		930	3,392	7	119	137	106	266	4,957
Additions		-	-	-	7	6	13	-	26
Disposal		-	(38)	-	-	-	-	-	(38)
At 30 April 2023		930	3,354	7	126	143	119	266	4,945
Accumulated depreciation									
At 1 May 2022		112	1,708	4	78	100	52	266	2,320
Depreciation charge for the financial year	22	19	614	1	17	21	18	-	690
Disposal		-	(11)	-	-	-	-	-	(11)
At 30 April 2023		131	2,311	5	95	121	70	266	2,999
Net carrying amount									
At 30 April 2023		799	1,043	2	31	22	49	-	1,946

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Buildings RM'000	Motor vehicles RM'000	Signboard RM'000	Office equipment RM'000	Furniture and fittings RM'000	Computers RM'000	Renovations RM'000	Total RM'000
Cost									
At 1 May 2023		930	3,354	7	126	143	119	266	4,945
Acquisition of a subsidiary	1	-	-	3	6	14	-	-	23
Addition		-	-	-	-	-	5	-	5
Disposal		-	(62)	-	-	-	-	-	(62)
Written off		-	-	-	(25)	(4)	(18)	-	(47)
At 30 April 2024		930	3,292	10	107	153	106	266	4,864
Accumulated depreciation									
At 1 May 2023		131	2,311	5	95	121	70	266	2,999
Acquisition of a subsidiary	1	-	-	*	1	2	-	-	3
Depreciation charge for the financial year	22	19	459	1	13	16	16	-	524
Disposal		-	(62)	-	-	-	-	-	(62)
Written off		-	-	-	(25)	(4)	(13)	-	(42)
At 30 April 2024		150	2,708	6	84	135	73	266	3,422
Net carrying amount									
At 30 April 2024		780	584	4	23	18	33	-	1,442

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

	Note	Buildings RM'000	Motor vehicles RM'000	Signboard RM'000	Office equipment RM'000	Furniture and fittings RM'000	Computers RM'000	Renovations RM'000	Total RM'000
Cost									
At 1 May 2024		930	3,292	10	107	153	106	266	4,864
Addition		-	-	-	18	-	67	-	85
Written off		-	-	-	(2)	-	-	-	(2)
At 30 April 2025		930	3,292	10	123	153	173	266	4,947
Accumulated depreciation									
At 1 May 2024		150	2,708	6	84	135	73	266	3,422
Depreciation charge for the financial year	22	18	430	1	11	4	21	-	485
Written off		-	-	-	(2)	-	-	-	(2)
At 30 April 2025		168	3,138	7	93	139	94	266	3,905
Net carrying amount									
At 30 April 2025		762	154	3	30	14	79	-	1,042

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

Motor vehicles of the Group with carrying amount of RM153,065 (2024: RM543,350, 2023: RM972,259 and 2022: RM1,556,614) have been pledged as securities for hire purchase arrangements as disclosed in Note 15(b).

6. RIGHT-OF-USE ASSETS

Information about leases for which the Group is lessee is presented below:

	Note	Buildings RM'000
Cost		
At 1 May 2021		138
Additions		110
Derecognition due to end of lease term		(138)
At 30 April 2022		110
Derecognition due to lease termination		(57)
At 30 April 2023		53
Acquisition of a subsidiary	1	64
Additions		52
Derecognition due to end of lease term		(53)
At 30 April 2024		116
Derecognition due to end of lease term		(64)
At 30 April 2025		52
Accumulated depreciation		
At 1 May 2021		126
Depreciation charge for the financial year	22	51
Derecognition due to end of lease term		(138)
At 30 April 2022		39
Depreciation charge for the financial year	22	58
Derecognition due to lease termination		(46)
At 30 April 2023		51
Acquisition of a subsidiary	1	28
Depreciation charge for the financial year	22	37
Derecognition due to end of lease term		(53)
At 30 April 2024		63
Depreciation charge for the financial year	22	30
Derecognition due to end of lease term		(43)
At 30 April 2025		50

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

6. RIGHT-OF-USE ASSETS (CONTINUED)

Information about leases for which the Group is lessee is presented below (continued):

	Buildings RM'000
Carrying amount	
At 30 April 2022	71
At 30 April 2023	2
At 30 April 2024	53
At 30 April 2025	2

The Group leases buildings for their operation. The leases for buildings generally have lease terms of two (2) to three (3) years.

7. INTANGIBLE ASSET

	Note	Software RM'000
Cost		
At 1 May 2023		-
Acquisition of a subsidiary	1	61
At 30 April 2024		61
Additions		13,868
At 30 April 2025		13,929
Accumulated amortisation		
At 1 May 2023		-
Acquisition of a subsidiary	1	54
Amortisation charge for the financial year	22	7
At 30 April 2024		61
Amortisation charge for the financial year	22	693
		754
Carrying amount		
At 30 April 2024		-
At 30 April 2025		13,175

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

8. INVESTMENT IN AN ASSOCIATE

	----- As at 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Share at cost	-	-	-	432
Additional investment	-	-	432	-
	-	-	432	432
Share of post-acquisition reserves	-	-	*	(173)
	-	-	432	259

* Denotes <RM1,000

Details of the associate are as follows:

Name of company	Principal place of business/ country of incorporation	Ownership interest				Principal activities
		2022 %	2023 %	2024 %	2025 %	
Intelli Technology Joint Stock Company ^	Vietnam	-	-	25	25	Provision of software development and related services

^ Audited by auditors other than Baker Tilly Monteiro Heng PLT. The statutory financial year end of Intelli Technology Joint Stock Company was 31 December 2023 and 31 December 2024 which does not coincide with the financial year end of the Group. For the purpose of combination, the financial statements of Intelli Technology Joint Stock Company for the financial ended 31 December 2023 and 31 December 2024 have been used.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

8. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Summarised financial information of material associate

The following table illustrates the summarised financial information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in associate:

	Intelli Technology Joint Stock Company RM'000
30 April 2024	
Assets and liabilities:	
Non-current assets	66
Current assets	5,820
Current liabilities	(799)
Net assets	<u>5,087</u>
Results	
Profit from continuing operations	<u>1</u>
Total comprehensive income	<u>1</u>
Included in the total comprehensive income of the associate is:	
Revenue	<u>799</u>
Reconciliation of net assets to carrying amount:	
Cost of investments	432
Share of post acquisition loss	*
Carrying amount in the statements of financial position	<u>432</u>

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

8. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Summarised financial information of material associate (continued)

The following table illustrates the summarised financial information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in associate (continued):

	Intelli Technology Joint Stock Company RM'000
30 April 2025	
Assets and liabilities:	
Non-current assets	59
Current assets	5,243
Current liabilities	(799)
Net assets	<u>4,503</u>
Results	
Profit from continuing operations	(692)
Total comprehensive income	<u>(692)</u>
Included in the total comprehensive income of the associate is:	
Revenue	<u>1,434</u>
Reconciliation of net assets to carrying amount:	
Cost of investments	432
Share of post acquisition loss	(173)
Carrying amount in the statements of financial position	<u>259</u>

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

9. OTHER INVESTMENTS

	Note	As at 30 April			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Non-current:					
At cost:					
- Unquoted shares					
At beginning of the financial year		361	361	361	361
Voluntary winding-up		-	-	-	(361)
At end of the financial year		361	361	361	-
Accumulated impairment loss					
At beginning of the financial year		82	181	242	361
Impairment loss during the financial year	22	99	61	119	-
Reversal of impairment loss during the financial year	20	-	-	-	(361)
At end of the financial year		181	242	361	-
		180	119	-	-
Financial assets designated at fair value through other comprehensive income					
At fair value:					
- Unquoted equity security					
		*	*	-	-
		180	119	-	-
Current:					
Financial assets at fair value through profit or loss					
At fair value:					
- Short-term fund					
		1	-	-	-
		181	119	-	-

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

9. OTHER INVESTMENTS (CONTINUED)

Other investments in unquoted shares for financial years ended 30 April 2022, 30 April 2023 and 30 April 2024 represents investments in the below subsidiary at cost less accumulated impairment.

The Group holds non-controlling interests in unquoted equity security designated at fair value through other comprehensive income. The directors have assessed on the fair value of the Group's investment in unquoted shares, based on the available information and directors' best estimates, the fair value of unquoted shares is insignificant.

The financial position, financial performance and cash flows of the below company had been carved from the combined financial statements as the management had placed the company under Member's Voluntary Winding-up in Vietnam which had been completed on 18 June 2024.

Name of company	Principal place of business/ country of incorporation	Ownership interest				Principal activities
		2022	2023	2024	2025	
		%	%	%	%	
Bioion Vietnam Company Limited [^]	Vietnam	100	100	100	-	Exercise the right to export, import and wholesale distribution of goods

[^] Audited by auditors other than Baker Tilly Monteiro Heng PLT

10. INVENTORIES

	As at 30 April			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
At lower of cost and net realisable value:				
Finished goods	189	1,441	54	519
Inventories recognised as expenses	23,639	31,559	19,176	19,956

The cost of inventories of the Group recognised as an expense during the financial year in respect of expenses off of inventories was RM19,955,688 (2024: RM19,176,218, 2023: RM31,559,304 and 2022: RM23,638,801).

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**11. TRADE AND OTHER RECEIVABLES**

	Note	----- As at 30 April -----			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Trade	(a)				
- Third parties		9,883	17,885	26,262	35,286
- Retention sum		5,791	6,869	3,430	2,564
		<u>15,674</u>	<u>24,754</u>	<u>29,692</u>	<u>37,850</u>
Non-trade					
Other receivables		569	1,090	7	-
Deposits		664	31	500	24
Prepayments		-	-	-	1,328
Amount owing by related parties	(b)	2,115	2,065	-	-
Allowance for impairment	(c)	-	-	-	-
		<u>3,348</u>	<u>3,186</u>	<u>507</u>	<u>1,352</u>
Total trade and other receivables		<u>19,022</u>	<u>27,940</u>	<u>30,199</u>	<u>39,202</u>

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group is 30 days to 90 days (2024: 30 days to 90 days, 2023: 30 days to 90 days and 2022: 30 days to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

The retention sums are trade in nature, unsecured, interest-free and are expected to be collected within the period of normal operating cycle.

The information about the credit exposure are disclosed in Note 27(b)(i).

(b) Amounts owing by related parties

In the previous financial years, the amounts owing by related parties were non-trade in nature, unsecured, interest-free and repayable upon on demand in cash.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Other receivables

The reconciliation of movement in the accumulated impairment losses of other receivables is as follows:

	----- As at 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
At 1 May	-	-	-	-
Charge for the financial year	*	-	-	-
Reversal during the financial year	*	-	-	-
At 30 April	-	-	-	-

* Denotes <RM1,000

12. CONTRACT ASSETS/(LIABILITIES)

	----- As at 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Contract assets relating to construction service contracts	3,568	11,260	1,822	3,485
Contract assets relating to information technology service contracts	-	-	483	772
	<u>3,568</u>	<u>11,260</u>	<u>2,305</u>	<u>4,257</u>
Contract liabilities relating to construction service contracts	(171)	(53)	(416)	(327)

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

12. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

Significant changes in contract balances

	As at 30 April							
	2022		2023		2024		2025	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities	Contract assets	Contract liabilities	Contract assets	Contract liabilities
	Increase/ (decrease)	(Increase)/ decrease	Increase/ (decrease)	(Increase)/ decrease	Increase/ (decrease)	(Increase)/ decrease	Increase/ (decrease)	(Increase)/ decrease
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Increase due to revenue recognised for unbilled goods or services transferred to customers	1,140	-	9,123	-	2,300	-	4,257	-
Transfer from contract assets recognised at the beginning of the year to receivables	(4,121)	-	(1,431)	-	(11,255)	-	(2,305)	-
Revenue recognised that was included in contract liability at the beginning of the financial year	-	-	-	171	-	54	-	417
Increase due to consideration received from customers, but revenue not recognised	-	(171)	-	(54)	-	(417)	-	(327)

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****13. CASH AND SHORT-TERM DEPOSITS**

	----- As at 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Cash in hand	2	2	4	4
Cash at banks	1,332	753	5,464	9,370
Short-term deposits	374	1,305	391	401
	1,708	2,060	5,859	9,775

- (i) For the purpose of combined statements of cash flows, cash and cash equivalents comprise of the following:

	----- As at 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	1,334	755	5,468	9,374
Short-term deposits	374	1,305	391	401
	1,708	2,060	5,859	9,775
Less: Pledged deposits	(374)	(1,305)	(391)	(401)
Less: Bank overdrafts	-	(1,612)	(103)	-
	1,334	(857)	5,365	9,374

The short-term deposits placed with licensed banks are placements with periods of less than 3 months, interest bearing at rate of 2.40% (2024: 2.40%, 2023: 2.10% to 2.25% and 2022: 1.45%) per annum and mature within 3 months.

Included in the short-term deposits with a licensed bank of the Group is an amount of RM400,515 (2024: RM391,020, 2023: RM1,305,131 and 2022: RM374,326) pledged as security to secure credit facilities granted to the Group as disclosed in Note 15.

- (ii) During the financial years under review, the Group made the following cash payments to purchase property, plant and equipment.

	----- As at 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Purchase of property, plant and equipment	131	26	5	85
Less: Financed by way of finance lease arrangement	(119)	-	-	-
Cash payments on purchase of property, plant and equipment	12	26	5	85

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

13. CASH AND SHORT-TERM DEPOSITS (CONTINUED)

- (iii) During the financial years under review, the Group made the following cash payments to intangible assets.

		----- As at 30 April -----			
		2022	2023	2024	2025
Note		RM'000	RM'000	RM'000	RM'000
	Purchase of intangible assets	-	-	-	13,868
	Less: Installment arrangement	7	-	-	(11,487)
	Cash payments on purchase of intangible assets	-	-	-	2,381

- (iv) Reconciliation of changes in liabilities arising from financing liabilities are as follows:

	01.05.2021		<u>Non-cash</u>	30.04.2022
	Cash flows	Cash flows	Others	
	RM'000	RM'000	RM'000	RM'000
Term loans	1,249	(126)	-	1,123
Hire purchase payables	1,758	(400)	119	1,477
Lease liabilities	13	(50)	110	73
Amount owing (by)/to directors	(27)	-	30	3
	2,993	(576)	259	2,676

	01.05.2022		<u>Non-cash</u>	30.04.2023
	Cash flows	Cash flows	Others	
	RM'000	RM'000	RM'000	RM'000
Term loans	1,123	(113)	-	1,010
Hire purchase payables	1,477	(385)	-	1,092
Lease liabilities	73	(60)	(11)	2
Trade facilities	-	4,588	-	4,588
Amount owing to directors	3	47	-	50
	2,676	4,077	(11)	6,742

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**13. CASH AND SHORT-TERM DEPOSITS (CONTINUED)**

(iv) Reconciliation of changes in liabilities arising from financing liabilities are as follows (continued):

	01.05.2023		30.04.2024	
	Cash flows	Cash flows	Non-cash Others	
	RM'000	RM'000	RM'000	RM'000
Term loans	1,010	(112)	-	898
Hire purchase payables	1,092	(380)	-	712
Lease liabilities	2	(36)	90	56
Trade facilities	4,588	(4,588)	-	-
Amount owing to directors	50	89	-	139
	<u>6,742</u>	<u>(5,027)</u>	<u>90</u>	<u>1,805</u>

	01.05.2024		30.04.2025	
	Cash flows	Cash flows	Non-cash Others	
	RM'000	RM'000	RM'000	RM'000
Term loans	898	(116)	-	782
Hire purchase payables	712	(476)	-	236
Lease liabilities	56	(30)	(24)	2
Amount owing to directors	139	(139)	-	-
	<u>1,805</u>	<u>(761)</u>	<u>(24)</u>	<u>1,020</u>

(v) Total cash outflows for leases

During the financial year, the Group had total cash outflows for leases of RM81,459 (2024: RM117,859 2023: RM86,138 and 2022: RM131,725).

14. INVESTED EQUITY

For the purposes of these combined financial statements, the invested equity at the end of the respective financial years is the aggregate of the share capital of the combining entities constituting the Group.

The invested equity constitutes the share capital of Exxor Technologies Sdn. Bhd., Exxor Data Solutions Sdn. Bhd. and Intelli Technologies Sdn. Bhd..

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****15. LOANS AND BORROWINGS**

Note	----- As at 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Non-current:				
Secured				
Term loans	(a)			
- I	305	289	276	259
- II	305	288	276	259
- III	-	-	-	-
- IV	-	-	-	-
- V	172	164	94	52
- VI	157	146	83	46
- VII	72	63	53	43
	1,011	950	782	659
Hire purchase payables	(b)			
	1,168	728	351	125
	<u>2,179</u>	<u>1,678</u>	<u>1,133</u>	<u>784</u>
Current:				
Secured				
Term loans	(a)			
- I	19	19	16	17
- II	19	19	16	17
- III	*	-	-	-
- IV	*	-	-	-
- V	36	7	39	41
- VI	29	6	35	37
- VII	9	9	10	11
	112	60	116	123
Hire purchase payables	(b)			
	309	364	361	111
Trade facilities	(a)			
	-	4,588	-	-
Bank overdrafts	(a)			
	-	1,612	103	-
	<u>421</u>	<u>6,624</u>	<u>580</u>	<u>234</u>

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****15. LOANS AND BORROWINGS (CONTINUED)**

	Note	As at 30 April			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Total loans and borrowings:					
Term loans	(a)	1,123	1,010	898	782
Hire purchase payables	(b)	1,477	1,092	712	236
Trade facilities	(a)	-	4,588	-	-
Bank overdrafts	(a)	-	1,612	103	-
		<u>2,600</u>	<u>8,302</u>	<u>1,713</u>	<u>1,018</u>

* Denotes <RM1,000

(a) Term loans, trade facilities and bank overdrafts

Term loans, trade facilities and bank overdrafts of the Group are secured by the following:

- (i) Absolute assignment of life policy of certain directors of the Group;
- (ii) Personal guarantee by certain directors of the Group;
- (iii) Joint and several guarantee by directors of the Group;
- (iv) Deed of assignment of contract proceeds;
- (v) Pledge of first party fixed deposits receipt together with memorandum of legal charge over deposit and letter of set-off as disclosed in Note 13(i); and
- (vi) Legal assignment over the buildings of certain directors of the Group and their family members.

The interest rates of the loans and borrowings at the reporting date are as follows:

	As at 30 April			
	2022 % per annum	2023 % per annum	2024 % per annum	2025 % per annum
Term loans	3.60 - 5.57	4.60 - 6.57	4.36 - 6.76	4.37 - 6.76
Trade facilities	-	7.82	-	-
Bank overdrafts	-	<u>7.56 - 7.82</u>	<u>7.81 - 8.97</u>	-

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****15. LOANS AND BORROWINGS (CONTINUED)****(b) Hire purchase payables**

Hire purchase payables of the Group of RM236,351 (2024: RM711,635, 2023: RM1,092,507 and 2022: RM1,477,449) bears interest ranging from 2.13% to 3.58% (2024: 2.13% to 3.58%, 2023: 2.13% to 3.58% and 2022: 2.13% to 3.58%) per annum and are secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 5.

Future minimum lease payments together with the present value of the net minimum lease payments are as follows:

	----- As at 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Minimum lease payments:				
Not later than one year	370	405	384	147
Later than one year and not later than five years	1,214	763	364	129
Later than five years	38	-	-	-
	1,622	1,168	748	276
Less: Future interest charges	(145)	(76)	(36)	(40)
Present value of minimum lease payments	1,477	1,092	712	236
Present value of minimum lease payments:				
Not later than one year	309	364	361	111
Later than one year and not later than five years	1,131	728	351	125
Later than five years	37	-	-	-
	1,477	1,092	712	236
Less: Amount due within twelve months	(309)	(364)	(361)	(111)
Amount due after twelve months	1,168	728	351	125

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****16. LEASE LIABILITIES**

	----- As at 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Non-current:				
Lease liabilities	11	-	6	-
Current:				
Lease liabilities	62	2	50	2
Total lease liabilities:				
Lease liabilities	73	2	56	2

The effective interest rates implicit in the leases was ranges from 6.69% to 7.94% (2024: 6.69% to 7.94%. 2023: 6.69% and 2022: 6.69% to 7.44%).

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	----- As at 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Minimum lease payments:				
Not later than one year	65	2	52	2
Later than one year and not later than five years	11	-	6	-
	76	2	58	2
Less: Future interest charges	(3)	-	(2)	*
Present value of minimum lease payments	73	2	56	2
Present value of minimum lease payments:				
Not later than one year	62	2	50	2
Later than one year and not later than five years	11	-	6	-
	73	2	56	2
Less: Amount due within twelve months	(62)	(2)	(50)	(2)
Amount due after twelve months	11	-	6	-

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**17. TRADE AND OTHER PAYABLES**

	Note	As at 30 April			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Non current:					
Other payables	(a)	-	-	-	6,279
Current:					
Trade					
- Third parties	(b)	7,318	12,030	12,829	7,271
- Retention sum	(b)	2,337	2,023	1,858	1,235
- Trade accruals		4,263	5,735	458	2,667
		13,918	19,788	15,145	11,173
Non-trade					
Other payables	(a)	16	4	71	4,180
Accruals		14	626	465	289
Amount owing to directors	(c)	3	50	139	-
Withholding tax payables		-	-	*	2
Sales and service tax ("SST") payables		-	-	466	2,847
		33	680	1,141	7,318
Total current trade and other payables		13,951	20,468	16,286	18,491
Total non current and current trade payables and other payables		13,951	20,468	16,286	24,770

* Denotes <RM1,000

(a) Other payables

Included in other payables is an amount RM10,068,668 (2024, 2023 and 2022: RM Nil) owing in relation to the acquisition of intangible assets as disclosed in Note 13 (iii) and is repayable via monthly instalments of RM368,700 over 36 months commencing from 30 November 2024.

(b) Trade payables and retention sum

Trade payables are non-interest bearing and the normal credit terms granted to the Group ranging from 30 to 90 days (2024: 30 to 90 days, 2023: 30 to 90 days and 2022: 30 to 90 days). The retention sum is payable upon expiry of the defect liability period.

(c) Amounts owing to directors

Amounts owing to directors are non-trade in nature, unsecured, interest-free without fixed term of repayment.

For explanation on the Group's liquidity risk management processes, refer to Note 27(b)(ii).

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

18. DEFERRED TAX (ASSETS)/LIABILITIES

	As at 1 May 2021 RM'000	Recognised in profit or loss RM'000 (Note 24)	As at 30 April 2022 RM'000
Property, plant and equipment	18	74	92
	As at 1 May 2022 RM'000	Recognised in profit or loss RM'000 (Note 24)	As at 30 April 2023 RM'000
Property, plant and equipment	92	(52)	40
	As at 1 May 2023 RM'000	Recognised in profit or loss RM'000 (Note 24)	As at 30 April 2024 RM'000
Right-of-use assets	-	*	*
Contract liabilities	-	(100)	(100)
	-	(100)	(100)
Property, plant and equipment	40	(24)	16
	40	(124)	(84)

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

18. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)

	As at 1 May 2024 RM'000	Recognised in profit or loss RM'000 (Note 24)	As at 30 April 2025 RM'000
Right-of-use assets	*	*	-
Lease liabilities	-	*	*
Contract liabilities	(100)	21	(79)
	<u>(100)</u>	<u>21</u>	<u>(79)</u>
Property, plant and equipment	16	364	380
Right-of-use assets	-	*	*
	<u>16</u>	<u>365</u>	<u>380</u>
	<u>(84)</u>	<u>385</u>	<u>301</u>

----- As at 30 April -----			
2022	2023	2024	2025
RM'000	RM'000	RM'000	RM'000

**Presented after appropriate offsetting
as follows:**

Deferred tax assets	-	-	(100)	(79)
Deferred tax liabilities	92	40	16	380
	<u>92</u>	<u>40</u>	<u>(84)</u>	<u>301</u>

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****19. REVENUE**

	----- FYE 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers:				
Over time:				
Construction contracts	-	11,701	-	5,830
Services rendered	28,303	28,151	30,596	42,990
	<u>28,303</u>	<u>39,852</u>	<u>30,596</u>	<u>48,820</u>
Revenue from other sources:				
At a point in time:				
Sale of goods and services rendered	814	765	1,354	819
	<u>29,117</u>	<u>40,617</u>	<u>31,950</u>	<u>49,639</u>

20. OTHER INCOME

	----- FYE 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Gain on bargain purchase	-	-	4	-
Interests income	10	18	23	1,455
Rental income	21	-	-	-
Gain on lease termination	-	*	-	3
Gain on disposal of property, plant and equipment	-	-	1	-
Government grant	41	-	-	-
Net unrealised gain on foreign exchange	-	-	*	1
Others	3	3	5	9
	<u>75</u>	<u>21</u>	<u>33</u>	<u>1,468</u>

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**21. FINANCE COSTS**

	----- FYE 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Interest expenses on:				
- Term loans	41	45	46	41
- Lease liabilities	4	3	4	1
- Hire purchase payables	56	54	54	63
- Trade facilities	-	77	43	-
- Bank overdrafts	1	36	39	-
- Effect of unwinding of interest from discounting of other payable	-	-	-	427
	102	215	186	532

22. PROFIT BEFORE TAX

Other than disclosed elsewhere in the combined financial statements, the following items have been charged/(credited) in arriving at profit before tax:

	Note	----- FYE 30 April -----			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Auditors' remuneration - statutory audit:					
- Baker Tilly Monteiro Heng PLT					
- Current year		-	80	80	93
- Other auditors					*
- Current year		14	1	4	3
- Prior year		(1)	-	-	-
Depreciation of property, plant and equipment	5	719	690	524	485
Depreciation of right-of-use assets	6	51	58	37	30
Amortisation of intangible asset	7	-	-	7	693
Property, plant and equipment written off		-	-	5	-
Loss on disposal of property, plant and equipment		-	12	-	-
Loss on disposal of other investments		-	-	*	-
Bad debt written off		-	53	-	-

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****22. PROFIT BEFORE TAX (CONTINUED)**

Other than disclosed elsewhere in the combined financial statements, the following items have been charged/(credited) in arriving at profit before tax (continued):

	Note	----- FYE 30 April -----			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Impairment loss on investment in a subsidiary	9	99	61	119	-
Impairment loss on other receivables		*	-	-	-
Expenses relating to short-term leases and low value assets		78	25	78	50
Employee benefits expense	23	1,511	1,649	1,935	2,550
Net realised loss on foreign exchange		-	-	17	15
Listing expenses		-	100	-	696
Incorporation expenses		3	-	-	5

23. EMPLOYEE BENEFITS EXPENSE

	----- FYE 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Salaries and other staff benefits	1,324	1,445	1,701	2,134
Defined contribution plans	170	184	213	241
Other staff related expenses	17	20	21	175
	<u>1,511</u>	<u>1,649</u>	<u>1,935</u>	<u>2,550</u>

Included in the employee benefits expenses are:

Directors of the Group:

- Salaries, bonuses and allowances	358	367	539	445
- Defined contribution plans	44	45	65	67
- Other related expenses	2	3	3	97
	<u>404</u>	<u>415</u>	<u>607</u>	<u>609</u>

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****24. INCOME TAX EXPENSE**

The major components of income tax expense for the financial years ended 30 April 2022, 30 April 2023 30 April 2024 and 30 April 2025 are as follows:

	----- FYE 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Statements of comprehensive income				
Current income tax:				
- Current income tax charge	929	1,640	2,600	6,200
- Adjustment in respect of prior financial years	33	(105)	313	73
	962	1,535	2,913	6,273
Deferred tax: (Note 18)				
- Origination/(Reversal) of temporary differences	74	(13)	(116)	410
- Adjustment in respect of prior financial years	-	(39)	(8)	(25)
	74	(52)	(124)	385
Income tax expense recognised in profit or loss	1,036	1,483	2,789	6,658

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2024: 24%, 2023: 24% and 2022: 24%) of the estimated assessable profit for the financial years. The Group being a Malaysian resident with paid-up capital of RM2.5 million or less ("SME") and having gross income from source or sources consisting of a business of not more than RM50 million is qualified for the preferential tax rates under Paragraph 2A, Schedule 1 of the Income Tax Act, 1967 as follows:

On the first RM150,000 of chargeable income: 15% (2024: 15%, 2023: 17% and 2022: 17%)
 On the next RM150,001 to RM600,000 of chargeable income: 17% (2024: 17%, 2023: 17% and 2022: 17%)
 On excess of RM600,000 of chargeable income: 24% (2024: 24%, 2023: 24% and 2022: 24%)

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****24. INCOME TAX EXPENSE (CONTINUED)**

The reconciliations from the tax amount at the statutory income tax rate to the Group's tax expenses are as follows:

	----- FYE 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Profit before tax	3,368	6,271	9,688	25,636
Tax at Malaysian statutory income tax rate of 24%	808	1,505	2,325	6,153
Adjustments:				
SME tax savings	(42)	(42)	(45)	(45)
Non-deductible expenses	237	164	204	502
Adjustment in respect of current income tax of prior years	33	(105)	313	73
Adjustment in respect of deferred tax of prior years	-	(39)	(8)	(25)
Income tax expense	1,036	1,483	2,789	6,658

25. EARNINGS PER SHARE**Basic earnings per ordinary share**

Basic earnings per ordinary share are based on the profit for the financial years attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial years, calculated as follows:

	----- FYE 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Group (RM'000)	2,332	4,788	6,919	18,996
Weighted average number of ordinary shares for basic earnings per share ('000)	1,000	1,000	1,000	1,000
Basic earnings per ordinary share (sen)	233.20	478.80	691.90	1,899.60

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****25. EARNINGS PER SHARE (CONTINUED)****Diluted earnings per share**

The diluted earnings per ordinary share is not applicable as the Company does not have potential dilutive equity instrument in issue as at the end of the each of the financial years that have dilutive effect to the basic earnings per ordinary share.

26. DIVIDENDS

	----- FYE 30 April -----			
	2022	2023	2024	2025
Recognised during the financial year:	RM'000	RM'000	RM'000	RM'000
Dividends on ordinary shares:				
- Single-tier interim dividend for the financial year ended 30 April 2024: RM2.6273 per ordinary share, paid on 28 December 2023	-	-	2,627	-

27. FINANCIAL INSTRUMENTS**(a) Categories of financial instruments**

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned at:

- (i) Amortised cost
- (ii) Fair value through profit or loss
- (iii) Fair value through other comprehensive income

	Carrying amounts	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income
	RM'000	RM'000	RM'000	RM'000
At 30 April 2022				
Financial assets				
Other investments	181	180	1	*
Trade and other receivables	19,022	19,022	-	-
Cash and short-term deposits	1,708	1,708	-	-
	<u>20,911</u>	<u>20,910</u>	<u>1</u>	<u>*</u>

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)
INSIGHTS ANALYTICS BERHAD
 Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)
27. FINANCIAL INSTRUMENTS (CONTINUED)
(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned at (continued) :

- (i) Amortised cost (continued)
- (ii) Fair value through profit or loss (continued)
- (iii) Fair value through other comprehensive income (continued)

	Carrying amounts RM'000	Amortised cost RM'000	Fair value through profit or loss RM'000	Fair value through other comprehensive income RM'000
At 30 April 2022				
Financial liabilities				
Loans and borrowings	(2,600)	(2,600)	-	-
Lease liabilities	(73)	(73)	-	-
Trade and other payables	(13,951)	(13,951)	-	-
	<u>(16,624)</u>	<u>(16,624)</u>	<u>-</u>	<u>-</u>
At 30 April 2023				
Financial assets				
Other investments	119	119	-	*
Trade and other receivables	27,940	27,940	-	-
Cash and short-term deposits	2,060	2,060	-	-
	<u>30,119</u>	<u>30,119</u>	<u>-</u>	<u>*</u>
Financial liabilities				
Loans and borrowings	(8,302)	(8,302)	-	-
Lease liabilities	(2)	(2)	-	-
Trade and other payables	(20,468)	(20,468)	-	-
	<u>(28,772)</u>	<u>(28,772)</u>	<u>-</u>	<u>-</u>

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned at (continued) :

- (i) Amortised cost (continued)
- (ii) Fair value through profit or loss (continued)
- (iii) Fair value through other comprehensive income (continued)

	Carrying amounts RM'000	Amortised cost RM'000	Fair value through profit or loss RM'000	Fair value through other comprehensive income RM'000
At 30 April 2024				
Financial assets				
Trade and other receivables	30,199	30,199	-	-
Cash and short-term deposits	5,859	5,859	-	-
	<u>36,058</u>	<u>36,058</u>	<u>-</u>	<u>-</u>
Financial liabilities				
Loans and borrowings	(1,713)	(1,713)	-	-
Lease liabilities	(56)	(56)	-	-
Trade and other payables, less withholding tax and SST payables	(15,820)	(15,820)	-	-
	<u>(17,589)</u>	<u>(17,589)</u>	<u>-</u>	<u>-</u>
At 30 April 2025				
Financial assets				
Trade and other receivables less prepayments	37,874	37,874	-	-
Cash and short-term deposits	9,775	9,775	-	-
	<u>47,649</u>	<u>47,649</u>	<u>-</u>	<u>-</u>
Financial liabilities				
Loans and borrowings	(1,018)	(1,018)	-	-
Lease liabilities	(2)	(2)	-	-
Trade and other payables, less withholding tax and SST payables	(21,923)	(21,923)	-	-
	<u>(22,943)</u>	<u>(22,943)</u>	<u>-</u>	<u>-</u>

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**27. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)**

The Group's activities are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's overall financial risk management objective is to optimise value for its shareholders. The Group does not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management.

(i) Credit risk

Credit risk is the risk of financial loss to the Group that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk arises primarily from trade and other receivables. The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

The Group considers a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group in full, without taking into account any credit enhancements held by the Group; or
- the contractual payment of the financial asset is more than 30 to 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is 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 source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**27. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Trade receivables and contract assets**

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the combined statements of financial position.

The carrying amounts of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

At the end of the reporting period, the Group has a significant concentration of credit risk in the form of three (3) (2024: three (3), 2023: two (2) and 2022: two (2)) trade receivables, representing approximately 94% (2024: 94%, 2023: 94% and 2022: 85%) of the Group's total trade receivables.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit losses provision for all trade receivables. To measure the impairment losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward-looking information. Forward-looking information considered includes consideration of various external sources of actual and forecast economic information that related to the Group's core operations.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows:

	Contract assets RM'000	Trade receivables					Total RM'000
		Current RM'000	1 to 30 days past due RM'000	> 30 days past due RM'000	> 60 days past due RM'000	> 90 days past due RM'000	
At 30 April 2022							
Gross carrying amount at default	3,568	15,617	2	1	6	48	15,674
Impairment losses	-	-	-	-	-	-	-
Net balance	3,568	15,617	2	1	6	48	15,674
At 30 April 2023							
Gross carrying amount at default	11,260	24,713	6	6	4	25	24,754
Impairment losses	-	-	-	-	-	-	-
Net balance	11,260	24,713	6	6	4	25	24,754

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows: (continued)

	Contract assets RM'000	Current RM'000	Trade receivables				Total RM'000
			1 to 30 days past due RM'000	> 30 days past due RM'000	> 60 days past due RM'000	> 90 days past due RM'000	
At 30 April 2024							
Gross carrying amount at default	2,305	27,429	500	1,763	-	-	29,692
Impairment losses	-	-	-	-	-	-	-
Net balance	2,305	27,429	500	1,763	-	-	29,692
At 30 April 2025							
Gross carrying amount at default	4,257	31,110	1,838	2,385	2,517	-	37,850
Impairment losses	-	-	-	-	-	-	-
Net balance	4,257	31,110	1,838	2,385	2,517	-	37,850

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****27. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Other receivables and other financial assets**

For other receivables and other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than credit terms in making a contractual payment.

As at the end of the reporting date, the Group considers the other receivables and other financial assets as low risk and any loss allowance would be negligible.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****27. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(ii) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations when they fall due. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities between financial assets and liabilities. The Group's exposure to liquidity risk arises principally from trade and other payables and loans and borrowings.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group maintains sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group uses a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's finance department also ensures that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

Maturity analysis

The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	----- Contractual cash flows -----				Total RM'000
	Carrying amount RM'000	On demand or within one year RM'000	Between one to five years RM'000	More than five years RM'000	
At 30 April 2022					
Trade and other payables	13,951	13,951	-	-	13,951
Term loans	1,123	158	684	603	1,445
Hire purchase payables	1,477	370	1,214	38	1,622
Lease liabilities	73	65	11	-	76
	<u>16,624</u>	<u>14,544</u>	<u>1,909</u>	<u>641</u>	<u>17,094</u>

13. ACCOUNTANTS' REPORT (Cont'd)
INSIGHTS ANALYTICS BERHAD
 Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)
27. FINANCIAL INSTRUMENTS (CONTINUED)
(b) Financial risk management (continued)
(ii) Liquidity risk (continued)
Maturity analysis (continued)

The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows: (continued)

	Carrying amount RM'000	Contractual cash flows			Total RM'000
		On demand or within one year RM'000	Between one to five years RM'000	More than five years RM'000	
At 30 April 2023					
Trade and other payables	20,468	20,468	-	-	20,468
Term loans	1,010	157	659	524	1,340
Hire purchase payables	1,092	405	763	-	1,168
Lease liabilities	2	2	-	-	2
Trade facilities	4,588	4,588	-	-	4,588
Bank overdrafts	1,612	1,612	-	-	1,612
	<u>28,772</u>	<u>27,232</u>	<u>1,422</u>	<u>524</u>	<u>29,178</u>
At 30 April 2024					
Trade and other payables, less withholding tax and SST payables	15,820	15,820	-	-	15,820
Term loans	898	157	483	492	1,132
Hire purchase payables	712	384	364	-	748
Lease liabilities	56	52	6	-	58
Bank overdrafts	103	103	-	-	103
	<u>17,589</u>	<u>16,516</u>	<u>853</u>	<u>492</u>	<u>17,861</u>
At 30 April 2025					
Trade and other payables, less withholding tax and SST payables	21,923	21,923	-	-	21,923
Term loans	782	157	385	433	975
Hire purchase payables	236	147	129	-	276
Lease liabilities	2	2	-	-	2
	<u>22,943</u>	<u>22,229</u>	<u>514</u>	<u>433</u>	<u>23,176</u>

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales, purchases and bank balances that are denominated in a foreign currency).

The Group's unhedged financial assets of the Group that are not denominated in their functional currencies are as follows:

	As at 30 April			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Financial assets not held in functional currencies				
<u>Trade receivables</u>				
United States Dollar ("USD")	-	-	95	-
<u>Cash and bank balances</u>				
USD	-	-	470	-

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly to USD.

The following table demonstrates the sensitivity to a reasonably possible change in the USD, with all other variables held constant on the Group's total equity and profit for the financial years.

	Carrying amount RM'000	Changes in rate	Effect on (loss)/profit for the financial year/equity RM'000
30 April 2024			
USD	565	+ 10%	43
		- 10%	(43)

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****27. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(iv) Interest rate risk**

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its loans and borrowings with floating interest rates.

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial years.

	Carrying amount RM'000	Change in basis point	Effect on profit for the financial year/equity RM'000
30 April 2022			
Term loans	1,123	+ 100	(9)
		- 100	9
30 April 2023			
Term loans	1,010	+ 100	(8)
		- 100	8
Trade facilities	4,588	+ 100	(35)
		- 100	35
Bank overdrafts	1,612	+ 100	(12)
		- 100	12
30 April 2024			
Term loans	898	+ 100	(7)
		- 100	7
Bank overdrafts	103	+ 100	(1)
		- 100	1
30 April 2025			
Term loans	782	+ 100	(6)
		- 100	6

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement

The carrying amounts of cash and cash equivalents, receivables and payables and short-term borrowings are reasonably approximate to their fair value due to relatively short-term nature of these financial instruments.

The carrying amounts of long-term floating rate term loans is reasonable approximation of fair values as the loans will be re-priced to market interest rate on or near reporting date.

There have been no transfers between Level 1 and Level 2 during the financial year (2024: no transfer in either directions, 2023: no transfer in either directions and 2022: no transfer in either directions).

The following table provides the fair value measurement hierarchy of the Group's financial instruments:

	Carrying amount RM'000	Fair value of financial instruments not carried at fair value			Total RM'000
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
30 April 2022					
Financial asset					
Other investment	362	1	-	*	1
Financial liability					
Hire purchase payables	1,477	-	-	1,528	1,528
30 April 2023					
Financial asset					
Other investment	*	-	-	*	*
Financial liability					
Hire purchase payables	1,092	-	-	1,111	1,111
30 April 2024					
Financial liability					
Hire purchase payables	712	-	-	690	690
30 April 2025					
Financial liability					
Other payables	10,069	-	-	10,069	10,069
Hire purchase payables	236	-	-	690	690

* Denotes <RM1,000

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****28. RELATED PARTIES****(a) Identity of related parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entity.

Related parties of the Group include:

- (i) Subsidiary;
- (ii) Persons connected to a director;
- (iii) Entity in which directors have substantial financial interests; and
- (iv) Key management personnel of the Group, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	----- FYE 30 April -----			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Sales of goods and rendering of services				
Persons connected to a director	381	934	607	2,981
Purchase of property, plant and equipment				
Entity in which director has substantial financial interests	-	5	-	-
Purchase of goods and services				
Entities in which directors have substantial financial interests	497	286	216	29
Persons connected to a director	25	6	-	-
Rental expenses				
Persons connected to a director	28	28	28	27

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

28. RELATED PARTIES (CONTINUED)

(b) Significant related party transactions (continued)

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows: (continued)

	----- FYE 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Advances from				
Directors	-	-	116	-
Advances to				
Entity in which director has substantial financial interests	10	6	-	-
Repayment by				
Entity in which director has substantial financial interests	-	5	-	-
Director	20	-	-	-
Repayment to				
Directors	-	151	177	229
Payment on behalf by				
Directors	3	197	147	93
Payment on behalf to				
Entity in which director has substantial financial interests	27	2	-	-

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 11 and 17.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**28. RELATED PARTIES (CONTINUED)****(c) Compensation of key management personnel**

	----- FYE 30 April -----			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Salaries, allowances and bonuses	358	367	539	445
Defined contribution plans	44	45	65	67
Other emoluments	2	3	3	97
	<u>404</u>	<u>415</u>	<u>607</u>	<u>609</u>

29. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholder value.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during financial years ended 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025.

The Group monitors capital using gearing ratio, which is total debts divided by total equity of the Group. The gearing ratio as at 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025 are as follows:

	Note	----- As at 30 April -----			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Loans and borrowings	15	2,600	8,302	1,713	1,018
Total debts		<u>2,600</u>	<u>8,302</u>	<u>1,713</u>	<u>1,018</u>
Equity attributable to owners of the Company					
Total equity		<u>10,861</u>	<u>15,649</u>	<u>19,941</u>	<u>38,937</u>
Gearing ratio (times)		<u>0.239</u>	<u>0.531</u>	<u>0.086</u>	<u>0.026</u>

There were no changes in the Group's approach to capital management during the financial years under review.

The Group is not subject to externally imposed capital requirements.

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by Directors for the purpose of making decisions about resource allocation and performance assessment.

The 2 reportable segments are as follows:

Segments	Products and services
Water technology solutions	End to end solution from design, supply, installation and implementation of system solutions for water management. This includes designing the system solution, sourcing and supplying the IoT devices, instruments and software systems required, as well as installing, integrating, testing and commissioning the system solutions.
Intelligent asset management solutions	Intelligent asset management solutions which enable predictive analytics, automated reporting, and proactive alerts.

There is no inter-segment pricing.

Factors used to identify reportable segments

The group is organised into business units based on its business segment purposes.

Segment profit

Segment performance is used to measure performance as Directors believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the combined financial statements.

Segment assets

The total of segment asset is measured based on all of a segment, as included in the internal reports that are reviewed by the Directors.

Segment liabilities

Segment liabilities are not included in the internal reports that are reviewed by the Directors, hence no disclosures are made on segment liabilities.

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****30. SEGMENT INFORMATION (CONTINUED)**

	Water technology solutions RM'000	Intelligent asset management solutions RM'000	Total RM'000
30 April 2022			
Revenue:			
Revenue from external customers	29,117	-	29,117
Segment profit	5,478	-	5,478
Other income			75
Unallocated expenses			(2,083)
Finance costs			(102)
Income tax expense			(1,036)
Profit for the financial year			2,332
Results:			
Included in the measure of segment profit are:			
Depreciation of property, plant and equipment			719
Employee benefits expense			1,511

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****30. SEGMENT INFORMATION (CONTINUED)**

	Water technology solutions RM'000	Intelligent asset management solutions RM'000	Total RM'000
30 April 2023			
Revenue:			
Revenue from external customers	40,617	-	40,617
Segment profit	9,058	-	9,058
Other income			21
Unallocated expenses			(2,593)
Finance costs			(215)
Income tax expense			(1,483)
Profit for the financial year			<u>4,788</u>
Results:			
Included in the measure of segment profit are:			
Depreciation of property, plant and equipment			690
Employee benefits expense			<u>1,649</u>

13. ACCOUNTANTS' REPORT (Cont'd)

INSIGHTS ANALYTICS BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

	Water technology solutions RM'000	Intelligent asset management solutions RM'000	Total RM'000
30 April 2024			
Revenue:			
Revenue from external customers	21,744	10,206	31,950
Segment profit	5,626	7,148	12,774
Other income			33
Unallocated expenses			(2,933)
Finance costs			(186)
Income tax expense			(2,789)
Profit for the financial year			6,899
Results:			
Included in the measure of segment profit are:			
Depreciation of property, plant and equipment			524
Employee benefits expense			1,935

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****30. SEGMENT INFORMATION (CONTINUED)**

	Water technology solutions RM'000	Intelligent asset management solutions RM'000	Total RM'000
30 April 2025			
Revenue:			
Revenue from external customers	15,709	33,930	49,639
Segment profit	3,544	26,139	29,683
Other income			1,468
Unallocated expenses			(4,810)
Finance costs			(532)
Income tax expense			(6,658)
Share of results of an associate, net of tax			(173)
Profit for the financial year			18,978
Results:			
Included in the measure of segment profit are:			
Depreciation of property, plant and equipment			485
Employee benefits expense			2,550

13. ACCOUNTANTS' REPORT (Cont'd)**INSIGHTS ANALYTICS BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****30. SEGMENT INFORMATION (CONTINUED)**Geographical Information

Revenue and non-current assets information based on geographical location of customers are as follows:

	Revenue RM'000	Non-current assets RM'000
30 April 2022		
Malaysia	29,113	2,888
Vietnam	4	-
	<hr/> 29,117	<hr/> 2,888
	Revenue RM'000	Non-current assets RM'000
30 April 2023		
Malaysia	40,617	2,067
	<hr/> 40,617	<hr/> 2,067
	Revenue RM'000	Non-current assets RM'000
30 April 2024		
Malaysia	31,378	2,011
Cambodia	572	-
	<hr/> 31,950	<hr/> 2,011
	Revenue RM'000	Non-current assets RM'000
30 April 2025		
Malaysia	49,639	14,478
	<hr/> 49,639	<hr/> 14,478

Information about major customers

Revenue from top five (5) (30.04.2022: five (5) , 30.04.2023: five (5) and 30.04.2024: five (5)) customers represented approximately RM 17.64 million (30.04.2022: RM27.62 million, 30.04.2023: RM38.28 million and 30.04.2024: RM24.69 million) of the Group's total revenue.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION



17 September 2025

The Board of Directors
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Dear Sirs,

INSIGHTS ANALYTICS BERHAD ("IAB" or the "Company")

REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 APRIL 2025 INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of the pro forma combined statements of financial position of IAB and the combining entities, namely Exxor Technologies Sdn. Bhd., Intelli Technologies Sdn. Bhd. and Exxor Data Solutions Sdn Bhd. (collectively referred to as the "Group") for which the Board of Directors of IAB are solely responsible. The pro forma combined statements of financial position consist of the pro forma combined statements of financial position as at 30 April 2025 together with the accompanying notes thereon, as set out in the accompanying statements, for which we have stamped for the purpose of identification. The applicable criteria on the basis of which the Board of Directors of IAB have compiled the pro forma combined statements of financial position are as described in Note 2 to the pro forma combined statements of financial position and in accordance with the requirements of Chapter 9 of the *Prospectus Guidelines* issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Applicable Criteria").

The pro forma combined statements of financial position of the Group has been compiled by the Board of Directors of IAB, for illustrative purposes only, for inclusion in the prospectus of IAB ("Prospectus") in conjunction with the listing and quotation of the entire enlarged issued share capital of IAB on the ACE Market of Bursa Malaysia Securities Berhad comprising the Public Issue and the Offer for Sale ("IPO"), after making certain assumptions and such adjustments to show the effects on the pro forma combined financial position of the Group as at 30 April 2025 adjusted for the transactions as described in Note 2.2, Acquisitions, Public Issue, Offer for Sale and utilisation of proceeds as described in Notes 1.2.1, 1.2.2, 1.2.3 and 3.2.1 respectively.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)



INSIGHTS ANALYTICS BERHAD

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 April 2025 Included in a Prospectus

As part of this process, information about the Group's pro forma combined financial position has been extracted by the Board of Directors of IAB from the accountants' report of the Group for the financial years ended ("FYEs") 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025, which were reported by us to the Board of Directors of IAB on 17 September 2025 without any modifications.

Directors' Responsibility for the Pro Forma Combined Statements of Financial Position

The Board of Directors of IAB are responsible for compiling the pro forma combined statements of financial position based on the Applicable Criteria.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *By-Laws (on Professional Ethics, Conduct and Practice)* issued by the Malaysian Institutes of Accountants and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies *International Standard on Quality Management 1 (ISQM 1), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* issued by the international Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants 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.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, on whether the pro forma combined statements of financial position has been compiled, in all material respects, by the Board of Directors of IAB based on the Applicable Criteria.

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 plan and perform procedures to obtain reasonable assurance about whether the Board of Directors of IAB have compiled, in all material respects, the pro forma combined statements of financial position based on the Applicable Criteria.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)



INSIGHTS ANALYTICS BERHAD

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 April 2025 Included in a Prospectus

Reporting Accountants' Responsibilities (Continued)

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical 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 impact of significant events or transactions on the unadjusted financial information of the Group as if the events had occurred or the transaction had been undertaken at an earlier date selected for illustrative purposes only. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

A reasonable assurance engagement to report on whether the pro forma combined statements of financial position has been compiled, in all material respects, based on the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Board of Directors of IAB in the compilation of the pro forma combined statements of financial position of the Group provide a reasonable basis for presenting the significant effects directly attributable to the Listing and the acquisition of the combining entities as described in Note 1.2 to the pro forma combined statements of financial position, and to obtain sufficient appropriate evidence about whether:

- (a) The related pro forma adjustments give appropriate effect to those criteria; and
- (b) The pro forma financial information 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 events or transactions in respect of which the pro forma combined statements of financial position has 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.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)



INSIGHTS ANALYTICS BERHAD

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 April 2025 Included in a Prospectus

Our opinion

In our opinion the pro forma combined statements of financial position of the Group has been compiled, in all material respects, on the basis as described in the notes thereon on the pro forma combined statements of financial position and in accordance with the requirements of the Applicable Criteria.

Other matter

This report has been prepared for inclusion in the Prospectus of IAB in connection with the IPO. As such, this report should not be used, circulated, quoted or otherwise referred to in any document or used for any other purpose without our prior written consent. 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,

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Paul Tan Hong".

Paul Tan Hong
No. 03459/11/2025 J
Chartered Accountant

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

INSIGHTS ANALYTICS BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

1. INTRODUCTION

The pro forma combined statements of financial position of Insights Analytics Berhad (“IAB” or the “Company”) and its combining entities, namely Exxor Technologies Sdn. Bhd. (“Exxor Technologies”), Intelli Technologies Sdn. Bhd. (“Intelli Technologies”), and Exxor Data Solutions Sdn. Bhd. (“Exxor Data Solutions”) (hereinafter collectively referred to as the “Group”) has been compiled by the Board of Directors of IAB, for illustrative purposes only, for inclusion in the prospectus of IAB in connection with the listing and quotation of the entire enlarged issued share capital of RM63,122,495 comprising 550,000,000 ordinary shares in IAB (“IAB Share(s)” or “Share(s)”) on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing”).

1.1 In conjunction with the admission of IAB Shares to the Official List of the ACE Market of Bursa Securities and the Listing, IAB had undertaken the following transactions:

1.2 Listing Scheme

1.2.1 Acquisitions

(a) Acquisitions of Exxor Technologies and Exxor Data Solutions

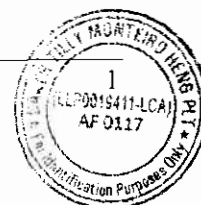
On 26 December 2024, IAB had entered into a conditional share sale agreement for the:

- (i) acquisition of the entire issued share capital of Exxor Technologies of RM1,000,000 comprising 1,000,000 ordinary shares from the shareholders of Exxor Technologies for a total purchase consideration of RM19,562,395 to be satisfied entirely via the allotment and issuance of 428,999,900 new IAB Shares at an issue price of RM0.0456 per IAB Share.

The purchase consideration of RM19,562,395 was arrived at after taking into consideration of the audited net assets (“NA”) of Exxor Technologies and its subsidiaries as at 30 April 2024; and

- (ii) acquisition of the entire issued share capital of Exxor Data Solutions of RM100 comprising 100 ordinary shares from the shareholders of Exxor Data Solutions for a total purchase consideration of RM1,000.

The purchase consideration of RM1,000 was arrived at after taking into consideration of the audited net liabilities of Exxor Data Solutions as at 30 April 2024. The purchase consideration of Exxor Data Solutions is RM1,000 as the company is inactive.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

INSIGHTS ANALYTICS BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

1. (Continued)

1.2 (Continued)

1.2.2 Public Issue

The Public Issue of 121,000,000 new IAB Shares at the issue price of RM0.36 per Share ("IPO Price"), representing 22.0% of the enlarged share capital of IAB, will be allocated in the following manner:

- (i) 27,500,000 new Issue Shares to be issued under the Public Issue ("Issue Share(s)"), representing 5.0% of enlarged share capital, will be offered to the Bumiputera Malaysian Public and the Malaysian Public by way of public balloting;
- (ii) 11,000,000 Issue Shares, representing approximately 2.0% of enlarged share capital, will be made available for application by the eligible Directors and eligible employees and persons who have contributed to the Group;
- (iii) 41,250,000 Issue Shares, representing 7.5% of enlarged share capital, will be made available by way of private placement for Ministry of Investment, Trade and Industry ("MITI") approved Bumiputera investors; and
- (iv) 41,250,000 Issue Shares, representing 7.5% of enlarged share capital, will be offered by way of private placement to selected investors.

(Collectively hereinafter referred to as "Public Issue").

1.2.3 Offer for Sale

A total of 27,500,000 existing IAB Shares, representing 5.0% of enlarged share capital is offered under Offer for Sale by way of private placement at the issue price of RM0.36 per Share to MITI approved Bumiputera investors.

1.2.4 Listing

Upon completion of the IPO, IAB's entire enlarged issued share capital of approximately RM63,122,495 comprising 550,000,000 IAB Shares will be listed on the ACE Market of Bursa Securities.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

INSIGHTS ANALYTICS BERHAD

2. BASIS OF PREPARATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

- 2.1 The pro forma combined statements of financial position have been prepared to illustrate the pro forma combined financial position of the Group as at 30 April 2025, adjusted for the transactions as described in Note 2.2, Acquisitions, Public Issue, Offer for Sale and utilisation of proceeds as described in Notes 1.2.1, 1.2.2, 1.2.3 and 3.2.1 respectively.
- 2.2 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 ("FYE") 30 April 2025.
- 2.3 The audited combined financial statements of the Group for the FYE 30 April 2025 were reported by the auditors to the members without any modifications.
- 2.4 The pro forma combined statements of financial position of the Group have been prepared for illustrative purposes only and, such information may not, because of its nature, give a true picture of the actual financial position and the results of the Group and does not purport to predict the future financial position and results of the Group.
- 2.5 The pro forma combined statements of financial position of the Group have been properly prepared on the basis set out in the accompanying notes to the pro forma combined statements of financial position based on the audited combined financial statements of the Group for FYE 30 April 2025, which have been prepared in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)**INSIGHTS ANALYTICS BERHAD****3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP**

- 3.1 The pro forma combined statements of financial position of the Group as set out below, for which the directors of IAB are solely responsible, have been prepared for illustrative purposes only, to show the effects on the audited combined statement of financial position of IAB as at 30 April 2025, had the transactions as described in Note 2.2, 1.2.1, 1.2.2, 1.2.3 and utilisation of proceeds as described in Note 3.2.1 been effected on that date, and should be read in conjunction with the notes accompanying thereto.

	Combined Statements of Financial Position as at 30 April 2025 [#] RM'000	Pro Forma I After the Acquisitions RM'000	Pro Forma II After the Public Issue RM'000	Pro Forma III After Pro Forma I and the Utilisation of Proceeds RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	1,042	1,042	1,042	1,042
Right-of-use assets	2	2	2	2
Intangible assets	13,175	13,175	13,175	13,175
Investment in an associate	259	259	259	259
Total non-current assets	14,478	14,478	14,478	14,478
Current assets				
Inventories	519	519	519	519
Trade and other receivables	39,202	39,202	39,202	39,202
Contract assets	4,257	4,257	4,257	4,257
Cash and short-term deposits	9,775	9,774	53,334	49,221
Current tax assets	20	20	20	20
Total current assets	53,773	53,772	97,332	93,219
TOTAL ASSETS	68,251	68,250	111,810	107,697

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)**INSIGHT'S ANALYTICS BERHAD****3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)**

3.1 (Continued)

	Combined Statements of Financial Position as at 30 April 2025 [#] RM'000	Pro Forma I After the Acquisitions RM'000	Pro Forma II After the Public Issue RM'000	Pro Forma III After Pro Forma I and the Utilisation of Proceeds RM'000
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	-	19,562	63,122	61,058
Invested equity	1,000	-	-	-
Reorganisation reserve	-	(18,563)	(18,563)	(18,563)
Retained earnings	37,937	37,937	37,937	35,888
	<u>38,937</u>	<u>38,936</u>	<u>82,496</u>	<u>78,383</u>
Non-controlling interests	(34)	(34)	(34)	(34)
TOTAL EQUITY	<u>38,903</u>	<u>38,902</u>	<u>82,462</u>	<u>78,349</u>
Non-current liabilities				
Loans and borrowings	784	784	784	784
Lease liabilities	-	-	-	-
Other payables	6,279	6,279	6,279	6,279
Deferred tax liabilities	301	301	301	301
Total non-current liabilities	<u>7,364</u>	<u>7,364</u>	<u>7,364</u>	<u>7,364</u>
Current liabilities				
Loans and borrowings	234	234	234	234
Lease liabilities	2	2	2	2
Trade and other payables	18,491	18,491	18,491	18,491
Contract liabilities	328	328	328	328
Current tax liabilities	2,929	2,929	2,929	2,929
Total current liabilities	<u>21,984</u>	<u>21,984</u>	<u>21,984</u>	<u>21,984</u>
TOTAL LIABILITIES	<u>29,348</u>	<u>29,348</u>	<u>29,348</u>	<u>29,348</u>
TOTAL EQUITY AND LIABILITIES	<u>68,251</u>	<u>68,250</u>	<u>111,810</u>	<u>107,697</u>



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)
INSIGHTS ANALYTICS BERHAD
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)
3.1 (Continued)

	Combined Statements of Financial Position as at 30 April 2025 [#]	Pro Forma I After the Acquisitions	Pro Forma II After the Public Issue	Pro Forma III After Pro Forma I and the Utilisation of Proceeds
Number of ordinary shares assumed to be in issue ('000)	1,000 [@]	429,000	550,000	550,000
Net assets ("NA") [^] (RM'000)	38,937	38,936	82,496	78,383
NA per ordinary share (RM)	38.94	0.09	0.15	0.14
Interest-bearing borrowings (RM'000)	1,018	1,018	1,018	1,018
Gearing (times)	0.03	0.03	0.01	0.01
[^] attributable to owners of the Company				

Note:

[#] Extracted from Group's Accountants' Report for the FYEs 30 April 2022, 30 April 2023, 30 April 2024 and 30 April 2025

[@] Representing invested equity of the Company as at FYE 30 April 2025

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

INSIGHTS ANALYTICS BERHAD

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 Notes to the pro forma combined statements of financial position are as follows:

3.2.1 The proceeds from the Public Issue would be used in the following manner:

Purposes	RM'000	%	Estimated timeframe for utilisation from proposed listing date
Business expansion ⁽¹⁾			
- Expansion of corporate office in Sarawak with a mini data centre	4,400	10.1%	Within 18 months
- Expansion of IT operations	1,860	4.3%	Within 24 months
- Expansion of West Malaysia branch office	1,212	2.8%	Within 24 months
General working capital	22,181	50.9%	Within 24 months
Strategic investments, mergers and acquisitions opportunities	9,000	20.7%	Within 24 months
Estimated Listing expenses ⁽²⁾	4,907	11.2%	Immediately
	<u>43,560</u>	<u>100.0%</u>	

Notes:

(1) As at 8 September 2025, being the latest practicable date for this letter, the Group has yet to enter into any contractual binding agreement or issue any purchase order in relation to the expansion of corporate office in Sarawak with a mini data centre, expansion of IT operations and expansion of West Malaysia branch office. Accordingly, the utilisation of proceeds earmarked for the expansion of corporate office in Sarawak with a mini data centre, expansion of IT operations and expansion of West Malaysia branch office are not reflected in the pro forma combined statements of financial position.

(2) The estimated listing expenses totaling RM4.91 million to be borne by the Company comprise of, among others, underwriting, placement and brokerage fees, professional fees as well as other miscellaneous expenses.

As at 30 April 2025, out of the RM4.91 million relating to the listing exercise earmarked for listing expenses, RM0.80 million has been incurred and charged to the Retained Earnings Account.

Out of RM4.11 million, being the remaining estimated listing expenses to be incurred, RM2.05 million will be charged to Retained Earnings Account and the remaining RM2.06 million will be capitalised in Share Capital Account as these are directly attributable expenses relating to the new issuance of Shares

Pro Forma Combined Statements of Financial Position



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

INSIGHTS ANALYTICS BERHAD

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.2 The pro forma combined statements of financial position should be read in conjunction with the notes below:

(a) **Pro Forma I**

Pro Forma I incorporates the Proposed Acquisitions as described in Note 1.2.1 on the pro forma combined statements of financial position of the Group as at 30 April 2025.

Acquisition of Exxor Technologies

The reorganisation reserve arising from the Acquisition of Exxor Technologies are as below:

	RM'000
Purchase consideration	19,562
Less: Share capital of the proposed subsidiaries	(1,000)
Reorganisation reserve	<u>18,562</u>

Acquisition of Exxor Data Solutions

The reorganisation reserve arising from the Acquisition of Exxor Data Solutions are as below:

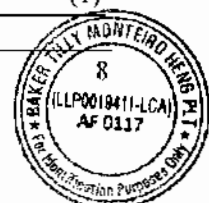
	RM'000
Purchase consideration	1
Less: Share capital of the proposed subsidiaries	*
Reorganisation reserve	<u>1</u>

* *Less than RM1,000*

The Proposed Acquisitions will have the following impact on the audited combined statements of financial position of the Group as at 30 April 2025:

	Increase/(Decrease)	
	Effects on Total Assets	Effects on Total Equity
	RM'000	RM'000
Share capital	-	19,562
Cash and short-term deposits	(1)	-
Invested equity	-	(1,000)
Reorganisation reserve	-	(18,563)
	<u>(1)</u>	<u>(1)</u>

Pro Forma Combined Statements of Financial Position



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

INSIGHTS ANALYTICS BERHAD

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.2 (Continued)

(b) Pro Forma II

Pro Forma II incorporates the cumulative effects of Pro Forma I and the Public Issue as described in Notes 1.2.2.

The Public Issue will have the following impact on the pro forma combined statements of financial position of the Group as at 30 April 2025:

	Increase	
	Effects on	Effects on
	Total Assets	Total Equity
	RM'000	RM'000
Cash and short-term deposits	43,560	-
Share capital	-	43,560
	43,560	43,560

(c) Pro Forma III

Pro Forma III incorporates the cumulative effects of Pro Forma II and the utilisation of proceeds from the Public Issue of RM43.56 million and after netting off RM4.91 million of estimated listing expenses.

The remaining proceeds expected from the Public Issue of RM38.65 million will be used in the manner as described in Note 3.2.1.

The proceeds arising from the Public Issue earmarked for the expansion of corporate office in Sarawak with a mini data centre, expansion of IT operations, expansion of West Malaysia branch office and Group's working capital purposes of RM38.65 million will be included in the Cash and Bank Balances Account.

As at 30 April 2025, out of the RM4.91 million for listing expenses, RM0.80 million has been incurred and charged to the Retained Earnings Account.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

INSIGHTS ANALYTICS BERHAD

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

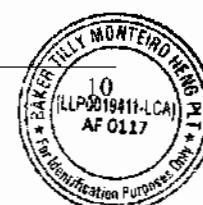
3.2.2 (Continued)

(d) Pro Forma III (continued)

As for the remaining estimated listing expenses of RM4.11 million, RM2.05 million will be charged to Retained Earnings Account and the remaining RM2.06 million will be capitalised in Share Capital Account as these are directly attributable expenses relating to the new issuance of shares.

The utilisation of proceeds will have the following impact on the pro forma combined statements of financial position of the Group as at 30 April 2025:

	Decrease	
	Effects on Total Assets RM'000	Effects on Total Equity RM'000
Share capital	-	2,064
Retained earnings	-	2,049
Cash and short-term deposits	4,113	-
	<u>4,113</u>	<u>4,113</u>



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)**INSIGHTS ANALYTICS BERHAD****3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)****3.2 (Continued)****3.2.3 Movements in share capital and reserves are as follows:**

	Share capital RM'000	Invested equity RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	Total RM'000
Combined statements of financial position of IAB as at 30 April 2025	-	1,000	-	37,937	38,937
Arising from the Acquisitions	19,562	(1,000)	(18,563)	-	(1)
As per Pro Forma I	19,562	-	(18,563)	37,937	38,936
Arising from the Public Issue	43,560	-	-	-	43,560
As per Pro Forma II	63,122	-	(18,563)	37,937	82,496
Arising from the defrayment of estimated listing expenses	(2,064)	-	-	(2,049)	(4,113)
As per Pro Forma III	61,058	-	(18,563)	35,888	78,383

3.2.4 Movements in cash and short-term deposits are as follows:

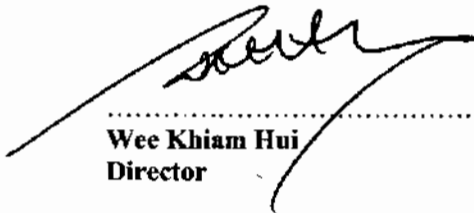
	RM'000
Combined statements of financial position of IAB as at 30 April 2025	9,775
Arising from Subsequent Events	-
Combined statements of financial position of IAB Arising from the Acquisitions	9,775 (1)
As per Pro Forma I	9,774
Arising from the Public Issue	43,560
As per Pro Forma II	53,334
Arising from the defrayment of estimated listing expenses	(4,113)
As per Pro Forma III	49,221

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

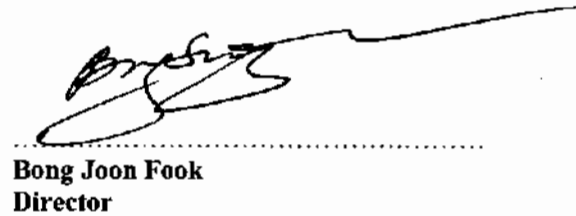
INSIGHTS ANALYTICS BERHAD

APPROVAL BY BOARD OF DIRECTORS

Approved and adopted on behalf of the Board of Directors of Insights Analytics Berhad in accordance with a resolution dated **17 SEP 2025**



.....
Wee Khiam Hui
Director



.....
Bong Joon Fook
Director



15. STATUTORY AND OTHER INFORMATION

15.1 SHARE CAPITAL

- (a) As at the date of this Prospectus, we only have one class of shares, namely, ordinary shares, all of which rank equally with one another.
- (b) Save for the Pink Form Allocations as disclosed in Section 4.3.3,
- (i) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any share of our Company or our subsidiaries; and
- (ii) there is no scheme involving the employees of our Group in the shares of our Company or our subsidiaries.
- (c) Save for the new Shares issued to the subscribers shareholder pursuant to the Acquisitions as disclosed in Section 6.2 and to be issued for the Public Issue as disclosed in Section 4.3.1, no shares of our Company have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise, within the past 2 years immediately preceding the date of this Prospectus.
- (d) Other than our Public Issue as disclosed in Section 4.3.1, there is no intention on the part of our Directors to further issue any Shares on the basis of this Prospectus.
- (e) As at the date of this Prospectus, we do not have any outstanding convertible debt securities.

15.2 SHARE CAPITAL OF OUR SUBSIDIARIES AND ASSOCIATED COMPANY

Details of our share capital are set out in Section 6.1. Details of the share capital of our subsidiaries and associated company are set out below.

15.2.1 Subsidiaries

(a) Exxor Technologies

Exxor Technologies' share capital as at LPD is RM1,000,000 comprising 1,000,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital RM
22 May 2003	2	RM 2 / Subscribers' shares	2
5 December 2003	19,998	RM19,998 / Cash	20,000
29 September 2011	80,000	RM80,000 / Cash	100,000
3 May 2016	150,000	RM150,000 / Cash	250,000
16 January 2017	750,000	RM750,000 / Cash	1,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Exxor Technologies. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

(b) Exxor Data Solutions

Exxor Data Solutions' share capital as at LPD is RM100 comprising 100 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			RM
29 March 2022	100	RM100 / Subscribers' shares	100

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Exxor Data Solutions. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(c) Intelli Technologies

Intelli Technologies' share capital as at LPD is RM100 comprising 100 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			RM
8 April 2019	100	RM100 / Subscribers' shares	100

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Intelli Technologies. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.2 Associated company

(a) Intelli Technology Vietnam

Intelli Technology Vietnam's share capital as at LPD is ⁽¹⁾VND9,000,000,000 comprising 900,000 ordinary shares. The share capital since incorporation is as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			VND
20 June 2019	900,000	⁽¹⁾ VND9,000,000,000 / Subscribers' shares	⁽¹⁾ 9,000,000,000

Note:

⁽¹⁾ Equivalent to RM1,440,000 based on BNM's exchange rate of VND100: RM0.0160 as at LPD.

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Intelli Technology Vietnam. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15. STATUTORY AND OTHER INFORMATION (*Cont'd*)

15.3 CONSTITUTION

The following provisions are extracted from our Constitution. Terms defined in our Constitution shall have the same meanings when used here unless they are otherwise defined here or the context otherwise requires.

15.3.1 Changes in share capital and variation of class rights

The provisions in our Constitution dealing with changes in share capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Clause 7.2 – Issue 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 the Constitution, the applicable laws, the Act and the provisions of any resolution of the Company, Shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such Shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of Shares shall comply with the following conditions: -

- (a) 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 meeting of members;
- (b) in the case of Shares of a class, other than ordinary shares, no special rights shall be attached until the same have been expressed in the Constitution and in the resolution creating the same;
- (c) every issue of Shares or options to employees and/or Directors shall be approved by the members in meeting of members and such approval shall specifically detail the amount of Shares or options to be issued to such employees and/or Directors; and only Directors holding office in an executive capacity shall participate in such an issue of Shares or options provided always that a Director not holding office in an executive capacity may so participate in an issue of Shares pursuant to public offer or a public issue;
- (d) except in the case of an issue of securities on a pro rata basis to members or pursuant to a back-to-back placement or dividend reinvestment scheme undertaken in compliance with the Listing Requirements, a Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive of the Company shall not participate, directly or indirectly, in an issue of ordinary Shares or other securities with rights of conversion to ordinary Shares unless the members in meeting of members have approved the specific allotment to be made to the Director major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive and the Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive has abstained from voting on the relevant resolution;

In this Clause, "Major Shareholder", "Chief Executive" and "Person connected to any Director, major shareholder or Chief Executive" shall have the same meaning described thereto in the Listing Requirements.

15. STATUTORY AND OTHER INFORMATION (*Cont'd*)

Clause 15.1 – Company may alter its capital in certain ways

Subject to the applicable laws, the Company may from time to time by ordinary resolution:-

- (a) consolidate and divide all or any of its share capital into Shares of larger amount than its existing shares;
- (b) subdivide its share capital or any part thereof into shares of smaller amount than is fixed by the Constitution by subdivision of its existing shares or any of them, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one (1) or more of such shares may, by the resolution by which such subdivision is effected, be given any preference or advantage as regards dividends, return of capital, voting or otherwise over the others or any other of such shares;
- (c) 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;
- (d) convert all or any of its issued Shares into stock and reconvert that stock into paid up Shares; and
- (e) subject to the provisions of the Constitution and the Act, convert and/or re-classify any class of Shares into any other class of Shares.

Clause 15.2 – 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 applicable laws.

Clause 16.1 – Increase of share capital

The Company may from time to time, whether all the Shares for the time being issued shall have been fully called up or not, by ordinary resolution 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 (subject to any special rights for the time being attached to any existing class of shares) to carry such preferential, deferred or other special rights (if any) or to be subject to such conditions or restrictions (if any), in regard to dividend, return of capital, voting or otherwise, as the Company by the resolution authorising such increase may direct.

Clause 16.3 – Reservation of right to issue further

If the Company at any time issues preference capital, it shall indicate at the same time whether it reserves the right to issue further preference capital ranking equally with or in priority to preference shares already issued.

Clause 16.6 – Issue of new Shares to existing members

Subject to any direction to the contrary that may be given by the Company in meeting of members, all new Shares or other convertible securities shall, before issue, be offered to such persons who as at the date of the offer, are entitled to receive notices from the Company of meetings of members, in proportion, as nearly as 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 such time,

15. STATUTORY AND OTHER INFORMATION (Cont'd)

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, subject to the Constitution, dispose of those Shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new Shares or securities which (by reason of the ratio which the new Shares or securities bear to 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 the Constitution.

Clause 17 – Variation on rights

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 the consent in writing of the holders of seventy-five per centum (75%) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate meeting the provisions of the Constitution relating to meeting of members shall mutatis mutandis apply so that the necessary quorum shall be two (2) persons holding at least or represented by proxy holding at least one-third (1/3) of the issued Shares of the class and that any holder of Shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

15.3.2 Borrowing and voting power of the Directors

The provisions in our Constitution dealing with voting and borrowing powers of our Directors including voting powers in relation to proposals, arrangements or contract in which they are interested in are as follows:

Clause 20.1 – Chairman’s casting vote

In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote in addition to the votes to which he may be entitled as a member.

Clause 23.2 – Directors’ borrowing powers

- (a) Subject to applicable laws, the Directors may from time to time at their discretion raise or borrow such sums of money as they think proper and may secure the repayment of such sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture stock or any mortgage or guarantee, charge or security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being and 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 any subsidiary, associated or other companies or persons. Provided that the Directors shall not issue any debt securities convertible to ordinary shares without the prior approval of the Company in meeting of members.
- (b) Any debentures, debenture stock, bonds or other securities may be issued with any special privileges as to redemption, surrender, drawings, allotment of Shares, attending and voting at meeting of members of the Company, appointment of Directors and otherwise.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (c) If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company in its ordinary course of business, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.
- (d) The Directors shall cause a proper register to be kept in accordance with Section 362 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of Section 352 of the Act as regards the registration of mortgages and charges therein specified or otherwise.

Clause 23.11 – Declaration of interest by a Director

A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Act. Subject always to the Act and/or Listing Requirements, a Director shall not vote in respect of any contract or proposed contract or arrangement in which he is directly or indirectly interested. The Directors will not be considered as interested in the following circumstances:-

- (a) any arrangement for giving to him any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company; or
- (b) 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 he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
- (c) any contract by him to subscribe for or underwrite share; or debentures of the Company; or
- (d) any contract or arrangement with any other company in which he is interested only as a director or other officer or creditor of or as a shareholder in or beneficially interested in the Shares of the Company.

Clause 24.8 – Chairman's casting vote

In case of an equality of votes, the chairman shall have a second or casting vote provided always that the chairman of a meeting at which only two (2) Directors form a quorum or at which only two (2) Directors are competent to vote on the questions at issue, the chairman of the meeting shall not have a second or casting vote.

15.3.3 Remuneration of Directors

The provisions in our Constitution dealing with remuneration of Directors are as follows:

Clause 21.3 – Alternate Directors

Any Director may from time to time appoint any person to act as his alternate provided that:

- (a) such person is not a Director of the Company;
- (b) such person does not act as an alternate for more than one (1) Director of the Company;

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (c) the appointment of such person to be an alternate Director of the Company is approved by a majority of the other Directors; and
- (d) any fee paid by the Company to the alternate Director shall be deducted from his appointor's remuneration.

Any appointment so made may be revoked at any time by the appointer or by a majority of the Directors. All appointments and removals of alternate Directors made by any Director in pursuance of the provisions of the Constitution shall be in writing under the hand of the Director making the same and left at the registered office of the Company ("**Office**").

An alternate Director shall be entitled to receive notices of and attend all meetings of the Directors, and to vote as a Director at any such meeting at which the Director appointing him is not present, and generally in the absence of his appointer to perform all the functions of his appointer as a Director. An alternate Director may be removed from Office by resolution of the Board, and shall ipso facto cease to be an alternate Director if his appointer ceases for any reason to be a Director or becomes bankrupt or unsound mind or on the happening of any event which render him legally disqualified from acting as a Director.

The nomination of an alternate Director may be made in writing and sent by hand, post, facsimile or in any other form or manner, electronic or otherwise, as approved by the Directors, provided that such nomination shall be confirmed within three (3) months from the date of such notice by a written nomination complying with the above mentioned requirements, and any act done by the alternate Director nominated in such notice between the date thereof and the date of the receipt within the prescribed period by the Company of the written nomination shall be as valid and effectual as if such alternate Director had been duly appointed in the fit instance, whether such written nomination shall be received by the Company within the prescribed period or not.

Clause 21.4 – Remuneration

The Directors shall be paid by way of remuneration for their services such fixed sum as shall from time to time be determined by the Company in meeting of members, and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS that:-

- (a) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover and which shall not exceed the amount approved by the shareholders in general meeting;
- (b) remuneration and other emoluments (including bonus, benefits or any other emoluments) payable to executive Directors may not include a commission on or percentage of turnover;
- (c) fees payable to Directors and any benefits payable to Directors shall be subject to annual approval by an ordinary resolution at a meeting of members;
- (d) 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; and

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (e) the fees and/or benefits payable to non-executive Directors who is also Director of the subsidiary(ies) includes fees, meeting allowances, travelling allowances, benefits, gratuity and compensation for loss of employment of Director or former Director of the Company provided by the Company and subsidiary(ies), but does not include insurance premium or any issue of securities.

Clause 21.5 – Reimbursement

In addition to the remuneration provided under Clause 21.4, each Director shall be paid such reasonable travelling, hotel and other expenses as he shall incur in attending and returning from meetings of the Directors or any committee of the Directors or meeting of members or which they may otherwise incur in connection with the business of the Company.

Clause 23.4 – Director’s pensions

The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director or former Director who has held any other salaried office or place of profit with the Company or to his widow or dependents or relations or connections and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

15.3.4 Transfer of Securities

The provisions in our Constitution dealing with transfer of shares as follows:

Clause 11.1 – Transfer in writing and to be left at the Office

For the purpose of registration of a transfer of Shares that are not deposited securities, every instrument of transfer which is executed in accordance with the applicable laws, shall be left at the Office, where a share certificate has been issued for the Share to be transferred, the certificate of the Shares and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the Shares, and thereupon the Company shall subject to the powers vested in the Directors by the Constitution register the transferee as the member within thirty (30) days from receipt of such duly executed and stamped instrument of transfer.

Clause 11.2 – Transfer of securities

The transfer of any deposited security shall be by way of book entry by the Bursa Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 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 deposited security.

Clause 11.5 – Directors may refuse registration of transfer

Subject to the provisions of the Act, the SICDA, the Listing Requirements and the Depository Rules, the Directors may, in their discretion and without assigning any reason therefor, refuse to register, the transfer of any Share, not being a fully paid share, and whether or not the Company claims lien on the same.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

Clause 11.6 – Closing of registration of transfers

The registration of transfers may be closed at such times and for such periods as the Directors may from time to time determine but not exceeding in the whole thirty (30) days in any calendar year. In relation to the closure, the Company shall give written notice in accordance with the Depository Rules to issue the relevant appropriate record of depositors.

The Company shall before close such register:

- (a) give notice of such intended book closure (in the case of the register) in accordance with Section 55 of the Act; and
- (b) give notice of such intended closure to the Bursa Securities for such period as prescribed by the Bursa Securities or the applicable laws before the intended date of such closure including in such notice, such date, the reason for such closure and the address of the share registry at which documents will be accepted for registration.

15.4 REPATRIATION OF CAPITAL AND REMITTANCE OF PROFITS

The relevant policies on foreign investments, taxation and foreign exchange controls in Vietnam in relation to the distribution of dividends, repatriation of capital and remittance of profits by or to our Group are set out below:

(a) Exchange controls

Under Vietnamese laws, there is no significant restriction on the management of repatriation of investment capital and remittance of profits of foreign indirect investment. In cases where foreign investors need to transfer capital, profits, or other lawful income from indirect investment activities abroad, they are allowed to use Vietnamese Dong in their indirect investment capital account to purchase foreign currency at licensed credit institutions and remit it abroad.

(b) Dividend distribution

Profits of foreign investors remitted from Vietnam shall be lawful profits shared determined based on the net profit realised and the dividend payment paid from the company's retained earnings. A joint stock company may only pay dividends on common shares when all of the following conditions are met:

- (i) The company has fulfilled its tax obligations and other financial obligations as prescribed by law;
- (ii) The company has set aside funds and compensated for previous losses as prescribed by law and the company's charter; and
- (iii) Immediately after paying all dividends, the company still ensures full payment of debts and other property obligations due.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

(c) Withholding tax

There are no withholding taxes imposed on repatriation of profits.

The transfer of any capital, profits and other legal sources of income from indirect investment activities abroad must be conducted via an "indirect investment capital account" opened at an authorised credit institution in Vietnam.

15.5 GENERAL INFORMATION

- (a) Save for the dividends paid to our shareholders in FYE 2022 to 2025 and up to LPD and remuneration of our Directors and key senior management as disclosed in Sections 12.15, 5.2.4 and 5.3.5 respectively, no other amount or benefit has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be paid or given, to any of our Promoters, Directors or substantial shareholders.
- (b) Save as disclosed in Section 10.1, none of our Directors or substantial shareholders have any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.
- (c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the summarised procedures for application of our Shares are set out in Section 16.
- (d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

15.6 CONSENTS

- (a) The written consents of our Adviser, Sponsor, Underwriter, Placement Agent, Solicitors, Share Registrar, Company Secretaries and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn;
- (b) The written consents of our Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and report relating to the pro forma consolidated financial information in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn; and
- (c) The written consent of our IMR to the inclusion in this Prospectus of its name and the IMR Report, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not been subsequently withdrawn.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

15.7 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company during normal business hours for a period of 6 months from the date of this Prospectus:

- (a) Constitution;
- (b) Audited financial statements of our Company since date of incorporation up to 30 April 2025;
- (c) Audited financial statements of Exxor Technologies and Intelli Technologies for FYE 2022 to 2025;
- (d) Audited financial statements of Exxor Data Solutions for the financial period since the date of incorporation (i.e. 29 March 2022) up to 28 February 2023, financial period from 1 March 2023 to 30 April 2024 (due to change in financial year end) and FYE 2025;
- (e) Accountants' Report as set out in Section 13;
- (f) Reporting Accountants' Report relating to our pro forma combined statements of financial position as set out in Section 14;
- (g) IMR Report as set out in Section 8;
- (h) Material contracts as set out in Section 6.5; and
- (i) Letters of consent as set out in Section 15.6.

15.8 RESPONSIBILITY STATEMENTS

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

M&A Securities 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.

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16. 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 PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 7 OCTOBER 2025

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 13 OCTOBER 2025

In the event there is any change to the timeline, 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.

16.2 METHODS OF APPLICATIONS

16.2.1 Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application Method
Applications by our eligible Directors, employees and persons who have contributed to the success of our Group	Pink Application Form only

Applications by the Malaysian Public:

(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.2.2 Placement

Types of Application

Applications by selected investors

Applications by Bumiputera investors approved by MITI

Selected investors, Bumiputera investors approved by MITI and Eligible Persons may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

Application Method

The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

16.3 ELIGIBILITY

16.3.1 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 the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic 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** 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 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.

16.3.2 Application by Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (a) You must be one of the following:
 - (i) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or
 - (ii) 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

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (b) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (c) You must submit Applications by using only one of the following methods:
 - (i) White Application Form; or
 - (ii) Electronic Share Application; or
 - (iii) Internet Share Application.

16.3.3 Application by eligible Directors, employees and persons who have contributed to the success of our Group

The eligible Directors, employees and persons (including any entities, wherever established) who have contributed to the success of our Group 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. Applicants must follow the notes and instructions on the said documents and where relevant, in this Prospectus.

16.4 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 our 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 RM0.36 for each IPO Share.

Payment must be made out in favour of "**TIIH SHARE ISSUE ACCOUNT NO. 811**" and crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (a) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (b) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

So as to arrive not later than 5.00 p.m. on 13 October 2025 or by such other time and date specified in any change to the date or time for closing.

We, together with the 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 the Issuing House.

16.5 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.

16.6 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, Malayan Banking Berhad, Public Bank Berhad, RHB Bank Berhad, CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.), Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Moomoo Securities Malaysia Sdn Bhd and UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd). A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

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.

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

- (a) reject Applications which:
- (i) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (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 16.9 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 the 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.

16.8 OVER/UNDER SUBSCRIPTION

In the event of over-subscription, the 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 shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at <https://srmy.vistra.com> within one Market Day after the balloting date.

Pursuant to the Listing Requirements we are required to have a minimum of 25.0% of our Company's issued share capital to be held by at least 200 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).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or eligible Directors, employees and persons who have contributed to the success of our Group, subject to the clawback and reallocation as set out in Section 4.3.4, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.9 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.

16.9.1 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 the Issuing House as per items (a) and (b) above (as the case may be).
- (d) The 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).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (a) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 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 Institution or Internet Participating Financial Institution or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (b) You may check your account on the 5th Market Day from the balloting date.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (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 the 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 Institution will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16.10 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 Central Depositories Act, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the Central Depositories Act and Depository Rules.
- (d) In accordance with Section 29 of the Central Depositories Act, 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.

16.11 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 Telephone at 03-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firms and Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at <https://srmy.vistra.com>, **1 Market Day** after the balloting date.

You may also check the status of your Application at the above website, **5 Market Days** after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.