

**NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAIEN GROUP BERHAD (“SAGB” OR THE “COMPANY”) DATED 28 SEPTEMBER 2020 (“ELECTRONIC PROSPECTUS”)**

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

**Website**

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at [www.bursamalaysia.com](http://www.bursamalaysia.com) (“**Website**”).

**Availability and Location of Paper/Printed Prospectus**

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, Alliance Investment Bank Berhad (“**AIBB**”) or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

**Jurisdictional Disclaimer**

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, AIBB and SAGB take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

**Close of Application**

Applications will be accepted from 10.00 a.m. on 28 September 2020 and will close at 5.00 p.m. on 5 October 2020.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

**Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted**

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.



SAMAIDEN

SAMAIDEN GROUP BERHAD

PROSPECTUS

**SAMAIDEN GROUP BERHAD**

(Registration No. 201901037874 (1347204-V))  
(Incorporated in Malaysia under the Companies Act 2016)

C-15-02, Sunway Nexis Office Suite, No. 1, Jalan PJU 5/1, Kota Damansara, 47810 Petaling Jaya.  
Tel: +603 6150 6568 | Fax: +603 6150 6567 | Email: project@samaiden.com.my

P R O S P E C T U S

**SAMAIDEN**  
**SAMAIDEN GROUP BERHAD**

(Registration No. 201901037874 (1347204-V))  
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("IPO") IN CONJUNCTION WITH THE LISTING OF SAMAIDEN GROUP BERHAD ("SAGB" OR THE "COMPANY") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING PUBLIC ISSUE OF 61,155,000 NEW ORDINARY SHARES ("SHARES") IN THE FOLLOWING MANNER:

- 10,500,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 6,300,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP;
- 23,355,000 NEW SHARES MADE AVAILABLE BY WAY OF PLACEMENT TO SELECTED INVESTORS; AND
- 21,000,000 NEW SHARES MADE AVAILABLE BY WAY OF PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

AT AN IPO PRICE OF RM0.48 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Sole Underwriter and Placement Agent



**ALLIANCE INVESTMENT BANK**

Alliance Investment Bank Berhad 197401004393 (21605-D)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**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 138.**

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

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

THE SECURITIES COMMISSION MALAYSIA IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, 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.

**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 AN EXEMPT TRANSACTION UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 ("CMSA") AND IS THEREFORE NOT SUBJECT TO THE APPROVAL OF THE SECURITIES COMMISSION MALAYSIA.**

**THIS PROSPECTUS IS DATED  
28 SEPTEMBER 2020**

## RESPONSIBILITY STATEMENTS

The Directors and Promoters of our Company 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.

Alliance Investment Bank Berhad (“AIBB”), being our Principal Adviser, Sponsor, Sole Underwriter and Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the offering.

## STATEMENTS OF DISCLAIMER

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

Bursa Malaysia Securities Berhad is not liable for any non-disclosure on our Company’s 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 for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

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

## OTHER STATEMENTS

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

Shares listed on Bursa Malaysia Securities Berhad are offered to the public on the premise of full and accurate disclosure of all material information concerning the offering, for which any person set out in Section 236 of the CMSA, is responsible.

Our Shares are classified as Shariah compliant by the Shariah Advisory Council of the Securities Commission Malaysia. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the Shariah Advisory Council of the Securities Commission Malaysia. 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 with 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 the 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.

This Prospectus is prepared and published solely for the IPO in Malaysia under the laws of Malaysia. Our Shares are issued in Malaysia solely based on the contents of this Prospectus. Our Directors, Promoters, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Directors, Promoters, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus.

It shall be your sole responsibility, if you are or may be subject to the laws of any countries or jurisdictions other than Malaysia, to consult your professional advisers as to whether your application for the IPO would result in the contravention of any laws of such countries or jurisdictions. Neither we nor our Principal Adviser nor any other advisers in relation to the IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any such country or jurisdiction.

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

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

### **ELECTRONIC PROSPECTUS**

This Prospectus can also be viewed or downloaded from Bursa Malaysia Securities Berhad's website at [www.bursamalaysia.com](http://www.bursamalaysia.com). The contents of the Electronic Prospectus (as defined in this Prospectus) and the contents of the copy of this Prospectus registered by the Securities Commission Malaysia are the same.

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

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

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

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

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

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

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

The Internet Participating Financial Institutions 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, 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**

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

<b>Event(s)</b>	<b>Tentative Date(s)</b>
Opening of the application period for the IPO	28 September 2020
Closing of the application period for the IPO	5 October 2020
Balloting of applications	7 October 2020
Allotment of Issue Shares to successful applicants	13 October 2020
Listing on the ACE Market	15 October 2020

In the event there is any change to the indicative timetable above, we will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspapers in Malaysia.

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## PRESENTATION OF INFORMATION

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All references to “our Company” or “SAGB” in this Prospectus are to Samaiden Group Berhad, while references to “our Group” are to our Company and our subsidiaries. References to “we”, “us”, “our” and “ourselves” are to our Company or our Group or any member of our Group, as the context requires. Unless the context otherwise requires, references to “Management” are to our Executive Directors and our key senior management personnel as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

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

In this Prospectus, references to the “Government” are to the Government of Malaysia, and references to “RM” and “sen” are to the lawful currency of Malaysia. 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 hundredth or 2 decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

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

Any reference to any enactment in this Prospectus shall be a reference to that enactment as for the time being or 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 our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from us.

In particular, certain information in this Prospectus is extracted or derived from the Industry Overview prepared by Vital Factor (as defined in this Prospectus), an independent business and market research consulting company. We have appointed Vital Factor to provide an independent market and industry review. In compiling their data for the review, Vital Factor had relied on industry sources, published materials, their own private databases and direct contacts within the industry. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate.

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

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## FORWARD-LOOKING STATEMENTS

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

- (i) demand for our products and services;
- (ii) our business strategies;
- (iii) our plans and objectives for future operations;
- (iv) our financial position; and
- (v) our future earnings, cash flows and liquidity.

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

- (i) the economic, political and investment environment in Malaysia and globally; and
- (ii) Government policy, legislation or regulation.

In addition to the above, such forward-looking statements are based on numerous assumptions regarding our Group’s present and future business strategies and the environment in which we operate. Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to those discussed in Section 8 – Risk Factors and Section 11.3 – Management’s Discussion and Analysis of Financial Conditions, Results of Operations and Prospects, of this Prospectus. We cannot assure you that the forward-looking statements in this Prospectus will be realised.

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

## DEFINITIONS

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

### SUBSIDIARIES OF OUR COMPANY

<b>Samaiden</b>	: Samaiden Sdn Bhd (201301016493 (1046326-H))
<b>Samaiden Consultancy</b>	: Samaiden Consultancy Sdn Bhd (201901007735 (1317062-H))
<b>SC Green</b>	: SC Green Solutions Sdn Bhd (201901021278 (1330607-X))

### GENERAL

<b>ACE Market</b>	: ACE Market of Bursa Securities
<b>Acquisitions</b>	: Acquisition of Samaiden, Acquisition of Samaiden Consultancy and Acquisition of SC Green, collectively
<b>Acquisition of Samaiden</b>	: Acquisition by SAGB of the entire issued share capital of Samaiden from Samaiden Vendors for a purchase consideration of RM7,415,268, which was entirely satisfied by the issuance of 148,305,360 new Shares at an issue price of RM0.05 each. The Acquisition of Samaiden was completed on 19 August 2020
<b>Acquisition of Samaiden Consultancy</b>	: Acquisition by SAGB of the entire issued share capital of Samaiden Consultancy from Samaiden Consultancy Vendors for a purchase consideration of RM2, which was entirely satisfied by the issuance of 40 new Shares at an issue price of RM0.05 each. The Acquisition of Samaiden Consultancy was completed on 19 August 2020
<b>Acquisition of SC Green</b>	: Acquisition by SAGB of 60.00% of the issued share capital of SC Green from Ir. Chow Pui Hee for a purchase consideration of RM26,880, which was entirely satisfied by the issuance of 537,600 new Shares at an issue price of RM0.05 each. The Acquisition of SC Green was completed on 19 August 2020
<b>Act</b>	: Companies Act 2016, as may be amended from time to time
<b>ADA</b>	: Authorised Depository Agent
<b>AGM</b>	: Annual General Meeting
<b>AIBB or Principal Adviser or Sponsor or Sole Underwriter or Placement Agent</b>	: Alliance Investment Bank Berhad (197401004393 (21605-D))
<b>Application</b>	: The application for the Issue Shares by way of Application Form, Electronic Share Application and/or Internet Share Application
<b>Application Form</b>	: The printed application form for the application of the Issue Shares
<b>ATM</b>	: Automated Teller Machine
<b>Board</b>	: The Board of Directors of SAGB
<b>Bursa Depository</b>	: Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))

**DEFINITIONS (Cont'd)**

<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
<b>CAGR</b>	:	Compound annual growth rate
<b>CCC</b>	:	Certificate of Completion and Compliance
<b>CDS</b>	:	Central Depository System
<b>CDS Account</b>	:	Account established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
<b>CFO</b>	:	Chief Financial Officer
<b>CIDB</b>	:	Construction Industry Development Board Malaysia
<b>CMSA</b>	:	Capital Markets and Services Act 2007
<b>Constitution</b>	:	The constitution of SAGB
<b>COVID-19</b>	:	Novel coronavirus disease 2019
<b>Depositor</b>	:	A holder of a CDS Account
<b>Directors</b>	:	Directors of our Company and within the meaning given in Section 2 of the CMSA
<b>EIS</b>	:	Employment insurance system
<b>Electronic Prospectus</b>	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)
<b>Electronic Share Application</b>	:	An application for the Issue Shares through Participating Financial Institutions' ATM
<b>EPCC</b>	:	Engineering, procurement, construction and commissioning
<b>EPF</b>	:	Employees Provident Fund
<b>EPS</b>	:	Earnings per share
<b>ERP</b>	:	Enterprise resource planning
<b>Financial Years Under Review</b>	:	FYE 2017, FYE 2018, FYE 2019 and FYE 2020, collectively
<b>FYE</b>	:	Financial year ended/ending 30 June
<b>Government</b>	:	Government of Malaysia
<b>GP</b>	:	Gross profit
<b>GITE</b>	:	Green Income Tax Exemption
<b>Head Office</b>	:	Our office unit on the 15 <sup>th</sup> floor of a corporate office tower bearing the postal address of C-15-02, Sunway Nexis, No. 1, Jalan PJU 5/1, Kota Damansara, 47810 Petaling Jaya, Selangor. Please refer to Section 6.5.1 of this Prospectus for details on our Head Office

**DEFINITIONS (Cont'd)**

<b>Industry Overview</b>	:	Industry Overview titled "Independent Assessment of the Solar Photovoltaic Industry" prepared by Vital Factor as set out in Section 7 of this Prospectus
<b>Internet Participating Financial Institution(s)</b>	:	Participating financial institution(s) for the Internet Share Application, as listed in Section 14 of this Prospectus
<b>Internet Share Application</b>	:	An application for the Issue Shares through an online share application service provided by the Internet Participating Financial Institution
<b>IPO</b>	:	Initial public offering of the Issue Shares in conjunction with the listing of and quotation for our entire enlarged issued share capital on the ACE Market
<b>IPO Price</b>	:	RM0.48 for each Issue Share
<b>Issue Shares</b>	:	61,155,000 new SAGB Shares, representing approximately 29.12% of our enlarged issued share capital, which are to be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
<b>IT</b>	:	Information technology
<b>Listing</b>	:	The admission of SAGB to the Official List and the listing of and quotation for our entire enlarged issued share capital of RM36,796,650 comprising 210,000,000 Shares on the ACE Market
<b>Listing Requirements</b>	:	ACE Market Listing Requirements of Bursa Securities, as may be amended from time to time
<b>LPD</b>	:	1 September 2020, being the latest practicable date prior to the issuance of this Prospectus
<b>Malaysian Public</b>	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
<b>Market Day</b>	:	Any day on which Bursa Securities is open for trading of securities
<b>MCO</b>	:	Movement control order under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
<b>MFRS</b>	:	Malaysian Financial Reporting Standards
<b>MIDA</b>	:	Malaysian Investment Development Authority
<b>MITI</b>	:	Ministry of International Trade and Industry
<b>MRT</b>	:	Mass rapid transit
<b>N/A</b>	:	Not applicable
<b>NA</b>	:	Net assets
<b>O&amp;M</b>	:	Operations and maintenance
<b>Official List</b>	:	A list specifying all securities which have been admitted for listing on the ACE Market and not removed

**DEFINITIONS (Cont'd)**

<b>Participating Financial Institution(s)</b>	:	Participating financial institution(s) for Electronic Share Application, as listed in Section 14 of this Prospectus
<b>PAT</b>	:	Profit after taxation
<b>PBT</b>	:	Profit before taxation
<b>PE Multiple</b>	:	Price earnings multiple
<b>Pink Form Allocation</b>	:	The allocation of 6,300,000 Issue Shares to our eligible Directors, employees and persons who have contributed to the success of our Group pursuant to the Public Issue
<b>PPE</b>	:	Property, plant and equipment
<b>Prescribed Security</b>	:	Securities of a company that are prescribed by Bursa Securities to be deposited in the CDS subject to the provision of the SICDA and the Rules
<b>Promoters</b>	:	Ir. Chow Pui Hee and Fong Yeng Foon
<b>Prospectus</b>	:	This Prospectus dated 28 September 2020 in relation to the IPO
<b>Prospectus Guidelines</b>	:	Prospectus Guidelines issued by the SC
<b>Public Issue</b>	:	Public issue of 61,155,000 new SAGB Shares at the IPO Price comprising: <ul style="list-style-type: none"> <li>(a) 10,500,000 new SAGB Shares made available for application by the Malaysian Public;</li> <li>(b) 6,300,000 new SAGB Shares made available for application by our eligible Directors, employees and persons who have contributed to the success of our Group;</li> <li>(c) 23,355,000 new SAGB Shares made available by way of placement to selected investors; and</li> <li>(d) 21,000,000 new SAGB Shares made available by way of placement to selected Bumiputera investors approved by MITI</li> </ul>
<b>R&amp;D</b>	:	Research and development
<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively
<b>Rules</b>	:	Rules of Bursa Depository, as may be amended from time to time
<b>SAC</b>	:	Shariah Advisory Council of the SC
<b>SAGB or Company</b>	:	Samaiden Group Berhad (201901037874 (1347204-V))
<b>SAGB Group or Group</b>	:	SAGB, Samaiden, Samaiden Consultancy and SC Green, collectively
<b>SAGB Shares or Shares</b>	:	Ordinary shares in SAGB
<b>Samaiden Vendors</b>	:	Ir. Chow Pui Hee and Fong Yeng Foon, collectively
<b>Samaiden Consultancy Vendors</b>	:	Ir. Chow Pui Hee and Fong Yeng Foon, collectively

## **DEFINITIONS (Cont'd)**

<b>SC</b>	:	Securities Commission Malaysia
<b>SEDA</b>	:	Sustainable Energy Development Authority Malaysia
<b>Share Registrar</b>	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
<b>SICDA</b>	:	Securities Industry (Central Depositories) Act 1991, as may be amended from time to time
<b>SOCISO</b>	:	Social Security Organisation, also known as PERKESO (Pertubuhan Keselamatan Sosial)
<b>sq. ft or ft<sup>2</sup></b>	:	Square foot
<b>sq. m or m<sup>2</sup></b>	:	Square metre
<b>TIH or Issuing House</b>	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
<b>TNB</b>	:	Tenaga Nasional Berhad (199001009294 (200866-W))
<b>Underwriting Agreement</b>	:	The underwriting agreement dated 7 September 2020 entered into between our Company and AIBB pursuant to our IPO
<b>USD</b>	:	United States Dollar
<b>Vital Factor or IMR</b>	:	Vital Factor Consulting Sdn Bhd (199301012059 (266797-T)), an independent business and market research consulting company

## **PROJECTS**

<b>23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project or Seberang Perai Project</b>	:	Refers to the EPCC of solar PV power plant with capacity of 23.70 MWp under the LSS1 programme. This utility scale solar PV power plant is a ground mounted type of solar PV facility in Seberang Perai, Penang. The letter of award from PLB Green Solar Sdn Bhd is dated 21 August 2017
<b>6.80 MWp Solar PV Power Plant (LSS2) Mersing Project or Mersing Project</b>	:	Refers to the EPCC of solar PV power plant with capacity of 6.80 MWp under the LSS2 programme. This utility scale solar PV power plant is a ground mounted type of solar PV facility in Mersing, Johor. The EPCC contract with Fairview Equity Project (Mersing) Sdn Bhd is dated 12 November 2018
<b>13.50 MWp Solar PV Power Plant (LSS2) Kluang Project or Kluang Project</b>	:	Refers to the EPCC of solar PV power plant with capacity of 13.50 MWp under the LSS2 programme. This utility scale solar PV power plant is a ground mounted type of solar PV facility in Kluang, Johor. The EPCC contract with Fairview Equity Project (Kluang) Sdn Bhd is dated 12 November 2018
<b>Interconnection Facility of 5.00 MWac for a Solar PV Power Plant (LSS2) Kuala Terengganu Project or Kuala Terengganu Project</b>	:	Refers to the supply, installation and commissioning of interconnection facility of 5.00 MWac for a solar PV power plant under the LSS2 programme in Kuala Terengganu, Terengganu. By virtue of the letter of award dated 8 July 2019, SPIC Energy Malaysia Berhad, the principal, appointed Samaiden as a subcontractor for the subcontract works. Samaiden and Jesselton Solar Services Sdn Bhd, the appointed main contractor of SPIC Energy Malaysia Berhad, entered into the Interconnection Facility Subcontract Agreement dated 30 October 2019 to govern the performance of the said works

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**DEFINITIONS (Cont'd)**

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**Interconnection Facility of 25.00 MWac for a Solar PV Power Plant (LSS2) Pasir Gudang (Package 1) Project or Pasir Gudang Project (Package 1)** : Refers to the supply, installation and commissioning of interconnection facility of 25.00 MWac for solar PV power plant under the LSS2 programme in Pasir Gudang, Johor. By virtue of the letter of award dated 8 July 2019, SPIC Energy Malaysia Berhad, the principal, appointed Samaiden as a subcontractor for the subcontract works primarily for the supply and installation of the equipment. Samaiden and AF Centric Solutions Sdn Bhd, the appointed main contractor of SPIC Energy Malaysia Berhad, entered into the Interconnection Facility Subcontract Agreement dated 10 February 2020 to govern the performance of the said works

**Interconnection Facility of 25.00 MWac for a Solar PV Power Plant (LSS2) Pasir Gudang (Package 2) Project or Pasir Gudang Project (Package 2)** : Refers to the supply, installation and commissioning of interconnection facility of 25.00 MWac for solar PV power plant under the LSS2 programme in Pasir Gudang, Johor. By virtue of the quotation dated 2 March 2020, SPIC Energy Malaysia Berhad, the principal, appointed Samaiden as a subcontractor for the subcontract works primarily for the supply and installation of cabling works. Samaiden and AF Centric Solutions Sdn Bhd, the appointed main contractor of SPIC Energy Malaysia Berhad, entered into the Interconnection Facility Subcontract Agreement dated 23 March 2020 to govern the performance of the said works

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## DEFINITIONS (Cont'd)

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### GLOSSARY OF TECHNICAL TERMS

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

- AC** : Alternating current, which refers to an electric current that reverses direction periodically. The electricity flows from the negative terminal through the circuit and back to the positive terminal, and then reverses and flows in the opposite direction. Electricity that is delivered through the power grid to users is AC, and it is the form of electricity that is commonly used by most electrical appliances, machinery and equipment
- As-built documents** : The final technical design, specifications and drawing plans and documents for the construction of the solar PV system or power plant. This set of documents will be used as the reference point to ensure that the physical construction is done according to plans
- Balance of system** : The balance of system comprises all of the sub-systems, equipment and components of a solar PV facility other than the solar PV modules.
- For solar PV systems that are connected to the power grid, balance of system mainly includes mounting systems, inverters, combiner boxes, wiring and cabling, electricity meters, and electrical distribution, protection and control devices.
- For solar PV power plants, balance of system mainly includes mounting systems, inverters, transformers, switchgears, substations, combiner boxes, AC isolators, DC isolators, electricity generating meters, electrical distribution, protection and control devices, wiring and cabling, power management systems, SCADA systems, monitoring and control centre, and interconnection to the power grid substation.
- Where relevant, balance of system may include batteries and charge controllers, and auxiliary power source such as diesel power generation set
- Bi-directional energy meter** : A device used in grid-connected solar PV systems to monitor and record the quantity of electricity drawn from the power grid, as well as supplied to the power grid
- Biogas** : A gas produced by digestion or fermentation of indigenous organic matters under anaerobic conditions, including but not limited to manure, sewage sludge, municipal solid wastes and biodegradable wastes
- Biogas power generation plant** : In the context of this Prospectus, biogas power generation plant refers to an integrated plant comprising a biogas plant to generate and capture biogas, which will then be used as feedstock for a power generation plant to produce electricity
- Biomass** : Non-fossilised and biodegradable organic matters originating from indigenous plants, animals and micro-organisms including but not limited to products, by-products, residues and wastes from agriculture, industrial and municipal wastes

## DEFINITIONS (Cont'd)

<b>Commercial electricity meter</b>	:	A device used in solar PV power plants to monitor the quantity of electricity in AC supplied to the power grid
<b>Conventional power plant</b>	:	Power plant where electricity is mainly generated from burning fossil fuels, such as coal, natural gas, diesel and petrol
<b>DC</b>	:	Direct current, which refers to the flow of electricity in one direction only, namely from the negative terminal through the circuit and back to the positive terminal. Electricity generated by solar PV modules is DC. DC has to be converted into AC by an inverter before it can be used by most electrical appliances, machinery and equipment, or transmitted over the power grid
<b>Electricity</b>	:	Electricity is a secondary energy source derived from electromagnetism, one of the natural forces. As a secondary energy source, the generation of electricity relies on primary energy sources such as fossil fuels, hydropower, radioactive materials, solar, wind, current and wave.  In the context of this Prospectus, it is used synonymously and interchangeably with power
<b>Electricity generation meter</b>	:	A device used to monitor the quantity of electricity generated by a solar PV system or power plant
<b>Electricity meter</b>	:	A device to monitor the flow of electricity. Examples of electricity meters used include bi-directional energy meters, commercial electricity meters and electricity generation meters
<b>FiT</b>	:	Feed-in tariff, which refers to rate in RM/kWh, is a mechanism under the National Renewable Energy Policy and Action Plan and Renewable Energy Act 2011 of Malaysia, that allows electricity produced from indigenous renewable resources to be sold to power utility companies at a fixed rate for a specific duration.  In Malaysia, FiT system obliges the distribution licensees, including TNB and Sabah Electricity Sdn Bhd, to buy electricity generated from renewable resources produced by Feed-in Approval Holders (FIAH) at a pre-determined rate for a specific duration. This policy was first implemented in 2011. Under this programme, there was no new quota allocated for solar PV since 2017 with the exception of 5 MW under the community category
<b>Fossil fuel</b>	:	Source of energy such as crude oil, natural gas and coal, made from plants, animals and organisms that were buried in the earth under pressure and for a long period of time, typically millions of years. They are regarded as non-renewable energy
<b>Grid (power grid)</b>	:	Used synonymously as power grid. Refer to power grid
<b>Grid-connected solar PV system</b>	:	Refers to a solar PV system that is connected to the power grid. This system can draw electricity from the grid when consumption exceeds electricity generated by the solar PV system, and supply electricity to the grid when electricity generated by the solar PV system exceeds consumption
<b>Ground mounted</b>	:	Refers to solar PV system or power plant where the solar PV modules and/or arrays are mainly installed on the ground

**DEFINITIONS (Cont'd)**

<b>Hybrid</b>	:	Refers to a solar PV system or power plant where solar PV modules are the main source of electricity generation, and which is supplemented by one or more auxiliary power sources that supply electricity when the solar PV modules are not generating or generating insufficient electricity. Examples of auxiliary power sources used in hybrid solar PV systems or power plants include power generator sets, wind power and micro-hydroelectric power
<b>Indigenous renewable resources</b>	:	Refers to renewable resources sourced from within the country and are not imported from other countries
<b>Interconnection or Grid interconnection</b>	:	Refers to where a solar PV system is connected to the power grid, normally where the tie-in is within the premises of the building or structure. In the case of a solar PV power plant, the interconnection includes power cables connecting the solar PV power plant to a transmission or distribution substation within a power grid
<b>Inverter</b>	:	A device that converts DC into AC
<b>kWh</b>	:	Kilowatt hour, a unit of measure of power generation or consumption of 1,000 watts for one hour
<b>kWp</b>	:	Kilowatt peak, which refers to the unit of measure in kilowatts to express the maximum DC output from the total number of solar PV modules within a solar PV system
<b>Large Scale Solar or LSS</b>	:	A programme introduced by the Energy Commission Malaysia involving the implementation of solar PV power plant with installed generating capacity of 1 MWac or more. The solar PV power plants are connected to the power grid in Peninsular Malaysia, Labuan and Sabah. This programme includes the LSS1, LSS2 and LSS3 but excludes LSS fast track which refers to pioneer projects awarded without competitive bidding to evaluate the effectiveness of the construction of solar PV power plants
<b>LSS1</b>	:	Large Scale Solar 1, which refers to the first round competitive bidding programme conducted by the Energy Commission Malaysia in 2016 for large scale solar PV power plants in Peninsular Malaysia, Labuan and Sabah with commercial operation date in 2017 - 2018
<b>LSS2</b>	:	Large Scale Solar 2, which refers to the second round competitive bidding programme conducted by the Energy Commission Malaysia in 2017 for large scale solar PV power plants in Peninsular Malaysia, Sabah and Labuan with commercial operation date in 2019 - 2020
<b>LSS3</b>	:	Large Scale Solar 3, which refers to the third round competitive bidding programme conducted by the Energy Commission Malaysia in 2019 for large scale solar PV power plants in Peninsular Malaysia with commercial operation date in 2021

**DEFINITIONS (Cont'd)**

<b>LSS@MEntARI</b>	: Refers to the fourth round competitive bidding programme conducted by the Energy Commission Malaysia in May 2020 for large scale solar PV power plants in Peninsular Malaysia.  On 28 May 2020, the Ministry of Energy and Natural Resources announced a solar quota release of 1,000 MWac competitive bidding for LSS programme under the Malaysian Electricity Industry to Attract RE Investment (LSS@MEntARI). Two packages will be offered:  (a) Package 1 with a total quota offered of 500 MWac, is for projects with capacity between 10 MWac and below 30 MWac; and (b) Package 2 with a total quota offered of 500 MWac, is for projects with capacity between 30 MWac and 50 MWac.  The bid was opened on 31 May 2020 and bids are to be submitted by 2 September 2020.
<b>MW</b>	: Megawatt
<b>MWh</b>	: Megawatt hour, a unit of measure of power generation or consumption of 1,000,000 watts for one hour
<b>MWac</b>	: Megawatt AC, the unit of measure in megawatts to express the maximum AC power output that a solar PV system or power plant can generate under optimum conditions. MWac is equivalent to the maximum electricity generating capacity of 1,000,000 watts of AC
<b>MWp</b>	: Megawatt peak, the unit of measure in megawatts to express the maximum DC power output from the total number of solar PV modules within a solar PV system or power plant
<b>NEM</b>	: Net energy metering, a programme introduced to replace the FiT for solar PV projects. NEM allows consumers to generate electricity from solar PV systems for self-consumption, and export excess electricity to the power grid. In 2019, the NEM programme was enhanced to offer a one-on-one offset basis which means for every 1 kWh exported to the grid, it will be offset against 1 kWh consumed from the grid
<b>Nominal power</b>	: The rated peak power of the solar PV installation
<b>Off-grid solar PV system</b>	: A solar PV system that is not connected to any power grid
<b>On-grid solar PV system</b>	: Synonymous as grid-connected solar PV system
<b>Performance ratio</b>	: A measure to evaluate the efficiency of a solar PV system or power plant indicated by the ratio of the actual to the theoretical solar PV energy output, calculated as follows:  $\text{Performance Ratio} = \frac{\text{Actual energy output}}{A * r * H}$ Where, A = total solar PV module area r = solar PV module yield or efficiency H = solar insolation on tilted solar PV module (shadings not included)
<b>Photovoltaic effect</b>	: A method where sunlight is converted to electricity in the form of DC

**DEFINITIONS (Cont'd)**

<b>Power grid</b>	:	The power transmission and distribution network that covers large areas to connect power generation to user premises and devices. Commonly it refers to the national or state power grid
<b>PV</b>	:	Solar photovoltaic which is applied to a device or facility that enables the conversion of sunlight directly into DC
<b>RE</b>	:	Renewable energy, which refers to an energy source that are naturally replenished in a short period of time. Some examples of renewable energy source include solar, biogas, biomass and hydro
<b>Rooftop installation</b>	:	Solar PV system where the solar PV modules are mostly installed on top of buildings and other structures. It also covers solar PV modules that are installed on skylights, walls, façade, windows and other parts of buildings, and on other structures such as bridges and coverings over open areas such as carparks
<b>SCADA</b>	:	Supervisory control and data acquisition, a centralised computer system that obtains real time information on the operations of plant, systems and equipment for the purpose of monitoring and controlling the operations
<b>SELCO</b>	:	A programme that enables individual, commercial and industrial power consumers to hedge against rising cost of electricity through installation of solar PV systems to generate electricity for their own usage. Any excess electricity generated under SELCO is not allowed to be exported to the power grid
<b>Solar leasing agreement</b>	:	A leasing agreement that enables the user to lease the solar PV system by paying an agreed periodic rate (example, monthly payment) over an agreed period of time
<b>Solar PV array</b>	:	The interconnected arrangement of a large number of mounted solar PV module that constitute the solar PV system or power plant
<b>Solar PV cell</b>	:	An electrical device in the form of a semiconductor wafer that absorbs sunlight to directly generate DC. They are also known as "solar cells"
<b>Solar PV facility/facilities</b>	:	In the context of this Prospectus, solar PV facility/facilities refer to solar PV system and/or solar PV power plant
<b>Solar PV investor</b>	:	Refers to any person or entity who has an equity share in the solar PV system or power plant, who may also be referred to as owner
<b>Solar PV module</b>	:	Two or more interconnected solar PV cells that are assembled together as a single unit encased within a metal frame. They are also known as solar modules or solar panels
<b>Solar PV power plant</b>	:	A power plant where electricity is generated by a large number of solar PV modules, usually covering a large area. Commonly its power generation capacity is 1 MWac or more. It includes all the solar PV modules and balance of system including interconnection to the substation that links to the power grid
<b>Solar PV rooftop system</b>	:	See rooftop installation

**DEFINITIONS (Cont'd)**

<b>Solar PV system</b>	:	A solar PV system that is primarily designed to generate electricity. They are of a smaller scale compared to solar PV power plants. Commonly its power generation capacity is less than 1 MWac. It includes all the solar PV modules and balance of system including interconnection to the switchboard within the facility that links to the power grid
<b>Substation</b>	:	A component of the power generating plant or power grid that performs functions such as changing the voltage from high to low (known as step-down), or from low to high (step-up), or distributing the power to other locations or some other functions. For example, electricity generated by solar PV power plant passes through a step-up substation, where its voltage is stepped-up for transmission
<b>SARE</b>	:	Supply agreement of RE, which refers to a tripartite payment agreement between the consumer, investor and TNB to complement NEM where collection of payment will be arranged through electricity bills. After the contract period ends, NEM consumer will own the solar PV system unless explicitly stated otherwise
<b>Thermography</b>	:	Also known as thermal imaging which uses infrared cameras to inspect solar PV systems and solar PV power plants for problems that can cause damage to the solar PV modules
<b>Watt</b>	:	A unit of measure for power, which is a measure of the rate of electricity generated or consumed over a period of one second
<b>Wayleave</b>	:	A right-of-way granted by a landowner for the purpose of building structures and stringing or laying cables between them
<b>Wayleave alignment</b>	:	Refers to the path taken by the wayleave

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## 1. CORPORATE DIRECTORY

### BOARD OF DIRECTORS

Name/(Designation)	Address	Nationality
<b>Dato' Dr. Nadzri Bin Yahaya</b> (Independent Non-Executive Chairman)	49, Jalan 3/62 Bandar Manjalara, Kepong 52100 Kuala Lumpur Wilayah Persekutuan	Malaysian
<b>Ir. Chow Pui Hee</b> (Group Managing Director)	C-09-1, 9 Bukit Utama No. 9, Persiaran Bukit Utama Bandar Utama 47800 Petaling Jaya Selangor	Malaysian
<b>Fong Yeng Foon</b> (Executive Director)	C-09-1, 9 Bukit Utama No. 9, Persiaran Bukit Utama Bandar Utama 47800 Petaling Jaya Selangor	Malaysian
<b>Lim Poh Seong</b> (Independent Non-Executive Director)	35, Jalan Puncak Desa Taman Desa 58100 Kuala Lumpur Wilayah Persekutuan	Malaysian
<b>Olivia Lim</b> (Independent Non-Executive Director)	6, Jalan BU12/8 Bandar Utama 47800 Petaling Jaya Selangor	Malaysian

### AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Lim Poh Seong	Chairman	Independent Non-Executive Director
Dato' Dr. Nadzri Bin Yahaya	Member	Independent Non-Executive Chairman
Olivia Lim	Member	Independent Non-Executive Director

### REMUNERATION COMMITTEE

Name	Designation	Directorship
Dato' Dr. Nadzri Bin Yahaya	Chairman	Independent Non-Executive Chairman
Lim Poh Seong	Member	Independent Non-Executive Director
Olivia Lim	Member	Independent Non-Executive Director

### NOMINATING COMMITTEE

Name	Designation	Directorship
Olivia Lim	Chairman	Independent Non-Executive Director
Dato' Dr. Nadzri Bin Yahaya	Member	Independent Non-Executive Chairman
Lim Poh Seong	Member	Independent Non-Executive Director

**1. CORPORATE DIRECTORY (Cont'd)**

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**COMPANY SECRETARIES** : Te Hock Wee  
Unit 30-01, Level 30  
Tower A, Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Telephone No. : (03) 2783 9191

Professional : The Malaysian Institute of Chartered  
Qualification : Secretaries and Administrators ("MAICSA")  
(MAICSA Membership No.: 7054787)

SSM Practising : 202008002124  
Certificate No.

Lim Lee Tze  
Unit 30-01, Level 30  
Tower A, Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Telephone No. : (03) 2783 9191

Professional : MAICSA  
Qualification : (MAICSA Membership No.: 7065751)

SSM Practising : 201908002274  
Certificate No.

**REGISTERED OFFICE** : Unit 30-01, Level 30  
Tower A, Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Telephone No. : (03) 2783 9191  
Fax No. : (03) 2783 9111

**HEAD OFFICE** : C-15-02, Sunway Nexis Office Suite  
No. 1, Jalan PJU 5/1, Kota Damansara  
47810 Petaling Jaya  
Selangor  
Telephone No. : (03) 6150 6568  
Website : <https://samaiden.com.my>  
Email : [project@samaiden.com.my](mailto:project@samaiden.com.my)

**1. CORPORATE DIRECTORY (Cont'd)**

<b>EXTERNAL AUDITORS AND REPORTING ACCOUNTANTS</b>	<p>: Crowe Malaysia PLT 201906000005 (LLP0018817-LCA) &amp; AF 1018 52, Jalan Kota Laksamana 2/15 Taman Kota Laksamana Seksyen 2 75200 Melaka Telephone No. : (06) 282 5995</p> <p>Partner-in-charge : Piong Yew Peng Approval number : 03070/06/2021 J Professional Qualifications : • Fellow of CPA Australia (Membership No.: 1860571); and  • Member of the Malaysian Institute of Accountants (Membership No.: 11430)</p>
<b>SOLICITORS FOR THE IPO</b>	<p>: Chooi &amp; Company + Cheang &amp; Ariff CCA @ Bangsar Level 5, Menara BRDB 285, Jalan Maarof Bukit Bandaraya 59000 Kuala Lumpur Telephone No. : (03) 2055 3888</p>
<b>PRINCIPAL ADVISER, SPONSOR, SOLE UNDERWRITER AND PLACEMENT AGENT</b>	<p>: Alliance Investment Bank Berhad Level 3, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Telephone No. : (03) 2604 3333</p>
<b>SHARE REGISTRAR AND ISSUING HOUSE</b>	<p>: Tricor Investor &amp; Issuing House Services Sdn Bhd Unit 32-01, Level 32 Tower A, Vertical Business Suite Avenue 3, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Telephone No. : (03) 2783 9299</p>
<b>INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS</b>	<p>: Vital Factor Consulting Sdn Bhd V Square @ PJ City Centre (VSQ) Block 6, Level 6 Jalan Utara 46200 Petaling Jaya Selangor Telephone No. : (03) 7931 3188</p> <p>Person-in-charge : Wong Wai Ling Qualification : Bachelor of Arts from Monash University, Australia; Graduate Diploma in Management Studies from the University of Melbourne, Australia</p>
<b>LISTING SOUGHT</b>	<p>: ACE Market</p>
<b>SHARIAH STATUS</b>	<p>: Approved by the SAC</p>

## 2. APPROVALS AND CONDITIONS

### 2.1 APPROVALS FROM RELEVANT AUTHORITIES

#### 2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 22 June 2020, approved our admission to the Official List and the listing of and quotation for our entire enlarged issued share capital of RM36,796,650 comprising 210,000,000 Shares on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

Details of conditions imposed	Status of compliance
1. Submission of the following information with respect to the moratorium on the shareholdings of the promoter to Bursa Depository:  (a) Name of shareholders;  (b) Number of Shares; and  (c) Date of expiry of the moratorium for each block of Shares.	To be complied prior to Listing.
2. Approvals from other relevant authorities have been obtained for implementation of the listing proposal;	Complied.
3. Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of Listing Requirements;	To be complied prior to Listing.
4. Furnish Bursa Securities a copy of the schedule of distribution showing compliance with the share spread requirements based on the entire issued share capital of SAGB on the first day of Listing;	To be complied upon Listing.
5. Any director of the Company who has not attended the Mandatory Accreditation Programme must do so prior to Listing of the Company;	Complied.
6. In relation to the public offering to be undertaken by SAGB, SAGB to announce at least two Market Days prior to the Listing date, the result of the offering including the following:  (a) Level of subscription of public balloting and placement;  (b) Basis of allotment/allocation;  (c) A table showing the distribution for placement tranche, as per the format attached in Appendix I of the approval letter from Bursa Securities; and  (d) Disclosure of placees who become substantial shareholders of SAGB arising from the public offering, if any.  AIBB to ensure that the overall distribution of the Company's securities is properly carried out to mitigate any disorderly trading in the secondary market; and	To be complied prior to Listing.

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

<b>Details of conditions imposed</b>	<b>Status of compliance</b>
7. SAGB / AIBB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of SAGB to the Official List.	To be complied upon Listing.

**2.1.2 SC**

Our listing scheme 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 29 July 2020, approved the resultant equity structure of SAGB pursuant to our Listing under the equity requirement for public listed companies, subject to the following condition(s):

<b>Details of conditions imposed</b>	<b>Status of compliance</b>
SAGB allocating Shares equivalent to at least 12.50% of the enlarged issued share capital at the point of Listing to Bumiputera investors. This includes the Shares offered under the balloted public offer portion, of which at least 50% are to be offered to Bumiputera public investors.	To be complied upon Listing.

The SC had noted the effects of the Listing on the equity structure of our Group as follows:

<b>Category of shareholders</b>	<b>As at 30 November 2019</b>		<b>After Listing</b>	
	<b>No. of Shares</b>	<b>% of issued share capital</b>	<b>No. of Shares</b>	<b>% of enlarged issued share capital</b>
Bumiputera	-	-	26,250,000 <sup>(1)</sup>	12.50
Non-Bumiputera	2,000	100.00	183,750,000	87.50
<b>Malaysians</b>	<b>2,000</b>	<b>100.00</b>	<b>210,000,000</b>	<b>100.00</b>
Foreigners	-	-	-	-
<b>Total</b>	<b>2,000</b>	<b>100.00</b>	<b>210,000,000</b>	<b>100.00</b>

**Note:**

- (1) Based on the assumption that the Shares allocated to Bumiputera investors shall be fully subscribed as follows:

<b>Category</b>	<b>No. of Shares</b>
Bumiputera public investors via balloting	5,250,000
Private placement to Bumiputera investors approved by MITI	21,000,000
<b>Total</b>	<b>26,250,000</b>

**2.1.3 MITI**

The MITI had, vide its letter dated 28 January 2020, taken note of and has no objection to our Listing.

## 2. APPROVALS AND CONDITIONS (Cont'd)

### 2.1.4 SAC

The SAC had, vide its letter dated 18 September 2020, classified our Shares as Shariah-compliant based on the latest audited combined financial statements of SAGB for the FYE 2020.

## 2.2 MORATORIUM ON SALE OF SHARES

In compliance with the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Promoters as follows:

- (i) the moratorium applies to our Promoters' entire shareholdings for a period of six months from the date of our admission to the ACE Market ("**First 6-Month Moratorium**");
- (ii) upon the expiry of the First 6-Month Moratorium, we must ensure that our Promoters' aggregate shareholdings amounting to at least 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) remain under moratorium for a further 6 months ("**Second 6-Month Moratorium**"); and
- (iii) upon the expiry of the Second 6-Month Moratorium, our Promoters may sell, transfer or assign up to a maximum of one-third per year (on a straight-line basis) of their Shares held under moratorium.

Details of our Shares which will be subject to moratorium are as follows:

Name of Promoter/ substantial shareholder	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium	
	No. of Shares	% of enlarged issued share capital <sup>^</sup>	No. of Shares	% of enlarged issued share capital <sup>^</sup>
Ir. Chow Pui Hee	74,691,300	35.57	47,421,000	22.58
Fong Yeng Foon	74,153,700	35.31	47,079,000	22.42
<b>Total</b>	<b>148,845,000</b>	<b>70.88</b>	<b>94,500,000</b>	<b>45.00</b>

#### Note:

<sup>^</sup> Based on our enlarged issued share capital of 210,000,000 Shares after our IPO.

Our Promoters have provided written undertakings that they will not sell, transfer or assign any part of their interest in the Shares during the moratorium period.

The moratorium, which is fully acknowledged by the Promoters, is specifically endorsed on our share certificate representing their shareholdings which are under moratorium to ensure that our Share Registrar will not register any transfer and sale that are not in compliance with the aforesaid restriction imposed.

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

**2.3 RELIEF FROM COMPLYING WITH CERTAIN REQUIREMENTS OF THE PROSPECTUS GUIDELINES**

We have also sought relief from the SC from complying with certain requirements of the Prospectus Guidelines. The SC had, vide its letter dated 26 November 2019, approved our application for the following relief:

<b>Guidelines</b>	<b>Relief sought</b>	<b>Status of compliance</b>
Paragraph 13.01(b)(v) of Division 1, Part II and Paragraph 1.12(e) of Part III (Procedures for Registration) of the Prospectus Guidelines	Relief from having to submit the audited financial statements of Samaiden for the purpose of prospectus registration and making available for public inspection for the FYE 2017 and FYE 2018	N/A

### 3. PROSPECTUS SUMMARY

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

#### 3.1 PRINCIPAL DETAILS RELATING TO OUR IPO

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

<b>Number of Shares to be issued under the Public Issue</b>	<b>61,155,000</b>
- <i>Malaysian Public</i>	10,500,000
- <i>Eligible Directors, employees and persons who have contributed to the success of our Group</i>	6,300,000
- <i>Private placement to selected investors</i>	23,355,000
- <i>Private placement to selected Bumiputera investors approved by the MITI</i>	21,000,000
Enlarged issued share capital upon Listing	RM36,796,650 comprising 210,000,000 Shares
IPO Price	RM0.48
Market capitalisation upon Listing (based on the IPO Price and our enlarged issued share capital after the IPO)	RM100,800,000

Further details on our IPO are set out in Section 4.1 of this Prospectus.

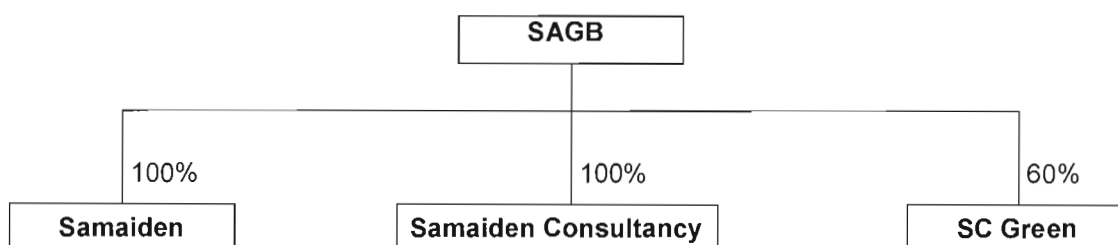
Our Promoters' entire shareholdings after IPO will be held under moratorium for six months from the date of our Listing. Thereafter, our Promoters' shareholdings amounting to 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) will remain under moratorium for another six months. Our Promoters may sell, transfer or assign up to a maximum of one-third per year (on a straight-line basis) of their Shares held under moratorium upon expiry of the second 6-month period.

#### 3.2 BACKGROUND AND OVERVIEW

Our Company was incorporated in Malaysia under the Act on 18 October 2019 as a private limited company under the name of Samaiden Group Sdn Bhd and was subsequently converted into a public limited company on 9 December 2019. SAGB is an investment holding company.

We are principally involved in EPCC of solar PV systems and power plants. Our other business activities include provision of RE and environmental consulting services, as well as O&M services.

Our corporate Group structure is as follows:



### 3. PROSPECTUS SUMMARY (Cont'd)

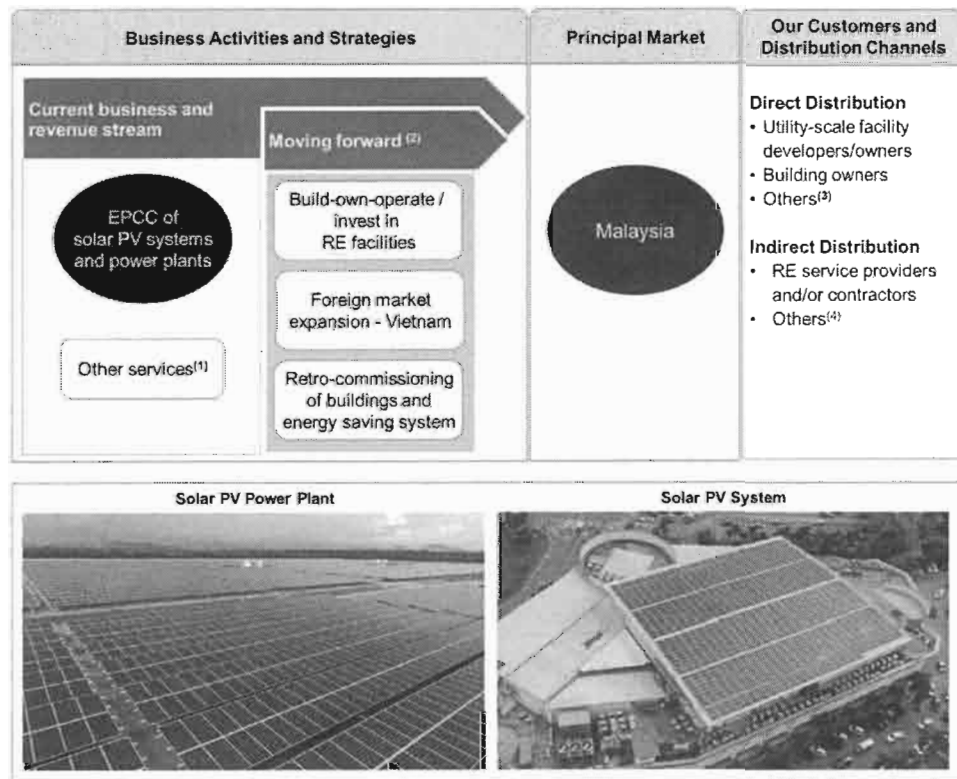
The principal activities of our subsidiaries are as follows:

Company	Principal activities
Samaiden	EPCC of solar PV systems and power plants, and provision of O&M services <sup>(1)</sup>
Samaiden Consultancy	Provision of RE and environmental consulting services
SC Green	Currently inactive <sup>(2)</sup>

**Notes:**

- (1) The provision of RE and environmental consulting services was previously undertaken by Samaiden. Currently, the provision of RE and environmental consulting services is undertaken by Samaiden Consultancy.
- (2) SC Green intends to build, own and operate RE facility. As at the LPD, SC Green has not commenced operations.

The following is an overview of our Group's business model:



● Major revenue contributor representing more than 85% of total revenue for the Financial Years Under Review.

**Notes:**

- (1) Other services include provision of RE and environmental consulting services, and O&M services.
- (2) Please refer to Section 6.12 of this Prospectus for further details on our business strategies.
- (3) For the Financial Years Under Review and up to the LPD, other direct distribution customers include a property developer, manufacturers and a financial institution.
- (4) For the Financial Years Under Review and up to the LPD, other indirect distribution customers include contractors for community buildings such as mosques and public schools, as well as a contractor for an MRT project where we provided environmental consulting services.

### 3. PROSPECTUS SUMMARY (Cont'd)

#### (i) Overview of business activities

##### **EPCC of solar PV systems and power plants, and related subcontracting services**

We are principally a provider of EPCC services for solar PV systems and power plants. The EPCC of solar PV systems and power plants accounted for 87.99%, 95.95%, 99.00% and 92.68%% of our total revenue for FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively. In addition, our revenue from the supply and installation of interconnection facility for the solar PV power plants accounted for 5.32% of our total revenue in FYE 2020.

As a provider of EPCC services for solar PV systems and power plants, our scope of work mainly comprises the following:

- Engineering and design, from initial conceptualisation up to detailed system design.
- Procurement of all construction materials and equipment for the solar PV facilities;
- Construction, including civil, structural, mechanical and electrical works, installation and integration of equipment, and interconnection to the power grid, if required by customers; and
- Commissioning, including testing of individual equipment and systems, and testing of the newly installed solar PV facilities.

For the Financial Years Under Review and the subsequent period up to the LPD, we carried out EPCC on the following two main categories of solar PV facilities:

- **Solar PV power plants** are utility scale solar PV power plants with installed generating capacity of 1 MWac or more. For the Financial Years Under Review, our completed and on-going EPCC projects for solar PV power plants are for the LSS programme which was introduced by the Energy Commission Malaysia in 2016. We commenced on our first EPCC project relating to solar PV power plants in 2017. Our revenue from the EPCC of solar PV power plants accounted for 93.98%, 98.91% and 90.00% of our total revenue for the FYE 2018, FYE 2019 and FYE 2020 respectively.
- **Solar PV systems** are smaller power generating facilities with installed generating capacity of less than 1 MWac. These systems are mainly placed on rooftops of buildings and facilities, or sometimes integrated into buildings including commercial, industrial, residential as well as community buildings such as mosques and schools. For the Financial Years Under Review and up to the LPD, all of the EPCC of solar PV systems that we carried out were mounted on rooftops of buildings and facilities. For the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, EPCC of solar PV systems accounted for 87.99%, 1.97%, 0.09% and 2.68% of our total revenue respectively.

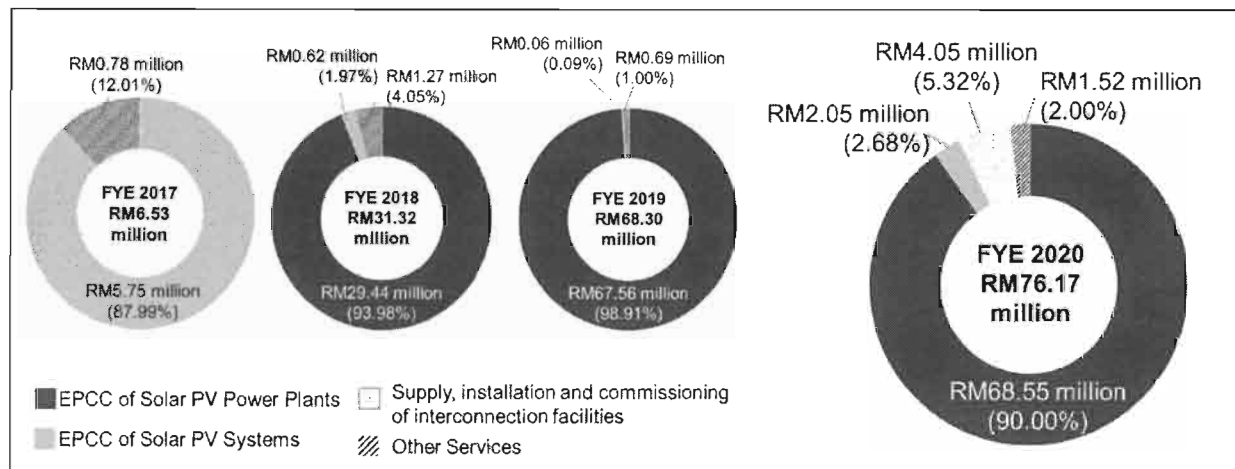
Please refer to Section 6.4.2(a) of this Prospectus for further details on EPCC of solar PV systems and power plants.

##### **Other services**

We have in-house technical expertise to provide RE and environmental consulting services, as well as O&M services. Other services accounted for 12.01%, 4.05%, 1.00% and 2.00% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively. For further details on other services, please refer to Section 6.4.2(b) of this Prospectus.

### 3. PROSPECTUS SUMMARY (Cont'd)

Our revenue segmented by business activities for the Financial Years Under Review are as follows:



### 3.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our Group's competitive strengths are set out below:

**(i) We have experience in undertaking EPCC of solar PV power plants for LSS**

Our experience is demonstrated by the completion of our first EPCC of utility scale solar PV power plant in November 2018 namely the Seberang Perai Project. Subsequently, we secured an additional two EPCC projects for solar PV power plants, namely the Mersing Project and the Kluang Project. Our experience is further supported by the completion of 20 EPCC of solar PV systems for the Financial Years Under Review. Our experience in EPCC of utility scale solar PV power plants as well as solar PV systems will serve as our track record to assist us in securing new contracts.

**(ii) We have expertise in providing end-to-end services for solar PV power plant projects**

We offer end-to-end services covering front-end consulting services, EPCC of solar PV power plant projects encompassing interconnection facilities, and O&M services. Our ability to provide end-to-end services differentiates us from other EPCC service providers who commonly do not provide front-end consulting services and/or carry out O&M services.

**(iii) We have experienced technical and management team**

We have an experienced technical and management team headed by our Group Managing Director, Ir. Chow Pui Hee, who has approximately 19 years of experience in the engineering field, RE and the environmental sectors. She is supported by our Executive Director, Fong Yeng Foon, who brings with him approximately 21 years of experience in water and wastewater treatment industries. Our Group Managing Director and Executive Director are key in determining the strategic direction of the business and implementing strategies to drive the business growth. They are assisted by our key management team, who also has knowledge and experience in the RE and environmental sector, as well as EPCC of solar PV systems and power plants.

**(iv) We have a track record in providing quality and timely completion of our EPCC projects.**

Our track record in providing quality and timely completion of our EPCC projects is demonstrated by having successfully completed one utility scale solar PV power plant project and 20 solar PV system projects without any delays within the prescribed time by the project owners for the Financial Years Under Review and up to the LPD. There were no claims for late completion of our projects for the Financial Years Under Review and up to the LPD. In addition, our Group has not experienced any claims on our solar PV system and power plant performance for the Financial Years Under Review and up to the LPD.

### 3. PROSPECTUS SUMMARY (Cont'd)

Further details of our competitive strengths are set out in Section 6.1.2 of this Prospectus.

#### 3.4 BUSINESS STRATEGIES

Moving forward, we will continue to strengthen our core competency in EPCC of solar PV systems and power plants as well as to expand in the following areas:

##### 3.4.1 Business Expansion

We will continue to leverage on our experience in providing end-to-end services of solar PV projects to expand our business in Malaysia and Vietnam.

##### 3.4.1.1 Local expansion

###### (a) Sales and technical support offices

Moving forward, we intend to establish three new sales and technical support offices in Johor, Penang and Sabah as part of our strategy to expand our EPCC and O&M services to serve existing as well as new customers in the solar PV industry. This is in line with our target to address the business opportunities in the solar PV systems for commercial and industrial buildings under the NEM programme.

###### (b) New corporate office with storage facilities in Selangor

Part of our expansion plan is to establish a new corporate office with storage facilities in Selangor. This office building will have floor space to accommodate storage of PV modules and related equipment and parts to cater to our business expansion in EPCC and O&M of solar PV projects. In addition, we will relocate our existing office to this new corporate office in Selangor. We intend to purchase the new corporate office by 1<sup>st</sup> half of 2021. The total estimated cost for the Corporate Office together with renovation and fit out works is RM10.60 million, RM7.00 million of which is expected to be funded by proceeds from our Public Issue and the remaining RM3.60 million by bank borrowings.

###### (c) Purchases of New Equipment and Tools

We also plan to purchase new equipment and tools as well as IT software and hardware. The total estimated cost of purchasing new equipment and tools is approximately RM1.21 million. Of the total RM1.21 million, RM1.17 million will be funded through IPO proceeds and the remaining RM0.04 million will be funded through internally generated funds and bank borrowings. Please refer to Section 4.4 of this Prospectus for further details on the use of IPO proceeds pertaining to the purchase of equipment and tools.

##### 3.4.1.2 Foreign market expansion

For the Financial Years Under Review and up to the LPD, our principal market was Malaysia. Part of our strategies and plans is to set up a sales and technical support office in Vietnam within 24 months from our Listing date.

###### Vietnam

In October 2019, we secured our first purchase order for the design and supply of solar PV modules and balance of system for a commercial building in Bac Lieu province, Vietnam. As part of our business strategy, we intend to carry out EPCC of solar PV systems for the residential and commercial sectors in Vietnam. In this respect, we plan to collaborate with local partners such as mechanical and electrical contractors and installers, to explore business opportunities in Bac Lieu province, in the southern part of Vietnam. As we have the technical experience in carrying out EPCC of solar PV systems in Malaysia, we intend to adopt a similar model of operation and work with these said local partners who can provide initial support in sales and business development prior to setting up our own sales and technical office in Vietnam. As at the LPD, we do not intend to enter into any joint venture arrangements with any specific local partner. This enables us to work with different local partners on a case-by-case basis.

### 3. PROSPECTUS SUMMARY (Cont'd)

To operate in Vietnam, we will be required to obtain registration of a foreign owned company with the Department of Planning and Investment; and contractor licence from the Department of Construction specifically construction operating licence upon securing a solar PV system project. As a foreign contractor, we will employ local subcontractor for the project. The contractor licence specifically construction operating licence will enable us to carry out EPCC activities based on project basis in Vietnam. We expect to submit the above applications by the 1<sup>st</sup> half of 2021. Please refer to Section 8.1.13 pertaining to the risk on application for licence.

We intend to rent a sales and technical office in Bac Lieu province, Vietnam by the 1<sup>st</sup> half of 2021 to provide engineering technical support to our potential customers. Part of our plans is to hire sales and technical team in Vietnam. In this respect, we intend to set up our sales and technical office, including hiring of technical team, in the 1<sup>st</sup> half of 2021 and commence operations after these approvals are obtained.

#### 3.4.1.3 Local and foreign marketing activities

During the Financial Years Under Review, our Group has participated in various solar and RE related exhibitions, conferences and roadshows to promote our service offerings. Moving forward, we plan to continue our proactive marketing approach by participating in more exhibitions, conferences and roadshows to raise market awareness of our Group with the aim of generating sales leads for our business.

#### 3.4.2 Build-own-operate and invest in RE power plants

Our strategy is to venture into the following:

- build-own-operate an integrated biogas power generation plant in Bachok, Kelantan. The integrated plant comprises a biogas plant to generate and capture biogas, which will then be used as feedstock for the gas power generator to produce electricity. We intend to sell electricity that is generated to the power grid. This will provide us with a new revenue stream, which is recurrent in nature from the sale of electricity to the power grid. The development cost of the 1.2 MWac integrated biogas power generation plant is estimated at RM25.00 million, RM5.00 million of which is expected to be funded by equity contribution and the balance by bank borrowings. SAGB's equity contribution of RM3.00 million based on our 60.00% shareholdings in SC Green, is expected to be funded via internally generated funds. The implementation of this business plan is subject to us securing the biogas quota from SEDA by way of tender within 24 months from the date of this Prospectus. Please refer to Section 6.12.2(a) for further details on our venture into a new business to build-own-operate an integrated biogas power generation plant.
- investment in a solar PV power plant in Sungai Petani, Kedah. The development cost of the 12 MW solar PV power plant is estimated at RM50.00 million, RM10.00 million of which is expected to be funded by equity contribution and the balance by bank borrowings. SAGB's equity contribution of RM4.00 million based on our expected 40% shareholding in the special purpose company is expected to be funded via internally generated funds. We will be responsible for the EPCC and O&M works for the 12 MW solar PV power plant. The implementation of this plan is subject to us and our consortium partner obtaining the bid from the Energy Commission Malaysia by way of tender within 12 months from the date of this Prospectus. Please refer to Section 6.12.2(b) for further details on our plan to venture into investment in a solar PV power plant.

#### 3.4.3 Retro-commissioning of buildings and energy saving systems

Under our provision of RE and environmental consulting services, we plan to expand our service offerings to include retro-commissioning of building and energy saving systems. This is a process to improve the efficiency of an existing building's equipment and systems, including solar PV systems, lighting, air conditioning and other mechanical, electrical and control equipment and systems. In this situation, we will pay the upfront capital investment to retro-commission a building. We will own all the retro-commissioning equipment and systems, and the building owner will pay us through the resultant energy cost savings over a period of time.

### 3. PROSPECTUS SUMMARY (Cont'd)

Further details of our business strategies are set out in Section 6.12 of this Prospectus.

#### 3.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, certain risks and investment considerations (which may occur either individually or in combination, at the same time or around the same time) that may have a significant impact on our future financial performance. The following are some of the key risks and investment considerations that we are currently facing or that may develop in the future:

- (i) our business is dependent on Government initiated solar PV programmes;
- (ii) our business is project based and we may not be able to continuously secure large solar PV power plant projects to replicate our high historical growth in revenue and profit;
- (iii) our financial performance may be affected following the expiry of our tax exemption;
- (iv) we are dependent on our Group Managing Director, Executive Director, and key senior management for the continuing success of our Group;
- (v) we are dependent on our subcontractors to perform certain works;
- (vi) we are subject to the risk of claims against system performance warranty and defect liabilities; and
- (vii) we are subject to economic, political, regulatory and major epidemic and/or pandemic outbreak risks in Malaysia and the market we serve. There is no assurance that outbreak of COVID-19 in Malaysia can be effectively controlled, thus, it may significantly and adversely affect our business operations and financial performance.

Please refer to Section 8 of this Prospectus for the full list of risk factors which should be considered before investing in our Shares.

#### 3.6 DIRECTORS AND KEY SENIOR MANAGEMENT OF OUR GROUP

Our Directors and key senior management are as follows:

Name	Designation
<b>DIRECTORS</b>	
Dato' Dr. Nadzri Bin Yahaya	Independent Non-Executive Chairman
Ir. Chow Pui Hee	Group Managing Director
Fong Yeng Foon	Executive Director
Lim Poh Seong	Independent Non-Executive Director
Olivia Lim	Independent Non-Executive Director
<b>KEY SENIOR MANAGEMENT</b>	
Susie Chung Kim Lan	CFO
Mohd Makhzumi Bin Ghazali	Project Manager
Ir. Kang Ching Yew	Technical Manager

Further details on our Directors and key senior management are disclosed in Section 5 of this Prospectus.

### 3. PROSPECTUS SUMMARY (Cont'd)

#### 3.7 PROMOTERS AND/OR SUBSTANTIAL SHAREHOLDERS

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

Promoters and substantial shareholders	Nationality	Before the IPO/As at the LPD				After the IPO			
		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
		No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>
Ir. Chow Pui Hee	Malaysian	74,691,300	50.18	74,153,700	49.82 <sup>(3)</sup>	74,691,300	35.57	74,153,700	35.31 <sup>(3)</sup>
Fong Yeng Foon	Malaysian	74,153,700	49.82	74,691,300	50.18 <sup>(3)</sup>	74,153,700	35.31	74,691,300	35.57 <sup>(3)</sup>

**Notes:**

- (1) Based on our issued share capital of 148,845,000 Shares after the Acquisitions (further details of which are set out in Section 4.1.1 of this Prospectus), but before the IPO.
- (2) Based on our enlarged issued share capital of 210,000,000 Shares after the IPO.
- (3) Deemed interested by virtue of his or her spouse's interest in our Company pursuant to section 8 of the Act.

#### 3.8 USE OF PROCEEDS FROM THE IPO

The total gross proceeds from the Public Issue amounting to RM29.35 million are intended to be used in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the listing date)
Purchase of corporate office	7,000	23.85	Within 24 months
Business expansion and marketing activities	2,540	8.65	Within 24 months
Capital expenditure	1,168	3.98	Within 24 months
Working capital	15,446	52.62	Within 30 months
Estimated listing expenses	3,200	10.90	Within 3 months
<b>Total</b>	<b>29,354</b>	<b>100.00</b>	

There is no minimum subscription level in terms of proceeds to be raised from the IPO. Further details on the use of proceeds are set out in Section 4.4 of this Prospectus. The financial impact of the use of proceeds from our Public Issue is illustrated in our Pro Forma Consolidated Statements of Financial Position as at 30 June 2020 set out in Section 11.9 of this Prospectus.

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

The key financial highlights of our historical audited combined statements of profit or loss and other comprehensive income for the Financial Years Under Review are set out below:

	<-----Audited----->			
	FYE 2017 RM'000	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000
Revenue	6,530	31,322	68,301	76,170
Cost of sales	(4,484)	(26,708)	(58,467)	(64,515)
<b>GP</b>	<b>2,046</b>	<b>4,614</b>	<b>9,834</b>	<b>11,655</b>
Other income	-	36	194	520
<b>PBT</b>	<b>1,452</b>	<b>3,277</b>	<b>7,516</b>	<b>7,278</b>
<b>PAT</b>	<b>1,364</b>	<b>3,214</b>	<b>7,479</b>	<b>7,229</b>
GP margin (%) <sup>(1)</sup>	31.33	14.73	14.40	15.30
PBT margin (%) <sup>(2)</sup>	22.24	10.46	11.00	9.55
PAT margin (%) <sup>(3)</sup>	20.89	10.26	10.95	9.49
Effective tax rate (%) <sup>(4)</sup>	6.06	1.92	0.49	0.67

**Notes:**

- (1) GP margin is calculated based on GP divided by revenue.
- (2) PBT margin is calculated based on PBT divided by revenue.
- (3) PAT margin is calculated based on PAT divided by revenue.
- (4) Effective tax rate is calculated based on income tax expense divided by PBT. Samaiden had obtained approval from MIDA for income tax exemption under GITE. As such, Samaiden was eligible for income tax exemption of 100% of its statutory income generated from green technology services inclusive of RE for the years of assessment 2017 to 2020. The GITE granted to Samaiden has expired on 30 June 2020 and as such, it will no longer enjoy tax exemption after the FYE 2020. From the FYE 2021 onwards, Samaiden will be subject to the prevailing statutory tax rate.

Please refer to Section 11.1 of this Prospectus for further discussion on our historical audited combined financial information.

**3.10 DIVIDEND POLICY**

It is our Directors' policy to allow our shareholders to participate in the profits of our Group as well as leaving adequate reserves for the future growth of our Group. Notwithstanding the above, our Group presently does not have a fixed dividend policy. Samaiden declared dividends of approximately RM0.40 million, RM1.70 million and RM4.00 million in the FYE 2017, FYE 2018 and FYE 2019, respectively, which represented approximately 29.33%, 52.89% and 53.49% of the Group's PAT in the respective FYE. Samaiden did not declare any dividend during the FYE 2020. Further details on our dividend policy are disclosed in Section 11.8 of this Prospectus.

### 3. PROSPECTUS SUMMARY (Cont'd)

#### 3.11 COVID-19 OUTBREAK

On 16 March 2020, the Government announced the imposition of the first phase of a 14-day MCO from 18 March 2020 to 31 March 2020 to curb the spread of COVID-19 outbreak in Malaysia. Following the MCO, our on-site activities have been suspended with effect from 18 March 2020. The Government had, on 25 March 2020, announced the second phase of MCO with extension for another two weeks until 14 April 2020. On 3 April 2020, we obtained conditional approval from the MITI to unload the materials at the work site in relation to the Kluang Project. We applied for approval from MITI in respect of Kluang Project only as the materials for the Kluang Project had arrived at the port.

Subsequently, the MCO was further extended from 14 April 2020 to 28 April 2020 for its third phase, as announced on 10 April 2020. During this period, the MITI announced that businesses in the list of sectors specified by the MITI may submit an application to MITI to seek for approval to operate. We received conditional approval from the MITI on 20 April 2020 to resume operations in our office premises. With the conditional approval from MITI, we resumed our office operations on 27 April 2020. On 23 April 2020, the Government announced a fourth phase of the MCO from 28 April 2020 to 12 May 2020, and subsequently on 1 May 2020, a conditional MCO ("CMCO") effective on 4 May 2020 was announced which enables almost all sectors of the economy to reopen. On 10 May 2020, the Government further announced that the CMCO will be extended for another four weeks until 9 June 2020. Subsequent to the CMCO, the Government has announced the imposition of recovery MCO ("RMCO") from 10 June 2020 until 31 August 2020, which has been further extended to 31 December 2020. As at the LPD, we have resumed our on-site operations for our local on-going projects.

Save as disclosed in Sections 6.4.2(c) and 8.2.4 of this Prospectus, as at the LPD, our Directors confirm that none of our projects have been subject to significant delays since the COVID-19 outbreak and our Directors are not aware of (a) any intention of our customers to delay or suspend our existing projects; (b) any material difficulty of our suppliers in delivering materials which have been ordered by us within the agreed schedule; (c) any labour shortage or suspension of works on the part of our Group or our subcontractors; or (d) any delay or suspension of the schedule in relation to the projects that we have submitted our tenders, despite the COVID-19 outbreak and the implementation of the MCO in Malaysia. Further to the above, as at the LPD, our Group had not received any notice on any termination of projects.

Furthermore, we have submitted notifications of stop works and force majeure to our customers as a result of the MCO. We have received extension of time for some of the affected projects due to the delay caused by the MCO. Please refer to Section 8.2.4 of this Prospectus for further details on the notifications to our customers, extension of time and consequence of non-approval of extension of time.

In addition, we have prepared internal standard operating procedures to be complied by our employees at the office and our employees and subcontractors at the project sites in order to maintain the orderly process of our operations and to safeguard their safety and health condition. The enhanced hygiene and precautionary measures which we have adopted include (i) conducting daily body temperature checks of our employees before the employees are allowed to enter our office premises; (ii) requiring our employees to wear face masks; (iii) promoting personal hygiene among our employees as well as visitors; and (iv) enforcing social distancing of at least one metre within the office premises.

In conclusion, whilst we had suspended our on-site activities temporarily for approximately one month due to the MCO, the impact of the MCO to our business, results of operations and financial performance was not material as at the LPD. Furthermore, as at the LPD, our Group does not foresee any material adverse effect on the financial position or business of our Group arising from the MCO and the COVID-19 outbreak in view of our overall financial position and relatively lean fixed cost structure. Please refer to Sections 6.4.2(b), 6.4.2(c) and 6.4.12 of this Prospectus for further details on the impact of the COVID-19 outbreak to our business operations, Sections 8.1.10 and 8.2.4 of this Prospectus for risks arising from the COVID-19 outbreak and MCO, and Section 11.3.2 of this Prospectus for the financial impact to our Group arising from the COVID-19 outbreak and MCO.

#### 4. PARTICULARS OF THE IPO

##### 4.1 DETAILS OF THE IPO

##### 4.1.1 Listing Scheme

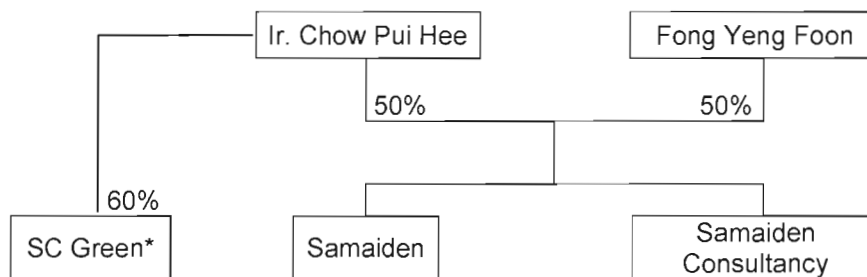
Our listing scheme in conjunction with and as an integral part of the listing of and quotation for our entire enlarged issued share capital on the ACE Market involves the Acquisitions, Public Issue and Listing.

##### (a) Acquisitions

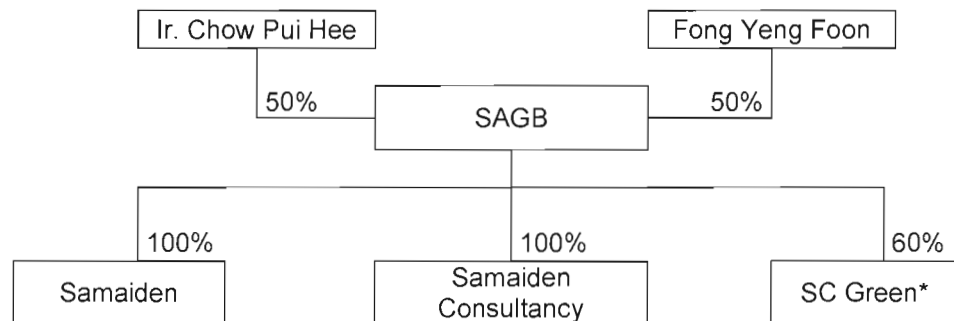
##### (i) Group Structure

Our Group structure before and after the Acquisitions is illustrated below:

##### Before the Acquisitions



##### After the Acquisitions



##### Note:

\* Remaining 40.00% of equity interest in SC Green is held by Syamshuar Bin Husin. Please refer to Section 4.1.1(a)(iv) for further details on Syamshuar Bin Husin.

**4. PARTICULARS OF THE IPO (Cont'd)****(ii) Acquisition of Samaiden**

Our Company had entered into a share sale agreement on 29 November 2019 to acquire the entire issued share capital of Samaiden of RM1,000,000 comprising 1,000,000 ordinary shares from Samaiden Vendors for a purchase consideration of RM7,415,268. The said purchase consideration was entirely satisfied by the issuance of 148,305,360 new Shares at an issue price of RM0.05 per Share.

The abovementioned 148,305,360 new Shares were issued to Samaiden Vendors as follows:

<b>Samaiden Vendors</b>	<b>No. of Samaiden ordinary shares acquired</b>	<b>Shareholdings held in Samaiden (%)</b>	<b>Purchase consideration (RM)</b>	<b>No. of SAGB Shares issued</b>
Ir. Chow Pui Hee	500,000	50.00	3,707,634	74,152,680
Fong Yeng Foon	500,000	50.00	3,707,634	74,152,680
<b>Total</b>	<b>1,000,000</b>	<b>100.00</b>	<b>7,415,268</b>	<b>148,305,360</b>

The purchase consideration of RM7,415,268 was arrived at on a willing buyer-willing seller basis and after taking into account the audited NA value of Samaiden as at 30 June 2019 of RM7,415,256. The Acquisition of Samaiden was completed on 19 August 2020 and Samaiden became a wholly-owned subsidiary of our Company.

**(iii) Acquisition of Samaiden Consultancy**

Our Company had entered into a share sale agreement on 29 November 2019 to acquire the entire issued share capital of Samaiden Consultancy of RM100 comprising 100 ordinary shares from Samaiden Consultancy Vendors for a purchase consideration of RM2. The said purchase consideration was entirely satisfied by the issuance of 40 new Shares at an issue price of RM0.05 per Share.

The abovementioned 40 new Shares were issued to Samaiden Consultancy Vendors as follows:

<b>Samaiden Consultancy Vendors</b>	<b>No. of Samaiden Consultancy ordinary shares acquired</b>	<b>Shareholdings held in Samaiden Consultancy (%)</b>	<b>Purchase consideration (RM)</b>	<b>No. of SAGB Shares issued</b>
Ir. Chow Pui Hee	50	50.00	1	20
Fong Yeng Foon	50	50.00	1	20
<b>Total</b>	<b>100</b>	<b>100.00</b>	<b>2</b>	<b>40</b>

The purchase consideration of RM2 was arrived at on a willing buyer-willing seller basis and after taking into account the audited net liability position of Samaiden Consultancy as at 30 June 2019 of RM6,848. The Acquisition of Samaiden Consultancy was completed on 19 August 2020 and Samaiden Consultancy became a wholly-owned subsidiary of our Company.

**4. PARTICULARS OF THE IPO (Cont'd)****(iv) Acquisition of SC Green**

Our Company had entered into a share sale agreement on 29 November 2019 to acquire 30,000 ordinary shares in SC Green which is held by Ir. Chow Pui Hee representing 60.00% of the entire issued share capital of SC Green for a purchase consideration of RM26,880. The said purchase consideration was entirely satisfied by the issuance of 537,600 new Shares at an issue price of RM0.05 per Share.

The abovementioned 537,600 new Shares were issued to Ir. Chow Pui Hee as follows:

<b>Vendor of SC Green</b>	<b>No. of SC Green ordinary shares acquired</b>	<b>Shareholdings held in SC Green (%)</b>	<b>Purchase consideration (RM)</b>	<b>No. of SAGB Shares issued</b>
Ir. Chow Pui Hee	30,000	60.00	26,880	537,600
<b>Total</b>	<b>30,000</b>	<b>60.00</b>	<b>26,880</b>	<b>537,600</b>

The purchase consideration of RM26,880 was arrived at on a willing buyer-willing seller basis and after taking into account the adjusted NA value of SC Green of RM44,800, computed based on its audited net liability position as at 30 June 2019 of RM5,198 and subsequent increase in issued share capital of RM49,998 on 15 July 2019. The Acquisition of SC Green was completed on 19 August 2020 and SC Green became a 60%-owned subsidiary of our Company.

The remaining 40.00% equity interest in SC Green is held by Syamshuar Bin Husin, who is also a director of SC Green. He has no family relationships with our Promoters. He is currently one of the directors and an indirect shareholder of PLB Green Solar Sdn Bhd, which is one of the major customers of our Group for the FYE 2018, FYE 2019 and FYE 2020. Upon Listing, he will continue to hold 40.00% equity interest in SC Green and remain as a director in SC Green. Please refer to Section 6.12.2 of this Prospectus for further details of our business strategy to build, own and operate an integrated biogas power generation plant as well as the expected role of Syamshuar Bin Husin.

Upon completion of the Acquisitions, the issued share capital of our Company increased to RM7,442,250 comprising 148,845,000 Shares.

**(b) Public Issue**

The Public Issue of 61,155,000 new SAGB Shares, representing approximately 29.12% of our enlarged issued share capital upon Listing, at the IPO Price will be allocated and allotted in the following manner:

**(i) Malaysian Public**

10,500,000 new SAGB Shares, representing 5.00% of our enlarged issued share capital, will be made available for application by the Malaysian Public via balloting, of which at least 50.00% is to be set aside strictly for Bumiputera investors.

Any Issue Shares reserved under the Malaysian Public balloting portion which is not fully subscribed for by the Malaysian Public will be made available for subscription by the following persons:

**4. PARTICULARS OF THE IPO (Cont'd)**

- (a) firstly, by other eligible Directors, employees and persons who have contributed to the success of our Group under the Pink Form Allocation as described in Section 4.1.1(b)(ii) of this Prospectus;
- (b) secondly, by our selected investors as described in Section 4.1.1(b)(iii) of this Prospectus; and
- (c) lastly, by our Sole Underwriter based on the terms of the Underwriting Agreement.

**(ii) Eligible Directors, employees and persons who have contributed to the success of our Group**

6,300,000 new SAGB Shares, representing 3.00% of our enlarged issued share capital, will be made available for application by our eligible Directors, employees and persons who have contributed to the success of our Group.

We will allocate the Issue Shares to our eligible Directors, employees and persons who have contributed to the success of our Group in the following manner:

Eligibility	No. of persons	Aggregate number of Issue Shares allocated
Directors of SAGB <sup>(1)</sup>	3	900,000
Employees <sup>(2)</sup>	20	3,300,000
Persons who have contributed to the success of our Group <sup>(3)</sup>	45	2,100,000
<b>Total</b>	<b>68</b>	<b>6,300,000</b>

**Notes:**

- (1) The criteria of allocation to our eligible Directors are based on, among others, their respective roles and responsibilities in our Group.
- (2) The criteria of allocation to the eligible employees of our Group (as approved by our Board) are based on, among others, the following factors:
  - (i) The employee must be a full-time employee and on the payroll of our Group; and
  - (ii) The number of Issue Shares allocated to the eligible employees is based on their position, their length of service and their past performance/contribution as well as other factors deemed relevant by our Board.
- (3) The Issue Shares to be allocated to the persons who have contributed to the success of our Group including, among others, our customers and suppliers, shall be based on their contribution to our Group and as approved by our Board.

**4. PARTICULARS OF THE IPO (Cont'd)**

The number of Issue Shares to be allocated to our Directors is as follows:

<b>Name</b>	<b>Designation</b>	<b>Number of Issue Shares allocated</b>
Dato' Dr. Nadzri Bin Yahaya	Independent Non-Executive Chairman	300,000
Lim Poh Seong	Independent Non-Executive Director	300,000
Olivia Lim	Independent Non-Executive Director	300,000
<b>Total</b>		<b>900,000</b>

Any Issue Shares reserved under the Pink Form Allocation which are not taken up will be made available for subscription by the following persons:

- (a) firstly, by other eligible Directors, employees and persons who have contributed to the success of our Group;
- (b) secondly, by the Malaysian Public and our selected investors as described in Sections 4.1.1(b)(i) and 4.1.1(b)(iii) of this Prospectus respectively; and
- (c) lastly, by our Sole Underwriter based on the terms of the Underwriting Agreement.

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

- (a) there are no substantial shareholder(s), Directors, or key senior management of our Company who have indicated to our Company that they intend to subscribe for the Issue Shares; and
- (b) there are no person(s) who have indicated to our Company that they intend to subscribe for more than 5.00% of the Issue Shares.

**(iii) Placement to selected investors**

23,355,000 new SAGB Shares, representing approximately 11.12% of our enlarged issued share capital, will be made available by way of placement to selected investors.

The Issue Shares reserved under the placement to selected investors are not underwritten as written irrevocable undertakings to subscribe for these Issue Shares have been/will be obtained from the respective selected investors.

**(iv) Placement to selected Bumiputera investors approved by the MITI**

21,000,000 new SAGB Shares, representing 10.00% of our enlarged issued share capital, will be allocated by way of placement to selected Bumiputera investors approved by the MITI.

The Issue Shares reserved under the placement to selected Bumiputera investors approved by the MITI are not underwritten as written irrevocable undertakings to subscribe for these Issue Shares have been/will be obtained from the respective selected Bumiputera investors approved by the MITI.

**4. PARTICULARS OF THE IPO (Cont'd)**

Any Issue Shares allocated to, but unsubscribed by, the selected Bumiputera investors approved by the MITI will be made available for application by Bumiputera public investors as part of the balloting process under Section 4.1.1(b)(i) of this Prospectus on a fair and equitable manner. Subsequently, any such Issue Shares unsubscribed by Bumiputera public investors will be made available for application by the Malaysian Public as part of the balloting process on a fair and equitable manner, by the eligible persons under Section 4.1.1(b)(ii) of this Prospectus and/or by way of placement to selected investors under Section 4.1.1(b)(iii) of this Prospectus.

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

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

The salient terms of the Underwriting Agreement are set out in Section 4.5.4 of this Prospectus.

**(c) Listing**

Upon completion of our IPO, our entire enlarged issued share capital of RM36,796,650 comprising 210,000,000 Shares shall be listed on the ACE Market.

**4.1.2 Share Capital**

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

	<b>No. of Shares</b>	<b>Share capital (RM)</b>
Issued share capital as at the date of this Prospectus	148,845,000	7,442,250
New Shares to be issued pursuant to the Public Issue	61,155,000	29,354,400
<b>Enlarged issued share capital upon Listing</b>	<b>210,000,000</b>	<b>36,796,650</b>
<b>IPO Price (RM)</b>		0.48
- <b>Pro forma consolidated NA per Share</b> <i>(based on our enlarged issued share capital after the IPO and after deducting the estimated listing expenses of approximately RM3.20 million)</i>		<b>RM</b> 0.20
- <b>Market capitalisation upon Listing</b> <i>(based on the IPO Price and our enlarged issued share capital after the IPO)</i>		100,800,000

The IPO Price is payable in full upon Application.

We only have one class of shares, being ordinary shares, all of which rank equally with each other. Our Issue Shares will, upon allotment and issue, rank equally in all respects with our existing Shares in issue, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our Issue Shares.

#### 4. PARTICULARS OF THE IPO (Cont'd)

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

At any general meeting of our Company, each shareholder shall be entitled to vote (i) in person; by (ii) proxy; or (iii) by the representative appointed by a corporate member or attorney appointed by the member by a power of attorney ("**Representative**"). On a vote by show of hands, each shareholder present in person or by proxy or by Representative shall have one vote. On a vote by way of poll, each shareholder present in person or by proxy or by Representative shall have one vote for each Share held. A proxy may but need not be a shareholder of our Company.

#### 4.2 BASIS OF ARRIVING AT THE IPO PRICE

Our Directors and AIBB, as the Principal Adviser, Sponsor, Sole Underwriter and Placement Agent, had determined and agreed upon the IPO Price, after taking into consideration the following factors:

##### (i) Financial and operating history

Based on the historical audited combined statements of profit or loss and other comprehensive income of our Group for the FYE 2020, we recorded a PAT attributable to owners of the Company of RM7.25 million representing a basic EPS of 4.87 sen (based on the existing issued share capital of 148,845,000 Shares) and 3.45 sen (based on the enlarged issued share capital of 210,000,000 Shares upon Listing), which translate into PE Multiple of 9.86 times and 13.91 times, respectively. Our detailed operating and financial history are set out in Sections 6 and 11 of this Prospectus, respectively.

##### (ii) Business strategies

Our business strategies are set out in Section 6.12 of this Prospectus.

##### (iii) Competitive advantages and key strengths, and industry prospects

Our competitive advantages and key strengths, and the industry prospects are set out in Sections 6.1.2 and 7 of this Prospectus, respectively.

##### (iv) Pro forma consolidated NA

Our pro forma consolidated NA per Share as at 30 June 2020 of RM0.20 based on our enlarged issued share capital of 210,000,000 Shares upon Listing and after use of proceeds raised from our Public Issue.

You should note that the market price of our Shares upon and subsequent to our Listing is subject to the vagaries of market forces and other uncertainties, which may affect the trading price of our Shares. You are reminded to consider the risk factors set out in Section 8 of this Prospectus before deciding to invest in our Shares.

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

Dilution is the amount by which the IPO Price to be paid by investors for our Issue Shares exceeds our pro forma consolidated NA per Share after our IPO and it is illustrated as follows:

	<b>RM</b>
IPO Price	0.48
Pro forma consolidated NA per Share as at 30 June 2020 before Public Issue	0.10
Pro forma consolidated NA per Share after Public Issue and use of proceeds	0.20
Increase in NA per Share attributable to existing shareholders	0.10
Dilution in NA per Share to new investors	0.28
Dilution in NA per Share as a percentage of the IPO Price	58.33%

Save as disclosed below, there has been no acquisition of any of our Shares by our Promoters, substantial shareholders, Directors and/or key senior management or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares from the date of our incorporation up to the date of this Prospectus:

<b>Promoters, substantial shareholders, Directors and/or key senior management or persons connected with them</b>	<b>No. of Shares held before IPO</b>	<b>No. of Shares held from IPO</b>	<b>Total consideration (RM)</b>	<b>Effective cash cost per Share (RM)</b>
<b>Promoter, substantial shareholder and Director</b>				
Ir. Chow Pui Hee	74,691,300	-	3,734,565	0.05
Fong Yeng Foon	74,153,700	-	3,707,685	0.05

**4.4 USE OF PROCEEDS FROM THE IPO**

The total gross proceeds from the Public Issue will amount to RM29.35 million based on the IPO Price. We expect the proceeds to be used in the following manner:

<b>Purposes</b>	<b>RM'000</b>	<b>%</b>	<b>Estimated time frame for use (from the Listing date)</b>
Purchase of Corporate Office	7,000	23.85	Within 24 months
Business expansion and marketing activities	2,540	8.65	Within 24 months
Capital expenditure	1,168	3.98	Within 24 months
Working capital	15,446	52.62	Within 30 months
Estimated listing expenses	3,200	10.90	Within 3 months
<b>Total</b>	<b>29,354</b>	<b>100.00</b>	

**4. PARTICULARS OF THE IPO (Cont'd)**

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

**(1) Purchase of corporate office with storage facilities (“Corporate Office”)**

We intend to allocate RM7.00 million, representing approximately 23.85% of the proceeds from our Public Issue, for the purchase of a Corporate Office in Selangor.

Currently, we operate from our Head Office in Sunway Nexis, Kota Damansara, Selangor, with built-up area of 123 m<sup>2</sup> (equivalent to approximately 1,324 sq. ft.). We entered into a sale and purchase agreement to acquire our Head Office in the FYE 2018. Our number of employees have grown from five employees as at the FYE 2017 to 26 employees as at the LPD in line with the expansion of our business operations and the LSS projects secured. Due to the growing number of employees, we have entered into two tenancy agreements for additional office space expiring on 31 December 2021 and 31 January 2022 respectively. These additional office spaces with total built-up area of 237 m<sup>2</sup> (equivalent to approximately 2,551 sq. ft.) are located within the same office tower as our Head Office. Notwithstanding the additional rented offices, the total built-up area of these three office units is still insufficient to cater to our Group’s business strategies and plans. As we intend to undertake more EPCC projects for solar PV systems under the NEM Programme, we require storage facilities to accommodate the storage of solar PV modules and related equipment, and parts to cater to our business expansion in EPCC and O&M of solar PV projects. Hence, the Corporate Office will enable our Group to centralise our business operations. With the Corporate Office, we would also be able to enhance our corporate image amongst our customers, suppliers, employees and other stakeholders. Upon relocating to the Corporate Office, we intend to rent out the Head Office as an investment property.

We intend to purchase the Corporate Office by 1<sup>st</sup> half of 2021. The total estimated cost for the Corporate Office together with renovation and fit out works is RM10.60 million, RM7.00 million of which is expected to be funded by proceeds from our Public Issue and the remaining RM3.60 million by bank borrowings.

The earmarked amount of RM7.00 million is expected to be allocated between the purchase cost and the cost for renovation and fit out works as follows:

<b>Setting up of Corporate Office</b>	<b>IPO proceeds RM'000</b>
Purchase of Corporate Office *	5,400
Renovation and fit out works	1,600
<b>Total</b>	<b>7,000</b>

**Note:**

- \* The total estimated cost for the purchase of the Corporate Office is RM9.00 million, based on a few selling prices of semi-detached factories with built-up area of at least 10,000 sq. ft. located in Kota Damansara, Selangor. We intend to use RM5.40 million of the IPO proceeds for the purchase of Corporate Office while the balance to be funded via bank borrowings.

Barring any unforeseen circumstances, we intend to relocate our existing Head Office to this Corporate Office within 24 months from the Listing date.

Any excess amount required for setting up of Corporate Office will be funded by internally generated funds. Please refer to Section 6.12.1.1(c) of this Prospectus for further details on our business strategies in relation to setting up a Corporate Office.

**4. PARTICULARS OF THE IPO (Cont'd)****(2) Business expansion and marketing activities**

We intend to allocate RM2.54 million, representing approximately 8.65% of the proceeds from our Public Issue, for business expansion locally and in Vietnam, as well as for marketing activities.

**(a) Business expansion**

We intend to set up sales and technical support offices in Penang and Sabah ("**Penang Office**" and "**Sabah Office**") and in Bac Lieu province, Vietnam ("**Vietnam Office**") to serve new and existing customers better.

The rationale for setting up offices in Penang and Sabah are to:

- establish a sales team for the marketing of EPCC services for solar PV systems under the NEM programme;
- enhance market presence and address business opportunities to secure new EPCC projects; and
- expand our Group's O&M services.

The Penang Office and Sabah Office will incorporate storage facilities for our tools and equipment, spare parts and components for solar PV modules and other related equipment.

As at the LPD, we have identified Seberang Perai and Kota Kinabalu as locations to set up our Penang Office and Sabah Office, respectively.

The total estimated cost of establishing these offices is RM1.92 million, which will be financed through IPO proceeds. The breakdown of the estimated cost of establishing these offices is as follows:

<b>Business expansion</b>	<b>IPO proceeds RM'000</b>
Penang Office	475*
Sabah Office	475*
Vietnam Office	970^
<b>Total</b>	<b>1,920</b>

**Notes:**

- \* This includes initial purchases of office equipment and furniture, and office rental, operating expenses and payroll expenses for two sales staff and one technical staff each in the Penang Office and Sabah Office for 24 months. The breakdown of the costs for these is as follows:

<b>Penang and Sabah Offices</b>	<b>IPO proceeds RM'000</b>
Payroll expenses	720
Office rental, office equipment, furniture and operating expenses	230
<b>Total</b>	<b>950</b>

**4. PARTICULARS OF THE IPO (Cont'd)**

<sup>^</sup> This includes setting up costs such as application for foreign contractor licensing, company secretarial services and tax advisory services amounting to approximately RM0.10 million. The remaining RM0.87 million will be used for initial purchases of office equipment, furniture and technical equipment, and payment of office rental, travelling expenses, operating and marketing expenses and payroll expenses for two sales staff and two technical staff in the Vietnam Office for 24 months. As at LPD, we have not identified a specific location within the Bac Lieu province of Vietnam for the Vietnam Office. The breakdown of the costs for this is as follows:

<b>Vietnam Office</b>	<b>IPO proceeds RM'000</b>
Incorporation costs	100
Payroll expenses	500
Office rental, office equipment, furniture and operating expenses	370
<b>Total</b>	<b>970</b>

Any excess amount required for business expansion will be funded by internally generated funds.

**(b) Marketing activities**

We have earmarked RM0.62 million for marketing activities which will be used over 24 months from the Listing date for exhibitions, conferences, roadshows and advertisements. We intend to participate in at least two exhibitions and ten roadshows between 2021 and 2023 locally and in foreign countries.

The amount is allocated for, among others, the following:

- travel and lodging expenses;
- event registration fees;
- rental of booth and related expenses; and
- traditional and digital media advertisements.

Any excess amount required for business expansion and marketing activities will be funded by internally generated funds. Please refer to Section 6.12.1 of this Prospectus for further details on our business strategies in relation to business expansion.

Our business expansion into other locations and additional marketing activities are expected to generate business opportunities for us, which will in turn contribute positively to our revenue and earnings.

**4. PARTICULARS OF THE IPO (Cont'd)****(3) Capital expenditure**

We intend to allocate approximately RM1.17 million, representing approximately 3.98% of the proceeds from our Public Issue, to purchase project equipment, and IT software and hardware over 24 months from the Listing date. The purchase of project equipment, and IT software and hardware will support our existing and new EPCC projects. The breakdown of the said purchases is as follows:

<b>Capital expenditure</b>	<b>IPO proceeds RM'000</b>
Purchase of equipment*	668
Purchase of IT software and hardware <sup>^</sup>	500
<b>Total</b>	<b>1,168</b>

**Notes:**

\* Equipment include, among others, drone with thermal sensor, solar PV panel cleaning equipment and motor vehicles to facilitate O&M services, lorry to transport materials, and forklift for the loading and unloading of materials. The tentative breakdown of the costs for these purchases is as follows:

<b>Name</b>	<b>Description</b>	<b>No. of unit</b>	<b>Total estimated costs RM'000</b>
(i) Forklift	For loading and unloading of materials	1	75
(ii) Motor vehicles	For material transportation and transportation at site	2	220
(iii) Drone with thermal sensor	To check hotspot points on solar PV modules	1	150
(iv) Panel cleaning equipment	To clean solar PV panels	1	150
(v) PV Analyser	To check and analyse degradation of solar PV modules	1	30
(vi) I-V curve tracer	Testing equipment for performance of solar PV modules	1	43
<b>Total</b>			<b>668</b>

<sup>^</sup> IT software and hardware include, among others, design software for solar PV facilities, ERP system and server. The tentative breakdown of which is as follows:

<b>Name</b>	<b>Description</b>	<b>No. of unit(s)</b>	<b>Total estimated costs RM'000</b>
(i) IT software – PVsyst	For solar PV system design	3	10
(ii) IT software – Solargis	For solar PV system design	1	40
(iii) IT software – AutoCAD	For solar PV system design	4	20
(iv) Accounting software – AutoCount	For accounting purposes	4	30
(v) ERP software – Microsoft Dynamics NAV	Integrated enterprise resource planning system	30	400
<b>Total</b>			<b>500</b>

**4. PARTICULARS OF THE IPO (Cont'd)**

Any excess amount required for capital expenditure will be funded by internally generated funds and/or bank borrowings. Please refer to Section 6.12.1.1(d) of this Prospectus for further details on our business strategies in relation to capital expenditure.

**(4) Working capital**

We intend to allocate approximately RM15.45 million, representing approximately 52.62% of the proceeds from our Public Issue, for working capital purposes over 30 months from the Listing date. Our Group's working capital requirements are expected to increase in tandem with the expected growth in our business. The following is a breakdown of the expected utilisation for our working capital:

<b>Working capital</b>	<b>IPO proceeds RM'000</b>
Tender bond and performance bond for EPCC projects*	8,000
Purchase of materials for EPCC solar PV system projects^	4,000
General working capital**	3,146
Training and development expenses^^	300
<b>Total</b>	<b>15,446</b>

**Notes:**

- \* RM8.00 million of the IPO proceeds is earmarked for tender bonds and performance bonds for our future EPCC projects.

Tender bonds and performance bonds usually come in the form of a bank guarantee issued by financial institutions. Tender bonds are issued by the bidder (i.e. the EPCC contractor) during the submission of a bid or tender, whereas performance bonds are issued upon the signing of the contract.

The purpose of a tender bond is to provide guarantee to the customer or project owner that the bidder will undertake the EPCC services if the contract is awarded to the said bidder. A performance bond is to provide guarantee to the customer or project owner that the bidder will meet its contractual obligations (particularly, to meet the project deadline and any other specific requirements set out in the EPCC contract). The validity of a tender bond lapses upon the end of the tender period whereas the validity of a performance bond is up to completion of the said project. Typically, in the event the bidder is awarded the contract, the tender bond will be substituted with a performance bond. If the bidder is not selected, the tender bond will be returned in full.

In general, customers of solar PV systems for residential use do not require tender bonds or performance bonds. Tender bonds and/or performance bonds are usually required for EPCC of solar PV systems and power plants for commercial, industrial and government related projects.

In order for a financial institution to issue a bank guarantee for tender bonds or performance bonds in favour of our customers, we are required to maintain a security deposit in the form of fixed deposits pledged with licensed banks. These security deposits generally amount to 30% to 50% of the value of the tender bonds or performance bonds ("**Security Margin**"). As such, this results in the lock-up of a portion of our working capital thereby affecting our liquidity, during the duration of the project.

The tender bond or performance bond required by the project owner and/or developer for a solar PV system or power plant is approximately 5% to 10% of the total project value. The amount to be maintained by us with licensed banks for Security Margin purposes is expected to increase in line with the growth of our business and the value of contracts awarded to us.

**4. PARTICULARS OF THE IPO (Cont'd)**

Taking into consideration the Security Margin requirement as well as the value of potential contracts we are currently pursuing, we have earmarked RM8.00 million of the IPO proceeds to meet the Security Margin requirement.

- ^ Taking into consideration the value of potential contracts we are currently pursuing, specifically for EPCC of solar PV system projects, RM4.00 million of the IPO proceeds is earmarked for the bulk purchases of materials which include solar PV modules, inverters and cables. In view of the shorter time taken in the EPCC works of solar PV system projects as compared to solar PV power plants, we intend to purchase these materials upfront to ensure timely completion and to minimise the effect of fluctuation of prices of these materials.
- \*\* General working capital includes payment of administration and operating expenses for 30 months. This includes payment of wages and salaries of our employees, utility expenses, office related expenses, and payment to suppliers and subcontractors.
- ^^ Being training and development expenses earmarked for our technical staff as we require our technical team to undertake continuous professional development and to keep themselves abreast of the latest technical knowledge. Hence, we will send our technical team to various SEDA and external courses. These include, among others, the "Grid-Connected Photovoltaic Systems Design" course and "Grid-Connected Photovoltaic Course for Wireman and Chargeman" course.

The IPO proceeds earmarked for working capital purposes will enable us to undertake more projects moving forward and is expected to enhance our Group's liquidity and cash flows.

**(5) Estimated listing expenses**

Our listing expenses are estimated to be RM3.20 million, representing approximately 10.90% of the proceeds from our Public Issue, are as follows:

Description	Total RM'000
Professional fees*	2,000
Fees to authorities	70
Estimated underwriting, placement and brokerage fees	650
Printing and advertisement	200
Contingencies^	280
<b>Total</b>	<b>3,200</b>

**Notes:**

- \* Includes professional and advisory fees for, among others, Principal Adviser, Solicitors, Reporting Accountants and IMR.
- ^ Other incidental or related expenses in connection with the IPO, which include translators, media related expenses and IPO event expenses.

If the actual listing expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes.

There is no minimum subscription level in terms of proceeds to be raised from the IPO.

#### 4. PARTICULARS OF THE IPO (Cont'd)

The financial impact of the use of proceeds from our Public Issue is illustrated in our Pro Forma Consolidated Statements of Financial Position as at 30 June 2020 set out in Section 11.9 of this Prospectus.

#### 4.5 BROKERAGE, UNDERWRITING COMMISSION AND PLACEMENT FEE

##### 4.5.1 Brokerage

We will bear the brokerage fees to be incurred on the issue of the 16,800,000 Issue Shares pursuant to the IPO under Sections 4.1.1(b)(i) and 4.1.1(b)(ii) of this Prospectus at the rate of 1.00% of the IPO Price in respect of successful Applications which bear the stamp of AIBB, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

##### 4.5.2 Underwriting commission

AIBB, as our Sole Underwriter, has agreed to underwrite 16,800,000 Issue Shares as set out in Sections 4.1.1(b)(i) and 4.1.1(b)(ii) of this Prospectus. We will pay our Sole Underwriter an underwriting commission at the rate of 2.25% of the total value of the Issue Shares underwritten at the IPO Price.

##### 4.5.3 Placement fee

AIBB, as our Placement Agent, has agreed to place out 44,355,000 Issue Shares available under the placement to selected investors as well as selected Bumiputera investors approved by the MITI as set out in Sections 4.1.1(b)(iii) and 4.1.1(b)(iv) of this Prospectus respectively, at the rate of up to 2.25% of the IPO Price for each Issue Share to be placed out by the Placement Agent.

##### 4.5.4 Salient terms of the Underwriting Agreement

We had on 7 September 2020 entered into the Underwriting Agreement with the Sole Underwriter, whereby the Sole Underwriter has agreed to underwrite 16,800,000 Issue Shares ("**Underwritten Shares**"), upon the terms and subject to the conditions as set out in the Underwriting Agreement.

A summary of the salient terms of the Underwriting Agreement are as follows:

- (a) The Sole Underwriter may terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares before the last date and time for the receipt of applications and payment for the Issue Shares in accordance with the Prospectus or such later date as the Company and the Sole Underwriter may mutually agree upon consultation with the SC ("**Closing Date**") or the extended Closing Date which will be notified in a widely circulated Bahasa Malaysia and English daily newspaper in Malaysia, if:
  - (i) the approval of Bursa Securities and other relevant authorities for the Listing is revoked, withdrawn or procured but subject to the conditions not acceptable to the Sole Underwriter;
  - (ii) there is any material breach by the Company of any of the representations, warranties or undertakings in the Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice given to the Company;
  - (iii) there is a material failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement;
  - (iv) there is withholding of information of a material nature from the Sole Underwriter which is required to be disclosed pursuant to this Agreement which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be

**4. PARTICULARS OF THE IPO (Cont'd)**

expected to have, a material adverse effect on the business or operations of the Group, the success of the IPO or Listing, or the distribution or sale of the Issue Shares;

- (v) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Group;
- (vi) the Listing does not take place within three months from the date of the Underwriting Agreement or such other extended date as may be agreed by the Sole Underwriter;
- (vii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on ACE Market of Bursa Securities due to exceptional financial circumstances which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the IPO, or the distribution or sale of the Issue Shares;
- (viii) a material adverse change in the stock market condition occurs, and for the purposes of this clause, a material adverse change in the stock market condition shall be deemed to have occurred if the FTSE Bursa Malaysia Kuala Lumpur Composite Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

(aa) on or after the date of the Underwriting Agreement; and

(bb) prior to the close of the offering of the Public Issue,

lower than 85% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least three consecutive Market Days or any other adverse change in the market conditions which the parties mutually agree to be sufficiently material and adverse to render it to be a terminating event; or

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

which in the opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of the Group as a whole or the success of the IPO or Listing 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.

- (b) In the event that the Underwriting Agreement is terminated pursuant to Section 4.5.4(a) above, the Sole Underwriter and the Company may confer with a view to deferring the Public Issue by amending the terms of the Underwriting Agreement and entering into a

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**4. PARTICULARS OF THE IPO (Cont'd)**

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new underwriting agreement accordingly, but neither the Sole Underwriter nor the Company shall be under any obligation to enter into a fresh agreement.

- (c) Upon any such notice(s) being given pursuant to Section 4.5.4(a) above, the Sole Underwriter shall be released and discharged from their obligations under the Underwriting Agreement whereupon the following shall take place within three Market Days of the receipt of such notice:
- (i) the Company shall make payment of underwriting commission calculated at the rate of 2.25% of the total value of the Shares underwritten at the IPO Price ("**Underwriting Commission**"), to the Sole Underwriter in accordance with the Underwriting Agreement;
  - (ii) the Company shall pay or reimburse to the Sole Underwriter the costs and expenses referred to in the Underwriting Agreement; and
  - (iii) each party shall return all other monies (in the case of the Sole Underwriter, after deducting the Underwriting Commission due and owing to the Sole Underwriter under the Underwriting Agreement) including but not limited to the subscription monies paid to the other under the Underwriting Agreement (except for monies paid by the Company for the payment of the expenses as provided under the Underwriting Agreement);

and thereafter, the Underwriting Agreement shall be terminated and of no further force and effect and none of the parties shall have a claim against the other save and except in respect of any antecedent breaches.

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

	Nationality	Before the IPO / As at the LPD		After the IPO	
		Direct No. of Shares	Indirect % <sup>(1)</sup> No. of Shares	Direct No. of Shares	Indirect % <sup>(2)</sup> No. of Shares
<b>Promoters and substantial shareholders</b>					
Ir. Chow Pui Hee	Malaysian	74,691,300	50.18	74,691,300	49.82 <sup>(3)</sup>
Fong Yeng Foon	Malaysian	74,153,700	49.82	74,691,300	50.18 <sup>(3)</sup>
				74,153,700	35.57
				74,691,300	35.31 <sup>(3)</sup>
				74,153,700	35.57 <sup>(3)</sup>

**Notes:**

- (1) Based on our issued share capital of 148,845,000 Shares after the Acquisitions, but before the IPO.
- (2) Based on our enlarged issued share capital of 210,000,000 Shares after the Public Issue pursuant to the IPO.
- (3) Deemed interested by virtue of his or her spouse's interest pursuant to section 8 of the Act.

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

### 5.1.2 Profiles of Promoters and substantial shareholders

#### **Ir. Chow Pui Hee**

*Promoter, substantial shareholder and Group Managing Director*

Chow Pui Hee, aged 42, is our Group Managing Director. She was appointed to our Board on 18 October 2019.

Chow Pui Hee graduated in 2001 from Universiti Putra Malaysia with a Bachelor of Engineering (Chemical) (Honours). She was elected as a member of the Institution of Engineers, Malaysia in 2014. She is a registered Professional Engineer with Practising Certificate in Chemical Engineering with the Board of Engineers Malaysia since 2016, an Environmental Impact Assessment (Wastewater) Subject Consultant with the Department of Environment Malaysia since 2010, and an Electricity Energy Manager with Energy Commission Malaysia since 2016. She also holds a Certificate of Competency for Grid-Connected PV Systems Design by SEDA issued in 2014. She brings with her approximately 19 years of experience in the engineering field, RE and the environmental sectors. Please refer to Section 6.1.1 of this Prospectus for further details of her personal credentials and awards.

She started her career in 2001 with Waterfield Sdn Bhd, a company providing pump and system solutions, as an Application Engineer, where she was mainly involved in specifying pumping system for water and wastewater treatment plant. She left in 2002 and joined Aquakimia Sdn Bhd, an engineering company specialising in the turnkey design and construction of water, environmental solutions and chemical supply for industrial and municipal clients and project developer of carbon assets to reduce carbon emissions, as an Environmental Sales Engineer, where she was mainly responsible for engineering design and project management, and subsequently promoted to Manager, Environmental Division in 2007 where she was involved in the design and build of wastewater treatment plants. Subsequently in 2009, she left Aquakimia Sdn Bhd and joined Climate Change Group Sdn Bhd, a company involved in management of remediation projects that harness methane emissions generating carbon credits and revenue supporting sustainable development projects, as a Technical Manager where she was responsible for the management of landfill closure and provision of technical advisory services of contaminated land management, solid waste and wastewater management. In 2010, she left Climate Change Group Sdn Bhd and became Senior Technical Manager at Strec Sdn Bhd, a company involved in environmental and waste management consultancy services. She was responsible for providing environmental consulting services relating to the closure of the 16 landfills under the National Landfill Restoration projects completed by Cypark Resources Berhad. Subsequently, between 2011 and 2014, she joined Teknik Edisi Sdn Bhd, a company involved in architectural and engineering activities and related technical consultancy, as Assistant General Manager where she was responsible in the implementation of several solar PV system projects.

In July 2014, she joined Samaiden as General Manager before assuming the role as the Managing Director in April 2018. Since July 2014, she has been spearheading the growth and expansion of the company from a contractor of solar PV system to providing end-to-end services for solar PV power plant projects covering front-end consultancy, EPCC and O&M services. She assumed the role as our Group Managing Director in December 2019. As our Group Managing Director, she has been instrumental in the growth and development of our Group where she has contributed significantly in our Group's business expansion into utility scale solar PV segment within the RE sector. She is responsible for developing the strategic direction of our Group, overseeing the technical aspects of projects undertaken by our Group as well as embarking into RE facility as an owner and operator.

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

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**Fong Yeng Foon**

*Promoter, substantial shareholder and Executive Director*

Fong Yeng Foon, aged 50, is our Executive Director. He was appointed to our Board on 16 December 2019.

Fong Yeng Foon graduated in 1997 from University of Northumbria, United Kingdom with a Bachelor of Engineering (Honours) in Mechanical Engineering. He brings with him approximately 21 years of experience in water and wastewater treatment industries.

He started his career in 1999 when he joined Waterfield Sdn Bhd, a company providing pump and system solutions. During his tenure with Waterfield Sdn Bhd, he was mainly involved in the sales and services for water and wastewater related pumping equipment as a Sales Engineer. In 2004, he left the company and joined Mectron Engineering Equipment Sdn Bhd as an Executive Director, a company principally involved in engineering works involved with the assembly of electrical, electronic and mechanical parts and components of pumps. During his tenure in Mectron Engineering Equipment Sdn Bhd, he was responsible for the planning, coordination and management of the company's business operations, and led in the provision of water pumping solutions from design to project management, delivery and commissioning of these water pumps.

In May 2013, he co-founded Samaiden with Chow Ah On, the father of our Group Managing Director, Ir. Chow Pui Hee. He was instrumental in the business development of our Group. In July 2019, he left Mectron Engineering Equipment Sdn Bhd to focus on the day-to-day operations of our Group. He is responsible for the implementation of our business strategies, foreign expansion and business development of our Group while overseeing our sales and marketing, O&M as well as procurement and contract functions.

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

**5.1.3 Changes in our Promoters' and/or substantial shareholders' shareholdings**

The changes in our Promoters' and/or substantial shareholders' shareholdings in our Company since incorporation to the LPD are as follows:

	As at incorporation		After the Acquisitions and as at the LPD	
	<-----Direct-----> No. of Shares	<-----Indirect-----> %	<-----Direct-----> No. of Shares	<-----Indirect-----> % <sup>(2)</sup>
<b>Promoters and substantial shareholders</b>				
Ir. Chow Pui Hee	1,000	50.00	74,691,300	50.18
Fong Yeng Foon	-	-	74,153,700 <sup>(3)</sup>	49.82 <sup>(1)</sup>
<b>Substantial shareholder</b>				
Lee Eng Tee	1,000	50.00	-	-

**Notes:**

- (1) Deemed interested by virtue of his or her spouse's interest pursuant to section 8 of the Act.
- (2) Based on our issued share capital of 148,845,000 Shares after the Acquisitions, but before the IPO.
- (3) Includes 1,000 Shares being subscriber's shares that were transferred from our Company's previous shareholder, Lee Eng Tee.

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

As at the LPD, our Promoters and/or substantial shareholders have the same voting rights and there is no arrangement between our Company and our shareholders with any third parties, the operation of which may at a subsequent date result in a change of control of our Company.

### 5.1.4 Promoters and/or substantial shareholders' remuneration and benefits

Save for the dividends paid, and the aggregate remuneration and benefits paid or proposed to be paid to our Promoters and/or substantial shareholders for services rendered to our Group in all capacities for the FYE 2020 and FYE 2021 as set out in Section 5.4 of this Prospectus, there are no other amount or benefits that has been paid or intended to be paid to our Promoters and/or substantial shareholders within the two years preceding the date of this Prospectus.

## 5.2 DIRECTORS AND KEY SENIOR MANAGEMENT

### 5.2.1 Directors

Our Board comprises the following members:

Name	Age	Nationality	Date of appointment	Designation
Dato' Dr. Nadzri Bin Yahaya (M)	63	Malaysian	16 December 2019	Independent Non-Executive Chairman
Ir. Chow Pui Hee (F)	42	Malaysian	18 October 2019	Group Managing Director
Fong Yeng Foon (M)	50	Malaysian	16 December 2019	Executive Director
Lim Poh Seong (M)	54	Malaysian	16 December 2019	Independent Non-Executive Director
Olivia Lim (F)	41	Malaysian	16 December 2019	Independent Non-Executive Director

#### Notes:

(M) Male

(F) Female

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

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**5.2.2 Profiles of Directors**

The profiles of our Directors are as follows:

**Dato' Dr. Nadzri Bin Yahaya**

*Independent Non-Executive Chairman*

Dato' Dr. Nadzri Bin Yahaya, aged 63, is our Independent Non-Executive Chairman. He was appointed to our Board on 16 December 2019.

He graduated in 1982 from Universiti Sains Malaysia with a Bachelor of Science (Honours) in Biology. In 1984, he completed his Diploma in Public Administration from the National Institute of Public Administration (INTAN). In 1990, he completed a Certificate of Professional Development for Personnel Management from the University of Connecticut, United States of America. In 1993, he obtained his Master of Arts in Environmental Planning for Developing Countries from the University of Nottingham, United Kingdom. In 2000, he obtained his Doctor of Philosophy (PhD) from the University of Wales, Cardiff, United Kingdom.

His career started in 1982 as an Assistant Secretary in the Ministry of Health, Malaysia, where he was involved in the establishment of posts in the medical sector before he was posted to the Ministry of Finance as an Assistant Secretary, Administration Division in 1986, where he was responsible for the terms and services of the security forces such as the military, police and Royal Customs. Subsequently, between 1993 and 2004, he held various positions in the Conservation and Environmental Management Division of the Ministry of Science, Technology and Environment including Assistant Director between 1993 and 2000, Principal Assistant Director between 2000 and 2002 and Deputy Director between 2002 and 2004, all of which involved him being responsible for formulating and implementing policies on environmental matters such as pollution control, conservation of biological resources and climate change. Between 2004 and 2007, he held the position of Deputy Undersecretary in the Conservation and Environmental Management Division of the Ministry of Natural Resources and Environment where he continued his role on the formulation and implementation of policies on environmental matters. In 2007, he was then posted to the Department of National Solid Waste Management under the Ministry of Housing and Local Government and took up the position as the Director General, where he has in charge of formulating and implementing policies on solid waste and public cleansing management. In 2014, he was appointed as the Deputy Secretary General (Energy) with the Ministry of Energy, Green Technology and Water, where he was responsible for formulating policies regarding energy especially on the utilisation and consumption of electricity. Subsequently in 2016, he was appointed as Deputy Secretary General (Natural Resources Management) in the Ministry of Natural Resources and Environment until he retired in May 2017 where his main role was working on the policies regarding the management of land resources, geospatial, surveying and mapping in the country. He was previously a non-executive director of Malaysian Timber Industry Board, Ministry of Primary Industries, where he was responsible for giving advice on the development of timber industry in Malaysia.

Currently, he is the Chairman of the Environmental Quality Council, Department of Environment, Ministry of Environment and Water, where his main role is to advise the Minister on the implementation of the Environmental Quality Act, 1974. He is also a freelance consultant for private companies involved in environmental matters.

**Ir. Chow Pui Hee**

*Group Managing Director*

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

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

**Fong Yeng Foon**

*Executive Director*

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

**Lim Poh Seong**

*Independent Non-Executive Director*

Lim Poh Seong, aged 54, is our Independent Non-Executive Director. He was appointed to our Board on 16 December 2019.

Lim Poh Seong obtained his Diploma in Commerce for Finance and Accounting from Tunku Abdul Rahman College in 1989. He became an associate and fellow member of the Association of Chartered Certified Accountants (ACCA) since 1995 and 2000 respectively.

His career in auditing started in 1989 when he joined Hew & Tan, a public accounting firm. In 1991, he joined the accounting firm Ernst & Young and left in 1993 as an Audit Senior.

He ventured into the corporate sector when he joined Insas Berhad, a company where the principal activities of which are investment holding, property investment and stockbroking, in 1993. He started as an Assistant Accountant and was subsequently promoted to the rank of Senior Corporate Finance Manager. During his tenure in Insas Berhad, he was responsible for the preparation of group accounts and corporate financial reporting. Subsequently in 1996, he joined Datuk Keramat Holdings Bhd, an investment holding and property investment company, as the Group Financial Controller where his main job scope involved corporate reporting and working on corporate finance exercises.

Subsequently in 1998, he joined Pantai Holdings Berhad, a healthcare provider, as the Financial Controller until 2001 where he was appointed as an Executive Director of Pantai Holdings Berhad in 2001. During his tenure, he was responsible for financial and operations of the group, corporate financial reporting, mergers and acquisitions and administration of the hospital division. In 2005, he stepped down from the board of directors of Pantai Holdings Berhad and assumed the role of Group Chief Operating Officer, a position he held until he left the group in 2007.

In 2007, he was appointed as Executive Director of Paos Holdings Berhad, a company involved in investment holding, trading and manufacturing of soap and crude palm oil related products and property investment holding, and Asia Poly Holdings Berhad, a company involved in trading and manufacturing of cast acrylic products until 2008.

He started to explore his own business ventures through Build Master Construction Sdn Bhd in 2010, a company that is involved as renovation contractors, builders and general contractors, and BMC Infra Sdn Bhd in 2012, a company that is involved as contractor for piling works and provision of related services.

In 2010, he also took up the position as Chief Financial Officer with Eversendai Corporation Berhad, a company with the principal activities of steel fabricator, engineers and contractors. He was involved in the company's exercise to list on the Main Market of Bursa Securities and left the company in the same year prior to its listing.

He is currently an independent non-executive director of Paos Holdings Berhad since 2011. He was a member of Audit Committee with Paos Holdings Berhad since 2011 and redesignated as Chairman of Audit Committee of the company in 2018. He was appointed as an independent non-executive director of Hup Seng Industries Berhad, a manufacturer and trader of biscuits and consumables in 2018 and redesignated as co-chairman of Hup Seng Industries Berhad in 2019. From 2017 until April 2020, he was also the Chief Finance Officer of The Green Venture Sandalwood Plantation Berhad, a non-listed public company in the plantation industry.

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

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**Olivia Lim**

*Independent Non-Executive Director*

Olivia Lim, aged 41, is our Independent Non-Executive Director. She was appointed to our Board on 16 December 2019.

Olivia Lim graduated in 2003 from Universiti Kebangsaan Malaysia with a Bachelor of Laws (Honours). Subsequently, she was called to the Malaysian Bar in February 2004. She brings with her 15 years of experience in the legal profession. She started her career when she joined Messrs. Zul Rafique & Partners in 2004 as a legal associate before joining Messrs. Ben & Partners as a legal associate in 2008. Subsequently, she was made a Partner of the firm in 2012.

In 2015, she set up her own legal firm, Olivia Lim & Co, where she has been principally involved in the legal aspects of corporate finance, capital and equity markets and corporate advisory matters.

Throughout her working experience, she has been involved in, among others, various legal due diligence exercises on companies undertaking initial public offerings in Malaysia, Shenzhen Stock Exchange, and Hong Kong Exchanges and Clearing Limited as well as legal advisory services related to capital and equity raising exercises and take-overs.

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

**5.2.3 Directors' shareholdings**

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

Directors	As at the LPD		After the IPO <sup>(3)</sup>	
	<-----Direct-----> No. of Shares	<-----Indirect-----> % <sup>(1)</sup>	<-----Direct-----> No. of Shares	<-----Indirect-----> % <sup>(4)</sup>
Dato' Dr. Nadzri Bin Yahaya	-	-	300,000	0.14 <sup>(3)</sup>
Ir. Chow Pui Hee	74,691,300	50.18	74,691,300	49.82 <sup>(2)</sup>
Fong Yeng Foon	74,153,700	49.82	74,153,700	50.18 <sup>(2)</sup>
Lim Poh Seong	-	-	300,000	0.14 <sup>(3)</sup>
Olivia Lim	-	-	300,000	0.14 <sup>(3)</sup>

**Notes:**

- (1) Based on our issued share capital of 148,845,000 Shares after the Acquisitions, but before the IPO.
- (2) Deemed interested by virtue of his or her spouse's interest pursuant to section 8 of the Act.
- (3) Assuming that all Pink Form Allocation is fully subscribed.
- (4) Based on our enlarged issued share capital of 210,000,000 Shares after the Public Issue pursuant to the IPO.

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

**5.2.4 Principal business activities and directorships in other corporations for the past five years**

Save as disclosed below, as at the LPD, none of our Directors have any principal business activities performed outside our Group (including principal directorships in the past five years preceding the LPD):

**(a) Dato' Dr. Nadzri Bin Yahaya**

Business / Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Ecooils (Negeri Sembilan) Sdn Bhd	Extraction of industrial grade palm oil from recycling of agriculture waste	Director	-	-
Bakun Hydro Power Generation Sdn Bhd	Supplying electricity, constructing supply lines, generating stations and transformer stations and other electricity related works	Ceased to be a director as of 16 August 2017	-	-

**(b) Fong Yeng Foon**

Business / Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Mectron Engineering Equipment Sdn Bhd	Engineering works involved with the assembly of electrical, electronic and mechanical parts and components of pumps	Ceased to be a director as of 1 November 2019	-	-

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

(c) Lim Poh Seong

Business / Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
BMC Infra Sdn Bhd	Contractor for piling works and provision of related services	Indirect shareholder/ Ceased to be a director as of 26 July 2019	-	100.00 <sup>(1)</sup>
Build Master Construction Sdn Bhd	Renovation contractors, builders and general contractor	Shareholder / Ceased to be a director as of 26 July 2019	66.67	-
Hup Seng Industries Berhad	Investment holding with subsidiaries principally involved in manufacture and sales of biscuits and coffee mix, and dealers in biscuits, confectionery and other foodstuff	Director	-	-
My Ksas Sdn Bhd	Dissolved	Ceased to be a director as of 1 July 2019	-	-
Paos Holdings Berhad	Investment holding company with subsidiaries principally involved in contract manufacturing and dealing of soap and its related products, trading in specialty fats produced from palm oil and marine gasoil; toll manufacturing of products from palm oil and manufacturing of specialty fats; investment properties holding and operation and management of hotel and restaurant	Director	-	-

**Note:**

(1) Deemed interested by virtue of his interest in Build Master Construction Sdn Bhd, which is the sole shareholder of BMC Intra Sdn Bhd.

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

(d) Olivia Lim

Business/ Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Elika Samudra Sdn Bhd	Trading and information technology services	Director / Shareholder	24.98	75.02 <sup>(1)</sup>
Olivia Lim & Co	Legal firm	Founder and Managing Partner	N/A	N/A

**Note:**

(1) Deemed interested by virtue of her spouse's interest pursuant to section 8 of the Act.

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

### 5.2.5 Involvement of our Directors in other businesses or corporations

Our Executive Directors are not involved in other businesses or corporations.

The involvement of our Independent Non-Executive Directors in other directorships or business activities outside our Group are not expected to affect their contribution to our Group as they are not involved in our Group's day-to-day operations.

Our Independent Non-Executive Chairman, Dato' Dr. Nadzri Bin Yahaya, is currently a freelance consultant for private companies involved in environmental matters. He is not involved in the day-to-day operations of these companies. In addition, he is neither a director nor shareholder of these companies. Our Board is of the view that his involvements in these companies, which may be carrying similar trade as our Group, do not give rise to any conflict of interest situation. On matters or transactions requiring the approval of our Board, Directors who are deemed interested or conflicted in such matters shall be required to abstain from deliberations and voting on the resolutions relating to these matters or transactions.

### 5.2.6 Key Senior Management

Our key senior management comprises the following:

Name	Designation
Susie Chung Kim Lan (F)	CFO
Mohd Makhzumi Bin Ghazali (M)	Project Manager
Ir. Kang Ching Yew (M)	Technical Manager

#### Notes:

(M) Male

(F) Female

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

**5.2.7 Key senior managements' shareholdings**

The details of our key senior management and their direct and indirect shareholdings in our Company as at the LPD and after the IPO are as follows:

Key senior management	Designation	Nationality	Before the IPO / As at the LPD			After the IPO <sup>(3)</sup>		
			No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>
Susie Chung Kim Lan	CFO	Malaysian	-	-	400,000	0.19	-	-
Mohd Makhzumi Bin Ghazali	Project Manager	Malaysian	-	-	680,000	0.32	-	-
Ir. Kang Ching Yew	Technical Manager	Malaysian	-	-	200,000	0.10	-	-

**Notes:**

- (1) Based on our issued share capital of 148,845,000 Shares after Acquisitions, but before the IPO.
- (2) Based on our enlarged issued share capital of 210,000,000 Shares after the Public Issue pursuant to the IPO.
- (3) Assuming that all Pink Form Allocation is fully subscribed.

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

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**5.2.8 Profiles of key senior management**

The profiles of our key senior management are as follows:

**Susie Chung Kim Lan**

*CFO*

Susie Chung Kim Lan, aged 45, is our CFO. She graduated in 2003 with a Bachelor of Business (Accounting/Finance) from Charles Sturt University, Australia. In 2006, she was admitted as a member of CPA Australia and became a member of the Malaysian Institute of Accountants in the same year.

Her career started in 1995 when she joined KPMG, in Sandakan, Sabah as an Audit Assistant where she was involved in audit matters. In 1999, she left the firm to pursue her tertiary education. Upon her graduation in 2003, she joined Total Solutions M&E Sdn Bhd, a company providing air-conditioning, mechanical and ventilation retrofitting services, and related services, as an Accounts Executive where she was involved in the preparation of the company accounts and payroll for staff. In 2006, she joined Uniprint (Int) Sdn Bhd, a printing company, as an Accountant where her main role was in the preparation of the company accounts and overseeing its administration functions until 2008. Between 2008 and 2009, she was with DK Leather Seats Sdn Bhd, a company involved in the manufacturing of leather goods, as an Internal Auditor, where she handled internal audit matters.

In 2009, she joined MXM International Sdn Bhd, a company involved in providing healthcare and medical protection, where she was mainly involved as an Accountant, handling accounting affairs of the company. Subsequently in 2013, she left and joined Far East Maju Engineering Works Sdn Bhd, a company involved in manufacturing, trading and wholesale of commercial refrigerator air-conditioners, as an Assistant Finance Manager where she was responsible to supervise the accounting and human resource departments. Subsequently, she was seconded to Far East Refrigeration (M) Sdn Bhd, a related company involved in distribution and wholesale of pre-manufacturing products and parts for refrigeration system, in 2015 where she was responsible for leading the finance team and overseeing the financial management of the company and its subsidiaries. She left the company in 2015 and became a freelance accountant to provide accounting services until 2017. In 2017, she joined Respontrade Sdn Bhd, a telecommunication company, as Head of Department (Accounts) where she was responsible for the financial reporting related matters.

In November 2019, she joined our Group as CFO. Her responsibilities mainly include overseeing our Group's accounting, human resource, administration, IT and financial matters.

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

### **Mohd Makhzumi Bin Ghazali**

*Project Manager*

Mohd Makhzumi Bin Ghazali, aged 34, is our Project Manager. Mohd Makhzumi Bin Ghazali graduated in 2010 with a Bachelor of Engineering (Honours) Chemical from Universiti Teknologi MARA (UiTM). In 2015, he obtained a Master of Science in Energy Systems Engineering from University of South Wales, United Kingdom.

His career started in 2011 when he joined Strec Sdn Bhd, a company involved in environmental and waste management consultancy services as an Environmental Engineer where he was involved in the monthly environmental monitoring works. In 2012, he joined Falcon Conquest Sdn Bhd, a company involved in the construction of RE plants mainly solar PV systems, as a Project Engineer where he was managing and supervising on the implementation of certain projects. Subsequently in 2013, he left the company to pursue his master's degree. Upon completion of his master's degree, in August 2015, he joined Samaiden as Assistant Manager where he was initially involved in the EPCC works for solar PV system projects. He was subsequently promoted to the position of our Project Manager in January 2019 where he is responsible in managing projects until completion.

Since his involvement in Samaiden, his responsibilities have expanded to cover supervision and on-site monitoring works for solar PV power plant projects. He also oversees our Group's RE and environmental consulting projects.

### **Ir. Kang Ching Yew**

*Technical Manager*

Ir. Kang Ching Yew, aged 31, is our Technical Manager. Ir. Kang Ching Yew graduated in 2012 with a Bachelor of Electrical and Electronics Engineering (Honours) from Universiti Tenaga Nasional, Malaysia. He was elected as a member of the Institution of Engineers, Malaysia in 2017 and is a registered Professional Engineer in Electrical Engineering by the Board of Engineers Malaysia since 2017. He holds a Certificate of Competency for Grid-Connected PV Systems Design by SEDA issued in 2019.

His career started in 2012 when he joined Kuasa Nusajaya Sdn Bhd, a company which operates 720 MW combined cycle gas turbine and 440 MW open cycle gas turbine power plants in Melaka, as a Trainee Engineer where he performed trainee engineering functions and subsequently in the same year, he was promoted as an Electrical Engineer where he was involved in performing electrical maintenance of combined cycle gas turbine and open cycle gas turbine power plants. In 2017, he joined TTE Engineering (M) Sdn Bhd, a company specialising in design and build construction, of clean room systems and electrical supply system, as a Design Engineer where he was mainly involved in electrical engineering design for commercial buildings. In 2018, he joined Kejuruteraan Asastera Bhd, an engineering company, as an Assistant Technical Manager for a period of three months where he was involved in the electrical design for commercial and residential buildings before he joined Samaiden in the same year.

He has been with our Group since August 2018 and his main responsibilities are in the supervision and on-site monitoring of EPCC works for solar PV system projects.

### **5.2.9 Involvement of our key senior management in other businesses/corporations**

As at the LPD, none of our key senior management has any principal business activities performed outside our Group (including principal directorship in the past five years preceding the LPD).

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

### 5.3 BOARD PRACTICES

#### 5.3.1 Directorship

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

Name	Designation	Date of expiration of the current term of office	No. of years in office
Dato' Dr. Nadzri Bin Yahaya	Independent Non-Executive Chairman	At our first AGM	Less than 1 year
Ir. Chow Pui Hee	Group Managing Director	At our first AGM	Less than 1 year
Fong Yeng Foon	Executive Director	At our first AGM	Less than 1 year
Lim Poh Seong	Independent Non-Executive Director	At our first AGM	Less than 1 year
Olivia Lim	Independent Non-Executive Director	At our first AGM	Less than 1 year

In accordance with the Company's Constitution, all the Directors shall retire from office at the first AGM and 1/3 of our Board will retire by rotation at every subsequent AGM of our Company. Each Director shall retire at least once in every 3 years and shall be eligible for re-election. Any Director appointed within the year shall hold office only until the next AGM and shall then be eligible for re-election.

#### 5.3.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established on 16 December 2019 and its members are appointed by our Board.

Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Lim Poh Seong	Chairman	Independent Non-Executive Director
Dato' Dr. Nadzri Bin Yahaya	Member	Independent Non-Executive Chairman
Olivia Lim	Member	Independent Non-Executive Director

The main functions of the Audit and Risk Management Committee include:

- (a) to review the quarterly results to Bursa Securities and year-end financial statements of our Group before submission to the Board;
- (b) to consider the nomination and appointment of external auditors and, if found appropriate, to recommend their appointment and of their audit fee;

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

- (c) to discuss with the external auditors, prior to the commencement of audit, their audit plan, which shall state the nature of the audit, and to ensure an effective co-ordination of audit, where more than one audit firm is involved;
- (d) to review, in respect of internal audit functions, amongst others, the adequacy of the audit scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its functions;
- (e) to monitor any related party transactions and situations where a conflict of interest may arise within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity, as well as to assess the financial risks relating to such transactions, and to ensure that the Directors report such transactions annually to the shareholders via the annual report;
- (f) to review the reports in relation to the adequacy and integrity of the Group's internal control system and to review the results of the annual review done on the system of internal control and the risk management framework;
- (g) to discuss issues and matters arising from the interim and final external audits, and any matters the external auditors and/or internal auditors may wish to discuss (in the absence of management, where necessary);
- (h) to assess the effectiveness of the risk management framework, review and monitor risk reporting;
- (i) to report promptly to Bursa Securities and/or SC on any matter reported to the Board, which has not been satisfactorily resolved resulting in the breach of the Listing Requirements, rules and guidelines issued by Bursa Securities and/or SC; and
- (j) to consider other matters as may be directed by the Board from time to time.

**5.3.3 Remuneration Committee**

Our Remuneration Committee was established on 16 December 2019 and its members are appointed by our Board.

Our Remuneration Committee comprises the following members:

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Dato' Dr. Nadzri Bin Yahaya	Chairman	Independent Non-Executive Chairman
Lim Poh Seong	Member	Independent Non-Executive Director
Olivia Lim	Member	Independent Non-Executive Director

The main functions of the Remuneration Committee include:

- (a) to recommend to the Board regarding the remuneration packages of all Executive Directors and key senior management in all forms inclusive of cash and non-cash benefits, options and privileges granted by the Company. The remuneration packages should be sufficient to attract and retain the Director needed to run the Company successfully;
- (b) to review and recommend on an annual basis, all benefits and entitlements of all Executive Directors and key senior management;

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

- (c) to establish a formal and transparent procedure for developing policy on executive remuneration for fixing the remuneration packages of individual directors;
- (d) to oversee any major changes in employee remuneration and benefit structures throughout the Group; and
- (e) to review policies governing the remuneration and promotion of key senior management of the Group.

**5.3.4 Nominating Committee**

Our Nominating Committee was established on 16 December 2019 and its members are appointed by our Board.

Our Nominating Committee comprises the following members:

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Olivia Lim	Chairman	Independent Non-Executive Director
Dato' Dr. Nadzri Bin Yahaya	Member	Independent Non-Executive Chairman
Lim Poh Seong	Member	Independent Non-Executive Director

The main functions of the Nominating Committee include:

- (a) to nominate and recommend to the Board, candidates to be appointed as Directors of the Company after considering the required mix of gender, skills, knowledge, experience and other core competencies, expertise, professionalism and integrity which the Directors should bring to the Board;
- (b) to consider in making its recommendations, candidates for directorships proposed by the Group Managing Director and within the bounds of practicability, by the existing Directors, key senior management, major shareholders, independent search firms and/or other independent sources;
- (c) to recommend to the Board, directors to fill the seats on Board committees;
- (d) to assist the Board in its annual review of its required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board;
- (e) to review the succession plans of the Board, the Audit and Risk Management Committee, Executive Directors and the senior management;
- (f) to assist the Board in implementing an assessment programme to assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director and key senior management on an annual basis;
- (g) to recommend to the Board for the continuation or discontinuation in service of Directors as an Executive Director or Non-Executive Director;
- (h) to recommend Directors who are retiring by rotation to be put forward for re-election; and
- (i) to determine the independence of each Director annually and the independent director can bring independence and objective judgement to board deliberations.

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

**5.4 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT**

**5.4.1 Directors' Remuneration and Material Benefits In-Kind**

The details of the remuneration and material benefits in-kind paid and proposed to be paid to our Directors for services rendered to our Group in all capacities for the FYE 2020 and FYE 2021 are as follows:

<b>FYE 2020 (Actual)</b>	<b>Directors' Fees RM</b>	<b>Salary RM</b>	<b>Bonus RM</b>	<b>Allowances RM</b>	<b>Statutory Contributions (EPF, SOCSO and EIS) RM</b>	<b>Benefits In-Kind RM</b>	<b>Total RM</b>
<b>Executive Directors</b>							
Ir. Chow Pui Hee	60,000	330,000	30,000	-	44,123	-	464,123
Fong Yeng Foon <sup>(1)</sup>	60,000	216,000	26,000	-	29,732	-	331,732
<b>Independent Directors</b>							
Dato' Dr. Nadzri Bin Yahaya <sup>(1)</sup>	-	-	-	500	-	-	-
Lim Poh Seong <sup>(1)</sup>	-	-	-	500	-	-	-
Olivia Lim <sup>(1)</sup>	-	-	-	500	-	-	-

**Note:**

(1) Appointed to our Board on 16 December 2019.

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

<b>FYE 2021 (Proposed)</b>	<b>Directors' Fees RM</b>	<b>Salary RM</b>	<b>Bonus<sup>(1)</sup> RM</b>	<b>Allowances RM</b>	<b>Statutory Contributions (EPF, SOCSO and EIS) RM</b>	<b>Benefits In-Kind<sup>(2)</sup> RM</b>	<b>Total RM</b>
<b>Executive Directors</b>							
Ir. Chow Pui Hee	60,000	432,000	-	-	57,083	25,000	574,083
Fong Yeng Foon	60,000	360,000	-	-	47,723	25,000	492,723
<b>Independent Directors</b>							
Dato' Dr. Nadzri Bin Yahaya	60,000	-	-	2,000	-	-	62,000
Lim Poh Seong	48,000	-	-	2,000	-	-	50,000
Olivia Lim	36,000	-	-	2,000	-	-	38,000

**Notes:**

(1) Bonuses are not included. Such bonuses, if any, will be determined later depending on the performance of our Group.

(2) Refer to motor vehicle benefit.

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

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

### 5.4.2 Key senior management's remuneration and material benefits in-kind

The aggregate remuneration and material benefits in-kind paid and proposed to be paid to our key senior management for services rendered to our Group in all capacities for the FYE 2020 and FYE 2021 are as follows:

Key senior management	Remuneration band	
	FYE 2020 RM'000	Proposed for the FYE 2021 <sup>(2)</sup> RM'000
Susie Chung Kim Lan <sup>(1)</sup>	100-150	150-200
Mohd Makhzumi Bin Ghazali	100-150	100-150
Ir. Kang Ching Yew	100-150	100-150

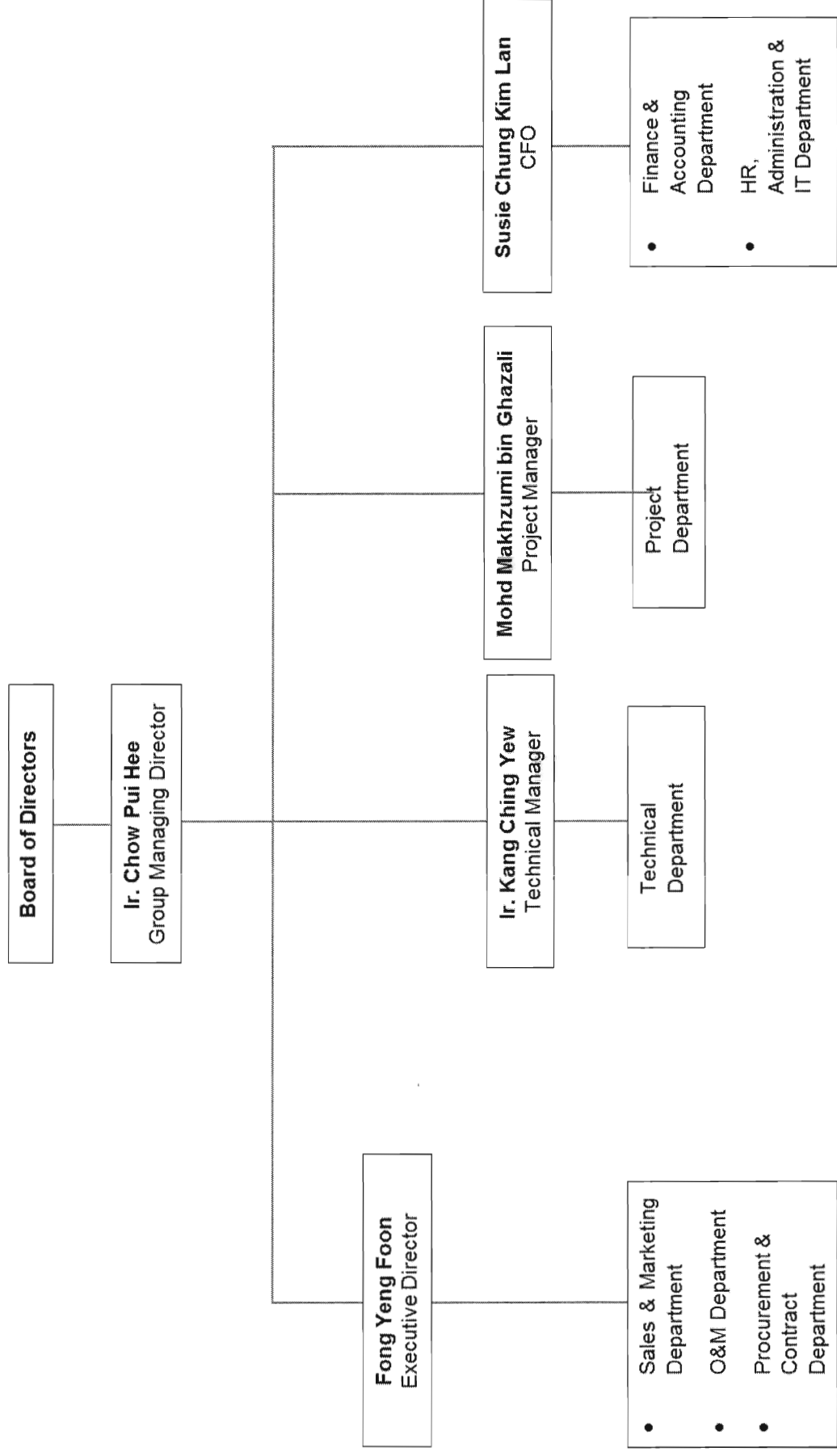
**Notes:**

- (1) Susie Chung Kim Lan, our CFO, joined our Group in November 2019.
- (2) Bonuses are not included. Such bonuses, if any, will be determined later depending on the performance of our Group.

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

**5.5 MANAGEMENT REPORTING STRUCTURE**

The management reporting structure of our Group is as follows:



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

**5.6 DECLARATIONS BY EACH PROMOTER, DIRECTOR AND KEY SENIOR MANAGEMENT**

None of our Promoters, Directors and key senior management is or was involved in any of the following events, whether within or outside Malaysia:

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

**5.7 FAMILY RELATIONSHIPS AND ASSOCIATIONS**

Ir. Chow Pui Hee and Fong Yeng Foon, who are our Promoters, substantial shareholders and Executive Directors, are spouses.

Saved as disclosed above, there are no family relationships and associations among our Promoters, substantial shareholders, Directors and key senior management.

**5.8 SERVICE AGREEMENTS**

As at the LPD, none of our Directors and/or key senior management have any existing or proposed service agreement with our Group.

## 6. INFORMATION ON OUR GROUP

### 6.1 INFORMATION ON OUR GROUP

#### 6.1.1 Overview and History

Our Company was incorporated in Malaysia under the Act on 18 October 2019 as a private limited company under the name of Samaiden Group Sdn Bhd and was subsequently converted to a public limited company on 9 December 2019. SAGB is an investment holding company.

We are principally involved in the EPCC of solar PV systems and power plants, and subcontracting services. For the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, the EPCC of solar PV systems and power plants accounted for 87.99%, 95.95%, 99.00% and 92.68% of our total revenue, respectively. Revenue from subcontracting services namely the supply, installation and commissioning of interconnection facilities accounted for 5.32% of our total revenue in the FYE 2020.

Our other business activities include the provision of renewable energy (“RE”) and environmental consulting services, as well as operations and maintenance (“O&M”) services. These business activities accounted for 12.01%, 4.05%, 1.00% and 2.00% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively. Our RE consulting services mainly cover support services for development and implementation such as site assessment, system design, financial modelling and feasibility study, preparation of tender submission documentation for the RE related projects. As for environmental consulting services, we provide landfill and waste management services including independent assessment reports to quantify and verify landfill gas emissions. In addition, we carry out environmental investigation and assessment which involves assessing site geological conditions, identifying and estimating the composition and emission of landfill gases, and collecting groundwater and soil samples for testing at an external laboratory.

The function of O&M services is to ensure that the plant operates safely and continuously at its optimum capacity. Part of our O&M activities includes providing performance monitoring and evaluation of the solar PV power plant.

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

Year	Key Events and Milestones
2013	<ul style="list-style-type: none"> <li>Incorporation of Samaiden by Fong Yeng Foon and Chow Ah On, each of whom held 50.00% of equity interest in the company. Fong Yeng Foon is the spouse of our present Group Managing Director, Ir. Chow Pui Hee, while Chow Ah On is the father of Ir. Chow Pui Hee. The business commenced initially as a contractor for the installation of solar PV systems in residential buildings.</li> <li>We secured four EPCC projects for solar PV systems with an installed capacity between 6 kWp and 12 kWp on residential and commercial buildings.</li> </ul>
2014	<ul style="list-style-type: none"> <li>Ir. Chow Pui Hee joined Samaiden as a General Manager where she was responsible for the day-to-day operations of the business including business development and project implementation.</li> <li>Samaiden was registered with SEDA as a service provider.</li> <li>We secured an EPCC project for solar PV systems for three public schools under Penjana Bebas - KeTTHA Green Schools Campaign (GSC) 3 in Selangor with a total capacity of 15 kWp.</li> <li>We secured an environmental consulting project to provide an independent assessment of landfill gas and contaminated land for a property development project in Kuala Lumpur.</li> </ul>

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

Year	Key Events and Milestones
2015	<ul style="list-style-type: none"> <li>• We secured an EPCC project for a 425 kWp solar PV system for a commercial building namely Plaza Metro Kajang in Selangor and the project won the ASEAN Energy Award in 2017. Please refer to the table below on key awards, certifications and recognitions in this Prospectus for further details.</li> </ul>
2017	<ul style="list-style-type: none"> <li>• Chow Ah On transferred 50.00% equity interest in Samaiden to Ir. Chow Pui Hee.</li> <li>• Samaiden obtained the rights to use the “MyHIJAU” Mark from Malaysian Green Technology Corporation which indicates that the company’s services meet environmental and ecological standards. MyHIJAU is a Government initiative to promote the sourcing and purchasing of green products and services in Malaysia.</li> <li>• We secured our first end-to-end EPCC project for a utility scale solar PV power plant under the LSS1 programme with a capacity of 23.70 MWp in Seberang Perai. The total contract value of this said project was RM97.70 million which involved the following: <ul style="list-style-type: none"> <li>• Front-end project planning and development incorporating preparation of tender submission documents including technical and commercial proposals;</li> <li>• Project implementation encompassing EPCC of the solar PV power plant; and</li> <li>• Post completion in the O&amp;M of the solar PV power plant.</li> </ul> </li> <li>• Through Samaiden, we entered into a sale and purchase agreement to acquire our Head Office. The acquisition of the Head Office was completed in September 2019.</li> </ul>
2018	<ul style="list-style-type: none"> <li>• Ir. Chow Pui Hee was redesignated as our Group Managing Director.</li> <li>• Samaiden was registered with CIDB as a G7 contractor which allows us to tender for the relevant categories without any limitations in the size or value of projects. Samaiden was also registered with the Ministry of Finance Malaysia as a company providing green technology services, as well as supply of power generation equipment and related parts.</li> <li>• We secured two additional EPCC projects under the LSS2 programme and these are as follows: <ul style="list-style-type: none"> <li>- a 6.80 MWp solar PV power plant in Mersing, Johor with a contract value of RM25.29 million; and</li> <li>- a 13.50 MWp solar PV power plant in Kluang, Johor with a contract value of RM49.90 million.</li> </ul> </li> </ul>

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

Year	Key Events and Milestones
2019	<ul style="list-style-type: none"> <li>• Samaiden was registered as a Class D Electrical Contractor with the Energy Commission Malaysia in April 2019, and as a solar PV investor under the NEM programme with SEDA in August 2019.</li> <li>• Incorporation of Samaiden Consultancy in March 2019 which is involved in the provision of RE and environmental consulting services. The company commenced operations in May 2019.</li> <li>• Incorporation of SC Green in June 2019 with the intended activity to build, own and operate RE facility. SAGB holds 60.00% equity interest in the said company.</li> <li>• We secured a purchase order to supply solar PV modules, balance of systems, and mounting structures for a solar PV system project in Vietnam.</li> </ul>

**Key Awards, Certifications and Recognitions**

For the Financial Years Under Review and up to the LPD, Samaiden obtained the following awards and certifications:

Year	Key Awards and Accreditation
2017	<ul style="list-style-type: none"> <li>• "1st Runner-up of the Off-grid Power Category" under the ASEAN Energy Awards 2017 by ASEAN Centre for Energy</li> </ul>
	<ul style="list-style-type: none"> <li>• "Excellence in RE" under the Selangor Excellence Business Awards (SEBA) by the Malay Chamber of Commerce Malaysia Selangor</li> </ul>
	<ul style="list-style-type: none"> <li>• "Best Green Initiative (Silver Award)" under the Star Outstanding Business Award (SOBA) 2017 by the Star Media Group</li> </ul>
2018	<ul style="list-style-type: none"> <li>• "Excellence in RE" under the Malaysia Excellence Business Awards (MEBA) by the Dewan Industri dan Perdagangan Malaysia, Malaysia Digital Chamber of Malaysia, and The Leadership Post</li> </ul>
	<ul style="list-style-type: none"> <li>• "Certificate of Distinction - The Best RE Service Provider (Marquis Enterprise)" under the Lang International Corporate Titan Awards 2018 by the Dewan Ekonomi Magazine and Sahabat SMI Group of Advisory Companies</li> </ul>
	<ul style="list-style-type: none"> <li>• "Best Green Initiative (Gold Award)" and "Best in CSR (Silver Award)" under the Star Outstanding Business Awards (SOBA) 2018 by the Star Media Group</li> </ul>
	<ul style="list-style-type: none"> <li>• Accredited ISO 9001:2015 Quality Management System certification by SN Registrars (Holdings) Limited for the design, supply, installation and commissioning of RE solutions</li> </ul>

**6. INFORMATION ON OUR GROUP (Cont'd)****Personal Credentials and Awards**

Our Group Managing Director, Ir. Chow Pui Hee's personal credentials and awards are as follows:

<b>Year</b>	<b>Credentials and Awards</b>
<b>2010</b>	<ul style="list-style-type: none"> <li>Registered as an Environmental Impact Assessment (Wastewater) Subject Consultant with the Department of Environment Malaysia</li> </ul>
<b>2011</b>	<ul style="list-style-type: none"> <li>Certificate of Competency for the Design and Installation of Grid Connected PV Training Course by Ministry of Energy, Green Technology &amp; Water (KeTTHA)</li> </ul>
<b>2014</b>	<ul style="list-style-type: none"> <li>Certificate of Competency for Grid-Connected PV Systems Design by SEDA</li> </ul>
<b>2015</b>	<ul style="list-style-type: none"> <li>Certified GreenRE Manager by GreenRE Sdn Bhd and Universiti Teknologi Malaysia</li> <li>Registered as a Professional Engineer in Chemical Engineering by the Board of Engineers Malaysia</li> </ul>
<b>2016</b>	<ul style="list-style-type: none"> <li>Registered as a Professional Engineer with Practising Certificate in Chemical Engineering by the Board of Engineers Malaysia</li> <li>Registered as Electricity Energy Manager with Energy Commission Malaysia</li> </ul>
<b>2018</b>	<ul style="list-style-type: none"> <li>"Female Entrepreneur of the Year Par Excellence Achievement" under the Star Outstanding Business Award (SOBA) 2018 organised by the Star Media Group</li> </ul>
<b>2019</b>	<ul style="list-style-type: none"> <li>One of the top nominees under Women Entrepreneur category for EY Entrepreneur of the Year 2019 Malaysia awards by Ernst &amp; Young</li> </ul>

**6.1.2 Our competitive advantages and key strengths****(i) We have experience in undertaking EPCC of Solar PV Power Plants for LSS**

Our experience is demonstrated by the completion of our first EPCC of utility scale solar PV power plant in November 2018, namely the 23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project. Subsequently, we secured an additional two EPCC projects for solar PV power plants, namely the 6.80 MWp Solar PV Power Plant (LSS2) Mersing Project and the 13.50 MWp Solar PV Power Plant (LSS2) Kluang Project.

Our experience is further supported by the completion of 20 EPCC of solar PV systems for the Financial Years Under Review and up to the LPD. Our experience in EPCC of utility scale solar PV power plants as well as solar PV systems will serve as our track record to assist us in securing new contracts.

**(ii) We have experience in providing end-to-end services for solar PV power plant projects**

We offer end-to-end services covering front-end consulting services, EPCC of solar PV power plant projects encompassing interconnection facilities, and O&M services. Our ability to provide end-to-end services differentiates us from other EPCC service providers who do not provide front-end consulting services and/or carry out O&M services. For the FYE 2018, FYE 2019, FYE 2020 and up to the LPD, we have secured and/or completed projects where we have provided end-to-end services:

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

- We completed one solar PV power plant project, namely the 23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project in November 2018. Upon completion, we secured an O&M contract for this project. The O&M contract expired in November 2019 and was subsequently renewed until 2022.
- As at the LPD, we secured two additional projects to undertake O&M for the on-going EPCC projects in Mersing and Kluang.

For front-end consulting services, we have the in-house expertise to provide technical and commercial assessments, as well as prepare tender submission documents. This also covers financial viability and attractiveness of the project particularly from the perspective of break-even period, internal rate of return and net present value of the project. These assessments will facilitate investment decision and assist in obtaining approvals from the local authorities as well as financing for the project. We have also acted as an Independent Checking Engineer to provide implementation support consulting services during the construction phase for a solar PV power plant under LSS1 where we were appointed by a financial institution. Our role as the Independent Checking Engineer was to provide the following services:

- independent planning and contract review;
- project monitoring during construction phase;
- review of yield and power performance including validation of assets' operational performance to energy yield;
- power performance testing and analysis; and
- assessment of technical and financial feasibility of power interconnection to the nearest practical substation of the power grid.

We will continue to leverage on our experience in providing end-to-end services for solar PV projects to secure new customers, and also to venture into the following:

- build-own-operate an integrated biogas power generation plant to generate electricity in Bachok, Kelantan; and
- invest in a solar PV power plant in Sungai Petani, Kedah.

These ventures are subject to us receiving the relevant biogas quota from SEDA and solar quota from Energy Commission Malaysia.

We plan to extend our EPCC services to build the said RE power plants. We will leverage on the experience and expertise of our Group Managing Director, Ir Chow Pui Hee who has 19 years of experience in the engineering field, RE and the environmental sectors. In addition, we have the experience in EPCC of renewable power generation system such as solar PV systems and power plants. Notwithstanding her experience in EPCC, this will be her first involvement in the development and operation of biogas power generation plant. Once the biogas power generation plant is completed, we will hire relevant skilled and technical personnel including mechanical, electrical and chemical engineers for the operations and maintenance of the integrated biogas power generation plant. In respect of our investment in a solar PV power plant, we plan to operate and maintain the solar PV power plant upon its completion.

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

Please refer to Section 6.12.2 for further details on our business strategies relating to the RE power plants.

### (iii) We have experienced technical and management team

We have an experienced technical and management team headed by our Group Managing Director, Ir. Chow Pui Hee, who has approximately 19 years of experience in the engineering field, RE and the environmental sectors. She is a registered Professional Engineer with Practising Certificate in Chemical Engineering with the Board of Engineers Malaysia, an Environmental Impact Assessment (Wastewater) Subject Consultant with the Department of Environment Malaysia, and an Electricity Energy Manager with Energy Commission Malaysia. She also holds a Certificate of Competency for Grid-Connected PV Systems Design by SEDA. Please refer to Section 6.1.1 of this Prospectus for more details on the personal credentials of our Group Managing Director. She is supported by our Executive Director, Fong Yeng Foon, who brings with him approximately 21 years of experience in water and wastewater treatment industries.

Our Group Managing Director and Executive Director are key in determining the strategic direction of our business and implementing strategies to drive the business growth. They are assisted by our key senior management team, who also has knowledge and experience in the RE and environmental sector, as well as EPCC of solar PV systems and power plants.

Our key senior management team includes the following:

- Mohd Makhzumi Bin Ghazali, our Project Manager, is responsible for the supervision of EPCC of solar PV power plants. He brings with him approximately seven years of experience in the RE and environmental sectors as well as EPCC of solar PV power plants and systems.
- Ir. Kang Ching Yew, our Technical Manager, is responsible for the engineering design of solar PV systems and power plants. He brings with him approximately six years of experience in electrical maintenance of power plants and electrical engineering, and approximately two years in EPCC of solar PV power plants and systems.

### (iv) We have a track record in providing quality and timely completion of our EPCC projects

Our track record in providing quality and timely completion of our EPCC projects is demonstrated by having successfully completed one utility scale solar PV power plant project and 20 solar PV system projects within the prescribed time by the project owners for the Financial Years Under Review and up to the LPD. For the Financial Years Under Review and up to the LPD, the contract periods for our EPCC of solar PV power plants are up to 18 months, while those for EPCC of solar PV systems are less than 12 months. There were no claims for late completion of our projects for the Financial Years Under Review and up to the LPD.

In addition, we provide performance warranty for the installed solar PV systems and power plants which are specified in the form of minimum performance ratio that can be achieved as stipulated in our EPCC contract. Our performance warranty is up to 24 months for solar PV power plants. For the Financial Years Under Review and up to the LPD, the performance warranty for our completed and on-going projects cover only the technical aspects to ensure the solar PV systems and power plants meet the stipulated performance. If performance falls below stipulated conditions, we are required to undertake remedial work to ensure performance conditions are met. In this respect, our performance warranty does not include monetary compensation. Our Group has not

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

experienced any claims on our solar PV system and power plant performance for the Financial Years Under Review and up to the LPD. This is in line with our commitment to provide quality services under our ISO 9001:2015 certification.

**6.1.3 Share capital and changes in share capital**

As at the LPD, our issued share capital is RM7,442,250 comprising 148,845,000 ordinary shares.

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

Date of allotment	No. of Shares allotted	Consideration / Types of issue	Cumulative issued share capital (RM)
18 October 2019	2,000	RM100 / Subscribers' shares	100
19 August 2020	148,843,000	RM7,442,150 / Otherwise than cash for the Acquisitions	7,442,250

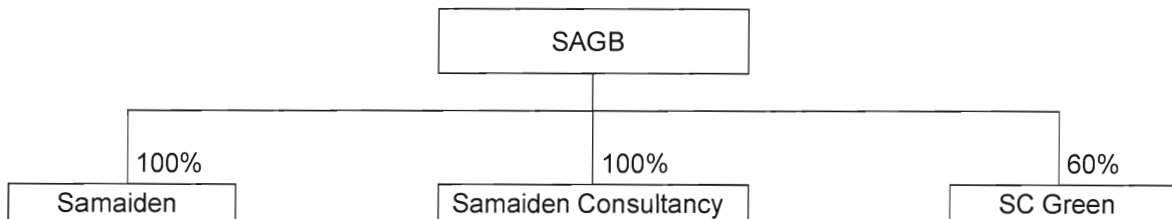
There were no discounts, special terms or installment payment terms given in consideration of the allotment.

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

Upon completion of our Listing, our issued share capital will increase to RM36,796,650 comprising 210,000,000 Shares.

**6.1.4 Subsidiaries**

Our existing corporate Group structure is as follows:-



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

Details of our subsidiaries are set out below:

Company name and registration number	Date and place of incorporation	Principal place of business	Issued share capital (RM)	Effective equity interest (%)	Principal activities
Samaiden Sdn Bhd 201301016493 (1046326-H)	16 May 2013 / Malaysia	Malaysia	1,000,000	100	EPCC of solar PV systems and power plants and provision of O&M services <sup>(1)</sup>
Samaiden Consultancy Sdn Bhd 201901007735 (1317062-H)	7 March 2019 / Malaysia	Malaysia	100	100	Provision of RE and environmental consulting services
SC Green Solutions Sdn Bhd 201901021278 (1330607-X)	19 June 2019 / Malaysia	Malaysia	50,000	60	Currently inactive <sup>(2)</sup>

**Notes:**

- (1) The provision of RE and environmental consulting services was previously undertaken by Samaiden. Currently, the provision of RE and environmental consulting services is undertaken by Samaiden Consultancy.
- (2) SC Green intends to build, own and operate RE facility. As at the LPD, SC Green has not commenced operations.

**6.2 SHARE CAPITAL INFORMATION ON OUR SUBSIDIARIES****6.2.1 Samaiden**

Samaiden was incorporated on 16 May 2013 in Malaysia under the Companies Act 1965 as a private limited company and is deemed registered under the Act.

As at the LPD, the issued share capital of Samaiden is RM1,000,000 comprising 1,000,000 ordinary shares.

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

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

Date of allotment	No. of Samaiden shares allotted	Consideration / Types of issue	Cumulative issued share capital	
			RM	No. of shares
15 May 2018	650,000	RM650,000 / Cash	750,000	750,000
14 June 2019	250,000	RM250,000 / Cash	1,000,000	1,000,000

None of the ordinary shares of Samaiden were issued at a discount, on special terms or based on installment payment terms. As at the LPD, Samaiden does not have any outstanding warrants, options, convertible securities and uncalled capital.

### 6.2.2 Samaiden Consultancy

Samaiden Consultancy was incorporated on 7 March 2019 in Malaysia under the Act as a private limited company.

As at the LPD, the issued share capital of Samaiden Consultancy is RM100 comprising 100 ordinary shares. Save for subscribers' shares issued for cash on incorporation, there has been no change in the issued share capital of Samaiden Consultancy since its incorporation up to the LPD.

None of the ordinary shares of Samaiden Consultancy were issued at a discount, on special terms or based on installment payment terms. As at the LPD, Samaiden Consultancy does not have any outstanding warrants, options, convertible securities and uncalled capital.

### 6.2.3 SC Green

SC Green was incorporated on 19 June 2019 in Malaysia under the Act as a private limited company.

As at the LPD, the issued share capital of SC Green is RM50,000 comprising 50,000 ordinary shares.

The changes in the issued share capital of SC Green since its incorporation up to the LPD are as follows:

Date of allotment	No. of SC Green shares allotted	Consideration / Types of issue	Cumulative issued share capital	
			RM	No. of shares
19 June 2019	2	RM2 / Subscribers' shares	2	2
15 July 2019	49,998	RM49,998 / Cash	50,000	50,000

None of the ordinary shares of SC Green were issued at a discount, on special terms or based on installment payment terms. As at the LPD, SC Green does not have any outstanding warrants, options, convertible securities or uncalled capital.

**6. INFORMATION ON OUR GROUP (Cont'd)****6.3 MATERIAL CAPITAL EXPENDITURE AND DIVESTITURE**

Our Group's material capital expenditure and divestiture in Malaysia for the Financial Years Under Review and up to the LPD are as follows:

	Transaction value				1 July 2020 up to the LPD RM'000
	FYE 2017 RM'000	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	
<b><u>Investments</u></b>					
Office equipment, furniture and fittings	13	35	121	*	-
Motor vehicles	-	56	100	-	-
Project equipment	-	*	58	18	-
Renovation	-	-	98	-	-
Computer and software	-	-	-	60	-
Office building	-	-	-	1,211	-
<b>Total</b>	<b>13</b>	<b>91</b>	<b>377</b>	<b>1,289</b>	<b>-</b>
<b><u>Divestment</u></b>					
Motor vehicle	-	-	36	-	-

**Note:**

\* Amount is less than RM500.

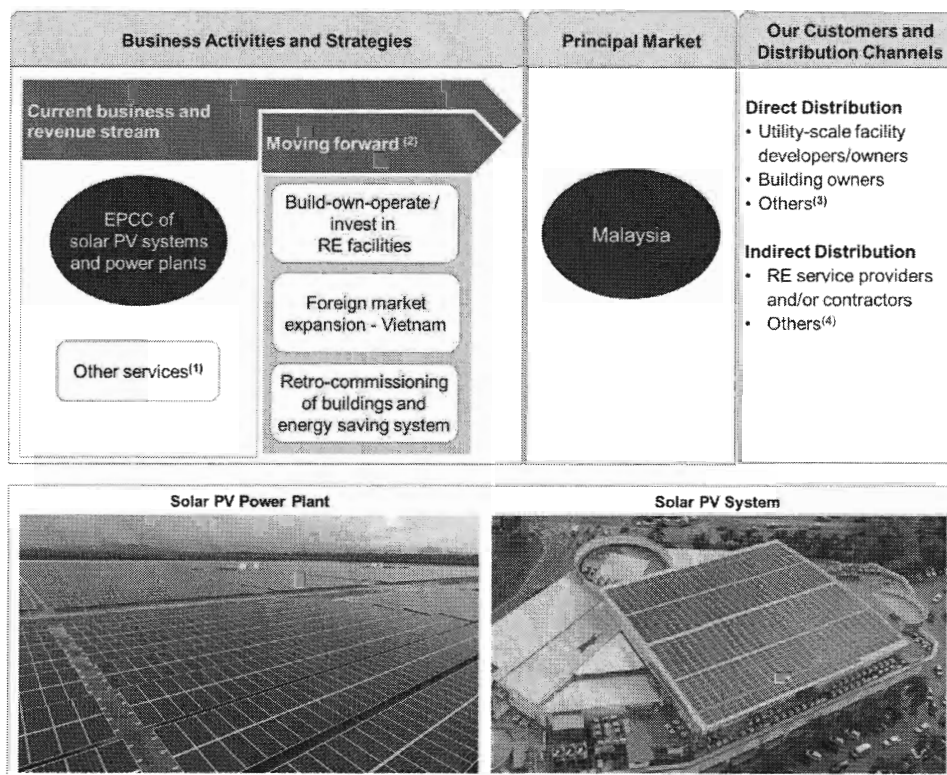
Our capital expenditures for the Financial Years Under Review were mainly driven by our business expansion during the relevant financial years. Our capital investments were mainly in office equipment such as computer hardware and software, photocopy machine and mobile phones for day-to-day business operations, as well as furniture and fittings and renovation for our office in Sunway Nexis Office Suite. We also acquired motor vehicles to support our day-to-day operations at project sites. In FYE 2020, our Group's capital expenditure incurred for office building was due to the completion of the acquisition of our Head Office. Subsequent to the FYE 2020 and up to the LPD, the Group has not incurred any material capital expenditure. Our Group had no material divestment for the Financial Years Under Review and up to the LPD, save for the disposal of a motor vehicle during FYE 2019.

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

### 6.4 BUSINESS OVERVIEW

#### 6.4.1 Our business model

Our business model is as follows:



● Major revenue contributor representing more than 85% of total revenue for the Financial Years Under Review.

#### Notes:

- (1) Other services include provision of RE and environmental consulting services, and O&M services.
- (2) Please refer to Section 6.12 for further details on our business strategies.
- (3) For the Financial Years Under Review and up to the LPD, other direct distribution customers include a property developer, manufacturers and a financial institution.
- (4) For the Financial Years Under Review and up to the LPD, other indirect distribution customers include contractors for community buildings such as mosques and public schools, as well as a contractor for an MRT project where we provided environmental consulting services.

**6. INFORMATION ON OUR GROUP (Cont'd)****(a) Business activities and revenue streams****EPCC of solar PV systems and power plants, and related subcontracting services**

We are principally involved in the EPCC of solar PV systems and power plants, and subcontracting services. The EPCC of solar PV systems and power plants accounted for 87.99%, 95.95%, 99.00% and 92.68% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively. In addition, our revenue from related subcontracting services, namely the supply and installation of interconnection facility for solar PV power plants accounted for 5.32% of our total revenue in FYE 2020.

As a provider of EPCC services for solar PV systems and power plants, our scope of work mainly comprises the following:

- Engineering and design, from initial conceptualisation up to detailed system design. This includes designing the solar PV array and balance of system including inverters, transformers and interconnection to the power grid where relevant;
- Procurement of all construction materials and equipment for the solar PV facilities, including solar PV modules and balance of systems;
- Construction, including civil, structural, mechanical and electrical works, installation and integration of equipment, and interconnection to the power grid, if required by customers; and
- Commissioning, including testing of individual equipment and systems, and testing of the newly installed solar PV facilities.

For the Financial Years Under Review and up to the LPD, we have undertaken EPCC projects on the following solar PV facilities:

- Solar PV power plants are utility scale solar PV power plants with installed generating capacity of 1 MWac or more. For the Financial Years Under Review, our completed and on-going EPCC projects for solar PV power plants are for the LSS programme which was introduced by the Energy Commission Malaysia in 2016. We commenced on our first EPCC project relating to solar PV power plants in 2017. Our revenue from the EPCC of solar PV power plants accounted for 93.98%, 98.91% and 90.00% of our total revenue for the FYE 2018, FYE 2019 and FYE 2020 respectively.
- Solar PV systems are smaller power generating facilities with installed generating capacity of less than 1 MWac. These systems are mainly placed on rooftops of buildings and facilities, or sometimes integrated into buildings including commercial, industrial, residential as well as community buildings such as mosques and schools. For the Financial Years Under Review and up to the LPD, all of the EPCC of solar PV systems that we carried out were mounted on rooftops of buildings and facilities. For the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, EPCC of solar PV systems accounted for 87.99%, 1.97%, 0.09% and 2.68% of our total revenue respectively.

For further details on EPCC of solar PV systems and power plants, please refer to Section 6.4.2(a) of this Prospectus.

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

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**Other services**

We have in-house technical expertise to provide RE and environmental consulting services, as well as O&M services. Other services accounted for 12.01%, 4.05%, 1.00% and 2.00% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively. For further details on other services, please refer to Section 6.4.2(b) of this Prospectus.

Moving forward, in addition to our EPCC of solar PV systems and power plants, we intend to venture into the following:

- build-own-operate an integrated biogas power generation plant; and
- invest in a solar PV power plant.

For further details on our business strategies, please refer to Section 6.12 of this Prospectus.

**(b) Principal Market**

Our principal market is Malaysia where we derived all of our revenue for the Financial Years Under Review and up to the LPD.

**(c) Distribution Channels and Customers**

We mainly adopt a direct distribution channel strategy, which represented 90.89%, 99.09%, 99.63% and 94.54% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively:

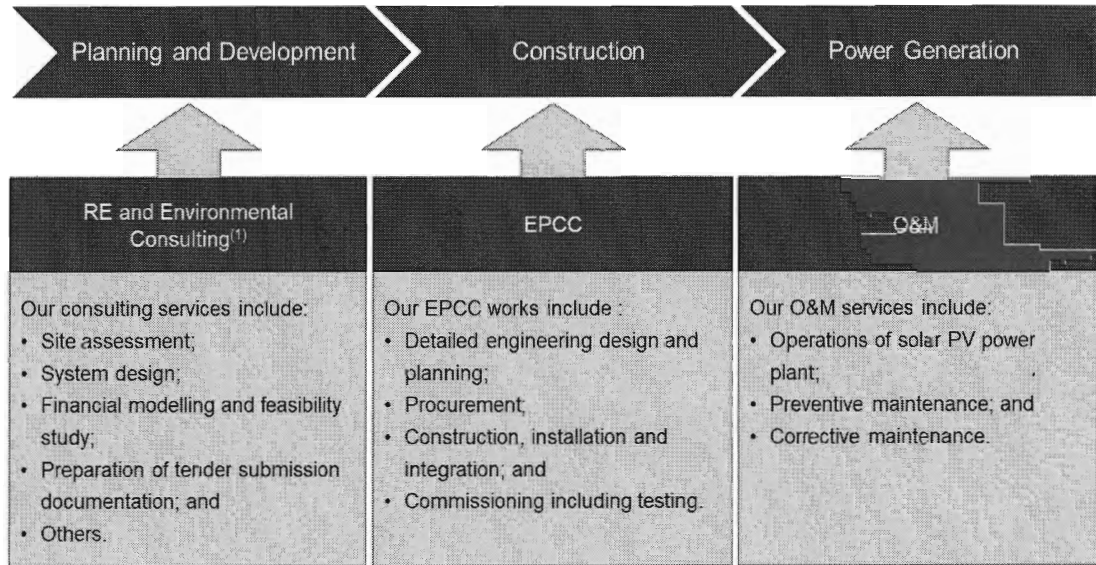
- Our direct distribution channel is where we provide our services directly to customers who are utility-scale facility developers or owners, and building owners; and
- Our indirect distribution channel is where we work with intermediaries including RE service providers and/or contractors for solar and other RE related projects.

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

**6.4.2 Our products and services**

Our portfolio of services within the Financial Years Under Review and up to the LPD are summarised below:

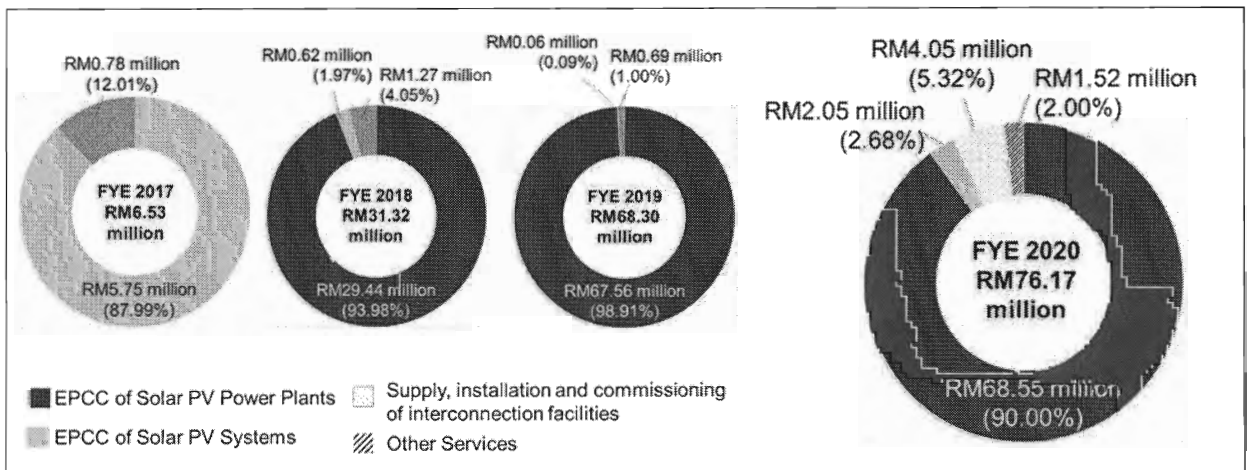
**Our Services within the Value Chain of Services for Solar PV Systems and Power Plants**



**Note:**

(1) Depending on the requirements of our customers, we also provide implementation support consulting services during the construction phase for solar PV system and power plant projects. Please refer to Section 6.4.2(b) of this Prospectus for further details on our RE and environmental consulting services.

Our revenue segmented by business activities for the Financial Years Under Review are as follows:



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

For the FYE 2017, our revenue was mainly derived from EPCC of solar PV systems which accounted for 87.99% of our total revenue. Since the FYE 2018, there was a shift in business focus towards EPCC of solar PV power plants which became our major revenue contributor and accounted for 93.98%, 98.91% and 90.00% of our total revenue for the FYE 2018, FYE 2019 and FYE 2020 respectively. The shift in business focus towards EPCC of solar PV power plants was because we capitalised on the opportunity to undertake EPCC of solar PV power plant projects, which are much larger in size and higher in project value as compared to solar PV system projects, as part of our action to grow our business to be able to carry out larger scale EPCC projects. Accordingly, there was a shift in focus from solar PV system projects to solar PV power plant projects under the LSS programme, which was one of the initiatives being promoted by the Government during such period.

The shift in business focus changed our overall GP margin performance which decreased from 31.33% in the FYE 2017 to 14.73%, 14.40% and 15.30% in the FYE 2018, FYE 2019 and FYE 2020 respectively. The decrease in our overall GP margin was mainly due to the lower GP margin from our EPCC of solar PV power plants primarily as a result of lower tariff or electricity rate for the LSS programme as compared to the FiT programme which had affected our pricing strategy. In addition, this was also due to additional costs for specialised subcontractors not required for solar PV system projects.

Moving forward, our major revenue contributor and GP margin performance will be driven by the types of solar PV projects we secure. Please refer to Section 6.12.1.1 of this Prospectus for our business strategy to strengthen our competency in EPCC of solar PV systems and power plants.

For further details on our financial performance, please refer to Section 11.3 of this Prospectus for the Management's Discussion and Analysis of Financial Conditions, Results of Operations and Prospects.

### (a) EPCC of Solar PV Systems and Power Plants

#### (i) Overview

Solar PV systems and power plants are designed to generate electricity through the application of the photovoltaic effect. Solar PV modules convert sunlight directly into electricity. Generally, solar PV systems are those with installed generating capacity of less than 1 MWac, while solar PV power plants have installed generating capacity of 1 MWac or more.

All of the solar PV systems that we carry out are all installed on rooftops while solar PV power plants are ground mounted due to the requirements for a larger area to accommodate significantly more solar PV modules.

All of the solar PV systems and power plants under our EPCC projects to-date are connected to the power grid.

#### EPCC Scope of Work

Our EPCC scope of work generally includes the following:

- **Engineering design and planning**

We develop the detailed engineering design and schematic layout including specifications and connectivity of equipment. This includes configuring the capacity for all the equipment to ensure that they operate effectively, efficiently and safely to support the targeted installed power generation capacity.

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

- **Procurement**

We are responsible for the sourcing and procurement of all the equipment and materials for the construction of the solar PV systems and power plants. In this respect, we specify the brands, models and types of equipment and materials to procure based on the agreed design and specifications. We are also responsible for selecting and engaging external parties to carry out the physical construction and installation works.

- **Construction, installation and integration**

Our responsibilities are mainly in the following areas:

- project management and site supervision;
- quality and safety assurance;
- monitoring the construction, installation and integration process;
- ensuring all works are in accordance with the project specifications and design, and that they meet regulatory compliances; and
- liaising with authorities and other external parties.

Ground mounted solar PV power plants require civil and structural engineering works such as earthworks and foundation works. The earthworks and foundation works are crucial to support the mounting systems which hold the solar PV modules, structures for control room, inverters, transformers, switchgears and substation. Construction of infrastructure such as access roads, drainage systems, internal pathways between rows of solar PV arrays, and cabling to the nearest power grid substation will also be required.

Construction works for solar PV power plants include, among others, the following:

- Site preparation works, including land clearing and levelling, and wayleave alignment for the power cable to connect to the nearest power grid substation.

**Site preparation and civil works**

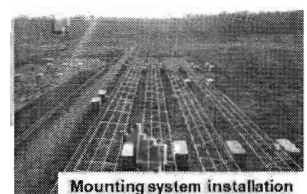


**Earthworks**



**Access road**

- Foundation works to support the solar PV array and balance of system. The type of foundation used at a particular location will depend on the soil conditions, and type of buildings or structures to be built.



**Mounting system installation**

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

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- Erecting the mounting system and installing the solar PV modules and balance of system.
- Constructing structures for control room, inverters, transformers, switchgears and substations.
- Laying of power cables and carrying out interconnection to the nearest power grid substation.
- Integrating all equipment and systems to ensure they are functioning safely and according to design and specifications.

We engage external parties to carry out the physical construction and installation works while we supply the solar PV modules and balance of systems.

For solar PV systems installed on rooftops, we procure all materials and engage external parties for the erection of the solar PV system and connection to inverters and the facilities' switchboards.

During the construction phase, our in-house technical team are responsible for the following tasks:

- develop a comprehensive construction plan which outlines project details such as milestones, activities, dependencies, responsibilities, timelines, and contingency plans before physical construction and installation works begin;
  - project manage the construction, installation and systems integration works performed by external parties to ensure that they are in accordance with design and technical specifications; and
  - provide progress reports to our customers.
- **Commissioning including testing**

Upon completion of the construction phase, we will test the equipment and systems, and subsequently commissioning of the entire system. Testing is performed to ensure that the equipment is functioning as a complete system, and according to pre-determined parameters based on the detailed engineering design and specifications.

The solar PV system or power plant is also tested to meet the power grid technical requirements of TNB. Once these requirements are met, the solar PV system or power plant will be commissioned for commercial operations.

Please refer to Section 6.4.5 of this Prospectus for further details on the process flow of EPCC.

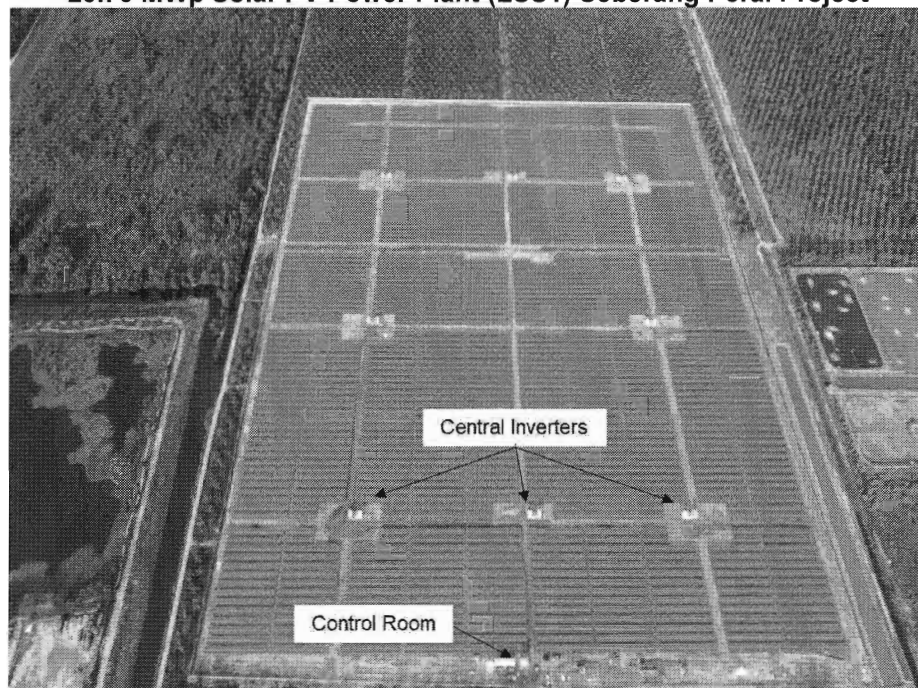
**6. INFORMATION ON OUR GROUP (Cont'd)****(ii) EPCC of Solar PV Power Plants**

Solar PV power plants are designed to supply power to the power grid. Our revenue from the EPCC of solar PV power plants accounted for 93.98%, 98.91% and 90.00% of our total revenue in the FYE 2018, FYE 2019 and FYE 2020, respectively. This was mainly contributed by the EPCC of the 23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project which was completed in November 2018 for FYE 2018 and FYE 2019. In FYE 2020, our revenue contributions from EPCC of solar PV power plants were mainly contributed by the two on-going projects as follows:

- 6.80 MWp Solar PV Power Plant (LSS2) Mersing Project; and
- 13.50 MWp Solar PV Power Plant (LSS2) Kluang Project.

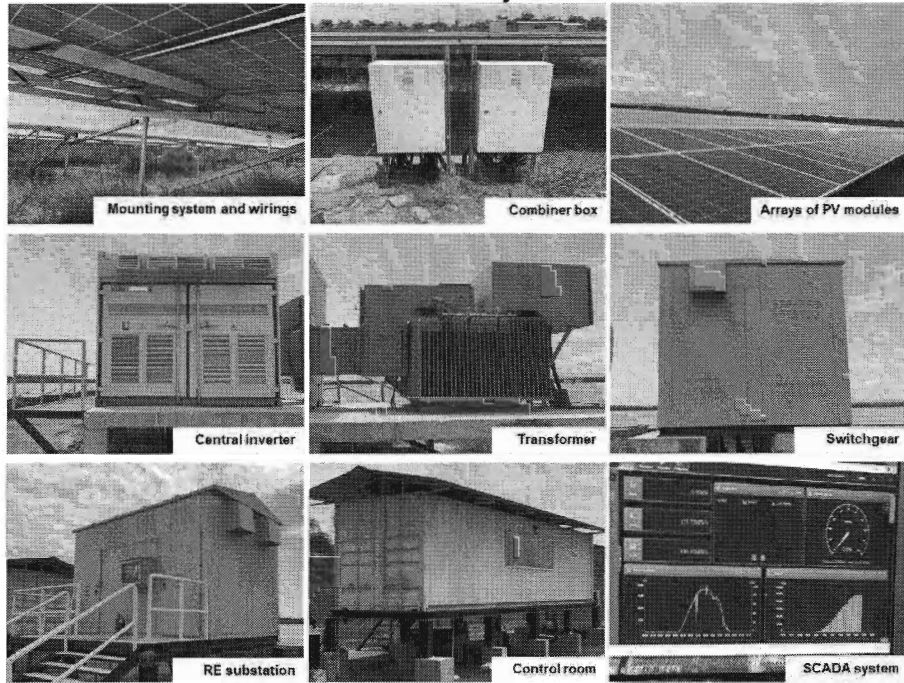
Please refer to Section 6.4.2(c) for details on our completed and on-going projects.

The pictorial representation of the completed 23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project and relevant components are as follows:

**23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project**

6. INFORMATION ON OUR GROUP (Cont'd)

**Components of the 23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project**



<b>EPCC project of 23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project</b>	
Land area:	55 acres
Daily solar irradiation:	1,794 kWh/m <sup>2</sup> per day
Electricity generation:	35,600 MWh per year
Main equipment:	68,700 solar PV modules; 8 central inverters

We also secured subcontracted works from EPCC contractors of solar PV power plants for the interconnections to their respective nearest power grid substations. In this type of works, we are responsible for the supply and installation including laying of power cables and interconnection to the power grid substations, and commissioning of the interconnection. We engage external parties for the physical laying of power cables and connection to the power grid substation, while we procure the power cables and other related materials, project manage, liaise with the relevant authorities and supervise physical works.

Revenue from subcontracting services for the supply, installation and commissioning of interconnection facility for solar PV power plants accounted for 5.32% of our total revenue in FYE 2020. This was from the on-going projects as follows:

- Interconnection Facility of 5.00 MWac for a Solar PV Power Plant (LSS2) Kuala Terengganu Project;
- Interconnection Facility of 25.00 MWac for a Solar PV Power Plant (LSS2) Pasir Gudang (Package 1) Project; and
- Interconnection Facility of 25.00 MWac for a Solar PV Power Plant (LSS2) Pasir Gudang (Package 2) Project.

**6. INFORMATION ON OUR GROUP (Cont'd)****(iii) EPCC of Solar PV Systems**

Solar PV systems are generally mounted on top of residential, commercial, industrial and community buildings and facilities. The solar PV systems that we installed are connected to the power grid. Solar PV systems are smaller versions of solar PV power plants. As they are mounted on rooftops, there is no need for any ground works to be carried out. The solar PV system is then connected to inverters and switchboards that channel power to the premises and/or the power grid. Revenue from the EPCC of solar PV systems accounted for 87.99%, 1.97%, 0.09% and 2.68% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively. The decline in revenue contributions from the EPCC of solar PV systems was due to our shift in business focus towards the EPCC of the solar PV power plant for the Seberang Perai Project for the FYE 2018 and FYE 2019.

Generally, solar PV systems that are connected to the grid are implemented under the FiT, NEM and SELCO programmes.

- **FiT programme**

FiT obliges the distribution licensees including TNB, to buy electricity that is generated from renewable resources produced by Feed-in Approval Holders (FIAH) at a pre-determined rate for a specific duration. Renewable resources eligible for FiT programme are solar PV, biogas, biomass and small hydropower. This programme was launched in 2011. Under this programme, there was no new quota allocated for solar PV since 2017 with the exception of 5 MW under the community category.

- **NEM programme**

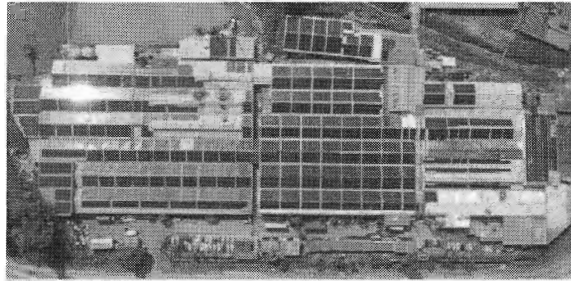
NEM was introduced in November 2016 to replace the FiT for solar PV projects. NEM allows consumers to generate electricity from solar PV systems for self-consumption, and export excess electricity to the power grid. In 2019, the NEM programme was enhanced to offer a one-on-one offset basis which means for every 1 kWh exported to the grid, it will be offset against 1 kWh consumed from the power grid.

- **SELCO programme**

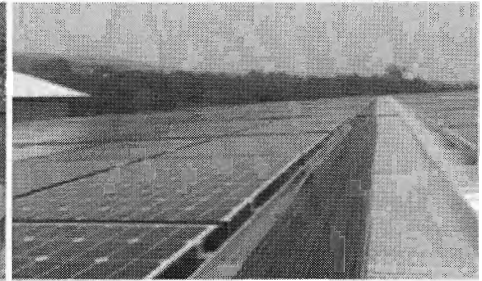
SELCO enables individual, commercial and industrial power consumers to hedge against rising cost of electricity through installation of solar PV systems to generate electricity for their own usage. Any excess electricity generated under SELCO is not allowed to be exported to the power grid. The Electricity Supply Act 1990 [Act 447]: Guidelines on the Connection of Solar PV Installation for Self-Consumption was issued on 19 April 2017 for the SELCO programme.

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

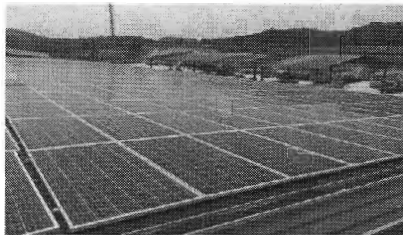
The pictorial representations of completed solar PV systems and relevant components are as follows:



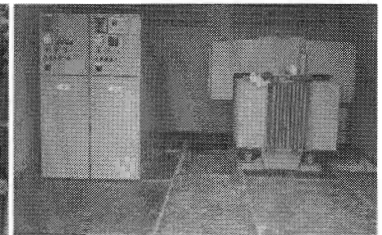
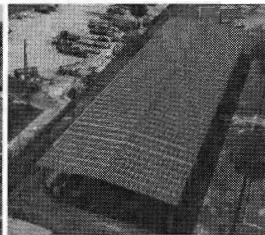
1.00 MWp Solar PV System (FiT) Kluang Project



Installation of PV modules on a roof and its wire routing path



0.43 MWp Solar PV System (FiT) Semenyih Project



Balance of system including switchgear and transformer

### (iv) Warranties and defect liabilities

The following types of warranties are offered after the final acceptance of our EPCC works:

- **Performance warranty on the solar PV power plants**

We provide performance warranty for the installed solar PV power plants which is specified in the form of minimum performance ratio that can be achieved as stipulated in our EPCC contract during the defect liability period ranging from 12 to 24 months. The performance ratio is a measurement of the efficiency of a solar PV system or power plant, indicated by the ratio of the actual solar PV energy output as compared to the theoretical output.

- **Performance warranty of solar PV modules**

The solar PV module performance warranty is provided by the manufacturer of the solar PV module.

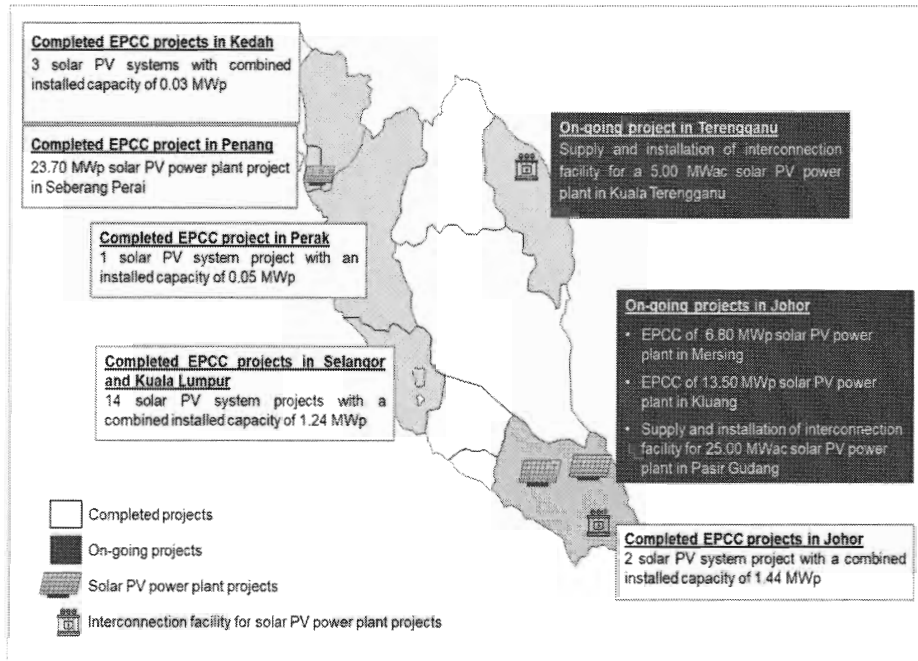
- **Product warranty of certain main components**

The product warranty of various main components of the solar PV facilities are provided by their respective manufacturers.

In addition, there is a defect liability period ranging from 12 to 24 months after the final acceptance of our EPCC works for solar PV systems and power plants, and we are responsible to make good and rectify any defects for our EPCC works during this period.

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

Some of our on-going and completed EPCC and subcontracting projects for solar PV systems and power plants in Malaysia for the Financial Years Under Review and up to LPD are as follows:



Please refer to Section 6.4.2(c) of this Prospectus for further details on our completed and on-going projects.

**(b) Other services**

We are also involved in the provision of RE and environmental consulting services, and O&M services. Revenue contribution from these services accounted for 12.01%, 4.05%, 1.00% and 2.00% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively.

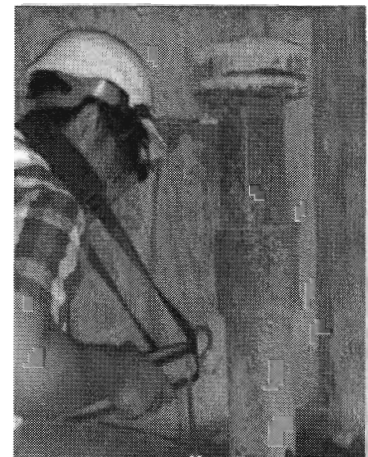
- (i) In the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, revenue from the provision of RE and environmental consulting services accounted for 12.01%, 4.05%, 0.54% and 1.23% of our total revenue, respectively.

Our RE consulting services mainly cover support services for development and implementation.

As part of our development support services, we prepare tender submission documents for project developers and/or owners, which includes conducting site assessments, developing the system design of solar PV power plants, producing a financial model and feasibility study of the project, calculating the energy yield and carry out system optimisation.

As part of our implementation support services, we carry out independent planning and contract review, project supervision and monitoring, yield and power performance review, power performance testing and analysis and verification of the technical aspects of the project.

**Landfill Gas Emission Monitoring**



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

As for environmental consulting services, we provide landfill and waste management services including independent assessment reports to quantify and verify landfill gas emissions. In addition, we carry out environmental investigation and assessment which involves assessing site geological conditions, identifying and estimating the composition and emission of landfill gases, and collecting groundwater and soil samples for testing at an external laboratory. Based on our findings and assessments, we also provide landfill gas management services, implementation of mitigation plans, monitoring services as well as management of contaminated land. For the Financial Years Under Review, we have undertaken independent assessments of landfill gas emission at a contaminated land for a property development project as well as an MRT project.

- (ii) Revenue from O&M services accounted for 0.46% and 0.77% of our total revenue for the FYE 2019 and FYE 2020 respectively. The function of O&M services is to ensure that the plant operates safely and continuously at its optimum capacity. Part of our O&M activities includes providing performance monitoring and evaluation of the solar PV power plant. We use a SCADA system to enable remote real time monitoring as well as collect operational and performance data. Optimisation checks are also performed by comparing operational data collected against the theoretical performance of the installation as stated in the detailed design layout.

In order to minimise downtime or operational inefficiencies of a solar PV power plant due to equipment failure, we will carry out preventive maintenance as well as corrective maintenance. Preventive maintenance is scheduled maintenance that is carried out at pre-determined intervals to prevent system faults and equipment failures from occurring. Corrective maintenance is unscheduled maintenance that is carried out when there is an equipment or system failure. When such an event occurs, our technical team will identify and locate the cause of the failure, and rectify the problem to bring the equipment or system back to normal operating conditions.

For the Financial Years Under Review and up to the LPD, we have secured and/or completed projects where we have provided end-to-end services (i.e. encompassing RE and environmental consulting, EPCC and O&M):

- Upon completion of the Seberang Perai Project, we secured an O&M contract which expired in November 2019 and was subsequently renewed until December 2022.
- As at the LPD, we secured O&M contracts for the Mersing Project and Kluang Project where the EPCC works are initially scheduled to be completed in June 2020 and early September 2020, respectively. Due to the COVID-19 outbreak, we have been granted extension of time to complete the Mersing Project and Kluang Project by 15 October 2020 and 30 September 2020, respectively.

The O&M contracts for the Mersing Project and Kluang Project are for 24 months from their respective commercial operation dates whereby upon their respective expiry, the term shall be extended by the respective customers for a period of two years unless earlier terminated by the respective customers by giving written notice to Samaiden in accordance with the terms of the respective O&M contracts.

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

**(c) Our EPCC Projects**

**(i) Completed Projects**

For the Financial Years Under Review and up to the LPD, our completed EPCC projects for solar PV facilities with capacity above 0.10 MWp are as follows:

Project Name	Customer Name / Customer Type	Type of Facility	Type of Buildings	Project Location	Type of Programme	Capacity (MWp)	Contract Value (RM million)	Start Date <sup>(1)</sup> / Completion Date <sup>(2)</sup>
<b>Solar PV Power Plant</b>								
23.70 MWp Solar PV Power Plant (LSS1) Seberang Perai Project	PLB Green Solar Sdn Bhd / Utility-Scale Facility Owner	Ground mounted	N/A	Seberang Perai, Penang	LSS1	23.70	97.70	January 2018 / November 2018
<b>Solar PV Systems</b>								
0.43 MWp Solar PV System (FIT) Semenyih Project	Reko Heights Development Sdn Bhd / Building Owner	Rooftop	Commercial	Semenyih, Selangor	FIT	0.43	2.80	August 2016 / December 2016
0.36 MWp Solar PV System Kajang Project	SriJang Indah Sdn Bhd / Building Owner	Rooftop	Commercial	Kajang, Selangor	N/A	0.36	2.15	October 2016 / March 2017
1.00 MWp Solar PV System (FIT) Kluang Project	Fairview Equity Project Sdn Bhd / Building Owner	Rooftop	Commercial	Kluang, Johor	FIT	1.00	0.40	June 2016 / December 2016

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

Project Name	Customer Name / Customer Type	Type of Facility	Type of Buildings	Project Location	Type of Programme	Capacity (MWp)	Contract Value (RM million)	Start Date <sup>(1)</sup> / Completion Date <sup>(2)</sup>
0.11 MWp Solar PV System Sekinchan Project	Hoi Yun Sdn Bhd / Building Owner	Rooftop	Commercial	Sekinchan, Selangor	SELCO	0.11	0.29	November 2019 / June 2020
0.19 MWp Solar PV System Sekinchan Project	Suria Press (M) Sdn Bhd / Building Owner	Rooftop	Commercial	Sekinchan, Selangor	NEM	0.19	0.50	November 2019 / June 2020
0.44 MWp Solar PV System Muar Project	Kompass Murni Sdn Bhd / Building Owner	Rooftop	Commercial	Muar, Johor	NEM	0.44	1.28	November 2019 / August 2020

**Notes:**

- (1) Start date is based on the date of the letter of award and/or document of acceptance and/or commencement date as mutually agreed with the customer.
- (2) Completion date is based on certificate of completion and/or acceptance of handover by the customer.

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

**(ii) On-Going Projects**

As at the LPD, our on-going EPCC projects for solar PV facilities with capacity above 0.10 MWp are as follows:

Project Name	Customer Name / Customer Type	Type of Facility	Type of Buildings	Project Location	Type of Programme	Capacity (MWp)	Contract Value / Remaining Contract Value (RM million)	Start Date / Expected Completion Date
<b>Solar PV Power Plants</b>								
6.80 MWp Solar PV Power Plant (LSS2) Mersing Project	Fairview Equity Project (Mersing) Sdn Bhd / Utility-Scale Facility Owner	Ground mounted	N/A	Mersing, Johor	LSS2	6.80	25.29 / 0.95	April 2019 / October 2020
13.50 MWp Solar PV Power Plant (LSS2) Kluang Project	Fairview Equity Project (Kluang) Sdn Bhd / Utility-Scale Facility Owner	Ground mounted	N/A	Kluang, Johor	LSS2	13.50	49.90 / 5.77	July 2019 / September 2020
Inter-connection Facility of 5.00 MWac for a Solar PV Power Plant (LSS2) Kuala Terengganu Project <sup>(1)</sup>	SPIC Energy Malaysia Berhad <sup>(1a)</sup> / EPCC Contractor	Interconnection facility	N/A	Kuala Terengganu, Terengganu	LSS2	5.00 <sup>(3)</sup>	2.56 / 0.09	July 2019 / August 2020 <sup>(4)</sup>
Inter-connection Facility of 25.00 MWac for a Solar PV Power Plant (LSS2) Pasir Gudang (Package 1) Project <sup>(4)</sup>	SPIC Energy Malaysia Berhad <sup>(1b)</sup> / EPCC Contractor	Interconnection facility (primarily supply and installation of equipment)	N/A	Pasir Gudang, Johor	LSS2	25.00 <sup>(3)</sup>	1.61 / 0.48	July 2019 / September 2020

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

Project Name	Customer Name / Customer Type	Type of Facility	Type of Buildings	Project Location	Type of Programme	Capacity (MWp)	Contract Value / Remaining Contract Value (RM million)	Start Date <sup>(b)</sup> / Expected Completion Date
Inter-connection Facility of 25.00 MWac for a Solar PV Power Plant (LSS2) Pasir Gudang (Package 2) Project <sup>(2)</sup>	AF Centric Solutions Sdn Bhd / EPCC Contractor	Interconnection facility (primarily supply and installation of cabling work)	N/A	Pasir Gudang, Johor	LSS2	25.00 <sup>(3)</sup>	4.70 / 3.13	March 2020 / September 2020
<b>Solar PV Systems</b>								
<b>Malaysia</b>								
0.97 MWp Solar PV System Alor Gajah Project	United Detergent Industries Sdn Bhd / Building Owner	Rooftop	Commercial	Alor Gajah, Melaka	NEM	0.59	2.17 / 2.17	July 2020 / February 2021
					SELCO	0.38		
0.44 MWp Solar PV System Alor Gajah Project	United Detergent Industries Sdn Bhd / Building Owner	Rooftop	Commercial	Alor Gajah, Melaka	NEM	0.44	0.98 / 0.94	July 2020 / February 2021
0.59 MWp Solar PV System Klang Project	LYS Energy (Malaysia) Sdn Bhd / Facility Developer	Rooftop	Commercial	Klang, Selangor	NEM	0.59	1.66 / 1.66	March 2020 / March 2021
0.56 MWp Solar PV System Gemas Project	Pentagon Asset Sdn Bhd / Facility Developer	Rooftop	Commercial	Gemas, Negeri Sembilan	NEM	0.56	1.46 / 1.46	March 2020 / March 2021

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

Project Name	Customer Name / Customer Type	Type of Facility	Type of Buildings	Project Location	Type of Programme	Capacity (MWp)	Contract Value / Remaining Contract Value (RM million)	Start Date <sup>(6)</sup> / Expected Completion Date
0.80 MWp Solar PV System Shah Alam Project	Jaring Metal Industries Sdn Bhd / Building Owner	Rooftop	Commercial	Shah Alam, Selangor	NEM	0.80	2.24 / 2.24	May 2020 / May 2021
0.63 MWp Solar PV System Jeram Project	Good Foams Industries Sdn Bhd / Building Owner	Rooftop	Commercial	Jeram, Selangor	NEM	0.63	1.79 / 1.79	March 2020 / March 2021
1.00 MWp Solar PV System Subang Jaya Project	A.W. Faber-Castell Sdn Bhd / Building Owner	Rooftop	Commercial	Subang Jaya, Selangor	NEM	1.00	2.48 / 2.36	June 2020 / November 2020
0.14 MWp Solar PV System Shah Alam Project	Shah Alam Buddhist Society / Building Owner	Rooftop	Community	Shah Alam, Selangor	NEM	0.14	0.66 / 0.66	July 2020 / December 2020
0.35MWp Solar PV System Pasir Gudang Project	Ecoscience Manufacturing & Engineering Sdn Bhd / Building Owner	Rooftop	Commercial	Pasir Gudang, Johor	NEM	0.35	1.00 / 1.00	August 2020 / August 2021
0.58 MWp Solar PV System Muar Project	HTP Industries Sdn Bhd / Building Owner	Rooftop	Commercial	Muar, Johor	NEM	0.58	1.25 / 1.25	August 2020 / August 2021
0.13 MWp Solar PV System Shah Alam Project	Dancomech Engineering Sdn Bhd / Building Owner	Rooftop	Commercial	Shah Alam, Selangor	NEM	0.13	0.30 / 0.30	September 2020 / September 2021

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

Project Name	Customer Name / Customer Type	Type of Facility	Type of Buildings	Project Location	Type of Programme	Capacity (MWp)	Contract Value / Remaining Contract Value (RM million)	Start Date <sup>(6)</sup> / Expected Completion Date
<b>Vietnam</b> 0.20 MWp Solar PV System Vietnam Project <sup>(6)</sup>	Hoai Nhu Green Energy Company Limited / Solar PV System Facility Developer	Rooftop	Commercial	Bac Lieu, Vietnam	N/A	0.20	0.53 / 0.53 <sup>(7)</sup>	October 2019 / December 2020

**Notes:**

- (1) Samaiden was appointed as a sub-contractor for the interconnection facility works in relation to the Kuala Terengganu Project and Pasir Gudang Project (Package 1) based on the letters of award from SPIC Energy Malaysia Berhad dated 8 July 2019, which was independent from the principal EPCC contract for the solar PV power plant project.
  - a. Pursuant to the letter of award dated 8 July 2019, SPIC Energy Malaysia Berhad, the principal, appointed Samaiden as a subcontractor for the subcontract works. Samaiden and Jesselton Solar Services Sdn Bhd, the appointed main contractor of SPIC Energy Malaysia Berhad, entered into the Interconnection Facility Subcontract Agreement dated 30 October 2019 to govern the performance of the said works.
  - b. Pursuant to the letter of award dated 8 July 2019, SPIC Energy Malaysia Berhad, the principal, appointed Samaiden as a subcontractor for the subcontract works. Samaiden and AF Centric Solutions Sdn Bhd, the appointed main contractor of SPIC Energy Malaysia Berhad, entered into the Interconnection Facility Subcontract Agreement dated 10 February 2020 to govern the performance of the said works.
- (2) On 23 March 2020, Samaiden entered into a subcontract agreement with AF Centric Solutions Sdn Bhd for cabling work for the interconnection facility, namely Pasir Gudang Project (Package 2). Under this agreement, SPIC Energy Malaysia Berhad is the principal and AF Centric Solutions Sdn Bhd is the main contractor of the project where Samaiden is the subcontractor for this project.
- (3) Capacity is measured in MWac.
- (4) As at 13 August 2020, the physical works on-site have been completed and currently are pending for confirmation of initial operation date and commercial operation date from TNB.

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

- (5) Start date is based on the date of the letter of award and/or document of acceptance and/or commencement date as mutually agreed with the customer.
- (6) For this project, we are involved in the design and supply of a solar PV system.
- (7) Converted from total contract value of USD128,000 based on the exchange rate of USD1.00 : RM4.1425 as at the LPD.

**(iii) Development on our on-going projects and operations during the MCO and COVID-19 outbreak**

On 16 March 2020, the Malaysian Government announced restriction in movement via issuance of the MCO as a means to curb the spread of COVID-19. During the MCO period which commenced from 18 March 2020, we encountered disruptions to our operations where our on-site activities were suspended which affected our on-going projects. Nevertheless, we noted that this is a temporary condition and took steps to continue operations and working within various constraints placed by the MCO.

Some of our operational activities during the MCO were as follows:

- From 18 March 2020 to 26 April 2020, all of our key senior management, project management and administration personnel worked from home. From 27 April 2020 to 3 May 2020, 50% of our workforce worked from home while the remaining resumed operations in our office premises. Starting from 4 May 2020, we have resumed full business operations in our office premises.
- In respect of our onsite activities for on-going projects:
  - On 3 April 2020, we received approval from the MITI that we were allowed to clear customs for our solar PV modules from the port, and have them delivered to our project site in Kluang for our on-going Kluang Project during the MCO period.
  - We submitted an application to MITI to resume work for the Kluang Project and we obtained approval on 20 April 2020. Upon obtaining the approval, we put in place a standard operating procedure (SOP) for site works in accordance with the conditions in the MITI approval letter. During our preparation period between 20 April 2020 and 4 May 2020, our subcontractors were also preparing to resume onsite works in compliance with their respective SOP.
  - On 4 May 2020, we resumed onsite operation for the Kluang Project. The safety officer is responsible for the implementation of SOP at the site, which include temperature measurement of each person prior to their entry into the site, and preparation and submission of daily compliance reports to the Department of Occupational Health and Safety (DOSH).
  - All other local on-going projects were halted during the MCO. On-site operations for these projects resumed gradually since 4 May 2020 in conjunction with the conditional MCO coming into effect. As at the LPD, we have resumed on-site operations for all of these projects.

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

- The implementation of the 0.20 MWp Solar PV System Vietnam Project is impacted by the COVID-19 outbreak. We have informed the customer via email of our intention to extend the completion date from June 2020 to December 2020 to which the customer took notice. On-site activities for this project have been suspended in Vietnam due to the business and operation restriction in Vietnam pertaining to COVID-19 condition since 1 April 2020. We are in discussions with our customer to resume the project once the condition stabilises.
  - We physically commenced our office operation on 27 April 2020 with 50% of our employees working in the office, while the remaining employees continued to work from home in accordance with the conditions imposed by MITI. Pursuant to the conditional MCO, our employees are allowed and they have resumed to work in the office and at the project sites at full capacity. To safeguard our employees, we implemented various preventive measures based on SOP issued by MITI, which included temperature measurement of each person prior to their entry into the office, providing employees and visitors with sanitisers and face masks, and preparation and submission of daily compliance reports to DOSH.
- During the MCO period, we continued to serve customers as follows:
- handled requests for potential sales including preparation of tender submissions and/or proposals;
  - followed-up with on-going tenders including providing clarifications, documentations and project scheduling information;
  - coordinated with TNB regarding technical and system design approval;
  - conducted weekly virtual progress meetings, project planning revisions and liaising with suppliers on the anticipated delivery and catch-up plan for on-going projects;
  - project monitoring and management including planning for procurement and material delivery schedule, appointment of subcontractors and related works prepared for implementation upon lifting of MCO;
  - practicing social distancing measures in our office premises by limiting the number of people present at one time in our office premises (i.e. employees and visitors) and ensuring distance of minimum 1 metre apart between employees who are seated at their work desk at the office; and
  - practicing social distancing measure on the project sites by ensuring distance of minimum 1 metre between employees.

As at the LPD, we continue to adhere to the SOP issued by MITI.

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

### 6.4.3 Our principal market

Malaysia is our principal market representing all of our revenue for the Financial Years Under Review and up to the LPD.

### 6.4.4 Key types, sources and availability of supplies

The following are the major types of input materials and services that we purchased for our business operations for the Financial Years Under Review:

	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<b>Equipment and Materials</b>	<b>2,919</b>	<b>78.28</b>	<b>10,850</b>	<b>41.37</b>	<b>40,814</b>	<b>71.49</b>	<b>40,695</b>	<b>64.09</b>
Solar PV modules	1,726	46.29	5,822	22.20	29,065	50.91	25,434	40.05
Inverters	375	10.06	95	0.36	3,271	5.73	2,389	3.76
Mounting systems	621	16.65	3,233	12.33	3,206	5.62	6,079	9.58
Other equipment and components <sup>(1)</sup>	197	5.28	1,700	6.48	5,272	9.23	6,793	10.70
<b>Services</b>	<b>810</b>	<b>21.72</b>	<b>15,378</b>	<b>58.63</b>	<b>16,280</b>	<b>28.51</b>	<b>22,804</b>	<b>35.91</b>
Installation works <sup>(2)</sup>	154	4.13	135	0.51	4,480	7.85	4,219	6.64
Site preparation and civil works <sup>(3)</sup>	-	-	13,946	53.17	5,637	9.87	14,317	22.55
Electrical works <sup>(4)</sup>	569	15.26	348	1.33	4,674	8.18	3,082	4.85
Professional / Consulting services	87	2.33	949	3.62	1,489	2.61	1,186	1.87

#### Notes:

- (1) Includes, among others, transformers, switchgears, cables and other materials.
- (2) Includes construction of mounting structures for the solar PV modules.
- (3) Includes site condition improvement works and civil and structural works.
- (4) Includes testing and commissioning work and other subcontracted works such as electrical works and integration to connect all equipment and components, as well as final interconnection to the power grid.

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

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The main input materials for our business operations were mainly for our EPCC works as follows:

- **Equipment and materials:** The purchases of solar PV equipment and materials accounted for 78.28%, 41.37%, 71.49% and 64.09% of our total purchases of materials and services for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively.

These equipment and materials were used for our EPCC works, which mainly include the following:

- Solar PV modules, which are the main component of solar PV systems and power plants;
  - Inverters used to convert DC into AC;
  - Mounting systems to provide structural support to the solar PV modules; and
  - Others including transformers and cables.
- **Services:** In the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, services accounted for 21.72%, 58.63%, 28.51% and 35.91%, respectively of our total purchases of materials and services. We engaged external parties to carry out the following works:
    - site preparation and civil works;
    - construction of mounting structures for the solar PV modules;
    - physical installation of solar PV modules and balance of system; and
    - electrical works and integration to connect all equipment and components, as well as final interconnection to the power grid.

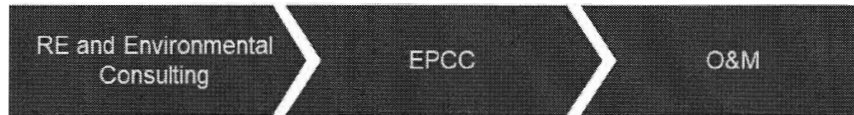
Materials and services that are sourced locally accounted for 68.54%, 82.03%, 81.78% and 57.84% of our total purchases of materials and services for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 respectively. Meanwhile, imported materials accounted for 31.46%, 17.97%, 18.22% and 42.16% of our total purchases of materials and services for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively.

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

**6.4.5 Process Flow**

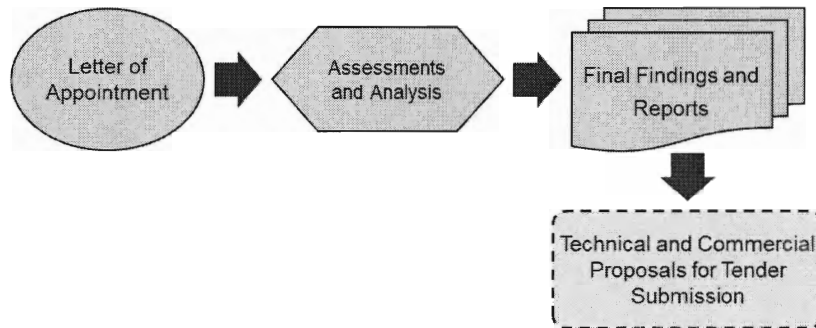
**(a) Overall Business Flow of End-to-End Services for Solar PV Power Plant Projects**

We provide end-to-end service for solar PV power plant projects and this encompasses the following components:



**(b) Process Flow for the Provision of RE and Environmental Consulting Services**

We provide RE and environmental consulting services mainly to customers who are in the preparation phase of their solar PV projects. We carry out these consulting services in-house as we have the experience and the technical expertise. The following is the general process flow for the provision of RE and environmental consulting services for solar PV projects during the initial project tendering and/or development phase:



- **Letter of Appointment**

Our technical team will commence preparation works upon receiving the letter of appointment from the customer.

- **Assessments and Analysis**

**Conceptual system design and analysis**

Our first step is to develop a conceptual system design and analysis covering the following overview aspects:

- Identify the capacity of solar PV system or power plant based on parameters and conditions provided;
- Ascertain the brand, type and number of solar PV modules required to achieve targeted power to be generated;
- Specify balance of system including mounting systems, inverters, transformers, substation and SCADA system;

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

- Layout design including placement of solar PV modules and balance of system, access and cable route to connect to the power grid substation;
- Specify the voltage of cables required for the solar PV modules to be connected to the transformer; and
- Specify the voltage of cables and potential loss of power for interconnection to the power grid substation.

### **Solar Resource Assessment of Proposed Location**

Part of our process involves assessing the solar resource of the proposed location and this usually includes measuring the amount of direct and indirect sunlight measured in units of watt per square metre. This process also takes into consideration effective sunlight hours, weather conditions and the energy yield estimations based on existing data for similar types of solar PV power plant.

### **Physical Location and Preliminary Environmental Impact Study**

We also undertake physical assessment of the proposed site and this is as follows:

- Geotechnical study to evaluate the proposed site as well as its surrounding areas including:
  - o geology in terms of soil and rock formation which will affect earthworks and levelling;
  - o potential risks such as flood and landslides;
  - o slope gradient to define potential physical limit of construction machineries to construct the mounting structure on the slope; and
  - o infrastructure taking into consideration the distance between the site and the nearest power grid substation, and road access to the site.
- Preliminary environmental impact study of construction and operations of the solar PV power plant on, among others, the following:
  - o slope gradient and potential erosions;
  - o social aspects on the surrounding residents; and
  - o current and future land use in the surrounding areas.
- In some cases, the proposed site may not be optimal for the development of solar PV power plant based on our final findings and assessment. In this respect, we would also offer our assistance to propose and identify alternative sites for their development.

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

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**Financial Analysis and Feasibility Study**

Financial analysis and feasibility study look at the financial viability and attractiveness of the project particularly from the perspective of break-even period, internal rate of return and net present value of the project. These are key assessments for the following parties:

- owners and investors to make investment decisions;
- owners and investors to obtain financing, investments or joint-venture partners;
- financing institutions to make financing decisions; and
- authorities to ensure that the project is sustainable in meeting its stated objectives.

In addition, the financial analysis and feasibility studies serve the following purposes:

- to determine the budget for construction and O&M of the solar PV power plant;
- to provide relevant information for negotiation or bidding for the selling price of power to users or utility companies; and
- to provide relevant information to determine the lease payment and conditions under a built and lease business model.

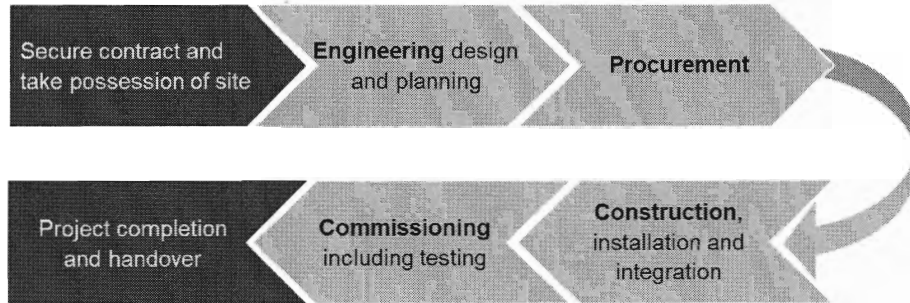
- **Final Findings and Reports**

Once the technical and commercial studies are completed, we will prepare the final findings and reports to our customers. If needed, we will also prepare these reports in compliance with responses to tenders or requests for proposals.

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

**(c) Process Flow for the EPCC of Solar PV Systems and Power Plants**

The general process flow of our EPCC of solar PV systems and power plants are depicted in the diagram below:



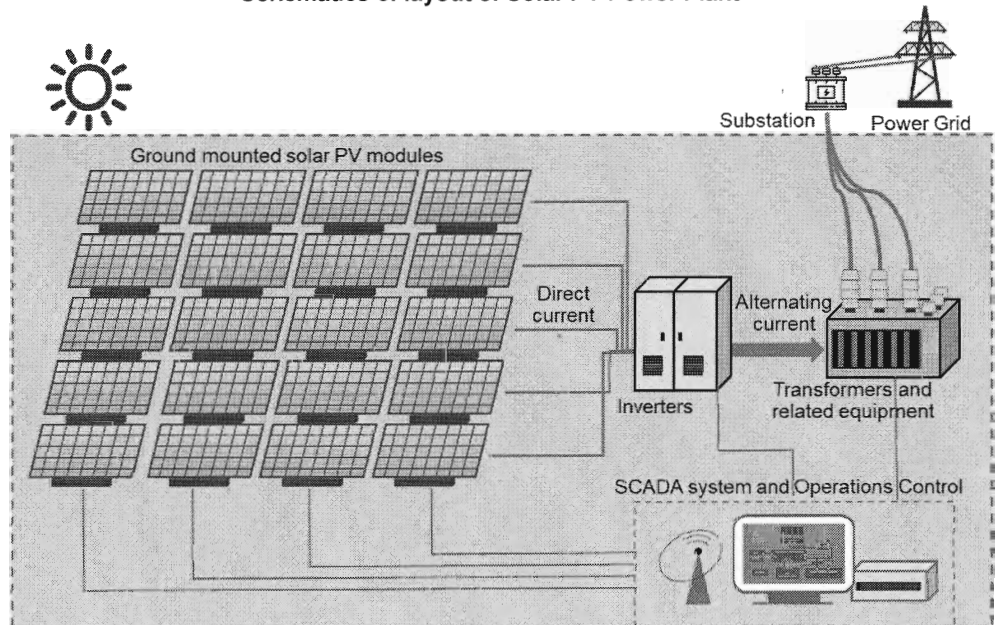
- **Secure contract and take possession of site**

Upon securing an EPCC contract and after taking possession of the site for solar PV facility project, we will commence detailed engineering design and project planning to ensure we meet the project milestones that are stipulated in the contract. The EPCC contract is either secured through competitive tendering or direct negotiations with our customers.

- **Engineering design and planning**

In the engineering design and planning phase, we typically expand on our initial conceptual system design to provide a detailed design together with technical drawings and specifications covering the following aspects:

**Schematics of layout of Solar PV Power Plant**



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

- Detailed layout of solar PV module configuration into arrays including string and module grouping, orientation and inclination of solar PV modules, row spacing, cabling and wiring, sizing of nominal power ratio, as well as inverter and grid interconnection design. For example, the mounting system is key in optimising the orientation of the solar PV modules as it affects the energy yield generated by placing the solar PV modules to obtain the optimum amount of sunlight throughout the year.
- DC system design takes into consideration the selection and sizing of equipment such as connectors, combiner boxes, distribution boards, as well as the lengths and sizes of cables.
- AC system design takes into consideration the inverter output to the interconnection and metering point. This also includes selection of transformers, interconnection schematic designs, and lengths and sizes of cables.

As for the solar PV power plant projects, we also undertake project planning and scheduling taking into consideration the following aspects:

- Infrastructure planning which covers access roads and internal pathways, boundary of the plant, levelling and grading, storm water drainage, water supply and storage system, cabling routes and location of substation, and others including security and surveillance systems, and firefighting system.
- Structural and civil engineering relating to foundation design for mounting system, construction of structures to house inverters, transformers and related electrical equipment, and control room.

In addition, we engage external parties to carry out other specialised services such as mechanical and electrical engineering, communication management system, and urban or town planning services.

- **Procurement**

Once the detailed engineering design and specifications are completed, we commence procurement of all required equipment as well as construction materials.

We are responsible for procuring the following equipment:

- solar PV modules; and
- balance of system such as mounting systems, inverters, transformers, switchgears, electrical distribution, protection and control devices, cables, SCADA system and interconnection equipment.

We will ensure that the key equipment and products pass the factory acceptance test at the manufacturers' facilities before they are delivered to our project site. In addition, we are responsible in selecting and engaging external parties to carry out civil, mechanical and electrical works.

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

- **Construction, installation and integration**

During the construction, installation and integration phase, we are mainly involved in project management, workflow and material scheduling, and quality assurance. The physical construction and installation works are carried out by external parties.

We are mainly involved in project management, site supervision, quality and safety assurance and monitoring the construction, installation and integration process for solar PV systems and power plants where applicable. This is to ensure that work carried out by external parties are in line with our design and technical specifications as well as project timeline and meet the relevant standards and regulatory compliances. In this respect, we outsource the following subcontracted works:

- Civil works on the site for solar PV power plant projects including site preparation such as levelling and soil compaction, construction of access roads and pathways, drainage system, cable ducts and trenches, and perimeter fencing, as well as piling and foundation works for the mounting system;
- Building works for solar PV power plant projects including construction of control rooms and other structures to house or support the inverters and transformers;
- Mechanical works including construction of mounting system and assembly of metal-based support structure; and
- Electrical and communications works including:
  - solar PV module assembly and connection to balance of system including SCADA system;
  - DC and AC cabling;
  - installation of earthing and lightning protection systems;
  - installation of inverters and related electrical equipment such as distribution control and protection systems;
  - installation of security and monitoring systems; and
  - installation of communication systems for internal and remote control and monitoring systems.

As for the interconnection to the nearest power grid substation for solar PV power plant projects, we engage external parties for the supply of labour to perform the physical construction of the substation and installation including laying of cables. This will be based on our design and technical specifications. To interconnect to the power grid substation, we commonly have to procure and install switchgears and transformers, SCADA system, grid interface devices, and low/medium voltage power cables. During this process, we liaise directly with TNB to ensure that the interconnection facilities meet the requirements of the grid connection point.

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

- **Commissioning including system checking and testing**

**System checking and inspection:** Upon the completion of installation and integration of solar PV modules and balance of system, we will facilitate system checking and inspection on the installation against the as-built documents, as well as inspection and testing of the solar PV modules and the balance of system such as functional tests of inverters.

**Testing and commissioning:** Upon the completion of system checking and inspection, we will commence system testing and commissioning for the initial operation date (IOD) which is the date where electricity output is first generated and delivered from the facility to the power grid, followed by verification for commercial operation date (COD).

As part of the testing and commissioning process, we carry out various tests in compliance with the following:

- "Procedure for Testing and Commissioning of Grid Connected Photovoltaic System in Malaysia" by SEDA; and
- Testing and commissioning work as set out under the "Guidelines on Large Scale Solar Photovoltaic Plant for Connection to Electricity Networks" by the Energy Commission Malaysia.

In addition, we liaise directly with relevant parties to notify them and TNB that the interconnection facilities are ready to be commissioned. Prior to that, our technical team will prepare the submission papers and furnish the relevant documentation to TNB.

Finally, we will make arrangement with an approved independent engineer by the Energy Commission Malaysia together with our customer or plant owner, the Energy Commission Malaysia and TNB to witness the connection of solar PV power plant to the power grid. Some of the tests to be performed are as follows:

- inspection of the solar PV modules and inverters;
- acceptance testing of the entire solar PV installation;
- performance ratio test; and
- power quality measurements to be captured at the connection point to ascertain the power quality before and after the commissioning.

- **Project completion and handover**

Upon completion of testing and commissioning, we will prepare the relevant final testing reports to the Energy Commission Malaysia and TNB for the confirmation of COD. We will then handover the site to our customer.

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

Upon the completion of EPCC project, we will offer to continue providing O&M services for the respective solar PV power plant. Please refer to Section 6.4.2(b)(ii) of this Prospectus for further details on our provision of O&M services.

**6.4.6 R&D**

For the Financial Years Under Review and up to the LPD, we have not undertaken any R&D activities.

**6.4.7 Technology**

We do not employ any special technologies in our business operations. However, we utilise software tools in our day-to-day operations. One of the software tools that we utilise is the PVSyst software. In general, PVSyst is an energy modelling software that enables users to analyse the potential amount of solar energy that a particular solar PV installation can harvest, based on its configuration as well as its location.

**6.4.8 Modes of marketing, distribution and sales****(a) Marketing Activities**

As part of our marketing strategy, we adopt a proactive approach in the RE and environmental sectors in Malaysia to raise market awareness of our Group and our capabilities.

For the EPCC of solar PV system and power plant projects, we generally secure contracts through direct negotiations and/or competitive bidding. As for the provision of RE and environmental consulting services, we are usually appointed through direct negotiation.

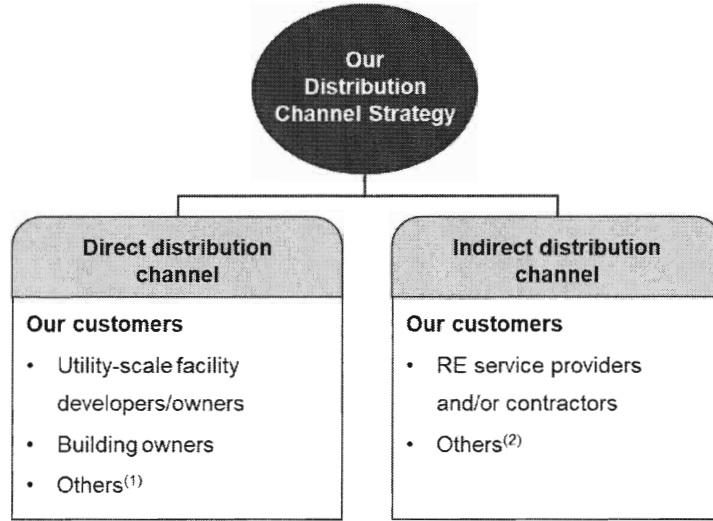
We participate in events such as roadshows, conferences and exhibitions to promote our service offerings as part of our marketing activities. The events that we have participated in the Financial Years Under Review and up to LPD are as follows:

<b>Name of Event</b>	<b>Location</b>	<b>Year</b>
International Greentech & Eco Products Exhibition and Conference	Kuala Lumpur	2019
Malaysian Photovoltaic Industry Association (MPIA) National Solar Roadshow in Peninsular Malaysia	Johor	2019
MPIA National Solar Roadshow in Peninsular Malaysia	Pahang	2019
MPIA National Solar Roadshow in Peninsular Malaysia	Melaka	2019
MPIA National Solar Roadshow in Peninsular Malaysia	Kedah	2019
MPIA National Solar Roadshow in Peninsular Malaysia	Penang	2019
SEDA Exhibition	Penang	2018
International Greentech & Eco Products Exhibition and Conference	Kuala Lumpur	2016

As at the LPD, we have four personnel that are responsible for the planning and execution of our sales and marketing activities.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) Distribution Channels



**Notes:**

- (1) For the Financial Years Under Review and up to the LPD, other direct distribution customers include a property developer, manufacturers and a financial institution.
- (2) For the Financial Years Under Review and up to the LPD, other indirect distribution customers include contractors for community buildings such as mosques and public schools, as well as an infrastructure project.

We adopt both direct and indirect distribution channel strategies to reach our customers:

- Direct distribution channel where we submit proposals and tenders, or negotiate directly with the developers or owners of utility scale solar PV power plants, and building owners of solar PV systems. In addition, we secure projects through direct negotiations with customers for the provision of RE and environmental consulting services.
- Indirect distribution channel where we work with intermediaries including service providers and/or contractors for solar and other RE related projects.

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

For the Financial Years Under Review, our revenue contributions were mainly derived through our direct distribution channel as set out below:

	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<b>Direct distribution channel</b>	<b>5,935</b>	<b>90.89</b>	<b>31,037</b>	<b>99.09</b>	<b>68,045</b>	<b>99.63</b>	<b>72,013</b>	<b>94.54</b>
Utility scale facility owners and developers	-	-	30,159	96.29	67,902	99.42	69,366	91.07
Building owners	5,727	87.71	617	1.97	62	0.09	2,082	2.73
Others <sup>(1)</sup>	208	3.18	261	0.83	80	0.12	565	0.74
<b>Indirect distribution channel</b>	<b>595</b>	<b>9.11</b>	<b>285</b>	<b>0.91</b>	<b>256</b>	<b>0.37</b>	<b>4,157</b>	<b>5.46</b>
RE service providers and/or contractors	403	6.17	15	0.05	-	-	4,157	5.46
Other contractors <sup>(2)</sup>	192	2.94	270	0.86	256	0.37	-	-
<b>Total Group Revenue</b>	<b>6,530</b>	<b>100.00</b>	<b>31,322</b>	<b>100.00</b>	<b>68,301</b>	<b>100.00</b>	<b>76,170</b>	<b>100.00</b>

**Notes:**

- (1) These include a property developer, a manufacturer and a financial institution.
- (2) These include contractors for community buildings such as mosques and public schools, as well as an infrastructure project.

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

**6.4.9 Major approvals, licences and permits obtained**

Details of major approvals, licences and permits applicable to our Group as at the LPD are as follows:

No.	Company	Description of license / approval	Authority	License No. / Registration No. / Serial No.	Issue date / Expiry date	Major conditions imposed	Status of compliance
1.	Samaiden	Registration of contractor for Grade G7	CIDB	Registration No.: 0120170803-SL190673	5 August 2020 / 4 August 2021	<p>1. The contractor shall not carry out any construction project exceeding the value of construction work stated under the registration grade, and shall not carry out any construction projects outside its registered category.</p> <p>2. The contractor must employ skilled construction workers and site supervisor who is accredited and certified by the CIDB.</p> <p>3. All employees at the construction site must have a valid construction personnel card.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of license / approval	Authority	License No. / Registration No. / Serial No.	Issue date / Expiry date	Major conditions imposed	Status of compliance
2.	Samaiden	Registration of company for supply / service	Ministry of Finance Malaysia	Certificate No.: K10351952951902635 Registration Reference No.: 357-0002289541	22 May 2018 / 21 May 2021	<p>1. Samaiden must ensure that the registered field in the certificate must not overlap with any field approved for any company which:</p> <p>(i) has the same owner or board of directors/director, management and employees; or</p> <p>(ii) operates at the same premise.</p> <p>2. The Company has to ensure the registration with Ministry of Finance is subsisting and valid within the effective period of the contract.</p>	Complied

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

No.	Company	Description of license / approval	Authority	License No. / Registration No. / Serial No.	Issue date / Expiry date	Major conditions imposed	Status of compliance
3.	Samaiden	Registration of photovoltaic service provider which qualifies Samaiden to take part in Feed-in-Tariff under the Renewable Energy Act 2011 administered by SEDA	SEDA	SEDA-RPVSP-2020/069	17 January 2020 / 31 December 2020	Samaiden must have staff who have technical expertise / competency in "Grid-Connected PV (GCPV) Systems Design" which have been certified by SEDA for the duration of the approval. Samaiden shall notify SEDA in writing of any changes/ cessation/additions to Samaiden's staff as soon as possible.	Complied
4.	Samaiden	Registered solar photovoltaic investor under NEM Programme	SEDA	SEDA-RPVI-2020/046	17 January 2020 / 31 December 2020	Minimum paid up capital of RM1,000,000 for local company or minimum paid up capital of RM10,000,000 for foreign company.	Complied
5.	Samaiden	Registration as electrical contractor	Energy Commission Malaysia	Registration No.: ST(TKL)SGR/C/KE/03150/2019 Certificate No.: 2020/00945	9 April 2020 / 8 April 2021	Nil	N/A

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6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of license / approval	Authority	License No. / Registration No. / Serial No.	Issue date / Expiry date	Major conditions imposed	Status of compliance
6.	Samaiden	Registration as service provider and contractor	TNB	Registration No.: 3054163	30 May 2019 / 21 May 2021	Validity of this certificate is subject to the validity of certificate of registration issued by the Ministry of Finance, CIDB and other relevant professional certificates.	Complied
7.	Samaiden	Trade, business and industrial licence for management office	Petaling Jaya City Council ("MBPJ")	Serial No.: LTPP2008571	1 January 2020 / 31 December 2020	Nil	N/A

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

### 6.4.10 Intellectual property rights, patents, trademarks and registrations

Our Group does not have any registered intellectual property rights, patents, trademarks or registrations.

### 6.4.11 Contract / Arrangements on which our Group is materially dependent

There is no contract or arrangement on which our Group is materially dependent.

### 6.4.12 Interruptions to business and operations

Notwithstanding that the implementation of MCO and/or COVID-19 outbreak has caused interruption to our business as disclosed in Sections 6.4.2(b)(ii), 6.4.2(c) and 8.2.4 of this Prospectus, the interruption does not have a material adverse effect on our operations as at the LPD. Save as disclosed in Sections 6.4.2(b)(ii), 6.4.2(c) and 8.2.4 of this Prospectus, our Group has not experienced any interruption in business which had a significant effect on operations during the 12-month period prior to the date of this Prospectus.

In the event of a prolonged outbreak of the COVID-19 and the reimplementation of MCO, our contingency plan to minimise disruption to our business operations is as follows:

#### (a) Working from home

To ensure that our staff are able to carry out their duties efficiently and effectively from home, we have put in place the following:

##### Hardware and software

- Ensure all staff has laptop or desktop computers equipped with the appropriate software at home.
- Ensure availability of a large format printer for placement at an engineering staff's home for purposes of internal review of drawings when required.
- Use video conferencing service to facilitate conference calls.

##### Communications

- Ensure all staff can access our head office central server from anywhere that has internet connection.
- Ensure all staff has mobile internet access at home.

##### Back-up and disaster recovery

- Ensure adequate backup system for our head office centralised data storage.

#### (b) Buddy system

We have implemented a buddy system for all our staff to ensure continuity of work in the event that any one of our staff is quarantined or hospitalised. At all times, each staff will have a buddy who is aware and has access to the work carried out by his or her respective buddy.

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

### (c) Alternative suppliers and subcontractors

To address any potential disruption to our supply chain, we are prepared to localise as much as possible our sourcing of materials, equipment and services as follows:

#### Materials and equipment

- Where possible, we will identify multiple local manufacturers for materials and equipment that can replace currently imported items such as solar PV modules, inverters and transformers.
- For imported materials and equipment that are not optimum to be replaced by locally manufactured products, we will search for additional suppliers of these materials and equipment which are able to fulfil our needs in the event of a disruption to our supply chain.
- We will ensure as practicable as possible that multiple suppliers of materials and equipment in the states where our projects are carried out are identified.

#### Subcontractors

- We will ensure that multiple sources of the required subcontractors and subcontracting services in the states where our projects are carried out are identified.
- We have identified alternative subcontractors in the event that our current subcontractors fail to complete their subcontracted works.

### (d) Foreign workers

While we do not have any foreign workers under our payroll, some of our subcontractors may have foreign workers. Our subcontractors are required to submit an undertaking to our Group stating the following:

- None of their workers who are on our project sites are infected with COVID-19;
- The subcontractors are responsible for the screening of their workers for COVID-19 and any treatment if they have been detected with COVID-19;
- The subcontractors will comply with all the standard operating procedures issued by the Government during execution works at site during the MCO period; and
- The subcontractors will indemnify Samaiden and hold Samaiden safe and harmless against any responsibilities, costs, claims, proceedings, damages or punitive damages, consequential or otherwise, that may arise in respect of breach of the said SOP and the subcontractors shall be absolutely liable in regard of all illness of, including death of, any of the workers of the subcontractors.

#### 6.4.13 Seasonality

We do not experience any material seasonality in our business as the demand for our products and services are not subject to seasonal fluctuations.

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

**6.5 PROPERTIES, PLANT AND EQUIPMENT**

**6.5.1 Property owned**

Registered / Beneficial owner	Property address	Description and existing use	Category of land use	Express conditions / Restrictions in interest	Material encumbrance(s)	Tenure / Date of expiry of lease	Date of issuance of CCC	Built-up area
Samaiden	PN 94193/M1-D/16/297, Lot 65670, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor Darul Ehsan, bearing postal address of C-15-02, Sunway Nexis, No. 1, Jalan PJU 5/1, Kota Damansara, 47810 Petaling Jaya, Selangor	Description: Office unit on the 15 <sup>th</sup> floor of a corporate office tower Existing use: Head Office	Business	Business building / This land shall not be transferred, charged or mortgaged unless with the approval of the State Authority	Charged to Maybank Islamic Berhad	Leasehold expiring on 23 November 2100 with remaining leasehold period of approximately 81 years	31 October 2014	123 m <sup>2</sup>

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

**6.5.2 Properties rented**

Tenant	Landlord	Usage	Demised premises	Period of tenancy/ Date of expiry of tenure	Built-up Area	Date of issuance of CCC	Rental per month (RM)
Samaiden	Choo Wai Yin	Office	C-15-3A, Sunway Nexis Office Suite, No. 1, Jalan PJU 5/1, Kota Damansara, 47810 Petaling Jaya, Selangor	2 years commencing on 1 February 2020 and expiring on 31 January 2022	122 m <sup>2</sup>	31 October 2014	4,200
Samaiden	Fong Yeng Foon	Office	C-13A-05, Sunway Nexis Office Suite, No. 1, Jalan PJU 5/1, Kota Damansara, 47810 Petaling Jaya, Selangor	2 years commencing on 1 January 2020 and expiring on 31 December 2021	115 m <sup>2</sup>	31 October 2014	4,500

**6.5.3 Regulatory requirements and environmental issue**

As at the LPD, there is no breach of any property or land use conditions and/or non-compliance with any regulatory requirement, land rules, and building regulations, and there are no environmental issues which may materially affect our Group's operation and usage of the property owned and rented by our Group as set out in Sections 6.5.1 and 6.5.2 respectively of this Prospectus.

**6. INFORMATION ON OUR GROUP (Cont'd)****6.6 EMPLOYEES**

All of the employees in our Group are based in Malaysia. As at the LPD, the number of employees in our Group, excluding our Group Managing Director, Ir. Chow Pui Hee, and Executive Director, Fong Yeng Foon, is as follows:

Department	Number of Employees as at the LPD
Sales & Marketing	4
O&M	4
Technical	5
Project	7
Finance & Accounting	3
Procurement & Contract	2
HR, Administration and IT	1
<b>Total</b>	<b>26</b>

As at the LPD, our Group had no foreign employees and contractual employees.

None of our employees is a member of any union nor have there been any major industrial disputes in the past.

**6.7 MAJOR CUSTOMERS**

Our top five major customers for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 are as follows:

**FYE 2017**

Major customers	Main type of services provided	RM'000	% of total revenue <sup>(1)</sup>	Length of business relationship (years) <sup>(2)</sup>
Reko Heights Development Sdn Bhd	EPCC of solar PV system	2,798	42.85	1
SriJang Indah Sdn Bhd	EPCC of solar PV system	2,150	32.92	1
Fairview Equity Project Sdn Bhd	EPCC of solar PV system	448	6.86	1
Mattan Consultancy Sdn Bhd	RE consulting services	421	6.45	1
TSR Bina Sdn Bhd	Environmental consulting services	166	2.54	1
<b>Total</b>		<b>5,983</b>	<b>91.62</b>	

**6. INFORMATION ON OUR GROUP (Cont'd)****FYE 2018**

<b>Major customers</b>	<b>Main type of services provided</b>	<b>RM'000</b>	<b>% of total revenue <sup>(1)</sup></b>	<b>Length of business relationship (years) <sup>(2)</sup></b>
PLB Green Solar Sdn Bhd	EPCC of solar PV power plant	29,436	93.98	1
ZEC Solar Sdn Bhd	RE consulting services	724	2.31	1
TSR Bina Sdn Bhd	Environmental consulting services	270	0.86	2
ANZ Power Services Sdn Bhd	EPCC of solar PV system	230	0.73	1
MBSB Bank Berhad	RE consulting services	87	0.28	1
	<b>Total</b>	<b>30,747</b>	<b>98.16</b>	

**FYE 2019**

<b>Major customers</b>	<b>Main type of services provided</b>	<b>RM'000</b>	<b>% of total revenue <sup>(1)</sup></b>	<b>Length of business relationship (years) <sup>(2)</sup></b>
PLB Green Solar Sdn Bhd	EPCC and O&M of solar PV power plant	67,439	98.74	2
Fairview Equity Project (Mersing) Sdn Bhd	EPCC of solar PV power plant	432	0.63	3 <sup>(3)</sup>
TSR Bina Sdn Bhd	Environmental consulting services	256	0.37	3
MBSB Bank Berhad	RE consulting services	63	0.09	2
ANZ Power Services Sdn Bhd	EPCC of solar PV system	60	0.09	2
	<b>Total</b>	<b>68,250</b>	<b>99.92</b>	

**6. INFORMATION ON OUR GROUP (Cont'd)****FYE 2020**

<b>Major customers</b>	<b>Main type of services provided</b>	<b>RM'000</b>	<b>% of total revenue <sup>(1)</sup></b>	<b>Length of business relationship (years) <sup>(2)</sup></b>
Fairview Equity Project (Kluang) Sdn Bhd	EPCC of solar PV power plant	43,518	57.13	4 <sup>(3)</sup>
Fairview Equity Project (Mersing) Sdn Bhd	EPCC of solar PV power plant	23,891	31.37	4 <sup>(3)</sup>
Jesselton Solar Services Sdn Bhd	Supply, installation and commissioning of interconnection facility	2,450	3.22	1
PLB Green Solar Sdn Bhd	EPCC and O&M of solar PV power plant	1,718	2.26	3
AF Centric Sdn Bhd	Supply, installation and commissioning of interconnection facility	1,600	2.10	1
	<b>Total</b>	<b>73,177</b>	<b>96.08</b>	

**Notes:**

- (1) Total revenue for FYE 2017, FYE 2018, FYE 2019 and FYE 2020 were RM6.53 million, RM31.32 million, RM68.30 million and RM76.17 million, respectively.
- (2) Length of business relationship is determined as at the respective FYEs.
- (3) Based on the length of business relationship with the holding company, Fairview Equity Project Sdn Bhd, which started in FYE 2017.

For FYE 2018 and FYE 2019, we derived a significant portion of our revenue from a single customer, namely PLB Green Solar Sdn Bhd, which contributed 93.98% and 98.74% of our total revenue, respectively. This was mainly for EPCC works for the Seberang Perai Project, which was completed in November 2018. Following the completion of EPCC works for this project, we carried out O&M services for this solar PV power plant. The O&M services recorded a revenue of RM0.32 million for the FYE 2019. This O&M contract has expired in November 2019, and was renewed and extended for another three years, up to 2022.

As at the LPD, we are only providing O&M services to PLB Green Solar Sdn Bhd for the Seberang Perai Project. PLB Green Solar Sdn Bhd did not contribute more than 5% of our revenue for the FYE 2020, and is not expected to contribute more than 5% of our revenue for the FYE 2021. Therefore, we are not dependent on PLB Green Solar Sdn Bhd for business.

For FYE 2020, we derived a significant portion of our revenue from two customers, namely Fairview Equity Project (Kluang) Sdn Bhd and Fairview Equity Project (Mersing) Sdn Bhd, which contributed 57.13% and 31.37% of our total revenue respectively. This was mainly for EPCC works for Mersing Project and Kluang Project. Please refer to Section 6.4.2(c)(ii) for further details on these two on-going projects.

In general, we are also not dependent on any customers for business given the unlikelihood of our customers undertaking solar PV projects on a recurring basis, hence our EPCC services for solar PV systems and power plants would not be required repeatedly.

Please refer to Section 8.1.7 of this Prospectus for further details on our concentration of major customers for our revenue contribution.

**6. INFORMATION ON OUR GROUP (Cont'd)****6.8 MAJOR SUPPLIERS**

Our top five major suppliers for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 are as follows:

**FYE 2017**

<b>Major suppliers</b>	<b>Type of products provided</b>	<b>RM'000</b>	<b>% of total purchases <sup>(1)</sup></b>	<b>Length of business relationship (years) <sup>(2)</sup></b>
Hanwha Q Cells Malaysia Sdn Bhd	Solar PV modules	1,726	46.29	1
Man & Bricks Construction Sdn Bhd	Supply and installation of mounting systems	621	16.65	1
CF Automation & Electrical Sdn Bhd	Electrical works	348	9.33	1
Rankon Power Engineering & Services Sdn Bhd	Electrical works	211	5.66	1
Inverpower Sdn Bhd	Electrical equipment	205	5.50	1
	<b>Total</b>	<b>3,111</b>	<b>83.43</b>	

**FYE 2018**

<b>Major suppliers</b>	<b>Type of products provided</b>	<b>RM'000</b>	<b>% of total purchases <sup>(1)</sup></b>	<b>Length of business relationship (years) <sup>(2)</sup></b>
PLB-KH Bina Sdn Bhd	Site preparation and civil works	12,349	47.08	1
Hanwha Q Cells Malaysia Sdn Bhd	Solar PV modules	5,822	22.20	2
Solar Bina Engineering Sdn Bhd	Supply and installation of mounting systems	3,291	12.55	2
JNH Bina Sdn Bhd	Site preparation and civil works	1,597	6.09	1
Rankon Power Engineering & Services Sdn Bhd	Electrical works	897	3.42	2
	<b>Total</b>	<b>23,956</b>	<b>91.34</b>	

**6. INFORMATION ON OUR GROUP (Cont'd)****FYE 2019**

<b>Major suppliers</b>	<b>Type of products provided</b>	<b>RM'000</b>	<b>% of total purchases <sup>(1)</sup></b>	<b>Length of business relationship (years) <sup>(2)</sup></b>
Hanwha Q Cells Malaysia Sdn Bhd	Solar PV modules	29,065	50.91	3
Solar Bina Engineering Sdn Bhd	Supply and installation of mounting systems	7,669	13.43	3
Rankon Power Engineering & Services Sdn Bhd	Electrical works	4,925	8.63	3
Sungrow Power Supply Co. Ltd	Inverters	3,271	5.73	1
JNH Bina Sdn Bhd	Site preparation and civil works	3,070	5.38	2
	<b>Total</b>	<b>48,000</b>	<b>84.08</b>	

**FYE 2020**

<b>Major suppliers</b>	<b>Type of products provided</b>	<b>RM'000</b>	<b>% of total purchases <sup>(1)</sup></b>	<b>Length of business relationship (years) <sup>(2)</sup></b>
JA Solar International Ltd	Solar PV modules	24,568	38.69	1
Rankon Power Engineering & Services Sdn Bhd	Site preparation and civil works, supply of electrical equipment and electrical works	11,860	18.68	4
KKT Setia Sdn Bhd	Site preparation, civil and structural works	9,464	14.90	1
Solar Bina Engineering Sdn Bhd	Supply and installation of mounting systems	6,179	9.73	4
Sungrow Power Supply Co. Ltd	Inverters	2,241	3.53	2
	<b>Total</b>	<b>54,312</b>	<b>85.53</b>	

**Notes:**

- (1) Total purchases for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 were RM3.73 million, RM26.23 million, RM57.09 million and RM63.50 million, respectively.
- (2) Length of business relationship is determined as at the respective FYEs.

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

Our purchases of solar PV modules from Hanwha Q Cells Malaysia Sdn Bhd represented 46.29%, 22.20% and 50.91% of our total purchases of equipment, materials and services for FYE 2017, FYE 2018 and FYE 2019, respectively. In FYE 2020, we purchased solar PV modules from JA Solar International Ltd, China which represented 38.69% of our total purchases of equipment, materials and services for FYE 2020. However, we are not dependent on Hanwha Q Cells Malaysia Sdn Bhd and JA Solar International Ltd, as solar PV modules can be sourced from other suppliers. In addition, we are not dependent on any single supplier of products or services such as suppliers of mounting systems or electrical works as they can be sourced from other suppliers. There will not be any switching cost involved if we were to purchase our solar PV modules or other equipment and materials from other suppliers. This is because we do not have any long term or exclusive contracts with our suppliers and our purchases are based on issuance of purchase orders as and when needed.

**6.9 EXCHANGE CONTROL**

All corporations in Malaysia are required to adopt a single-tier dividend. All dividends distributed by Malaysian resident companies under a single-tier dividend are not taxable. Further, the Government does not levy withholding tax on dividend payments. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian companies. There is no Malaysian capital gains tax arising from the disposal of listed shares.

We do not have any foreign subsidiaries presently. As such, as at the LPD, there are no governmental law, decree, regulation or other requirement which may affect the repatriation of capital and remittance of profit by or to our Group.

**6.10 KEY MACHINERY AND EQUIPMENT**

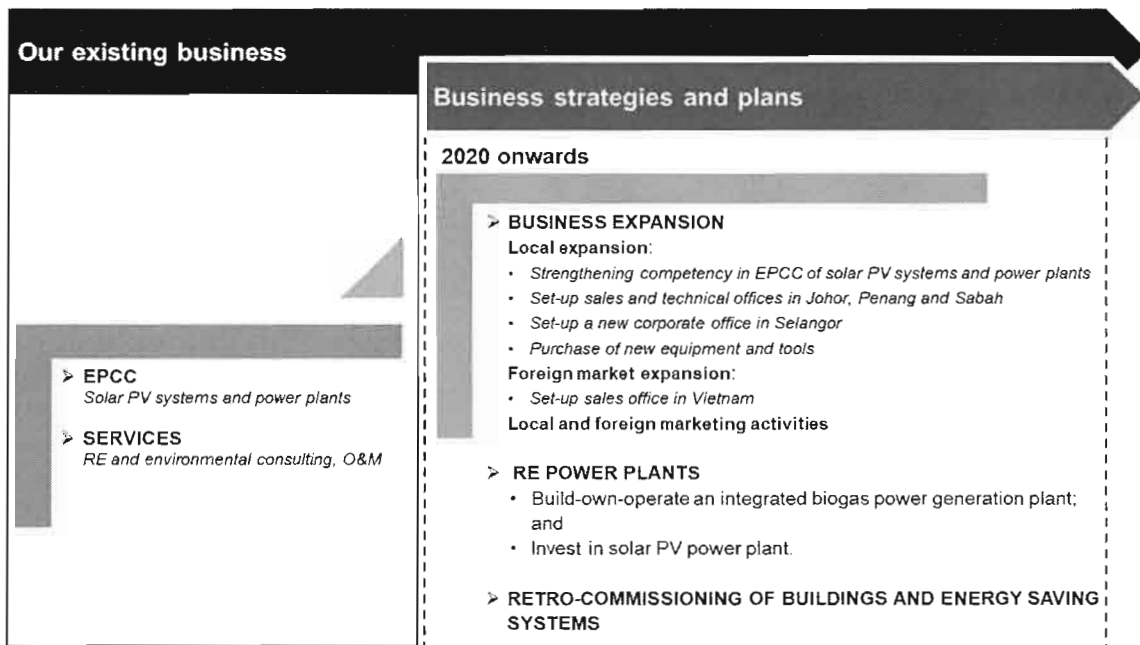
We do not utilise any specialised machinery and equipment for our business operations.

**6.11 PRODUCTION CAPACITY AND OUTPUT**

As our main business activity is in EPCC of solar PV systems and power plants, production output, capacity and utilisation are not applicable to our business.

**6.12 BUSINESS STRATEGIES**

Moving forward, we will continue to strengthen our core competency in EPCC of solar PV systems and power plants as well as to expand in the following areas:



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


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**6.12.1 Business Expansion**

We will continue to leverage on our experience in providing end-to-end services of solar PV projects to expand our business in Malaysia and Vietnam.

**6.12.1.1 Local Expansion****(a) Strengthening competency in EPCC of solar PV systems and power plants**

Moving forward, our overall strategy is to focus on EPCC of solar PV projects as our main revenue driver consisting of solar PV systems and power plants.

- For EPCC of solar PV systems, we will continue to proactively market our services to address business opportunities targeting commercial and industrial buildings mainly under the NEM and SELCO programmes. Our sales personnel will actively approach commercial and industrial building owners to offer our services, handle requests from customer references, as well as approach potential customers from marketing events such as roadshows, conferences and exhibitions. As at the LPD, we have 11 on-going projects under the NEM programme with capacity above 0.10 MWp. Please refer to Section 6.4.2(c)(ii) of this Prospectus for further details of our on-going projects under the NEM programme.

The NEM programme was introduced in November 2016. There was an allocation of a quota of 500 MW under the NEM programme up to the year 2020. Under the NEM programme, a total accumulated quota of 215.18 MW was allocated in 2020 as at end of August 2020. There is no quota allocation for SELCO programme. However, building owners may apply to install solar PV system on their buildings for their own use.

- For EPCC of solar PV power plants, we will continue to proactively market our services and tender for solar PV power plant projects from developers and/or owners under the LSS programme. We will continue to market ourselves as end-to-end EPCC service provider to address future business opportunities in Malaysia.

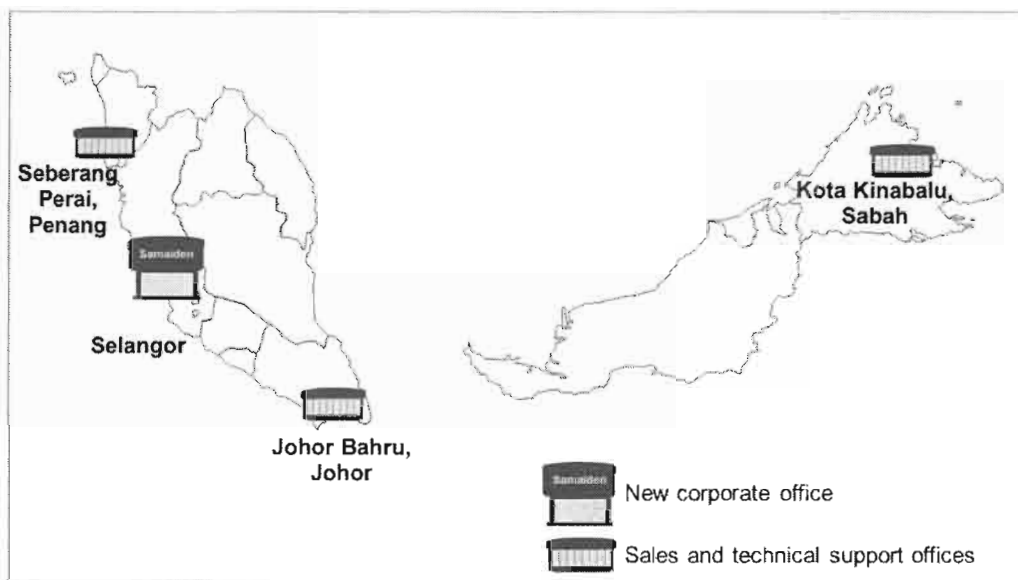
In addition, we will offer to provide our O&M services for solar PV power plants that are already completed.

**(b) Sales and Technical Support Offices**

As at the LPD, we serve all of our customers across Malaysia from our Head Office in Kota Damansara, Selangor. Moving forward, we intend to establish three new sales and technical support offices, one each in Johor, Penang and Sabah as part of our strategy to expand our EPCC and O&M services to serve existing as well as new customers in the solar PV industry. This is in line with our target to address the business opportunities in the solar PV systems for commercial and industrial buildings under the NEM programme.

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

## Expansion of Our Operational Facilities



In this respect, we intend to set-up a total of three sales and technical support offices:

- one office in the Northern region of Peninsular Malaysia;
- one office in the Southern region of Peninsular Malaysia; and
- one office in Sabah, East Malaysia.

Each of these sales and technical support offices will be responsible for business development together with technical support in their respective areas of coverage. Having a presence in the different regions in Malaysia will enable our technical team to respond promptly in the event of system faults or provide technical assistance to customers as part of our requirements in carrying out O&M services. In addition, our presence in these regions will enable us to address opportunities in the EPCC of solar PV projects.

We intend to rent premises in the following locations for our sales and technical support offices progressively in 2021:

- Johor Bahru, Johor by 1<sup>st</sup> half of 2021;
- Seberang Perai, Penang by 1<sup>st</sup> half of 2021; and
- Kota Kinabalu, Sabah by 2<sup>nd</sup> half of 2021.

The above locations will incorporate storage facilities for our tools and equipment, spare parts and components for solar PV modules and other related equipment.

The total cost of setting up three sales and technical support offices is estimated to be RM1.43 million and this covers mainly rental of premises, purchase of office equipment and furniture, operating expenses as well as establishing a support team encompassing two sales and one technical staff per office location. Of the total RM1.43 million, RM0.95 million will be funded through IPO proceeds for the establishment of sales and technical support offices in Penang and Sabah. The remaining RM0.48 million will be funded through internally generated funds for the establishment of sales and technical support office in Johor. Please refer to Section 4.4 of this Prospectus for further details on the use of IPO proceeds pertaining to the local business expansion.

**6. INFORMATION ON OUR GROUP (Cont'd)****(c) New Corporate Office with Storage Facilities in Selangor**

As at the LPD, we operate from our Head Office. Part of our expansion plan is to establish a new corporate office with storage facilities in Selangor. This office building will have floor space to accommodate storage of solar PV modules and related equipment and parts to cater to our business expansion in EPCC and O&M of solar PV projects. In addition, we will relocate our existing office to this new corporate office in Selangor. We intend to purchase the new corporate office by 1<sup>st</sup> half of 2021.

The total estimated cost of setting up the new corporate office is approximately RM10.60 million, which consists of purchase price for corporate office of approximately RM9.00 million (based on a few selling prices of semi-detached factories with built-up area of at least 10,000 sq. ft. located in Kota Damansara, Selangor), and approximately RM1.60 million for renovation and fit-out works.

This will be funded through a combination of internally generated fund, bank borrowings and IPO proceeds. This is as presented in the table below:

	Estimated Cost RM'000	Internally Generated Funds / Bank Borrowings RM'000	IPO Proceeds RM'000
Land and building cost	9,000	3,600	5,400
Renovation and fit-out works	1,600	-	1,600
<b>Total</b>	<b>10,600</b>	<b>3,600</b>	<b>7,000</b>

**(d) Purchases of New Equipment and Tools**

We also plan to purchase new equipment and tools as well as IT software and hardware including:

- drone with thermal sensor to check hotspot points on solar PV modules;
- solar PV module cleaning equipment;
- motor vehicles to support O&M services;
- lorry to transport materials;
- forklift; and
- ERP system and server.

The total estimated cost of purchasing new equipment and tools is approximately RM1.21 million. Of the total RM1.21 million, RM1.17 million will be funded through IPO proceeds and the remaining RM0.04 million will be funded through internally generated funds and bank borrowings. Please refer to Section 4.4 of this Prospectus for further details on the use of IPO proceeds pertaining to the purchase of equipment and tools.

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

### 6.12.1.2 Foreign Market Expansion

For the Financial Years Under Review and up to the LPD, our principal market was Malaysia. Part of our strategies and plans is to set up a sales and technical support office in Vietnam within 24 months from our Listing date.

We are exploring opportunities to expand to Vietnam based on the following observations in the market:

- The cumulative solar PV installed capacity in Vietnam was 5GW in 2019 and is forecasted to reach 14GW and 117GW in 2030 and 2050 respectively. (Source: *Industry Overview*)
- Based on the revised National Power Development Master Plan VII, Vietnam is expecting to achieve a CAGR of 8% to meet the forecasted demand of installed capacity of 129,500 MW in 2030. (Source: *Industry Overview*)

In October 2019, we secured our first purchase order for the design and supply of solar PV modules and balance of system for a commercial building in Bac Lieu province, Vietnam. As part of our business strategy, we intend to carry out EPCC of solar PV systems for the residential and commercial sectors in Vietnam. In this respect, we plan to collaborate with local partners such as mechanical and electrical contractors and installers, to explore business opportunities in Bac Lieu province, in the southern part of Vietnam. As we have the technical experience in carrying out EPCC of solar PV systems in Malaysia, we intend to adopt a similar model of operation and work with these said local partners who can provide initial support in sales and business development prior to setting up our own sales and technical office in Vietnam. As at the LPD, we do not intend to enter into any joint venture arrangements with any specific local partner. This enables us to work with different local partners on a case-by-case basis. To operate in Vietnam, we will apply for the following:

- registration of a foreign owned company with the Department of Planning and Investment; and
- contractor licence from the Department of Construction specifically construction operating licence upon securing a solar PV system project. As a foreign contractor, we will employ local subcontractor for the project.

The contractor licence specifically construction operating licence will enable us to carry out EPCC activities based on project basis in Vietnam. We expect to submit the above applications by the 1<sup>st</sup> half of 2021.



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

We intend to rent a sales and technical support office in Bac Lieu province, Vietnam by the 1<sup>st</sup> half of 2021 to provide engineering technical support to our potential customers. The expected key milestones to set-up a sales and technical support office is set out as follows:

1 <sup>st</sup> Quarter 2021	<ul style="list-style-type: none"> <li>• Liaise with real estate agents for rental of office</li> </ul>
2 <sup>nd</sup> Quarter 2021	<ul style="list-style-type: none"> <li>• Submission of application for registration of a foreign owned company</li> <li>• Submission of application for contractor licence specifically construction operating licence upon securing a solar PV system project. As a foreign contractor, we will employ local subcontractor for the project.</li> <li>• Finalisation of rental of office</li> <li>• Set up office including office renovation and hiring of sales and technical support staff</li> </ul>
3 <sup>rd</sup> Quarter 2021	<ul style="list-style-type: none"> <li>• Approval for registration of foreign owned company and contractor licence</li> <li>• Commencement of operations</li> </ul>

Part of our plans is to hire sales and technical team in Vietnam. The total estimated cost of establishing the sales and technical support office in Vietnam is RM0.97 million which will be funded through IPO proceeds. Please refer to Section 4.4 of this Prospectus for further details on the use of IPO proceeds pertaining to the foreign country business expansion. In the event of any shortfall in funds required for our expansion into Vietnam, we will use internally generated funds and/or seek bank borrowings.

### 6.12.1.3 Local and Foreign Marketing Activities

During the Financial Years Under Review, our Group has participated in various solar and RE related exhibitions, conferences and roadshows to promote our service offerings. Moving forward, we plan to continue our proactive marketing approach by participating in more exhibitions, conferences and roadshows to raise market awareness of our Group with the aim of generating sales leads for our business.

We have identified certain exhibitions, conferences and roadshows that will be taking place between 2021 and 2023 in various countries such as Malaysia, Vietnam and Philippines in which we intend to participate as an exhibitor. In addition, we plan to utilise a combination of digital and conventional advertisements as part of our marketing activities.

In view of this, we have allocated a total of RM0.62 million from our IPO proceeds to fund the cost of our exhibitions, conferences, roadshows and advertising activities for the next 24 months from our Listing date.

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

### 6.12.2 Build-own-operate and invest in RE power plants

Part of our business strategies is to venture into the following:

- build-own-operate an integrated biogas power generation plant; and
- investment in solar PV power plant.

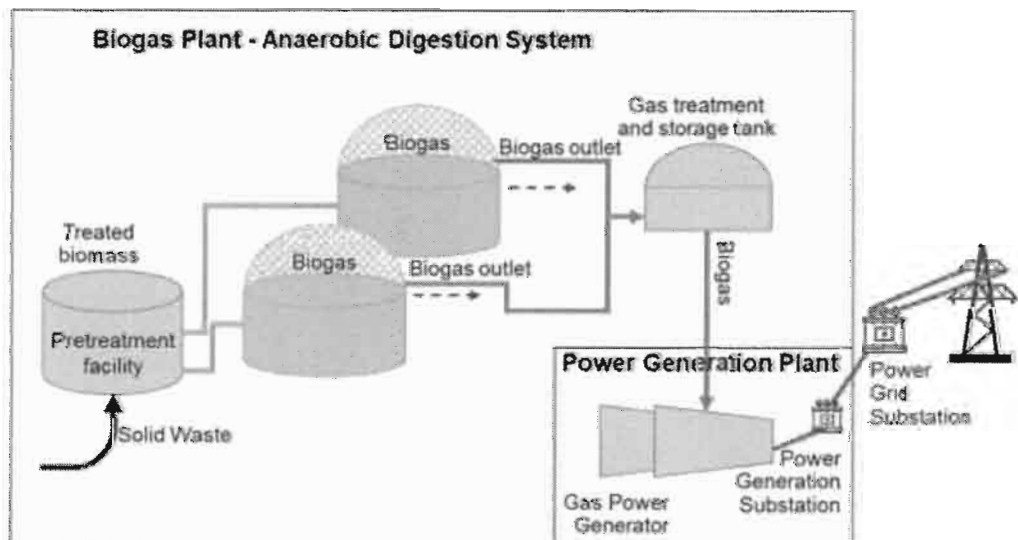
#### (a) Build-Own-Operate an Integrated Biogas Power Generation Plant

Our strategy is to build, own and operate an integrated biogas power generation plant in Bachok, Kelantan. The integrated plant comprises a biogas plant to generate and capture biogas, which will then be used as feedstock for the gas power generator to produce electricity. We intend to sell electricity that is generated to the power grid. This will provide us with a new revenue stream, which is recurrent in nature from the sale of electricity to the power grid.

We plan to extend our EPCC services to build the said integrated biogas power generation plant. We will leverage from the experience and expertise of our Group Managing Director, Ir Chow Pui Hee who has 19 years of experience in the engineering field, RE and the environmental sectors. In addition, we have the experience in EPCC of renewable power generation system such as solar PV systems and power plants.

We have incorporated SC Green, which is a 60%-owned subsidiary, with the intention to build, own and operate an integrated biogas power generation plant. We have also undertaken a feasibility study for the said plant where the projected payback period is 10 years, with an internal rate of return of 8.6%. As at the LPD, we have already identified a source for household biowaste as feedstock for the generation of biogas. The biowaste consists of organic and food waste from households that are collected by three local councils in Kelantan, namely Majlis Perbandaran Kota Bharu, Majlis Daerah Bachok and Majlis Daerah Pasir Puteh. Biogas is a renewable fuel source, which may enable us to enjoy various incentives from MIDA under the Green Investment Tax Allowance, as well as SEDA for Green Technology Financing Scheme 2.0. For further details on these incentives, please refer to Section 7 of this Prospectus.

#### Conceptual Design of an Integrated Biogas Power Generation Plant



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

Our biogas will be produced through anaerobic digestion or fermentation of organic matter. We aim to use treated municipal solid biowaste to produce biogas, which is the main fuel captured to run the gas engines to generate electricity. We expect to carry out the EPCC of the integrated biogas power generation plant with interconnection to the power grid substation. On completion, we expect to operate and maintain the plant. We will hire relevant skilled and technical personnel including mechanical, electrical and chemical engineers for the operations and maintenance of the integrated biogas power generation plant. These skilled and technical personnel will be responsible for the following:

- operating the biogas plant such as monitoring and regulating the operating temperature and condition of the anaerobic digestive system, monitoring and regulating output of biogas, and monitoring the gas treatment and storage tank;
- operating the power generation plant such as start, stop, regulate and monitor the engine, generator and auxiliary systems to ensure optimum export of electricity to the power grid;
- recording, reporting and rectifying any problems to ensure minimum downtime; and
- ensuring the overall safety of the plant, environment and personnel.

We envisage the capacity of our biogas plant to handle an estimated 150 tonnes of household biowaste per day for the 1.2 MWac power generation plant. Based on a letter dated 8 July 2019 from Pengurusan Sisa Pepejal Mubaarakan Sdn Bhd ("PSPM"), a landfill operator at Beris Lalang Bachok Landfill in Kelantan, it has agreed to supply 150 tonnes of organic waste daily to SC Green once the integrated biogas power generation plant commences operations. Syamshuar Bin Husin, a 40.00% shareholder and a director of SC Green, is also a director and an indirect shareholder of PSPM through his 97.50% equity interest in Greenviro Solutions Sdn Bhd, which holds 65.00% equity interest in PSPM. Accordingly, he will facilitate the daily delivery of organic waste by PSPM as agreed to SC Green.

The development cost of the integrated biogas power generation plant is estimated at RM25.00 million, which is mainly for capital expenses comprising:

- biogas plant;
- power generation plant with capacity of 1.2 MWac;
- interconnection facility to the power grid;
- construction preliminaries and infrastructure; and
- civil works and earthing systems.

These plant configurations and development costs are estimates only and will vary depending on the location, condition and size of the landfill. Of the total estimated development cost of RM25.00 million, the equity contribution and bank borrowings contribution will be RM5.00 million and RM20.00 million respectively. This translates into SAGB's equity contribution of RM3.00 million based on our 60.00% shareholdings in SC Green, which is expected to be funded via internally generated funds. We will take an estimated 18 to 24 months from planning until commercialisation upon obtaining the biogas quota.

The implementation of this business plan is subject to us securing the biogas quota from SEDA by way of tender within 24 months from the date of this Prospectus. On 5 March 2020, SEDA announced a quota release of 166 MW for biomass, biogas and small hydro, which included 30 MW for biogas. In light of the COVID-19 situation, on 14 April 2020, SEDA announced that the expected submission deadline for biogas e-bidding was postponed from 17 March 2020 to 9 June 2020. Based on the latest updates released by SEDA on 8 April 2020, the biogas bidding will be limited to a maximum of 10 MW capacity per application for one project site. We are not impacted by the latest updates released by SEDA on 8 April 2020 as our planned biogas power plant capacity is lower than 10 MW.

In addition, a public generation licence is required to be obtained from the Energy Commission Malaysia, and acceptance test and reliability test in accordance with SEDA's guidelines are required to be conducted prior to the operations of the biogas power generation plant. We had on 9 June 2020 submitted our tender document for the biogas e-bidding to SEDA.

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

Please refer to Section 8.1.9 and Section 8.1.10 of this Prospectus pertaining to the potential risk that may affect our implementation of business strategies and plans, and the future operations of this biogas power generation plant.

### (b) Investment in a Solar PV Power Plant

We also plan to expand our business into investment in a solar PV power plant. The implementation of this plan is subject to us obtaining the bid from the Energy Commission Malaysia by way of tender within 12 months from the date of this Prospectus.

On 28 May 2020, the Ministry of Energy and Natural Resources announced a solar quota release of 1,000 MWac competitive bidding for LSS programme under the Malaysian Electricity Industry to Attract RE Investment (LSS@MEtARI). Pursuant to this latest development, we have entered into a consortium agreement on 31 August 2020 with a third party for the submission of a bid to the Energy Commission Malaysia for the development of a solar PV power plant in Sungai Petani, Kedah subject to the bid being successful ("**Consortium Agreement**"). We, together with our consortium partner, on 2 September 2020, submitted a tender document for the LSS@MEtARI under Package 1 for capacity between 10 MW and less than 30 MW to the Energy Commission Malaysia.

The proposed solar PV power plant will be built on two adjacent pieces of land of approximately 57 acres in Sungai Petani, Kedah ("**Land**"). The planned export installed capacity of the solar PV power plant is 12 MW with interconnection to the power grid substation. Subject to us and our consortium partner being successful for the aforesaid bid, a special purpose company ("**SPV**") will be incorporated by us and our consortium partner for the purpose of owning and developing the solar PV power plant and we will also enter into a shareholders' agreement with our consortium partner to set out further details of the respective parties' rights and obligations which will supersede the Consortium Agreement. Our consortium partner is experienced in turnkey design, procurement, construction and commissioning of substation and underground cabling works in Malaysia. In addition, our consortium partner has been involved in the subcontracted cabling works for interconnection facilities for other solar PV power plants in Malaysia. It is expected that SAGB will hold 40% shareholding in the special purpose company while the remaining 60% shareholding will be held by our consortium partner. The estimated development cost of the solar PV power plant is RM50.00 million (which includes the monthly lease payment for the Land during the construction period) where the initial equity contribution and bank borrowings is expected to be RM10.00 million and RM40.00 million respectively. This translates into SAGB's equity contribution of RM4.00 million based on our expected 40% shareholding in the special purpose company, which is expected to be funded via internally generated funds.

The planned development of the solar PV power plant will take an estimated 24 to 36 months from planning until commercialisation upon obtaining the bid. Subject to further negotiation with our consortium partner upon obtaining the bid, we plan to extend (i) our EPCC services to build; and (ii) our O&M services to operate and maintain, the solar PV power plant. This is in accordance with the terms of the Consortium Agreement, where we will be responsible for, amongst others, the EPCC and O&M works of the 12 MW solar PV power plant, arranging for financing parties to provide financing or refinancing for the total development cost of the solar PV power plant whilst our consortium partner will be responsible for, amongst others, arranging and securing all approvals in connection with the solar PV power plant, and undertaking the interconnection facility works, cabling works, site clearance, cut and fill, infrastructure and other related civil and structural works for the 12 MW solar PV power plant.

On 1 September 2020, our consortium partner entered into a conditional tenancy agreement with the land owner to rent the Land. Subject to us and our consortium partner obtaining the bid from the Energy Commission Malaysia, our consortium partner will procure the consent of the land owner to novate the tenancy agreement to the SPV in accordance with the tenancy agreement. The tenancy is for an initial term of three years ("**Initial Term**") with a monthly rental of RM22,400 during the Initial Term. The monthly rental of the Land shall form part of the solar PV power plant's operating expenses once it is in operations. The tenant has the option to renew the tenancy for seven successive renewal terms at a period of three years per renewal term. The aggregate period of the Initial Term and seven renewal terms (if the option to renew is exercised) is 24 years.

The development is targeted to commence by 1<sup>st</sup> half of 2021 and is expected to be completed by 2023, which is subject to us obtaining the bid from the Energy Commission Malaysia. As at 21 September 2020, Energy Commission Malaysia has not announced the shortlisted bidders.

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

**6.12.3 Retro-Commissioning of Buildings and Energy Saving Systems**

Under our provision of RE and environmental consulting services, we plan to expand our service offerings to include retro-commissioning of building and energy saving systems. This is a process to improve the efficiency of an existing building's equipment and systems, including solar PV systems, lighting, air conditioning and other mechanical, electrical and control equipment and systems. In this situation, we will pay the upfront capital investment to retro-commission a building. We will own all the retro-commissioning equipment and systems, and the building owner will pay us through the resultant energy cost savings over a period of time. Our Group is responsible for the cost of any repair, maintenance and replacement of parts and equipment during the contract period. Any material and prolonged breakdown of the equipment and systems that we install will affect the energy cost savings, if the situation is not rectified promptly. We will carry out regular performance monitoring and maintenance to ensure that our equipment and systems operate continuously to minimise downtime.

Our business model will be based on build, own, maintain and transfer. A feasibility study will be conducted prior to our decision of investing in any retro-commissioning project.

We will enter into a contract with the building owner, and the length of the contract will range from 15 years up to 25 years.

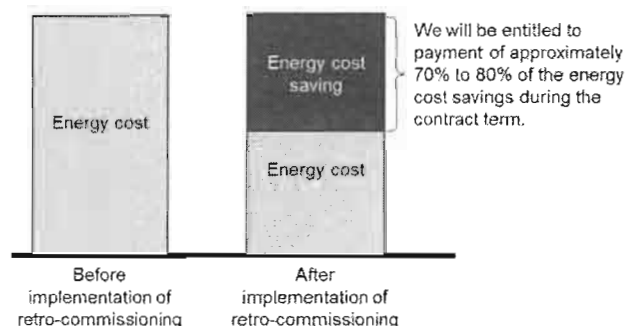
Under our business model, there will be no upfront capital cost for the building owner as we will pay the upfront capital investment.

Our role will include project planning, system design, material and equipment procurement, installation, testing and commissioning. Once operational, our responsibilities will also include maintenance.

Prior to the implementation of the retro-commissioning, we will establish a baseline for energy consumption based on operating hours and consumption pattern of the building. Upon the completion of the implementation, we will measure the energy cost savings against the earlier established baseline.

We will be entitled to periodic, such as monthly or quarterly, payments from the building owner based on energy cost savings achieved during the contract term as illustrated in the diagram.

At the end of the contract period, the ownership of the retro-commissioning equipment and systems will be transferred to the building owner.



We plan to commence these new services by the 1<sup>st</sup> half of 2021 to target commercial and institutional building owners. The estimated cost of introducing this new service portfolio is RM2.50 million, which will mainly be used for capital investment on energy saving equipment and systems. This will be funded through internally generated funds and/or bank borrowings.

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

### 6.12.4 Sustainability and Prospects of Our Group

The sustainability and prospects of our Group are based on the following considerations:

#### Internal strengths and business development activities

The following internal strengths and business development activities will help sustain our business as well as provide us with the platform for growth:

- As at the LPD, we have a total order book amounting to RM31.35 million, of which 94.89% is expected to be recognised in the FYE 2021. As our order book is project-based and generally non-recurring, our business sustainability and growth are dependent on our ability to continue to secure contracts for solar PV projects. We will continue to leverage on our experience in providing end-to-end services for solar PV projects to secure new customers to sustain and grow our business.
- As at the LPD, we have submitted proposals and are also in discussion with some of the project owners under the LSS3 for projects in relation to interconnection facilities, and site installation of solar PV modules and balance of system. Subject to our ability to secure these contracts, this will potentially contribute to our future business sustainability and growth.
- We have a track record in EPCC of solar PV systems and power plants. Our EPCC of solar PV systems are focused on faster turnaround and lower value projects from numerous building owners, while EPCC for solar PV power plants are focused on large value projects from fewer number of project owners. We have experience in carrying out end-to-end services for solar PV power plants. These include front-end consulting services covering technical, commercial and financial assessments as well as preparation of tender submission documents, EPCC works encompassing interconnection facilities, and O&M services once the solar PV power plant is operational. This diversity provides us with two revenue drivers to help sustain and grow our business.
- Part of our business strategies and plans is to venture into new geographical markets outside of Malaysia to grow our revenue as well as reduce our dependency on Malaysia. Our track record in carrying out solar PV systems and power plants in Malaysia would serve as reference sites for our new market entry into Vietnam.
- Part of our business strategies and plans is also to build-own-operate or invest in RE power plants. Subject to our ability to obtain a quota from SEDA for power generation using biogas and/or obtain a bid from the Energy Commission Malaysia for solar PV power plant, our business model will include a new area of recurrent revenue / income to complement our project-based revenue streams. Similarly, our business strategies and plans also include retro-commissioning of buildings, which is not dependent on government quotas, but based on the SELCO Programme and by securing contracts from building owners and other organisations. Again, this retro-commissioning of building business will also provide us with recurrent revenue to help sustain and grow our business.

#### External opportunities

The following external factors offer opportunities to sustain and grow our business:

- The Government is working towards increasing the use of renewable resources, including mini-hydro, biomass, biogas and solar as an initiative to reduce carbon dioxide (CO<sub>2</sub>) emission. This will provide us with potential opportunities for our EPCC of solar PV systems and power plants.
- The Government has put in place various tax incentives for green technology including the use of solar PV power. These incentives include the Green Investment Tax Allowance and Solar Leasing Tax Exemption. These incentives will encourage the private sector to adopt green technology including the use of solar PV power, which will open up opportunities for growth for our Group.

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

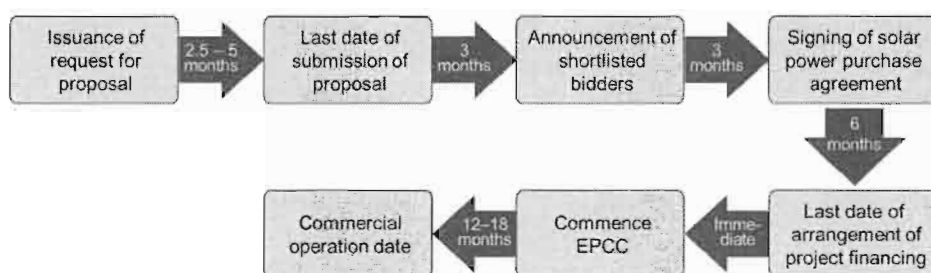
- Some of the development in the renewable resources industry in 2020 included the following:
  - On 5 March 2020, SEDA announced a quota release of 166 MW for biomass, biogas and small hydro, which included 30 MW for biogas. In light of the COVID-19 situation, on 14 April 2020, SEDA announced that the expected submission deadline for biogas e-bidding was postponed from 17 March 2020 to 9 June 2020. In addition, the biogas bidding will be limited to a maximum of 10 MW capacity per application for one project site, based on the latest updates released by SEDA on 8 April 2020.
  - On 28 May 2020, the Ministry of Energy and Natural Resources announced a solar quota release of 1,000 MWac competitive bidding for LSS programme under the Malaysian Electricity Industry to Attract RE Investment (LSS@MEntARI). Two packages will be offered:
    - (a) Package 1 with a total quota offered of 500 MWac, is for projects with capacity between 10 MWac and below 30 MWac; and
    - (b) Package 2 with a total quota offered of 500 MWac, is for projects with capacity between 30 MWac and 50 MWac.

In addition, companies eligible to participate in the competitive bidding must comply with the following:

- (a) Malaysia registered company with 100% local shareholding; or
- (b) public companies listed on Bursa Securities with at least 75% local shareholding.

The LSS@MEntARI is the fourth LSS PV bidding cycle and is for Peninsular Malaysia. The bid was opened on 31 May 2020 and bids are to be submitted by 2 September 2020. This LSS@MEntARI is the largest quota offered for bidding compared to the previous LSS1, LSS2 and LSS3 programmes which ranged between 250 MW and 500 MW.

The general process and timeline for LSS projects are as follow:



As an EPCC provider, we provide RE and environmental consulting services to customers who are in the preparation phase of their bidding of solar PV projects under LSS programmes.

In addition, we will submit our proposal to express our interest in assisting the customer in their EPCC for the solar PV power plant and/or subcontracting works for interconnection facilities or site installation of solar PV modules and balance of system, as well as O&M. In some cases, there may be a prior arrangement for appointment of EPCC contractor where the same contractor assisting their customer in RE consulting services during the bidding process will also be appointed to undertake EPCC for the solar PV power plant upon successful bidding. This will be dependent on the upfront negotiation between the project owner and EPCC contractor during the initial phase of the development of solar PV projects.

## 7. INDUSTRY OVERVIEW



**VITAL FACTOR CONSULTING**  
Creating Winning Business Solutions

3 September 2020

The Board of Directors  
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Tel (603) 7931-3188  
Fax (603) 7931-2188  
Website: [www.vitalfactor.com](http://www.vitalfactor.com)

Dear Sirs and Madam

### **Independent Assessment of the Solar Photovoltaic Industry**

We are an independent business consulting and market research company in Malaysia. We commenced our business in 1993 and, among others, our services include development of business plans incorporating financial assessments, information memorandums, commercial due diligence, feasibility and financial viability studies, and market and industry studies. We have been involved in corporate exercises since 1996, including initial public offerings and reverse takeovers for public listed companies on Bursa Malaysia Securities Berhad (Bursa Securities), acting as the independent business and market research consultants.

We have been engaged to provide an independent industry assessment on the above subject for inclusion into the prospectus of Samaiden Group Berhad in relation to its proposed listing on the ACE Market of Bursa Securities. We have prepared this report in an independent and objective manner and had taken all reasonable consideration and care to ensure the accuracy and completeness of the report. It is our opinion that the report represents a true and fair assessment of the industry within the limitations of, among others, secondary statistics and information, and primary market research. Our assessment is for the overall industry and may not necessarily reflect the individual performance of any company. We do not take any responsibilities for the decisions or actions of readers of this document. This report should not be taken as a recommendation to buy or not to buy the shares of any company.

Our report includes assessments, opinions and forward-looking statements, which are subject to uncertainties and contingencies. Note that such statements are made based on, among others, secondary information, primary market research, and after careful analysis of data and information, the industry is subjected to various known and unforeseen forces, actions and inactions that may render some of these statements to differ materially from actual events and future results.

Yours sincerely

Wong Wai Ling  
Director

Wong Wai Ling has a Bachelor of Arts degree from Monash University, Australia and a Graduate Diploma in Management Studies from the University of Melbourne, Australia. She has more than 20 years of experience in business consulting and market research including initial public offering for companies seeking listing on Bursa Securities.

7. INDUSTRY OVERVIEW (Cont'd)



INDEPENDENT ASSESSMENT OF THE SOLAR PHOTOVOLTAIC INDUSTRY

1. INTRODUCTION

- Samaiden Group Berhad and its subsidiaries (Samaiden Group) are mainly involved in the engineering, procurement, construction and commissioning (EPCC) of solar photovoltaic (PV) systems and power plants in Malaysia. As such, this report will focus on the solar PV industry in Malaysia. Power and electricity are used interchangeably in this report. For ease of discussion, solar PV facilities in this report refer to all sizes of power generating capacity, which also includes solar PV systems and power plants, unless specified otherwise.

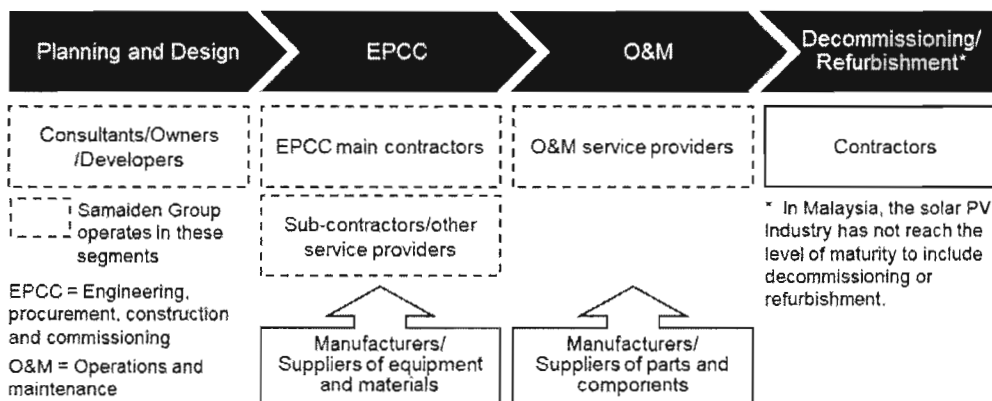
2. DESCRIPTION OF THE INDUSTRY

2.1 Energy sources for power generation

- Power generation requires a primary energy source which generally includes the following:
  - renewable sources such as solar, hydro, wind, biomass, biogas and wave; and
  - non-renewable sources such as fossil fuels (including oil, gas and coal), as well as nuclear fuels (such as uranium and plutonium).
- The consideration of different primary energy sources is important from the perspective of end-to-end cost of power generation, sustainability of supply and impact on the environment. Solar PV power competes against other methods of power generation mainly from the perspective of cost and impact on the environment.

2.2 Solar Photovoltaic Industry

- The value chain and lifecycle of the solar PV industry is depicted in the diagram below:



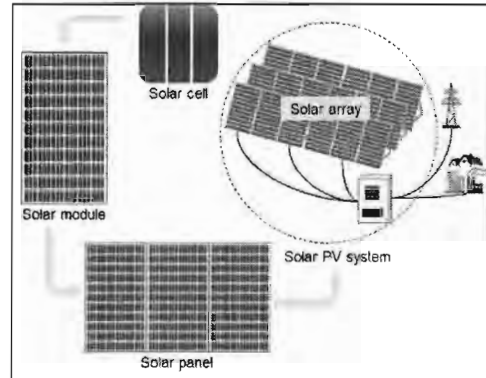
- Solar energy is used to generate electricity through solar PV or thermal systems. Solar PV facility uses solar cells to convert sunlight directly into electricity. Solar thermal system uses solar collectors to heat the water that will run the turbines to generate electricity. In Malaysia, solar PV is the most common and preferred form of solar energy that is used for power generation compared to solar thermal systems.
- Globally, solar PV generated power has been growing as a source of renewable energy driven by its rapid deployment in Asia particularly in China, Japan and India. The global cumulative solar PV installed capacity recorded a CAGR of 29.6%, from 222 Gigawatts (GW) in 2015 to 627 GW in 2019 (Source: Vital Factor Analysis).

7. INDUSTRY OVERVIEW (Cont'd)

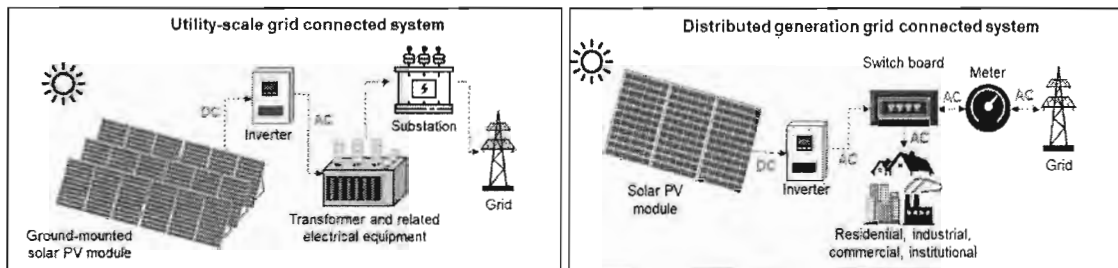


2.3 Solar PV Facilities

- A solar PV facility comprises solar PV modules and balance of system which mainly includes inverters, controllers, meters, mounting structures and electrical wiring and cabling. For larger systems such as solar PV power plants, the balance of system may also include controllers, transformers, batteries, auxiliary power, interconnections to substations, and supervisory control and data acquisition (SCADA) system.

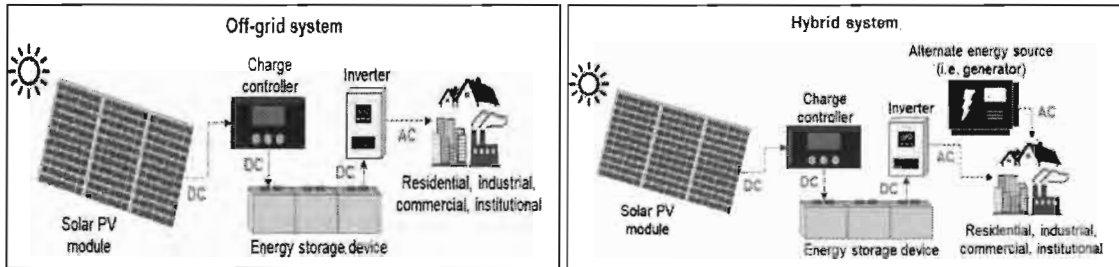


- A solar cell consists of semiconductors that convert sunlight directly to electricity, and it is the basic building block of a solar module. Each solar cell is small and generates a small amount of electricity and when these solar cells are connected together, they form a solar module. Solar modules are then connected together to become a solar panel. A solar array comprises multiple connected solar panels, the size of which depends on the power generating capacity required.
- Solar PV projects are commonly differentiated by size of capacity, where solar PV systems refer to those with power generating capacity of less than 1 MWac, and solar PV power plants with power generating capacity of 1 MWac or more.
- Generally, solar PV facilities can be categorised into the following:
  - **on-grid (or grid connected) system** refers to solar PV facility connected to the power grid where power generated can be exported or power can be drawn from the power grid.
  - **off-grid system** refers to solar PV facility that is not connected to the power grid. An off-grid solar PV facility is usually equipped with an electricity storage system to supply electricity when the solar PV facility is not generating electricity.
  - **hybrid system** combines electricity generated from a solar PV facility with an auxiliary energy source, such as a diesel power generator set. Hybrid systems may also be equipped with energy storage system such as battery packs.
- Solar PV projects are also classified as follows:



- **Centralised** (also referred to as utility scale or large scale) solar PV power plants have a capacity of 1 MWac and above. They are usually ground mounted or floated on water and connected to the grid to export power. They may also be off-grid to provide electricity to users in remote areas or for specific localised users and developments.
- **Distributed** solar PV facilities are commonly small-scale system installed at or near the facilities or premises where the power will be used. They are usually mounted on rooftops or integrated into building façade. On-grid solar PV facility can export power to the grid, or draw power from the grid when required.

7. INDUSTRY OVERVIEW (Cont'd)



- Samaiden Group is involved in centralised and distributed PV facilities which are all on-grid.

3. GOVERNMENT POLICIES AND PROGRAMMES

3.1 Government Policies

- In 2019, renewable sources accounted for approximately 8% of the power generation capacity mix in Malaysia. (Source: Energy Commission Malaysia). The Government is working towards increasing the use of renewable resources, including mini-hydro, biomass, biogas and solar as an initiative to reduce carbon dioxide (CO<sub>2</sub>) emission. This is likely to be achieved through implementing Enhanced Net Energy Metering (NEM) and solar leasing; implementing Large Scale Solar programmes; implementing non-solar renewable energy (RE) projects; establishing RE facilitation programmes in SEDA Malaysia; and enabling greater access to RE sources.
- The objectives of the Government policies are to: increase RE contribution in the national power generation mix; facilitate the growth of the RE industry; ensure reasonable RE generation costs; conserve the environment for future generations; and enhance awareness on the role and importance of RE.

3.2 Solar PV programmes

Government initiated programmes are one of the main drivers of growth in the solar PV industry in Malaysia. Solar PV programmes established by the government includes the following:

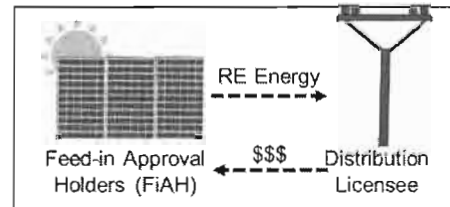
Solar Energy Programmes		
Residential/ Commercial/ Industrial/Agricultural	Developer/ Investor/Owner	Government
<ul style="list-style-type: none"> <li>• FIT</li> <li>• NEM</li> <li>• SELCO</li> </ul>	<ul style="list-style-type: none"> <li>• LSS PV Power Plants</li> </ul>	<ul style="list-style-type: none"> <li>• MySuria</li> <li>• BELB</li> <li>• SARES</li> </ul>

FIT and NEM by SEDA; LSS, MySuria and SELCO by Energy Commission  
BELB by Ministry of Rural Development; SARES by Sarawak State Government

(a) Residential/Commercial/ Industrial/Agricultural

Solar PV programmes initiated by the Sustainable Energy Development Authority (SEDA) and the Energy Commission of Malaysia include the following:

- (i) **Feed-in-Tariff (FiT)** programme obliges the distribution licensees, including Tenaga Nasional Berhad (TNB) and Sabah Electricity Sdn Bhd, to buy electricity generated from renewable resources produced by Feed-in approval holders (FIAH) at a pre-determined rate for a specific duration. Renewable resources eligible for FiT programme are solar PV, biogas, biomass and small hydropower. This programme was first implemented in 2011 and generated 430.51 GWh of solar PV power in 2018. Under this programme, there was no new quota allocated for solar PV since 2017 with the exception of 5 MW under the community category (Source: SEDA).

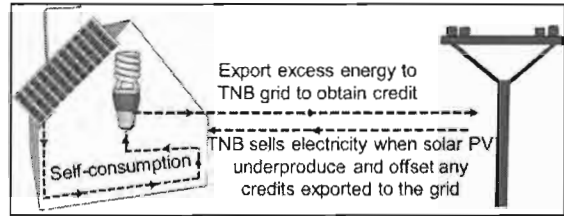


- (ii) **Net Energy Metering (NEM)** programme was introduced in November 2016 to replace FiT programme for solar PV facilities. NEM programme allows consumers to generate solar PV power

7. INDUSTRY OVERVIEW (Cont'd)



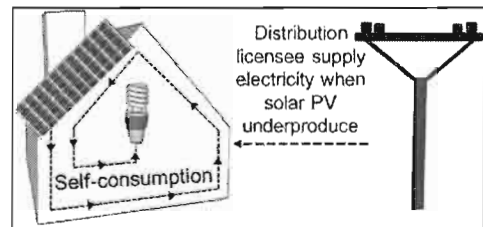
for self-consumption, and export any excess electricity to the power grid. There is an allocation of a quota of 500 MW under the NEM programme up to the year 2020. Effective from 1 January 2019, the NEM programme was enhanced to offer a one-on-one offset basis by off-setting every 1 kWh exported with 1 kWh consumed from the grid. As at end of August 2020, total quota allocated for solar PV under the NEM programme was 215.18 MW for 2020 compared to 30.31 MW in 2019 (Source: SEDA). The higher quota allocated in 2020 was mainly due to increase in participation resulting from the introduction of the enhanced NEM programme.



With NEM programme, solar power consumers may purchase power on a pay-per-use basis from solar PV facility owners via power purchase agreements (PPA), or lease solar PV facilities from owners based on solar leasing agreements (SLA). There are two payment arrangements:

- **Supply Agreement for Renewable Energy (SARE)** is a tripartite agreement among the consumer, investor and TNB where payment is through TNB electricity bills. This is only available to consumers that are registered with TNB in Peninsular Malaysia.
- **Direct Contract** is an arrangement involving the power consumer and investor.

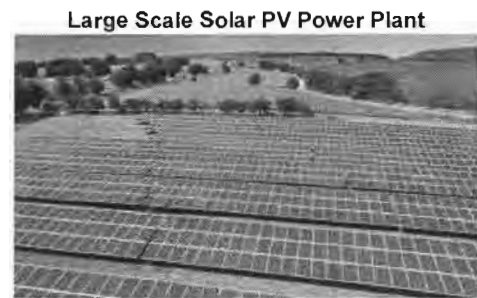
(iii) **Self-consumption (SELCO)** enables power consumers to hedge against the rising cost of electricity through installation of solar PV facilities for their own use. Any excess electricity generated under SELCO is not allowed to be exported to the power grid.



(b) **Developers/Investors/Owners**

The large-scale solar PV power plant programme, initiated by the Energy Commission of Malaysia, are targeted at private owners, investors and developers.

**Large Scale Solar (LSS)** PV power plant programme is for utility grid connected system with power generation capacity of 1 MWac or more. The LSS programme is based on competitive bidding. Companies awarded are responsible for the full development including, among others, acquisition of land, construction of the solar PV power plant and on completion, operate and maintain the plant. The entity awarded with LSS projects will sign a 21-year PPA with TNB or Sabah Electricity Sdn Bhd. (According to Budget 2020, this PPA will be replaced with an open market system.)



(c) **Government**

The federal and state governments including government-link entities have also initiated a number of solar PV programmes where they are the owners of the solar PV facilities.

(i) **MySuria**, initiated by SEDA, aims to help low income households that are qualified under this programme, to generate additional income by exporting solar PV generated power installed on their premises to the power grid. As at 2018, there were 332 houses with installed capacity of 0.003 MW each that achieved commercial operations under this programme (Source: SEDA). The programme was first implemented in 2017 and currently registration is closed.

## 7. INDUSTRY OVERVIEW (Cont'd)



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- (ii) **Rural Electricity Supply Programme (BELB)** is a federal government programme to provide reliable electricity supply to remote areas in the Malaysia, by either developing transmission lines to connect remote areas to the power grid, or developing on-site power generation sources such as hybrid solar PV facilities, diesel power generator systems, and diesel-battery hybrid systems. In 2019, RM686.8 million were allocated to finance this programme (*Source: Ministry of Rural Development, Malaysia*).
  - (iii) **Sarawak Alternative Rural Electrification Scheme (SARES)** is a RM500 million electrification programme to provide power to locations that are not feasible to be connected to the power grid. This includes developing standalone solar PV or micro hydropower systems. The programme, first implemented in 2016, has electrified an estimated 6,346 households in 238 villages by 2019. It is estimated that by 2021, SARES would electrify a total of 15,189 households in 560 villages. (*Source: Sarawak Energy Bhd*).
- In addition to the above initiatives, the Malaysian Government has further allocated RM500 million for rural electrification which will benefit more than 30,000 rural households, mostly in Sabah and Sarawak as announced in the Budget 2020.
  - Samaiden Group is mainly involved in FiT, NEM and LSS programmes.

### 3.3 Large Scale Solar PV Power Plant

- The LSS programme by the Energy Commission was first launched in 2016 through approvals of fast-track contracts and completed three rounds of competitive biddings (LSS1, LSS2 and LSS3).

LSS Programme	LSS Fast Track <sup>^</sup>	LSS1 <sup>*</sup>	LSS2	LSS3	Total
Number of Projects Awarded	4	18	41	5	68
Export Capacity Awarded (MWac)	250	401	562	491	1,704

<sup>^</sup>LSS fast track projects refer to pioneer projects awarded without competitive bidding.

<sup>\*</sup>Excluded a 50 MWac project in Tanjung Malim that was subsequently withdrawn in 2017.

- In May 2020, the Ministry of Energy and Natural Resources announced the LSS@MEntARI with a solar quota release of 1,000MWac for Peninsular Malaysia. The bid was opened on 31 May 2020 and bids are to be submitted by 2 September 2020. This LSS@MEntARI is the largest quota offered for bidding compared to the previous LSS1, LSS2 and LSS3 programmes which ranged between 250 MW and 500 MW.

## 4. DEMAND AND SUPPLY CONDITION

### 4.1 Overview of Power Industry

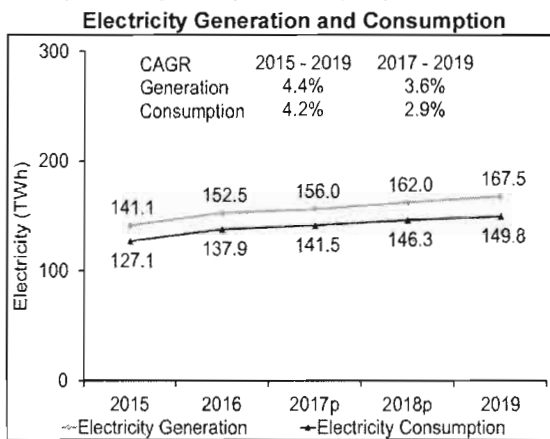
- The solar PV industry falls within the larger electricity and gas industry. Between 2015 and 2019, GDP at current prices of the electricity and gas industry recorded a CAGR of 6.0% from RM25.8 billion in 2015 to RM32.5 billion in 2019, and a CAGR of 7.3% between 2017 and 2019. The GDP at current prices of the electricity and gas grew by 6.5% in the first quarter of 2020 but declined by 13.2% in the second quarter of 2020 as compared to the corresponding periods of 2019. The decline in the second quarter was mainly due to slower economic activities following measures taken to contain the spread of the COVID-19 pandemic.
- In 2019, power generation exceeded consumption by 11.8%. The difference between power generation

7. INDUSTRY OVERVIEW (Cont'd)

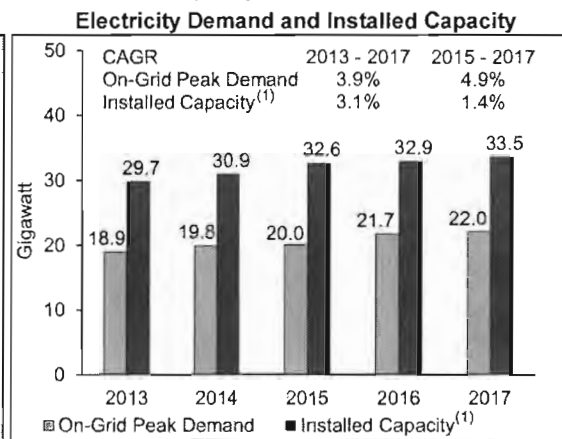


and consumption may be due to a number of factors including power loss through transmission, theft and unused power. Unused power is wasted as it is not stored.

- In 2017, being the latest available statistics, Malaysia's electricity reserve margin was 36.0%, with peak on-grid power demand of 21,775 MW and on-grid installed capacity of 29,619 MW. A certain level of reserve margin is important to cater to increases in demand and unexpected outages of existing capacity. However, a high reserve margin may also mean that there may not be an urgency to develop additional power generating facilities due to excess capacity. In 2018, there were four newly awarded independent power producer (IPP) contracts with combined total capacity of 2,800 MW was terminated.



Source: Department of Statistics, Malaysia



Source: Energy Commission Malaysia

(1) Includes on-grid and off-grid installed capacity

4.2 Electricity Generation by Energy Source

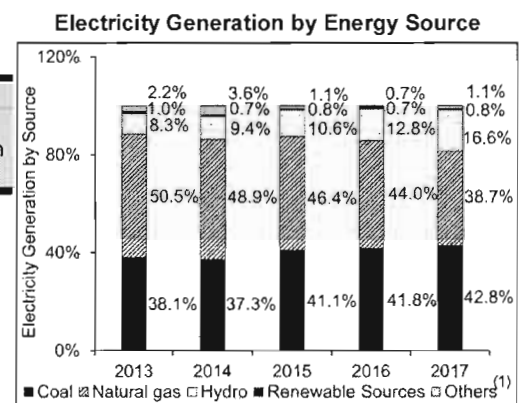
- Based on latest available statistics, in 2017, electricity in Malaysia were mainly generated from coal and natural gas amounting to a total of 130,997 GWh which represented 81.5% of total electricity generated. In 2017, electricity generated from solar energy amounted to 330 GWh which represented 0.2% of total electricity generated.

4.3 Solar PV Installed Capacity

	Solar PV Cumulative Installed Capacity in Malaysia				Growth (%)
	Off-grid <sup>(1)</sup> (MW)	On-Grid Distributed <sup>(2)</sup> (MW)	On-Grid Centralised <sup>(3)</sup> (MW)	Total (MW)	
2015	1.00	139.36	80.67	221.03	29.4
2016	1.00	197.98	86.92	285.90	29.3
2017	8.90	230.19	88.92	328.01	14.7
2018	35.64	302.68	399.42	737.74	124.9
2019	41.53	371.12	715.59	1,128.25	52.9
2015-19 CAGR	153.9%	27.7%	72.6%	50.3%	
2017-19 CAGR	116.0%	27.0%	183.7%	85.5%	

(1) include large hybrid; (2) rooftop; (3) ground mounted (Source: SEDA)

- In 2018, the implementation of LSS programme boosted the growth of on-grid centralised solar PV facilities (ground mounted) installed capacity by 349.2%. In addition, on-grid distributed solar PV facilities also grew by 31.5% mainly due to the introduction of NEM programme.
- Between 2015 and 2019, the global cumulative solar PV installed capacity grew by CAGR of 29.6% while Malaysia grew at a higher pace of 50.3%. However, Malaysia's solar PV cumulative installed



Source: Energy Commission Malaysia

Note: Hydro refers to hydro power plants with capacity of 100 MW and above. (1) Includes diesel, medium fuel oil, distillate & others.

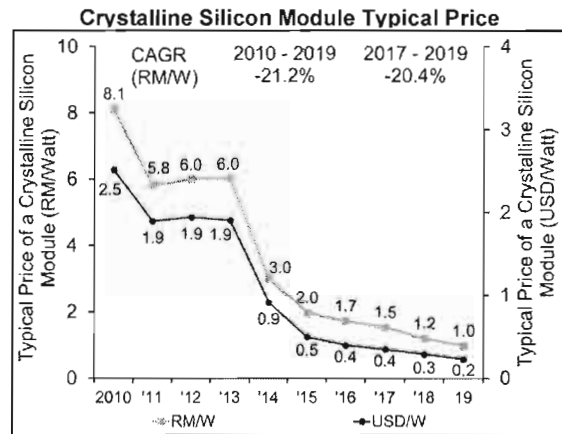
7. INDUSTRY OVERVIEW (Cont'd)



capacity at 1.13 GW is relatively low compared to leading countries such as China, USA and Japan with 204.7 GW, 75.9 GW and 63.0 GW respectively in 2019 (Source: Vital Factor analysis).

4.4 Solar PV Module Prices

- PV modules are the main component of solar PV facilities. There are various types of PV modules including crystalline silicon (including monocrystalline and polycrystalline) and thin-film PV modules. In 2018, production of crystalline silicon modules accounted for 97% of the total global production of PV modules, while the remaining 3% were thin-film PV modules (Source: Vital Factor analysis).
- The average prices of crystalline silicon PV module in Malaysia has declined significantly where the price in 2019 was only 11.8% of the price of the same type of PV module in 2010. While solar PV modules price may continue to fall, electricity tariff may not track the price fall of solar PV modules. This is because other costs such as balance of system including inverters and transformers as well as land and construction cost may not fall in tandem with price of solar PV modules, but may even increase over time. Therefore, there is a limit to the reduction in the price of electricity before the solar PV project becomes financially unattractive.



Source: SEDA

5. SOLAR PV INDUSTRY IN VIETNAM

- As Samaiden Group is working towards expanding its operations to Vietnam, this section will provide a brief overview of the solar PV industry in Vietnam.

Vietnam	2019	2030 <sup>f</sup>	2050 <sup>f</sup>	2019 - 2050 CAGR
Cumulative Solar PV Installed Capacity (GW)	5	14	117	10.8%

<sup>f</sup> = forecast; (Source: Ministry of Industry and Trade, Vietnam (MoIT) and International Energy Agency (IEA))

- Based on the revised National Power Development Master Plan VII, Vietnam is expecting to achieve a CAGR of 8% to meet the forecasted demand of installed capacity of 129.5 GW in 2030 of which 21% or approximately 27.2 GW will be generated from renewable sources including hydropower, wind, solar and biomass (Source: MoIT).
- A large number of solar PV projects were installed within a one-year period between mid-2018 and mid-2019, where approximately 80 additional solar PV power plants were connected to the power grid (Source: Vietnam Electricity (EVN)).
- Some of the barriers to entry into the solar PV industry in Vietnam include the following:
  - Foreign contractors carrying out construction activities must obtain a construction operating licence issued by a state agency in charge of construction;
  - Foreign contractors must set up a joint venture with a Vietnamese contractor or employ Vietnamese subcontractors, unless the Vietnamese contractor is not qualified to execute any tasks of the bidding package;
  - Companies involved in electricity generation, transmission, distribution, electricity wholesaling and retailing as well as specialised electricity consultancy will require an electricity activity licence from the MoIT;

## 7. INDUSTRY OVERVIEW (Cont'd)



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- Companies involved in solar PV power plants over 50 MW will require approval from the Prime Minister of Vietnam.

Samaiden Group will need to apply for a contractor licence to carry out EPCC activities in Vietnam.

- In April 2020, the Prime Minister of Vietnam signed the 13/2020/QD-TTg Decision on mechanisms to promote the development of solar power projects in Vietnam, which included, among others, new FiT rates for rooftop, floating and ground-mounted solar power projects for projects that achieved commercial operations by 31 December 2020. Under this mechanism, the new FiT rates for rooftop solar power project is USD0.0838/kWh, floating solar power project is USD0.0769/kWh and ground mounted solar power project is USD0.0709/kWh. In contrast, the FiT rate for all types of solar power projects was USD0.0935/kWh between June 2017 and June 2019. For solar power projects that achieved commercial operations after 31 December 2020, the FiT rates will be based on competitive mechanisms.
- Vietnam's cumulative installed solar PV capacity grew from 134 MW at end of 2018 to 4.9 GW in June 2019 representing an increase of 3,557% in one year (*Source: Vietnam Electricity (EVN), IEA*). The rapid increase in solar PV energy exported to the power grid runs the risk of overloading the power grid. This may hamper further development of solar PV projects for export to the power grid until such time the power grid infrastructure improves to cater to increase in export of power to the grid.

## 6. RENEWABLE ENERGY TAX INCENTIVES

### 6.1 Tax Incentives for Green Technology

- The Malaysia Investment Development Authority (MIDA) has introduced tax incentives to strengthen the development of green technology.
  - **Green Investment Tax Allowance (GITA)** of 100% of qualifying capital expenditure on green technology project from 2013 to 2020. GITA is applicable to renewable energy, energy efficiency, green building, green data centre and waste management. This incentive is also applicable to the purchase of qualified green technology assets. Under the Budget 2020, this incentive was extended to 2023.
  - **Green Income Tax Exemption (GITE)** of 100% of statutory income from 2013 to 2020. GITE is applicable to renewable energy, energy efficiency, electric vehicle, green building, green data centre, green certification and verification as well as green township. Under the Budget 2020, this incentive was extended to 2023 which allows 70% of statutory income to be exempted.
  - **Solar Leasing Tax Exemption** of 70% of statutory income from solar leasing activities certified by SEDA for a period of up to ten years (*Source: Budget 2020*).

### 6.2 Green Technology Financing Scheme 2.0 (GTFS 2.0)

- The GTFS 2.0 was introduced to provide financial support for renewable energy producers and consumers as well as energy services companies by offering a 2% per annum interest/profit rate subsidy for each loan or financing (limited to seven years) from all participating financial institutions. In addition, the government will guarantee 60% of the green technology cost. The GTFS 2.0 was approved by the Ministry of Finance in 2019 with the allocation of RM 2.0 billion from January 2019 until the end of 2020 (*Source: SEDA*).

## 7. INDUSTRY OVERVIEW (Cont'd)



### 7. LIBERALISATION OF ELECTRICITY SECTOR IN MALAYSIA

- The electricity supply industry in Malaysia was previously served by power utility companies namely Tenaga Nasional Berhad (TNB), Sabah Electricity Sdn Bhd (SESB) and Sarawak Electricity Berhad (SEB) exclusively. The government first deregularised the power utility sector by permitting IPP to cater to the increase in power demand. The IPP and the utility company entered into a PPA where the IPP will sell its generated electricity to the utility company at an agreed rate throughout the contract period.
- In 2019, the government launched the Malaysia Electricity Supply Industry 2.0 (MESI 2.0) Masterplan to promote renewable energy and to introduce liberalisation across the energy industry. The plan included, among others, peer-to-peer (P2P) trading which allows third party access to the power grid for the trading of renewable energy to any power consumers. The Budget 2020 also liberalises the electricity market by shifting from the current power purchase system to an open market system.
- Liberalisation of the electricity sector may open up opportunities for renewable energy operators such as solar PV service providers. At the same time, power consumers are expected to benefit from competition for the sales of electricity.

### 8. KEY REGULATIONS GOVERNING THE INDUSTRY

- In Malaysia, solar PV facility service providers are required to be registered with:
  - Energy Commission**, a statutory body responsible for regulating the energy sector in Peninsular Malaysia and Sabah. According to the Electricity Regulation 1994:
    - electrical works for solar PV facility can only be undertaken by contractors with valid Certificate of Registration granted by the Energy Commission; and
    - solar PV facility is required to be registered with the Energy Commission.
  - SEDA**, a statutory body established to promote and administer the deployment of sustainable energy programmes, which requires registration of operators providing solar PV services under FiT and NEM programmes.
  - Construction Industry Development Board (CIDB)**, a government body to regulate, develop and facilitate the construction industry in Malaysia. Personnel involved in construction and related activities, including solar PV facility contractors, are required to hold a valid CIDB certificate of registration when undertaking construction works.

### 9. OPERATORS IN THE INDUSTRY

- As at 3 September 2020, there were 152 CIDB registered contractors for solar PV facility with capacity exceeding 72 kW. As at 3 September 2020, there were 152 SEDA registered solar PV service providers, which include companies involved in EPCC activities.
- Below are some of the public listed companies or their subsidiaries that are registered with SEDA under the **Service Provider** category, which are involved in the EPCC of solar PV projects with revenue exceeding RM20 million, as well as Samaiden Group:

Company	Financial Year Ended <sup>(1)</sup>	Revenue (RM million) <sup>(2)</sup>	Net Profit (RM million) <sup>(2)</sup>	Net Profit Margin (%)
Scatec Solar Solutions Malaysia Sdn Bhd <sup>(3)</sup>	Dec-19	272.4	99.8	36.6
Solarvest Holdings Berhad <sup>(4)</sup>	Mar-19	112.2	11.1	9.9
<b>Samaiden Group</b>	<b>Jun-20</b>	<b>76.2</b>	<b>7.2</b>	<b>9.5</b>
Panasonic Life Solutions Malaysia Sdn Bhd <sup>(5)</sup>	Mar-19	63.1	1.3	2.1

## 7. INDUSTRY OVERVIEW (Cont'd)



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Company	Financial Year Ended <sup>(1)</sup>	Revenue (RM million) <sup>(2)</sup>	Net Profit (RM million) <sup>(2)</sup>	Net Profit Margin (%)
El Power Technologies Sdn Bhd <sup>(6)</sup>	Dec-19	26.6	1.7	6.4

- (1) Latest available from Companies Commission of Malaysia (CCM), prospectus and Samaiden Group.  
 (2) Revenue and net profit were derived from EPCC of solar PV systems and/or power plants as well as other business activities. However, the majority of the companies' revenues and net profit were from EPCC of solar PV systems and/or power plants.  
 (3) A subsidiary of Scatec Solar ASA, a listed entity on Oslo Stock Exchange in Norway.  
 (4) A public listed company on Bursa Securities in Malaysia where its subsidiaries, namely Atlantic Blue S/B, Solarvest Energy S/B and Powertrack S/B are registered with SEDA under the service provider category.  
 (5) Subsidiary of Panasonic Corporation, a listed entity on Tokyo and Nagoya Stock Exchange in Japan.  
 (6) A subsidiary of OCK Group Berhad, a listed entity on Bursa Securities in Malaysia.

- Some of the other private companies involved in EPCC of solar PV systems and/or power plants:

Company	Financial Year Ended <sup>(1)</sup>	Revenue (RM million) <sup>(2)</sup>	Net Profit (RM million) <sup>(2)</sup>	Net Profit Margin (%)
Shorefield Sdn Bhd	Dec-19	508.6	160.8	31.6
Mattan Engineering Sdn Bhd	Dec-18	282.3	3.6	1.3
System Protection & Maintenance Sdn Bhd	Dec-18	174.2	-5.0	-2.9
Gading Kencana Sdn Bhd	Dec-18	93.9	-5.7	6.1
Plus Solar Systems Sdn Bhd	Mar-19	64.5	8.0	12.4
Pekat Solar Sdn Bhd	Dec-18	55.1	1.7	3.1
Helios Photovoltaic Sdn Bhd	Mar-19	46.5	-3.2	-6.9
Hasilwan (M) Sdn Bhd	Sept-19	38.2	-0.3	-0.8

(1) Latest information from CCM. (2) Revenues and net profits were derived from EPCC of solar PV systems and/or power plants as well as other business activities. **Notes:** The above list of private companies was selected based on the following criteria: (a) registered with SEDA under Service Provider category involved in EPCC of solar PV systems and/or power plants; (b) revenue of RM20 million and above based on latest available financial information; Sources: SEDA, published information, company websites and market research.

## 10. MARKET SIZE AND SHARE

2019		
Rough Estimation of Malaysia's Market Size by Business Value* of Installed Grid Connected Solar PV Systems and Power Plants <sup>(a)</sup> (RM million)	Samaiden Group's Revenue for EPCC of Solar PV Systems and Power Plant <sup>(b)</sup> (RM million)	Rough Estimate of Market Share of Samaiden Group by Value <sup>(3)</sup>
1,684.8	74.7	4%

(Sources: (a) SEDA; (b) Samaiden Group) \*Business value is the EPCC cost of installing solar PV systems and power plants covering labour, service, hardware and material costs, excluding land cost. **Notes:** (1) Total installed capacity (distributed grid-connected = 68.44 MW; centralised grid-connected = 316.17 MW) multiplied by average cost (distributed grid-connected = RM6.60/W; centralised grid-connected = RM3.90/W) of constructing solar PV facilities for 2019. (2) Revenue of Samaiden Group for FYE 30 June 2020 included RM68.55 million for solar PV power plants, RM2.05 million for solar PV systems and RM4.05 million for supply, installation and commissioning of interconnection facilities, which were used as a proxy for calendar year 2019. (3) (b) divided by (a).

2019	On and off Grid	On Grid
Malaysia's market size by installed capacity of solar PV systems and power plants <sup>(a)</sup>	390.5 MW	384.6 MW
Samaiden Group's market share by installed capacity (on grid) <sup>(b)</sup>		0.3 MW Less than 1%

(Sources: (a) SEDA; (b) Vital Factor analysis) **Notes:** Samaiden Group's installed capacity of solar PV systems and power plants for FYE 30 June 2020 was 0.3 MW for on grid (Source: Samaiden Group), which is used as a proxy for calendar year 2019 in the calculation of its market share. Samaiden Group's market share = 0.3 MW/384.6 MW = less than 1%.

## 8. RISK FACTORS

**YOU SHOULD CAREFULLY CONSIDER, IN ADDITION TO THE OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON US AND OUR SHARES.**

### 8.1 RISKS RELATING TO OUR BUSINESS OPERATIONS

#### 8.1.1 Our business is dependent on Government initiated solar PV programmes

Our business faces the risk of relying on Government initiated programmes, especially the LSS programme. For the FYE 2018, FYE 2019 and FYE 2020, 93.98%, 98.91% and 90.00% of our Group's total revenue were derived from the EPCC of solar PV power plants under the LSS programme. For FYE 2017, 53.25% of our Group's total revenue was derived from the EPCC of solar PV systems under the FiT programme. As at the LPD, we are undertaking five projects under the LSS2 programme, namely the Kluang Project, Mersing Project, Kuala Terengganu Project, Pasir Gudang Project (Package 1) and Pasir Gudang Project (Package 2).

The LSS programme was first launched in 2016 with two rounds of competitive biddings, namely LSS1 for 401 MW installed capacity and LSS2 for 562 MW installed capacity, which were conducted in 2016 and 2018, respectively. The third round of the LSS programme, namely LSS3 for 491 MW of export capacity awarded in 2019. In May 2020, the Ministry of Energy and Natural Resources announced the LSS@MEnTARI with a solar quota release of 1,000MWac for Peninsular Malaysia. The bid was opened on 31 May 2020 and bids are to be submitted by 2 September 2020. This LSS@MEnTARI is the largest quota offered for bidding compared to the previous LSS1, LSS2 and LSS3 programmes which ranged between 250 MW and 500 MW. (*Source: Industry Overview*)

Samaiden, together with a consortium partner, on 2 September 2020, submitted a tender document for the LSS@MEnTARI under Package 1 for capacity between 10 MW and less than 30 MW to the Energy Commission Malaysia. Please refer to Section 6.12.4 of this Prospectus for further details on LSS@MEnTARI.

Moving forward, as part of our business strategies, we intend to pursue more business opportunities in the solar PV systems for commercial and industrial buildings under the NEM programme.

In this respect, our business performance may be adversely affected if there are any unfavourable actions or changes in Government initiated programmes including LSS and NEM programmes.

#### 8.1.2 Our business is project based and we may not be able to continuously secure large solar PV power plant projects to replicate our high historical growth in revenue and profit

For the Financial Years Under Review, our main revenue stream was from EPCC of solar PV systems and power plants. The nature of EPCC work is project based. For the Financial Years Under Review and up to the LPD, the contract periods for our EPCC of solar PV power plants are up to 18 months, while those for EPCC of solar PV systems are less than 12 months. In this respect, we do not have long-term EPCC contracts exceeding 18 months as at the LPD. Therefore, there is a risk that we may not be able to sustain our high business growth beyond FYE 2020 unless we continue to secure large and/or numerous EPCC solar PV projects or projects from other business activities.

For the FYE 2018, FYE 2019 and FYE 2020, we recorded a revenue growth of 379.63%, 118.07% and 11.52% respectively. Similarly, our profit after tax grew by 136.03% and 133.02% for the FYE 2018 and FYE 2019, respectively. As at the LPD, our secured and unbilled order book amounted to RM31.35 million. A large proportion of the said order book amount is expected to be recognised as revenue in the FYE 2021.

There is no assurance that we will be able to sustain our high historical growth in revenue and profitability. If we are unable to do so, this may materially affect our business sustainability, growth potential and future financial performance.

**8. RISK FACTORS (Cont'd)****8.1.3 Our financial performance may be affected following the expiry of our tax exemption**

Samaiden was granted Green Income Tax Exemption ("GITE"), which was approved under the Income Tax (Exemption) (No. 11) Order 2006 [P.U. (A) 112/2006], Income Tax Act 1967. As such, Samaiden was eligible for income tax exemption of 100% of its statutory income generated from green technology services inclusive of RE for the years of assessment 2017 to 2020. The GITE has expired on 30 June 2020.

The effective tax rate of the Group for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020 were 6.06%, 1.92%, 0.49% and 0.67%, respectively. From the FYE 2021 onwards, Samaiden will be subject to the prevailing statutory tax rate. For illustrative purposes, had the GITE not been in place for the FYE 2020, the taxable income of Samaiden for the FYE 2020 would have been subject to prevailing statutory tax rate of 24%. As such, this directly affects our Group's PAT and PAT margin, and in turn may affect our overall profitability and financial performance in the future.

**8.1.4 We are dependent on our Group Managing Director, Executive Director, and key senior management for the continuing success of our Group**

The continuing success of our Group's business is dependent on the efforts, commitment and abilities of our Group Managing Director, Executive Director and key senior management who play significant roles in our day-to-day operations as well as developing and implementing our business strategies.

Our Group Managing Director, Ir. Chow Pui Hee has been actively involved in our Group's business expansion into utility scale solar PV segment within the RE sector. She is responsible for developing the strategic direction of our Group, overseeing the technical aspects of projects undertaken by our Group as well as embarking into RE facility as an owner and operator. Her capabilities are based on her experience in engineering field, RE and the environmental sector. She also holds a Certificate of Competency for Grid-Connected PV Systems Design by SEDA to sign off any submission in relation to solar PV system installations to the authorities. Our Executive Director, Fong Yeng Foon is responsible for the implementation of our business strategies, foreign expansion and business development of our Group while overseeing our procurement and administration functions and has approximately 21 years of experience in water and wastewater treatment industries. They are assisted by our key senior management team, who also have knowledge and experience in RE and environmental matters, as well as EPCC of solar PV systems and power plants.

In this respect, the loss of services from any of our Group Managing Director, Executive Director and key senior management team without suitable and prompt replacement may adversely affect our business and financial performance.

**8.1.5 We are dependent on our subcontractors to perform certain works**

We engage subcontractors to perform works such as mounting system and solar PV module installation, and electrical, civil, structural and interconnection works.

Subcontractor costs accounted for approximately 16.10%, 54.03%, 25.30% and 33.50% of our total cost of sales for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively. As such, we are subject to risks associated with non-performance, late performance or poor performance by our subcontractors. While we may attempt to seek compensation from the relevant subcontractors, we may, from time to time, be required to compensate our clients prior to receiving the said compensation from the relevant subcontractors.

In the event we are unable to seek compensation from the relevant subcontractors or the amount of the claims cannot be recovered in full or at all from the subcontractors, we may be required to bear some or all the costs of the claims, which may in turn adversely affect our profitability and financial performance.

In addition to the above, poor quality deliverables of our subcontractors may also affect our reputation in the industry.

**8. RISK FACTORS (Cont'd)****8.1.6 We are subject to the risk of claims against system performance warranty and defect liabilities**

We are exposed to the risk of system performance warranty claims after final acceptance of our EPCC works as we provide performance warranty for the solar PV power plant in the form of achieving minimum performance ratio during the defect liability period ranging from 12 to 24 months. We are also exposed to the risk of defect liability claims during the said defect liability period for our solar PV systems and power plants. In the event we have claims against our failure to meet minimum performance ratio or defect liability claims, we have to make good the failure or defect which may have an impact on our financial performance. For the Financial Years Under Review and up to the LPD, we have not experienced any warranty claims on the system performance of our solar PV power plant, nor any defect liability claims on our solar PV systems and power plants. Nevertheless, there is no assurance that we will not experience any performance warranty claims or defect liability claims in the future.

**8.1.7 We have a concentration of major customers for revenue contribution**

For the FYE 2018 and FYE 2019, our single largest customer, namely PLB Green Solar Sdn Bhd, contributed 93.98% and 98.74% of our total revenue, respectively. As for FYE 2020, we derived a significant portion of our revenue from two customers, namely Fairview Equity Project (Kluang) Sdn Bhd and Fairview Equity Project (Mersing) Sdn Bhd, which contributed to 57.13% and 31.37% of our total revenue respectively. This was mainly for EPCC works for Mersing Project and Kluang Project. Please refer to Section 6.4.2(c)(ii) for further details on these two on-going projects.

While we are not dependent on the above mentioned customers for our business continuity as our contracts with them are on project basis and we have been able to secure projects from different customers over the Financial Years Under Review, Fairview Equity Project (Mersing) Sdn Bhd and Fairview Equity Project (Kluang) Sdn Bhd contributed significantly to our Group's revenue and profit for the FYE 2020 due to the timing and progress of their EPCC contracts with us. Our financial performance for the FYE 2021 may be adversely affected if there is any unexpected delay in the implementation and completion of these projects by us.

**8.1.8 We may face unanticipated increases in project costs**

We estimate our project costs at the time of bidding or negotiating for projects. The contract value is priced based on our cost estimates and project scheduling that are derived from assumptions such as prices of solar PV modules and inverters which are quoted to us or transacted in USD as well as prices and availability of labour and relevant machinery and equipment. Our cash flows and profit margin from the projects are therefore dependent upon our ability to accurately estimate these costs and timeline. Such costs and timeline may be affected by a variety of factors, such as depreciation of RM against the USD, slower than anticipated progress, conditions at project sites differing materially from what was anticipated at the time we bid for the contract, higher costs of equipment, material and labour, and delay in material deliveries and project financing closure.

In such events, we may incur cost overruns which will affect our cash flows and financial performance. These variations in costs may cause actual GP for a project to differ from those originally estimated. As a result, certain projects could have lower margins than anticipated, or incur losses if actual costs for the projects exceed their estimates.

Part of our strategies is to venture into retro-commissioning of buildings and energy saving systems where we will own and maintain the retro-commissioning equipment and systems during the contract term. In the event of a breakdown, we will be responsible for the cost of any repair, maintenance and replacement of parts and equipment during the contract term, which may adversely affect our financial performance in the future.

## 8. RISK FACTORS (Cont'd)

### 8.1.9 We cannot assure that our business strategies and plans will be commercially successful

Our business strategies are focused on building on our key strengths and capitalising on our business in the EPCC of solar PV systems and power plants, as well as undertaking O&M of solar PV power plant and new RE business ventures as set out in Section 6.12 of this Prospectus.

The future growth of our business is dependent on our ability to capitalise on our core competencies and experience to identify and carry out our business strategies and plans as set out in Section 6.12 of this Prospectus.

There are risks that we may not be able to implement our business strategies and plans in a timely and commercially successful manner, which may adversely affect our future business and financial performance.

In addition, for our strategy to venture into retro-commissioning of buildings and energy saving systems, we will conduct feasibility studies prior to making any decisions in investing in any retro-commissioning project. In the event that the feasibility study is not favourable, we will not carry out retro-commissioning of buildings and energy saving systems which may affect our future business and financial performance.

In light of the COVID-19 outbreak, we may experience a delay in implementing our business strategies and plans mentioned above in accordance with the expected timeline. In this respect, this may affect our future business and financial performance.

### 8.1.10 We cannot assure that our new business ventures to build-own-operate and invest in RE power plants will be commercially successful

Part of our business strategies and plans is to venture into the following:

- (i) build-own-operate an integrated biogas power generation plant in Bachok, Kelantan. As at the LPD, we have already identified a source for household biowaste as feedstock for the generation of biogas. The biowaste consists of organic and food waste from households that are collected by three local councils in Kelantan. The implementation of this business plan is subject to us securing the biogas quota from SEDA, obtaining a public generation licence from the Energy Commission Malaysia, and conducting an acceptance and reliability test in accordance with SEDA's guidelines prior to the operations of the biogas power generation plant; and
- (ii) invest in a solar PV power plant. Together with our consortium partner, we submitted a tender document for the LSS@MEntARI on 2 September 2020. The implementation of this plan is subject to us obtaining the bid from the Energy Commission Malaysia by way of tender within 12 months from the date of this Prospectus. Please refer to Section 6.12.2 for further details on our plan to venture into the investment in a solar PV power plant.

In the event that we are unsuccessful in the bid from the Energy Commission Malaysia for the solar PV power plant or unable to obtain the biogas quota or public generation licence, or pass the required acceptance and reliability test for the integrated biogas power generation plant, we will not be able to implement this plan. Once these RE power plants are operational, we are subject to the risk of plant failure or problems which in turn may adversely affect our business and financial performance, and return on investment. As an investor of the solar PV power plant, our return on investment is dependent on the performance of the solar PV power plant which may be subject to the risk of plant failure or problems such as the areas surrounding the solar PV modules that may cast shadows on our solar PV modules and hence, reducing the efficiency of the solar PV modules, excessive degradation of our solar PV modules or inefficiency or failure of our inverters and other balance of system equipment for extended period of time. In addition, the performance of the solar PV power plant is subject to any occurrence of haze, unusually high rainfall or cloud cover, or other unfavourable weather conditions.

For the integrated biogas power generation plant, we may fail to get adequate and continuous supply of organic waste which is the feed stock for the generation of biogas, or we may experience equipment inefficiency, failure or repair and maintenance downtime for extended period of time.

**8. RISK FACTORS (Cont'd)**

In light of the COVID-19 outbreak, we may experience a delay in implementing our new business ventures mentioned above in accordance with the expected timeline. In this respect, this may affect our future business and financial performance.

**8.1.11 Our business and financial performance are affected by project execution**

We have to adhere to certain agreed milestones for the completion of our projects. We are subject to the risk of claims and/or penalties pertaining to liquidated ascertained damages for late completion as stipulated in the EPCC contracts for solar PV power plant projects. These penalties, if imposed, may have an adverse effect on our financial performance.

Incidents which may affect our project execution include delay in delivery of materials, workplace hazards, damage to equipment and materials, weather conditions and major pandemic outbreaks.

Please refer to Section 8.2.4 of this Prospectus for further details on incidents which may affect project execution.

For the Financial Years Under Review and up to the LPD, we have not experienced any claims pertaining to delays in project completion. Nevertheless, there is no assurance that we would not experience claims pertaining to delays in completion of project in the future.

**8.1.12 We face competition from other service providers that serve the solar PV industry**

We face competition from local and international competitors which may be capable of offering similar services and compete with us in terms of pricing, quality of service and solutions offered.

In the event our competitors are able to offer EPCC works for solar PV systems and power plants at a more competitive price than ours, we may be forced to match their pricing to secure the projects, which may affect our profit margins and thus affecting our profitability. In addition, if we cannot match or be better than our competitors in terms of the range of comprehensive solutions and technology offered, our clients may choose our competitors. Hence, the competition we face from other service providers may adversely affect our business and financial performance.

Some of our international competitors may have greater marketing and financial resources and longer track record in the solar PV industry globally. Project owners and financial institutions may be more inclined to work with such competitors.

**8.1.13 We depend on the retention and procurement of certain approvals, permits and licenses**

In order to operate our business, we are required to obtain and hold valid approvals, permits and licenses such as registration with CIDB and others as set out in Section 6.4.9 of this Prospectus. We must comply with the restrictions and conditions imposed by the relevant authorities in order to keep such approvals, permits and licenses. Our approvals, permits and licences may be suspended or cancelled if we fail to comply with the applicable requirements or any conditions of the approvals, permits and licences. Delay or refusal may also occur when renewing such approvals, permits and licences upon their expiry. Failure to keep or renew the requisite approvals, permits and licenses could result in suspension or restriction of our business operations. We will not be able to participate in tenders for EPCC contracts or carry out our role as the EPCC contractor, which will adversely affect our business and financial performance.

In addition, part of our business strategies and plans is to expand into Vietnam where we will apply for a contractor licence, specifically construction operating licence upon securing a solar PV system project, from the Department of Construction and register as a foreign owned company with the Department of Planning and Investment in Vietnam. The contractor licence is required to enable us to carry out EPCC activities in Vietnam. In the event that we are unable to obtain the said licence and registration in Vietnam, or fulfill any terms or conditions that may be imposed on the said licence and/or registration, we may not be able to implement this part of our business strategies and plan, which may adversely affect our future business and financial performance. Please refer to Section 6.12.1.2 for further details on our foreign market expansion.

**8. RISK FACTORS (Cont'd)**

Furthermore, we also plan to venture into building-owning-operating and investing in RE power generation plants. The implementation of this business plan is subject to us securing the biogas quota from SEDA and/or the solar PV power plant bid from the Energy Commission Malaysia, obtaining a public generation licence from the Energy Commission Malaysia, and conducting acceptance test and reliability test in accordance with SEDA's guidelines prior to the operations of the biogas power generation plant. In the event that we are unable to meet these regulatory requirements, we may not be able to implement this part of our business strategies and plan, which may affect our future business and financial performance.

**8.1.14 We may face the risk of impairment losses on trade receivables**

If our customers are late in their payment or in more severe circumstances, fail to make any payment, our financial performance will be adversely affected. We would have to make allowance for doubtful debts or incur write-off of uncollectible trade receivables, which will affect the profitability of our business. For the Financial Years Under Review, we recorded impairment losses on trade receivables of RM0.19 million, RM0.13 million and RM0.07 million for the FYE 2018, FYE 2019 and FYE 2020, respectively. We did not incur any impairment losses on trade receivables in the FYE 2017.

**8.1.15 We are exposed to risk of fluctuation of foreign exchange rate**

Our Group has foreign currency exposure arising from projects and purchases of materials and equipment such as solar PV modules and inverters which are quoted to us or transacted in USD. As we are unable to estimate the movement of foreign exchange rate and its impact on the revenue, cost of sales and earnings of our Group, any significant fluctuation in the exchange rate of USD into RM or vice versa may have a significant impact, whether positively or negatively, on our financial condition and results of operation. Currently, we do not have any formal policy with respect to our transactions in foreign currency and have not undertaken any hedging activities as the majority of our revenue and expenses are transacted in RM. Hence, there is no assurance that any significant fluctuation in foreign currency exchange rate will not have a material and adverse impact on the revenue and earnings of our Group.

**8.2 RISKS RELATING TO OUR INDUSTRY****8.2.1 We are subject to economic, political, regulatory and major epidemic and/or pandemic outbreak risks in Malaysia and the market we serve**

Any changes in the political, social, economic and regulatory conditions in Malaysia as well as Vietnam could adversely affect our business and financial performance. These uncertainties could include, but not limited to, changes in political leaderships, risks of war or civil unrest, changes in import tariffs and related duties as well as regulatory matters. Similarly, any global or regional economic downturn would also affect overall business sentiments and consumer confidence as well as investments, which could subsequently affect demand for our services. As a result, this may cause our customers to defer, halt or abandon their development or expansion plans. Our future geographical expansion plans into Vietnam expose us to the uncertainties of the country and its business environment, which depend on the country's economic, social, political conditions and policies for RE.

Our business operations and financial performance could also be materially and adversely affected by any major epidemic and/or pandemic outbreak. For example, the recent global outbreak of the COVID-19 may result in interruption of supply of materials such as solar PV modules and related materials from China or other affected countries, which could in turn affect our project execution and result in late completion of our projects. Our business operations may also be affected if any of our employees or the employees of our subcontractors contract or are suspected of having contracted COVID-19, as this would require quarantine of the affected personnel as well as disinfection of affected premises and/or project sites. As at the LPD, notwithstanding the COVID-19 outbreak, we have encountered minimal supply disruption for new orders of raw materials.

**8. RISK FACTORS (Cont'd)**

On 16 March 2020, the Government announced the first phase of MCO as a means to curb the spread of COVID-19. Following the MCO, our on-site activities have been suspended from 18 March 2020. The Government has, on 25 March 2020, announced the second phase of MCO with extension for another two weeks until 14 April 2020. On 3 April 2020, we have obtained conditional approval from the MITI to unload the materials at the work site in relation to the Kluang Project.

Subsequently, the MCO was further extended from 14 April 2020 to 28 April 2020 for its third phase, as announced on 10 April 2020. During this period, the MITI announced that businesses in the list of sectors specified by the MITI may submit an application to MITI to seek for approval to operate. We have received conditional approval from the MITI on 20 April 2020 to resume operations in our office premises. With the conditional approval from MITI, we resumed our office operations on 27 April 2020.

The Government thereafter announced a fourth phase of the MCO from 28 April 2020 to 12 May 2020 on 23 April 2020, and subsequently on 1 May 2020, the conditional MCO effective on 4 May 2020 was announced which enables almost all sectors of the economy to reopen. Pursuant to this, we have resumed our on-site operations for the Kluang Project on 4 May 2020. On 10 May 2020, the Government further announced that the conditional MCO will be extended for another four weeks until 9 June 2020. Subsequent to 9 June 2020, the Government has imposed the RMCO from 10 June 2020 until 31 August 2020, which has been further extended to 31 December 2020.

During the MCO, our Group had submitted notifications of occurrence of force majeure events to certain customers of our on-going projects. On 13 May 2020, we submitted formal request for extension of time to the relevant customers. This is in accordance with force majeure provisions as provided in the terms of our contracts for these projects with customers. We had subsequently been granted extensions of time for the completion of the Mersing Project and Kluang Project until 15 October 2020 and 30 September 2020 respectively. Accordingly, we do not expect liquidated ascertained damages to be imposed on us for late completion of these projects, if any, attributable to the MCO.

Nevertheless, we may still face delay in projects completion for the Kluang Project and Mersing Project if there is further delay in the approvals required from external parties including *Koridor Utiliti Johor* and TNB. In such instance, we will request for further extension of time for completion of the Kluang Project and Mersing Project. In the event that our Group is unable to obtain further extension of time and there is a late completion of these projects, we may be imposed with liquidated ascertained damages cumulatively amounting to RM10,000 for each day or part day for the period commencing on the day after the extended target completion date and expiring on the date of practical completion up to a maximum of 180 days amounting to RM1.80 million. Similarly, any late completion of our Kuala Terengganu Project and Pasir Gudang Project (Package 1) may result in us having to pay liquidated ascertained damages cumulatively amounting to a maximum amount of RM0.84 million.

In addition to the above, there were some delays or reduction in our billings whilst we continued to incur cash outflow from fixed operating expenses such as salaries and rental expenses during the MCO period. Nevertheless, this has not posed significant constraints on our cash flow and financial position as our monthly cash outflow from operating expenses is only approximately RM0.30 million. In addition, as our on-site activities were only fully suspended for approximately one month and we have now resumed operations fully, our overall profitability for the FYE 2020 was not adversely affected to a material extent by the COVID-19 and the MCO.

Furthermore, in terms of medical costs, our Group is only responsible to bear the testing costs and medical costs of employees under our payroll. Our Group has procured undertaking and indemnity from some of our subcontractors in respect of the workers of such subcontractors as set out in Section 6.4.12(d) of this Prospectus.

Notwithstanding the above, there can be no assurance that any adverse political, social, regulatory or economic developments, or any occurrence of major epidemic and/or pandemic outbreak that could result in interruptions in our business operations, which are beyond our control, will not materially affect our business and financial performance.

**8. RISK FACTORS (Cont'd)**

Further, while the immediate impact of the COVID-19 outbreak on our business has been relatively minimal so far, we cannot guarantee that the COVID-19 outbreak will not worsen, thus requiring reimposition of a full MCO. There is no assurance that our suppliers of materials would be able to (a) maintain their normal business operation without disruptions; and/or (b) deliver the materials to us without delay in the event that transportation restrictions are imposed, and there is no guarantee that we would be able to source materials from alternative suppliers in time to satisfy our contractual obligations to our customers if COVID-19 persists for a substantial period. In addition, notwithstanding the precautionary measures implemented by us, there is no assurance that the workers or personnel of our Group, the main contractors or other subcontractors working at the project sites would not be infected by COVID-19, in such event the relevant workers or personnel would need to be quarantined and the projects handled by them may be suspended or delayed as a result.

There is no assurance that outbreak of COVID-19 in Malaysia can be effectively controlled, or another outbreak of COVID-19 or other disease will not happen in the future. Notwithstanding the contingency plan which we have put in place as disclosed in Section 6.4.12 of this Prospectus, should these adverse events materialise and persist for a substantial period, it may significantly and adversely affect our business operations and financial performance.

**8.2.2 There are inherent risks in the solar PV industry**

As our business is mainly in the EPCC of solar PV systems and power plants, we are subject to inherent risks within the solar PV industry including, among others, changes in Government policies and regulations such as changes in power generation, transmission and distribution including retail sales to consumers and peer-to-peer (P2P) trading, and drop in electricity pricing. Some of these changes, which include changes to market conditions or situations may affect the financial attractiveness of solar PV projects, which in turn may adversely affect our business and financial performance.

**8.2.3 Technological improvements in power generation may result in more cost efficient and environmentally friendly methods of power generation compared to using solar PV method**

In addition to using solar PV method, other RE and environmentally friendly method of power generation include using various sources of primary energy, such as wind, waves and current, solar thermal, and geothermal. In Malaysia, solar PV systems and power plants are the preferred method of power generation that uses primary energy source that is renewable and has minimal impact on the environment. However, improvement in technologies for other methods of power generation may make them more competitive compared to using solar PV method. As such, in the event that other methods of power generation are preferred compared to solar PV method, it may affect our business and financial performance.

**8.2.4 There is a potential reduction in demand for power generation projects including solar PV systems and power plants due to excess power generation and high reserve margin**

Malaysia has sufficient power supply to meet demand and this is reflected by the fact that power generation exceeded consumption by 11.8% in 2019. In addition, based on the latest available statistics, Malaysia's electricity reserve margin was 36.0% in 2017. A certain level of reserve margin is important to cater to any increases in demand and unexpected outages of existing capacity. However, a high reserve margin also means that there may not be an urgency to develop more power generation capacity in Malaysia. In 2018, the Government terminated four IPP contracts. (*Source: Industry Overview*)

In this respect, there is no assurance that there will be sufficient new power generation projects to sustain existing and new players in the power generation industry, including solar PV systems and power plants.

## 8. RISK FACTORS (Cont'd)

### 8.2.5 Inherent risks in the solar PV industry in Vietnam

One of our business strategies moving forward is to expand our business into Vietnam. There are inherent risks in the solar PV industry in Vietnam which include, among others, the following:

- (i) **Reducing FiT rates:** In April 2020, the Prime Minister of Vietnam signed the 13/2020/QD-TTg Decision on mechanisms to promote the development of solar power projects in Vietnam, which included, among others, new FiT rates for rooftop, floating and ground-mounted solar power projects that achieved commercial operations by 31 December 2020. Under this mechanism, the new FiT rates for rooftop solar power project is USD0.0838/kWh, floating solar power project is USD0.0769/kWh and ground mounted solar power project is USD0.0709/kWh. In contrast, the FiT rate for all types of solar power projects was USD0.0935/kWh between June 2017 and June 2019. For solar power projects that achieved commercial operations after 31 December 2020, the FiT rates will be based on competitive mechanisms.
- (ii) **Grid overload:** Vietnam's cumulative installed solar PV capacity grew from 134 MW at end of 2018 to 4.5 GW in June 2019 representing an increase of 3,258% in six months (Source: Vietnam Electricity (EVN)). The rapid increase in solar PV energy exported to the power grid runs the risk of overloading the power grid. This may hamper further development of solar PV projects for export to the power grid until such time the power grid infrastructure improves to cater to increase in export of power to the grid.

*(Source: Industry Overview)*

A reducing FiT rate may discourage investments, while an overloaded grid may limit investments in solar power projects, thus resulting in lower demand for EPCC of solar power projects. This may have an adverse impact on our business and financial performance in Vietnam.

## 8.3 RISKS RELATING TO OUR SHARES

### 8.3.1 There has been no prior market for our Shares

Prior to the IPO, there has been no public market for our Shares. Hence, there is no assurance that upon Listing, an active market for our Shares will develop or, if developed, that such market can be sustained. The IPO Price was determined after taking into consideration various factors including but not limited to our business strategies and our financial and operating history.

There can be no assurance that the IPO Price will correspond to the price at which our Shares will trade on the ACE Market upon our Listing and that the market price of our Shares will not decline below the IPO Price.

### 8.3.2 The trading price and volume of our Shares upon Listing may be volatile

The performance of Bursa Securities is very much dependent on external factors such as the performance of the regional and world bourses and the inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our listed Shares. In addition, the market price of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, amongst others, the following factors, some of which are beyond our control:

- (i) material variations in our financial performance and operations;
- (ii) success or failure of our management in implementing future plans, and business and growth strategies;
- (iii) changes in securities analysts' recommendations, perceptions or estimates of our Group's financial performance;
- (iv) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events or factors;

## 8. RISK FACTORS (Cont'd)

- (v) changes in market valuations and share prices of companies with similar businesses to our Company that may be listed on Bursa Securities or other stock exchanges;
- (vi) additions or departures of experienced key personnel;
- (vii) fluctuation in stock market prices and volume; or
- (viii) involvement in claims, litigation, arbitration or other form of dispute resolution.

### 8.3.3 There may be a potential delay to or cancellation of our Listing

The occurrence of any one or more of the following events, which is not exhaustive, may cause a delay in or cancellation of our Listing:

- (i) the MITI approved Bumiputera investors fail to acquire the Shares allocated to them under the Public Issue;
- (ii) our Sole Underwriter exercising its rights pursuant to the Underwriting Agreement to discharge itself from its obligations thereunder;
- (iii) the revocation of approvals from the relevant authorities for the Listing and/or admission for whatever reason; or
- (iv) we are unable to meet the public shareholding spread requirement of the Listing Requirements, i.e. at least 25.00% of our issued share capital for which listing is sought must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of our Listing.

Where prior to the issuance and allotment of our Issue Shares:

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and our Company shall repay all monies paid in respect of the applications for our Issue Shares within 14 days of the stop order, failing which the Company shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our Listing is aborted, investors will not receive any of our Issue Shares, all monies paid in respect of all applications for our Issue Shares will be refunded free of interest.

Where subsequent to the issuance and allotment of our Issue Shares:

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our Issue Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, the Company shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by either:-
  - (aa) the sanction of our shareholders by special resolution in a general meeting, consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or
  - (bb) the sanction of our shareholders by special resolution in a general meeting supported by a solvency statement from our Directors.

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**8. RISK FACTORS (Cont'd)**

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**8.3.4 Our Promoters will be able to exert significant influence over our Company as they will continue to hold majority of our Shares after the IPO**

Upon Listing, our Promoters will collectively hold, directly and indirectly, 148,845,000 Shares, which represent approximately 70.88% of the enlarged issued share capital of our Company. As a result, our Promoters may be able to influence the outcome of certain matters such as election of Directors and the approval of business ventures requiring the vote of the shareholders unless they are required to abstain from voting by law and/or the relevant authorities.

**8.3.5 Dividend payments**

Our ability to pay dividends or make other distributions to our shareholders is not guaranteed. Our Company is an investment holding company and we conduct substantially all of our operations through our subsidiaries. Our Company derives income mainly from dividends received from our subsidiaries. Consequently, our ability to declare and pay dividends are dependent on, amongst others, the financial performance of our subsidiaries. Further, in view that our Group intends to embark on future plans as disclosed in Section 6.12 of this Prospectus, our ability to pay dividends may be limited.

Further details on our dividend policy are set out in Section 11.8 of this Prospectus.

## 9. RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, subject to certain exemptions, a "related party transaction" is a transaction entered into by a listed issuer or its subsidiary, which involves the interest, direct or indirect, of a related party. A "related party" is defined as a director, major shareholder or person connected with such director or major shareholder (including a director or major shareholder within the preceding 6 months before the transaction was entered into). "Major shareholder" means a shareholder with a shareholding of 10% or more (or 5% or more where such person is the largest shareholder in the company) of all the voting shares in the company.

After the Listing, we will be required to seek our shareholders' approval each time we enter into material related party transactions in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate. The interested person shall abstain from voting on resolution(s) pertaining to the respective transaction. Under the Listing Requirements, related party transactions may be aggregated to determine its materiality if the transactions occurred within a 12 month period, are entered into with the same party or with parties related to one another or if the transactions involved the acquisition or disposal of securities or interests in one corporation/asset or of various parcels of land contiguous to each other.

### 9.1 RELATED PARTY TRANSACTIONS

#### 9.1.1 Transactions that are material to our Group

Save as disclosed below, our Directors have confirmed that there are no other material related party transactions that we had entered into with related parties in respect of the Financial Years Under Review and up to the LPD:

Companies within our Group	Transacting parties	Nature of relationship	Nature of transaction	Actual				
				FYE 2017	FYE 2018	FYE 2019	FYE 2020	1 July 2020 up to the LPD
				RM'000	RM'000	RM'000	RM'000	RM'000
Samaiden	Chow Wai Ho	Chow Wai Ho is the brother of Ir. Chow Pui Hee, our Director, substantial shareholder and promoter	Outsource of accounting support services. The services were terminated when Chow Wai Ho was employed full-time by our Group in April 2018. As at the LPD, he is still an employee of our Group.	16 (1.17% of our Group's PAT)	26 (0.81% of our Group's PAT)	-	-	-

9. RELATED PARTY TRANSACTIONS (Cont'd)

Companies within our Group	Transacting parties	Nature of relationship	Nature of transaction	Actual				
				FYE 2017	FYE 2018	FYE 2019	FYE 2020	1 July 2020 up to the LPD
				RM'000	RM'000	RM'000	RM'000	RM'000
Samaiden	Yet Mooi @ Yip Mooi	Yet Mooi @ Yip Mooi is the mother of Ir. Chow Pui Hee, our Director, substantial shareholder and promoter	Upkeep of office. Such services had been terminated subsequent to the FYE 2019 and our Group will not employ such services from a related party after our Listing.	30 (2.20% of our Group's PAT)	30 (0.93% of our Group's PAT)	30 (0.40% of our Group's PAT)	-	-
Samaiden	Fong Yeng Foon	Fong Yeng Foon is our substantial shareholder and promoter	Rental of C-13A-05, Sunway Nexis Office Suite, No. 1, Jalan PJJU 5/1, Kota Damansara, 47810 Petaling Jaya, Selangor (" <b>Rented Office</b> ").  As at the LPD, the Rented Office is used by our Group for the following departments:  <ul style="list-style-type: none"> <li>• Finance &amp; Accounting;</li> <li>• Procurement &amp; Contract; and</li> <li>• HR, Administration &amp; IT.</li> </ul>	-	-	-	25 (0.35% of our Group's PAT)	9

The above transactions were transacted on an arm's length basis and based on normal commercial terms which are not more favourable to the related parties. Our Directors are of the opinion that the above transactions were transacted in the best interests of our Group.

Upon Listing, the Audit and Risk Management Committee will review the terms of any related party transactions and ensure that any related party transactions (including any recurrent related party transactions) are carried out on terms not more favourable to the related party than those generally available to the third parties dealing at arm's length basis with our Group and are not to the detriment to our minority shareholders. Our Group will seek such relevant shareholders' approval where required. We will make disclosures in our annual report of the aggregate value of the recurrent related party transactions entered into by us based on the nature of the transactions made, names of the related parties involved and their relationship with our Group during the financial year and in the annual reports for the subsequent financial years.

**9. RELATED PARTY TRANSACTIONS (Cont'd)**

**9.2 RELATED PARTY TRANSACTIONS THAT ARE UNUSUAL IN NATURE OR CONDITION**

Our Directors have confirmed that there are no transactions that were unusual in its nature or condition, involving goods, services, tangible or intangible assets, to which we were a party in respect of the Financial Years Under Review and up to the LPD.

**9.3 OUTSTANDING LOANS AND/OR FINANCIAL ASSISTANCE MADE TO OR FOR THE BENEFIT OF THE RELATED PARTIES**

Save as disclosed below, our Directors have confirmed that there are no outstanding loans (including guarantees of any kind) and/or financial assistance made by us to or for the benefit of the related parties for the Financial Years Under Review and up to the LPD:

Loans made to or for the benefit of related parties	Interested related party and nature of relationship	Nature of transaction and purpose	Outstanding Amount			
			As at 30 June----->			
			2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Advances made to Ir. Chow Pui Hee by Samaiden	Ir. Chow Pui Hee is our Director, substantial shareholder and promoter	Advances	-	1,000	-	-
Staff loan made to Chow Wai Ho by Samaiden	Chow Wai Ho is the brother of Ir. Chow Pui Hee, our Director, substantial shareholder and promoter	Staff loan*	-	58	51	-

**Note:**

\* Staff loan to Chow Wai Ho was made in his capacity as an employee of our Group. He was employed in April 2018.

The advances to Ir. Chow Pui Hee were not made on arm's length basis as they were interest-free, unsecured and repayable on demand. As at the LPD, these advances were fully paid. Going forward, our Group will not be providing any such advances (including loans and guarantees of any kind, except for staff loan in accordance with our Group's policy) to or for the benefit of the related parties.

The staff loan made to Chow Wai Ho, which was interest-free, unsecured and repayable by equal monthly instalments, was in accordance with our Group's policy for staff loan. As at the LPD, the staff loan has been fully settled. Going forward, any provision of staff loan to or for the benefit of the related parties will be subject to the review of our Audit and Risk Management Committee.

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**10. CONFLICT OF INTEREST**

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**10.1 CONFLICT OF INTEREST**

None of our Directors and/or substantial shareholders has any other interest, whether direct or indirect, in any businesses or corporations which are carrying on a similar trade as our Group or which are the customers or suppliers of our Group.

**10.2 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST****10.2.1 Principal Adviser, Sponsor, Sole Underwriter and Placement Agent**

AIBB and/or its related companies ("**Alliance Bank Malaysia Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading and credit transaction services business. The Alliance Bank Malaysia Group has engaged and may in the future, engage in transactions with and perform services for SAGB Group and/or the SAGB Group's affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Alliance Bank Malaysia Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of the SAGB Group, its shareholders, and/or its affiliates and/or any other entity or person, hold long or short positions in securities issued by the SAGB Group and/or its affiliates, and may trade or otherwise effect transactions for its own account or account of its other customer in debt or equity securities or loans of any member of the SAGB Group and/or its affiliates. This is the result of the businesses of Alliance Bank Malaysia Group generally acting independently of each other and accordingly, there may be situations where parts of the Alliance Bank Malaysia Group now have or in the future, may have an interest or take actions that may conflict with the interest of the SAGB Group. Nonetheless, Alliance Bank Malaysia Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

AIBB has confirmed that there is no conflict of interest in its capacity as the Principal Adviser, Sponsor, Sole Underwriter and Placement Agent to our Group in relation to the Listing. The Underwriting Agreement, which certain details are set out in Section 4.5.4 of this Prospectus, was entered into on arm's length basis and on market terms.

**10.2.1 Solicitors for the Listing**

Chooi & Company + Cheang & Ariff has confirmed that there is no conflict of interest in its capacity as the Solicitors to our Group in relation to the Listing.

**10.2.2 External Auditors and Reporting Accountants**

Crowe Malaysia PLT has confirmed that there is no conflict of interest in its capacity as the External Auditors and Reporting Accountants to our Group in relation to the Listing.

**10.2.3 Independent Market Researcher**

Vital Factor has confirmed that there is no conflict of interest in its capacity as the IMR to our Group in relation to the Listing.

**11. FINANCIAL INFORMATION****11.1 HISTORICAL AUDITED COMBINED FINANCIAL INFORMATION**

The historical audited combined financial information of our Group for the Financial Years Under Review presented in this section have been extracted from the Accountants' Report set out in Section 12 of this Prospectus, which deals with the audited combined financial statements of our Group for the Financial Years Under Review.

You should read the historical audited combined financial information below together with:

- Management's Discussion and Analysis of Financial Conditions, Results of Operations and Prospects set out in Section 11.3 of this Prospectus; and
- Accountants' Report set out in Section 12 of this Prospectus.

The historical audited combined financial information included in this Prospectus does not reflect our Group's results of operations, financial position and cash flows in the future. Moreover, our Group's past operating results are not indicative of our Group's future operating performance.

**(a) Historical audited combined statements of profit or loss and other comprehensive income of our Group**

	<-----Audited----->			
	FYE 2017 RM'000	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000
Revenue	6,530	31,322	68,301	76,170
Cost of sales	(4,484)	(26,708)	(58,467)	(64,515)
<b>GP</b>	<b>2,046</b>	<b>4,614</b>	<b>9,834</b>	<b>11,655</b>
Other income	-	36	194	520
	2,046	4,650	10,028	12,175
Administrative expenses	(594)	(1,186)	(2,382)	(4,798)
Finance cost	-	-	(3)	(26)
Net impairment losses on financial assets	-	(187)	(127)	(73)
<b>PBT</b>	<b>1,452</b>	<b>3,277</b>	<b>7,516</b>	<b>7,278</b>
Income tax expense	(88)	(63)	(37)	(49)
<b>PAT</b>	<b>1,364</b>	<b>3,214</b>	<b>7,479</b>	<b>7,229</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the financial year</b>	<b>1,364</b>	<b>3,214</b>	<b>7,479</b>	<b>7,229</b>
PAT attributable to:				
- Owners of the Company	1,364	3,214	7,481	7,254
- Non-controlling interests	-	-	(2)	(25)
	<b>1,364</b>	<b>3,214</b>	<b>7,479</b>	<b>7,229</b>

11. FINANCIAL INFORMATION (Cont'd)

	<-----Audited----->			
	FYE 2017	FYE 2018	FYE 2019	FYE 2020
GP margin <sup>(1)</sup> (%)	31.33	14.73	14.40	15.30
PBT margin <sup>(2)</sup> (%)	22.24	10.46	11.00	9.55
PAT margin <sup>(3)</sup> (%)	20.89	10.26	10.95	9.49
Effective tax rate <sup>(4)</sup> (%)	6.06	1.92	0.49	0.67
Earnings before interest, tax, depreciation and amortisation ("EBITDA") <sup>(5)</sup> (RM'000)	1,477	3,289	7,493	6,986
Assumed number of Shares in issue <sup>(6)</sup> ('000)	210,000	210,000	210,000	210,000
Basic and diluted EPS <sup>(7)</sup> (sen)	0.65	1.53	3.56	3.45

**Notes:**

- (1) GP margin is calculated based on GP divided by revenue.
- (2) PBT margin is calculated based on PBT divided by revenue.
- (3) PAT margin is calculated based on PAT divided by revenue.
- (4) Effective tax rate is calculated based on income tax expense divided by PBT. Samaiden had obtained approval from MIDA for income tax exemption under GITE. As such, Samaiden was eligible for income tax exemption of 100% of its statutory income generated from green technology services inclusive of RE for the years of assessment 2017 to 2020. The GITE granted to Samaiden has expired on 30 June 2020 and as such, it will no longer enjoy tax exemption after the FYE 2020. From the FYE 2021 onwards, Samaiden will be subject to the prevailing statutory tax rate.
- (5) EBITDA is calculated as follows:

	<-----Audited----->			
	FYE 2017 RM'000	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000
PBT	1,452	3,277	7,516	7,278
Adjusted for:				
Finance cost	-	-	3	26
Depreciation	25	29	94	128
Interest income	-	(17)	(120)	(446)
<b>EBITDA</b>	<b>1,477</b>	<b>3,289</b>	<b>7,493</b>	<b>6,986</b>

- (6) The assumed number of Shares in issue after our Public Issue.
- (7) Basic EPS is calculated based on PAT attributable to owners of the Company divided by the assumed number of Shares in issue. Diluted EPS are the same as basic EPS as there were no potential dilutive ordinary shares existing during the respective years.

**11. FINANCIAL INFORMATION (Cont'd)****(b) Historical audited combined statements of financial position of our Group**

	<-----Audited----->			
	<-----As at 30 June----->			
	2017	2018	2019	2020
	RM'000	RM'000	RM'000	RM'000
<b>ASSETS</b>				
<b>NON-CURRENT ASSET</b>				
Property, plant and equipment	79	141	378	1,539
<b>TOTAL NON-CURRENT ASSET</b>	<b>79</b>	<b>141</b>	<b>378</b>	<b>1,539</b>
<b>CURRENT ASSETS</b>				
Contract costs <sup>(1)</sup>	-	2,298	331	-
Inventories	-	-	-	28
Trade receivables	430	10,266	5,232	7,954
Other receivables, deposits and prepayments	23	1,599	283	230
Contract assets	-	122	154	673
Amount owing by a director	-	1,000	-	-
Short-term investments	-	1,018	4,172	14,498
Current tax assets	-	19	15	-
Fixed deposit with a licensed bank	-	-	400	421
Cash and bank balances	1,565	10,720	4,999	6,695
<b>TOTAL CURRENT ASSETS</b>	<b>2,018</b>	<b>27,042</b>	<b>15,586</b>	<b>30,499</b>
<b>TOTAL ASSETS</b>	<b>2,097</b>	<b>27,183</b>	<b>15,964</b>	<b>32,038</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital	-	-	-	*
Invested capital	100	750	1,000	1,030
Retained profits	1,411	4,125	6,406	13,660
Equity attributable to owners of the Company	1,511	4,875	7,406	14,690
Non-controlling interests	-	-	(2)	(7)
<b>TOTAL EQUITY</b>	<b>1,511</b>	<b>4,875</b>	<b>7,404</b>	<b>14,683</b>
<b>NON-CURRENT LIABILITIES</b>				
Hire purchase payable	-	-	59	-
Term loans	-	-	12	995
Lease liability	-	-	-	46
Deferred tax liabilities	6	13	13	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>6</b>	<b>13</b>	<b>84</b>	<b>1,041</b>
<b>CURRENT LIABILITIES</b>				
Trade payables	261	2,767	3,090	11,199
Other payables and accruals	109	796	1,103	746
Contract liabilities	141	18,732	4,265	4,312
Amount owing to directors	53	-	-	-
Hire purchase payable	-	-	17	-
Term loans	-	-	1	37
Lease liability	-	-	-	18
Current tax liabilities	16	-	-	2
<b>TOTAL CURRENT LIABILITIES</b>	<b>580</b>	<b>22,295</b>	<b>8,476</b>	<b>16,314</b>
<b>TOTAL LIABILITIES</b>	<b>586</b>	<b>22,308</b>	<b>8,560</b>	<b>17,355</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,097</b>	<b>27,183</b>	<b>15,964</b>	<b>32,038</b>

## 11. FINANCIAL INFORMATION (Cont'd)

### Notes:

- (1) Contract costs represent materials and preliminary costs incurred for the Seberang Perai Project and Kluang Project. In accordance with our Group's accounting policies, our Group recognises costs that relate directly to a contract (or an anticipated contract) with a customer as an asset when the costs generate or enhance resources of our Group, will be used in satisfying the performance obligation in the future and are recovered. This is in line with paragraph 95 of MFRS 15.

\* Denotes RM100

### 11.2 CAPITALISATION AND INDEBTEDNESS

The following table sets out our Group's capitalisation and indebtedness:

- (i) as at 31 July 2020, after taking into account the Acquisitions but before Public Issue and use of proceeds; and
- (ii) after adjusted for the proceeds arising from our Public Issue and use of proceeds from Public Issue.

	(Unaudited) As at 31 July 2020 RM'000	After Public Issue and use of proceeds RM'000
<b>Indebtedness:</b>		
<b><u>Current</u></b>		
<b><i>Secured and guaranteed</i></b>		
Lease liability	17	17
Term loans <sup>^</sup>	37	37
	54	54
<b><u>Non-current</u></b>		
<b><i>Secured and guaranteed</i></b>		
Lease liability	46	46
Term loans <sup>^</sup>	1,006	1,006
	1,052	1,052
<b><u>Contingent liability</u></b>		
<b><i>Secured and guaranteed</i></b>		
Tender guarantee	100	100
<b>Total Indebtedness</b>	<b>1,206</b>	<b>1,206</b>
Shareholders' equity	14,627	42,244
<b>Total capitalisation and indebtedness</b>	<b>15,833</b>	<b>43,450</b>
Gearing ratio (times)*	0.08	0.03

### Notes:

\* Computed based on total indebtedness over our shareholders' equity.

<sup>^</sup> Being term loans secured to part finance the acquisition of our Head Office and to finance a term assurance which was a collateral for a banking facility.

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## 11. FINANCIAL INFORMATION (Cont'd)

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### 11.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS, RESULTS OF OPERATIONS AND PROSPECTS

Investors should read the following management's discussion and analysis of our Group's financial conditions and results of operations in conjunction with the Accountants' Report as set out in Section 12 of this Prospectus.

The management's discussion and analysis contains data derived from our audited combined financial statements as well as forward-looking statements that involves risks and uncertainties. The results may differ significantly from those projected in the forward-looking statements. Factors that may cause future results to differ significantly from those included in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the risk factors as set out in Section 8 of this Prospectus.

#### 11.3.1 Overview of our operations

##### (a) Principal activities

Our Company is principally an investment holding company while our subsidiaries are principally involved in the following business activities:

- (i) EPCC of solar PV systems and power plants, and related subcontracting services; and
- (ii) provision of RE and environmental consulting services, as well as O&M services.

As a provider of EPCC services for solar PV systems and power plants, our scope of work mainly comprises the following:

- Engineering and design, from initial conceptualisation up to detailed system design. This includes designing the solar PV array and balance of system including inverters, transformers and interconnection to the power grid where relevant.
- Procurement of all construction materials and equipment for the solar PV facilities, including solar PV modules and balance of system;
- Construction, including civil, structural, mechanical and electrical works, installation and integration of equipment, and interconnection to the power grid, if required by customers; and
- Commissioning, including testing of individual equipment and sub-systems, and full testing of the newly installed solar PV facilities.

Additionally, we have in-house technical expertise to provide RE and environmental consulting services, as well as O&M services.

Please refer to Section 6.4 of this Prospectus for detailed information on our principal activities.

**11. FINANCIAL INFORMATION (Cont'd)****(b) Revenue**

Our revenue is derived from the provision of EPCC services, RE and environmental consulting services, and O&M services.

Revenue from the provision of EPCC services is derived from the provision of engineering, procurement, construction and commissioning services for both solar PV system and power plant customers. Generally, an EPCC project for solar PV system can be completed within six to 12 months depending on, among others, the scale of installed capacity, building conditions and technical complexity. On the other hand, an EPCC project for solar PV power plant will generally require nine to 18 months from the project commencement date until completion given its utility scale generating capacity of at least 1 MWac. A solar PV power plant requires substantially more work than solar PV system as it involves site preparation, civil and structural works for the project site as well as interconnection to the power grid.

Revenue from the provision of EPCC services, which is measured at transaction price, is recognised over time in the period in which the services are rendered using the input method, determined based on the proportion of costs incurred for work performed to-date over the estimated total costs. Transaction price for an EPCC project is computed based on the price specified in the EPCC contract, as varied by subsequent variation order, if any. A contract asset is recognised for services rendered and for which revenue has been recognised, but invoices for which have yet to be issued. For instance, we recorded contract assets for some of our RE and environmental consulting services projects wherein work had been done and revenue had been recognised, but we were unable to issue invoice on the progress claims pending certification of work done by project owner, which generally takes two to three weeks. Conversely, a contract liability arises when invoices have been issued in advance of revenue recognition for services yet to be rendered.

In general, our invoices for EPCC contracts are issued when we achieve a certain milestone within our scope of work as set out in the EPCC contracts. These milestones are negotiated and agreed upon between us and our customers on a case-by-case basis. These milestones may include, among others, down payment upon execution of contract, confirmation of order for materials with manufacturers and/or suppliers and installation onsite. We adopt this billing arrangement as it is deemed reflective of the progress of implementation of our EPCC projects and the corresponding commitment that we require from our customers. Nevertheless, as some of these milestones do not involve actual costs, we may not be able to recognise the full amount of an invoice as revenue, which in turn is determined based on costs incurred for work performed. In such instances, a contract liability arises.

Revenue from the provision of RE and environmental consulting services mainly cover support services for development and implementation, and landfill and waste management services. Our O&M services are mainly for preventive and corrective maintenance of solar PV systems and power plants. Revenue from the provision of RE and environmental consulting services as well as O&M services is recognised over time in the period in which the services are rendered.

Our revenue is driven by the following key factors:

- the growth and prospects of the RE industry and the programmes and initiatives introduced by the Government to increase the use of RE to reduce carbon dioxide (CO<sub>2</sub>) emission;
- our ability to secure new projects and contracts;
- the competition from other industry players providing similar services; and
- the amount of work completed during the financial year for our EPCC projects secured.

## 11. FINANCIAL INFORMATION (Cont'd)

For the Financial Years Under Review, our revenue was solely derived from the domestic market (i.e. Peninsular Malaysia), through our subsidiaries, Samaiden and Samaiden Consultancy.

Our Group recorded revenue of RM6.53 million, RM31.32 million, RM68.30 million and RM76.17 million for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively. Revenue generated from the provision of EPCC services accounted for approximately 87.99%, 95.95%, 99.00% and 98.00% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively while the remaining 12.01%, 4.05%, 1.00% and 2.00% of our total revenue for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively was generated through the provision of RE and environmental consulting services, and O&M services.

### (i) Analysis of contribution to revenue by business activities

The breakdown of our Group's revenue by business activities is as follows:

Business Activities	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<b>EPCC services</b>								
Solar PV power plants	-	-	29,436	93.98	67,556	98.91	68,552	90.00
Solar PV systems	5,746	87.99	616	1.97	60	0.09	2,046	2.68
Subcontracting services for solar PV power plants	-	-	-	-	-	-	4,050	5.32
	5,746	87.99	30,052	95.95	67,616	99.00	74,648	98.00
<b>Other services</b>								
RE and environmental consulting services								
- RE consulting	554	8.49	927	2.96	110	0.16	670	0.88
- Environmental consulting	230	3.52	343	1.09	259	0.38	265	0.35
O&M	-	-	-	-	316	0.46	587	0.77
	784	12.01	1,270	4.05	685	1.00	1,522	2.00
<b>Total revenue</b>	<b>6,530</b>	<b>100.00</b>	<b>31,322</b>	<b>100.00</b>	<b>68,301</b>	<b>100.00</b>	<b>76,170</b>	<b>100.00</b>

### Commentary:

#### Comparison between FYE 2017 and FYE 2018

For the FYE 2018, our total revenue increased by RM24.79 million or 379.63% to RM31.32 million (FYE 2017: RM6.53 million). This said increase in total revenue was due to higher revenue generated from both our EPCC services, and RE and environmental consulting services.

Revenue generated from EPCC services increased by RM24.30 million or 422.61% to approximately RM30.05 million (FYE 2017: RM5.75 million), which represented approximately 95.95% of our total revenue for the FYE 2018. The increase in revenue from EPCC services was due to the commencement of the Seberang Perai Project in January 2018, which contributed RM29.44 million in revenue during the financial year.

Nevertheless, the impact of revenue contribution from the Seberang Perai Project was partially offset by lower revenue generated from EPCC services for solar PV systems.

**11. FINANCIAL INFORMATION (Cont'd)**

Revenue from EPCC services for solar PV systems declined by RM5.13 million or 89.22% to RM0.62 million (FYE 2017: RM5.75 million). This was mainly due to the shift of our resources and focus for the implementation of our first utility scale EPCC project for solar PV power plant under LSS1 programme. In addition, this was also due to the completion of the installation works of solar PV systems for the last batch of customers under the FIT programme. This programme was launched in 2011 and there was no new quota allocated for solar PV since 2017 with the exception of 5 MW under the community category.

Our Group recorded revenue of RM1.27 million from RE and environmental consulting services which represented approximately 4.05% of our total revenue for the FYE 2018. Revenue from RE and environmental consulting services increased by RM0.49 million or 62.82% to RM1.27 million (FYE 2017: RM0.78 million) mainly due to our appointment as the owner's engineer for a solar PV power plant under LSS1 programme in Johor ("**OE Project**"). We provided development and implementation support services for this OE Project.

**Comparison between FYE 2018 and FYE 2019**

For the FYE 2019, our total revenue increased by RM36.98 million or 118.07% to RM68.30 million (FYE 2018: RM31.32 million). The increase in total revenue for the FYE 2019 was mainly due to the significant increase in revenue from our EPCC services.

Our Group recorded revenue of RM67.62 million from EPCC services which represented approximately 99.00% of our total revenue for the FYE 2019. Our revenue from EPCC services increased by RM37.57 million or 125.02% to RM67.62 million (FYE 2018: RM30.05 million). This said increase was mainly due to our EPCC services for solar PV power plants which contributed revenue of RM67.56 million driven by the following:

- (i) completion of the Seberang Perai Project in November 2018, which contributed RM67.12 million in revenue; and
- (ii) commencement of the Mersing Project, which contributed RM0.44 million in revenue during the financial year.

We recorded RM0.06 million revenue from EPCC services for solar PV systems in the FYE 2019 (FYE 2018: RM0.62 million), which represented a decrease of RM0.56 million or 90.32% as compared to FYE 2018. Revenue from our EPCC services for solar PV systems declined as we remained focused on the implementation of the Seberang Perai Project and the commencement of the Mersing Project.

We recorded revenue of approximately RM0.69 million from RE and environmental consulting services and O&M services, which represented approximately 1.00% of our total revenue for the FYE 2019. Revenue from RE and environmental consulting services decreased by RM0.90 million or 70.87% to RM0.37 million (FYE 2018: RM1.27 million) in tandem with lower revenue contribution from the OE Project as a substantial part of our services under this appointment has been rendered in the FYE 2018. Nevertheless, the impact of the decrease in revenue from RE and environmental consulting services was partially offset by the new revenue contribution of RM0.32 million from our O&M services for the Seberang Perai Project.

**11. FINANCIAL INFORMATION (Cont'd)****Comparison between FYE 2019 and FYE 2020**

For the FYE 2020, our total revenue increased by RM7.87 million or 11.52% to RM76.17 million (FYE 2019: RM68.30 million). The increase in total revenue for the FYE 2020 was mainly due to the increase in revenue from our EPCC services.

Revenue generated from EPCC services increased by RM7.03 million or 10.40% to RM74.65 million (FYE 2019: RM67.62 million), which represented approximately 98.00% of our total revenue for the FYE 2020. The increase was mainly attributable to the following:

- (i) progressive EPCC works for the Mersing Project which contributed RM23.89 million in revenue during the financial year;
- (ii) commencement of the Kluang Project which contributed RM43.52 million in revenue during the financial year;
- (iii) commencement of subcontracting services involving interconnection works for the Kuala Terengganu Project and Pasir Gudang Project (Package 1) which contributed RM4.05 million in revenue during the financial year; and
- (iv) commencement of multiple solar PV system projects which contributed RM2.05 million in revenue during the financial year.

Revenue generated from RE and environmental consulting services increased by RM0.83 million or 122.19% to RM1.52 million (FYE 2019: RM0.69 million), which represented approximately 2.00% of our total revenue for the FYE 2020. The increase was mainly due to the RE consultancy services for solar related projects such as LSS3 and NEM programmes and the renewal of contract for the O&M services for the Seberang Perai Project.

**(c) Cost of sales**

Our cost of sales comprises purchases of materials, subcontractor and external professional costs, staff costs, project related expenses and provision for defect liabilities.

- Purchases of materials

As an EPCC service provider, we are responsible for the procurement of all required equipment and construction materials such as solar PV modules, mounting system, inverters, transformers, earthing and lightning protection, SCADA system, cables and interconnection equipment. We generally purchase our equipment and construction materials based on our projects' requirements, design and specifications. These equipment and construction materials are sourced from both local and foreign suppliers and selected based on their brands, models, pricing, product quality and reliability, availability and delivery lead time, technical support and warranty period.

- Subcontractor and external professional costs

We engage subcontractors to carry out the following works:

- site preparation and civil works;
- construction of mounting structures for the solar PV modules;
- physical installation of solar PV modules and balance of system; and
- electrical works and integration to connect all equipment and components, as well as final interconnection to the power grid.

**11. FINANCIAL INFORMATION (Cont'd)**

In addition, we also engage external consultants and/or professionals to provide specialised services for, among others, project development plan submission, survey, mapping, soil investigation, testing and commissioning.

- Staff costs

Staff costs relate to salaries and allowances for our in-house technical personnel such as site engineers who are directly involved in our provision of EPCC services, RE and environmental consulting services, and O&M services.

- Project related expenses

Project related expenses comprise mainly premium for contractors' all risk insurance, application and/or processing fees to relevant authorities, rental of equipment and other incidental direct costs relating to projects such as security charges, site safety expenditure and CIDB levy.

- Provision for defect liabilities

Provision for defect liabilities is to cater for costs to be incurred to make good any defects in relation to our completed LSS project during the defect liability period.

Our cost of sales is mainly driven by the following factors:

- fluctuation in prices of equipment and construction materials, particularly the solar PV modules;
- our ability to source subcontractors at competitive prices and maintain long-term relationships with them; and
- our ability to implement and manage our projects in a timely and cost-effective manner.

Costs incurred for the provision of RE and environmental consulting services and O&M services are mainly in respect of staff costs, consultancy costs for specialised services as well as project related expenses such as rental of tools and testing instruments.

Our Group recorded cost of sales of RM4.48 million, RM26.71 million, RM58.47 million and RM64.52 million for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively. The cost of sales incurred for the provision of EPCC services accounted for approximately 92.28%, 97.58%, 99.51% and 98.94% of our total cost of sales for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively while the remaining 7.72%, 2.42%, 0.49% and 1.06% of our total cost of sales for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively was for the provision of RE and environmental consulting services and O&M services.

**11. FINANCIAL INFORMATION (Cont'd)**
**(i) Analysis of cost of sales by cost component**

A breakdown of our cost of sales by cost component for the Financial Years Under Review is as follows:

Type of cost component	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchases of materials	2,919	65.10	10,850	40.62	40,814	69.81	40,695	63.08
Subcontractor and external professional costs	810	18.06	15,378	57.58	16,280	27.84	22,804	35.34
Staff costs	88	1.96	104	0.39	398	0.68	445	0.69
Project related expenses	667	14.88	376	1.41	401	0.69	571	0.89
Provision for defect liabilities	-	-	-	-	574	0.98	-	-
<b>Total cost of sales</b>	<b>4,484</b>	<b>100.00</b>	<b>26,708</b>	<b>100.00</b>	<b>58,467</b>	<b>100.00</b>	<b>64,515</b>	<b>100.00</b>

**(ii) Analysis of cost of sales by business activities**

A breakdown of our cost of sales by business activities for the Financial Years Under Review is as follows:

Business Activities	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<b>EPCC services</b>								
Solar PV power plants	-	-	25,608	95.88	58,151	99.46	59,114	91.63
Solar PV systems	4,138	92.28	454	1.70	27	0.05	1,586	2.46
Subcontracting services for solar PV power plants	-	-	-	-	-	-	3,129	4.85
	4,138	92.28	26,062	97.58	58,178	99.51	63,829	98.94
<b>Other services</b>								
RE and environmental consulting services								
- RE consulting	264	5.89	477	1.79	76	0.13	203	0.31
- Environmental consulting	82	1.83	169	0.63	102	0.17	161	0.25
O&M	-	-	-	-	111	0.19	322	0.50
	346	7.72	646	2.42	289	0.49	686	1.06
<b>Total cost of sales</b>	<b>4,484</b>	<b>100.00</b>	<b>26,708</b>	<b>100.00</b>	<b>58,467</b>	<b>100.00</b>	<b>64,515</b>	<b>100.00</b>

**11. FINANCIAL INFORMATION (Cont'd)****Commentary:****Comparison between FYE 2017 and FYE 2018**

Our Group incurred cost of sales of RM26.71 million for the FYE 2018 which comprised purchases of materials of RM10.85 million, subcontractor and external professional costs of RM15.38 million, staff costs of RM0.10 million and project related expenses of RM0.38 million, representing approximately 40.62%, 57.58%, 0.39% and 1.41% of our total cost of sales for the FYE 2018, respectively.

For the FYE 2018, our total cost of sales increased by RM22.23 million or 496.21% to RM26.71 million (FYE 2017: RM4.48 million). The increase in total cost of sales for the FYE 2018 was in line with the increase in our revenue during the financial year. This said increase in total cost of sales was mainly attributable to purchases of materials as well as subcontractor and external professional costs for our EPCC services for solar PV power plants, namely the Seberang Perai Project, which accounted for RM25.61 million or 95.88% of our total cost of sales for the FYE 2018 (FYE 2017: Nil). Purchases of materials increased by RM7.93 million or 271.58% to RM10.85 million in the FYE 2018 (FYE 2017: RM2.92 million) mainly due to our purchases of mounting systems and higher number of transformers and solar PV modules required for the Seberang Perai Project. Our subcontractor and external professional costs also increased by RM14.57 million or 1798.77% to RM15.38 million (FYE 2017: RM0.81 million) mainly due to site preparation and civil works such as land clearing, earthworks and foundation works undertaken by our subcontractors for the Seberang Perai Project pursuant to the commencement of its construction work during the financial year. Nevertheless, the cost of sales incurred for EPCC services for solar PV systems decreased by RM3.69 million or 89.13% to RM0.45 million in FYE 2018 (FYE 2017: RM4.14 million) in tandem with our lower revenue from EPCC services for solar PV systems.

The cost of sales incurred for provision of RE and environmental consulting services for the FYE 2018 increased by RM0.30 million or 85.71% to RM0.65 million (FYE 2017: RM0.35 million), which constituted 2.42% of our total cost of sales for the FYE 2018 (FYE 2017: 7.72%). The increase was mainly due to staff cost and consultancy cost for specialised services attributable to the OE Project.

**Comparison between FYE 2018 and FYE 2019**

Our Group incurred cost of sales of RM58.47 million for the FYE 2019 which comprised purchases of materials of RM40.81 million, subcontractor and external professional costs of RM16.28 million, staff costs of RM0.40 million, project related expenses of RM0.40 million and provision for defect liabilities of RM0.58 million, representing approximately 69.81%, 27.84%, 0.68%, 0.69% and 0.98% of our total cost of sales for the FYE 2019, respectively.

For the FYE 2019, our total cost of sales increased by RM31.76 million or 118.91% to RM58.47 million (FYE 2018: RM26.71 million) in line with the increase in our revenue. This said increase in total cost of sales was mainly due to our significantly higher purchases of materials in correspondence to the progress of our EPCC services for the Seberang Perai Project. Accordingly, the cost of sales incurred for EPCC services for solar PV power plants constituted RM58.15 million or 99.46% of our total cost of sales during the financial year (FYE 2018: RM25.61 million or 95.88%). Our purchases of materials increased by RM29.96 million or 276.13% to RM40.81 million in the FYE 2019 (FYE 2018: RM10.85 million) mainly due to the delivery of solar PV modules and related equipment for the Seberang Perai Project by our suppliers during the financial year.

Our subcontractor and external professional costs increased by RM0.90 million or 5.85% to RM16.28 million (FYE 2018: RM15.38 million) mainly because more subcontractors were engaged to provide various services such as installation works and electrical works as the Seberang Perai Project progressed into its advanced stage.

**11. FINANCIAL INFORMATION (Cont'd)**

Our staff costs increased by RM0.30 million or 300.00% to RM0.40 million (FYE 2018: RM0.10 million) mainly because we deployed more staff including engineers and technical personnel to monitor and supervise the progress of the installation and integration of solar PV modules and balance of system for the Seberang Perai Project to ensure compliance with project specifications and project timeline.

In addition, we made a provision for defect liabilities of RM0.58 million for the Seberang Perai Project in the FYE 2019 following its completion to cater for any defects during the defect liability period from 1 December 2018 to 30 November 2019. Nevertheless, the entire provision amount was not utilised throughout the defect liability period, which ended on 30 November 2019.

Our cost of sales for EPCC services for solar PV systems decreased by approximately RM0.42 million or 93.33% to RM0.03 million in FYE 2019 (FYE 2018: RM0.45 million) in tandem with the decrease in our revenue from EPCC services for solar PV systems.

The cost of sales incurred for provision of RE and environmental consulting services and O&M services for the FYE 2019 decreased by RM0.36 million or 55.38% to RM0.29 million (FYE 2018: RM0.65 million), which constituted 0.49% of our total cost of sales for the FYE 2019 (FYE 2018: 2.42%). This said decrease was in line with our lower revenue from provision of RE and environmental consulting services and O&M services for the FYE 2019.

**Comparison between FYE 2019 and FYE 2020**

Our Group incurred cost of sales of RM64.52 million for the FYE 2020 which comprised purchases of materials of RM40.70 million, subcontractor and external professional costs of RM22.80 million, staff costs of RM0.45 million and project related expenses of RM0.57 million, representing approximately 63.08%, 35.34%, 0.69% and 0.89% of our total cost of sales for the FYE 2020, respectively.

For the FYE 2020, our total cost of sales increased by RM6.05 million or 10.34% to RM64.52 million (FYE 2019: RM58.47 million) which was mainly attributable to the following:

- (i) increase in cost of sales for the EPCC services which increased by RM5.65 million or 9.71% to RM63.83 million (FYE 2019: RM58.18 million), which contributed to approximately 98.94% of our total cost of sales; and
- (ii) increase in cost of sales incurred for provision of RE and environmental consulting services and O&M services which increased by RM0.40 million or 137.37% to RM0.69 million (FYE 2019: RM0.29 million), which constituted 1.06% of our total cost of sales,

which was in line with higher overall revenue recorded during the FYE 2020.

The said increase was mainly due to the increase in the subcontractor and external professional costs, which increased by RM6.52 million or 40.07% to RM22.80 million (FYE 2019: RM16.28 million) as more civil and structural, installation as well as electrical and mechanical works were carried out for the Mersing Project, Kluang Project, Kuala Terengganu Project and Pasir Gudang Project (Package 1) as well as for the solar PV system projects during the financial year. Correspondingly, we also incurred higher staff costs and project related expenses in order to cater for the on-going projects which were running concurrently. Our purchases of materials decreased marginally by RM0.12 million or 0.29% to RM40.70 million in the FYE 2020 (FYE 2019: RM40.81 million).



**11. FINANCIAL INFORMATION (Cont'd)****Commentary:****Comparison between FYE 2017 and FYE 2018**

Our overall GP for the FYE 2018 increased by RM2.56 million or 124.88% to RM4.61 million (FYE 2017: RM2.05 million) mainly due to higher GP from EPCC services, which accounted for 86.48% of our total GP for FYE 2018. Our overall GP margin decreased from 31.33% in the FYE 2017 to 14.73% in the FYE 2018 mainly due to the lower GP margin for our EPCC services despite higher GP recorded during the financial year.

Our GP from the provision of EPCC services increased by RM2.38 million or 147.83% to RM3.99 million (FYE 2017: RM1.61 million) due to higher revenue and GP contribution from the EPCC services for solar PV power plants as a result of the commencement of our EPCC services for the Seberang Perai Project.

However, our GP margin for EPCC services decreased to 13.28% in the FYE 2018 (FYE 2017: 27.98%) mainly due to the following:

- (i) a lower tariff or electricity rate for the LSS programme as compared to the FiT programme had affected our pricing strategy which resulted in our lower GP margin. For illustrative purposes, the average FiT tariff rate for the solar PV systems where we provided EPCC services in the FYE 2018 was RM0.914/kWh whereas the LSS tariff for the Seberang Perai Project was RM0.408/kWh; and
- (ii) EPCC of solar PV power plants required additional costs for specialised subcontractors to undertake works which are not usually required for solar PV systems such as site preparation, civil and structural works.

Our GP from provision of RE and environmental consulting services increased by RM0.18 million or 40.91% to RM0.62 million (FYE 2017: RM0.44 million) mainly due to contribution from the OE Project. However, our GP margin for provision of RE and environmental consulting services decreased to 49.13% in the FYE 2018 (FYE 2017: 55.87%), which was mainly attributable to the engagement of external parties for additional resources to be based at project sites for site supervision, and verification of completed works.

**Comparison between FYE 2018 and FYE 2019**

Our overall GP for the FYE 2019 increased by RM5.22 million or 113.23% to approximately RM9.83 million (FYE 2018: RM4.61 million) as a result of higher GP contribution from EPCC services. Our overall GP margin decreased marginally from 14.73% in the FYE 2018 to 14.40% in the FYE 2019. This was mainly due to lower GP contribution from the provision of RE and environmental consulting services and O&M services, which was generally of higher GP margin as compared to provision of EPCC services as the main costs involved are only salaries for in-house personnel and external consultancy fees.

Our GP from provision of EPCC services increased by RM5.45 million or 136.59% to RM9.44 million (FYE 2018: RM3.99 million) due to higher GP contribution from EPCC services for the Seberang Perai Project in tandem with its higher revenue contribution during the financial year.

**11. FINANCIAL INFORMATION (Cont'd)**

Our GP margin for EPCC services increased to 13.96% in the FYE 2019 (FYE 2018: 13.28%) mainly attributable to project cost savings arising from the completion of the Seberang Perai Project within the project budget as a result of value engineering and effective project management, which resulted in design optimisation and reduction of the actual cost incurred as compared to the budgeted cost for materials and labour. Value engineering refers to a systematic method to improve the delivery of services by controlling certain factors such as optimisation of cable and wire sizing, optimisation of cable routing and orientation of solar PV panels, in order to reduce costs or time to completion. Further, our effective project management such as proactively liaising with relevant authorities and close monitoring of project progress, have resulted in timely completion of the Seberang Perai Project.

Our GP from provision of RE and environmental consulting services and O&M services decreased by approximately RM0.22 million or 35.48% to RM0.40 million (FYE 2018: RM0.62 million) mainly due to lower GP contribution from provision of RE consulting services. This was in tandem with the decrease in revenue from the OE Project and higher costs incurred in the FYE 2019 for the OE Project, which also resulted in the GP margin for provision of RE consulting services to decline in the FYE 2019 to 30.91% (FYE 2018: 48.54%). Nevertheless, our overall GP margin for provision of RE and environmental consulting services and O&M services increased to 57.81% in the FYE 2019 (FYE 2018: 49.13%) mainly attributable to the GP contribution from our O&M services of RM0.21 million (FYE 2018: Nil) which translated into a GP margin of 64.87%.

**Comparison between FYE 2019 and FYE 2020**

Our overall GP for the FYE 2020 increased by RM1.82 million or 18.52% to RM11.65 million (FYE 2019: RM9.83 million) as a result of higher GP contribution from both EPCC services and RE and environmental consulting services, and O&M services. Our overall GP margin also increased from 14.40% in the FYE 2019 to 15.30% in the FYE 2020 mainly due to higher GP margin for our EPCC services during the financial year.

Our GP from the provision of EPCC services increased by RM1.38 million or 14.63% to RM10.82 million (FYE 2019: RM9.44 million) due to higher GP contribution from EPCC services for the Kluang Project and Mersing Project as well as the interconnection works for the Kuala Terengganu Project in tandem with higher revenue contribution during the financial year. Our GP margin for EPCC services increased to 14.49% in the FYE 2020 (FYE 2019: 13.96%) mainly attributable to higher GP margin for the Kuala Terengganu Project as well as the solar PV system projects.

Our GP from provision of RE and environmental consulting services, and O&M services increased by RM0.44 million or 111.11% to RM0.84 million (FYE 2019: RM0.40 million) mainly due to higher GP contribution from provision of RE consulting services and O&M services which was in tandem with the increase in revenue from the RE consulting services for solar related projects such as LSS3 and NEM programmes and the renewal of contract for the O&M services for the Seberang Perai Project. Our GP margin for provision of RE and environmental consulting services and O&M services decreased to 54.93% in the FYE 2020 (FYE 2019: 57.81%) mainly due to lower GP margin accorded for the O&M services for the Seberang Perai Project as more scope of work and resources were required following the renewal of the O&M contract.

**11. FINANCIAL INFORMATION (Cont'd)****(e) Other Income**

Our Group did not record any other income for the FYE 2017. Nevertheless, we recorded other income of RM0.04 million, RM0.19 million and RM0.52 million for the FYE 2018, FYE 2019 and FYE 2020, respectively. The breakdown of our other income for the Financial Years Under Review is as follows:

	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest income	-	-	17	47.22	120	61.86	446	85.77
Others*	-	-	19	52.78	74	38.14	74	14.23
<b>Total</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>100.00</b>	<b>194</b>	<b>100.00</b>	<b>520</b>	<b>100.00</b>

**Note:**

\* Others mainly comprise income derived from fair value gain on short-term investments.

**Commentary:****Comparison between FYE 2017 and FYE 2018**

For the FYE 2018, our Group recorded other income of RM0.04 million (FYE 2017: Nil) mainly from interest earned on short-term bank deposits.

**Comparison between FYE 2018 and FYE 2019**

For the FYE 2019, our Group recorded an increase in other income of RM0.15 million or 375.00% to RM0.19 million (FYE 2018: RM0.04 million). The higher other income was mainly due to the increase in interest income of RM0.10 million pursuant to higher placement of funds in short-term investment in money market funds, and fair value gain on short-term investment in money market fund of RM0.07 million.

**Comparison between FYE 2019 and FYE 2020**

For the FYE 2020, our Group recorded an increase in other income of RM0.33 million or 168.04% to RM0.52 million (FYE 2019: RM0.19 million). The increase in other income was due to the increase in interest income of RM0.33 million pursuant to higher placement of funds in short-term investment in money market funds.

**11. FINANCIAL INFORMATION (Cont'd)****(f) Administrative expenses**

Our Group incurred administrative expenses of RM0.68 million, RM1.19 million, RM2.38 million and RM4.80 million for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively. The breakdown of our administrative expenses for the Financial Years Under Review is as follows:

	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff cost	340	57.24	545	45.95	955	40.09	1,200	25.01
Directors' remuneration	-	-	148	12.48	549	23.05	798	16.63
Staff welfare	37	6.23	43	3.63	63	2.64	103	2.15
Travelling expenses	43	7.24	63	5.31	150	6.30	97	2.02
Depreciation of property, plant and equipment	25	4.21	29	2.45	94	3.95	128	2.67
Rental expenses	36	6.06	40	3.37	72	3.02	45	0.94
Legal and professional fees	58	9.76	186	15.68	156	6.55	1,622	33.81
Others <sup>^</sup>	55	9.26	132	11.13	343	14.40	805	16.77
<b>Total</b>	<b>594</b>	<b>100.00</b>	<b>1,186</b>	<b>100.00</b>	<b>2,382</b>	<b>100.00</b>	<b>4,798</b>	<b>100.00</b>

**Note:**

<sup>^</sup> Others mainly comprise loss on foreign exchange, loss on disposal of equipment, marketing expenses, utility charges, entertainment expenses, printing and stationery, bank charges, office and sundry expenses, and recruitment charges.

**Commentary:****Comparison between FYE 2017 and FYE 2018**

For the FYE 2018, our administrative expenses increased by RM0.60 million or 101.69% to RM1.19 million (FYE 2017: RM0.59 million) due to the following factors:

- (i) increase in staff costs of RM0.21 million mainly due to the increase in staff force of 8 employees from 4 employees as at 30 June 2017 to 12 employees as at 30 June 2018 to cater for the expansion of our scale of operations;
- (ii) increase in directors' remuneration of RM0.15 million due to the appointment of new director namely Ir. Chow Pui Hee as director in Samaiden;
- (iii) increase in legal and professional fees of RM0.13 million mainly due to legal fees for the purchase of office building, ISO consultant fees and professional recruitment fees for engineers; and
- (iv) increase in other administrative expenses of RM0.11 million which was generally in line with the expansion of our scale of operations.

**11. FINANCIAL INFORMATION (Cont'd)****Comparison between FYE 2018 and FYE 2019**

For the FYE 2019, our administrative expenses increased by RM1.19 million or 100.00% to RM2.38 million (FYE 2018: RM1.19 million) due to the following factors:

- (i) increase in staff costs of RM0.41 million mainly due to the higher bonus payment given our improved financial performance coupled with the increase in staff force of 6 employees from 12 employees as at 30 June 2018 to 18 employees as at 30 June 2019 to cater for the continued expansion of our scale of operations;
- (ii) increase in directors' remuneration of RM0.40 million due to full-year effect of remuneration paid to a director previously appointed in April 2018; and
- (iii) increase in other administrative expenses by RM0.38 million which was generally in line with the expansion of our scale of operations.

**Comparison between FYE 2019 and FYE 2020**

For the FYE 2020, our administrative expenses increased by RM2.42 million or 101.43% to RM4.80 million (FYE 2019: RM2.38 million) due to the following factors:

- (i) increase in staff costs of RM0.25 million mainly due to the increase in staff force of 7 employees from 18 employees as at 30 June 2019 to 25 employees as at 30 June 2020 to cater for the continued expansion of our scale of operations;
- (ii) increase in directors' remuneration of RM0.25 million due to revision to directors' remuneration;
- (iii) increase in the legal and professional fees of RM1.47 million mainly in respect of Listing related expenses and the legal fees incurred for the banking facilities; and
- (iv) increase in other administrative expenses by RM0.46 million mainly due to loss on foreign exchange of RM0.39 million and higher other expenses of RM0.07 million which was in line with the expansion of our scale of operations.

**(g) Net impairment losses on financial assets**

Our Group's net impairment losses on financial assets are in relation to impairment losses on trade receivables. Our Group did not incur any net impairment losses on financial assets in the FYE 2017. We incurred net impairment losses on financial assets of RM0.19 million, RM0.13 million and RM0.07 million for the FYE 2018, FYE 2019 and FYE 2020, respectively.

**Commentary:****Comparison between FYE 2017 and FYE 2018**

For the FYE 2018, our Group recorded an impairment loss on financial assets of RM0.19 million (FYE 2017: Nil) arising from expected credit loss on trade receivables in accordance with MFRS 9.

**Comparison between FYE 2018 and FYE 2019**

For the FYE 2019, our Group recorded an impairment loss on financial assets of RM0.13 million (FYE 2018: RM0.19 million) mainly due to specific impairment on two trade debtors for environmental consulting services and EPCC of solar PV system which were unrecoverable from the customers.

**11. FINANCIAL INFORMATION (Cont'd)****Comparison between FYE 2019 and FYE 2020**

For the FYE 2020, our Group recorded an impairment loss on financial assets of RM0.07 million (FYE 2019: RM0.13 million) mainly due to a specific credit loss on trade receivables in accordance with MFRS 9.

**(h) Finance Costs**

Our Group did not incur any finance cost in the FYE 2017 and FYE 2018. We incurred finance costs of RM3,193 in the FYE 2019 and RM0.03 million in the FYE 2020. The breakdown of our finance costs for the Financial Years Under Review is as follows:

	FYE 2017		FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Term loans	-	-	-	-	-	-	24	92.31
Hire purchase payable	-	-	-	-	3	100.00	-	-
Lease liability	-	-	-	-	-	-	2	7.69
<b>Total</b>	-	-	-	-	<b>3</b>	<b>100.00</b>	<b>26</b>	<b>100.00</b>

**Commentary:**

Our Group did not have any borrowings during the FYE 2017 and FYE 2018 and hence no finance costs were incurred during these two financial years. For the FYE 2019, our Group incurred interest cost of RM3,193 in respect of the hire purchase payable for a motor vehicle acquired by us during the financial year.

For the FYE 2020, our Group recorded an increase in finance costs of RM0.02 million to RM0.03 million as compared to RM3,193 recorded in the FYE 2019 mainly due to interest cost incurred in relation to new drawdown of term loan for the purchase of our Head Office during the financial year.

**(i) Taxation**

The breakdown of our income tax expense for the Financial Years Under Review is as follows:

	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Income tax expense (RM'000)	88	63	37	49
Effective tax rate (%)	6.06	1.92	0.49	0.67
Statutory tax rate (%)	24.00	24.00	24.00	24.00

**Commentary:**

Our subsidiary, Samaiden, has been granted GITE which was approved under the Income Tax (Exemption) (No. 11) Order 2006 [P.U. (A) 112/2006], Income Tax Act 1967. Pursuant to the GITE, 100% of the company's statutory income generated from green technology services inclusive of RE is exempted from tax for the years of assessment 2017 (from 2 November 2016, as approved by the MIDA) to 2020. Accordingly, our effective tax rate was 6.06%, 1.92%, 0.49% and 0.67%, which is lower than the statutory tax rate, for the FYE 2017, FYE 2018, FYE 2019 and FYE 2020, respectively.

**11. FINANCIAL INFORMATION (Cont'd)****(j) PBT and PAT**

	<b>FYE 2017</b>	<b>FYE 2018</b>	<b>FYE 2019</b>	<b>FYE 2020</b>
PBT (RM'000)	1,452	3,277	7,516	7,278
PAT (RM'000)	1,364	3,214	7,479	7,229
PBT margin (%)	22.24	10.46	11.00	9.55
PAT margin (%)	20.89	10.26	10.95	9.49

**Commentary:****Comparison between FYE 2017 and FYE 2018**

For the FYE 2018, our Group recorded an increase in PBT of RM1.83 million or 126.21% to RM3.28 million for the FYE 2018 (FYE 2017: RM1.45 million) and increase in PAT of RM1.85 million or 136.03% to RM3.21 million for the FYE 2018 (FYE 2017: RM1.36 million). The increase in both PBT and PAT for the FYE 2018 was mainly due to the significant increase in our GP mainly contributed by our EPCC services as a result of higher revenue recorded during the financial year pursuant to the commencement of the Seberang Perai Project.

Our PBT margin decreased from 22.24% for the FYE 2017 to 10.46% for the FYE 2018. Our PAT margin also decreased from 20.89% for the FYE 2017 to 10.26% for the FYE 2018. The decrease in our PBT margin and PAT margin was mainly due to lower GP margin recorded during the financial year.

Please refer to Section 11.3.1(d) for further details on our GP analysis.

**Comparison between FYE 2018 and FYE 2019**

For the FYE 2019, our Group recorded an increase in PBT of RM4.24 million or 129.27% to RM7.52 million for the FYE 2019 (FYE 2018: RM3.28 million) and increase in PAT of RM4.27 million or 133.02% to RM7.48 million for the FYE 2019 (FYE 2018: RM3.21 million). The increase in both PBT and PAT for the FYE 2019 was mainly due to the increase in our GP as a result of higher revenue recorded during the financial year.

Our PBT margin increased marginally from 10.46% for the FYE 2018 to 11.00% for the FYE 2019. Our PAT margin also increased marginally from 10.26% for the FYE 2018 to 10.95% for the FYE 2019. The increase in our PBT margin and PAT margin were mainly due to a higher other income coupled with a lower proportionate increase in administrative expenses as compared to the increase in our revenue during the financial year.

**Comparison between FYE 2019 and FYE 2020**

For the FYE 2020, our Group recorded a decrease in PBT of RM0.24 million or 3.17% to RM7.28 million (FYE 2019: RM7.52 million) and decrease in PAT of RM0.25 million or 3.34% to RM7.23 million (FYE 2019: RM7.48 million). The decrease in both PBT and PAT for the FYE 2020 was mainly due to the increase in our administrative expenses arising from the increased level of operations and professional fees in relation to our Listing.

Our PBT margin decreased from 11.00% for the FYE 2019 to 9.55% for the FYE 2020. Our PAT margin also decreased from 10.95% for the FYE 2019 to 9.49% for the FYE 2020. The decrease in our PBT margin and PAT margin were mainly due to higher administrative expenses incurred during the financial year.

**11. FINANCIAL INFORMATION (Cont'd)****11.3.2 Significant factors materially affecting our operations and financial results**

In addition to the factors and trends set out in Section 11.5 of this Prospectus, some of the factors that may have an impact to our operations and financial results are as follows:

**(i) Our operations and financial results are driven by the performance of the RE sector specifically the solar PV industry**

Our Group provides EPCC services for solar PV systems and power plants, RE and environmental consulting services and O&M services and hence our operations and financial results are driven by the performance of the RE sector specifically the solar PV industry. The growth in solar PV industry will be driven by Government incentives and initiatives through the FIT, NEM and LSS programmes, as well as industry trends in Malaysia. Please refer to Section 7 of this Prospectus for further details on the incentives and initiatives. The Government is working towards increasing the use of renewable resources, including mini-hydro, biomass, biogas and solar as an initiative to reduce carbon dioxide (CO<sub>2</sub>) emission. *(Source: Industry Overview)*

Our on-going EPCC projects include solar PV systems for NEM programme and power plants for LSS programme. The LSS programme by the Energy Commission Malaysia was first launched in 2016 through approvals of fast-track contracts and three rounds of competitive biddings (LSS1, LSS2 and LSS3). In May 2020, the Ministry of Energy and Natural Resources announced the LSS@MEntARI with a solar quota release of 1,000 MWac for Peninsular Malaysia. The bid was opened on 31 May 2020 and bids are to be submitted by 2 September 2020. The LSS@MEntARI is the largest quota offered for bidding compared to the previous LSS1, LSS2 and LSS3 programmes which ranged between 250 MW and 500 MW.

Samaiden, together with a consortium partner, on 2 September 2020, submitted a tender document for the LSS@MEntARI under Package 1 for capacity between 10 MW and less than 30 MW to the Energy Commission Malaysia.

As for the NEM programme for solar PV that was implemented in November 2016, there is an allocation of a quota of 500 MW under the NEM programme up to the year 2020. Effective from 1 January 2019, the NEM programme was enhanced to offer a one-on-one offset basis by off-setting every 1 kWh exported with 1 kWh consumed from the grid. As at end of August 2020, total quota allocated for solar PV under the NEM programme was 215.18 MW for 2020 compared to 30.31 MW in 2019. The higher quota allocated in 2020 was mainly due to increase in participation resulting from the introduction of the enhanced NEM programme. *(Source: Industry Overview)*

Given our experience and technical know-how in the RE sector specifically the solar PV industry, we will continue to tap on and capture vast business opportunities arising from the development in the RE sector including solar PV and biogas to grow and expand our business and in turn generate more revenue and profitability to our Group. There is no assurance that our business, performance and results of operations will not be materially and adversely affected if we are unable to do so. Please refer to Section 7 of this Prospectus for further details on the solar PV industry.

**(ii) Continuity of our order book**

As a provider of EPCC services for the solar PV industry and RE sector, our business is mainly project driven and our EPCC contract period generally ranges from six to 18 months, while our O&M contracts may range from one to three years. Hence, our operations and financial results are dependent on our ability to secure new projects and/or contracts and there is no assurance of continuity of order book from a financial year to the next financial year. In the event that our Group is unable to secure any new contracts and/or projects to replenish our order book, our revenue, profitability, long term sustainability and business growth will be adversely affected. Please refer to Section 11.6 of this Prospectus for further details on the order book.

**11. FINANCIAL INFORMATION (Cont'd)****(iii) Competition**

According to the Industry Overview, there were 152 contractors registered as solar PV system contractor for system with capacity exceeding 72 kWp with CIDB and 152 solar PV service providers registered with the SEDA as at 3 September 2020. Our Group has to compete with both local and foreign contractors in terms of pricing, financial capability, technical and solution capabilities, track records and quality of services offered.

Nevertheless, our competitive strengths enable us to compete effectively in the industry that we are operating in, which include the following:

- (i) we have experience in undertaking EPCC of solar PV power plants for LSS;
- (ii) we have expertise in providing end-to-end services for solar PV power plant projects;
- (iii) we have experienced technical and management team; and
- (iv) we have track record in providing quality services and timely completion of our EPCC projects.

In addition, Energy Commission Malaysia has imposed that contractors for EPCC for LSS3 programme must be 100% CIDB registered local contractors. Being a G7 CIDB registered local contractor, Samaiden is eligible to be involved in LSS3 programme.

Although we will continue to take measures to maintain our competitiveness through our competitive advantages and key strengths set out in Section 6.1.2 of this Prospectus, there is no assurance that our business, profit margin, performance and results of operations will not be materially and adversely affected if we are unable to do so. Please refer to Sections 8 and 7 of this Prospectus for further details on the risk factors and the industry analysis on the solar PV industry in Malaysia respectively.

**(iv) Unanticipated increase in project cost and delay in completion**

Due to the nature of our business, we are subject to project management risks such as cost risk, schedule risk, performance and operational risk which would typically give rise to unanticipated increase in project cost or cost overrun and delay in completion of projects. Such risks can be due to poor project cost estimation and budgeting, change of scope of work and design, poor project administration in terms of procurement and communication, poor project site management in terms of construction and coordination works as well as factors beyond our control such as weather, fluctuation in the price of materials and equipment, fluctuation in foreign currency exchange, delay or disruption in the supply of materials or contracting services from third parties, untimely receipts of relevant licences, regulatory approvals and permits, availability of financing and accessibility to project sites.

Our Group's revenue and profitability is subject to our ability to complete and deliver our projects in accordance with the project milestones stated in the contracts and within our project budget. Any adverse development and management of our projects will result in delay in revenue recognition and project cost overrun and may also subject us to liquidated damages claims by our customers, and hence adversely affect our financial performances. Please refer to Sections 3.11 and 8 of this Prospectus for further details on the impact of COVID-19 on the implementation of our projects and risk factors.

**11. FINANCIAL INFORMATION (Cont'd)****(v) Potential defect liability claims and warranties**

Being a provider of EPCC services for solar PV power plants and solar PV systems, we are exposed to the risk of defect liability claims by our customers as a result of the defects in our EPCC works during the defect liability period. Defect liability period usually ranges from 12 to 24 months after final acceptance of our EPCC works, and we are responsible to make good and rectify any defects for our EPCC works during this period. We also provide performance warranty for solar PV power plants in the form of minimum performance ratio that can be achieved as stipulated in the contract. We will be liable for any shortfall of the plant performance from its target level, for which the project owner shall receive reasonable compensation from us. Hence, in the event there are claims against our failure to meet minimum performance ratio and/or defect claims on our EPCC works, our financial performance will be adversely affected.

Generally, we are not legally and financially responsible for claims against manufacturers of the products that we use as such warranties will be covered by the product manufacturers. Please refer to Sections 6.4.2 and 8 of this Prospectus for further details on the warranties and the risk factor in relation to the risk of claims against performance and product warranty.

**(vi) Impact of foreign exchange**

For the Financial Years Under Review, our purchases of materials such as solar PV modules and inverters are sourced both locally and from overseas and are usually quoted in USD. We usually obtain quotes and lock in the prices with the suppliers for our projects during the bidding and/or negotiation stage with our customers. Hence, any adverse fluctuation in the foreign currency exchange after this stage up to our actual purchases of these materials may affect the cost of purchase and thus our project margin and operating profits, if we are not able to revise our bidding proposal. During FYE 2020, the purchases of materials namely solar PV modules and inverters were mainly sourced from overseas and transacted in USD.

For the FYE 2017, FYE 2018 and FYE 2019, our financial performance was not materially affected by the impact of fluctuation in foreign exchange on our purchases as our purchases were mainly transacted in RM. Nevertheless, for the FYE 2020, we incurred a loss on foreign exchange of RM0.39 million due to unfavourable foreign exchange movement for purchases made and transacted in USD amounted to RM27.82 million which represents 43.82% of the total purchases of materials and services for the FYE 2020. Our management constantly monitors the movements of USD against RM with the aim of assessing such potential exposure/risk with due regard to its payables denominated in USD and if the need arises, to enter into hedging arrangement for the same. As at the LPD, our management does not utilise any financial instruments for hedging purposes.

**(vii) Impact of commodity prices**

For the Financial Years Under Review, we were not directly affected by fluctuation in commodity prices.

**(viii) Impact of interest rates**

We incurred minimal finance costs for the Financial Years Under Review given our low outstanding borrowings position over the same period. Therefore, there was no material impact arising from fluctuation of interest rates on our operations and financial results for the Financial Years Under Review.

**(ix) Impact of inflation**

There was no material impact of inflation on our Group's financial results for the Financial Years Under Review.

**11. FINANCIAL INFORMATION (Cont'd)****(x) Impact of government/economic/fiscal/monetary policies**

Risks relating to government, economic, fiscal or monetary policies or factors which may materially affect our operations are set out in Section 8 of this Prospectus. Save as disclosed in Sections 6.4.1(a), 6.4.2(a)(iii), 8.1.1, 8.2.1, 8.2.4 and 11.3.2(i), 11.3.2(vii), 11.3.2(ix) and 11.3.2(xi) of this Prospectus, there are no government, economic, fiscal or monetary policies or factors that have materially impacted our historical profits for the Financial Years Under Review.

**(xi) Impact of expiry of tax exemption**

Samaiden, our subsidiary, had obtained approval from MIDA for income tax exemption under GITE. As such, Samaiden is eligible for income tax exemption of 100% of its statutory income generated from green technology services inclusive of RE for the years of assessment 2017 (from 2 November 2016, as approved by MIDA) to year of assessment 2020. The GITE granted to Samaiden has expired on 30 June 2020 and as such, it will no longer enjoy tax exemption after the FYE 2020. From the FYE 2021 onwards, Samaiden will be subject to the statutory tax rate.

For illustrative purposes, had the GITE not been in place for the FYE 2020, the taxable income of Samaiden for the FYE 2020 would have been subject to prevailing statutory tax rate of 24%.

**(xii) Impact of COVID-19 outbreak and MCO on business, results of operations and/or financial performance of our Group**

Whilst the MCO has suspended our on-site activities temporarily for approximately one month, as disclosed in Section 8.2.4 of this Prospectus, the impact of the MCO to our business, results of operations and financial performance were not material as at the LPD.

As at the LPD, our Group does not foresee any material adverse effect on the financial position or business of our Group arising from the MCO and the COVID-19 outbreak in view of our overall financial position and relatively lean fixed cost structure. Further, our Directors consider that the disruption caused by and the impact of the COVID-19 outbreak is not expected to be long-lasting. Therefore, it is expected that the overall impact caused by the outbreak of COVID-19 on our business, results of operations and/or financial performance will not be material, and that our Group will be able to discharge our obligations under all on-going projects.

**11.3.3 Liquidity and capital resources**

Our operations are funded through cash generated from our operating activities, credit extended by our suppliers, credit facilities granted by financial institutions as well as our existing cash and bank balances.

As at the LPD, our Group has cash and short-term investment in money market funds totalling RM19.76 million, and a combined limit for trade and project financing facilities of RM17.70 million, RM15.29 million of which was unutilised. Out of the RM17.70 million combined limit for trade and project financing facilities, RM15.00 million is earmarked for the Mersing Project and Kluang Project, while the remaining RM2.70 million is for general trade purposes.

**11. FINANCIAL INFORMATION (Cont'd)**

Based on the above and after taking into consideration the funding requirements for our committed capital expenditure, existing level of cash and bank balances, expected cash flows to be generated from our operations, credit facilities available and the estimated net proceeds from our Public Issue, our Board is of the view that we will have sufficient working capital for a period of 12 months from the date of this Prospectus.

The table below sets out the summary of our Group's historical audited combined statements of cash flows for the Financial Years Under Review:

	<-----Audited----->			
	FYE 2017 RM'000	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000
Net cash from operating activities	1,705	11,150	1,845	11,782
Net cash (for)/from investing activities	(13)	(1,074)	542	(791)
Net cash (for)/from financing activities	(589)	97	(4,954)	1,031
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,103</b>	<b>10,173</b>	<b>(2,567)</b>	<b>12,022</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>462</b>	<b>1,565</b>	<b>11,738</b>	<b>9,171</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>1,565</b>	<b>11,738</b>	<b>9,171</b>	<b>21,193</b>

There are no legal, financial or economic restrictions on the ability of our subsidiaries to transfer funds to our Company in the form of cash dividends, loans or advances, subject to availability of distributable reserves and compliance with financial covenants.

**Commentary:****Net cash from operating activities****FYE 2017**

For the FYE 2017, our operating cash flows before working capital changes were RM1.48 million. After adjusting for the following key items, our net cash from operating activities was RM1.71 million:

- (i) net decrease in contract assets of RM0.22 million following milestone billing to customers for the installation of solar PV systems;
- (ii) decrease in trade and other receivables of RM0.16 million due to collection of outstanding trade debts;
- (iii) decrease in trade and other payables of RM0.05 million mainly due to settlement of other payables; and
- (iv) payment of income tax of RM0.10 million.

**11. FINANCIAL INFORMATION (Cont'd)****FYE 2018**

For the FYE 2018, our operating cash flows before working capital changes were RM3.48 million. After adjusting for the following key items, our net cash from operating activities was RM11.15 million:

- (i) net increase in contract liabilities of RM18.47 million mainly due to contract liabilities amounted to RM16.41 million attributable to billings for the purchase of solar PV modules and inverters as per the billing milestones as commercially negotiated and stated in the contract of the Seberang Perai Project;
- (ii) increase in contract costs of RM2.30 million mainly due to solar PV modules which have been ordered but pending delivery to the project site of the Seberang Perai Project. This is in accordance with our Group's accounting policies which conform to paragraph 95 of MFRS 15;
- (iii) increase in trade and other receivables of RM11.60 million mainly due to increase in trade receivables of RM10.02 million which was in line with the increase in our revenue and billings during the financial year pursuant to the commencement of the Seberang Perai Project. Other receivables also increased by RM1.58 million mainly due to payment made on behalf of a customer for security deposit to TNB amounting to RM0.75 million, down payment to suppliers for the purchase of materials of RM0.22 million and advanced payment to suppliers amounting to RM0.36 million of which the goods were received in the following financial year;
- (iv) increase in trade and other payables of RM3.19 million mainly due to increase in trade payables of RM2.51 million which was in line with our higher purchases of materials and services during the financial year following the commencement of the Seberang Perai Project. Other payables also increased by RM0.69 million mainly due to higher Goods and Services Tax payable in line with our higher billings; and
- (v) payment of income tax of RM0.09 million.

**FYE 2019**

For the FYE 2019, our operating cash flows before working capital changes were RM7.56 million. After adjusting for the following key items, our net cash from operating activities was RM1.85 million:

- (i) net decrease in contract liabilities of RM14.50 million mainly due to completion of the Seberang Perai Project in November 2018, where contract liabilities attributable to the Seberang Perai Project as at 30 June 2018 have been recognised as revenue during the FYE 2019 in line with the progression of the project;
- (ii) decrease in contract costs of RM1.97 million mainly due to the delivery of the solar PV modules for the Seberang Perai Project;
- (iii) decrease in trade and other receivables of RM6.22 million mainly due to decrease in trade receivables of RM4.91 million following progress payment received from the Seberang Perai Project customer. Other receivables decreased by RM1.31 million mainly due to repayment from the customer of security deposit to TNB previously paid by us on their behalf, and the reversal of down payments and advanced payments following the receipts of goods from suppliers;
- (iv) increase in trade and other payables of RM0.63 million mainly due to increase in trade payables of RM0.32 million in line with our higher purchases of materials and services for FYE 2019. Other payables also increased by RM0.30 million mainly due to provision for staff bonus and accruals related to provision for defect liabilities; and
- (v) payment of income tax of RM0.03 million.

**11. FINANCIAL INFORMATION (Cont'd)****FYE 2020**

For the FYE 2020, our operating cash flows before working capital changes were RM6.99 million. After adjusting for the following key items, our net cash from operating activities was RM11.78 million:

- (i) decrease in contract costs of RM0.33 million mainly due to the delivery of the solar PV modules for the Kluang Project;
- (ii) increase in trade and other payables of RM7.75 million mainly due to increase in trade payables of RM8.11 million in line with higher subcontractors cost incurred for the FYE 2020 which was partly offset with the decrease in other payables of RM0.36 million mainly due to reversal of the provision for defect liabilities;
- (iii) net increase in contract assets of RM0.47 million mainly due to work completed pending certification for billings;
- (iv) increase in trade and other receivables of RM2.74 million mainly due to increase in trade receivables of RM2.72 million in line with the higher progress billings during the FYE 2020;
- (v) increase in inventory of RM0.03 million mainly due to the purchase of solar PV modules for our solar PV system projects; and
- (vi) net payment of income tax of RM0.04 million.

**Net cash (for)/from investing activities****FYE 2017**

Our Group recorded net cash for investing activities of RM0.01 million for the FYE 2017. This was attributable to the purchase of office equipment amounting to RM0.01 million during the financial year.

**FYE 2018**

Our Group recorded net cash for investing activities of RM1.07 million for the FYE 2018. This was mainly attributable to purchases of motor vehicle and office equipment, furniture and fittings amounting to RM0.09 million and an advance to a director of RM1.00 million.

However, the outflow was partially offset by interest received from short-term investment in money market funds amounting to RM0.02 million.

**FYE 2019**

Our Group recorded net cash from investing activities of RM0.54 million for the FYE 2019. This was mainly attributable to the repayment of amount owing by director of RM1.00 million, and interest received from short-term investment in money market funds amounting to RM0.12 million.

However, the inflow was partially offset by the following:

- (i) purchases of motor vehicle, project equipment and office equipment, furniture and fittings as well as office renovation amounting to RM0.29 million; and
- (ii) pledging of fixed deposits of RM0.40 million with a bank as security for banking facilities granted to our Group.

**11. FINANCIAL INFORMATION (Cont'd)****FYE 2020**

Our Group recorded net cash for investing activities of RM0.79 million for the FYE 2020. This was mainly attributable to the interest received from short-term investment in money market funds amounting to RM0.45 million. However, the inflow was partially offset by the following:

- (i) purchases of project equipment and Head Office amounted to RM1.29 million; and
- (ii) pledging of fixed deposits of RM0.02 million with a bank as security for banking facilities granted to our Group.

**Net cash (for)/from financing activities****FYE 2017**

Our Group recorded net cash for financing activities of RM0.59 million mainly arising from dividend payment of RM0.40 million and repayment of amount owing to directors of RM0.19 million for advances and payments made by the directors on our behalf.

**FYE 2018**

Our Group recorded net cash from financing activities of RM0.10 million mainly due to proceeds received from Samaiden's increase in share capital of RM0.65 million. The inflow was offset by dividend payment of RM0.50 million, and repayment of amount owing to directors of RM0.05 million for advances and payments made on behalf.

**FYE 2019**

Our Group recorded net cash for financing activities of RM4.95 million mainly arising from dividend payment of RM5.20 million, and repayment of term loan and hire purchase payable of RM0.02 million.

The outflow was partially offset by the proceeds received arising from Samaiden's increase in share capital of RM0.25 million.

**FYE 2020**

Our Group recorded net cash from financing activities of RM1.03 million arising from the drawdown of a term loan.

**11.3.4 Borrowings and financial instruments**

The short-term banking facilities available to our Group include revolving credit, letter of credit, trust receipt and bank guarantee, which are to be used by us for project financing and working capital purposes. The long-term banking facilities of our Group include lease liability and term loan for the purchase of motor vehicle and our Head Office, respectively.

**11. FINANCIAL INFORMATION (Cont'd)**

As at 30 June 2020, our total outstanding borrowings amounted to RM1.10 million comprising term loan and lease liability, which are as follows:

Type of borrowings	Tenure	Interest rates (per annum)	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
Term loans	10 to 20 years ending in January 2029 and October 2039, respectively	3.15% to 5.81% <sup>#</sup>	37	995	1,032
Lease liability	5 years ending in August 2023	4.59%	18	46	64
<b>Total borrowings</b>			<b>55</b>	<b>1,041</b>	<b>1,096</b>
Gearing ratio as at 30 June 2020 (times)*					0.07

**Notes:**

<sup>#</sup> Computed based on the relevant financial institution's base lending rate as at 30 June 2020.

\* Computed based on total borrowings over our pro forma shareholders' equity (after the Acquisitions but before our Public Issue and utilisation of proceeds) as at 30 June 2020 of RM14.69 million.

As at 30 June 2020, in addition to the term loans and lease liability as disclosed above, we also have revolving credit facility of RM15.00 million, which has been earmarked for the Mersing Project and the Kluang Project, overdraft and trade facilities comprising letter of credit, trust receipt and bank guarantee with total facility limit of RM2.70 million for general trade purposes. As at the LPD, RM15.29 million of the total combined limit of RM17.70 million for these banking facilities were unutilised.

All our bank borrowings are secured, interest bearing and denominated in RM. Our banking facilities are secured by legal charge over our Head Office, placement of fixed deposit and/or joint and several guarantees by our Promoters. We have not defaulted on any payment of either principal sum and/or interest in relation to our borrowings during the Financial Years Under Review and up to the LPD. We also do not encounter any seasonality in our borrowings trend and there are no restrictions on our committed borrowing facilities.

As at the LPD, we have not breached any terms and conditions or covenants associated with our credit arrangements or bank borrowings, which can materially affect our business operations, financial position or results of operations or the investment by holders of securities in our Group.

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## **11. FINANCIAL INFORMATION (Cont'd)**

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### **11.3.5 Type of financial instruments used**

As at the LPD, save for bank borrowings as disclosed in Section 11.3.4 of this Prospectus, we do not use any other financial instruments.

For clarity purposes, the financial instruments of our Group which are used in the ordinary course of business, from an accounting perspective, may include financial assets such as cash and cash equivalents, short-term investments, fixed deposits with licensed banks and trade and other receivables, as well as financial liabilities such as borrowings, and trade and other payables. These are shown in the combined statements of financial position of our Group.

As at the LPD, we do not use any financial instruments for hedging purposes.

### **11.3.6 Treasury policies and objectives**

We finance our operations through a combination of internally and externally generated funds. Internally generated funds mainly comprise cash generated from operations and shareholders' funds, while externally generated funds mainly comprise credit term from suppliers, short-term and long-term bank borrowings.

The primary objective of our capital management is to ensure sustainable shareholders' equity to ensure our ability to support and grow our business in order to maximise shareholders' value. We review and manage our capital structure to maintain its debt-to-equity ratio at an optimal level based on the business requirements and prevailing economic conditions.

Our Group has not entered into any interest rate swap to hedge against fluctuations in interest rates. Our Group manage its exposure to interest rate movements by maintaining a combination of both fixed-rate and floating-rate borrowings.

### **11.3.7 Material commitment**

As at the LPD, our Group has not incurred any material commitment for capital expenditure that may have a material and adverse impact on the financial position of our Group.

### **11.3.8 Material contingent liabilities**

Save for the tender bond amounting to RM1.90 million, as at the LPD, there are no material contingent liabilities incurred by our Group, which may have a substantial impact on the financial position of our Group.

### **11.3.9 Material litigation**

As at the LPD, our Group is not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which may have a material and/or adverse effect on the financial position or business of our Group.

## 11. FINANCIAL INFORMATION (Cont'd)

### 11.4 KEY FINANCIAL RATIOS

The key financial ratios of our Group are as follows:

	-----Audited----->			
	-----FYE----->			
	2017	2018	2019	2020
Trade receivables turnover period (days) <sup>(1)</sup>	28	62	41	32
Trade payables turnover period (days) <sup>(2)</sup>	19	21	18	41
Current ratio (times) <sup>(3)</sup>	3.48	1.21	1.84	1.87
Gearing ratio (times) <sup>(4)</sup>	-	-	0.01	0.07

#### Notes:

- (1) Computed based on average trade receivables as at the end of the respective financial years over the revenue of the respective financial years, multiplied by 365 days for the FYE 2017 up to FYE 2019, and 366 days for the FYE 2020.
- (2) Computed based on average trade payables as at the end of the respective financial years over the cost of sales of the respective financial years, multiplied by 365 days for the FYE 2017 up to FYE 2019, and 366 days for the FYE 2020.
- (3) Computed based on current assets over current liabilities.
- (4) Computed based on total interest-bearing borrowings over total equity.

Given our inventories of RM0.03 million as at 30 June 2020 and our cost of sales of RM64.52 million for the FYE 2020, our inventories turnover period for the FYE 2020 is insignificant. We did not have any inventories for the FYE 2017, FYE 2018 and FYE 2019.

#### Trade receivables turnover period

As at 30 June 2020, the trade receivables of our Group amounted to RM7.95 million, the ageing of which are analysed as follows:

	Within credit period	-----Exceed credit period by----->				Total
		1 – 30 days	31 – 60 days	61 – 90 days	> 90 days	
Trade receivables (RM'000)	5,413	329	1,841	558	179	8,320
Less: Impairment losses (RM'000)	(19)	(6)	(109)	(53)	(179)	(366)
Net trade receivables (RM'000)	5,394	323	1,732	505	-	7,954
% of total net trade receivables	67.81	4.06	21.78	6.35	-	100.00
Subsequent collections as at the LPD (RM'000)	2,623	277	1,732	306	-	4,938
Outstanding net trade receivables as at the LPD (RM'000)	2,771	46	-	199	-	3,016

**11. FINANCIAL INFORMATION (Cont'd)**

The normal credit period granted to our customers is 30 days from the date of invoice. Other credit terms to our customers are assessed and approved on a case-by-case basis by taking into consideration various factors such as background and creditworthiness of customers, the business relationships with our customers. For solar PV power plant projects under the LSS programme that we secured, our customers who are the project owners and/or developers had secured project financing from financial institutions and thus payments for our EPCC services are/were disbursed directly by the project owner's financier to us based on project milestone and progress claims.

Our trade receivables turnover period for the FYE 2017 was 28 days and increased to 62 days in the FYE 2018 mainly as a result of our high trade receivables outstanding of RM10.27 million as at 30 June 2018. This was mainly due to progress billings totalling RM9.98 million issued to our customer for the Seberang Perai Project in June 2018 as per the billing milestones stated in the contract of the Seberang Perai Project. Hence, this contributed to the increase of our trade receivables as at 30 June 2018. The said progress billing was subsequently repaid directly by the project owner's financier. For the FYE 2019, our trade receivables turnover period decreased to 41 days but exceeded our normal credit period of 30 days mainly due to the time required for verification and payment processing by our customer's financier, which generally takes four to five weeks from the date of invoice. In addition, there was an outstanding payment totalling RM1.54 million as at 30 June 2019 from our customer for the Seberang Perai Project whereby we have concurred to the customer's request for settlement to be made after the expiry of the defect liability period in November 2019. Such outstanding amount was subsequently repaid in full in the FYE 2020. Hence, our trade receivables turnover period improved from 41 days to 32 days.

As at the LPD, we have collected RM4.94 million or 62.09% of the total net trade receivables outstanding as at 30 June 2020 and we continued to be in the process of collecting the remaining amount of RM3.02 million, of which RM0.19 million was pertaining to retention sum that has yet to be due.

As part of our credit control policy, we closely monitor our aging report and assess the collectability of trade receivables on an individual customer basis regularly. For any trade receivables which have exceeded the normal credit period granted by more than 30 days, we will follow up with calls and examine the delay in payment with relevant parties including financial institutions. We will send reminders and where appropriate, provide for specific impairment on those trade receivables where recoverability is doubtful. We do not charge any interests on the overdue trade receivables.

As at 30 June 2020, allowance for impairment losses consists of an amount of RM0.18 million due from two customers which had been outstanding for more than 12 months and were deemed unrecoverable by our Directors, and the remaining RM0.19 million for general allowance on the remaining trade receivables.

Notwithstanding the above, our Board is of the opinion that the remaining amount of RM3.02 million outstanding as at the LPD is recoverable and no further impairment of trade receivables is required after taking into consideration these customers' credentials, payment track record as well as our relationship with them.

**11. FINANCIAL INFORMATION (Cont'd)****Trade payables turnover period**

As at 30 June 2020, the trade payables of our Group amounted to RM11.20 million, the ageing of which are analysed as follows:

	Within credit period	<-----Exceed credit period by----->				Total
		1 – 30 days	31 – 60 days	61 – 90 days	> 90 days	
Trade payables (RM'000)	7,657	2,833	111	*	598	11,199
% of total trade payables (RM'000)	68.37	25.30	0.99	-	5.34	100.00
Subsequent payments as at the LPD (RM'000)	3,264	1,369	111	*	571	5,315
Outstanding trade payables as at the LPD (RM'000)	4,393	1,464	-	-	27	5,884

**Note:**

\* Less than RM500

The normal credit period extended by our suppliers and subcontractors ranges from 45 days to 60 days. Our trade payables turnover period for the FYE 2017 to FYE 2019 ranged between 18 days to 21 days and within the credit period granted by our suppliers and subcontractors. This was because the purchase of solar PV modules and inverters usually require an upfront down payment or deposit upon placement of purchase order and the invoice to be fully settled once the goods have been delivered. We make prompt payments to our subcontractors in order to strengthen our business relationships with them, and garner stronger commitment and support from them with the aim to ensure they deliver their subcontracted works with quality and in a timely manner. For the FYE 2020, the trade payables turnover period increased to 41 days mainly due to our prudent cash flow management amidst the COVID-19 impact.

As at 30 June 2020, 68.37% of our total trade payables were within the credit period. Past due trade payables totalling RM3.54 million as at 30 June 2020 were mainly those owed to suppliers and/or subcontractors with regular business transactions with us. As at the LPD, we have settled RM5.32 million or 47.46% of our outstanding trade payables as at 30 June 2020, leaving an outstanding balance of RM5.88 million remained to be settled. Out of the said RM5.88 million, RM1.24 million is pertaining to retention sum which was not due as at the LPD. Save for the retention sum of RM1.24 million, our outstanding trade payables as at 30 June 2020 are expected to be settled progressively over the next three months.

As at the LPD, there has been no dispute in respect of our trade payables and no legal action has been initiated by our suppliers to demand for payment from us during the Financial Years Under Review.

**Current ratio**

Our current ratio decreased from 3.48 times as at 30 June 2017 to 1.21 times as at 30 June 2018 mainly due to substantial increase in the scale of our operations and the significantly higher resultant current liabilities position as at 30 June 2018 arising from the commencement of the Seberang Perai Project, which is our first solar PV power plant project, in the FYE 2018 as compared to solar PV system projects in the FYE 2017.

Our current ratio increased from 1.21 times as at 30 June 2018 to 1.84 times as at 30 June 2019 mainly due to improvement in our current assets position comprising mainly trade receivables and cash and bank balances due to business growth and higher profit earned during the financial year.

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**11. FINANCIAL INFORMATION (Cont'd)**

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Our current ratio increased from 1.84 times as at 30 June 2019 to 1.87 times as at 30 June 2020 mainly due to improvement in our current assets position comprising mainly trade receivables, short-term investment as well as cash and bank balances during the financial year.

**Gearing ratio**

Our Group did not have any borrowings for the FYE 2017 and FYE 2018. Our gearing ratio stood at 0.01 times as at 30 June 2019 where our borrowing was in relation to lease liability for motor vehicle.

Our gearing ratio has increased from 0.01 times as at 30 June 2019 to 0.07 times as at 30 June 2020 mainly due to new drawdown of term loan to finance the purchase of our Head Office.

**11.5 TREND INFORMATION**

The financial performance of our Group for the Financial Years Under Review has so far been and/or is expected to be mainly influenced by the significant factors affecting our Group's financial performance as described in Section 11.3.2 of this Prospectus. Except as disclosed in this section, Sections 6.4.12, 6.4.13, 7 and 8 of this Prospectus, and as at the LPD, to the best of the knowledge and belief of our Board, the financial conditions and operations of our Group have not been and are not expected to be affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had, or that our Group reasonably expects to have, a material favourable or unfavourable impact on the financial performance, position and operations of our Group other than those disclosed in this section and Sections 6 and 8 of this Prospectus;
- (ii) material commitments for capital expenditure, save as disclosed in Section 11.3.7 of this Prospectus;
- (iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group;
- (iv) known trends, demands, commitments, events or uncertainties that have resulted in a material impact on our Group's revenue and/or profits, save for those that had been disclosed in this section and in Section 8 of this Prospectus; and
- (v) known trends, demands, commitments, events or uncertainties that have had or that our Group reasonably expects to have, a material favourable or unfavourable impact on our liquidity and capital resources.

## 11. FINANCIAL INFORMATION (Cont'd)

### 11.6 ORDER BOOK

As the revenue from our EPCC services are recognised based on the stage of completion method, our order book excludes the value of completed works in respect of on-going projects which have been recognised in revenue.

As at the LPD, the status of our order book is set out below:

Project details	As at the LPD RM'000
EPCC services	
- Solar PV power plants	6,722
- Solar PV systems	17,115
- Others <sup>(1)</sup>	4,937
	28,774
Other services	
- RE and environmental consulting services	26
- O&M services	2,552
<b>Total</b>	<b>31,352<sup>(2)</sup></b>

#### Notes:

- (1) Others comprise supply of solar PV modules and balance of system for a commercial building in Bac Lieu province, Vietnam, subcontracting services of interconnection facility works for solar PV power plants and other EPCC related services.
- (2) Out of the RM31.35 million of order book as at the LPD, RM30.93 million is expected to be recognised as follows:

Project details	To be recognised in FYE 2021 RM'000	To be recognised in FYE 2022 RM'000
EPCC services		
- Solar PV power plants	6,722	-
- Solar PV systems	17,115	-
- Others	4,937	-
	28,774	-
Other services		
- RE and environmental consulting services	26	-
- O&M services	950	1,176
<b>Total</b>	<b>29,750</b>	<b>1,176</b>

Due to the nature of our business, our projects and/or contracts will usually be completed within six to 18 months depending on the size, type of EPCC services (solar PV power plants or solar PV systems) and complexity of the design.

We envisage that approximately 98.64% of our total order book as at the LPD to be fully recognised by the FYE 2022, of which approximately 94.89% and 3.75% to be recognised in the FYE 2021 and FYE 2022 respectively. The remaining order book as at the LPD of RM0.43 million or 1.36% relates to our O&M services, which will be recognised in the FYE 2023.

As a local EPCC service provider, we have the expertise and experience in undertaking solar PV power plant projects given our past experience in LSS1 and LSS2 programmes. Accordingly, our Group is well-poised to participate in LSS3 programme. Following the announcement on 23 December 2019 by the Energy Commission Malaysia of the shortlisted entities for LSS3, we intend to approach the successful bidders to secure LSS3 projects to further strengthen our order book.

**11. FINANCIAL INFORMATION (Cont'd)**

Following the enhancement of NEM programme in January 2019, we have expanded our sales and marketing team to secure new solar PV system projects under this programme. As at the LPD, our order book from solar PV system under NEM programme amounts to RM17.12 million.

**11.7 SIGNIFICANT CHANGES**

Save as disclosed in Sections 6.4.2(c) and 8.2.4 of this Prospectus, there are no significant changes that have occurred which may have a material effect on the financial position and results of our Group subsequent to the FYE 2020 and up to the LPD.

**11.8 DIVIDEND POLICY**

It is our Directors' policy to allow our shareholders to participate in the profits of our Group as well as leaving adequate reserves for the future growth of our Group.

Samaiden declared dividends of approximately RM0.40 million, RM1.70 million and RM4.00 million in the FYE 2017, FYE 2018 and FYE 2019, respectively, which represented approximately 29.33%, 52.89% and 53.49% of the Group's PAT in the respective FYE. Samaiden did not declare any dividend during the FYE 2020.

Notwithstanding the above, our Group presently does not have a fixed dividend policy. Our Group's ability to distribute dividends or make other distributions to our shareholders is subject to various factors, such as profits recorded and excess of funds not required to be retained for working capital of our business. Our ability to declare and pay dividends is subject to the discretion of our Board. Our Directors will take into consideration, among others, the following factors when recommending or declaring any dividends:

- (i) The availability of adequate reserves and cash flows. As an investment holding company, our income, and therefore our ability to pay dividends, depends on the dividends or other distributions received from our subsidiaries;
- (ii) Our operating cash flow requirements and financing commitments;
- (iii) Our anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans;
- (iv) Our Company is solvent as required under Section 132 of the Act;
- (v) Any material impact of tax laws and other regulatory requirements; and
- (vi) Prior written consent from financial institutions, where required.

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

No inference should or can be made from any of the statements above as to our actual future profitability and our ability to pay dividends in the future.

**11. FINANCIAL INFORMATION (Cont'd)**

**11.9 REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION**

(Prepared for inclusion in this Prospectus)



**01 SEP 2020**

The Board of Directors  
Samaiden Group Berhad  
C-15-02, Sunway Nexis Office Suite  
No. 1, Jalan PJU 5/1  
Kota Damansara  
47810 Petaling Jaya  
Selangor

Dear Sirs

**SAMAIDEN GROUP BERHAD ("SAGB" OR "THE COMPANY")  
REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL  
POSITION AS AT 30 JUNE 2020**

We have completed our assurance engagement to report on the compilation of Pro Forma Statements of Financial Position of SAGB and its subsidiaries (the "Group") as at 30 June 2020 and the related notes (as set out in Appendix A which we have stamped for the purpose of identification) prepared by the Board of Directors of the Company for inclusion in the Prospectus in connection with the listing of and quotation for the entire issued share capital of SAGB on the ACE Market of Bursa Malaysia Securities Berhad ("the Listing").

The applicable criteria on the basis of which the Board of Directors of the Company have compiled the Pro Forma Statements of Financial Position are described in the notes thereon to the Pro Forma Statements of Financial Position, and are specified in the Prospectus Guidelines issued by the Securities Commission Malaysia ("the Prospectus Guidelines").

The Pro Forma Statements of Financial Position have been compiled by the Board of Directors of the Company to illustrate the impact of the events or transactions set out in the notes thereon to the Pro Forma Statements of Financial Position as if the events have occurred or the transactions have been undertaken on 30 June 2020. As part of this process, information about the Group's financial position has been extracted by the Board of Directors of the Company from the Group's audited combined statements of financial position as at 30 June 2020.

**THE BOARD OF DIRECTORS' RESPONSIBILITIES**

The Board of Directors of the Company is responsible for compiling the Pro Forma Statements of Financial Position as set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

**11. FINANCIAL INFORMATION (Cont'd)****REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL**

We have complied with the independence and other ethical requirement of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standard Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The Firm applies International Standard on Quality Control 1 (ISQC 1), *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

**REPORTING ACCOUNTANTS' RESPONSIBILITIES**

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Statements of Financial Position have been compiled, in all material respects, by the Board of Directors of the Company on the basis as set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

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 Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors of the Company has compiled, in all material respects, the Pro Forma Statements of Financial Position on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

For 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 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 Statements of Financial Position.

The purpose of Pro Forma Statements of Financial Position included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

**11. FINANCIAL INFORMATION (Cont'd)**



**REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)**

A reasonable assurance engagement to report on whether the Pro Forma Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines, involves performing procedures to assess whether the applicable criteria used by the Board of Directors of the Company in the compilation of the Pro Forma Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Statements of Financial Position reflect 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 Statements of Financial Position have been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro Forma Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**OPINION**

In our opinion, the Pro Forma Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

11. FINANCIAL INFORMATION (Cont'd)



**OTHER MATTER**

This report has been prepared solely for the purpose of inclusion in the Prospectus of SAGB in connection with the Listing. As such, this report should not be 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 stylized, handwritten signature in black ink, likely representing the firm's representative.

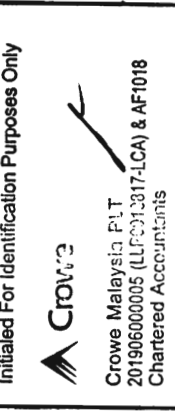
**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

A handwritten signature in black ink, identifying the Chartered Accountant.

**Piong Yew Peng**  
03070/06/2021 J  
Chartered Accountant

Melaka  
**01 SEP 2020**

11. FINANCIAL INFORMATION (Cont'd)



Appendix A

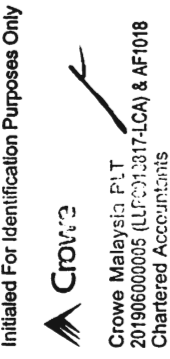
**SAMAIDEN GROUP BERHAD  
PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020**

	Note	As At 30.06.2020* RM'000	Adjustment for Acquisition of Subsidiaries RM'000	Pro Forma I After Acquisition of Subsidiaries RM'000	Adjustment for Public Issue RM'000	Pro Forma II After Pro Forma I and Public Issue RM'000	Adjustment for Utilisation of Proceeds RM'000	Pro Forma III After Pro Forma II and Utilisation of Proceeds RM'000
<b>ASSETS</b>								
<b>NON-CURRENT ASSET</b>								
Property, plant and equipment		1,539	-	1,539	-	1,539	-	1,539
<b>CURRENT ASSETS</b>								
Inventories		28	-	28	-	28	-	28
Trade receivables		7,954	-	7,954	-	7,954	-	7,954
Other receivables, deposits and prepayments		230	-	230	-	230	-	230
Contract assets		673	-	673	-	673	-	673
Short-term investments		14,498	-	14,498	-	14,498	-	14,498
Fixed deposit with a licensed bank		421	-	421	-	421	-	421
Cash and bank balances	6.1	6,695	-	6,695	29,354	36,049	(1,737)	34,312
		<u>30,499</u>		<u>30,499</u>		<u>59,853</u>		<u>58,116</u>
		<u>32,038</u>		<u>32,038</u>		<u>61,392</u>		<u>59,655</u>
<b>TOTAL ASSETS</b>								
<b>EQUITY AND LIABILITIES</b>								
<b>EQUITY</b>								
Share capital	6.2	#	7,442	7,442	29,354	36,796	(1,215)	35,581
Invested capital	6.3	1,030	(1,030)	-	-	-	-	-
Merger reserve	6.4	-	(6,412)	(6,412)	-	(6,412)	-	(6,412)
Retained profits	6.5	13,660	-	13,660	-	13,660	(522)	13,138
Equity attributable to owners of the Company		<u>14,690</u>		<u>14,690</u>		<u>44,044</u>		<u>42,307</u>
Non-controlling interests		<u>(7)</u>		<u>(7)</u>		<u>(7)</u>		<u>(7)</u>
<b>TOTAL EQUITY</b>		<u>14,683</u>		<u>14,683</u>		<u>44,037</u>		<u>42,300</u>

Note:

(\*) – Extracted from the Group's audited combined financial statements for the financial year ended 30 June 2020  
 (#) – Denote RM100

11. FINANCIAL INFORMATION (Cont'd)



Appendix A

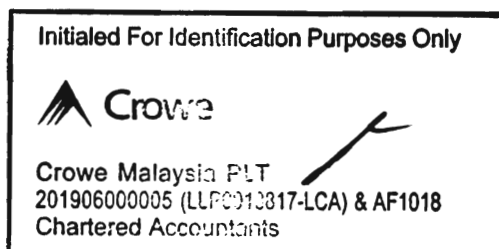
**SAMAIDEN GROUP BERHAD  
PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020 (CONT'D)**

	As At 30.06.2020*	Adjustment for Acquisition of Subsidiaries RM'000	Pro Forma I After Acquisition of Subsidiaries RM'000	Adjustment for Public Issue RM'000	Pro Forma II After Pro Forma I and Public Issue RM'000	Adjustment for Utilisation of Proceeds RM'000	Pro Forma III After Pro Forma II and Utilisation of Proceeds RM'000
<b>EQUITY AND LIABILITIES (CONT'D)</b>							
<b>NON-CURRENT LIABILITIES</b>							
Lease liabilities	46	-	46	-	46	-	46
Term loans	995	-	995	-	995	-	995
	1,041		1,041		1,041		1,041
<b>CURRENT LIABILITIES</b>							
Trade payables	11,199	-	11,199	-	11,199	-	11,199
Other payables and accruals	746	-	746	-	746	-	746
Contract liabilities	4,312	-	4,312	-	4,312	-	4,312
Lease liabilities	18	-	18	-	18	-	18
Term loans	37	-	37	-	37	-	37
Current tax liabilities	2	-	2	-	2	-	2
	16,314		16,314		16,314		16,314
	17,355		17,355		17,355		17,355
<b>TOTAL LIABILITIES</b>	32,038		32,038		61,392		59,655
<b>TOTAL EQUITY AND LIABILITIES</b>							
Number of ordinary shares ('000)	2		148,845		210,000		210,000
Net assets ("NA") attributable to owners of the Company (RM'000)	14,690		14,690		44,044		42,307
NA per ordinary share (RM)	7,345.00		0.10		0.21		0.20

Note:

(\*) – Extracted from the Group's audited combined financial statements for the financial year ended 30 June 2020

11. FINANCIAL INFORMATION (Cont'd)



Appendix A

**SAMAIDEN GROUP BERHAD  
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020**

**1. ABBREVIATIONS**

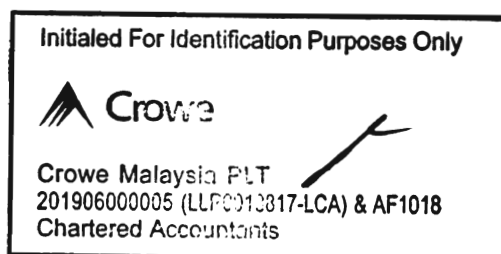
Unless the context otherwise requires, the following abbreviations shall apply throughout this report:-

***Abbreviations***

SAGB or the Company	Samaiden Group Berhad Registration No: 201901037874 (1347204-V)
SAGB Group or the Group	SAGB, Samaiden, Samaiden Consultancy and SC Green collectively
Samaiden	Samaiden Sdn. Bhd. Registration No: 201301016493 (1046326-H)
Samaiden Consultancy	Samaiden Consultancy Sdn. Bhd. Registration No: 201901007735 (1317062-H)
SC Green	SC Green Solutions Sdn. Bhd. Registration No: 201901021278 (1330607-X)
Listing	Listing of and quotation for the entire issued share capital of SAGB on the ACE Market of Bursa Malaysia Securities Berhad
SAGB Shares or Shares	Ordinary shares in Samaiden Group Berhad
RM and Sen	Ringgit Malaysia and sen, respectively

**2. INTRODUCTION**

The Pro Forma Statements of Financial Position of the Group as at 30 June 2020 together with the notes thereon, for which the Board of Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the Prospectus in connection with the Listing and should not be relied upon for any other purposes.

**11. FINANCIAL INFORMATION (Cont'd)**

Appendix A

**SAMAIDEN GROUP BERHAD  
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020  
(CONT'D)**

**3. BASIS OF PREPARATION**

The Pro Forma Statements of Financial Position of the Group as at 30 June 2020 is prepared based on the audited combined statements of financial position of the Group as at 30 June 2020, which was prepared in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards, and in a manner consistent with the format of the financial statements and accounting policies of the Group.

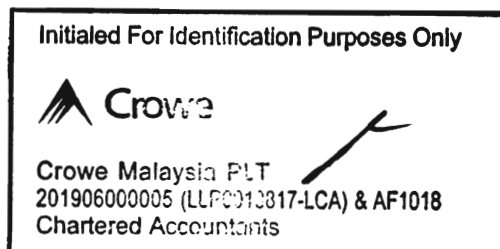
The combined financial statements used in the preparation of these Pro Forma Statements of Financial Position were not subject to any audit qualification or emphasis of matter.

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. Subsidiaries acquired which have met the criteria for pooling-of-interests are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the business combination had been effected 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 merger reserve or merger deficit.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs.

The Pro Forma Statements of Financial Position together with the related notes thereon, have been prepared solely to illustrate the impact of the events and transactions set out in Note 5 to the Pro Forma Statements of Financial Position had the events occurred or transactions been undertaken on 30 June 2020. The Pro Forma Statements of Financial Position are not necessarily indicative of the financial position that would have been attained had the Listing actually occurred at the respective dates.

## 11. FINANCIAL INFORMATION (Cont'd)



Appendix A

**SAMAIDEN GROUP BERHAD**  
**NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020**  
**(CONT'D)**

**4. LISTING SCHEME**

The following proposals were undertaken in conjunction with, and as an integral part of the Listing:-

**4.1 Acquisition of subsidiaries**

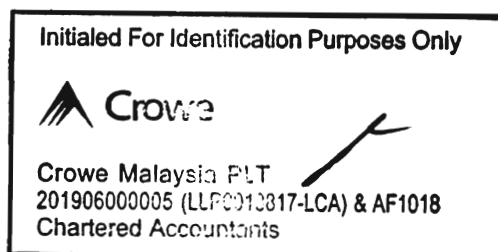
SAGB had on 29 November 2019, entered into conditional share sale and purchase agreements with Fong Yeng Foon and Chow Pui Hee to acquire the equity interest in the following companies:-

	Equity Interest (%)	Purchase consideration RM	No. of shares issued by SAGB
Samaiden	100	7,415,268	148,305,360
Samaiden Consultancy	100	2	40
SC Green	60	26,880	537,600
		<u>7,442,150</u>	<u>148,843,000</u>

The purchase consideration of Samaiden and Samaiden Consultancy were arrived on a willing-buyer willing-seller basis, after taking into consideration the audited net assets and audited net liabilities of Samaiden and Samaiden Consultancy respectively, as at 30 June 2019. The acquisition was completed on 19 August 2020 and Samaiden and Samaiden Consultancy became wholly-owned subsidiaries of SAGB.

The purchase consideration of SC Green was arrived on a willing-buyer willing-seller basis, after taking into consideration the adjusted net assets of SC Green, computed based on the audited net liability of SC Green as at 30 June 2019 and subsequent increase in the share capital of SC Green on 15 July 2019. The acquisition was completed on 19 August 2020 and SC Green became a 60%-owned subsidiary of SAGB.

11. FINANCIAL INFORMATION (Cont'd)



Appendix A

**SAMAIDEN GROUP BERHAD  
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020  
(CONT'D)**

**4. LISTING SCHEME (CONT'D)**

The following proposals were undertaken in conjunction with, and as an integral part of the Listing (Cont'd):-

**4.2 Public Issue**

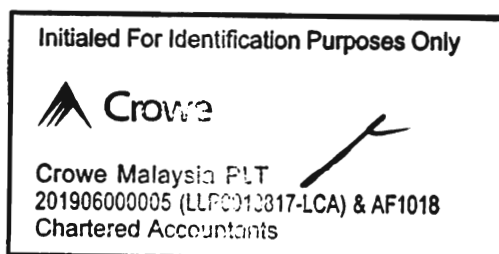
The Public Issue of 61,155,000 new Shares, representing approximately 29.1% of the enlarged share capital of SAGB at an issue price of RM0.48 per Share allocated in the following manner:-

- 10,500,000 Public Issue Shares will be made available for application by the Malaysian Public by way of balloting;
- 6,300,000 Public Issue Shares will be made available for application by the eligible directors, employees and persons who have contributed to the success of the Group;
- 23,355,000 Public Issue Shares will be made available for application by way of private placement to selected investors; and
- 21,000,000 Public Issue Shares will be made available for application by way of placement to identified Bumiputera investors approved by MITI.

**4.3 Proposed Listing**

The admission of the listing of and quotation for the entire enlarged issued and paid-up share capital of SAGB of RM36,796,650 comprising 210,000,000 Shares on the ACE Market of Bursa Malaysia Securities Berhad will be sought.

## 11. FINANCIAL INFORMATION (Cont'd)



Appendix A

**SAMAIDEN GROUP BERHAD**  
**NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020**  
**(CONT'D)**

**5. PRO FORMA ADJUSTMENTS TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION**

**5.1 Pro Forma I**

Pro Forma I incorporates the effects of the acquisition of subsidiaries set out in Note 4.1 to the Pro Forma Statements of Financial Position.

**5.2 Pro Forma II**

Pro Forma II incorporates the effects of Pro Forma I and Public Issue set out in Note 4.2 to the Pro Forma Statements of Financial Position.

**5.3 Pro Forma III**

Pro Forma III incorporates the effects of Pro Forma II and the utilisation of proceeds from Public Issue. The proceeds from the Public Issue will be utilised as follows:-

Purposes	Amount of proceeds		Estimated timeframe for utilisation from the date of Listing
	RM'000	%	
Business expansion and marketing activities in Malaysia and Vietnam #	2,540	8.65	Within 24 months
Purchase of corporate office #	7,000	23.85	Within 24 months
Capital expenditures #	1,168	3.98	Within 24 months
Working capital	15,446	52.62	Within 30 months
Estimated listing expenses *^	3,200	10.90	Within 3 months
<b>Total</b>	<b>29,354</b>	<b>100.00</b>	

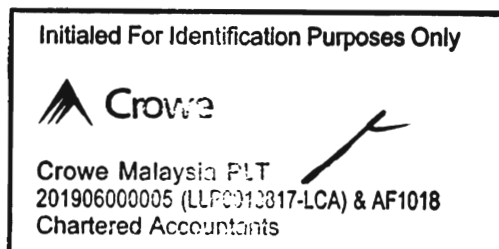
Notes:-

# - These utilised of proceeds are not adjusted in the Pro Forma III to the Pro Forma Statements of Financial Position as they are not factually supportable and hence, they are remained in the cash and bank balances.

\* - If the actual listing expenses are higher than budgeted, the deficit will be funded by internally generated funds.

^ - The estimated listing expenses of RM1,215,000 directly attributable to the Public Issue will be offset against share capital and the remaining estimated listing expenses of RM1,985,000 that attributable to Listing will be expensed off to profit or loss. The Group has recognised RM90,000 of listing expenses in the financial year ended 30 June 2019 and RM1,373,000 of listing expenses during the financial year ended 30 June 2020 to the profit or loss.

11. FINANCIAL INFORMATION (Cont'd)



Appendix A

**SAMAIDEN GROUP BERHAD  
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020  
(CONT'D)**

**6. EFFECTS ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION**

**6.1 Cash and bank balances**

	<b>RM'000</b>
As at 30 June 2020/As per Pro Forma I	6,695
Add: Proceeds from public issue	29,354
As per Pro Forma II	<u>36,049</u>
Less: Estimated listing expenses	(1,737)
As per Pro Forma III	<u><u>34,312</u></u>

**6.2 Share capital**

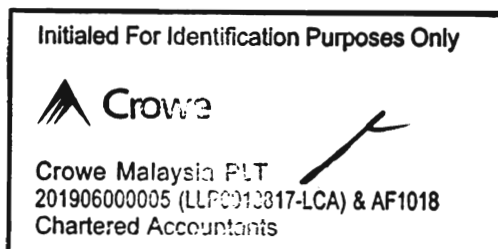
	<b>Number of Ordinary Shares '000</b>	<b>Amount of Share Capital RM'000</b>
As at 30 June 2020	2	#
Add: Ordinary shares issued pursuant to the acquisition of subsidiaries	148,843	7,442
As per Pro Forma I	<u>148,845</u>	<u>7,442</u>
Add: Public issue	61,155	29,354
As per Pro Forma II	<u>210,000</u>	<u>36,796</u>
Less: Estimated listing expenses ^	-	(1,215)
As per Pro Forma III	<u><u>210,000</u></u>	<u><u>35,581</u></u>

Note:-

# - Denote RM100

^ - The estimated listing expenses of RM1,215,000 directly attributable to the Public Issue will be offset against share capital and the remaining estimated listing expenses of RM1,985,000 that attributable to Listing will be expensed off to profit or loss.

11. FINANCIAL INFORMATION (Cont'd)



Appendix A

**SAMAIDEN GROUP BERHAD  
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020  
(CONT'D)**

**6. EFFECTS ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION (CONT'D)**

**6.3 Invested capital**

	<b>RM'000</b>
As at 30 June 2020	1,030
Less: Acquisition of subsidiaries	(1,030)
	-
As per Pro Forma I, II and III	-

**6.4 Merger reserve**

	<b>RM'000</b>
As at 30 June 2020	-
Add: Acquisition of subsidiaries	(6,412)
	(6,412)
As per Pro Forma I, II and III	(6,412)

**6.5 Retained profits**

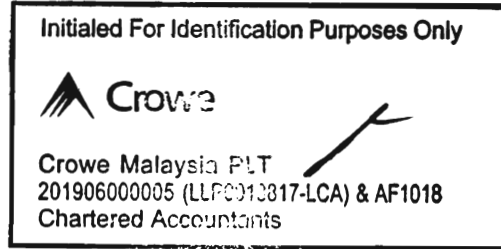
	<b>RM'000</b>
As at 30 June 2020/As per Pro Forma I and II	13,660
Less: Estimated listing expenses <sup>^</sup>	(522)
	13,138
As per Pro Forma III	13,138

Note:-

<sup>^</sup> - The estimated listing expenses of RM1,215,000 directly attributable to the Public Issue will be offset against share capital and the remaining estimated listing expenses of RM1,985,000 that attributable to Listing will be expensed off to profit or loss. The Group has recognised RM90,000 of listing expenses in the financial year ended 30 June 2019 and RM1,373,000 of listing expenses during the financial year ended 30 June 2020 to the profit or loss.

11. FINANCIAL INFORMATION (Cont'd)

**SAMAIDEN GROUP BERHAD**



Appendix A

**APPROVAL BY THE BOARD OF DIRECTORS**

Approved and adopted by the Board of Directors in accordance with a resolution dated

**01 SEP 2020**

On behalf of the Board of Directors,

  
**Fong Yeng Foon**

  
**Chow Pun Hee**

## 12. ACCOUNTANTS' REPORT



01 SEP 2020

The Board of Directors  
Samaiden Group Berhad  
C-15-02, Sunway Nexis Office Suite  
No. 1, Jalan PJU 5/1  
Kota Damansara  
47810 Petaling Jaya  
Selangor

**Crowe Malaysia PLT**

201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

52 Jalan Kota Laksamana 2/15  
Taman Kota Laksamana, Seksyen 2  
75200 Melaka  
Malaysia

Main +6 06 2825 995

Fax +6 06 2836 449

www.crowe.my

Dear Sirs

**REPORTING ACCOUNTANTS' OPINION ON THE FINANCIAL INFORMATION CONTAINED IN THE ACCOUNTANTS' REPORT OF SAMAI DEN GROUP BERHAD ("SAGB" OR "THE COMPANY")**

**OPINION**

We have audited the financial information of the Company and its subsidiaries (collectively known as "the Group"). The financial information comprise:-

- i) The combined statements of financial position as at 30 June 2017, 2018, 2019 and 2020, combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for each of the financial years ended 30 June 2017, 2018, 2019 and 2020;
- ii) Notes to the financial information; and
- iii) A summary of significant accounting policies and other explanatory information, as set out in pages 5 to 70.

This historical financial information has been prepared for inclusion in the prospectus of SAGB in connection with the listing of and quotation for the entire issued share capital of SAGB on the ACE Market of Bursa Malaysia Securities Berhad. This report is required by the Prospectus Guidelines issued by the Securities Commission Malaysia (the "Prospectus Guidelines") and is given for the purpose of complying with Chapter 10.03 of the Prospectus Guidelines and for no other purpose.

In our opinion, the financial information gives a true and fair view of the financial position of the Group as at 30 June 2017, 2018, 2019 and 2020 and of their financial performance and their cash flows for each of the financial years ended 30 June 2017, 2018, 2019 and 2020 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

**BASIS FOR OPINION**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Financial Information* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**12. ACCOUNTANTS' REPORT (Cont'd)****INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES**

We are independent of the Group and of the Company 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.

**DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL INFORMATION**

The Directors of the Group are responsible for the preparation of the financial information of the Group that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial information of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the financial information 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 FINANCIAL INFORMATION**

Our objectives are to obtain reasonable assurance about whether the financial information of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial information.



## REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL INFORMATION (CONT'D)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial information 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 report to the related disclosures in the financial information of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial information of the Group, including the disclosures, and whether the financial information of the Group represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial information of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

12. ACCOUNTANTS' REPORT (Cont'd)



**OTHER MATTER**

The significant event during the financial year ended 30 June 2020 has been disclosed in Note 34 to the combined financial statements.

The significant events occurring after the end of the financial year ended 30 June 2020 have been disclosed in Note 35 to the combined financial statements.

**RESTRICTION ON DISTRIBUTION AND USE**

We understand that this report will be used solely for the purpose of inclusion in the Prospectus of SAGB in connection with the listing of and quotation for the entire issued share capital of SAGB on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be 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.

A handwritten signature in black ink, appearing to be a stylized cursive name.

**Crowe Malaysia PLT**  
20190600005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

Melaka

**01 SEP 2020**

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**Piong Yew Peng**  
03070/06/2021 J  
Chartered Accountant

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**COMBINED STATEMENTS OF FINANCIAL POSITION**

As at 30 June

	NOTE	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>ASSETS</b>					
<b>NON-CURRENT ASSET</b>					
Property, plant and equipment	5	79	141	378	1,539
<b>CURRENT ASSETS</b>					
Contract costs	6	-	2,298	331	-
Inventories	7	-	-	-	28
Trade receivables	8	430	10,266	5,232	7,954
Other receivables, deposits and prepayments	9	23	1,599	283	230
Contract assets	10	-	122	154	673
Amount owing by a director	11	-	1,000	-	-
Short-term investments	12	-	1,018	4,172	14,498
Current tax assets		-	19	15	-
Fixed deposit with a licensed bank	13	-	-	400	421
Cash and bank balances		1,565	10,720	4,999	6,695
		<u>2,018</u>	<u>27,042</u>	<u>15,586</u>	<u>30,499</u>
<b>TOTAL ASSETS</b>		<u>2,097</u>	<u>27,183</u>	<u>15,964</u>	<u>32,038</u>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	14(a)	-	-	-	*
Invested capital	14(b)	100	750	1,000	1,030
Retained profits		1,411	4,125	6,406	13,660
Equity attributable to owners of the Company		1,511	4,875	7,406	14,690
Non-controlling interests	14(c)	-	-	(2)	(7)
<b>TOTAL EQUITY</b>		<u>1,511</u>	<u>4,875</u>	<u>7,404</u>	<u>14,683</u>
<b>NON-CURRENT LIABILITIES</b>					
Hire purchase payable	15	-	-	59	-
Term loan	16	-	-	12	995
Lease liability	17	-	-	-	46
Deferred tax liabilities	18	6	13	13	-
		<u>6</u>	<u>13</u>	<u>84</u>	<u>1,041</u>
<b>CURRENT LIABILITIES</b>					
Trade payables	19	261	2,767	3,090	11,199
Other payables and accruals	20	109	796	1,103	746
Contract liabilities	10	141	18,732	4,265	4,312
Amount owing to directors	11	53	-	-	-
Hire purchase payable	15	-	-	17	-
Term loan	16	-	-	1	37
Lease liability	17	-	-	-	18
Current tax liabilities		16	-	-	2
		<u>580</u>	<u>22,295</u>	<u>8,476</u>	<u>16,314</u>
<b>TOTAL LIABILITIES</b>		<u>586</u>	<u>22,308</u>	<u>8,560</u>	<u>17,355</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>2,097</u>	<u>27,183</u>	<u>15,964</u>	<u>32,038</u>
Number of ordinary shares ('000) #		148,845	148,845	148,845	148,845
Net assets ("NA") attributable to owners of the Company (RM'000)		1,511	4,875	7,406	14,690
NA per ordinary share attributable to owners of the Company (sen)		1.02	3.28	4.98	9.87

Note : (#) – It is assumed to be the number of ordinary shares before public issue.

(\*) – Denote RM100

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

		FYE 30 June			
	NOTE	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
REVENUE	21	6,530	31,322	68,301	76,170
COST OF SALES		(4,484)	(26,708)	(58,467)	(64,515)
GROSS PROFIT ("GP")		2,046	4,614	9,834	11,655
OTHER INCOME		-	36	194	520
		2,046	4,650	10,028	12,175
ADMINISTRATIVE EXPENSES		(594)	(1,186)	(2,382)	(4,798)
FINANCE COST		-	-	(3)	(26)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	22	-	(187)	(127)	(73)
PROFIT BEFORE TAXATION ("PBT")	23	1,452	3,277	7,516	7,278
INCOME TAX EXPENSE	24	(88)	(63)	(37)	(49)
PROFIT AFTER TAXATION ("PAT")		1,364	3,214	7,479	7,229
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		1,364	3,214	7,479	7,229
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ATTRIBUTABLE TO:					
Owners of the Company		1,364	3,214	7,481	7,254
Non-controlling interests		-	-	(2)	(25)
		1,364	3,214	7,479	7,229
GP Margin (%)		31.33	14.73	14.40	15.30
PBT Margin (%)		22.24	10.46	11.00	9.55
PAT Margin (%)		20.89	10.26	10.95	9.49
Effective tax rate (%)		6.06	1.92	0.49	0.67
Earnings before interest, tax, depreciation and amortisation ("EBITDA") (RM'000)		1,477	3,289	7,493	6,986
Number of ordinary shares ('000) #		148,845	148,845	148,845	148,845
Basic and diluted earnings per share ("EPS") (sen)	25	0.92	2.16	5.03	4.87

Note :

(#) – It is assumed to be the number of ordinary shares before public issue.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

	NOTE	<u>Distributable</u>					Total Equity RM'000
		Share Capital RM'000	Invested Capital RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling Interests RM'000	
Balance at 1.7.2016		-	100	447	547	-	547
Profit after taxation/Total comprehensive income for the financial year		-	-	1,364	1,364	-	1,364
Dividend paid	26	-	-	(400)	(400)	-	(400)
Balance at 30.6.2017/1.7.2017		-	100	1,411	1,511	-	1,511
Profit after taxation/Total comprehensive income for the financial year		-	-	3,214	3,214	-	3,214
Issuance of shares	14	-	650	-	650	-	650
Dividend paid	26	-	-	(500)	(500)	-	(500)
Balance at 30.6.2018/1.7.2018		-	750	4,125	4,875	-	4,875
Profit after taxation/Total comprehensive income for the financial year		-	-	7,481	7,481	(2)	7,479
Issuance of shares	14	-	250	-	250	-	250
Dividends paid	26	-	-	(5,200)	(5,200)	-	(5,200)
Balance at 30.6.2019/1.7.2019		-	1,000	6,406	7,406	(2)	7,404
Profit after taxation/Total comprehensive income for the financial year		-	-	7,254	7,254	(25)	7,229
Issuance of shares	14	*	30	-	30	20	50
Balance at 30.6.2020		*	1,030	13,660	14,690	(7)	14,683

Note : (\*) – Denote RM100

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**COMBINED STATEMENTS OF CASH FLOWS**

	NOTE	FYE 30 June			
		2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before taxation		1,452	3,277	7,516	7,278
Adjustment for:-					
Deposit forfeited		-	5	-	-
Depreciation of property, plant and equipment		25	29	94	128
Allowance for impairment losses on trade receivables		-	187	127	73
Interest expense on lease liability		-	-	-	2
Other interest expense		-	-	3	24
Interest income		-	(17)	(120)	(446)
Fair value gain on short-term investments		-	-	(73)	(73)
Loss on disposal of equipment		-	-	10	-
Operating income before working capital changes		1,477	3,481	7,557	6,986
Increase in inventories		-	-	-	(28)
(Increase)/Decrease in contract costs		-	(2,298)	1,967	331
Decrease/(Increase) in trade and other receivables		160	(11,604)	6,223	(2,742)
Decrease/(Increase) in contract assets		307	(122)	(32)	(519)
(Decrease)/Increase in trade and other payables		(54)	3,193	630	7,751
(Decrease)/Increase in contract liabilities		(88)	18,591	(14,467)	47
<b>CASH FROM OPERATIONS</b>		<b>1,802</b>	<b>11,241</b>	<b>1,878</b>	<b>11,826</b>
Income tax paid		(97)	(91)	(33)	(51)
Income tax refunded		-	-	-	7
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,705</b>	<b>11,150</b>	<b>1,845</b>	<b>11,782</b>

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**COMBINED STATEMENTS OF CASH FLOWS (CONT'D)**

		FYE 30 June			
	NOTE	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>					
Increase in pledged fixed deposit with a licensed bank		-	-	(400)	(21)
Interest received		-	17	120	446
Fair value gain on short-term investments		-	-	73	73
(Advances to)/Repayment from a director		-	(1,000)	1,000	-
Proceeds from disposal of equipment		-	-	36	-
Purchase of property, plant and equipment	27(a)	(13)	(91)	(287)	(1,289)
<b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>		<b>(13)</b>	<b>(1,074)</b>	<b>542</b>	<b>(791)</b>
<b>CASH FLOW (FOR)/FROM FINANCING ACTIVITIES</b>					
Drawdown of term loan	27(b)	-	-	15	1,031
Dividends paid	26	(400)	(500)	(5,200)	-
Interest paid	27(b)	-	-	(3)	(26)
Proceeds from issuance of ordinary shares		-	650	250	50
Repayment to directors		(189)	(53)	-	-
Repayment of hire purchase payable	27(b)	-	-	(14)	-
Repayment of lease liability	27(b)	-	-	-	(12)
Repayment of term loan	27(b)	-	-	(2)	(12)
<b>NET CASH (FOR)/FROM financing ACTIVITIES</b>		<b>(589)</b>	<b>97</b>	<b>(4,954)</b>	<b>1,031</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>1,103</b>	<b>10,173</b>	<b>(2,567)</b>	<b>12,022</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>462</b>	<b>1,565</b>	<b>11,738</b>	<b>9,171</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	27(c)	<b>1,565</b>	<b>11,738</b>	<b>9,171</b>	<b>21,193</b>

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS****1. ABBREVIATIONS**

Unless the context otherwise requires, the following abbreviations shall apply throughout this report:

***Abbreviations***

SAGB or the Company	Samaiden Group Berhad Registration No: 201901037874 (1347204-V)
SAGB Group or the Group	SAGB, Samaiden, Samaiden Consultancy and SC Green collectively
Samaiden	Samaiden Sdn. Bhd. Registration No: 201301016493 (1046326-H)
Samaiden Consultancy	Samaiden Consultancy Sdn. Bhd. Registration No: 201901007735 (1317062-H)
SC Green	SC Green Solutions Sdn. Bhd. Registration No: 201901021278 (1330607-X)
MASB	Malaysian Accounting Standards Board
MFRS	Malaysian Financial Reporting Standards
MPERS	Malaysian Private Entity Reporting Standard
FPE	Financial Period Ended
FYE	Financial Year Ended
SAGB Shares or Shares	Ordinary shares in Samaiden Group Berhad
RM and Sen	Ringgit Malaysia and sen, respectively
CA 2016	Companies Act 2016
EPCC	Engineering, procurement, construction and commissioning

**2. GENERAL INFORMATION****2.1 INCORPORATION AND PRINCIPAL ACTIVITIES**

SAGB was incorporated in Malaysia under the Companies Act 2016 on 18 October 2019 as a private limited company. Subsequently on 9 December 2019, the Company was converted to a public limited company under the name of Samaiden Group Berhad.

For the purpose of listing the Company on the ACE Market of Bursa Malaysia Securities Berhad, the Company undertook a restructuring exercise via the acquisition of subsidiaries as disclosed in Note 2.2 to the combined financial statements.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2. GENERAL INFORMATION (CONT'D)****2.1 INCORPORATION AND PRINCIPAL ACTIVITIES (CONT'D)**

Details of the subsidiaries are as follows:-

<b>Name of subsidiary</b>	<b>Date and place of incorporation</b>	<b>Effective equity interest %</b>	<b>Issued share capital RM</b>	<b>Principal activities</b>
Samaiden	16 May 2013 Malaysia	100	1,000,000	EPCC of solar photovoltaic systems and power plants and provision of operation and maintenance services <sup>^</sup>
Samaiden Consultancy	7 March 2019 Malaysia	100	100	Provision of renewable energy and environmental consulting services
SC Green	19 June 2019 Malaysia	60	50,000	Dormant

*Notes :*

<sup>^</sup> - The provision of renewable energy and environmental consulting services was previously undertaken by Samaiden. With effect from July 2019, the provision of renewable energy and environmental consulting services is undertaken by Samaiden Consultancy.

**2.2 RESTRUCTURING EXERCISE**

The Company entered into three conditional Share Sale and Purchase Agreements on 29 November 2019 to acquire the equity interests in the following companies:-

- i) Acquisition of the entire equity interest in Samaiden for a purchase consideration of RM7,415,268, to be satisfied by the issuance of 148,305,360 ordinary shares in SAGB at an issue price of RM0.05 per Share.
- ii) Acquisition of the entire equity interest in Samaiden Consultancy for a purchase consideration of RM2, to be satisfied by the issuance of 40 ordinary shares in SAGB at an issue price of RM0.05 per Share.
- iii) Acquisition of 60% equity interest in SC Green for a purchase consideration of RM26,880, to be satisfied by the issuance of 537,600 ordinary shares in SAGB at an issue price of RM0.05 per Share.

The acquisitions of the above companies were completed on 19 August 2020 and consolidated using merger method of accounting.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2. GENERAL INFORMATION (CONT'D)****2.3 LISTING SCHEME**

In conjunction with and as an integral part of the listing of and quotation for the entire issued share capital of SAGB on the ACE market of Bursa Malaysia Securities Berhad ("the Listing Scheme"), SAGB will implement the following:-

**(i) Public Issue**

The Public Issue of 61,155,000 new Shares, representing approximately 29.1% of the enlarged share capital of SAGB at an issue price of RM0.48 per Share allocated in the following manner:-

- 10,500,000 Public Issue Shares will be made available for application by the Malaysian Public by way of balloting;
- 6,300,000 Public Issue Shares will be made available for application by the eligible directors, employees and persons who have contributed to the success of the Group;
- 23,355,000 Public Issue Shares will be made available for application by way of private placement to selected investors; and
- 21,000,000 Public Issue Shares will be made available for application by way of placement to identified Bumiputera investors approved by MITI.

**(ii) Proposed Listing**

The admission of the listing of and quotation for the entire enlarged issued and paid-up share capital of SAGB of RM36,796,650 comprising 210,000,000 Shares on the ACE Market of Bursa Malaysia Securities Berhad will be sought.

**2.4 SHARE CAPITAL**

As at the date of this report, the share capital of SAGB is RM7,442,250 comprising 148,845,000 shares.

The details of the changes in the issued share capital of SAGB since its incorporation are as follows:-

<b>Date of allotment</b>	<b>No of shares allotted</b>	<b>Cumulative no of shares allotted</b>	<b>Consideration</b>	<b>Cumulative issued share capital RM</b>
18 October 2019	2,000	2,000	Cash	100
19 August 2020	148,305,360	148,307,360	Acquisition of Samaiden	7,415,368
19 August 2020	40	148,307,400	Acquisition of Samaiden Consultancy	7,415,370
19 August 2020	537,600	148,845,000	Acquisition of SC Green	7,442,250
Upon listing	61,155,000	210,000,000	Public issue	36,796,650

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****3. DIVIDENDS**

No dividend has been declared by SAGB since the date of its incorporation.

Details of dividends paid by the subsidiary company during the financial years under review are as follows:

<b>Company</b>	<b>Related to</b>	<b>Paid on</b>	<b>Type of dividend</b>	<b>Dividend rate (RM/Share)</b>	<b>Net amount (RM'000)</b>
Samaiden	FYE 30 June 2017	15 May 2017	Interim single tier dividend	4.00	400
Samaiden	FYE 30 June 2018	22 January 2018	Interim single tier dividend	5.00	500
Samaiden	FYE 30 June 2018	29 November 2018	Final single tier dividend	1.60	1,200
Samaiden	FYE 30 June 2019	31 May 2019	Interim single tier dividend	5.33	4,000

**4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES****4.1 BASIS OF PREPARATION**

For the purposes of inclusion of combined financial statements in the prospectus of SAGB in connection with the listing of and quotation for the entire share capital on the ACE Market of Bursa Malaysia Securities Berhad, the combined financial statements comprise the combined statements of financial position as at 30 June 2017, 2018, 2019 and 2020, combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for each of the financial years ended 30 June 2017, 2018, 2019 and 2020.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. 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 combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of common controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.1 BASIS OF PREPARATION (CONT'D)**

The combined financial statements of the Group for the relevant period were prepared in a manner similar to the merger method, as if the entities within the Group 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. Such manner of presentation reflects the economic substance of the combining companies, which were under common control throughout the relevant period.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs. The accounting policies of common controlled entities have been changed where necessary to align them with the policies adopted by the Group.

All material intra-group transactions and balances have been eliminated on combination.

These combined financial statements of the Group are the combination or aggregation of all of the financial statements of the entities of the Group and have been prepared based on the financial statements for the relevant financial years as follows:

<b>Company</b>	<b>Relevant financial years/periods</b>	<b>Accounting standards applied</b>	<b>Auditors</b>
SAGB	FPE from 18 October 2019 (date of incorporation) to 30 June 2020	MFRS	Crowe Malaysia PLT
Samaiden	FYE 30 June 2017 FYE 30 June 2018 FYE 30 June 2019 FYE 30 June 2020	MPERS MPERS MFRS MFRS	AKC & Co. AKC & Co. Crowe Malaysia PLT Crowe Malaysia PLT
Samaiden Consultancy	FPE from 7 March 2019 (date of incorporation) to 30 June 2019 FYE 30 June 2020	MFRS MFRS	Crowe Malaysia PLT Crowe Malaysia PLT
SC Green	FPE from 19 June 2019 (date of incorporation) to 30 June 2019 FYE 30 June 2020	MFRS MFRS	Crowe Malaysia PLT Crowe Malaysia PLT

The financial statements of Samaiden for FYE 30 June 2017 and 2018 have been re-audited by Crowe Malaysia PLT, prepared in accordance with MFRS and International Financial Reporting Standards for inclusion in these combined financial statements.

The audited financial statements of SAGB, Samaiden, Samaiden Consultancy and SC Green were not subject to any modified audit opinions.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.2 NEW MFRSS, AMENDMENT TO MFRSS AND IC INTERPRETATIONS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE**

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial year:-

<b>MFRSS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023*
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9	At issue date of 17 August 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023**
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

\* The effective date has been deferred from annual reporting periods beginning on or after 1 January 2021 to 1 January 2023 pursuant to the amendments to MFRS 17 issued by the MASB, namely 'Amendments to MFRS 17 Insurance Contracts'.

\*\* The effective date has been deferred from annual reporting periods beginning on or after 1 January 2022 to 1 January 2023 pursuant to the amendments to MFRS 101 issued by the MASB, namely 'Classification of Liabilities as Current or Non-current – Deferral of Effective Date'.

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the combined financial statements of the Group upon their initial application.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES****(a) Critical Accounting Estimates and Judgements***Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets, liabilities, within the next financial year other than as disclosed below:-

**(a) Impairment of Trade Receivables**

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the historical credit losses experienced, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables. The carrying amounts of trade receivables as at the reporting date are disclosed in Note 8 to the combined financial statements.

**(b) Revenue Recognition for EPCC Services**

The Group recognises revenue from EPCC services by reference to the progress using the input method, determined based on the proportion of costs incurred for work performed to date over the estimated total costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 10 to the combined financial statements.

**(c) Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of current tax liabilities (2019 – current tax assets, 2018 – current tax assets and 2017 – current tax liabilities) as at the reporting date is RM2,000 (2019 – RM15,000, 2018 – RM19,000 and 2017 – RM16,000).

**12. ACCOUNTANTS' REPORT (Cont'd)**

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(a) Critical Accounting Estimates and Judgements (Cont'd)**

*Critical Judgement Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the combined financial statements other than as disclosed below:-

**(a) Contingent Liabilities**

The recognition and measurement for contingent liabilities is based on management's view of the expected outcome on contingencies after consulting experts for matters in the ordinary course of business.

**(b) Basis of Combination**

The Group resulting from the restructuring exercise, as disclosed in Note 2.2 above, comprises entities under common control. Accordingly, the combined financial statements have been accounted for using principles of merger accounting.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Intragroup transactions, balances, income and expenses are eliminated on combination. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

**(i) Business Combinations**

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(b) Basis of Combination (Cont'd)****(i) Business Combinations (Cont'd)**

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

However, an acquisition that resulted in a business combination involving common control entities is outside the scope of MFRS 3 Business Combinations. For such common control combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the combining entities in the audited financial statements.

In applying merger accounting, financial statements items of the combining entities or businesses for the reporting period in which common control combination occurs are included in the audited financial statements of the Group as if the combination had occurred from the date when the combining entities or businesses first come under the control of the controlling party or parties. Under merger accounting, the Group recognises the assets, liabilities and equity of the combining entities or businesses at the carrying amount as if such audited financial statements had been prepared by the controlling party including adjustments required for conforming to the Groups' accounting policies and applying those policies to all period presented. There is no recognition of any goodwill or a gain from bargain purchase at the time of the common control combination. The effect of all transactions and balances between combining entities, whether occurring before or after the combination, are eliminated in preparing the audited combined financial statements of the Group.

**(ii) Non-controlling Interests**

Non-controlling interests are presented within equity in the combined statements of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

**(iii) Changes In Ownership Interests In Subsidiaries Without Change of Control**

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(b) Basis of Combination (Cont'd)****(iv) Loss of Control**

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

**(c) Functional and Foreign Currencies****(i) Functional and Presentation Currency**

The combined financial statements are presented in Ringgit Malaysia ("RM") which is the Group's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

**(ii) Foreign Currency Transactions and Balances**

Transactions in foreign currencies are converted into RM on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(d) Financial Instruments**

Financial assets and financial liabilities are recognised in the combined statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 – Revenue from Contracts with Customers at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the combined statements of financial position are disclosed in the individual policy statement associated with each item.

**a. Financial Assets**

All recognised financial assets are measured subsequently in their entirety at either amortised or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

*Debt Instruments***(i) Amortised Cost**

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(d) Financial Instruments (Cont'd)****a. Financial Assets (Cont'd)***Debt Instruments (Cont'd)***(i) Amortised Cost (Cont'd)**

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

**(ii) Fair Value through Other Comprehensive Income**

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest method.

**(iii) Fair Value through Profit or Loss**

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

The Group reclassifies debt instruments when and only when its business model for managing those assets change.

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12. ACCOUNTANTS' REPORT (Cont'd)

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(d) Financial Instruments (Cont'd)**

**a. Financial Assets (Cont'd)**

*Equity Instruments*

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Group has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

**b. Financial Liabilities**

**(i) Financial Liabilities at Fair Value through Profit or Loss**

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

**(ii) Other Financial Liabilities**

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

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**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(d) Financial Instruments (Cont'd)****b. Financial Liabilities (Cont'd)****(ii) Other Financial Liabilities (Cont'd)**

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

**c. Equity Instruments**

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

*Ordinary Shares*

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

**d. Derecognition**

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(e) Property, plant and Equipment**

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Depreciation on property, plant and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Building	2%
Office equipment, furniture and fittings	20%
Motor vehicles	20%
Project equipment	20%
Renovation	20%

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the plant and equipment. Any changes are accounted for as a change in estimate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(f) Leased Assets**

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The Company present the right-of-use asset in property, plant and equipment and associated lease liabilities as a separate line item in the statement of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful live of the right-of-use assets are determined on the same basis as those property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If the rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount has been reduced to zero.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(f) Leased Assets (Cont'd)**Accounting Policies Applied Until 30 June 2019**(i) Finance Leases**

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. The corresponding liability is included in the combined statements of financial position as hire purchase payables.

Minimum lease payments made under finance leases are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss and allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each accounting period.

**(ii) Operating Leases**

All leases that do not transfer substantially to the Group all the risks and rewards incidental to ownership are classified as operating leases and, the leased assets are not recognised on the combined statements of financial position of the Group.

Payments made under operating leases are recognised as an expense in the profit or loss on a straight-line method over the term of the lease. Lease incentives received are recognised as a reduction of rental expense over the lease term on a straight-line method. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

**(g) Contract Costs****(i) Incremental Costs of Obtaining A Contract**

The Group recognises incremental costs of obtaining contracts with customers as an asset when the Group expects to recover these costs. When the amortisation period of the asset is one year or less, such costs are recognised as an expense immediately when incurred.

**12. ACCOUNTANTS' REPORT (Cont'd)**

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(g) Contract Costs (Cont'd)**

**(ii) Costs to Fulfil A Contract**

The Group recognises costs that relate directly to a contract (or an anticipated contract) with customer as an asset when the costs generate or enhance resources of the Group, will be used in satisfying performance obligation in the future and are recovered.

The contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates.

An impairment loss is recognised in the profit or loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Any impairment loss recovered shall be reversed to the extent of the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

**(h) Contract Asset And Contract Liability**

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment requirements of MFRS 9 – Financial Instruments.

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

**(i) Cash And Cash Equivalents**

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less.

**(j) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises the purchase price and incidental incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated cost of completion and the estimated costs necessary to make the sale.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(k) Impairment****(i) Impairment of Financial Assets**

The Group recognises a loss allowance for expected credit losses on trade receivables.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

**(ii) Impairment of Non-financial Assets**

The carrying values of assets, other than those to which MFRS 136 – Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(k) Impairment (Cont'd)****(ii) Impairment of Non-financial Assets (Cont'd)**

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

**(l) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

**(m) Employee Benefits****(i) Short-term Benefits**

Wages, salaries, paid annual leave, and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

**(ii) Defined Contributions Plans**

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(n) Income Taxes****(i) Current Tax**

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

**(ii) Deferred Tax**

Deferred tax are recognised using the liability method for temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(o) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the combined financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

**(p) Borrowing Costs**

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

**(q) Operating Segments**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

**(r) Earnings per Ordinary Share**

Basic earnings per ordinary share is calculated by dividing the combined profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the combined profit or loss attributable to ordinary shareholders of the Group and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(s) Fair Value Measurements**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

**(t) Revenue From Contracts With Customers**

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****4.3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(t) Revenue From Contracts With Customers (Cont'd)**

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

**(i) EPCC Services**

Revenue from EPCC services related to solar photovoltaic systems and power plants is recognised over time in the period in which the services are rendered using the input method, determined based on the proportion of costs incurred for work performed to date over the estimated total costs. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives and penalties. Past experience is used to estimate and provide for the variable consideration, using expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the services rendered exceed the payment received, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

**(ii) Other Services**

Revenue from providing other services is recognised over time in the period in which the services are rendered.

**(u) Revenue From Other Operating Income****Interest Income**

Interest income is recognised on an accrual basis using the effective interest method.

12. ACCOUNTANTS' REPORT (Cont'd)

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**5. PROPERTY, PLANT AND EQUIPMENT**

<i>Carrying Amount</i>	Office Equipment, Furniture and Fittings RM'000	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
At 1 July 2016	26	51	7	7	91
Additions (Note 27(a))	13	-	-	-	13
Depreciation Charges	(9)	(11)	(2)	(3)	(25)
At 30 June 2017	30	40	5	4	79

<i>Carrying Amount</i>	Office Equipment, Furniture and Fittings RM'000	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
At 1 July 2017	30	40	5	4	79
Additions (Note 27(a))	35	56	*	-	91
Depreciation Charges	(13)	(12)	(1)	(3)	(29)
At 30 June 2018	52	84	4	1	141

<i>Carrying Amount</i>	Office Equipment, Furniture and Fittings RM'000	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
At 1 July 2018	52	84	4	1	141
Additions (Note 27(a))	121	100	58	98	377
Disposal	-	(46)	-	-	(46)
Depreciation Charges	(33)	(36)	(8)	(17)	(94)
At 30 June 2019	140	102	54	82	378

Note :

(\*) – Amount is less than RM500

**12. ACCOUNTANTS' REPORT (Cont'd)**
**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**
**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

<i>Carrying Amount</i>	Building RM'000	Office Equipment, Furniture and Fittings	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
		RM'000				
<b>Owned assets</b>						
As previously reported	-	140	102	54	82	378
Initial application of MFRS 16	-	-	(85)	-	-	(85)
As restated	-	140	17	54	82	293
Additions (Note 27(a))	1,211	60	-	18	-	1,289
Depreciation Charges	(18)	(45)	(11)	(14)	(20)	(108)
	1,193	15	(11)	4	(20)	1,181
<b>Right-of-use asset</b>						
As previously reported	-	-	-	-	-	-
Initial application of MFRS 16	-	-	85	-	-	85
As restated	-	-	85	-	-	85
Depreciation Charges	-	-	(20)	-	-	(20)
	-	-	(20)	-	-	(20)
At 30 June 2020	1,193	155	71	58	62	1,539

	Office Equipment, Furniture and Fittings	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
	RM'000				
At 30 June 2017					
Cost	52	56	7	16	131
Accumulated Depreciation	(22)	(16)	(2)	(12)	(52)
Carrying Amount	30	40	5	4	79

	Office Equipment, Furniture and Fittings	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
	RM'000				
At 30 June 2018					
Cost	87	112	7	16	222
Accumulated Depreciation	(35)	(28)	(3)	(15)	(81)
Carrying Amount	52	84	4	1	141

12. ACCOUNTANTS' REPORT (Cont'd)

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	Office Equipment, Furniture and Fittings RM'000	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
At 30 June 2019					
Cost	208	156	65	98	527
Accumulated Depreciation	(68)	(54)	(11)	(16)	(149)
Carrying Amount	140	102	54	82	378

	Building RM'000	Office Equipment, Furniture and Fittings RM'000	Motor Vehicles RM'000	Project Equipment RM'000	Renovation RM'000	Total RM'000
<b><u>Owned assets</u></b>						
At 30 June 2020						
Cost	1,211	268	56	83	98	1,716
Accumulated Depreciation	(18)	(113)	(50)	(25)	(36)	(242)
Carrying Amount	1,193	155	6	58	62	1,474

**Right-of-use  
asset**

At 30 June 2020

Cost	-	-	100	-	-	100
Accumulated Depreciation	-	-	(35)	-	-	(35)
	-	-	65	-	-	65
Carrying Amount	1,193	155	71	58	62	1,539

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

- (a) In the previous financial year, the following asset was acquired under hire purchase terms:-

<i>Carrying Amount</i>	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Motor vehicle	-	-	85	65

This leased asset has been pledged as security for the related finance lease liability of the Group as disclosed in Note 17 to the combined financial statements.

- (b) The building of the Group has been pledged to licensed bank as security for banking facilities granted to the Group as disclosed in Note 16 to the combined financial statements.

**6. CONTRACT COSTS**

<i>Carrying Amount</i>	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Costs to fulfil contracts	-	2,298	331	-

The costs to fulfil contracts represent costs incurred to fulfil contracts in future. The costs are to be amortised, consistent with the pattern of recognition of the associated revenue.

**7. INVENTORIES**

<i>Carrying Amount</i>	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Project materials	-	-	-	28

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**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****8. TRADE RECEIVABLES**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Trade receivables	323	10,453	5,546	8,130
Retention sum	107	-	-	190
Allowance for impairment losses	-	(187)	(314)	(366)
	<u>430</u>	<u>10,266</u>	<u>5,232</u>	<u>7,954</u>

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Allowance for impairment losses:-				
At 1 July	-	-	187	314
Addition during the financial year (Note 22)	-	187	127	73
Written off during the financial year	-	-	-	(21)
At 30 June	<u>-</u>	<u>187</u>	<u>314</u>	<u>366</u>

The Group's normal trade credit term is 30 days.

**9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Other receivables	4	970	50	2
Deposits	14	194	134	96
Prepayments	5	435	99	132
	<u>23</u>	<u>1,599</u>	<u>283</u>	<u>230</u>

- (a) Included in the other receivables as at 30 June 2017 were cash deposit of RM4,000 placed with a licensed bank for a banking facility granted to the Group as disclosed in Note 31 to the combined financial statements.
- (b) Included in prepayments as at 30 June 2018 was advanced payment to suppliers amounted to RM363,000 of which the goods were received in the following financial year.
- (c) Included in prepayments as at 30 June 2020 was advanced payment to suppliers amounted to RM112,000 of which the goods were received in the following financial year.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****10. CONTRACT ASSETS/(LIABILITIES)**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Contract Assets	-	122	154	673
Contract Liabilities	(141)	(18,732)	(4,265)	(4,312)

- (a) The contract assets primarily relate to the Group's right to consideration for work completed on contracts but not yet billed as at the reporting date. This balance will be invoiced progressively upon the acceptance of completed works by customers.
- (b) The contract liabilities primarily relates to advanced considerations received/receivable from few customers of which the revenue will be recognised over the remaining contract period.
- (c) The changes to contract asset and contract liability balances during the financial year are summarised below:-

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
At 1 July	78	(141)	(18,610)	(4,111)
Revenue recognised in profit or loss during the financial year	5,898	31,134	67,973	74,867
Billings to customers during the financial year	(6,117)	(49,603)	(53,474)	(74,395)
At 30 June	(141)	(18,610)	(4,111)	(3,639)

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Represented by:-				
Contract assets	-	122	154	673
Contract liabilities	(141)	(18,732)	(4,265)	(4,312)
At 30 June	(141)	(18,610)	(4,111)	(3,639)

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****10. CONTRACT ASSETS/(LIABILITIES) (CONT'D)**

- (d) As at the end of the reporting period, the transaction price allocated to the unsatisfied or partially unsatisfied performance obligations of contracts is RM14,678,000 (2019 – RM26,189,000, 2018 – RM68,872,000 and 2017 – RM526,000). These remaining performance obligations are expected to be recognised as below:-

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Within 1 year	270	67,541	26,189	14,678
Between 1 and 5 years	256	1,331	-	-
At 30 June	526	68,872	26,189	14,678

**11. AMOUNT OWING BY/(TO) DIRECTORS**

The amount owing by/(to) directors represents unsecured interest-free advances and payments made on behalf. The amount owing is repayable on demand and is to be settled in cash.

**12. SHORT-TERM INVESTMENTS**

	As at 30 June			
	2017		2018	
	Carrying Amount RM'000	Market Value RM'000	Carrying Amount RM'000	Market Value RM'000
Money market fund, at fair value	-	-	1,018	1,018

	As at 30 June			
	2019		2020	
	Carrying Amount RM'000	Market Value RM'000	Carrying Amount RM'000	Market Value RM'000
Money market fund, at fair value	4,172	4,172	14,498	14,498

The weighted average effective interest rates of money market funds at the end of the reporting period were 3.96% (2019 – 3.70%, 2018 – 3.60% and 2017 – Nil) per annum.

There is no maturity period for money market funds as these monies are callable on demand.

**12. ACCOUNTANTS' REPORT (Cont'd)**

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**13. FIXED DEPOSIT WITH A LICENSED BANK**

- (a) The fixed deposit with a licensed bank of the Group at the end of the reporting period bore effective interest rates of 3.70% (2019 – 4.25%, 2018 – Nil and 2017 – Nil) per annum. The fixed deposit has maturity periods of 15 (2019 – 15, 2018 – Nil and 2017 – Nil) months.
- (b) The fixed deposit with a licensed bank of the Group at the end of the reporting period has been pledged to a licensed bank as security for banking facilities granted to the Group.

**14. SHARE CAPITAL, INVESTED CAPITAL AND NON-CONTROLLING INTERESTS**

- (a) Share Capital

	As at 30 June			
	2017	2018	2019	2020
	NUMBER OF SHARES ('000)			
<b>ISSUED AND FULLY PAID-UP:</b>				
Ordinary Shares				
At 1 July/date of incorporation	-	-	-	2
At the end of the financial year	-	-	-	2

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>ISSUED AND FULLY PAID-UP:</b>				
Ordinary Shares				
At 1 July/date of incorporation	-	-	-	*
At the end of the financial year	-	-	-	*

Note :  
(\* ) – Denote RM100

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****14. SHARE CAPITAL, INVESTED CAPITAL AND NON-CONTROLLING INTERESTS (CONT'D)**

## (b) Invested Capital

	As at 30 June			
	2017	2018	2019	2020
	NUMBER OF SHARES ('000)			
<b>ISSUED AND FULLY PAID-UP:</b>				
Ordinary Shares				
At 1 July	100	100	750	1,000
Issuance of new shares for cash	-	650	250	30
At 30 June	<u>100</u>	<u>750</u>	<u>1,000</u>	<u>1,030</u>

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>ISSUED AND FULLY PAID-UP:</b>				
Ordinary Shares				
At 1 July	100	100	750	1,000
Issuance of new shares for cash	-	650	250	30
At 30 June	<u>100</u>	<u>750</u>	<u>1,000</u>	<u>1,030</u>

- (i) The holders of ordinary shares are entitled to receive dividends as and when declared by the Group, and are entitled to one vote per ordinary share at meetings of the Group. The ordinary shares have no par value.
- (ii) For the purpose of this report, the total number of ordinary shares as at 30 June 2017, 2018, 2019 and 2020 represent the aggregate number of issued and fully paid-up ordinary shares of all combining entities within the Group, net of ordinary shares held by non-controlling interests.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****14. SHARE CAPITAL, INVESTED CAPITAL AND NON-CONTORLLING INTERESTS (CONT'D)**

## (c) Non-controlling Interests

- (i) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interests %	As at 30 June			
		2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
SC Green	40	-	-	(2)	(7)

- (ii) Summarised financial information of non-controlling interests has not been presented as the non-controlling interests of the subsidiary are not material to the Group.

**15. HIRE PURCHASE PAYABLE**

	As at 30 June		
	2017 RM'000	2018 RM'000	2019 RM'000
Minimum hire purchase payments:			
- not later than 1 year	-	-	20
- later than 1 year but not later than 5 years	-	-	64
	-	-	84
Less: Future finance charges	-	-	(8)
Present value of hire purchase payable	-	-	76
Analysed by:-			
Current liabilities	-	-	17
Non-current liabilities	-	-	59
	-	-	76

- (a) For financial year ended 2020, the hire purchase payables have been presented as 'lease liabilities' as shown in Note 17 to the financial statement following the application of MFRS 16 by the Group using the modified retrospective approach.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****15. HIRE PURCHASE PAYABLE (CONT'D)**

- (b) The hire purchase payable is secured by the following:-
- (i) the Group's motor vehicle under finance lease as disclosed in Note 5(a) to the combined financial statements; and
  - (ii) guaranteed by a director of the Group.
- (c) The hire purchase payable of the Group bore effective interest rates of 4.59% per annum as at the end of the financial year 2019. The interest rate is fixed at the inception of the hire purchase arrangement.

**16. TERM LOAN**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Current liabilities	-	-	1	37
Non-current liabilities	-	-	12	995
	-	-	13	1,032

- (a) The term loan is secured by the following:-
- (i) pledge of fixed deposit with a licensed bank as disclosed in Note 13 to the combined financial statements;
  - (ii) joint and several guarantee by certain directors of the Group; and
  - (iii) secured by a first party legal charge over the Group's building as disclosed in Note 5(b) to the combined financial statements.
- (b) This floating-rate term loan bore effective interest rate of 3.18% (2019 – 6.81%, 2018 – Nil and 2017 – Nil) per annum.

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**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****17. LEASE LIABILITY**

	<u>As at 30 June</u> 2020 RM'000
At 1 July	
- As previously reported	-
- Initial application of MFRS 16	76
	<hr/>
As restated	76
Interest expense recognised in profit or loss	2
Repayment of principal	(12)
Repayment of interest expense	(2)
	<hr/>
	64
	<hr/>
	<u>FYE 30 June</u> 2020 RM'000
Analysed by:	
Current liability	18
Non-current liability	46
	<hr/>
	64
	<hr/>

- (a) The comparative information is not presented as the Group has applied MFRS 16 using the modified retrospective approach.
- (b) Lease liability of the Group are secured by the Group's motor vehicle under the hire purchase arrangements as disclosed in Note 5(a) to the financial statements, with lease terms not more than 3 years and bear effective interest rates of 4.59%.

**18. DEFERRED TAX LIABILITIES**

	<u>As at 30 June</u>			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
At 1 July	7	6	13	13
Recognised in Profit or Loss (Note 24)	(1)	7	-	(13)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June	6	13	13	-
	<hr/>	<hr/>	<hr/>	<hr/>

Deferred tax liabilities represent excess of net carrying amount over tax written down value of plant and equipment.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****19. TRADE PAYABLES**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Trade payables	261	2,608	2,148	9,964
Retention sum	-	159	942	1,235
	<u>261</u>	<u>2,767</u>	<u>3,090</u>	<u>11,199</u>

The normal trade credit terms granted to the Group range from 45 to 90 (2019 – 45 to 60, 2018 – 30 and 2017 – 30) days.

**20. OTHER PAYABLES AND ACCRUALS**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Other payables	65	51	125	261
Goods and services tax payable	13	728	-	-
Sales and services tax payable	-	-	-	13
Accruals	8	17	686	42
Payroll liabilities	23	-	277	424
Deposits received	-	-	15	6
	<u>109</u>	<u>796</u>	<u>1,103</u>	<u>746</u>

**21. REVENUE**

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<u>Revenue from Contracts with Customers recognised over time</u>				
EPCC services	5,746	30,052	67,616	74,648
Other services	784	1,270	685	1,522
	<u>6,530</u>	<u>31,322</u>	<u>68,301</u>	<u>76,170</u>

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****22. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS**

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Impairment losses during the financial year (Note 8)	-	187	127	73

**23. PROFIT BEFORE TAXATION**

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration				
- current financial year	3	10	45	52
- over provision in the previous financial year	-	-	-	(2)
Deposit forfeited	-	5	-	-
Depreciation of plant and equipment	25	29	94	128
Interest expense on:				
- hire purchase payable	-	-	3	-
- lease liability	-	-	-	2
- term loan	-	-	-	24
Loss on disposal of equipment	-	-	10	-
Loss on foreign exchange - realised	-	-	-	390
Lease expenses on:				
- short-term leases	-	-	-	55
- office	36	36	63	-
- hostels	-	4	21	-
- motor vehicle	-	*	-	-
- equipment	2	3	1	-
Listing expenses	-	-	90	1,373
Staff costs (including key management personnel as disclosed in Note 28(c)):				
- short-term employee benefits	387	597	1,259	1,545
- defined contribution benefits	47	67	136	171
Fair value gain on short-term investments	-	-	(73)	(73)
Interest income	-	(17)	(120)	(446)

Note :

(\*) – Amount is less than RM500

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****24. INCOME TAX EXPENSE**

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Current tax expenses	89	42	37	51
Under provision in the previous financial year	*	14	-	11
	<u>89</u>	<u>56</u>	<u>37</u>	<u>62</u>
Deferred tax (Note 18):				
- Origination or reversal of temporary differences	(1)	6	-	-
- Under/(Over) provision in the previous financial year	*	1	-	(13)
	<u>(1)</u>	<u>7</u>	<u>-</u>	<u>(13)</u>
Total income tax expense	<u>88</u>	<u>63</u>	<u>37</u>	<u>49</u>

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rates to income tax expense at the effective tax rate of the Group is as follows:-

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Profit before taxation	<u>1,452</u>	<u>3,277</u>	<u>7,516</u>	<u>7,278</u>
Tax at the statutory tax rate of 24%	348	786	1,804	1,747
Tax effects of:-				
Non-deductible expenses	12	90	313	318
Non-taxable income	-	(4)	(45)	(81)
Tax incentive	(242)	(811)	(2,021)	(1,945)
Effect of change in corporate income tax rate	(30)	(13)	(14)	(20)
Under provision of current tax expense in the previous financial year	*	14	-	11
Under/(Over) provision of deferred tax expense in the previous financial year	*	1	-	(13)
Deferred tax asset not recognised during the year	-	-	-	32
	<u>88</u>	<u>63</u>	<u>37</u>	<u>49</u>

Note :

(\*) – Amount is less than RM500

Samaiden has been granted income tax exemption for Green Technology Services which was approved under the Income Tax (Exemption) (No.11) Order 2006 [P.U. (A) 112/2006], Income Tax Act 1967. Accordingly, the income generated from the related activity is exempted from tax for the years of assessment from 2017 to 2020.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****25. EARNINGS PER SHARE**

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Profit attributable to owners of the Company	1,364	3,214	7,481	7,254
Number of ordinary shares ('000) #	148,845	148,845	148,845	148,845
Basic and diluted earnings per share (sen)	0.92	2.16	5.03	4.87

Note :

(#) – It is assumed to be the number of ordinary shares before public issue.

**26. DIVIDENDS**

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>In respect of the financial year ended 30 June 2017</b>				
Interim single tier dividend of RM4.00 per ordinary share	400	-	-	-
<b>In respect of the financial year ended 30 June 2018</b>				
Interim single tier dividend of RM5.00 per ordinary share	-	500	-	-
Final single tier dividend of RM1.60 per ordinary share	-	-	1,200	-
<b>In respect of the financial year ended 30 June 2019</b>				
Interim single tier dividend of approximately RM5.33 per ordinary share	-	-	4,000	-
	400	500	5,200	-

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****27. CASH FLOW INFORMATION**

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:-

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Cost of property, plant and equipment purchased (Note 5)	13	91	377	1,289
Less: Amount financed through hire purchase (Note (b) below)	-	-	(90)	-
Cash disbursed for purchase of property, plant and equipment	<u>13</u>	<u>91</u>	<u>287</u>	<u>1,289</u>

(b) The reconciliations of liabilities arising from financing activities are as follows:-

	Term Loan	Hire Purchase Payable	Lease Liabilities	Total
<b>2020</b>				
At 1 July	13	76	-	89
Effects on adoption of MFRS 16	-	(76)	76	-
At 1 July, as restated	<u>13</u>	<u>-</u>	<u>76</u>	<u>89</u>
<b>Changes in Financing Cash Flows</b>				
Proceeds from drawdown	1,031	-	-	1,031
Repayment of borrowing principal	(12)	-	(12)	(24)
Repayment of borrowing interests	(24)	-	(2)	(26)
	<u>995</u>	<u>-</u>	<u>(14)</u>	<u>981</u>
<b>Non-cash Changes</b>				
Finance charges recognized in profit or loss	24	-	2	26
At 30 June	<u>1,032</u>	<u>-</u>	<u>64</u>	<u>1,096</u>

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****27. CASH FLOW INFORMATION (CONT'D)**

(b) The reconciliations of liabilities arising from financing activities are as follows (cont'd):-

	Term Loan RM'000	Hire Purchase Payable RM'000	Total RM'000
<b>2019</b>			
At 1 July	-	-	-
<u>Changes in Financing Cash Flows</u>			
Proceeds from drawdown	15	-	15
Repayment of borrowing principal	(2)	(14)	(16)
Repayment of borrowing interests	-	(3)	(3)
	13	(17)	(4)
<u>Non-cash Changes</u>			
New hire purchase (Note (a) above)	-	90	90
Finance charges recognised in profit or loss	-	3	3
	-	93	93
At 30 June	13	76	89

(c) The cash and cash equivalents comprise the followings:-

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Fixed deposit with a licensed bank (Note 13)	-	-	400	421
Cash and bank balances	1,565	10,720	4,999	6,695
Money market funds, at fair value (Note 12)	-	1,018	4,172	14,498
	1,565	11,738	9,571	21,614
Less: Fixed deposit pledged to a licensed bank (Note 13)	-	-	(400)	(421)
	1,565	11,738	9,171	21,193

(d) The total cash outflows for leases as a lessee are as follows:-

	FYE 30 June 2020 RM'000
Payment of short-term leases	55
Interest paid on lease liabilities	2
Payment of lease liabilities	12
	69

The comparative information is not presented as the Group has applied MFRS 16 using the modified retrospective approach.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****28. RELATED PARTY DISCLOSURES****(a) Identities of related parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control.

In addition to the information detailed elsewhere in the combined financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

**(b) Significant Related Party Transactions and Balances**

Other than those disclosed elsewhere in the combined financial statements, the Group also carried out the following significant transactions with the related parties during the financial year:-

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>Director of the Group</b>				
Lease expenses paid/payable	-	-	-	25
<b>Family members of directors of the Group</b>				
Accounting fee paid/payable	16	26	-	-
Upkeep of office paid/payable	30	30	30	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the combined financial statements.

**(c) Key management personnel compensation**

	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<u>Directors of the Group</u>				
Short-term employee benefits				
- fees	-	-	80	120
- salaries, bonuses and other benefits	-	155	426	604
Defined contribution benefits	-	13	51	72
	-	168	557	796
<u>Other key management personnel</u>				
Short-term employee benefits				
- salaries, bonuses and other benefits	270	283	207	385
Defined contribution benefits	32	34	24	45
	302	317	231	430

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****29. OPERATING SEGMENTS**

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the provision of services related to renewable energy and environmental sectors in Malaysia.

**MAJOR CUSTOMERS**

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	<b>Revenue</b>			
	FYE 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Customer A	2,798	-	-	-
Customer B	2,150	-	-	-
Customer C	-	29,436	67,439	-
Customer D	-	-	-	67,409

**30. CAPITAL COMMITMENTS**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Purchase of a property	-	1,064	1,064	-

**31. CONTINGENT LIABILITIES (SECURED)**

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Performance guarantee for a contract in favour of a customer	4	-	-	-
Tender guarantee for a contract in favour of prospective customers	-	-	10	100

- (a) The guarantees were issued by licensed banks in the form of bank guarantee.
- (b) The performance guarantee was secured by cash deposit as disclosed in Note 9 to the combined financial statements.
- (c) The tender guarantee is secured in the same manner of term loan as disclosed in Note 16 to the combined financial statements.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****32. OPERATING LEASE COMMITMENTS**

The Group has applied MFRS 16 using the modified retrospective approach effective from 1 July 2019. As a result, the following information are disclosure required by MFRS 117 "Lease".

**Leases as Lessee**

The Group leased an office under non-cancellable operating lease. The lease period was 24 months with an option to renew after that date. Lease payments were increased every year to reflect market rental and none of the lease included contingent rentals.

The future minimum lease payments under the non-cancellable operating lease are as follows:-

	As at 30 June		
	2017 RM'000	2018 RM'000	2019 RM'000
Not more than 1 year	6	-	-

**33. FINANCIAL INSTRUMENTS**

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

**33.1 FINANCIAL RISK MANAGEMENT POLICIES**

The Group's policies in respect of the major areas of treasury activity are as follows:-

**(a) Market Risk****(i) Foreign Currency Risk**

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currency giving rise to this risk is primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****31. FINANCIAL INSTRUMENTS (CONT'D)****33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)**

The Group's policies in respect of the major areas of treasury activity are as follows (Cont'd):-

**(a) Market Risk (Cont'd)****(i) Foreign Currency Risk (Cont'd)**

The Group exposure to foreign currency risk that based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

*Foreign Currency Exposure*United States Dollar

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<u>Financial Asset</u>				
Other receivable	-	159	-	-

*Foreign Currency Risk Sensitivity Analysis*

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against RM does not have material impact on the profit after taxation and other comprehensive income of the Group and hence, no sensitivity analysis is presented.

**(ii) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed deposit with a licensed bank and hire purchase payable are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(a) Market Risk (Cont'd)****(ii) Interest Rate Risk (Cont'd)**

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 16 to the combined financial statements.

*Interest Rate Risk Sensitivity Analysis*

Any reasonably possible change in the interest rate of floating rate term loan at the end of reporting period does not have material impact on the profit after taxation and other comprehensive income of the Group and hence, no sensitivity analysis is presented.

**(iii) Price Risk**

The Group's principal exposure to price risk arises mainly from changes in prices of money market fund.

*Price Risk Sensitivity Analysis*

Any reasonably possible change in the prices of money market fund at the end of the reporting period does not have material impact on the profit after taxation and other comprehensive income of the Group and hence, no sensitivity analysis is presented.

**(b) Credit Risk**

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including short-term investment and cash and bank balances), the Group minimises credit risk by monitoring receivables regularly and by dealing exclusively with high credit rating counterparties.

**(i) Credit Risk Concentration Profile**

The Group's major concentration of credit risk relates to the amounts owing by 3 customers (2019 – 2, 2018 – 1 and 2017 – 4) which constituted approximately 75% (2019 – 99%, 2018 – 97% and 2017 – 87%) of its trade receivables at the end of the reporting period.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(ii) Exposure to Credit Risk**

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position of the Group after deducting any allowance for impairment losses (where applicable).

**(iii) Assessment of Impairment Losses**

At each reporting date, the Group assesses whether any of financial assets at amortised cost are credit impaired.

The gross carrying amounts of those financial assets are written off when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite they are still subject to enforcement activities.

*Trade Receivables and Contract Assets*

The Group applies the simplified approach in measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit loss, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group considers any receivables having significant balances, more than a year are deemed credit impaired.

The expected loss rates are based on the historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment of Impairment Losses (Cont'd)***Trade Receivables and Contract Assets (Cont'd)*

For services rendered under contracts with customers, the Group assessed the expected credit loss of each customer individually based on their financial information and past trends of payments as there are only a few customers. All of these customers have low risk of default as they have a strong capacity to meet their debts.

The information about the exposure to credit risk and the loss allowances for both trade receivables and contract assets are summarised below:-

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
<b>30.6.2017</b>			
Current (not past due)	266	-	266
1 to 90 days past due	93	-	93
91 to 180 days past due	40	-	40
More than 180 days past due	31	-	31
	<b>430</b>	<b>-</b>	<b>430</b>
Credit impaired: - individually impaired	-	-	-
Trade receivables	430	-	430
Contract assets	-	-	-
	<b>430</b>	<b>-</b>	<b>430</b>

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment of Impairment Losses (Cont'd)****Trade Receivables and Contracts Assets (Cont'd)**

The information about the exposure to credit risk and the loss allowances for both trade receivables and contract assets are summarised below (Cont'd):-

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
<b>30.6.2018</b>			
Current (not past due)	10,326	(60)	10,266
1 to 90 days past due	-	-	-
91 to 180 days past due	-	-	-
More than 180 days past due	127	(127)	-
	10,453	(187)	10,266
Credit impaired: - individually impaired	-	-	-
Trade receivables	10,453	(187)	10,266
Contract assets	122	-	122
	10,575	(187)	10,388
<b>30.6.2019</b>			
Current (not past due)	1,117	(3)	1,114
1 to 90 days past due	2,592	(33)	2,559
91 to 180 days past due	20	(2)	18
More than 180 days past due	1,690	(149)	1,541
	5,419	(187)	5,232
Credit impaired: - individually impaired	127	(127)	-
Trade receivables	5,546	(314)	5,232
Contract assets	154	-	154
	5,700	(314)	5,386

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment of Impairment Losses (Cont'd)***Trade Receivables and Contracts Assets (Cont'd)*

The information about the exposure to credit risk and the loss allowances for both trade receivables and contract assets are summarised below (Cont'd):-

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
<b>30.6.2020</b>			
Current (not past due)	5,413	(19)	5,394
1 to 90 days past due	2,728	(168)	2,560
91 to 180 days past due	-	-	-
More than 180 days past due	-	-	-
	<u>8,141</u>	<u>(187)</u>	<u>7,954</u>
Credit impaired:			
- individually impaired	179	(179)	-
Trade receivables	8,320	(366)	7,954
Contract assets	673	-	673
	<u>8,993</u>	<u>(366)</u>	<u>8,627</u>

The movements in the loss allowances in respect of trade receivables are disclosed in Note 8 to the combined financial statements.

*Other Receivables*

Other receivables are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial and hence, it is not provided for.

*Fixed Deposit with A Licensed Bank, Cash and Bank Balances*

The Group considers these banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

12. ACCOUNTANTS' REPORT (Cont'd)

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**33. FINANCIAL INSTRUMENTS (CONT'D)**

**33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)**

**(c) Liquidity Risk**

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

*Maturity Analysis*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1-5 Years RM'000	Over 5 Years RM'000
<b>30.6.2017</b>						
<u>Non-derivative Financial</u>						
<u>Liabilities</u>						
Trade payables	-	261	261	261	-	-
Other payables and accruals	-	96	96	96	-	-
Amount owing to directors	-	53	53	53	-	-
		410	410	410	410	-

12. ACCOUNTANTS' REPORT (Cont'd)

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**33. FINANCIAL INSTRUMENTS (CONT'D)**

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) **Liquidity Risk (Cont'd)**

*Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1-5 Years RM'000	Over 5 Years RM'000
<b>30.6.2018</b>						
<u>Non-derivative Financial</u>						
<u>Liabilities</u>						
Trade payables	-	2,767	2,767	2,767	-	-
Other payables and accruals	-	68	68	68	-	-
		<b>2,835</b>	<b>2,835</b>	<b>2,835</b>	<b>-</b>	<b>-</b>

12. ACCOUNTANTS' REPORT (Cont'd)

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**33. FINANCIAL INSTRUMENTS (CONT'D)**

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) **Liquidity Risk (Cont'd)**

*Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1-5 Years RM'000	Over 5 Years RM'000
<b>30.6.2019</b>						
<u>Non-derivative Financial</u>						
<u>Liabilities</u>						
Hire purchase payable	4.59	76	84	20	64	-
Term loan	6.81	13	20	2	8	10
Trade payables	-	3,090	3,090	3,090	-	-
Other payables and accruals	-	1,088	1,088	1,088	-	-
		<b>4,267</b>	<b>4,282</b>	<b>4,200</b>	<b>72</b>	<b>10</b>

12. ACCOUNTANTS' REPORT (Cont'd)

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**33. FINANCIAL INSTRUMENTS (CONT'D)**

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

*Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1-5 Years RM'000	Over 5 Years RM'000
<b>30.6.2020</b>						
<u>Non-derivative Financial</u>						
<u>Liabilities</u>						
Lease liability	4.59	64	68	20	48	-
Term loan	3.18	1,032	1,638	85	339	1,214
Trade payables	-	11,199	11,199	11,199	-	-
Other payables and accruals	-	727	727	727	-	-
		13,022	13,632	12,031	387	1,214

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.2 CAPITAL RISK MANAGEMENT**

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. As the Group has insignificant borrowings, the debt-to-equity ratio may not provide a meaningful indicator of the risk of borrowings.

**33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>Financial assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments	-	1,018	4,172	14,498
<u>Amortised Cost</u>				
Trade receivables	430	10,266	5,232	7,954
Other receivables	4	970	50	2
Cash and bank balances	1,565	10,720	4,999	6,695
Fixed deposit with a licensed bank	-	-	400	421
Amount owing by a director	-	1,000	-	-
	<u>1,999</u>	<u>22,956</u>	<u>10,681</u>	<u>15,072</u>
<b>Financial liabilities</b>				
<u>Amortised Cost</u>				
Hire purchase payable	-	-	76	-
Lease liability	-	-	-	64
Term loan	-	-	13	1,032
Trade payables	261	2,767	3,090	11,199
Other payables and accruals	96	68	1,088	727
Amount owing to directors	53	-	-	-
	<u>410</u>	<u>2,835</u>	<u>4,267</u>	<u>13,022</u>

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.4 GAIN OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS**

	As at 30 June			
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
<b>Financial assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	-	17	187	327
<u>Amortised Cost</u>				
Net (losses)/gains recognised in profit or loss	-	(187)	(121)	119
<b>Financial liabilities</b>				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	*	-	(3)	(416)

Note :

(\*) – Amount is less than RM500

**33.5 FAIR VALUE INFORMATION**

The fair values of the financial assets and financial liabilities of the Group that are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

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12. ACCOUNTANTS' REPORT (Cont'd)

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**33. FINANCIAL INSTRUMENTS (CONT'D)**

**33.5 FAIR VALUE INFORMATION (CONT'D)**

The following tables sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30.6.2018	-	1,018	-	-	-	-	1,018	1,018
<u>Financial Asset</u>								
Short-term investments:								
- money market fund		4,172					4,172	4,172
30.6.2019								
<u>Financial Asset</u>								
Short-term investments:								
- money market fund								
<u>Financial Liabilities</u>								
Hire purchase payable					76		76	76
Term loan - floating rate					13		13	13

**12. ACCOUNTANTS' REPORT (Cont'd)**

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**33. FINANCIAL INSTRUMENTS (CONT'D)**

**33.5 FAIR VALUE INFORMATION (CONT'D)**

The following tables sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (cont'd):-

30.6.2020

Financial Asset

Short-term investments:

- money market fund

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	-	14,498	-	-	-	-	14,498	14,498
	-	-	-	-	1,032	-	1,032	1,032

Financial Liability

Term loan - floating rate

**12. ACCOUNTANTS' REPORT (Cont'd)****SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****33. FINANCIAL INSTRUMENTS (CONT'D)****33.5 FAIR VALUE INFORMATION (CONT'D)****(a) Fair Value of Financial Instruments Carried at Fair Value**

(i) The above fair values have been determined using the following basis:-

(aa) The fair value of money market fund is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

**(b) Fair Value of Financial Instruments not Carried at Fair Value**

The fair values, which are for disclosure purposes, have been determined using the following basis:-

(i) The fair value of the Group's term loan that carries floating interest rates approximated its carrying amount as it is repriced to market interest rate on or near the reporting date.

(ii) The fair value of hire purchase payable that carries fixed interest rates is determined by discounting the relevant future contractual cash flows using current market interest rate for similar instrument at the end of the reporting period. The interest rate used to discount the estimated cash flows is as follows:-

	As at 30 June		
	2017	2018	2019
	%	%	%
Hire purchase payable	-	-	4.59

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**12. ACCOUNTANTS' REPORT (Cont'd)**

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**

**34. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR**

The outbreak of Coronavirus Disease 2019 (COVID-19) in early 2020 has affected the business and economics environments of the Group. In an effort to contain the COVID-19 outbreak, the Government of Malaysia announced the imposition of a movement control order ("MCO") as a mean to curb the spread of COVID-19. The MCO was in force from 18 March 2020 until 3 May 2020. The MCO was then lifted and a conditional MCO ("CMCO") was imposed from 4 May 2020 to 9 June 2020 instead. Under the CMCO, certain restriction previously gazetted under the MCO were gradually eased and almost all economics sectors were allowed to reopen. The CMCO was then uplifted and a recovery MCO ("RMCO") was imposed from 10 June 2020 to 31 August 2020 instead. The RMCO period was extended to 31 December 2020 following announcement by Prime Minister on 28 August 2020. Under the RMCO, further restrictions previously gazetted under the CMCO were gradually eased.

The Group submitted formal request for extension of time to certain customers and subsequently been granted extension of time for completion. Furthermore, the Group fixed operating expenses such as salaries and rental expenses has not posted significant constraints on the Group's cash flow and financial position as the monthly cash outflow from operating expenses is only minimal. Thus, the Group consider that the immediate impact of the COVID-19 outbreak on its's business was relatively minimal as at 30 June 2020.

However, the Group will continue to monitor the situation to assess and address the impact of COVID-19 and the RMCO on its business and financial position.

**35. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD**

The significant events occurring after the reporting period are as disclosed in Note 2.2 to the combined financial statements.

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**12. ACCOUNTANTS' REPORT (Cont'd)**

**SAMAIDEN GROUP BERHAD**

Registration No: 201901037874 (1347204-V)

**STATEMENT BY DIRECTORS**

We, Fong Yeng Foon and Chow Pui Hee, being two of the directors of Samaiden Group Berhad, state that, in the opinion of the directors, the combined financial statements set out on pages 5 to 70 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and Prospectus Guidelines – Equity issued by the Securities Commission Malaysia so as to give a true and fair view of the financial position of the Group as at 30 June 2017, 2018, 2019 and 2020 and of their financial performance, and their cash flows for each of the financial years then ended.

Signed in accordance with a resolution of the directors dated **01 SEP 2020**

On behalf of the Board of Directors,



**Fong Yeng Foon**



**Chow Pui Hee**

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**13. ADDITIONAL INFORMATION**

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**13.1 EXTRACT OF OUR CONSTITUTION**

The following provisions are reproduced from our Company's Constitution which complies with the Listing Requirements, the Act and the Rules.

The words and expressions appearing in the following provisions shall bear the same meanings used in our Company's Constitution unless they are otherwise defined here or the context otherwise requires:

**13.1.1 Remuneration, voting and borrowing powers of Directors**

**(a) Directors' remuneration**

**Clause 84**

A Managing Director or an Executive Director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, bonus, commission, or participation in profits, or partly in one way and partly in another and other benefits) as the Board of Directors may determine.

**Clause 89**

An Alternate Director:

- (1) has no entitlement to receive remuneration from the Company and any fee paid by the Company to the Alternate Director shall be deducted from the Appointer's remuneration; and
- (2) is entitled to be reimbursed for all the travelling and other expenses properly incurred by him in attending the Board Meetings on behalf of the Appointer from the Company.

**Clause 90(2)**

The Board may fix, determine and vary the powers, duties and remuneration of any person appointed as an associate director.

**Clause 93**

- (1) The Company may from time to time by an ordinary resolution passed at a General Meeting, approve the remuneration of the Directors, who hold non-executive office with the Company, for their services as non-executive Directors.
- (2) Subject to Clause 84, the fees of the Directors and any benefits payable to the Directors shall be subject to annual Shareholders' approval at a General Meeting.
- (3) If the fee of each such non-executive Director is not specifically fixed by the Members, then the quantum of fees to be paid to each non-executive Director within the overall limits fixed by the Members, shall be decided by resolution of the Board. In default of any decision being made in this respect by the Board, the fees payable to the non-executive Directors shall be divided equally amongst themselves and such a Director holding office for only part of a year shall be entitled to a proportionate part of a full year's fees. The non-executive Directors shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.
- (4) The following expenses shall be determined by the Directors:
  - (a) traveling, hotel and other expenses properly incurred by the Directors in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company; and

**13. ADDITIONAL INFORMATION (Cont'd)**

(b) other expenses properly incurred by the Directors arising from the requirements imposed by the authorities to enable the Directors to effectively discharge their duties.

(5) Executive Directors of the Company shall be remunerated in the manner referred to in Clause 84 but such remuneration shall not include a commission on or percentage of turnover.

**(b) Voting and borrowing powers of Directors**

**Clause 87**

An Alternate Director is entitled to receive notice of Board Meetings and, if the Appointer is not present at such a meeting, is entitled to attend and vote in his stead.

**Clause 90(3)**

A person appointed as an associate director does not have any right to attend or vote at any Board Meetings except by the invitation and with the consent of the Board.

**Clause 95**

Without limiting the generality of Clause 94(1) and (2), the Directors may, subject to the Act and the Listing Requirements, exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any third party:

- (1) borrow money;
- (2) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;
- (3) issue debentures and other Securities whether outright or as security; and/or
- (4)
  - (a) lend and advance money or give credit to any person or company;
  - (b) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company;
  - (c) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company;

and otherwise to assist any person or company.

**Clause 105(a)**

A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest.

**Clause 107**

- (1) The Directors may pass a resolution without a Board Meeting, if a majority of the Directors entitled to vote and sign on the resolution signed the resolution, signifying their agreement to the resolution set out in the document.
- (2) Any such resolution may consist of several documents in like form, each signed by one (1) or more of the Directors, and shall be as valid and effectual as if it were a resolution duly passed at a Board Meeting.

**13. ADDITIONAL INFORMATION (Cont'd)**

**Clause 118**

- (1) Subject to the Constitution, questions arising at a Board Meeting shall be decided by a majority of votes of Directors present and voting and any such decision shall for all purposes be deemed a decision of the Directors.
- (2) Each Director is entitled to cast one (1) vote on each matter for determination.

**Clause 119**

In the case of an equality of votes, the chairperson of the Board Meeting is entitled to a second or casting vote, except where two (2) Directors form a quorum, the chairperson of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue shall not have a casting vote.

**13.1.2 Changes to share capital**

**Clause 46**

- (1) The Company may from time to time by ordinary resolution and subject to other applicable laws or requirements:
  - (a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or
  - (b) subdivide its shares or any of them into shares, whichever is in the subdivision; the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived.
- (2) The Company may from time to time by special resolution and subject to other applicable requirements:
  - (a) cancel shares which, at the date of the passing of the resolution in that regard, 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 or in such other manner allowed by law; or
  - (b) reduce its share capital in such manner permitted by law, and (where applicable) subject to the relevant required approvals being obtained.
- (3) The Company shall have the power, subject to and in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines in respect thereof for the time being in force, to purchase its own shares and thereafter to deal with the shares purchased in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines thereunder or issued by Bursa Securities and any other relevant authorities in respect thereof.

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**13. ADDITIONAL INFORMATION (Cont'd)**

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**13.1.3 Transfer of securities**

**Clause 13**

Clauses 14 and 15 shall apply to Deposited Securities.

**Clause 14**

The transfer of any Deposited Security or class of Deposited Security of the Company, shall be by way of book entry by the 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 the Deposited Securities.

**Clause 15**

Where:

- (a) the Securities of the Company are listed on another stock exchange; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such Securities,

the Company shall, upon request of a Securities holder, permit a transmission of Securities held by such Securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the other stock exchange, to the register of holders maintained by the registrar of the Company in Malaysia and vice versa provided that there shall be no change in the ownership of such Securities.

**Clause 17**

- (1) Subject to this Constitution and other written laws, any Shareholder or debenture holder may transfer all or any of his shares or debentures by instrument of transfer as prescribed under the Act.
- (2) The instrument of transfer must be executed by or on behalf of the transferor and the transferee.
- (3) The transferor shall remain as the holder of such shares or debentures until the transfer is registered and the name of the transferee is entered in the Register of Members or register of debenture holders in respect of the shares or debentures respectively.

**Clause 18**

- (1) To enable the Company to register the name of the transferee, the following items in relation to the transfer of shares or debentures must be delivered by the transferor to the Office of the Company:
  - (a) the instrument of transfer duly executed and stamped;
  - (b) the certificate of the shares or debentures which the instrument of transfer relates; and
  - (c) any other evidence as the Directors may reasonably require showing the right of the transferor to make the transfer.
- (2) Upon receipt of the items referred to in Clause 18(1), the Company shall, upon the approval of the Board and unless otherwise resolved, register the name of the transferee in the Register of Members or register of debenture holders (as the case may be).

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**13. ADDITIONAL INFORMATION (Cont'd)**

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**Clause 19**

- (1) The Directors may decline or delay to register the transfer of shares within thirty (30) days from the receipt of the instrument of transfer if:
  - (a) the shares are not fully paid shares;
  - (b) the Directors passed a resolution with full justification to refuse or delay the registration of transfer;
  - (c) the Company has a lien on the shares; and/or
  - (d) the Shareholder fails to pay the Company an amount due in respect of those shares, whether by way of consideration for the issue of the shares or in respect of the sums payable by the Shareholder in accordance with this Constitution.
- (2) Where applicable, the Company shall send a notice of the resolution referred to in Clause 19(1)(b) to the transferor and transferee, within seven (7) days of the resolution being passed by the Directors.

**Clause 20**

On giving at least fourteen (14) days' notice to the Registrar to close the Register of Members or register of debenture holders, the Company may close the Register of Members or register for any class of members or register of debenture holders (collectively, the "Registers") for the purpose of updating the Registers. The registration of transfer may be suspended at such time and for such period as the Directors may from time to time determine, provided that no part of the relevant Register(s) be closed for more than thirty (30) days in aggregate in any calendar year.

**13.1.4 Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights**

**Clause 7(2)**

A holder of ordinary share(s) shall have the following voting rights:

- (a) right to vote on a show of hands of one (1) vote on any resolution of the Company; and
- (b) right to vote on a poll of one (1) vote for every share held on any resolution of the Company.

**Clause 8(1)**

If at any time the share capital is divided into different classes of shares, the rights attached to each class of shares (unless otherwise provided by the terms of issue of the shares of that class) may only, whether or not the Company is being wound up, be varied:

- (a) with the consent in writing of the holders holding not less than seventy-five percent (75%) of the total voting rights of the holders of that class of shares; or
- (b) by a special resolution passed at a separate meeting of the holders of that class of shares sanctioning the variation.

**13. ADDITIONAL INFORMATION (Cont'd)**

**Clause 8(3)**

The rights attached to an existing class of preference shares shall be deemed to be varied by the issue of new preference shares that rank equally with the existing class of preference shares unless such issuance was authorised by:

- (a) the terms of the issue of the existing preference shares; or
- (b) this Constitution of the Company as in force at the time when the existing preference shares were issued.

**Clause 44**

- (1) The stockholders shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose.
- (2) However, no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such part of stock which would not, if existing in shares have conferred that privilege or advantage.

**Clause 137**

- (1) A dividend may be declared by:
  - (a) the Directors; or
  - (b) the Members on the recommendation of the Board of Directors as it thinks appropriate.
- (2) The payment of a dividend is to those holders of such class of shares as the Directors have determined in accordance with and subject to any conditions upon which the shares have been issued.
- (3) A dividend shall not exceed the amount recommended by the Directors.

**Clause 150**

- (1) If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company:
  - (a) divide amongst the Members in kind the whole or any part of the property, if any, of the Company, whether they consist of property of the same kind or not;
  - (b) set a value as the liquidator considers fair upon the property, if any referred to in Clause 150(1)(a);
  - (c) determine how the division of property, if any is to be carried out as between the Members or different classes of Members; and
  - (d) vest the whole or any part of the property, if any, of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit.
- (2) No Member is compelled to accept any shares or other Securities on which there is any liability.

## **13. ADDITIONAL INFORMATION (Cont'd)**

### **13.2 SHARE CAPITAL**

- (i) 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. There are no special rights attached to our Shares.
- (ii) None of our Group's capital is under any option or agreed conditionally or unconditionally to be put under any option.
- (iii) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocation.
- (iv) There is no scheme involving our employees in the capital of our Group, except for the Pink Form Allocation.
- (v) Save as disclosed in Sections 4.1.1, 6.1.3, 6.2.1, 6.2.2 and 6.2.3 of this Prospectus, no shares, outstanding warrants, options, convertible securities or uncalled capital of our Group have been or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the 2 years preceding the date of this Prospectus.
- (vi) As at the date of this Prospectus, our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

### **13.3 LIMITATION ON THE RIGHT TO OWN SECURITIES**

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.

### **13.4 PUBLIC TAKE-OVERS**

During the last financial year and up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our Group's shares; and
- (ii) public take-over offers by our Group in respect of other companies' shares.

### **13.5 MATERIAL CONTRACTS**

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the Financial Years Under Review up to the date of this Prospectus:

- (i) Sale and purchase agreement entered into on 11 December 2017 between Greenland Venture Sdn Bhd and Samaiden for the acquisition of an office lot at C-15-02, Sunway Office Nexis Suite, No. 1, Jalan PJU 5/1, Kota Damansara, 47810 Petaling Jaya, Selangor for cash consideration of RM1,181,700. This transaction was completed on 19 September 2019;
- (ii) Share Sale and Purchase Agreement dated 29 November 2019 between Samaiden Vendors (as vendors) and our Company (as purchaser) in relation to the Acquisition of Samaiden. This transaction was completed on 19 August 2020. Please refer to Section 4.1.1(a)(ii) of this Prospectus for further details;

### **13. ADDITIONAL INFORMATION (Cont'd)**

- (iii) Share Sale and Purchase Agreement dated 29 November 2019 between Samaiden Consultancy Vendors (as vendors) and our Company (as purchaser) in relation to the Acquisition of Samaiden Consultancy. This transaction was completed on 19 August 2020. Please refer to Section 4.1.1(a)(iii) of this Prospectus for further details;
- (iv) Share Sale and Purchase Agreement dated 29 November 2019 between Ir. Chow Pui Hee (as vendor) and our Company (as purchaser) in relation to the Acquisition of SC Green. This transaction was completed on 19 August 2020. Please refer to Section 4.1.1(a)(iv) of this Prospectus for further details; and
- (v) Underwriting Agreement.

### **13.6 CONSENTS**

- (i) The written consents of the Principal Adviser, Sponsor, Sole Underwriter and Placement Agent, Solicitors for the Listing, Share Registrar, Issuing House and Company Secretaries for the inclusion in this Prospectus of their names in the form and context in which their names appear in this Prospectus have been given before the issue of this Prospectus, and have not subsequently been withdrawn;
- (ii) The written consent of the External Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Consolidated Statements of Financial Position in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn; and
- (iii) The written consent of the IMR for the inclusion in this Prospectus of its name and Industry Overview in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

### **13.7 RESPONSIBILITY STATEMENTS**

- (i) AIBB acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts relating to the IPO.
- (ii) This Prospectus has been seen and approved by our Directors and Promoters, and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

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**13. ADDITIONAL INFORMATION (Cont'd)**

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**13.8 DOCUMENTS FOR INSPECTION**

Copies of the following documents may be inspected at our registered office at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur during office hours for a period of six months from the date of this Prospectus:

- (i) Our Constitution;
- (ii) The Industry Overview referred to in Section 7 of this Prospectus;
- (iii) The Reporting Accountants' Report relating to the Pro Forma Consolidated Statements of Financial Position of our Group as at 30 June 2020 referred to in Section 11.9 of this Prospectus;
- (iv) The Accountants' Report as included in Section 12 of this Prospectus;
- (v) The material contracts referred to in Section 13.5 of this Prospectus;
- (vi) The letters of consent referred to in Section 13.6 of this Prospectus; and
- (vii) The audited financial statements of:
  - (a) SAGB for the period from its date of incorporation up to 30 June 2020;
  - (b) Samaiden for the FYE 2019 and FYE 2020;
  - (c) Samaiden Consultancy for the period from its date of incorporation up to 30 June 2019 and the FYE 2020; and
  - (d) SC Green for the period from its date of incorporation up to 30 June 2020.

#### 14. 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 ISSUE SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR 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.

##### 14.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 28 September 2020

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 5 October 2020

Applications for the Issue Shares will open and close at the dates stated above.

In the event there is any change to the dates stated above, we will advertise the notice of the change in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

**Late Applications will not be accepted.**

##### 14.2 METHODS OF APPLICATIONS

###### 14.2.1 Application for our Issue Shares by the Malaysian Public and our eligible Directors, employees and persons who have contributed to the success of our Group

<u>Types of Application and category of investors</u>	<u>Application method</u>
Applications by eligible Directors and 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

**14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)****14.2.2 Application by selected investors via placement**

<b>Types of Application</b>	<b>Application method</b>
Applications by: Selected investors and Bumiputera investors approved by the MITI	The Placement Agent will contact the selected investors and Bumiputera investors approved by the MITI directly. They should follow the Placement Agent's instructions.

**14.3 ELIGIBILITY****14.3.1 General**

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our 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 ISSUE SHARES OR MULTIPLES OF 100 ISSUE 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.**

**14.3.2 Application by the Malaysian Public**

You can only apply for our Issue Shares if you fulfill all of the following:

- (i) You must be one of the following:
  - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares; or
  - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
  - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

#### **14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**

- (iii) You must submit Applications by using only one of the following methods:
- (a) White Application Form;
  - (b) Electronic Share Application; or
  - (c) Internet Share Application.

##### **14.3.3 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.

Eligible Directors, employees and persons who have contributed to the success of our Group may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, the Issuing House, AIBB, Participating Organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

#### **14.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS**

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of 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 RM0.48 for each Issue Share.

Payment must be made out in favour of “**TIH SHARE ISSUE ACCOUNT NO.694** 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:

- (i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

**Tricor Investor & Issuing House Services Sdn Bhd**  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

#### **14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**

- (ii) **DELIVER BY HAND AND DEPOSIT** in the Drop-in Boxes provided at their Customer Service Centre:  
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 5 October 2020 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.

#### **14.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS**

Only Malaysian individuals may apply for our Issue 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, HSBC Bank Malaysia Berhad, Malayan Banking Berhad, Public Bank Berhad, RHB Bank Berhad and Standard Chartered Bank Malaysia Berhad (at selected branches only). 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.

#### **14.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS**

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CIMB Bank Berhad, CGS-CIMB Securities Sdn Bhd, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions (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.

#### **14.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE**

The Issuing House, on the authority of our Board reserves the right to:

- (i) reject Applications which:
- (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
  - (b) are illegible, incomplete or inaccurate; or
  - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or

## **14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**

- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) 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 14.9 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.

### **14.8 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 Issue 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://tiih.online> within one business day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25% 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 underwriting arrangements and reallocation as set out in Section 4.1.1(b) of the Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

### **14.9 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.

#### **14.9.1 For applications by way of Application Forms**

- (i) 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.

#### **14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**

- (ii) 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.
- (iii) 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 (i) and (ii) above (as the case may be).
- (iv) 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 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 (ii) above (as the case may be).

##### **14.9.2 For applications by way of Electronic Share Application and Internet Share Application**

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within two Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) within two Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5<sup>th</sup> Market Day from the balloting date.
- (iii) 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 arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions will be informed of the unsuccessful or partially successful Applications within two Market Days after the final balloting date. The Participating Financial Institutions will credit the Application monies or any part thereof (without interest) within two Market Days after the receipt of confirmation from the Issuing House.

##### **14.10 SUCCESSFUL APPLICANTS**

If you are successful in your application:

- (i) Our Issue Shares allotted to you will be credited into your CDS account.
- (ii) 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.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our Issue 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 SICDA and Rules of Bursa Depository.

**14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**

- (iv) In accordance with Section 29 of the SICDA, all dealings in our Issue 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.

**14.11 ENQUIRIES**

Enquiries in respect of the applications may be directed as follows:

<b>Mode of Application</b>	<b>Parties to direct the enquiries</b>
Application Form	Issuing House Enquiry Services telephone no. 03-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution and Authorised Financial Institution

The results of the allocation of Issue Shares derived from successful balloting will be made available to the public at the Issuing House website at <https://tiih.online>, **one Market Day** after the balloting date.

You may also check the status of your application at the above website, **five 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 accompanying the electronic copy of this Prospectus on the website of Bursa Securities.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V))**

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Unless otherwise defined, all words and expressions used herein 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.

**1. OPENING AND CLOSING OF APPLICATION**

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 28 September 2020

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 5 October 2020

Applications for the Issue Shares will open and close at the times and dates stated above.

In the event there is any change to the dates stated above, we will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

**Late Applications will not be accepted.**

**2. METHODS OF APPLICATIONS**

Applications must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed. You agree to be bound by our Constitution.

**2.1 Application for our Issue Shares by the Malaysian Public and our eligible Directors, employees and persons who have contributed to the success of our Group**

<u>Types of Application and category of investors</u>	<u>Application Method</u>
Applications by eligible Directors and 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

**2.2 Application by selected investors via placement**

<u>Types of Application</u>	<u>Application Method</u>
Applications by:	
Selected investors and Bumiputera investors approved by the MITI	The Placement Agent will contact the selected investors and Bumiputera investors approved by the MITI directly. They should follow the Placement Agent's instructions.

### **3. ELIGIBILITY**

#### **3.1 Application by the Malaysian Public**

You can only apply for our Issue Shares if you fulfill all of the following:

- (i) You must have a CDS account and a corresponding address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 below.
- (ii) You must be one of the following:
  - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares; or
  - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
  - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (iii) 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
- (iv) You must submit an Application by using only one of the following methods:
  - (a) White Application Form;
  - (b) Electronic Share Application; or
  - (c) Internet Share Application.

#### **3.2 Application by eligible Directors, employees and persons who have contributed to the success of our Group**

The eligible Directors, employees and persons who have contributed to the success of our Group will be provided with Pink Application Forms and letters from us detailing their respective allocations. The applicants must follow the notes and instructions in those documents and where relevant, of our Prospectus.

Eligible Directors, employees and persons who have contributed to the success of our Group who apply for our Issue Shares must have a CDS account and a correspondence address in Malaysia.

Applicants provided with Pink Application Forms may also apply for our Issue Shares offered to the Malaysian Public.

You agree that any application which you make for our Issue Shares is irrevocable.

#### **4. PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS**

Each application for our Issue Shares must be made using the correct type of Application Form. The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications 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.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 ISSUE SHARES OR MULTIPLES OF 100 ISSUE 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.**

The Malaysian Public must follow the following procedures in making their applications through the White Application Form.

- a) Obtain the White Application Form together with the Official "A" and "B" envelopes and our Prospectus.

The **White** Application Forms together with our Prospectus, can be obtained subject to availability from Alliance Investment Bank Berhad, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or Malaysian Investment Banking Association and the Issuing House.

- b) In accordance with Section 232(2) of the CMSA, the White Application Forms are accompanied by our Prospectus. You are advised to read and understand our Prospectus before making your Application.
- c) Complete the White Application Form legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in our Prospectus, including:
  - (i) Ensuring that your personal particulars submitted in your Application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any changes to your personal particulars as the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository.
  - (ii) Stating your CDS account number in the space provided in the White Application Form. Invalid or nominee or third party CDS accounts will **not** be accepted.
  - (iii) Stating the details of your payment in the appropriate boxes provided in the White Application Form.
  - (iv) Stating the number of shares applied. Applications must be for at least 100 Issue Shares or multiples of 100 Issue Shares.
- d) Prepare the appropriate form of payment in RM for the FULL amount payable based on the Issue Price of RM0.48 for each Issue Share.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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Payment must be made out in favour of “**TIIH SHARE ISSUE ACCOUNT NUMBER 694**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Only Banker’s Draft or Cashier’s Order drawn on a bank in Kuala Lumpur, Money or Postal Orders (Sabah and Sarawak only) and Guaranteed Giro Order from Bank Simpanan Nasional Malaysia Berhad will be accepted.

We will not accept Applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the Application Forms.

- e) Insert the White Application Form together with payment and a legible photocopy of your identification document (NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable)) into the Official “A” envelope and seal it. You must write your name and address on the outside of the Official “A” and “B” envelopes.

Affix RM1.50 stamp on the Official “A” envelope and insert the Official “A” envelope into the Official “B” envelope.

The name and address written must be identical to your name and address as in your NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

- f) 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: -

- (i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))  
Unit 32-01, Level 32  
Tower A, Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

- (ii) **DELIVER BY HAND AND DEPOSIT** in the Drop-in Boxes provided at their Customer Service Centre, 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 5 October 2020 or by such other time and date specified in any change to the date or time for closing. We will not accept late Applications.

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.

## **5. APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS**

### **5.1 Participating Financial Institutions**

Malaysian individuals may apply for our Issue Shares through the ATM of the following Participating Financial Institutions and their branches. The following processing fee for each Electronic Share Application will be charged by the respective Participating Financial Institutions (unless waived) as follows:

<b>Participating Financial Institutions</b>	<b>Charges</b>
Affin Bank Berhad	Free
Alliance Bank Malaysia Berhad	RM1.00
AmBank (M) Berhad	RM1.00
CIMB Bank Berhad	RM2.50
HSBC Bank Malaysia Berhad	RM2.50
Malayan Banking Berhad	RM1.00
Public Bank Berhad	RM2.00
RHB Bank Berhad	RM2.50
Standard Chartered Bank Malaysia Berhad (at selected branches only)	RM2.50

**Please note that these processing fees may be varied or waived from time to time at the discretion of the respective Participating Financial Institutions. Please contact the relevant Participating Financial Institutions for further enquiries.**

### **5.2 Procedures for Electronic Share Application**

The procedures for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions.

**PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR ELECTRONIC SHARE APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATM CAREFULLY PRIOR TO MAKING AN ELECTRONIC SHARE APPLICATION.**

If you encounter any problems in your Application, you may refer to the respective Participating Financial Institutions.

You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our Issue Shares at an ATM belonging to other Participating Financial Institutions.

You are to submit at least the following information through the ATM, where the instructions on the ATM screen require you to do so:

- Personal Identification Number (“PIN”);
- TIIH Share Issue Account Number 694;
- Your CDS account number;
- Number of Issue Shares applied for and the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in Section 5.3 below.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip (“**Transaction Record**”), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or the Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

### **5.3 Terms and Conditions for Electronic Share Application**

**You must have a CDS account to be eligible to use the Electronic Share Application. Invalid, nominee or third party CDS accounts will not be accepted.**

**YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.**

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

- (i) The Electronic Share Application shall be made in relation to and subject to the terms of our Prospectus and our Company’s Constitution.
- (ii) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:
  - (a) You are at least 18 years old as at the date of the application for our Issue Shares;
  - (b) You are a Malaysian citizen residing in Malaysia;
  - (c) You have read our Prospectus and understood and agreed with the terms and conditions of the Application;
  - (d) The Electronic Share Application is the only application that you are submitting for our Issue Shares offered to the Malaysian Public; and
  - (e) You consent to the disclosure by the Participating Financial Institutions and Bursa Depository of information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the Issuing House and other relevant authorities.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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Your Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, it is considered that you have confirmed each of the above statements as well as given consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Participating Financial Institutions or Bursa Depository, as the case may be, of any of your particulars to the Issuing House or any relevant authorities.

- (iii) You confirm that you are not applying for our Issue Shares offered to the Malaysian Public as a nominee of any other person and that the Electronic Share Application that you make is made by you as the beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for our Issue Shares offered to the Malaysian Public.
- (iv) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application is made, failing which the Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.
- (v) You agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated in the Transaction Record or any lesser number of Issue Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot or allocate a lesser number of such Issue Shares or not to allot or allocate any Issue Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated keys or buttons on the ATM keyboard) of the number of Issue Shares applied for shall signify, and shall be treated as, your acceptance of the number of Issue Shares that may be allotted or allocated to you and your acceptance to be bound by our Constitution.
- (vi) the Issuing House, on the authority of our Board, reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our Issue Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.
- (vii) You request and authorise us:
  - (a) to credit our Issue Shares allotted or allocated to you into your CDS account; and
  - (b) to issue share certificate(s) representing such Issue Shares or jumbo certificates which represent, amongst others, such Issue Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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- (viii) You acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of the Issuing House, Bursa Depository or the Participating Financial Institutions, and irrevocably agree that if:
- (a) our Company or the Issuing House does not receive your Electronic Share Application; or
  - (b) the data relating to your Electronic Share Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company or the Issuing House,
- you shall be deemed not to have made an Electronic Share Application and shall not make any claim whatsoever against our Company, the Issuing House or the Participating Financial Institutions for our Issue Shares applied for or for any compensation, loss or damage.
- (ix) All of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, the Issuing House and the relevant Participating Financial Institution shall be entitled to rely on their accuracy.
- (x) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.
- (xi) By making and completing an Electronic Share Application, you agree that:
- (a) in consideration of us agreeing to allow and accept the application for our Issue Shares through the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;
  - (b) we, the Participating Financial Institutions, Bursa Depository and the Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our or the control of any of them;
  - (c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase our Issue Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said Issue Shares;
  - (d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounce any instrument of transfer and other documents required for the issue or transfer of our Issue Shares allotted or allocated to you; and

- (e) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and / or the Electronic Share Application and / or any terms of our Prospectus, all rights, obligations and liabilities of the parties shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (xii) the Issuing House, acting on the authority of our Board reserves the right to reject Applications which do not conform to these instructions.

## **6. APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS**

### **6.1 Internet Participating Financial Institutions**

Applications for our Issue Shares by the Malaysian Public Individuals may be made through the Internet financial services website of the Internet Participating Financial Institutions.

**YOU ARE ADVISED NOT TO APPLY FOR OUR ISSUE SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.**

<b>Internet Participating Financial Institution</b>	<b>Website address</b>	<b>Fees charged</b>
Affin Bank Berhad	www.affinOnline.com	Free
Alliance Bank Malaysia Berhad	www.allianceonline.com.my	RM1.00
CGS-CIMB Securities Sdn Bhd	www.eipocimb.com	RM2.00 for payment through CIMB Bank Berhad or Malayan Banking Berhad
CIMB Bank Berhad	www.cimbclicks.com.my	RM2.00 for applicants with CDS Accounts held with CGS-CIMB Securities Sdn Bhd and RM2.50 for applicants with CDS Accounts with other ADAs
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
RHB Bank Berhad	www.rhbgroup.com	RM2.50
Public Bank Berhad	www.pbepbank.com	RM2.00

Please note that these fees may be varied or waived from time to time at the discretion of the respective Internet Participating Financial Institution. Please contact the relevant Internet Participating Financial Institution for further enquiries.

**PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR INTERNET SHARE APPLICATIONS SET OUT BELOW AND AT THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTION CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.**

If you encounter any problems in your Application, you may refer to the respective Internet Participating Financial Institution.

## **6.2 Terms and Conditions for Internet Share Application**

**PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.**

An Internet Share Application shall be made on and subject to the following terms and conditions:

- (i) You can make an Internet Share Application if you fulfill all of the following:
  - (a) You are an individual with a CDS Account and in the case of a joint account, an individual CDS Account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS Account registered in the joint account holder's name;
  - (b) You have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution. You must have your user identification ("**User ID**") and Personal Identification Numbers ("**PIN**")/password for the relevant Internet financial services facilities; and
  - (c) You are a Malaysian citizen and have a mailing address in Malaysia.

You are advised to note that a User ID and PIN/password issued by one of the Internet Participating Financial Institutions cannot be used to apply for our Issue Shares at Internet financial service websites of other Internet Participating Financial Institutions.

- (ii) An Internet Share Application shall be made on and subject to the terms of our Prospectus and our Company's Constitution.
- (iii) You are required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution) and to undertake that the following information given are true and correct:
  - (a) You are at least 18 years old as at the date of the application for our Issue Shares;
  - (b) You are a Malaysian citizen residing in Malaysia;

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMADEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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- (c) You have, prior to making your Internet Share Application, received and/or have had access to a printed/electronic copy of our Prospectus, the contents of which you have fully read and understood;
  - (d) You agree to all the terms and conditions of the Internet Share Application as set out in our Prospectus and have carefully considered the risk factors as well as all other information and statements set out in our Prospectus, before making your Internet Share Application;
  - (e) Your Internet Share Application is the only application that you are submitting for our Issue Shares offered to the Malaysian Public;
  - (f) You authorise the Internet Participating Financial Institution or the Authorised Financial Institution to deduct the full amount payable for our Issue Shares from your account with the Internet Participating Financial Institution or the Authorised Financial Institution;
  - (g) You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Service Act, 2013 and Section 45 of SICDA) to the disclosure by the Internet Participating Financial Institution, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institution, to our Issuing House and the Authorised Financial Institution, the SC and any other relevant authority;
  - (h) You are not applying for our Issue Shares as a nominee of any other person and your Internet Share Application is made in your own name, as beneficial owner and subject to the risks referred to in our Prospectus;
  - (i) You authorise the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institutions, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institutions will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions in connection with the use of the Internet Share Application services.
- (iv) Your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our Issue Shares through the website of the Authorised Financial Institutions and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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For the purposes of our Prospectus, "Confirmation Screen" shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of Issue Shares applied for which you can print out for your records.

Upon the display of the Confirmation Screen, you will be deemed to have confirmed the truth of the statements set out in Section 6.2(iii) above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institution and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or the Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

- (v) You must have sufficient funds in your account with the Internet Participating Financial Institution or the Authorised Financial Institution at the time of making your Internet Share Application, to cover and pay for our Issue Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which your Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in our Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made shall be rejected.
- (vi) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated on the Confirmation Screen or any lesser number of Issue Shares that may be allotted or allocated to you in respect of your Internet Share Application. In the event that we decide to allot or allocate lesser number of Issue Shares or not to allot or allocate any Issue Shares to you, you agree to accept any such decision as final.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institution, your confirmation of the number of Issue Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

- (a) Your acceptance of the number of Issue Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and
  - (b) Your agreement to be bound by the Constitution of our Company.
- (vii) You are fully aware that multiple or suspected multiple Internet Share Applications for our Issue Shares will be rejected. **A PERSON WHO SUBMITS MULTIPLE INTERNET SHARE 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.** Our Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating the Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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- (viii) An Internet Share Application is deemed to be received only upon its completion, which is when the Confirmation Screen is displayed on the Internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for reference and record purposes. Late Internet Share Applications will not be accepted.
- (ix) You acknowledge that your Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, and other events beyond the control of the Internet Participating Financial Institution, the Authorised Financial Institution, the Issuing House and our Company and irrevocably agree that if:
- (a) our Company, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution do not receive your Internet Share Application and/or payment; and
  - (b) any data relating to your Internet Share Application or the tape or any other devices containing such data and/or payment is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever,

you will be deemed not to have made an Internet Share Application and you will not make any claim whatsoever against our Company, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution in relation to our Issue Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

- (x) All of your particulars in the records of the relevant Internet Participating Financial Institution at the time of your Internet Share Application shall be deemed to be true and correct, and we, the Issuing House, the Internet Participating Financial Institutions and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information shall be entitled to rely on the accuracy thereof.

You must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institution are correct and identical. Otherwise, your Internet Share Application will be rejected. The notification letter on successful allotment will be sent to your last address maintained with Bursa Depository. It is your responsibility to notify the Internet Participating Financial Institution and Bursa Depository of any changes in your personal particulars that may occur from time to time.

## **7. AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE**

Your Application will be selected in a manner to be determined by our Board. Due consideration will be given to the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares. The Issuing House, on the authority of our Board reserves the right to:

- (i) reject Applications which:
  - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
  - (b) are illegible, incomplete or inaccurate; or
  - (c) are accompanied by an improperly drawn up, or improper form of remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), by
  - (a) ordinary post through the self-addressed and stamped Official "A" envelope which you have provided to Bursa Depository;
  - (b) crediting into your bank account for the purposes of cash dividend / distribution if you have provided such bank account information to Bursa Depository; or
  - (c) ordinary / registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository.

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.

## **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 Issue 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://tiih.online> within one (1) business day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25% 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 underwriting arrangements and reallocation as set out in Section 4.1.1(b)(i) of our Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

## **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.

### **9.1 For applications by way of Application Forms**

- (i) 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 ten (10) Market Days from the date of the final ballot at your own risk.
- (ii) 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 documents 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.
- (iii) 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 (i) and (ii) above (as the case may be).
- (iv) 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 ten (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 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 (ii) above (as the case may be).

**9.2 For applications by way of Electronic Share Application and Internet Share Application**

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within two (2) Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institution) within two (2) Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5<sup>th</sup> Market Day from the balloting date.
- (iii) 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 arranged with the Authorised Financial Institutions) not later than ten (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 two (2) Market Days after the final balloting date. The Participating Financial Institution will credit the Application monies or any part thereof (without interest) within two (2) Market Days after the receipt of confirmation from the Issuing House.

**10. SUCCESSFUL APPLICANTS**

If you are successful in your Application:

- (i) Our Issue Shares allotted to you will be credited into your CDS account.
- (ii) 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.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our Issue 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 SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

**11. ENQUIRIES**

Enquiries in respect of the applications may be directed as follows:

<b>Mode of application</b>	<b>Parties to direct the enquiries</b>
Application Form	Issuing House Enquiry Services at telephone no. 03-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution 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://tiih.online>, one 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 listed in Section 12 below.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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**12. LIST OF ADAS**

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
<b>KUALA LUMPUR</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	2 <sup>nd</sup> Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel No : 03-7710 6688	068-009
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3 <sup>rd</sup> Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No : 03-21438668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel No : 03-91308803	068-021
ALLIANCE INVESTMENT BANK BERHAD	Level 17, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No : 03-26043333	076-001
AMINVESTMENT BANK BERHAD	15 <sup>th</sup> Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No : 03-20782788 / 20362633	086-001
BIMB SECURITIES SDN BHD	Level 32, Menara Multi Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No : 03-26918887 / 2613 1600	024-001
CGS-CIMB SECURITIES SDN BHD	Level 17, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel No : 03-22618888	065-001
FA SECURITIES SDN BHD	A-10-1 & A-10-17 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel No : 03-22881676	021-001

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
HONG LEONG INVESTMENT BANK BERHAD	Level 7, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel No : 03 – 21681168	066-001
HONG LEONG INVESTMENT BANK BERHAD	Level 25 & 26, Menara LGB No 1, Jalan Wan Kadir 60000, Taman Tun Dr Ismail Kuala Lumpur Tel No : 03-77236300	066-002
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28 Menara Hong Leong No.6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-20831800	066-008
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No : 03-21171888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8, Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No : 03-79847796	054-003
INTER-PACIFIC SECURITIES SDN BHD	No. 33-1 (First Floor) Jalan Radin Bagus Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No : 03-90562921 / 90562922	054-007
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	11 <sup>th</sup> -14 <sup>th</sup> Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No : 03-21710228	053-001
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower, 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No : 03-2172 2888	073-001
KENANGA INVESTMENT BANK BERHAD	M3-A-7 & M3-A-8 Jalan Pandan Indah 4/3A Pandan Indah 55100 Kuala Lumpur Tel No : 03-42978806	073-001

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
KENANGA INVESTMENT BANK BERHAD	Ground Floor West Wing ECM Libra Building 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No : 03-2089 2888	073-001
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 and 43-6 The Boulevard, Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel No : 03-22821820	057-002
M & A SECURITIES SDN BHD	22A-1 Jalan Kuchai Maju 1 Kuchai Entrepreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur Tel No : 03-79839890	057-004
MALACCA SECURITIES SDN BHD	No 76-1, Jalan Wangsa Maju Delima 6, Pusat Bandar Wangsa Maju (KLSC) Setapak, 53300, Kuala Lumpur Tel No: 03-4144 2565	012-001
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur Tel No: 03-2733 9782	012-001
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No. 3, Jalan Bangsar KL Eco City 59200 Kuala Lumpur Tel No : 03-2201 2100	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No : 03-2297 8888	098-001
MAYBANK INVESTMENT BANK BERHAD	Tingkat 27, 31 to 33 Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel No : 03-20591888	098-007
MERCURY SECURITIES SDN BHD	L-7-2, No. 2 Jalan Solaris Solaris Mont' Kiara 50480 Kuala Lumpur Tel No : 03-6203 7227	093-002

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
MIDF AMANAH INVESTMENT BANK BERHAD	Level 9, 10, 11, 12 Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Tel No : 03-21738888	026-001
PM SECURITIES SDN BHD	Mezzanine & 1 <sup>st</sup> Floor Menara PMI No. 2, Jalan Changkat Ceylon 50200 Kuala Lumpur Tel No : 03-21463000	064-001
PUBLIC INVESTMENT BANK BERHAD	27 <sup>th</sup> Floor, Bangunan Public Bank No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No : 03-2268 3000	051-001
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No : 03-9287 3338	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1, 64 & 64-1, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No : 03 - 6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No : 03-4280 4798	087-054
RHB INVESTMENT BANK BERHAD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No : 03-9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No : 03-20721277	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	N-1-3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No : 03-6205 6000	078-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 19 <sup>th</sup> Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel No : 03-2147 1888	078-010

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
<b>SELANGOR DARUL EHSAN</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B 3A1, East Wing, 3A <sup>th</sup> Floor, Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03-5635 6688	068-010
AFFIN HWANG INVESTMENT BANK BERHAD	4 <sup>th</sup> Floor, Wisma Meru 1 Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No : 03-3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	Lot 229, 2 <sup>nd</sup> Floor, The Curve 6 Jalan PJU 7/3, Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7729 8016	068-020
AFFIN HWANG INVESTMENT BANK BERHAD	No.79-1, Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No : 03-3322 1999	068-023
AMINVESTMENT BANK BERHAD	4 <sup>th</sup> Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7710 6613	086-001
CGS-CIMB SECURITIES SDN BHD	Level G & Level 1, Tropicana City Office Tower No 3 Jalan SS20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7717 3388	065-001
CGS-CIMB SECURITIES SDN BHD	1, 135 & 137 Floor Jalan Sultan Abdul Samad 42700 Banting Selangor Darul Ehsan Tel No : 03-3181 1337 / 1346	065-001

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
CGS-CIMB SECURITIES SDN BHD	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03-5631 7934 / 7892	065-001
CGS-CIMB SECURITIES SDN BHD	2 <sup>nd</sup> Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No : 03-3325 7105 / 7106	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No : 03-5891 6852	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor, No. 26A(F), 26A(M) & 26A(B) Jalan SJ6, Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No : 03-6137 1680	065-001
JF APEX SECURITIES BERHAD	6 <sup>th</sup> Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No : 03 – 8736 1118	079-001
JF APEX SECURITIES BERHAD	16 <sup>th</sup> Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7620 1118	079-002
KENANGA INVESTMENT BANK BERHAD	No. 55C, 2 <sup>nd</sup> Floor Jalan USJ 10/1F 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No : 03-8024 1773	073-001
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2 <sup>nd</sup> Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7725 9095	073-001

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
KENANGA INVESTMENT BANK BERHAD	Level 1 East Wing Wisma Consplant 2 No. 7 Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03-56212118	073-001
KENANGA INVESTMENT BANK BERHAD	35 (Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No : 03-33488080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03-56361533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67, Petaling Jaya Selangor Darul Ehsan Tel No : 03-7876 1533	012-001
MAYBANK INVESTMENT BANK BERHAD	Wisma Bentley Music Level 1, No. 3, Jalan PJU 7/2 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7718 8888	098-004
MAYBANK INVESTMENT BANK BERHAD	Suite 8.02, Level 8, Menara Trend Intan Millennium Square No. 68, Jalan Batai Laut 4, Taman Intan 41300 Klang Selangor Darul Ehsan Tel No : 03-3050 8888	098-003
PM SECURITIES SDN BHD	1 <sup>st</sup> Floor, 157- A, Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No : 03-8070 0773	064-003
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No : 03-3341 5300	064-001
RHB INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M, 28A & 30 Jalan SS 2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No : 03-78736366	087-011

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
RHB INVESTMENT BANK BERHAD	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel No : 03-87363378	087-045
RHB INVESTMENT BANK BERHAD	First Floor, 10 & 11 Jalan Maxwell 48000, Rawang Selangor Darul Ehsan Tel No :03 - 6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No : 03-33439180	087-048
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B Jalan USJ 10/1J USJ 10, 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No : 03-80221888	087-059
SJ SECURITIES SDN BHD	Ground Floor, Podium Block Wisma Synergy, Lot 72, Persiaran Jubli Perak Section 22, 40000 Shah Alam Selangor Darul Ehsan Tel No : 03-51920202	096-001
SJ SECURITIES SDN BHD	No. A-3-11 Block Alamanda 10 Boulevard Lebuhraya Sprint, PJU 6A 47400 Petaling Jaya Selangor Darul Ehsan Tel No : 03-77323862	096-005
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T, Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No : 03-80251880	058-005
TA SECURITIES HOLDINGS BERHAD	2 <sup>nd</sup> Floor, Wisma TA 1A Jalan SS20/1, Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel no : 03 – 7729 5713	058-007
<b>MELAKA</b>		
CGS-CIMB SECURITIES SDN BHD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No : 06-289 8800	065-006

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang 75250 Melaka Tel No : 06-3371533	012-001
KENANGA INVESTMENT BANK BERHAD	71 (Ground, A&B) & 73 (Ground, A&B) Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06-2881720	073-001
KENANGA INVESTMENT BANK BERHAD	22A & 22A-1 and 26 & 26-1 Jalan MP 10 Taman Merdeka Permai 75350 Batu Berendam Melaka Tel No : 06-3372550	073-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06-2921898	093-003
PM SECURITIES SDN BHD	No 6-1, Jalan Lagenda 2, Taman 1 Lagenda, 75400 Melaka Tel No : 06-2880050	064-006
RHB INVESTMENT BANK BERHAD	579, 580 & 581, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06 – 284 9885	087-026
TA SECURITIES HOLDINGS BERHAD	59, 59A, 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06-2862618	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No : 06-3352511	078-014
<b>PERAK DARUL RIDZUAN</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	21, Jalan Stesen Ground Floor, 1, 2 & 3 34000 Taiping Perak Darul Ridzuan Tel No : 05-8066688	068-003

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
AFFIN HWANG INVESTMENT BANK BERHAD	2 <sup>nd</sup> & 3 <sup>rd</sup> Floor No. 22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No : 05-2559988	068-015
CGS-CIMB SECURITIES SDN BHD	Ground, 1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No : 05-2088688	065-001
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No : 05-2530888	066-003
KENANGA INVESTMENT BANK BERHAD	Ground, 1 <sup>st</sup> , 2 <sup>nd</sup> & 4 <sup>th</sup> Floor No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No : 05-2422828	073-022
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 25 & 25A Jalan Jaya 2, Medan Jaya 32000 Sitiawan Perak Darul Ridzuan Tel No : 05-6939828	073-031
M & A SECURITIES SDN BHD	5 <sup>th</sup> , 6 <sup>th</sup> Floor and Unit 8A M&A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No : 05-2419800	057-001
MALACCA SECURITIES SDN BHD	No 3, 1 <sup>st</sup> Floor, Persiaran Greenhill 30450, Ipoh Perak Darul Ridzuan Tel No: 05-2541 533 / 2541577	012-013
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2 42 Persiaran Greentown 1 Pusat Dagangan Greentown 30450 Ipoh, Perak Tel No : 05-2453400	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor No. 17, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No : 05-6236498	087-014

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No : 05-6921228	087-016
RHB INVESTMENT BANK BERHAD	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Tel No : 05-2415100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No : 05-8088229	087-034
RHB INVESTMENT BANK BERHAD	72, Ground Floor Jalan Idris 31900 Kampar Perak Darul Ridzuan Tel No : 05-4651261	087-044
RHB INVESTMENT BANK BERHAD	No 1&3, 1 <sup>st</sup> Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No : 05-7170888	087-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No : 05-2531313	058-001
UOB KAY HIAN SECURITIES (M) SDN BHD	153A Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No : 05-2411290	078-002
<b>PULAU PINANG</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel No : 04-2636996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No : 04-5372882	068-006

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
ALLIANCE INVESTMENT BANK BERHAD	Ground & Mezzanine Floor Bangunan Barkath 21, Lebuhr Pantai 10300 Pulau Pinang Tel No: 04-2611688	076-015
AMINVESTMENT BANK BERHAD	3 <sup>rd</sup> Floor, Menara Liang Court 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No : 04-2261818	086-001
CGS-CIMB SECURITIES SDN BHD	Level 2, Menara BHL, 51, Jalan Sultan Ahmad Shah, 10050 Pulau Pinang Tel No : 04-2385900	065-001
CGS-CIMB SECURITIES SDN BHD	2 <sup>nd</sup> Floor, No. 6160 Jalan Ong Yi How Kawasan Perindustrian Teras Jaya 13400 Butterworth Pulau Pinang Tel No : 04-329 1112 / 8478	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor, 32A Jalan Mahsuri 11950 Bandar Bayan Baru Pulau Pinang Tel No : 04-642 2287	065-001
CGS-CIMB SECURITIES SDN BHD	No. 20-1 & No. 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Pulau Pinang Tel No : 04-641 2881	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor, Unit 1308 & 1309 Jalan Besar, Sungai Bakap 14200 Sungai Jawi Pulau Pinang Tel No : 04-641 2881	065-001
INTER-PACIFIC SECURITIES SDN BHD	Canton Square Level 2 (Unit 1) & Level 3 No 56. Cantontment Road 10250 Pulau Pinang Tel No : 04-2268288	054-002
JF APEX SECURITIES BERHAD	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Pulau Pinang Tel No : 04-2289118	079-005

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
KENANGA INVESTMENT BANK BERHAD	7 <sup>th</sup> , 8 <sup>th</sup> & 16 <sup>th</sup> Floor Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No : 04-2283355	073-023
M & A SECURITIES SDN BHD	332H-1 & 332G-2 Harmony Square Jalan Perak 11600 Georgetown Pulau Pinang Tel No : 04-2817611	057-005
M & A SECURITIES SDN BHD	9-1-33, Taman Kheng Tian Jalan Van Praagh, 11600, Georgetown Pulau Pinang Tel No : 04 – 2888 788	057-008
MALACCA SECURITIES SDN BHD	48 Jalan Todak 2 13700 Seberang Jaya Pulau Pinang Tel No : 04-3905669	012-001
MALACCA SECURITIES SDN BHD	No 17, 1 <sup>st</sup> Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Pulau Pinang Tel No : 04-6421533	012-001
MALACCA SECURITIES SDN BHD	28 Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Tel No : 04-506 0967	012-001
MAYBANK INVESTMENT BANK BERHAD	Lot 1.02, 1 <sup>st</sup> Floor, Bangunan KWSP Jalan Sultan Ahmad Shah 10050 Georgetown, Pulau Pinang Tel No : 04-2196888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth, Seberang Perai Pulau Pinang Tel No : 04-3322123	093-001
MERCURY SECURITIES SDN BHD	2 <sup>nd</sup> Floor, Standard Chartered Bank Chambers 2 Lebuhr Pantai 10300 Pulau Pinang Tel No : 04-2639118	093-004

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
MERCURY SECURITIES SDN BHD	D'Piazza Mall 70-1-22 Jalan Mahsuri 11900 Bandar Bayan Baru Pulau Pinang Tel No : 04-6400822	093-006
PM SECURITIES SDN BHD	Level 3, Wisma Wang 251-A, Jalan Burmah 10350, Pulau Pinang Tel No : 04-2273000	064-004
RHB INVESTMENT BANK BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Tel No : 04-3900022	087-005
RHB INVESTMENT BANK BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel No : 04-5402888	087-015
RHB INVESTMENT BANK BERHAD	64 & 64-D Ground Floor-3 <sup>rd</sup> Floor & 5 <sup>th</sup> -8 <sup>th</sup> Floor Lebuh Bishop 10200 Pulau Pinang Tel No : 04-2634222	087-033
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6, 15-2-5, 15-2-6 & 15-2-24 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel No : 04-6404888	087-042
TA SECURITIES HOLDINGS BERHAD	3 <sup>rd</sup> Floor, Bangunan Heng Guan No 171, Jalan Burmah 10050 Pulau Pinang Tel No : 04-2272339	058-010
UOB KAY HIAN SECURITIES (M) SDN BHD	1 <sup>st</sup> Floor, Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel No : 04-2299318	078-002
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1 <sup>st</sup> Floor No. 2, Jalan Perniagaan 2 Pusat Perniagaan Alma 14000 Bukit Mertajam Pulau Pinang Tel No : 04-5541388	078-003

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
<b>PAHANG DARUL MAKMUR</b>		
ALLIANCE INVESTMENT BANK BERHAD	Ground, Mezzanine & 1 <sup>st</sup> Floor B400, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No : 09-5660800	076-002
CGS-CIMB SECURITIES SDN BHD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. A-27 Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No : 09-5057800	065-001
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No : 09-5171698	073-027
MALACCA SECURITIES SDN BHD	P11-3, Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No : 09-2220993 / 014 – 9215 992	012-001
RHB INVESTMENT BANK BERHAD	B32 & B34, Lorong Tun Ismail 8 Seri Dagangan II 25000 Kuantan Pahang Darul Makmur Tel No : 09-5173811	087-007
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor No. 76-A, Persiaran Camelia 4 Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur Tel No : 09-4914913	087-041
<b>KELANTAN DARUL NAIM</b>		
CGS-CIMB SECURITIES SDN BHD	Level 4 Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Bharu Kelantan Darul Naim Tel No : 09-741 9050 / 9051 / 9052 / 9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No : 09-7430077	087-020

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No : 09-7432288 / 09 – 743 3388	058-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1 <sup>st</sup> Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No : 09-7473906	078-004
<b>TERENGGANU DARUL IMAN</b>		
ALLIANCE INVESTMENT BANK BERHAD	Ground & Mezzanine Floor Wisma Kam Choon 101, Jalan Kampung Tiong 20100 Kuala Terengganu Terengganu Darul Iman Tel No : 09-6317922	076-009
RHB INVESTMENT BANK BERHAD	Tingkat bawah & Tingkat Satu 9651 Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Tel No : 09-8583109	087-027
RHB INVESTMENT BANK BERHAD	1 <sup>st</sup> Floor, 59 Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No : 09-6261816	087-055
UOB KAY HIAN SECURITIES (M) SDN BHD	37-B, 1 <sup>st</sup> Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No : 09-6224766	078-016
<b>KEDAH DARUL AMAN</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	70 A, B, C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No : 04-4256666	068-011

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
ALLIANCE INVESTMENT BANK BERHAD	Lot T-30, 2 <sup>nd</sup> Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No : 04-7317088 / 731 8270	076-004
CGS-CIMB SECURITIES SDN BHD	2 <sup>nd</sup> Floor, No. 102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No : 04-777 4400 / 4401	065-001
MALACCA SECURITIES SDN BHD	No. 9 Tingkat Satu Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No : 04-7350888	012-001
RHB INVESTMENT BANK BERHAD	35, Ground Floor, Jalan Suria 1, Jalan Bayu 09000 Kulim Kedah Darul Aman Tel No : 04-4964888	087-019
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor, 214-A, 214-B, 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No : 04-7209888	087-021
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 5 & 5A, 1 <sup>st</sup> Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No : 04-7322111	078-007
<b>NEGERI SEMBILAN DARUL KHUSUS</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	1 <sup>st</sup> Floor, 105, 107 & 109 Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06-7612288	068-007
AFFIN HWANG INVESTMENT BANK BERHAD	6, Upper Level, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No : 06-4553188	068-013

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor, No. 21 Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No : 06-455 3155	065-001
CGS-CIMB SECURITIES SDN BHD	2 <sup>nd</sup> Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No : 06-651 5385	065-001
CGS-CIMB SECURITIES SDN BHD	Level 2 Wisma Dewan Perniagaan Melayu Negeri Sembilan Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06-761 4651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, Ground & 1 <sup>st</sup> Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06-7655998	073-001
MAYBANK INVESTMENT BANK BERHAD	Wisma HM No. 43, Jalan Dr Krishnan 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06-7669555	098-005
PM SECURITIES SDN BHD	1 <sup>st</sup> -3 <sup>rd</sup> Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06-7623131	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 32 & 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06-7641641	087-024
<b>JOHOR DARUL TAKZIM</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No : 07-2222692	068-004

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
ALLIANCE INVESTMENT BANK BERHAD	No. 73, Ground & 1 <sup>st</sup> Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No : 07-7717922	076-006
AMINVESTMENT BANK BERHAD	2 <sup>nd</sup> & 3 <sup>rd</sup> Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No : 07-4342282	086-001
AMINVESTMENT BANK BERHAD	18 <sup>th</sup> Floor, Metropolis Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor Darul Takzim Tel No : 07-3343855	086-001
CGS-CIMB SECURITIES SDN BHD	No 73, Ground Floor No 73A & 79A, First Floor Jalan Kuning Dua, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07-3405888	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No : 07-232 9673	065-001
CGS-CIMB SECURITIES SDN BHD	2 <sup>nd</sup> Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No : 07-931 1509 / 1523	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No : 06-976 4559 / 4560	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No : 07-353 7669 / 7959	065-001
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No : 07-2231211	054-004

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07-3333600	073-004
KENANGA INVESTMENT BANK BERHAD	Ground & Mezzanine Floor 34 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No : 07-9333515	073-009
KENANGA INVESTMENT BANK BERHAD	33 & 35 (A&B), Ground Floor Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No : 07-7771161	073-010
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No : 06-9782292	073-001
KENANGA INVESTMENT BANK BERHAD	24, 24A & 24B Jalan Penjaja 3 Kim Park Centre 83000 Batu Pahat Johor Darul Takzim Tel No : 07-4326963	073-001
KENANGA INVESTMENT BANK BERHAD	57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No : 06-9531222	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel No : 07 – 4678 885	073-001
KENANGA INVESTMENT BANK BERHAD	916, Ground Floor Jalan Bakek 82000, Pontian Johor Darul Takzim Tel : 07 – 6861 121	073-001

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07-3381233	057-003
MALACCA SECURITIES SDN BHD	No. 74, Jalan Serampang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07 – 3351 533	012-001
MALACCA SECURITIES SDN BHD	31B Jalan Rahmat 83000 Batu Pahat Johor Darul Takzim Tel No : 07-4381533	012-001
MALACCA SECURITIES SDN BHD	1735-B Jalan Sri Putri 4 Taman Putri Kulai 81000, Kulaijaya Johor Darul Takzim Tel: 07-663 8877	012-001
MALACCA SECURITIES SDN BHD	Lot 880, 3 ½ Mile Jalan Salleh 84000 Muar Johor Darul Takzim Tel: 06-953 6948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07-3316992	093-005
PM SECURITIES SDN BHD	Ground & 1 <sup>st</sup> Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No : 07-4333608	064-001
RHB INVESTMENT BANK BERHAD	6 <sup>th</sup> Floor, Wisma Tiong-Hua 8, Jalan Keris, Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel No : 07-2788821	087-006
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No : 07-4380288	087-009

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
RHB INVESTMENT BANK BERHAD	No. 33-1, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No : 06-9538262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No : 07-5577628	087-006
RHB INVESTMENT BANK BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No : 07-9321543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1 <sup>st</sup> Floor No. 40 Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No : 07-7769655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No : 07-6626288	087-006
RHB INVESTMENT BANK BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Nos. 21 & 23 Jalan Molek 1/30, Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No : 07-3522293	087-006
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No : 07-9435278	058-003
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81000 Johor Bahru Tel No: 07-3647388	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No : 07-3332000	078-001

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
UOB KAY HIAN SECURITIES (M) SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No : 07-6635651	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	70 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No : 07-3513218	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	171 Ground Floor Jalan Bestari 1/5 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim Tel No : 07-5121633	078-008
<b>SARAWAK</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	Ground Floor & 1 <sup>st</sup> Floor No. 1, Jalan Pending 93450 Kuching Sarawak Tel No : 082-341999	068-005
AFFIN HWANG INVESTMENT BANK BERHAD	282, 1 <sup>st</sup> Floor Park City Commercial Centre Phase 4, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No : 086-330008	068-016
AMINVESTMENT BANK BERHAD	1 <sup>st</sup> , 2 <sup>nd</sup> , & 3rd Floor, No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel No : 082-244791	086-001
CGS-CIMB SECURITIES SDN BHD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel No : 084-367700	065-001
CGS-CIMB SECURITIES SDN BHD	Level 1 (North), Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching, Sarawak Tel No : 082-358688	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2, Marina Parkcity 98000 Miri Sarawak Tel No : 085-435577	073-002

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No : 082-338000	073-003
KENANGA INVESTMENT BANK BERHAD	11-12, Ground & 1 <sup>st</sup> Floor Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No : 084-313855	073-012
KENANGA INVESTMENT BANK BERHAD	Ground Floor of Survey Lot No 4203 Parkcity Commerce Square Phase 6, Jalan Diwarta 97000 Bintulu Sarawak Tel No : 086-337588	073-018
KENANGA INVESTMENT BANK BERHAD	Suites 9 & 10, 3rd Floor Yung Kong Abell Lot 365 Abell Road 93100 Kuching Sarawak No Tel : 082 – 248877	073-001
MERCURY SECURITIES SDN BHD	1 <sup>st</sup> Floor 16, Jalan Getah 96100 Sarikei, Sarawak Tel No : 084- 656281	093-001
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2 <sup>nd</sup> Floor Lot 365, Section 50, Jalan Abell 93100 Kuching Sarawak Tel : 082- 250888	087-008
RHB INVESTMENT BANK BERHAD	2 <sup>nd</sup> Floor, Lot 1268 & Lot 1269 Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No : 085-422788	087-012
RHB INVESTMENT BANK BERHAD	No. 102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No : 084-329100	087-008
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Parkcity Commerce Square Phase III, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No : 086-311770	087-053

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No : 084-319998	058-002
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000, Miri Sarawak Tel: 085 - 324 128	078-017
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1 <sup>st</sup> Floor No 16, Lorong Intan 6 96000 Sibu Sarawak Tel: 084-252 737	078-018
<b>SABAH</b>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite 1-9-E1, 9 <sup>th</sup> Floor CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel No : 088-311688	068-008
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> & 2 <sup>nd</sup> Floor Central Building No.28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No : 088-328878	065-001
CGS-CIMB SECURITIES SDN BHD	1 <sup>st</sup> Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road Sandakan, Sabah Tel No : 089 – 215 578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No : 088-236188	073-032
KENANGA INVESTMENT BANK BERHAD	1st Floor, Lot 40 (corner) Taman Nasalim, Phase 7A, Batu 5 Jalan Lintas Utara 90000 Sandakan Sabah Tel No : 089 – 464 801	073-001
KENANGA INVESTMENT BANK BERHAD	Lot 66-0 (TB 15611-0) Ground Floor, Kubota Road 91000 Tawau Sabah Tel No : 089 – 704 892	073-001

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SAMAI DEN GROUP BERHAD (Registration No.: 201901037874 (1347204-V)) (CONT'D)**

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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker code</b>
RHB INVESTMENT BANK BERHAD	2 <sup>nd</sup> Floor 81 & 83, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No : 088-269788	087-010
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 177 & 178, Ground Floor Block 17, Phase 2, Prima Square Mile 4, North Road 90000 Sandakan Sabah Tel No : 089-218681	078-012