NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF INFOMINA BERHAD ("INFOMINA" OR THE "COMPANY") DATED 1 NOVEMBER 2022 ("ELECTRONIC PROSPECTUS")

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

Website

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

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

Prospective investors should note that the Application Form is 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, M&A Securities and Infomina 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 1 November 2022 and will close at 5.00 p.m. on 11 November 2022.

In the event the Closing Date is extended, Infomina will advertise the notice of the extension in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia prior to the original Closing Date.

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.

infomina

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No.3, Jalan Bangsar, KL Eco City,
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infomina

INFOMINA BERHAD

PROSPECTUS

PROSPECTUS

infomina

INFOMINA BERHAD

Registration No. 200701018579 (776590-U)
(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

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

(I) PUBLIC ISSUE OF 81,168,800 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:

- 30,062,600 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 6,012,500 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS AND EMPLOYEES OF OUR GROUP; AND
- 45,093,700 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY ("MITI");

AND

(II) OFFER FOR SALE OF 81,168,800 EXISTING SHARES IN THE FOLLOWING MANNER:

- 30,062,500 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY MITI; AND
- 51,106,300 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS

AT AN ISSUE/OFFER PRICE OF RM0.40 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Adviser, Sponsor, Underwriter and Placement Agent

M&A

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

Financial Adviser

NEWFIELDS

NEWFIELDS ADVISORS SDN BHD
(Registration No. 199401010372 (296051-V))

YOU 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 186.

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

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

THIS PROSPECTUS IS DATED 1 NOVEMBER 2022

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

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

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

You should note that you may seek recourse under Sections 248, 249 and 357 of the Capital Markets and Services Act 2007 ("**CMSA**") for breaches of securities laws including any statement in the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to our Group (as defined herein).

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

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 11 August 2022. Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

The SC has on 15 August 2022 approved the resultant equity structure of our Company under the Bumiputera equity requirements for public listed companies pursuant to our Listing (as defined herein).

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

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

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

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

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

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

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

ELECTRONIC PROSPECTUS

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

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

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

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

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

(a) We and our Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the third party internet sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;

(b) We and our Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, for fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance of any data, information, files or other material provided by such parties; and

(c) Any data, information, files or other material downloaded from Third Party Internet Sites is done at your own discretion and risk. We and our Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

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

(a) The Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions and shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties; and

(b) While all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs, 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

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

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

Events	Indicative date
Issuance of this Prospectus / Opening of Application	1 November 2022
Closing Date / Closing of Application	11 November 2022
Balloting of Application	16 November 2022
Allotment / Transfer of IPO Shares to successful applicants	23 November 2022
Date of Listing	25 November 2022

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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

All references to "**Infomina**" and "**Company**" in this Prospectus are to Infomina Berhad (Registration No.: 200701018579 (776590-U)). Unless otherwise stated, references to "**Group**" are to our Company and our subsidiary taken as a whole; and references to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company, and, save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to "**Management**" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

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

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

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

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

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

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

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FORWARD-LOOKING STATEMENTS

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

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

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

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

(a) Demand for our services;

(b) Our business strategies;

(c) Our future plans;

(d) Our future earnings, cash flows and liquidity; and

(e) Our ability to pay future dividends.

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

(a) The ongoing COVID-19 pandemic and possible similar future outbreak;

(b) The economic, political and investment environment in the countries which we operate; and

(c) Government policy, legislation or regulation of the countries which we operate in.

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

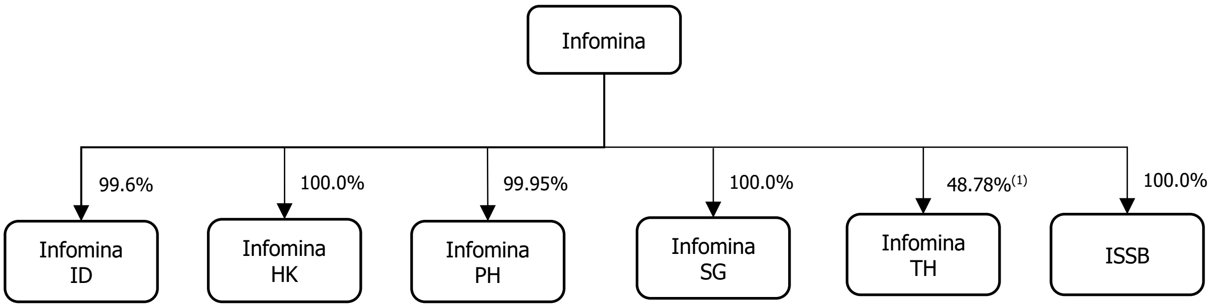
DEFINITIONS

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

COMPANIES WITHIN OUR GROUP:

"Infomina" or "Company"	:	Infomina Berhad (200701018579 (776590-U))
"Infomina Group" or "Group"	:	Infomina and its subsidiaries, collectively
"Infomina ID"	:	PT Infomina Solution Indonesia (0220600812187)
"Infomina HK"	:	Infomina Limited (3070910)
"Infomina PH"	:	Infomina Philippines, Inc. (CS202002082)
"Infomina SG"	:	Infomina Pte Ltd (201931141D)
"Infomina TH"	:	Infomina (Thailand) Co., Ltd. (0105562186780)
"ISSB"	:	Infomina Services Sdn Bhd (201501041553 (1166874-W))

A diagrammatic illustration of our Group structure is as follows:



Note:

(1) Being the equity interest calculated based on the issued share capital of Infomina TH, which consists of 20,000 ordinary shares and 21,000 preference shares issued to our Thai employee, Arusa Rattanaphisit. These preference shares carry voting rights of 1 vote per 20 preference shares, amounting to an effective voting right of 4.99% by our Thai employee. Pursuant to the 19,998 ordinary voting shares owned by Infomina in Infomina TH, the effective voting rights of Infomina in Infomina TH is 95.00% while Yee Chee Meng and Tan Siang Pin would both collectively have 0.01% effective voting rights. Accordingly, Infomina TH's results are consolidated as part of our Group's results.

MAJOR CUSTOMERS AND SUPPLIERS OF OUR GROUP:

The following are details of our major customers and suppliers whose names have been redacted for confidentiality throughout this Prospectus:

"Customer C"	:	A statutory body in Malaysia which regulates several strategic ICT industries such as telecommunications, broadcasting, postal and courier, digital signatures and online activities. It has state offices that are located in 13 states and 1 federal territory in Malaysia. We are unable to disclose the identity of Customer C by virtue of agreement(s) executed with Customer C.
"Customer J"	:	A ministry of the Government which is responsible for safety and public order, immigration, border control and population registry. Contracts with Customer J are for the benefit of a national registry body under the purview of the Ministry of Home Affairs Malaysia. It provides registration service to the public (i.e. birth, death, adoption, marriage and divorce), determining citizenship status and the issuance of identity card to eligible individuals. It has service branches that are located in 13 states and 2 federal territories in Malaysia. In FYE 2022, contracts with Customer J are also for the benefit of the immigration department. We are unable to disclose the identity of Customer J by virtue of agreement(s) executed with Customer J.
"Customer K"	:	A Government agency responsible for administrating Malaysia's indirect tax policy in relation to import and export duty, excise duty, sales tax and service tax and prevention of smuggling activities. We are unable to disclose the identity of Customer K by virtue of agreement(s) executed with Customer K.
"Customer H" or "Supplier H"	:	Comprising a company based in Malaysia and listed on the Main Market of Bursa Securities. The group is principally involved in the provision of systems integration, network related services, data centre management, disaster recovery services and other IT related services. The group serves customers in Malaysia primarily from the insurance industry, IT industry, defence industry as well as health industry. We are unable to disclose the identity of Customer H / Supplier H by virtue of agreement(s) executed with Customer H / Supplier H.
"Customer M"	:	Comprising a company based in Malaysia held under a financial and banking services provider that is listed on the Main Market of Bursa Securities. The group provides an array of financial products and services through three key business pillars: retail banking services; wholesale banking services and conventional and Islamic insurance solutions. The group operates and is supported by shared corporate functions across a global network of 18 countries. We are unable to disclose the identity of Customer M by virtue of agreement(s) executed with Customer M.

"Customer P"	:	Comprising a company based in the Philippines and listed on the Philippine Stock Exchange. The group is principally a provider of a range of banking and collateral services, including but not limited to, consumer banking, corporate banking, investment banking, treasury, branch banking and others. It has a domestic presence of more than 950 branches and it owns more than 30 foreign maintained branches / offices. We are unable to disclose the identity of Customer P by virtue of agreement(s) executed with Customer P.
"Supplier C"	:	Comprising a company based in Malaysia that is principally involved in the business of web design, advertising and IT. We are unable to disclose the identity of Supplier C by virtue of agreement(s) executed with Supplier C.
"Supplier E"	:	Comprising a company based in Malaysia that is principally involved in research, development and implementation of IT, trading in computers software and hardware and other products. We are unable to disclose the identity of Supplier E by virtue of agreement(s) executed with Supplier E.
"Supplier I"	:	Comprising a company based in Malaysia held under a USA-based IT MNC listed on the New York Stock Exchange. The group is principally involved in the delivery of integrated and secure cloud, data and artificial intelligence solutions to its clients; consulting, business process and application management services; remanufacturing and remarketing; provision of infrastructure platforms as well as telecommunications consulting services and solutions. The group has operations in more than 175 countries. We are unable to disclose the identity of Supplier I by virtue of agreement(s) executed with Supplier I.
"Supplier N"	:	A security inspection products company which held under a China-based corporation listed on the Shanghai Stock Exchange. The group is principally involved in the manufacturing of security inspection products, which include scanners for baggage and parcel inspection, cargo and vehicle inspection, personnel inspection, and fever screening technology. The group operates in more than 170 countries and regions. We are unable to disclose the identity of Supplier N by virtue of agreement(s) executed with Supplier N.
"Supplier Z"	:	Comprising a company based in Malaysia that principally provides outsourced, remote IT services, namely data backup and recovery services, managed IT support, and IT strategy consulting. We are unable to disclose the identity of Supplier Z by virtue of agreement(s) executed with Supplier Z.

GENERAL:

"ACE Market"	:	ACE Market of Bursa Securities
"Acquisitions"	:	Acquisition of Infomina ID, Acquisition of ISSB and Acquisition of Infomina TH collectively, pursuant to 2 share sale agreements dated 14 February 2022
"Acquisition of Infomina ID"	:	Acquisition by Infomina of 99.6% equity interest in Infomina ID comprising 249 ordinary shares from Infomina SG for a purchase consideration of RM644,941 which was satisfied by offsetting the inter-company balances owing by Infomina SG to Infomina, which was completed on 19 May 2022
"Acquisition of ISSB"	:	Acquisition by Infomina of 49.0% equity interest in ISSB comprising 147,000 ordinary shares from Yee Chee Meng for a cash purchase consideration of RM1.00, which was completed on 31 May 2022
"Acquisition of Infomina TH"	:	Acquisition by Infomina of 51.0% ordinary equity interest (24.88% of the total issued share capital) in Infomina TH comprising 10,200 ordinary shares for a purchase consideration of RM2,524,948 from Infomina SG, which was satisfied by offsetting the inter-company balances owing by Infomina SG to Infomina, which was completed on 28 February 2022
"Act"	:	Companies Act 2016 as amended from time to time and any re-enactment thereof
"ADA"	:	Authorised Depository Agent
"Adviser" or "Sponsor" or "Underwriter" or "Placement Agent"	:	M & A Securities
"AELB"	:	Atomic Energy Licensing Board
"Application(s)"	:	Application(s) for IPO Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s)
"Application Form(s)"	:	Printed application form(s) for the application of our IPO Shares accompanying this Prospectus
"ASEAN"	:	Association of Southeast Asian Nations
"ATM"	:	Automated teller machine
"BKPM"	:	Indonesian Investment Coordinating Board (Badan Koordinasi Penanaman Modal)
"BNM"	:	Bank Negara Malaysia
"Board"	:	Board of Directors of Infomina
"Bursa Depository" or "Depository"	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))

"Bursa Securities"	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
"CA Group"	:	Collectively, CA (Malaysia) Sdn Bhd and CA Singapore
"CA Singapore"	:	CA (Singapore) Pte Ltd (198700190M)
"CAGR"	:	Compound annual growth rate
"CDS"	:	Central Depository System
"CDS Account"	:	Account established by Bursa Depository for a depositor for the recording and dealing in securities by the depositor
"CIDB"	:	Construction Industry Development Board, Malaysia
"Closing Date"	:	Date adopted in this Prospectus as the last date for acceptance and receipt of the Application
"CMSA"	:	Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
"Constitution"	:	Our constitution
"COVID-19"	:	Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
"Depository Rules"	:	Rules of Bursa Depository and any appendices thereto as they may be amended from time to time
"Director(s)"	:	An executive director or a non-executive director of our Company within the meaning of Section 2 of the Act
"EBIT"	:	Earnings before interest and tax
"EBITDA"	:	Earnings before interest, tax, depreciation and amortisation
"Electronic Prospectus"	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium
"Electronic Share Application(s)"	:	Application(s) for IPO Shares through a Participating Financial Institution's ATM
"EPS"	:	Earnings per share
"Financial Adviser"	:	Newfields Advisors Sdn Bhd (199401010372 (296051-V))
"FYE"	:	Financial year(s) ended / ending 31 May, as the case may be
"Government"	:	Government of Malaysia
"GP"	:	Gross profit
"Group Internal Restructuring"	:	Comprising, the Acquisitions, Shareholders' Reorganisation and Subdivision of Shares, collectively

"IFRS"	:	International Financial Reporting Standards
"IMR" or "Providence"	:	Providence Strategic Partners Sdn Bhd (201701024744 (1238910-A)), our Independent Market Researcher
"IMR Report"	:	Independent Market Research Report titled "Enterprise Information Technology Services Industry in Malaysia and Southeast Asia" dated 14 October 2022
"Infomina Holdings"	:	Infomina Holdings Sdn Bhd (202101019217 (1419517-U)), our Promoter and substantial shareholder
"Internet Participating Financial Institution(s)"	:	Participating financial institution(s) for Internet Share Application as listed in Section 16.6
"Internet Share Application(s)"	:	Application(s) for IPO Shares through an online share application service provided by Internet Participating Financial Institution(s)
"Initial Public Offering" or "IPO"	:	Our initial public offering comprising the Public Issue and Offer for Sale
"IPO Price"	:	Issue / Offer price of RM0.40 per Share under our Public Issue and Offer for Sale
"IPO Share(s)"	:	Issue Share(s) and Offer Share(s), collectively
"Issue Share(s)"	:	New Share(s) to be issued under the Public Issue
"Issuing House"	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
"ISO"	:	International Organisation for Standardisation
"JPN"	:	Jabatan Pendaftaran Negara Malaysia
"Listing"	:	Listing of and quotation for our entire enlarged share capital of RM43.5 million comprising 601,250,000 Shares on the ACE Market
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities, as amended from time to time
"LPD"	:	1 October 2022, being the latest practicable date for ascertaining certain information contained in this Prospectus
"M & A Securities"	:	M & A Securities Sdn Bhd (197301001503 (15017-H))
"Malaysian Public"	:	Malaysian citizens and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
"Market Day"	:	Any day between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for the trading of securities

"MCO"	:	The nationwide Movement Control Order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
"MFRS"	:	Malaysian Financial Reporting Standards
"MITI"	:	Ministry of International Trade and Industry Malaysia
"MIDA"	:	Malaysian Investment Development Authority
"MNC(s)"	:	Multinational corporation(s)
"MOF"	:	Ministry of Finance Malaysia
"MyIPO"	:	Intellectual Property Corporation of Malaysia
"NA"	:	Net assets
"NBV"	:	Net book value
"Offer for Sale"	:	Offer for sale of 81,168,800 Offer Shares by our Selling Shareholders at our IPO Price
"Offer Share(s)"	:	Existing Share(s) to be offered under our Offer for Sale
"Official List"	:	A list specifying all securities which have been admitted for listing on the ACE Market
"Participating Financial Institution(s)"	:	Participating financial institution(s) for Electronic Share Application as listed in Section 16.5
"PAT"	:	Profit after tax
"PBT"	:	Profit before tax
"PE Multiple"	:	Price-to-earnings multiple
"Pink Form Allocations"	:	Allocation of 6,012,500 Issue Shares to our eligible Directors and employees of our Group, which forms part of our Public Issue
"Pre-IPO Investor"	:	Puteri Mazwin Binti Abdul Aziz, who subscribed for 17,363 new Infomina Shares at an issue price of RM8.00 each
"Premier Tier 1 VAD"	:	Premier Tier 1 Value Added Distributor
"Promoter(s)"	:	Infomina Holdings, Yee Chee Meng, Lim Leong Ping @ Raymond Lim, Nasimah Binti Mohd Zain, Mohd Hoshairy Bin Alias and Tan Siang Pin, collectively

"Promoters' Reorganisation"	:	The reorganisation between our Promoters involving: (a) Acquisitions of equity interests in Infomina SG and Infomina TH, whereby on 20 May 2021, our Company acquired: (i) 40.0% equity interest in Infomina SG comprising 40 ordinary shares from Yee Chee Meng (20.0%) and Tan Siang Pin (20.0%) respectively; and (ii) 23.9% equity interest (with respect to the entire issued share capital) in Infomina TH comprising 9,798 ordinary shares from Yee Chee Meng (12.2%) and Tan Siang Pin (11.7%) respectively, for a total purchase consideration of RM5,877,779 which was satisfied via the issuance of 1,360,597 new Shares at an issue price of RM4.32 each. (b) Subscription of Shares, whereby on 24 May 2021, Nasimah Binti Mohd Zain and Mohd Hoshairy Bin Alias each subscribed for 292,500 new Infomina Shares at an issue price of RM0.10 each. Further details of the Promoters' Reorganisation are set out in Section 6.2.1
"Prospectus"	:	This prospectus dated 1 November 2022 in relation to our IPO
"Public Issue"	:	Public issue of 81,168,800 Issue Shares at our IPO Price
"R&D"	:	Research and development
"Regional Partner Agreement"	:	Regional Partner Agreement dated 24 June 2019, entered into between Infomina and CA (Singapore) Pte Ltd, for the regional distribution of Broadcom software technologies in Malaysia, Singapore, Thailand, Indonesia, the Philippines, China, Hong Kong and Taiwan
"ROC"	:	Registrar of Companies
"SOP"	:	Standard operating procedures
"SC"	:	Securities Commission Malaysia
"Selling Shareholder(s)"	:	Infomina Holdings, Yee Chee Meng, Lim Leong Ping @ Raymond Lim and Tan Siang Pin, who are undertaking the Offer for Sale
"Share(s)" or "Infomina Share(s)"	:	Ordinary share(s) in Infomina
"Shareholders' Reorganisation"	:	Reorganisation of our Promoters' shareholdings in Infomina whereby Yee Chee Meng, Lim Leong Ping @ Raymond Lim, Nasimah Binti Mohd Zain, Mohd Hoshairy Bin Alias and Tan Siang Pin had collectively transferred 76.5% equity interest in Infomina to Infomina Holdings, which was completed on 6 October 2022

DEFINITIONS *(Cont'd)*

"SICDA" or "Depository Act"	:	Securities Industry (Central Depositories) Act,1991
"Specified Shareholder(s)"	:	Infomina Holdings, Yee Chee Meng, Lim Leong Ping @ Raymond Lim and Tan Siang Pin, collectively
"sq ft"	:	Square feet
"Subdivision of Shares"	:	Subdivision of our issued share capital of RM11.1 million comprising 6,962,960 Shares into RM11.1 million comprising 520,081,200 Shares, which was completed on 6 October 2022
"Underwriting Agreement"	:	Underwriting agreement dated 12 October 2022 between our Company and M & A Securities for the purpose of our IPO
"UK"	:	United Kingdom
"USA"	:	United States of America, its territories and possessions, any state of the United States and the District of Columbia

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DEFINITIONS *(Cont'd)*

CURRENCIES:

"HKD"	:	Hong Kong Dollar
"IDR"	:	Indonesian Rupiah
"PHP"	:	Philippine Peso
"RM" or "sen"	:	Ringgit Malaysia and sen
"SGD"	:	Singapore Dollar
"THB"	:	Thai Baht
"USD"	:	United States Dollar

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TECHNICAL GLOSSARY

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

"5G"	:	The latest iteration of cellular technology that is designed to increase speed, reduce latency, and improve flexibility of wireless services
"API"	:	Application programme interface, a software intermediary that allows different applications to communicate with each other in a seamless and efficient manner. APIs ensure that data extracted from one software application is formatted and passed to the next application securely and accurately
"artificial intelligence" or "AI"	:	A computer system or machine that leverages on algorithms to mimic the problem-solving and decision-making capabilities of the human mind
"Broadcom Enterprise Software"	:	A range of business-critical software from Broadcom to scale initiatives across an organisation, integrate them with legacy lines of business, and adopt new ways of working to achieve sustainable digital business success
"Broadcom Mainframe Software"	:	A range of mainframe software from Broadcom for application development and DevOps (being software development and IT operations), infrastructure operations and management, and enterprise data protection and compliance solutions
"Broadcom software technologies"	:	A range of business-critical software solutions from Broadcom that include infrastructure software and security software. Infrastructure software are business operations and management solutions for end-to-end digital infrastructure management as well as open tools and technology to speed software delivery whilst security software protect information, identities and transactions to secure the critical assets of an organisation, ensure compliance with required regulations and prevent fraud. In the context of our Group's reselling and distribution of Broadcom software technologies, this comprises Broadcom Enterprise Software and Broadcom Mainframe Software
"cloud computing"	:	An internet-based computing in which large group of remote servers are networked to allow centralised data storage and that can be online access to computer applications, services or resources
"configuration"	:	A process of managing, linking and arranging functional modules or components of a system systematically
"data analytics"	:	A process of analysing raw data sets in order to derive insights from the data
"hardware"	:	Physical elements that constitute a computer system such as central processing unit, monitor, mouse, keyboard, hard disk, etc.

TECHNICAL GLOSSARY *(Cont'd)*

"Industry 4.0"	:	A phase of the industrial revolution that focuses on digital transformation of manufacturing/production and related industries and value creation processes. The pillars of Industry 4.0 are interconnectivity, automation, machine learning and real-time data
"IoT"	:	A type of network that realises intelligent identification, positioning, tracking, monitoring and management of targeted objects achieved by exchange of information and communication between such targets and internet via intelligent terminal products under pre-determined protocol
"ICT"	:	Information communications technology, a broader term IT, which refers to all communication technologies, including the internet, wireless networks, cell phones, computers, software, middleware, video-conferencing, social networking, and other media applications and services enabling users to access, retrieve, store, transmit, and manipulate information in a digital form
"IT"	:	Information technology, which is the use of any computers, storage, networking and other physical devices, infrastructure and processes to create, process, store, secure and exchange all forms of electronic data
"IT infrastructure"	:	The composite IT systems, network, facilities and related equipment required to serve as the foundation for building an IT system
"IT services"	:	IT services comprise IT infrastructure services, IT implementation and supporting services
"IT system"	:	An integrated set of hardware and software components for the computing system
"mainframe"	:	High-performance computers with large amounts of memory and processors that process millions of transactions in real time. Mainframes are primarily used by large organisations for critical large scale and real-time applications such as bulk data and transaction processing
"proof of concept"	:	A demonstration, the purpose of which is to verify that certain concepts or theories that have the potential for real-world application. It is therefore a prototype that is designed to determine feasibility, but does not represent deliverables
"server"	:	Server is a device that stores, manages and transmits data to and from computers within the ethernet network (local area network) or the internet
"software application"	:	Application software designed to run on smartphones and other mobile devices
"technology infrastructure solution"	:	The composite IT infrastructure systems, network and related hardware and software required to serve as the foundation for building an IT environment

TABLE OF CONTENTS

TABLE OF CONTENTS *(Cont'd)*

TABLE OF CONTENTS *(Cont'd)*

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Designation	Residential address	Nationality / Profession	Gender
Saleena Binti Mohd Ali	Independent Non-Executive Chairperson	89-4-3 Damansara Villa Condo Jalan Bukit Ledang Off Jalan Duta 50480 Kuala Lumpur	Malaysian / Director	Female
Yee Chee Meng	Non-Independent Managing Director	A-06-36, Plaza Damas 3 Jalan Sri Hartamas Taman Sri Hartamas 50480 Kuala Lumpur	Malaysian / Director	Male
Lim Leong Ping @ Raymond Lim	Non-Independent Executive Director	5, Jalan U1/13A Glenmarie Residence 40150 Shah Alam Selangor	Malaysian / Director	Male
Mohd Hoshairy Bin Alias	Non-Independent Executive Director	21, Jalan Putri Jaya 19 Taman Putri Jaya Bt 9 Cheras 43200 Cheras Selangor	Malaysian / Director	Male
Nasimah Binti Mohd Zain	Non-Independent Executive Director	5-1-1 Apartment Nilai Perdana Taman Nilai Perdana 71800 Nilai Negeri Sembilan	Malaysian / Director	Female
Nor'Azamin Bin Salleh	Independent Non-Executive Director	8, Jalan Bangkung Bukit Bandaraya 59100 Kuala Lumpur	Malaysian / Director	Male
Tay Weng Hwee	Independent Non-Executive Director	C-01-1, One Menerung Bukit Bandaraya, Bangsar 59100 Kuala Lumpur	Malaysian / Advocate & Solicitor	Male
Muhriz Nor Iskandar Bin Mohamed Murad	Independent Non-Executive Director	46, Jalan SS 3/43 47300 Petaling Jaya Selangor	Malaysian / Director	Male

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Nor'Azamin Bin Salleh	Chairperson	Independent Non-Executive Director
Tay Weng Hwee	Member	Independent Non-Executive Director
Muhriz Nor Iskandar Bin Mohamed Murad	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY *(Cont'd)*

NOMINATING AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Tay Weng Hwee	Chairperson	Independent Non-Executive Director
Nor'Azamin Bin Salleh	Member	Independent Non-Executive Director
Muhriz Nor Iskandar Bin Mohamed Murad	Member	Independent Non-Executive Director

COMPANY SECRETARIES :

Chong Lay Kim (LS0008373)
SSM Practising Certificate No.: 202008001920
(Licensed Secretary)

Yeng Shi Mei (MAICSA 7059759)
SSM Practising Certificate No.: 202008001282
(Chartered Secretary and Associate of the Malaysian Institute of Chartered Secretaries and Administrators)

Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone: +603-2783 9191

REGISTERED OFFICE :

Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone: +603-2783 9191

HEAD OFFICE :

BO3-C-12-1, Menara 3A
No. 3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur

Telephone: +603-2201 7188

EMAIL ADDRESS AND WEBSITE :

Website: www.infomina.co
Email address: investorrelations@infomina.co

AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING :

Baker Tilly Monteiro Heng PLT
LLP number: 201906000600 (LLP0019411-LCA)
Firm number: AF 0117
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur

Partner-in-charge: Paul Tan Hong
Approval number: 03459/11/2023 J
(Chartered Accountant of the Malaysian Institute of Accountants and Fellow Member of the Association of Chartered Certified Accountants)

Telephone number: +603-2297 1000

1. CORPORATE DIRECTORY *(Cont'd)*

SOLICITORS FOR OUR LISTING	:	Chooi & Company + Cheang & Ariff Level 5, Menara BRDB 285, Jalan Maarof Bukit Bandaraya 59000 Kuala Lumpur Telephone: +603-2055 3888
ISSUING HOUSE AND SHARE REGISTRAR	:	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 Telephone: +603-2783 9299
INDEPENDENT MARKET RESEARCHER	:	Providence Strategic Partners Sdn Bhd (201701024744 (1238910-A)) 67-1, Block D, Jaya One No. 72A, Jalan Universiti 46200 Petaling Jaya Selangor Executive Director's name: Elizabeth Dhoss *(Bachelor of Business Administration from University of Malaya)* Telephone: +603-7625 1769
ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	:	M & A Securities Sdn Bhd (197301001503 (15017-H)) 45-11, The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Telephone: +603-2284 2911

1. CORPORATE DIRECTORY *(Cont'd)*

FINANCIAL ADVISER	:	Newfields Advisors Sdn Bhd (199401010372 (296051-V)) Suite 16.1, Level 16, Menara Weld 76, Jalan Raja Chulan 50200 Kuala Lumpur Telephone: +603-2031 2888 Executive Director's name: Lee Kit Fai *(Fellow Member of the Association of Chartered Certified Accountants and Member of the Malaysian Institute of Accountants)* MIA membership number: CA 29478 Please refer to Section 11.2(b) for further details of the scope of work of our Financial Adviser
LISTING SOUGHT	:	ACE Market
SHARIAH STATUS	:	Approved by Shariah Advisory Council of SC

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2. PROSPECTUS SUMMARY

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

2.1 PRINCIPAL DETAILS OF IPO

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

	Public Issue		Offer for Sale		Total	
	No. of Shares	**[(1)]%**	**No. of Shares**	**[(1)]%**	**No. of Shares**	**[(1)]%**
Malaysian Public	30,062,600	5.0	-	-	30,062,600	5.0
Pink Form Allocations	6,012,500	1.0	-	-	6,012,500	1.0
Private placement:						
• Bumiputera investors approved by MITI	45,093,700	7.5	30,062,500	5.0	75,156,200	12.5
• Selected investors	-	-	51,106,300	8.5	51,106,300	8.5
	81,168,800	**13.5**	**81,168,800**	**13.5**	**162,337,600**	**27.0**

IPO Price per Share	RM0.40
Market capitalisation (calculated based on our IPO Price and enlarged number of Shares upon Listing)	RM240,500,000

Note:

(1) Based on our enlarged share capital of 601,250,000 Shares after IPO.

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

Our Specified Shareholders' and the Pre-IPO Investor's entire shareholdings after IPO will be held under moratorium for 6 months from the date of Listing. Thereafter, our Specified Shareholders' shareholdings amounting to 45.0% of our share capital will remain under moratorium for another 6 months. Thereafter, our Promoters may sell, transfer or assign up to a maximum of one-third per annum (on a straight line basis) of their shares under moratorium upon expiry of the second 6-month period.

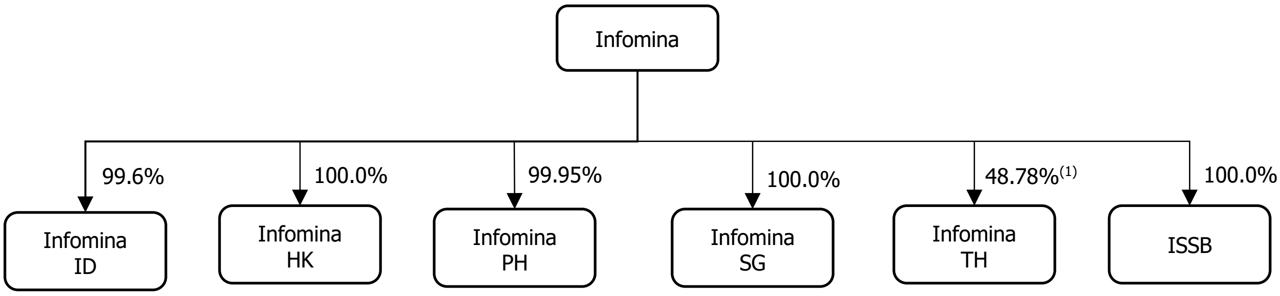
Separately, the ultimate shareholders of Infomina Holdings, namely, Yee Chee Meng, Lim Leong Ping @ Raymond Lim, Nasimah Binti Mohd Zain, Mohd Hoshairy Bin Alias and Tan Siang Pin have also undertaken not to sell, transfer or assign their shareholdings in Infomina Holdings during the abovementioned moratorium period.

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

2.2 GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS

Our Company was incorporated in Malaysia under the Companies Act 1965 on 11 June 2007 as a private limited company under the name of Infomina Sdn Bhd and is deemed registered under the Act. On 21 February 2022, we converted into a public limited company and adopted our present name.

Our Company is a technology solution provider where we provide maintenance and support services for IT-related products and also investment holding. Our Group structure as at LPD is as follows:



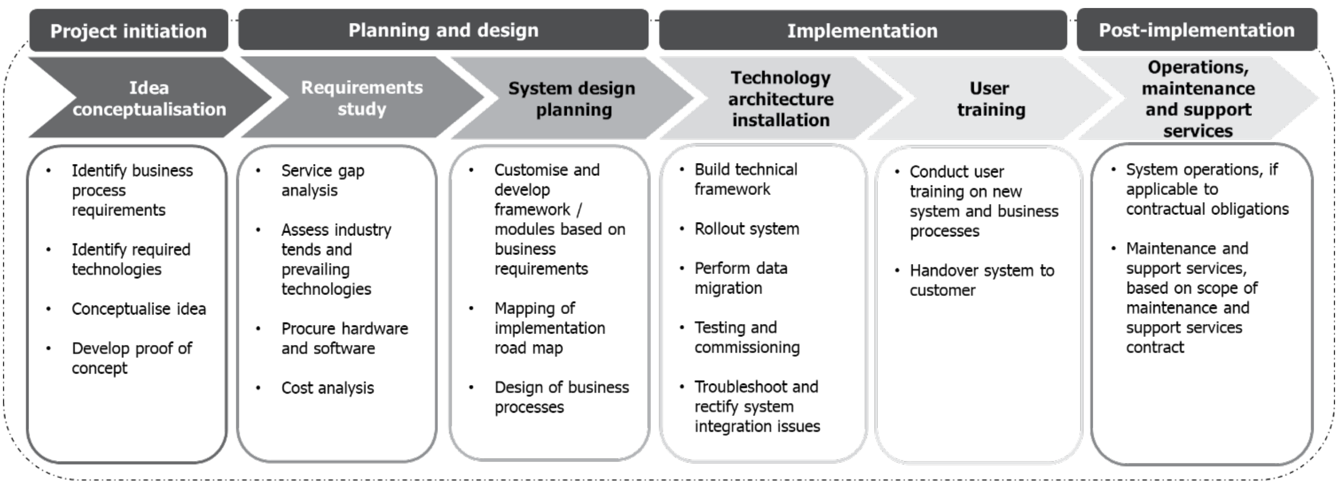
Note:

(1) Being the equity interest calculated based on the issued share capital of Infomina TH, which consists of 20,000 ordinary shares and 21,000 preference shares issued to our Thai employee, Arusa Rattanaphisit. These preference shares carry voting rights of 1 vote per 20 preference shares, amounting to an effective voting right of 4.99% by our Thai employee. Pursuant to the 19,998 ordinary voting shares owned by Infomina in Infomina TH, the effective voting rights of Infomina in Infomina TH is 95.00% while Yee Chee Meng and Tan Siang Pin would both collectively have 0.01% effective voting rights. Accordingly, Infomina TH's results are consolidated as part of our Group's results.

Through our subsidiaries, we are principally involved in the design and implementation of technology application and infrastructure solutions that support the fundamental business operations of our customers. We further support our customers through customised operations, maintenance and support services for technology solutions. We specialise in mainframe technology solutions, and also possess capabilities in developing solutions based on other technologies. Mainframes are primarily used by large organisations for critical large scale and real-time applications such as bulk data and transaction processing. Please refer to Section 7.4.3 for further details.

We have a diverse customer base across multiple countries in Asia. Our customers are primarily based in Malaysia, Singapore, Thailand, Philippines, Indonesia, Hong Kong and Taiwan, and they belong to both the private and public sectors. Our customers in the private sector include medium-sized to large multinational and local business enterprises as well as government linked companies in the banking, telecommunications and automotive sectors. Our customers in the public sector include government agencies and statutory bodies.

Our technology implementation methodology is depicted as follows:



The breakdown of our revenue by business segment for FYE 2019 to 2022 is as follows:

	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Business segment	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Design and delivery of technology infrastructure solutions	42,546	64.5	45,340	55.5	27,856	26.5	101,179	50.3
Technology infrastructure operations, maintenance and support services	23,460	35.5	36,276	44.5	77,368	73.5	99,884	49.7
Total revenue	**66,006**	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

The breakdown of our revenue by country for FYE 2019 to 2022 is as follows:

	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Country	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	66,006	100.0	67,413	82.6	41,164	39.1	115,442	57.4
Foreign country								
Thailand	-	-	10,321	12.7	31,890	30.3	32,543	16.2
The Philippines	-	-	2,540	3.1	26,802	25.5	42,311	21.1
Others	-	-	(1)1,342	1.6	(1)5,368	5.1	(2)10,767	5.3
Total revenue	**66,006**	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

Notes:

(1) Revenues from customers in Hong Kong that were generated through our subsidiary, Infomina SG.

(2) Revenues from customers in Hong Kong and Taiwan that were generated through our subsidiary, Infomina SG.

We principally operate in Malaysia, Singapore, Thailand, the Philippines, Indonesia and Hong Kong through our subsidiaries. For our operations in Indonesia, we have yet to receive any purchase orders from Indonesia due to pandemic and lack of local staffs. For FYE 2020, 2021 and 2022, Infomina SG has generated revenue of RM1.3 million, RM5.4 million and RM9.7 million respectively from our customers in Hong Kong. The remaining RM1.0 million revenue generated by Infomina SG in FYE 2022 was from our customers in Taiwan.

Please refer to Section 12.2.3 for further information on the breakdown of our revenue.

2.3 IMPACT OF COVID-19 AND MCO

2.3.1 Impact of COVID-19 and MCO on our business operations

Due to the outbreak of COVID-19, several periods of movement controls were implemented in Malaysia. During the periods of movement restrictions, a few of our customers' business operations were affected, resulting in selected ongoing projects being rescheduled. In such circumstance, the affected customers have agreed to defer the onsite installation of hardware and software.

In circumstances where our project staff were permitted to be stationed in customers' offices, they were required to follow the relevant COVID-19 SOP.

For all periods of movement restrictions, the delivery of our ongoing operations, maintenance and support services were not materially affected as these services can be performed remotely.

Our procurement activities were temporarily affected, due to movement restrictions on our technology partners, suppliers and vendors, which affected delivery of hardware that we require for our projects. This delay ranged between two to four weeks on average. Save for deferred revenue as explained above, our Group's operations and financial performance were not materially affected by the two to four weeks' delay in delivery of hardware.

For the avoidance of doubt, we did not experience any cancellation of contracts or purchase orders throughout all the periods of movement restrictions.

Our offices abroad are virtual offices, and all our contracts with customers abroad are in relation to operations, maintenance and support services. As these services can be performed remotely, our business operations outside Malaysia were not materially affected.

2.3.2 Impact of COVID-19 on our cash flows, liquidity, financial position and performance

We did not experience significant impact on our financial performance, including our profitability, arising from COVID-19 as demonstrated by an increase in revenue from RM66.0 million in FYE 2019 to RM201.1 million in FYE 2022. Specifically, there was a delay for a project with a statutory body, where the delivery schedule was extended from July 2021 to December 2021. As a result, revenue recognition from the affected milestone billing that was correspondingly delayed totalled RM18.6 million, whereby RM5.5 million was recognised in FYE 2021 and RM13.1 million was recognised in FYE 2022. Subsequent to the nation entering into the endemic phase, the Government announced the relaxation of COVID-19 rules and SOP commencing 1 April 2022.

Our Group's profitability was not materially impacted by the MCO and variations thereof because the increase in shipping and material costs arising from the pandemic were absorbed by our suppliers.

Further, we do not expect any significant impact to the sustainability of our business operations in the foreseeable future. We also do not anticipate any financial difficulties in meeting our obligations to sustain our business operations.

As at LPD, our Group has incurred approximately RM160,000 for the implementation of COVID-19 disease control measures. The costs incurred were mainly for the procurement of pandemic preparedness and response plan, thermometers, provision of face masks for employees and visitors, COVID-19 testing, purchase of disinfectant liquids, sprays and hand sanitisers. The costs incurred are not material to our Group as it represents only 0.7% of PBT for FYE 2022.

2.3.3 COVID-19 cases in our workplace

As at LPD, we have had employees contracted COVID-19, which has not materially affected our business operations. We will continue to implement stringent SOP to continue business operations as precautionary measures to prevent any occurrence of COVID-19 incident.

Further details on the impact of COVID-19 and MCO and our measures to commence and continue operations are set out in Section 7.7.

2.4 COMPETITIVE STRENGTHS

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

(a) We are well positioned to leverage on technological changes affecting businesses premised on our experience in delivering solutions premised on mainframe technologies. Our staff have acquired up to 15 years of domain knowledge in selected business processes and industries, which serve as a key platform to deliver practical and workable solutions for our customers.

We are further establishing a regional Centre of Excellence where we will maintain a depository of software suites by our technology partners, which organisations can leverage on for their digital transformation needs and internal learning and development needs;

(b) We are able to offer tailor-made technology application and infrastructure solutions premised on the domain knowledge that we have acquired and technical expertise of our employees;

(c) We have a reputable customer base regionally consisting of government and non-government public bodies, local and MNCs who are major players in various industries ranging from public sector, financial services institutions, automotive and telecommunications. These lend credence to our abilities and market reputation, and allows us to market our technology application and infrastructure solutions to other customers. We had a total of 14, 28, 35 and 43 customers in the FYE 2019, 2020, 2021 and 2022 respectively;

(d) We have established relationships with a total of 7 major international technology partners, being players in the industry whose software/hardware solutions are highly regarded and widely accepted by customers. The relationship with these partners gives us credibility when bidding for contracts with its customers. This has facilitated our capability to meet the ever-changing business requirements of our customers and assisted our Group in attracting and retaining customers; and

(e) We have an experienced and dedicated management team and technical team led by our Managing Director, Yee Chee Meng, who has 25 years of experience in IT and technology, and business management.

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

2.5 BUSINESS STRATEGIES

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

(a) We intend to strengthen and expand our technology application and infrastructure solutions in line with technological developments. In particular, we intend to further enhance and replicate our existing technology application and infrastructure solutions across other industry verticals, as well as expand and develop new technology applications for enterprises. In this respect, we intend to upgrade and improve our collaboration and communication platform application, namely VIDESPACE. Further, in collaboration with our IT partners, we intend to position our regional Centre of Excellence as a training and development academy, and use it to understand the business value chain of organisations, their expectations, and technology requirements. This will enable us to advise organisations on how to leverage upon and adopt technology, market and mechanism, being the drivers for digital transformation;

(b) We intend to continue expand regionally to capture growth opportunities and enlarge our footprint in ASEAN region as well as China, Hong Kong and Taiwan by further strengthening our presence into these countries. To achieve this, we intend to recruit additional sales and technical staff for our regional offices as we aim to increase our competitiveness and enhance the comprehensiveness and quality of our technology application and infrastructure solutions; and

(c) We intend to strengthen our branding, marketing and promotional activities to capture more growth opportunities by organising seminars and customer relationship events, and participating in more industry exhibitions and forums and placing advertisements through various platforms such as websites and social media platforms.

Further details of our business strategies and the utilisation of proceeds from our IPO for these purposes are set out in Section 7.15 and Section 4.9.1 respectively.

2.6 RISK FACTORS

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

(a) Our technology application and infrastructure solution projects deliverables are exposed to unexpected delays or interruptions that are beyond our control. If there are any delays caused by our customers which result in delays in the progress of our projects, our timing of delivery will be affected and this will subsequently affect our timing for revenue recognition and collection of payment from our customers, thus affecting our financial performance;

(b) We may not be able to accurately estimate the cost required to deliver our technology application and infrastructure solution projects. There is no assurance that the actual time taken and costs incurred would not exceed our estimation. Should such problems occur, our business and financial performance would be adversely affected;

(c) We derive a significant portion of our revenues from our major customers. Our revenue from our top five customers for FYE 2019 to 2022 accounted for approximately 99.0%, 91.4%, 72.8% and 75.0% respectively of our total revenue. We may be materially and adversely affected if we were to lose several of our major customers without securing new customers in a timely manner to replace the loss of business;

(d) We are dependent on CA Singapore as our major supplier. CA Group contributed to 14.6%, 27.3%, 66.4% and 45.0% of our purchases in FYE 2019, 2020, 2021 and 2022 respectively. Moving forward, we anticipate that CA Singapore will continue to be a major supplier to our Group. In the event that we are not able to renew, extend upon expiry or continue our appointment with CA Singapore without interruption or timely replacement with another supplier, we may still continue engaging CA Singapore directly as a supplier, albeit without an upfront status recognition as a Premier Tier 1 VAD;

(e) We are dependent on our IT staff for the provision of technology application and infrastructure solutions. Our IT staff comprise 73.5% (72 persons), 73.9% (85 persons), 71.5% (88 persons) and 69.0% (78 persons) of our Group's total workforce for FYE 2019, 2020, 2021 and 2022 respectively. Any loss of our IT staff and our inability to find suitable replacements in a timely manner may cause disruptions to our project deliverables;

(f) We are dependent on our Executive Directors and key senior management. They have extensive knowledge and experience of 10 to 39 years in their relevant field of expertise industry which enable us to remain competitive. A loss of such experienced management personnel without suitable and timely replacements could have a material impact on our competitiveness, business and operations;

(g) Our business and operations are exposed to sudden disruptions caused by serious pandemic and epidemic outbreaks, which may result in similar interruptions to our Group's business and operations, which may subsequently have a material adverse impact on our financial performance; and

(h) We may not be able to keep up with rapid technological changes. Our future success will depend on our ability to adapt to rapidly changing technologies, adapt our services to the evolving industry standards and continually improve the know-how of our staff in response to evolving demands of the market place. Failure to adapt to such changes would have a material adverse effect on our business and results of operations.

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Saleena Binti Mohd Ali	Independent Non-Executive Chairperson
Yee Chee Meng	Managing Director
Lim Leong Ping @ Raymond Lim	Executive Director
Nasimah Binti Mohd Zain	Executive Director
Mohd Hoshairy Bin Alias	Executive Director
Tay Weng Hwee	Independent Non-Executive Director
Nor'Azamin Bin Salleh	Independent Non-Executive Director
Muhriz Nor Iskandar Bin Mohamed Murad	Independent Non-Executive Director
Key senior management	
Tan Siang Pin	Regional Sales Director
Mok Pek Yoke	Operations Director
Wee Chiow Man	Finance Director
Azham Bin Mat Yasir	Head of Human Resources

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

2.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

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

		(1)Before IPO				(2)After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Country of incorporation/ Nationality	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Infomina Holdings	Malaysia	397,862,100	76.5	-	-	333,180,900	55.4	-	-
Yee Chee Meng	Malaysian	43,737,800	8.4	(3)397,862,100	76.5	37,774,200	6.3	(3)333,180,900	55.4
Lim Leong Ping @ Raymond Lim	Malaysian	41,165,000	7.9	-	-	35,552,200	5.9	-	-
Nasimah Binti Mohd Zain	Malaysian	-	-	(3)397,862,100	76.5	-	-	(3)333,155,900	55.4
Mohd Hoshairy Bin Alias	Malaysian	-	-	(3)397,862,100	76.5	-	-	(3)333,155,900	55.4
Tan Siang Pin	Malaysian	36,019,400	6.9	-	-	31,108,200	5.2	-	-

Notes:

(1) Based on the share capital of 520,081,200 Shares before IPO.

(2) Based on the enlarged share capital of 601,250,000 Shares after IPO.

(3) Deemed interest by virtue of their shareholdings in Infomina Holdings pursuant to Section 8(4) of the Act.

Please refer to Section 5.1.2 for further details of the shareholders of Infomina Holdings.

Further details of our Promoters and substantial shareholders are set out in Section 5.1.

2.9 UTILISATION OF PROCEEDS

The gross proceeds to be raised by our Company from the Public Issue shall be utilised in the following manner:

Utilisation of proceeds	RM'000	%	[1]Estimated timeframe for utilisation
Strengthen R&D to expand technological application and infrastructure solutions	7,602	23.4	Within 24 months
Regional expansion to capture growth opportunities	5,525	17.0	Within 18 months
Branding, marketing and promotional activities	886	2.7	Within 18 months
Working capital	13,955	43.0	Within 12 months
Estimated listing expenses	4,500	13.9	Within 1 month
Total	**32,468**	**100.0**	

Note:

(1) From the date of listing of our Shares.

There is no minimum subscription to be raised from IPO.

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

2.10 FINANCIAL HIGHLIGHTS

The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

2.10.1 Combined statements of comprehensive income

The following table sets out the financial highlights based on our combined statements of comprehensive income for FYE 2019 to 2022:

	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000	RM'000
Revenue	66,006	81,616	105,224	201,063
GP	15,626	13,449	23,944	41,899
PBT	9,067	4,507	12,046	22,051
PAT	6,902	3,372	8,289	17,080
EPS (sen) [1]	1.3	0.7	1.6	3.3
GP margin (%)	23.7	[2]16.5	22.8	20.8
PAT margin (%)	10.5	4.1	7.9	8.5
Current ratio (times)	1.5	1.3	1.4	1.3
Gearing ratio (times)	0.1	0.1	0.1	0.1

Notes:

(1) Calculated based on PAT and enlarged share capital of 601,250,000 Shares after Public Issue.

(2) The decrease in GP margin was mainly due to higher project-related costs. Our projects were at the stage where higher technical support and maintenance costs were required, which yielded a lower GP margin.

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

2.10.2 Pro forma combined statements of financial position

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

		I	II	III
	As at 31 May 2022	**After adjustment for subsequent events[1]**	**After I and Public Issue and Offer for Sale**	**After II and utilisation of proceeds**
	RM'000	**RM'000**	**RM'000**	**RM'000**
ASSETS				
Total non-current assets	11,502	11,502	11,502	11,502
Total current assets	157,131	157,131	189,599	187,457
TOTAL ASSETS	**168,633**	**168,633**	**201,101**	**198,959**
EQUITY AND LIABILITIES				
Share capital	11,075	11,075	43,543	42,328
Irredeemable preference shares	65	65	65	65
Retained earnings	34,921	34,921	34,921	33,994
Reorganisation reserve	(5,700)	(5,700)	(5,700)	(5,700)
Other reserves	92	92	92	92
	40,453	40,453	72,921	70,779
Non-controlling interest	7	7	7	7
TOTAL EQUITY	**40,460**	**40,460**	**72,928**	**70,786**
LIABILITIES				
Total non-current liabilities	5,281	5,281	5,281	5,281
Total current liabilities	122,892	122,892	122,892	122,892
TOTAL LIABILITIES	**128,173**	**128,173**	**128,173**	**128,173**
TOTAL EQUITY AND LIABILITIES	**168,633**	**168,633**	**201,101**	**198,959**
No. of Shares in issue ('000)	6,963	520,081	601,250	601,250
NA per Share (RM)	5.8	0.1	0.1	0.1
Borrowings	3,042	3,042	3,042	3,042
Gearing (times)	0.1	0.1	<0.1	<0.1

Note:

(1) Upon approval of IPO, our Company carried out a subdivision of the entire issued share capital of RM11.1 million comprising 6,962,960 Shares into RM11.1 million comprising 520,081,200 Shares.

The Subdivision of Shares did not have an impact to the pro forma combined statement of financial position other than an increase in the Shares from 6,962,960 to 520,081,200.

2.10.3 Combined statements of cash flows

The following table sets out our combined statements of cash flows for FYE 2019 to 2022 which have been extracted from the Accountants' Report.

	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000	RM'000
Net cash from / (used in) operating activities	7,595	9,066	(1)(307)	49,224
Net cash used in investing activities	(348)	(855)	(1,564)	(6,074)
Net cash (used in) / from financing activities	(523)	1,171	(1,670)	(357)
Net increase / (decrease) in cash and cash equivalents	6,724	9,382	(3,541)	42,793
Cash and cash equivalents at the beginning of the financial years	9,894	16,618	25,839	22,517
Effect of exchange rate changes on cash and cash equivalents	-	(161)	219	82
Cash and cash equivalents at the end of the financial years	**16,618**	**25,839**	**22,517**	**65,392**

Note:

(1) In FYE 2021, our Group recorded net cash outflows for operating activities of RM0.3 million mainly due to increase in receivables of RM17.6 million as a result of higher billings to customers during the last quarter of FYE 2021, and a delay in payment from Customer H owing an amount of RM11.4 million which was fully collected in FYE 2022.

2.11 DIVIDEND POLICY

Our Company presently does not have any formal dividend policy. It is our intention to pay dividends to shareholders in the future, however, such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board. During FYE 2019 to 2022 and up to LPD, we did not declare nor pay any ordinary dividends. However, Infomina TH has declared RM3,000 dividend on its preference shares on 31 May 2022. We do not intend to pay dividend prior to our Listing. Further details of our dividend policy are set out in Section 12.16.

3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities approval

Bursa Securities had, vide its letter dated 11 August 2022, approved our admission to the Official List of the ACE Market, the listing of and quotation for our entire enlarged issued share capital on the ACE Market and the approval-in-principle for the registration of our Prospectus. The approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(a)	Submission of the following information with respect to the moratorium on the shareholdings of the Promoters to Bursa Depository: (i) Name of shareholders; (ii) Number of shares; and (iii) Date of expiry of the moratorium for each block shares.	Complied
(b)	Confirmation that approvals from other relevant authorities have been obtained for implementation of the listing proposal;	Complied
(c)	The Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon;	Complied
(d)	Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	To be complied
(e)	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of Infomina on the first day of listing;	To be complied
(f)	In relation to the public offering to be undertaken by Infomina, to announce at least 2 market days prior to the listing date, the result of the offering including the following: (i) Level of subscription of public balloting and placement; (ii) Basis of allotment / allocation; (iii) A table showing the distribution for placement tranche; and (iv) Disclosure of placees who become substantial shareholders of Infomina arising from the public offering, if any.	To be complied
(g)	Infomina / M & A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of Infomina to the Official List of the ACE Market.	To be complied

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

3.1.2 SC approval

Our Listing 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 15 August 2022, approved our resultant equity structure pursuant to our Listing under the Bumiputera equity requirement for public listed companies.

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

No.	Details of conditions imposed	Status of compliance
(a)	Infomina allocating shares equivalent to 12.5% of its enlarged number of issued shares at the point of Listing to Bumiputera investors to be approved by the MITI; and	To be complied
(b)	Infomina is to make available at least 50.0% of the shares offered to the Malaysian public investors via balloting to Bumiputera public investors at the point of Listing;	To be complied

The effect of our Listing on our equity structure are as follows:

Category of shareholders	As at 31 January 2022		After Listing	
	No. of Shares	%	No. of Shares	%
Bumiputera				
- Bumiputera investors to be approved by MITI	-	-	(1)75,156,200	12.5
- Bumiputera public investors via balloting	-	-	(1)15,031,300	2.5
- Others(2)	399,159,000	76.8	(3)334,477,800	55.6
Total Bumiputera	399,159,000	76.8	424,665,300	70.6
Non-Bumiputera	120,922,200	23.2	176,584,700	29.4
Malaysian	**520,081,200**	**100.0**	**601,250,000**	**100.0**
Foreigners	-	-	-	-
	520,081,200	**100.0**	**601,250,000**	**100.0**

Notes:

(1) Based on the assumption that Shares offered to Bumiputera investors to be approved by MITI and to Bumiputera public investors via balloting shall be fully subscribed.

(2) Bumiputera investors which are not recognised or approved by MITI.

(3) Being the Shares held by Puteri Mazwin Binti Abdul Aziz (Pre-IPO Investor) and Infomina Holdings (Promoter).

The Shariah Advisory Council of SC had, vide its letter dated 26 April 2022 classified our Shares as shariah-compliant based on our audited combined financial statements for FYE 2021.

3.1.3 MITI approval

MITI had, vide its letter dated 11 April 2022, taken note and has no objection to our Listing.

3.2 MORATORIUM ON OUR SHARES

3.2.1 Specified Shareholders

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

(a) The moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the ACE Market ("**First 6-Month Moratorium**");

(b) Upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.0% of the total number of issued ordinary shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and

(c) On the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight line basis) of those Shares held under moratorium.

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

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

	Year 1				Year 2		Year 3	
	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium		Moratorium shares		Moratorium shares	
Specified Shareholders	**No. of Shares**	**[1]%**	**No. of Shares**	**[1]%**	**No. of Shares**	**[1]%**	**No. of Shares**	**[1]%**
Infomina Holdings	333,180,900	55.4	205,895,089	34.2	147,368,528	24.5	73,684,263	12.3
Yee Chee Meng	37,774,200	6.3	23,414,063	3.9	16,707,826	2.8	8,353,913	1.4
Lim Leong Ping @ Raymond Lim	35,552,200	5.9	21,927,455	3.7	15,725,017	2.6	7,862,509	1.3
Tan Siang Pin	31,108,200	5.2	19,325,893	3.2	573,629	0.1	286,815	<0.1
	437,615,500	**72.8**	**270,562,500**	**45.0**	**180,375,000**	**30.0**	**90,187,500**	**15.0**

Note:

(1) Based on the enlarged share capital of 601,250,000 Shares after IPO.

3.2.2 Pre-IPO Investor

In accordance with Rule 3.19A of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of 1,296,900 Shares, representing 0.2% of our enlarged share capital held by the Pre-IPO Investor, Puteri Mazwin Binti Abdul Aziz for a period of 6 months from the date of our admission to the ACE Market. Puteri Mazwin Binti Abdul Aziz is currently a Manager under the Contract Management division of our Group.

The moratoriums in Sections 3.2.1 and 3.2.2 above have been fully accepted by the Specified Shareholders as well as Pre-IPO Investor, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the moratorium period. The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by them to ensure that our Share Registrar does not register any transfer and/or assignment that contravenes with such restrictions.

Separately, the ultimate shareholders of Infomina Holdings, namely, Yee Chee Meng, Lim Leong Ping @ Raymond Lim, Mohd Hoshairy Bin Alias, Nasimah Binti Mohd Zain, and Tan Siang Pin have also undertaken not to sell, transfer or assign their shareholdings in Infomina Holdings during the abovementioned moratorium period.

4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 1 November 2022 and will remain open until 5.00 p.m. on 11 November 2022. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

Events	Indicative date
Issuance of this Prospectus / Opening of Application	1 November 2022
Closing Date / Closing of Application	11 November 2022
Balloting of Application	16 November 2022
Allotment / Transfer of IPO Shares to successful applicants	23 November 2022
Date of Listing	25 November 2022

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

4.3 DETAILS OF OUR IPO

4.3.1 Listing scheme

(a) Public Issue

A total of 81,168,800 Issue Shares, representing approximately 13.5% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

30,062,600 Issue Shares, representing approximately 5.0% of our enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

(aa) 15,031,300 Shares made available to public investors; and

(bb) 15,031,300 Shares made available to Bumiputera public investors.

(ii) Eligible Directors and employees of our Group

6,012,500 Issue Shares, representing approximately 1.0% of our enlarged share capital, are reserved for our eligible Directors and employees of our Group under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.3.2.

(iii) Private placement to Bumiputera investors approved by MITI

45,093,700 Issue Shares, representing approximately 7.5% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

The basis of allocation of the Issue Shares shall take into account our Board's intention to distribute the Issue Shares to a reasonable number of applicants to broaden our Company's shareholding base to meet the public spread requirements, and to establish a liquid and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Directors. Further, no person intends to subscribe for more than 5% of the offering.

Upon completion of our Public Issue, our share capital will increase from RM11.1 million comprising 520,081,200 Shares to RM43.5 million comprising 601,250,000 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

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

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4. DETAILS OF OUR IPO *(Cont'd)*

(b) Offer for Sale

A total of 81,168,800 Offer Shares, representing 13.5% of our enlarged share capital, are offered by our Selling Shareholders. The Offer Shares shall be allocated in the following manner:

(i) Private placement to Bumiputera investors approved by MITI

30,062,500 Offer Shares, representing approximately 5.0% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

(ii) Private placement to selected investors

51,106,300 Offer Shares, representing approximately 8.5% of our enlarged share capital, are reserved for private placement to selected investors.

Our Offer for Sale is subject to the terms and conditions of this Prospectus. The details of our Selling Shareholders and their relationship with our Group are as follows:

Name / Registered or Residential address	Relationship with our Group	[(1)]Before IPO		Offer Shares offered			After IPO	
		No. of Shares	%	No. of Shares	[(2)]%	[(3)]%	No. of Shares	[(3)]%
Infomina Holdings / SO-26-02, Menara 1 No. 3, Jalan Bangsar KL ECO City 59200 Kuala Lumpur	Promoter and substantial shareholder	397,862,100	76.5	64,681,200	12.4	10.8	333,180,900	55.4
Yee Chee Meng / A-06-36, Plaza Damas 3 Jalan Sri Hartamas Taman Sri Hartamas 50480 Kuala Lumpur	Promoter, substantial shareholder and Managing Director	43,737,800	8.4	5,963,600	1.2	1.0	37,774,200	6.3
Lim Leong Ping @ Raymond Lim / No. 5, Jalan U1/13A Glenmarie Residence 40150 Shah Alam Selangor	Promoter, substantial shareholder and Executive Director	41,165,000	7.9	5,612,800	1.1	0.9	35,552,200	5.9

4. DETAILS OF OUR IPO *(Cont'd)*

Name / Registered or Residential address	Relationship with our Group	[1]Before IPO		Offer Shares offered			After IPO	
		No. of Shares	%	No. of Shares	[2]%	[3]%	No. of Shares	[3]%
Tan Siang Pin / No. 21, Elitis Gapura Senja Valencia 47000 Sungai Buloh Selangor	Promoter, substantial shareholder and key senior management	36,019,400	6.9	4,911,200	0.9	0.8	31,108,200	5.2

Notes:

(1) As at LPD.

(2) Based on the share capital of 520,081,200 Shares before IPO.

(3) Based on the enlarged share capital of 601,250,000 Shares after IPO.

Further details of our Selling Shareholders, who are also our Promoters and substantial shareholders can be found in Section 5.1.

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(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM43.5 million comprising 601,250,000 Shares shall be listed on the ACE Market.

4.3.2 Pink Form Allocations

We have allocated 6,012,500 Issue Shares under the Pink Form Allocations to our eligible Directors and employees of our Group as follows:

Category	No. of eligible persons	Aggregate no. of Issue Shares allocated
Eligible Directors	4	800,000
Eligible employees	22	5,212,500
	26	**6,012,500**

Pink Form Allocations which are not accepted by certain eligible Directors and employees of our Group will be re-allocated among the other eligible Directors mentioned in the table above and other eligible employees of our Group at the discretion of our Board.

(a) Allocation to eligible Directors

The criteria for allocation to our eligible Directors are based on amongst others their anticipated contribution to our Group.

Yee Chee Meng (our Managing Director), Lim Leong Ping @ Raymond Lim (our Executive Director), Nasimah Binti Mohd Zain (our Executive Director) and Mohd Hoshairy Bin Alias (our Executive Director) have opted not to participate in the Pink Form Allocations as they are already our substantial shareholders.

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

Name	Designation	No. of Issue Shares allocated
Saleena Binti Mohd Ali	Independent Non-Executive Chairperson	200,000
Nor'Azamin Bin Salleh	Independent Non-Executive Director	200,000
Tay Weng Hwee	Independent Non-Executive Director	200,000
Muhriz Nor Iskandar bin Mohamed Murad	Independent Non-Executive Director	200,000
		800,000

(b) Allocation to our eligible employees

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

(i) Our employees must be an eligible and confirmed employee and on the payroll of our Group;

(ii) The number of Issue Shares allocated to our eligible employees are based on their seniority, position, length of service and respective contribution made to our Group as well as other factors deemed relevant to our Board; and

(iii) Full time employee of at least 18 years of age.

Included in the allocation to our eligible employees are the proposed allocations to our key senior management:

Name	Designation	No. of Issue Shares allocated
Mok Pek Yoke	Operations Director	1,250,000
Wee Chiow Man	Finance Director	1,000,000
Azham Bin Mat Yasir	Head of Human Resources	500,000
		2,750,000

Tan Siang Pin (our Regional Sales Director) has opted not to participate in the Pink Form Allocations as he is already our substantial shareholder.

4.3.3 Placement and underwriting arrangement

Our Underwriter will underwrite 36,075,100 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 45,093,700 Issue Shares and 81,168,800 Offer Shares available for application by Bumiputera investors approved by MITI and selected investors will not be underwritten and will be placed out by our Placement Agent.

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

(a) Any IPO Shares which are not subscribed or accepted by Bumiputera investors approved by MITI under the private placement as stated in Sections 4.3.1(a)(iii) and 4.3.1(b)(i) above shall firstly be reallocated to selected institutional investors via private placement. Subsequently, any IPO Shares which are not taken up will be made available firstly for subscription by the Bumiputera general public, and thereafter to the other public investors, via the balloting process;

(b) Any IPO Shares not subscribed for under the Pink Form Allocations (if any) will be made available for application by the Malaysian Public; and

(c) Any remaining IPO Shares from (a) and (b) above which are not subscribed by the Malaysian Public will then be made available to selected investors via private placement.

Our Board will ensure that any excess IPO Shares will be allocated on a fair and equitable manner.

4.3.4 Minimum and over-subscription

There is no minimum subscription to be raised from our IPO. However, in order to comply with the public spread requirements of Bursa Securities, the minimum subscription in terms of the number of IPO Shares will be the number of IPO Shares required to be held by public shareholders. In the event of an over-subscription, acceptance of Applications by the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Directors.

Under the Listing Requirements, at least 25.0% of our enlarged share capital for which listing is sought must be in the hands of a minimum of 200 public shareholders, each holding not less than 100 Shares upon our admission to the ACE Market. We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market. In such an event, we will return in full, without interest, all monies paid in respect of all applications.

If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS

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

	No. of Shares	RM
Share capital		
As at the date of this Prospectus	520,081,200	11,075,183
To be issued under our Public Issue	81,168,800	32,467,520
Enlarged share capital upon our Listing	**601,250,000**	**43,542,703**

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

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

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

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

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

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

4.5 PURPOSES OF OUR IPO

The purposes of our IPO are as follows:

(a) To enable our Group to raise funds for the purposes specified in Section 4.9 herein;

(b) To gain recognition through our listing status to enhance our reputation and to retain and attract new, skilled employees from the IT industry;

(c) To provide an opportunity for the Malaysian Public, including our eligible Directors and employees to participate in our equity; and

(d) To enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise.

4.6 BASIS OF ARRIVING AT OUR IPO PRICE

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

(a) Our pro forma NA per Share of RM0.12, calculated based on our pro forma NA after IPO and utilisation of proceeds as at 31 May 2022 of approximately RM70.8 million and enlarged share capital of 601,250,000 Shares upon Listing;

(b) The PE Multiple of our IPO Price of approximately 14.3 times based on our EPS of approximately 2.8 sen for FYE 2022, calculated based on our PAT for FYE 2022 of RM17.1 million and enlarged share capital of 601,250,000 Shares upon Listing;

(c) Our on-going contracts amounting to RM443.6 million as at LPD, to be recognised up to FYE 2027;

(d) Our historical financial track record as follows:

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	66,006	81,616	105,224	201,063
GP	15,626	13,449	23,944	41,899
PAT	6,902	3,372	8,289	17,080

(e) Our competitive strengths as set out in Section 7.14; and

(f) Our business strategies and prospects as set out in Section 7.15.

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

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4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and enlarged share capital of 601,250,000 Shares, our total market capitalisation upon Listing will be RM240,500,000.

4.8 DILUTION

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

	RM
IPO Price	0.40
Pro forma NA per Share as at 31 May 2022 before IPO	0.08
Pro forma NA per Share as at 31 May 2022 after IPO and utilisation of proceeds	0.12
Increase in pro forma NA per Share attributable to existing shareholders	0.04
(Decrease) in pro forma NA per Share to our new public investors	(0.28)
(Decrease) in pro forma NA per Share as a percentage of our IPO Price	(70.0%)

Further details of our pro forma NA per Share as at 31 May 2022 is set out in Section 14.

There was no issuance of Shares by our Company during 2019 and 2020. The following table shows the average effective cost per Share paid by our existing shareholders for our Shares during 2021 up to LPD:

		Before Subdivision of Shares		After Subdivision of Shares	
Name	**Total consideration**	**No. of Shares**	**Average effective cost per Share**	**No. of Shares**	**Average effective cost per Share**
	RM		**RM**		**RM**
Yee Chee Meng	(1)2,877,712	(1)666,137	4.32	49,755,481	0.058
Nasimah Binti Mohd Zain	(2)29,250	(2)292,500	0.10	21,847,575	0.001
Mohd Hoshairy Bin Alias	(2)29,250	(2)292,500	0.10	21,847,575	0.001
Tan Siang Pin	(1)3,000,067	(1)694,460	4.32	51,870,999	0.058
Puteri Mazwin Binti Abdul Aziz	(3)138,904	(3)17,363	8.00	1,296,887	0.107
	6,075,183	**1,962,960**		**146,618,517**	

Notes:

(1) Being the consideration and Shares issued under the acquisitions of Infomina SG and Infomina TH as defined under Section 6.2.1(a).

(2) Being the consideration and Shares issued under the Subscription of Shares as defined under Section 6.2.1(b).

(3) Being the consideration and Shares issued under the Pre-IPO Investment as defined under Section 6.2.2.

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

4.9 UTILISATION OF PROCEEDS

4.9.1 Public Issue

The estimated gross proceeds from our Public Issue of RM32.5 million will accrue entirely to us and are planned to be utilised in the following manner:

Utilisation of proceeds	Notes	RM'000	%	(1)Estimated timeframe for utilisation
Strengthen R&D to expand technological application and infrastructure solutions	(a)	7,602	23.4	Within 24 months
Regional expansion to capture growth opportunities	(b)	5,525	17.0	Within 18 months
Branding, marketing and promotional activities	(c)	886	2.7	Within 18 months
Working capital	(d)	13,955	43.0	Within 12 months
Estimated listing expenses	(e)	4,500	13.9	Within 1 month
Total		**32,468**	**100.0**	

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

Notes:

(1) From the date of our Listing.

(a) Strengthen R&D to expand technological application and infrastructure solutions

Our Group recognises the increasing demand for technology application and infrastructure solutions in all industries and we wish to strengthen our R&D and technology capabilities in order to maintain our competitiveness as well as increase our market presence. In particular, we intend to further enhance and replicate our existing technology application and infrastructure solutions across other industry verticals, as well as expand and develop new technology applications for enterprises.

The total estimated costs for our R&D expenditure is RM7.6 million comprising application development costs of VIDESPACE amounting to RM3.1 million, while the investments and additional expenditure for our regional Centre of Excellence is estimated to cost RM4.5 million.

The details of utilisation of proceeds for our R&D activities set out above are as follows:

Description		Estimated cost (RM'000)
Application development of VIDESPACE comprising:		
Recruitment of IT staff[(1)] comprising:		
(i)	2 project managers	288
(ii)	2 software developers	360
(iii)	2 IT analysts	240
(iv)	2 user interface designers	360
Hardware, software and services[(3)]		
(v)	Hosting and storage	600
(vi)	Security tests (internal and external)	300
(vii)	Software licencing	550
(viii)	Hardware and development tools	450
	Subtotal	**3,148**
Investments and additional expenditure for our regional Centre of Excellence		
(i)	Recruitment of IT staff[(2)] comprising:	
	- 1 project manager	144
	- 3 IT consultants / trainers	540
(ii)	Implementation and setup for mainframe add-ons and upgrade	770
(iii)	Leasing of existing space, electricity and telecommunication utilities[(3)]	480
(iv)	Internal training and development of IT staff	350
(v)	Business development and marketing	250
(vi)	Maintenance and upkeep of regional Centre of Excellence[(4)]	720
(vii)	Software licencing[(5)]	360
(viii)	Hardware and development tools[(6)]	840
	Subtotal	**4,454**
		7,602

Notes:

(1) An allocation of approximately RM1.2 million is set aside for the hiring of the abovementioned positions for the further application development of VIDESPACE. These staff will be based in our offices in Malaysia.

The recruitment expenses will be utilised over a period of 24 months after Listing and mainly consist of salaries, medical expenses, staff benefits and other related expenses.

(2) An allocation of approximately RM0.7 million is set aside for the hiring of the abovementioned positions for our regional Centre of Excellence. These staff will be based in our offices in Malaysia.

The recruitment expenses will be utilised over a period of 24 months after Listing and mainly consist of salaries, medical expenses, staff benefits and other related expenses.

(3) These costs are based on our management's internal estimations using historical purchase costs for similar hardware, software and services. Based on our existing master services agreement with Telekom Malaysia Berhad as disclosed in Section 6.9.2, our leasing expenses amounts to RM1.4 million per annum. From the proceeds of our Public Issue, we have allocated RM0.5 million for additional upgrades in line with our expansion plan to upgrade and enhance the mainframe and servers in our regional Centre of Excellence within 24 months from the date of our Listing. These additional upgrades under leasing expenses include subscription for high-speed connectivity to an internet gateway and corresponding increases in related power utility expenses. Presently, our existing regional Centre of Excellence only has direct and dedicated connections to customers. By adding an internet gateway connection, we will be able to offer customers another option to access the internet from our regional Centre of Excellence.

(4) Related to maintenance and upkeep of additional upgrades to our regional Centre of Excellence. Higher maintenance and upkeep expenses will be required to support the upgrades to our regional Centre of Excellence which will enable it to, amongst others, be connected to the internet gateway.

Additionally, we are also planning to upgrade our regional Centre of Excellence to be able to handle multiple virtual environments simultaneously as opposed to the current single environment. As a result, higher maintenance and upkeep expenses will be incurred for the increase in virtual environments. The maintenance and upkeep expenditure encompass patch management, error fixes, health monitoring, physical maintenance and performance monitoring.

(5) Being additional software licences required to support the planned upgrades to our regional Centre of Excellence. For instance, each virtual environment requires its own set of software such as operating system (e.g. Windows), firewall (e.g. Norton anti-virus and anti-malware software), productivity applications (e.g. Microsoft Office) in order to run its own business process simulations.

Further, the planned upgrade to our regional Centre of Excellence for high-speed internet connectivity will require subscription of virtual private network (VPN) software and intrusion prevention system (IPS) software. As the planned upgrade to our regional Centre of Excellence includes the ability to handle multiple virtual environments, each of these virtual environments will require its own set of software licences.

(6) Includes internet modems and routers, core switches, hardware firewall, hard disk drives (HDD) and solid-state drives (SSD), and random-access memory (RAM).

We intend to allocate resources to upgrade and improve the existing functionalities and modules under VIDESPACE to include the application economy via the launching of an application marketplace. In order to support our future plans relating to the enhancement of VIDESPACE, we will strengthen our manpower resources as well as increase our capacities in terms of hosting and storage, as well as software licences and tools, as detailed above. Yee Chee Meng, our Managing Director with the assistance of 13 IT personnel manage our R&D efforts for the enhancement of VIDESPACE whilst Tan Siang Pin, our Regional Sales Director together with 6 IT staff are primarily responsible for the upkeep and maintenance of our regional Centre of Excellence. We did not incur significant R&D costs during FYE 2019 to 2022.

Further, in collaboration with our IT partners, we intend to position our regional Centre of Excellence as a training and development academy. As at LPD, we subscribe to power supply and workspace facilities at a data centre located at TM Brickfields Exchange, Kuala Lumpur where our regional Centre of Excellence is located. Our Group has commenced using our regional Centre of Excellence for the benefit of our customers since October 2021.

Our regional Centre of Excellence serves as a centralised resource hub for mainframe infrastructure and expertise as well as other infrastructure and expertise; IT talent; as well as a place for training, product demonstration, introduction of new technologies as well as additional mainframe computing power on cloud. These are part of our R&D efforts. Premised on the foregoing, our investments towards our regional Centre of Excellence are to strengthen our R&D capabilities.

The investments and additional expenditures to be incurred on our regional Centre of Excellence after our Listing are aimed at growing and further enhancing our regional Centre of Excellence.

By increasing IT talent, building a depository of software suites by IT technology partners, and investing in training, our regional Centre of Excellence's mainframe will be able to cater for additional operating environments that can suit a wider variety of customer needs. Further mainframe add-ons and upgrades will also allow us to partition the mainframe capacity to run multiple environments concurrently, as well as intelligently assign computing capacities to each partition dynamically. Our regional Centre of Excellence will then be better positioned as an avenue for product demonstration, introduction of new technologies, training, as well as serve as additional mainframe computing power on cloud.

Further, our Group will also invest in business development and marketing expenditures to attract and secure new customers and promote our regional Centre of Excellence among customers, which will help build a knowledge base of business applications to better analyse customers' businesses and technology trends.

With our regional Centre of Excellence, we can analyse customers' business and technology trends which will further aid in our understanding of the business value chain of organisations, their expectations, and technology requirements, in addition to our preliminary analysis undertaken at the initial phase of each project. This will enable us to advise organisations on how to leverage upon and adopt technology, market and mechanism, being the drivers for digital transformation.

Please refer to Section 7.15.1 for further details.

(b) Regional expansion to capture growth opportunities

We intend to expand regionally in the ASEAN region as well as China, Hong Kong and Taiwan by further strengthening our business expansion into these countries. We are planning to recruit additional sales and technical staff for our regional offices as we aim to increase our competitiveness and enhance the comprehensiveness and quality of our technology application and infrastructure solutions.

We have taken into consideration our scope of work for our on-going projects in determining the estimated expenses to be utilised. We intend to allocate approximately RM5.5 million, representing 17.0% of the gross proceeds from our Public Issue, within 18 months from the date of our Listing. Further details are set out in the table below:

Description	Estimated cost (RM'000)
Recruitment of staff[1] for Malaysia and regional subsidiaries in Singapore, Indonesia, Thailand, the Philippines and Hong Kong comprising:	
10 regional IT support engineers / pre-sales consultants, product / channel consultants	1,800
6 marketing and sales managers / executives	720
Training and development programmes[2]	600
Industry and quality certifications costs by International Standards Organisation and Project Management Institute, and/or their equivalent	300
Pre-sales business development activities comprising customer visits, pre-sales technology assessments, concept and prototype development	2,105
	5,525

Notes:

(1) An allocation of approximately RM2.5 million is set aside for the hiring of the abovementioned positions to support our future business growth. These staff will be assigned to our offices in Malaysia as well as in our regional offices in Singapore, Indonesia, Thailand, the Philippines and Hong Kong, based on our anticipated business growth in these countries.

The payroll expenses will be utilised over a period of 18 months after Listing and mainly consist of salaries, medical expenses, staff benefits and other related expenses.

(2) Our Group has earmarked approximately RM0.6 million to offer our staff internal training and arrange for external continuous professional training programmes for them to learn and keep abreast of the changes in technologies, industry standards and domain knowledge on new products and IT solutions. We have historically conducted our training and development internally and have not incurred any significant costs in relation thereto.

Please refer to Section 7.15.2 for further details on our regional expansion plans.

(c) Branding, marketing and promotional activities

We aim to increase our market visibility and brand recognition by participating in more industry exhibitions and forums, and placing advertisements through various platforms such as digital publications, websites, in-application advertisements and social media platforms. Historically, we have incurred minimal costs (FYE 2019: RM35,000; FYE 2020: RM38,000, FYE 2021: RM6,000 and FYE 2022: RM8,000) for branding, marketing and promotional activities, mainly for targeted events at our customer locations.

To strengthen our marketing and sales activities, we intend to utilise RM0.9 million of the proceeds from our Public Issue over the next 18 months in the following manner:

Description	Estimated cost (RM'000)
Organising seminars, media and product launch events[1]	536
Participation in industry exhibitions and forums[2]	100

Description	Estimated cost (RM'000)
Placement of advertisements on various online platforms such as digital publications, websites, in-application advertisements as well as social media	250
	886

Notes:

(1) Our Group intends to utilise approximately RM0.5 million to organise promotional activities to expand our business network with existing and potential customers such as payment for release of media press and hosting webinars to promote our Group's branding / products.

(2) Our Group intends to utilise RM0.1 million to cover our staff's overseas travel expenses and participation fees for industry exhibitions and forums to stay abreast of introduction of new technologies and remain relevant in the technology solution industry.

Notwithstanding the reduction in global IT seminars, industry exhibitions and business development engagements due to the impact of COVID-19 on the financial position of many organisations leading to tighter budgets and delay in organising IT events, our Group believes that the demand for IT business development activities will revive once the impact of COVID-19 subsides and economy recovers following the implementation of mass vaccination programmes in Malaysia and other overseas countries. We take note of the COVID-19 related travel restrictions which may affect our marketing activities overseas. However, we have allocated 18 months from our Listing to undertake such marketing activities.

Please refer to Section 7.15.3 for further details.

(d) Working capital

Our Group's working capital requirements are expected to increase in line with the growth in our business operations. We have allocated RM14.0 million to be used to supplement our working capital requirements for our new projects and/or contracts. The proposed allocations of the proceeds are set out below:

Description	Estimated cost RM'000
Project-related costs (such as software, software licences, hardware; technical support and maintenance as well as training-related costs) to implement new contracts in the ASEAN region (Malaysia, Thailand, the Philippines, Singapore and Indonesia) as well as Taiwan, Hong Kong and China	8,955
Placements with financial institutions for procurement of bank guarantees, to be used for new projects	5,000
	13,955

Licencing and software costs are our largest cost of sales item (collectively making up between RM21.8 million and RM86.6 million or 43.3% to 71.2% from FYE 2019 to FYE 2022) and as such, we have allocated more than half of the proceeds earmarked for working capital requirements on licences and software costs required for our upcoming projects and/or contracts.

The allocation of proceeds raised from the Public Issue for our working capital requirements will allow us to undertake more contracts in the ASEAN region as well as Taiwan, Hong Kong and China concurrently. This is because the number and size of contracts that we can undertake at any point in time depend largely on the availability of our working capital. By allocating a portion of our proceeds to satisfy various working capital requirements associated with undertaking contract works including funds for placements with financial institutions to secure bank guarantees for our projects, our Group will be in a better position to tender and expand our portfolio.

(e) Estimated listing expenses

An amount of RM4.5 million is allocated to meet the estimated cost of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Description	Estimated cost (RM'000)
Professional fees(1)	3,050
Underwriting, placement and brokerage fees	950
Fees payable to the authorities	80
Printing, advertising fees and contingencies(2)	420
	4,500

Notes:

(1) Includes advisory fees for, amongst others, our Principal Adviser, Financial Adviser, solicitors, reporting accountants, IMR and Issuing House.

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

Any variations from the amounts budgeted above, save for item (d), shall be adjusted towards or against, as the case may be, the proceeds allocated for our general working capital requirements.

4.9.2 Offer for Sale

The Offer for Sale is expected to raise gross proceeds of approximately RM32.5 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

The Selling Shareholders shall bear all of the expenses relating to the Offer Shares, the aggregate of which is estimated to be approximately RM0.8 million.

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4.10 BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION

4.10.1 Brokerage fees

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

4.10.2 Placement fees

Our Placement Agent will place out a total of 45,093,700 Issue Shares and 81,168,800 Offer Shares to Bumiputera investors approved by MITI and selected investors.

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

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

4.10.3 Underwriting commission

Our Underwriter has agreed to underwrite 36,075,100 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission of 2.5% of our IPO Price multiplied by the number of Shares underwritten.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M & A Securities, to underwrite 36,075,100 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.3.

The salient terms of the Underwriting Agreement are extracted as follows. The capitalised terms used in this section shall have the respective meanings as ascribed thereto in the Underwriting Agreement:

(a) The obligations of the Underwriter under the Underwriting Agreement are conditional on certain conditions precedent being satisfied or fulfilled;

(b) Notwithstanding anything contained in the Underwriting Agreement, our Underwriter may by notice in writing to our Company given at any time before the Closing Date or the Extended Closing Date, as the case may be, terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares if:

    (i) any of the approvals of Bursa Securities and other relevant authorities for our Listing is revoked, withdrawn or procured but subject to the conditions not acceptable to our Underwriter; or

    (ii) there is any material breach by our Company of any of the representations, warranties, covenants or undertakings contained in Clauses 4 and 5 of 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 our Company; or

    (iii) there is a material failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement; or

(iv) there is withholding of information of material nature by our Company which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our IPO or Listing, or the distribution or sale of our IPO Shares; or

(v) there shall have occurred, or happened any material and adverse change in the business or financial condition of our Group or the occurrence of any event rendering any of the representations and warranties of our Company under the Underwriting Agreement inaccurate, untrue or incorrect at the relevant date; or

(vi) the imposition of any moratorium, suspension or material restriction on trading in securities generally on Bursa Securities the effect of which, is in the sole opinion of our Underwriter after consultation with our Company, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the IPO, or the distribution or sale of the IPO Shares; or

(vii) 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 KLCI 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 90% of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least three (3) 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

(viii) the Underwriting Agreement shall have been terminated in accordance with its terms; or

(ix) there shall have occurred, or happened any of the following events:

(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 Underwriter (including without limitation, acts of God, pandemic, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); or (cc) any change or development in Malaysian tax laws materially and adversely affecting our Company, our IPO Shares or transfer thereof or an announcement of such change or development, in each case the effect of which is, in the sole opinion of our Underwriter, after consultation with our Company, to the extent reasonably practicable, is reasonably likely to prejudice materially the offer, sale or delivery of our IPO Shares on the terms and in the manner contemplated in our Prospectus and other documents (if any) attached or any relevant application forms,

which is in the sole opinion of our Underwriter, after consultation with our Company to the extent reasonably practicable, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of our Group as a whole, the success of our 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.

(c) In the event that the Underwriting Agreement is terminated pursuant to Section (b) above, our Underwriter and our Company may confer with a view to deferring the Public Issue by amending the terms of the Underwriting Agreement and entering into a new underwriting agreement accordingly, but neither our Underwriter nor our Company shall be under any obligation to enter into a fresh agreement.

(d) Upon any such notice(s) being given pursuant to Section (b) above, our Underwriter shall be released and discharged from their obligations under the Underwriting Agreement without prejudice to any of its rights under the Underwriting Agreement whereupon the following shall take place within 3 Market Days of the receipt of such notice:

(i) our Company shall make payment of Underwriting Commission to our Underwriter in accordance with Clause 11.2 of the Underwriting Agreement;

(ii) our Company shall pay or reimburse to our Underwriter the costs and expenses referred to Clause 16 of the Underwriting Agreement; and

(iii) each party shall return all other monies (in the case of the Underwriting Commission due and owing to our Underwriter under the Underwriting Agreement) paid to the other under the Underwriting Agreement (except for monies paid by our 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 breach.

4.12 TRADING AND SETTLEMENT IN SECONDARY MARKET

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

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

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

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

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

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

		[1]Before IPO				[2]After IPO			
	Country of incorporation /	Direct		Indirect		Direct		Indirect	
Name	Nationality	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Infomina Holdings	Malaysia	397,862,100	76.5	-	-	333,180,900	55.4	-	-
Yee Chee Meng	Malaysian	43,737,800	8.4	[3]397,862,100	76.5	37,774,200	6.3	[3]333,180,900	55.4
Lim Leong Ping @ Raymond Lim	Malaysian	41,165,000	7.9	-	-	35,552,200	5.9	-	-
Nasimah Binti Mohd Zain	Malaysian	-	-	[3]397,862,100	76.5	-	-	[3]333,180,900	55.4
Mohd Hoshairy Bin Alias	Malaysian	-	-	[3]397,862,100	76.5	-	-	[3]333,180,900	55.4
Tan Siang Pin	Malaysian	36,019,400	6.9	-	-	31,108,200	5.2	-	-

Notes:

(1) Based on the share capital of 520,081,200 Shares before IPO.

(2) Based on the enlarged share capital of 601,250,000 Shares after IPO.

(3) Deemed interest by virtue of their shareholdings in Infomina Holdings pursuant to Section 8(4) of the Act.

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

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

5.1.2 Profiles of Promoters and/or substantial shareholders

The profiles of Yee Chee Meng, Lim Leong Ping @ Raymond Lim, Mohd Hoshairy Bin Alias and Nasimah Binti Mohd Zain who are also our Directors are set out in Section 5.2.2. The profile of Tan Siang Pin who is our Regional Sales Director is set out in Section 5.3.3. The profile of our other substantial shareholder, Infomina Holdings is set out below.

Infomina Holdings was incorporated in Malaysia on 24 May 2021 under the Act as a private limited company. Infomina Holdings is an investment holding company. As at the date of this Prospectus, the issued capital of Infomina Holdings is RM5.3 million comprising 5,326,666 ordinary shares. The Directors and substantial shareholders of Infomina Holdings are as follows:

			Direct		Indirect	
Name	**Designation**	**Nationality**	**No. of shares**	**%**	**No. of shares**	**%**
Yee Chee Meng	Director	Malaysian	1,080,567	20.3	-	-
Lim Leong Ping @ Raymond Lim	Director	Malaysian	448,874	8.4	-	-
Mohd Hoshairy Bin Alias	Director	Malaysian	1,792,500	33.7	-	-
Nasimah Binti Mohd Zain	Director	Malaysian	1,792,500	33.7	-	-
Tan Siang Pin	Director	Malaysian	212,225	3.9	-	-

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

5.1.3 Changes in Promoters' and substantial shareholders' shareholdings

The changes in our Promoters and substantial shareholders' respective shareholdings for the last 4 financial years and after Shareholders' Reorganisation is as follows:

	As at 31 May 2019				As at 31 May 2020			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Infomina Holdings	-	-	-	-	-	-	-	-
Yee Chee Meng	200,000	20.0	-	-	1,000,000	20.0	-	-
Lim Leong Ping @ Raymond Lim	200,000	20.0	-	-	1,000,000	20.0	-	-
Mohd Hoshairy Bin Alias	300,000	30.0	-	-	1,500,000	30.0	-	-
Nasimah Binti Mohd Zain	300,000	30.0	-	-	1,500,000	30.0	-	-
Tan Siang Pin	-	-	-	-	-	-	-	-

	[(1)]As at 31 May 2021				[(1)]As at 31 May 2022			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Infomina Holdings	-	-	-	-	-	-	-	-
Yee Chee Meng	1,666,137	24.0	-	-	1,666,137	24.0	-	-
Lim Leong Ping @ Raymond Lim	1,000,000	14.4	-	-	1,000,000	14.4	-	-
Mohd Hoshairy Bin Alias	1,792,500	25.8	-	-	1,792,500	25.8	-	-
Nasimah Binti Mohd Zain	1,792,500	25.8	-	-	1,792,500	25.8	-	-
Tan Siang Pin	694,460	10.0	-	-	694,460	10.0	-	-

	[2]After Shareholders' Reorganisation			
	Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**
Infomina Holdings	397,862,100	76.5	-	-
Yee Chee Meng	43,737,800	8.4	[3]397,862,100	76.5
Lim Leong Ping @ Raymond Lim	41,165,000	7.9	-	-
Mohd Hoshairy Bin Alias	-	-	[3]397,862,100	76.5
Nasimah Binti Mohd Zain	-	-	[3]397,862,100	76.5
Tan Siang Pin	36,019,400	6.9	-	-

Notes:

(1) After our Promoters' Reorganisation and Acquisitions.

(2) Based on the share capital of 520,081,200 Shares before IPO.

(3) Deemed interest by virtue of their shareholdings in Infomina Holdings pursuant to Section 8(4) of the Act.

5.1.4 Persons exercising control over the corporation

Save for our Promoters as set out in Section 5.1.1, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company.

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

Save for the issuance of our Shares as disclosed in Section 6.1 and aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.4 and 5.3.5, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

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

5.2 DIRECTORS

Our Board takes note of the recommendations under the Malaysian Code of Corporate Governance ("**MCCG**") released in April 2021 and intends to have our Group adhere to its recommendations. Specifically, on Practice Note 5.9, where it is recommended that our Board comprise 30% female members. As at the date of this Prospectus, our Board comprises 2 females out of 8 members, which represents 25% of our Board, and is a departure from Practice Note 5.9. We undertake to secure the appointment of an additional female Director within a year after Listing to meet the recommendation of 30% female Board members. Save for Practice Note 5.9, the composition of our Board presently adheres to the other recommendations of the MCCG.

5.2.1 Directors' shareholdings

The shareholdings of our Directors in our Company before and after IPO assuming that our Directors will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

		(1)Before IPO				(2)After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Designation / Nationality	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Saleena Binti Mohd Ali	Independent Non-Executive Chairperson / Malaysian	-	-	-	-	(4)200,000	(5)-	-	-
Yee Chee Meng	Managing Director / Malaysian	43,737,800	8.4	(3)397,862,100	76.5	37,774,200	6.3	(3)333,180,900	55.4
Lim Leong Ping @ Raymond Lim	Executive Director / Malaysian	41,165,000	7.9	-	-	35,552,200	5.9	-	-
Mohd Hoshairy Bin Alias	Executive Director / Malaysian	-	-	(3)397,862,100	76.5	-	-	(3)333,180,900	55.4
Nasimah Binti Mohd Zain	Executive Director / Malaysian	-	-	(3)397,862,100	76.5	-	-	(3)333,180,900	55.4
Nor'Azamin Bin Salleh	Independent Non-Executive Director / Malaysian	-	-	-	-	(4)200,000	(5)-	-	-

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

		[1]Before IPO				[2]After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Designation / Nationality	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Tay Weng Hwee	Independent Non-Executive Director / Malaysian	-	-	-	-	[4]200,000	[5]-	-	-
Muhriz Nor Iskandar bin Mohamed Murad	Independent Non-Executive Director / Malaysian	-	-	-	-	[4]200,000	[5]-	-	-

Notes:

(1) Based on the share capital of 520,081,200 Shares before IPO.

(2) Based on the enlarged share capital of 601,250,000 Shares after IPO.

(3) Deemed interest by virtue of their shareholdings in Infomina Holdings pursuant to Section 8(4) of the Act.

(4) Assuming he/she fully subscribes for his/her respective entitlements under the Pink Form Allocations.

(5) Less than 0.1%.

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5.2.2 Profiles of Directors

The profiles of our Directors are as follows:

Saleena Binti Mohd Ali, a Malaysian, aged 57, is our Independent Non-Executive Chairperson. She was appointed to our Board on 25 January 2022.

Saleena Binti Mohd Ali graduated with a Bachelor of Science in Computer Information Systems from Woodbury University, California, USA in 1987.

Upon graduation, she started her career with The Saitama Bank, Ltd (Los Angeles branch), USA as a Fund Transfer Executive in 1987 where she was responsible for handling fund transfer activities for corporate accounts as well as foreign exchange accounts of customers of the bank.

In 1990, she resigned and returned to Malaysia to join Malaysian Airline System Berhad in 1991 as a System Analyst, where she was tasked to design and develop the company's IT infrastructure and systems.

In 1997, she resigned and joined Siemens Malaysia Sdn Bhd as an Assistant Project Manager before being promoted to Project Manager in the same year. As Project Manager, she was responsible for coordinating and monitoring IT services projects undertaken by the company.

In 1999, she resigned to join Global System Integrators Sdn Bhd as Project Manager, where she was tasked to manage and oversee project deliveries within predetermined schedule and budget.

In 2000, she joined Computer Associates (Malaysia) Sdn Bhd (now known as CA (Malaysia) Sdn Bhd) as Project Manager before being promoted to the positions of Senior Project Manager, Project Director, and Head of Professional Services, where she was involved in managing and coordinating with consultants, architects and project managers to implement the delivery of the company's technology solutions as well as identify new business leads for the company.

In 2005, she left to join SAS Institute Sdn Bhd as Director of Customer Strategy. She was responsible for heading the post-implementation services team, where she was involved in overseeing the technical support, customer education and customer relationship functions.

In 2011, she resigned and joined NorthgateArinso Malaysia Sdn Bhd as Country Head of Malaysia Operations. She was tasked to oversee the company's operational activities in Malaysia and work with regional management to prepare business plans and growth strategies.

In 2012, she left to join PETRONAS ICT Sdn Bhd as General Manager of the Project Delivery Division, where she was involved in managing and overseeing the project delivery functions and providing technology support. Between 2013 to 2014, she served as a director of Virtus IP Sdn Bhd, a company that is part of the PETRONAS group which is principally engaged in the provision of computer services. Her last held position in PETRONAS ICT Sdn Bhd was Senior General Manager of the Project Delivery Division, to which she was promoted in 2015.

In 2016, she left PETRONAS ICT Sdn Bhd to join Standard Chartered Bank Malaysia Berhad as Country Head of Program/Project and Change Management. She was tasked to oversee the IT operations of the bank and implement business transformation strategies relating to the bank's IT infrastructure.

She resigned in 2018 and joined Thakral One Sdn Bhd in 2019, a technology consulting and services company, as Vice President for the Malaysian operations, where she was responsible for providing operational management support to drive country sales, maintaining business relationships with clients and overseeing the company's operational activities.

After she left Thakral One Sdn Bhd in February 2020, she has been engaged as a Project Director on a freelance basis for the period between 2020 and 2021, where she led project teams comprising project managers and system analysts on projects relating to the design and development of application software.

Yee Chee Meng, a Malaysian, aged 47, is our Promoter, substantial shareholder and Managing Director. He was appointed to our Board on 2 January 2018. He is responsible for charting our Group's business direction, managing our strategic development and overseeing the regional expansion of our Group.

Yee Chee Meng has more than 25 years of working experience within the IT solutions and technology industry. Yee Chee Meng graduated with a Bachelor of Science (Honours) in Information Technology and Business Information Systems from Middlesex University, London, UK, in 1997.

Upon graduation, he started his career with Computer Associates (Malaysia) Sdn Bhd (now known as CA (Malaysia) Sdn Bhd) as a Consultant. During his tenure with the company, he was promoted to the positions of Senior Consultant, Consulting Manager and Consulting Director in 2000, 2003 and 2005 respectively. His last held position in the company was Country Sales Director, a position to which he was promoted in 2008, and was tasked to oversee the marketing and sales activities of the company, including achieving sales targets.

In 2010, he left Computer Associates (Malaysia) Sdn Bhd. During the period between 2010 and 2017, he was a freelance IT consultant at Infomina providing IT services for projects secured by Infomina, where he led the business development efforts to further grow the business of Infomina and position the company as a direct vendor of IT services to public and private sector customers. He was also tasked to manage the implementation of several IT projects secured by Infomina.

In 2017, he joined Infomina as a managing director (non-Board position) and arising from his contributions to the business, Yee Chee Meng was appointed to our Board as a Managing Director in 2018, to spearhead the strategic growth of the business in Malaysia, and with a long-term goal of regional expansion. He acquired equity interest of Infomina and emerged as our shareholder in the same year.

Presently, Yee Chee Meng also holds directorships in several private limited companies. Please refer to Section 5.2.3 (a) for further details.

Lim Leong Ping @ Raymond Lim, a Malaysian, aged 59 is our Promoter, substantial shareholder and Executive Director. He was appointed to our Board on 2 January 2018. He plays a key role overseeing private sector business development activities focusing on pursuing new business leads with multinational and large companies. Further, he also supports our Group's project team for large and more complex projects in terms of client-relationship management.

Lim Leong Ping @ Raymond Lim obtained a Diploma in Quantity Surveying from Tunku Abdul Rahman College in 1980.

Upon graduation, Lim Leong Ping @ Raymond Lim joined Yeoh Cheng Liam Construction Sdn Bhd in 1980 as a Quantity Surveyor and was involved in feasibility and costing studies for construction projects. He left Yeoh Cheng Liam Construction Sdn Bhd in 1981 to assist his family in exploring potential investment opportunities. He returned to the workforce in 1983 and joined Muara Petroleum Products Sdn Bhd as General Manager where he was tasked to oversee the operations of the company. He left Muara Petroleum Products Sdn Bhd in 1985 to be appointed as a director of Percetakan Pantas Jaya Sdn Bhd, where he was involved in business development activities of the company up to 1993.

Between 1993 and 2021, Lim Leong Ping @ Raymond Lim was involved as a shareholder and/or director in multiple businesses in various industries, which include the distribution of medical devices; television, radio and theatre commercial production; acting as an agent for a printing company; as well as undertaking investments in properties, by leveraging on the networks that he had developed during the duration of his career.

In 2017, he joined Infomina as Chairman (non-Board position) where he supports the implementation of our Group's business development activities for private sector companies. In 2018, he acquired equity interest in Infomina and became our shareholder and was appointed to our Board as our Executive Director/Chairman, continuing his existing roles and responsibilities. He ceased to hold the position of Chairman in January 2022 upon the appointment of Saleena Binti Mohd Ali as Independent Non-Executive Chairperson pursuant to our Listing and has continued to support our Group's business development activities in his capacity as Executive Director.

Presently, Lim Leong Ping @ Raymond Lim also holds directorships in several private limited companies. Please refer to Section 5.2.3 (b) for further details.

Mohd Hoshairy Bin Alias, a Malaysian, aged 57, is our Promoter, substantial shareholder and Executive Director. He was appointed to our Board on 14 September 2007. He is responsible for our Group's public sector business development activities, where he supports our Group's project team in terms of client-relationship management.

Mohd Hoshairy bin Alias completed his formal education at Sekolah Aminuddin Baki Jalan Kampong Pandan Kuala Lumpur and obtained the Sijil Pelajaran Malaysia (SPM) after sitting for the examinations in 1982.

Thereafter, Mohd Hoshairy Bin Alias began his career with Amir Toh Francis & Partners as a Filing cum General Clerk in 1983 where he assisted in preparing legal documents, drafts and data entry.

In 1988, he left Amir Toh Francis & Partners and joined Nazri Aziz & Wong in 1989 in the firm's support division as an Assistant (Support Services) to the Head of Litigation, where he assisted in file management and filing of cause papers for litigation cases.

In 1991, he resigned from Nazri Aziz & Wong and was involved in freelance conveyancing work before joining Rozali Ismail & Co in 1993 as Head of Support Services (Litigation) and oversaw a team of clerks that were responsible for providing support services to lawyers and assisted in preparing legal documents.

In 1995, he left Rozali Ismail & Co and joined Hussain Ariffin & Partners as Head of Support Services (Conveyancing), and oversaw a team of clerks that were responsible for providing support services to lawyers and assisted in preparing legal documents in relation to property transaction matters.

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

In 1997, he resigned from Hussain Ariffin & Partners to focus on MHA Services, a sole proprietorship business which he founded in 1996, which was primarily engaged in the provision of support services to legal firms and other general services. MHA Services ceased operations in 2008.

In 2007, he acquired a 50% equity interest in Infomina and was appointed to our Board. Presently, he leads the business development, marketing and sales efforts to public sector customers of Infomina.

Presently, he also holds directorships in several private limited companies. Please refer to Section 5.2.3 (c) for further details.

Nasimah Binti Mohd Zain, a Malaysian, aged 38, is our Promoter, substantial shareholder and Executive Director. She was appointed to our Board on 4 September 2014. She holds the position of Head of Contract Management, and is responsible for contracts management, coordination of various aspects of proposal and tender preparations.

Nasimah Binti Mohd Zain graduated with a Diploma of Electrical Engineering (Communication) from Universiti Teknologi Malaysia in 2007. She furthered her studies and subsequently graduated with a Bachelor of Engineering (Hons) in Industrial Electronic Engineering from Universiti Malaysia Perlis in 2011.

Upon graduation, she started her career as an Administrator in Malayan Banking Berhad in 2012, where she was responsible for general office administration, data verification, report preparation and liaising with customers.

In 2013, she left Malayan Banking Berhad and joined RHB Bank Berhad as an Administrator, and was also responsible for general office administration, data verification, report preparation and liaising with customers.

In 2014, she resigned from RHB Bank Berhad and joined Infomina as an Administrator where she handled the administrative matters of Infomina, focusing on contract management. During the same year, she acquired equity interest in Infomina and became our shareholder, and was appointed as our Executive Director. Her appointment as Executive Director is mainly to represent her interests as shareholder in our Group, and notwithstanding this appointment, she continued to handle the administrative matters of Infomina, focusing on contract management.

In 2021, Nasimah Binti Mohd Zain assumed the role of Head of Contract Management, where she oversees contract management and manages the coordination of various aspects of proposal and tender preparations.

Nor'Azamin Bin Salleh, a Malaysian, aged 56 is our Independent Non-Executive Director. He was appointed to our Board on 25 January 2022.

Nor'Azamin Bin Salleh completed his Bachelor of Commerce in 1989 at the Australian National University, Canberra and was conferred the degree in 1991. He then obtained a Master of Business Administration from The Open University, UK in 2003. He has been a member of Malaysian Institute of Accountants since 1995 and a member of Institute of Corporate Directors Malaysia since 2021. He has over 25 years of experience in fund management and financial services industry.

Nor'Azamin Bin Salleh commenced his career in 1989 with Hanafiah Raslan & Mohamad (which merged with Arthur Andersen & Co. in 1990) as an Audit Assistant. His last held position in the firm was Audit Senior, where he led a team of auditors to undertake audit assignments for clients of the firm.

In 1993, he left Arthur Andersen & Co. and joined MBf Securities Sdn Bhd as Operation Manager where he oversaw the company's operations including back office, settlement and recovery functions.

In 1995, he resigned from MBf Securities Sdn Bhd to join Halim Securities Sdn Bhd as Senior Manager before being promoted to Deputy General Manager and later, General Manager. In his last held position as General Manager, he was responsible for overseeing the company's operations including back office, settlement and recovery functions.

In 1997, he left Halim Securities Sdn Bhd and assumed the role of Chief Financial Officer of P.T. Amsteel Securities Indonesia where he was based in Jakarta, Indonesia. As Chief Financial Officer, he was responsible for the accounting and financial functions as well as long-term investments of the company.

He left P.T. Amsteel Securities Indonesia and joined Commerce Asset Fund Managers Sdn Bhd in 1998 as Chief Financial Officer prior to his promotion to Executive Director in 2003, where he was tasked to manage and implement growth strategies for the company's asset under management.

In 2004, he resigned from Commerce Asset Fund Managers Sdn Bhd to join Avenue Invest Berhad as Deputy Chairman where he was responsible for charting the company's business direction and implementing business development strategies for regional expansion.

In 2007, he left Avenue Invest Berhad and joined Muamalat Invest Sdn Bhd as Director/Head of Special Project Team where he was tasked to oversee the direction and growth of the asset management business, and oversee a special project team tasked to set up an investment banking business in the Kingdom of Saudi Arabia.

He left Muamalat Invest Sdn Bhd and joined Asian Islamic Investment Management Sdn Bhd in 2008 as Chief Executive Officer/Executive Director where he was responsible for managing and overseeing the company's investment portfolio as well as developing growth strategies for the company's business.

In 2010, he resigned from Asian Islamic Investment Management Sdn Bhd to join Maybank Asset Management Sdn Bhd, which is wholly-owned by Maybank Asset Management Group, as a Managing Director/Chief Executive Officer, where he was responsible for overseeing the operations of the company's asset management branches and implementing strategies to grow the company's asset under management to achieve the company's performance targets. In 2013, while still holding the position of Managing Director/Chief Executive Officer in Maybank Asset Management Sdn Bhd, he was appointed as the Chief Executive Officer of Maybank Asset Management Group Berhad where he provided strategic and operational leadership to grow the company's business and funds.

He subsequently left his position in Maybank Asset Management Sdn Bhd in 2014 and remained as the Chief Executive Officer of Maybank Asset Management Group Berhad until 2017. Upon leaving Maybank Asset Management Group Berhad in 2017, he was appointed as Senior Advisor of Business Associates Consulting Sdn Bhd, a consulting firm specialising in risk management and data management solutions in the same year. As Senior Advisor, he participated in consulting projects secured by the firm. He held this position until 2019.

In 2018, he was appointed as Executive Director of Nextgreen Global Berhad, a company listed on Main Market of Bursa Securities. As Executive Director, he oversaw the business development, finance and accounting function of the company. He resigned from this position in 2019.

In 2018, he became the Independent Advisor of Planar Investments Private Ltd, a company principally engaged in the provision of digital wealth management services. He was tasked to provide advisory, direction and business development support to promote the business regionally. He held the position of Independent Advisor until 2020.

In 2018, he co-founded Ficus Group Capital Sdn Bhd, a venture capital company registered with the SC, and was appointed as director of the company in the same year. He is presently the Chairman of the company and he oversees the overall performance of the company as well as identifies strategic growth opportunities for the company.

Presently, Nor'Azamin Bin Salleh also holds directorships in several private limited companies. Please refer to Section 5.2.3 (d) for further details.

Tay Weng Hwee, a Malaysian, aged 50, is our Independent Non-Executive Director. He was appointed to our Board on 25 January 2022.

Tay Weng Hwee graduated with a Bachelor of Commerce from the University of Melbourne, Australia in 1995 and subsequently obtained a Bachelor of Law (Honours) in 1996. He was admitted as an advocate and solicitor of the High Court of Malaya in 1997.

Upon graduation in 1996, Tay Weng Hwee started his career at Lee Hishammuddin Allen & Gledhill as a chambering student before taking up full time employment in the law firm in 1997 as an Associate where he supported senior lawyers on legal matters. He was promoted to Partner in 2003 and assumed the position of Head of Mergers and Acquisitions in 2013, a position he holds until today. He oversees the Mergers and Acquisitions Department and manages the merger and acquisition transactions undertaken by the firm.

Presently, he also holds directorships in several private limited companies. Please refer to Section 5.2.3 (e) for further details.

Muhriz Nor Iskandar Bin Mohamed Murad, a Malaysian, aged 49, is our Independent Non-Executive Director. He was appointed to our Board on 25 January 2022.

Muhriz Nor Iskandar Bin Mohamed Murad graduated with a Bachelor of Arts (Hons) in Accountancy Studies from the University of Huddersfield, UK in 1996. He further obtained a Chartered Islamic Finance Professional certification from the International Centre for Education in Islamic Finance (INCEIF), Kuala Lumpur in 2015 and has been a Certified Credit Executive with the Asian Institute of Chartered Bankers since 2017.

Muhriz Nor Iskandar Bin Mohamed Murad began his career upon graduation as a Management Trainee with Southern Bank Berhad (now known as CIMB Bank Berhad) in 1997 before assuming the position of Branch Operations Manager in the same year, where he was responsible for overseeing and managing daily branch operations and reporting its monthly performance to management in the head office.

He resigned from Southern Bank Berhad in 2002 and joined TH Technologies Sdn Bhd in 2003 as Executive, Corporate Services where he supported senior management in assessing project potential, preparing project schedules, business development and financial performance reporting.

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

He left TH Technologies Sdn Bhd in 2004 to join Mayban Securities Sdn Bhd as Senior Executive, Strategic Planning and Corporate Finance in 2005, where he was responsible for preparing the company's strategy map and balanced scorecard assessment as well as monthly key performance indicator achievements for senior management review. In 2006, he assumed the position of Senior Executive, Equity Capital Markets and was responsible for executing equity capital market transactions.

In 2007, he resigned from Mayban Securities Sdn Bhd and joined EONCAP Islamic Bank Berhad (now known as Hong Leong Islamic Bank Berhad) in 2008 as Senior Manager, Business Banking-i before being promoted to Assistant Vice President, Business Banking. As Assistant Vice President, Business Banking, he was responsible for conducting product training, monitoring performance of business units, supporting business units on documentation and shariah matters as well as new product development.

In 2011, he left EONCAP Islamic Bank Berhad to join Kuwait Finance House (Malaysia) Berhad in 2012 as Relationship Manager - Syndication and Structured Product, where he was tasked to source for new deals, evaluate financial proposals and monitor disbursed accounts.

He left Kuwait Finance House (Malaysia) Berhad in 2012 after a 5-month stint, to join MIDF Amanah Investment Bank Berhad as Associate Director, Equity Capital Markets. He was then promoted to the positions of Director, Equity Capital Markets and Vice President, Proprietary Investment Desk ("**PID**") respectively before his resignation in October 2021. In his last held position, he was responsible for leading and assisting the Head of PID in managing private equity matters, conducting financial due diligence, analysis and evaluation of investment transactions, and preparing investment proposals and recommendations.

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

5.2.3 Principal business performed outside our Group

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

(a) Yee Chee Meng

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Infomina Holdings	Investment holding in Infomina	Director / Shareholder	24 May 2021 / -	100.0	-
Reliance Edge Sdn Bhd	Property investment holding	Director / Shareholder	23 September 2009 / -	85.0	-
Reliance Aim Sdn Bhd	Property investment holding	Director / Shareholder	13 August 2009 / -	49.0	-

(b) Lim Leong Ping @ Raymond Lim

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Reliance Edge Sdn Bhd	Property investment holding	Director	29 March 2021 / -	-	-
IDA Global Sdn Bhd	Advertising consultancy	Director / Shareholder	17 July 2013 / -	80.0	[1]20.0
Brands Direct International Sdn Bhd	General trading and marketing services	Director / Shareholder	25 July 2019 / -	100.0	-
Shielder Gloves Industries Sdn Bhd	Manufacture of rubber gloves	Director / Shareholder	12 August 2020 / -	100.0	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Past involvement					
My Wonder Ideas Sdn Bhd	Design and customise apparel	Director	11 November 2015 / 14 November 2017	-	-
WSPACE (M) Sdn Bhd	Virtual office	Director	17 November 2014 / 16 April 2018	-	-
Topgun Securities Sdn Bhd	Dissolved[(2)]	Director	9 February 2014 / 26 November 2019	-	-
Oberthur Fiduciaire (M) Sdn Bhd	Dissolved[(3)]	Director	13 March 2013 / 29 December 2017	-	-
Custom Scanning Solutions Sdn Bhd	Dissolved[(4)]	Director	18 October 2011 / 13 November 2020	-	-
Goodgloves Industries Sdn Bhd	Manufacture of rubber gloves	Director	12 August 2020 / 7 April 2021	-	-
LBS International Sdn Bhd	Engineering products and services	Director	19 March 2019 / 15 February 2022	-	-
Profit Revel Sdn Bhd	Dissolved[(5)]	Director	20 May 2014 / 26 April 2022	-	-
Giant Discovery Sdn Bhd	Dissolved[(6)]	Director	20 May 2014 / 26 April 2022	-	-

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

Notes:

(1) Deemed interest by virtue of his spouse, Leong Mei Leng's direct interest pursuant to Section 8 of the Act.

(2) The company was dissolved on 26 November 2019. Prior to dissolution, the company was principally involved in security systems.

(3) The company was dissolved on 29 December 2017. Prior to dissolution, the company was dormant.

(4) The company was dissolved on 13 November 2020. Prior to dissolution, the company was dormant.

(5) The company was dissolved on 26 April 2022. Prior to dissolution, the company was dormant.

(6) The company was dissolved on 26 April 2022. Prior to dissolution, the company was principally involved in the production and operation of studios activities.

(c) Mohd Hoshairy Bin Alias

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Crown Line (Malaysia) Sdn Bhd	Removals, storage, packing and transporting of goods	Director / Shareholder	30 April 2009 / -	0.2	-
C.E.M. Asia Sdn Bhd	General trader and steel maker	Director	6 September 2019 / -	-	-
Reliance Aim Sdn Bhd	Property investment holding	Director / Shareholder	13 August 2009 / -	51.0	-
Ace Cleaning Services	Office, building and area cleaning services, laundry	Partner	19 September 2012 / -	-	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Past involvement					
Emegin Teknologi Sdn Bhd	Dissolved[(1)]	Director	22 August 2007 / 5 August 2022	-	-

Note:

[(1)] The company was dissolved on 5 August 2022. Prior to dissolution, the company was previously involved in the provision of IT services.

(d) Nor'Azamin Bin Salleh

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Turnkey Global Asia Sdn Bhd	Provision of technological solutions and environmental, social and governance consultancy	Director / Shareholder	3 June 2022	20.0	-
Ficus Founders Sdn Bhd	Business management consultancy	Director / Shareholder	11 March 2021 / -	20.0	-
Ficus Group Capital Sdn Bhd	Venture capital companies	Director / Shareholder	1 June 2020 / -	28.0	[(1)]72.0
Penjana Eko Sdn Bhd	Investment holding and provision of environmental, social and governance training and consultancy[(2)]	Director / Shareholder	23 December 2020 / -	100.0	-
Past involvement					
Warisan Binaniaga Sdn Bhd	Provision of IT services	Director	10 August 2021 / 28 December 2021	-	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
MYCBMD Sdn Bhd	Dormant[3]	Director	23 November 2021 / 5 January 2022	-	-
Percetakan Naz Sdn Bhd	Printing services	Director	1 October 2019 / 16 March 2021	-	-
HD Technology Sdn Bhd	Dealer in electronic, electrical, hardware and software computer and communicating equipment	Director	6 July 2020 / 2 October 2020	-	-
Nextgreen Global Berhad (a company listed on the Main Market of Bursa Securities)	Investment holding and the provision of management services, where its group of companies are principally providing printing services	Director	19 July 2018 / 1 July 2019	-	-
AJ Platform Sdn Bhd	Dissolved[4]	Director	11 December 2017 / 12 June 2019	-	-

Notes:

(1) Deemed interest by virtue of his shareholding in Ficus Founders Sdn Bhd pursuant to Section 8 of the Act.

(2) As at LPD, the company has not invested in any companies.

(3) This company was incorporated on 23 November 2021 and has not commenced business operations. The company was intended to be the holding company of Warisan Binaniaga Sdn Bhd. As at 21 February 2022, Nor'Azamin Bin Salleh has disposed of his entire shareholdings in MYCBMD Sdn Bhd and Warisan Binaniaga Sdn Bhd.

(4) This company was dissolved on 12 June 2019. Prior to dissolution, the company was principally involved in business management consultancy services.

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

(e) Tay Weng Hwee

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held Direct	% of shareholdings held Indirect
Present involvement					
H&R Malaysia Sdn Bhd	Marketing and distribution of petroleum and petrochemical products	Director	15 June 2022 / -	-	-
H&R Chempharm Asia Sdn Bhd	Research and development of engineering and technology, and manufacture, export and import of refined petroleum products	Director	15 June 2022 / -	-	-
H&R Wax Malaysia Sdn Bhd	Manufacturing and trading of wax emulsions and wax specialities	Director	15 June 2022 / -	-	-
Lee Hishammuddin Allen & Gledhill	Legal firm	Partner	1 February 2003 / -	-	-
Haidilao International Food Services Malaysia Sdn Bhd	Wholesale of a variety of goods, manufacture of other food products and other food services	Director	1 November 2021 / -	-	-
NBD Enterprises Sdn Bhd	Agricultural activities	Director	11 October 2021 / -	-	-
Transperfect Solutions Malaysia Sdn Bhd	Translation and interpretation activities	Director	21 September 2021 / -	-	-
Hi Tech MT Sdn Bhd	Transportation network company	Director	9 April 2021 / -	-	-
Belgacom International Carrier Services Malaysia Sdn Bhd	Provision of telecommunications services and telecommunications reseller services	Director	5 January 2021 / -	-	-

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

Company	Principal activities	Position held	Date of appointment / Date of cessation	% of shareholdings held	
				Direct	Indirect
Fantasy Island Resorts Sdn Bhd	Dormant[(1)]	Director / Shareholder	14 September 2020 / -	50.0	-
Hovercrafts Corporation Sdn Bhd	Dormant[(1)]	Director / Shareholder	14 September 2020 / -	50.0	-
Allen & Gledhill Sdn Bhd	Dormant[(1)]	Director / Shareholder	1 June 2020 / -	50.0	-
Lee Hishammuddin Allen & Gledhill Sdn Bhd	Dormant[(1)]	Director / Shareholder	1 June 2020 / -	50.0	-
LPO Malaysia Sdn Bhd	Business management consultancy services	Director / Shareholder	1 June 2020 / -	33.3	-
Geowin Holdings Sdn Bhd	Commission agents and renting of properties	Director / Shareholder	10 December 1992 / -	20.0	-
Dayapenting Risk Management Sdn Bhd	Principally engaged as insurance agent	Director / Shareholder	26 November 1992 / -	90.0	[(2)]10.0
Tong Ah Company Sdn Bhd	Business of a liquor merchant distiller, hotelier and general merchant	Shareholder	-	0.8	-
Tay Miang Guan and Company Sdn Bhd	Trading of liquor; rubber production	Shareholder	-	0.7	-
Past involvement					
Glory Global Solutions (Malaysia) Sdn Bhd (a subsidiary of Glory Ltd., a company listed on Osaka Securities Exchange)	Importing, distributing, selling, maintenance installation, consultancy in relation to cash systems equipment	Director	27 January 2011 / 1 April 2020	-	-

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

Notes:

(1) The company has been dormant since incorporation. The intended principal activity of the company is investment holding in companies.

(2) Deemed interest by virtue of his spouse, Wang Jih Wei's direct interest pursuant to Section 8 of the Act.

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

The involvement of our Directors in the business activities outside our Group does not give rise to any conflict of interest situation with our business. Additionally, the involvement of our Executive Directors in those business activities are either as passive investor and/or directors to discharge their fiduciary duties in these companies. They are not actively involved in the day-to-day operations of these companies. Therefore, their involvement in these companies does not require significant amount of time, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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

5.2.4 Directors remuneration and benefits

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

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2020 to 2022 are as follows:

	[(1)]Directors' fees	Salaries	[(2)]Bonuses	Other emolument	Benefits-in-kind	Total
	RM'000					
FYE 2020 (Paid)						
Yee Chee Meng	-	1,025	150	142	53	1,370
Nasimah Binti Mohd Zain	-	37	4	6	-	47
Mohd Hoshairy Bin Alias	18	-	-	-	-	18
Lim Leong Ping @ Raymond Lim	-	885	-	107	14	1,006
FYE 2021 (Paid)						
Yee Chee Meng	-	1,200	529	208	56	1,993
Nasimah Binti Mohd Zain	10	37	4	6	-	57
Mohd Hoshairy Bin Alias	18	-	-	-	-	18
Lim Leong Ping @ Raymond Lim	-	1,200	3	145	14	1,362
FYE 2022 (Paid)						
Saleena Binti Mohd Ali	24	-	-	-	-	24
Yee Chee Meng	-	1,200	600	217	32	2,049
Lim Leong Ping @ Raymond Lim	-	600	400	121	14	1,135
Nasimah Binti Mohd Zain	-	300	250	67	-	617
Mohd Hoshairy Bin Alias	-	300	250	67	-	617

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

	[1]Directors' fees	Salaries	[2]Bonuses	Other emolument	Benefits-in-kind	Total
	RM'000					
Tay Weng Hwee	20	-	-	-	-	20
Nor'Azamin Bin Salleh	24	-	-	-	-	24
Muhriz Nor Iskandar Bin Mohamed Murad	20	-	-	-	-	20
FYE 2023 (Proposed)						
Saleena Binti Mohd Ali	72	-	-	-	-	72
Yee Chee Meng	-	1,200	-	144	60	1,404
Lim Leong Ping @ Raymond Lim	-	720	-	86	38	844
Nasimah Binti Mohd Zain	-	390	-	47	24	461
Mohd Hoshairy Bin Alias	-	390	-	47	24	461
Tay Weng Hwee	60	-	-	-	-	60
Nor'Azamin Bin Salleh	72	-	-	-	-	72
Muhriz Nor Iskandar Bin Mohamed Murad	60	-	-	-	-	60

Notes:

(1) Pro-rated based on their respective appointment dates.

(2) The bonuses for FYE 2023 are not included. Such bonuses, if any, will be determined at a later date based on the individual's performance as well as our Group's performance, and will be subject to recommendation of our Nominating and Remuneration Committee and approval by our Board.

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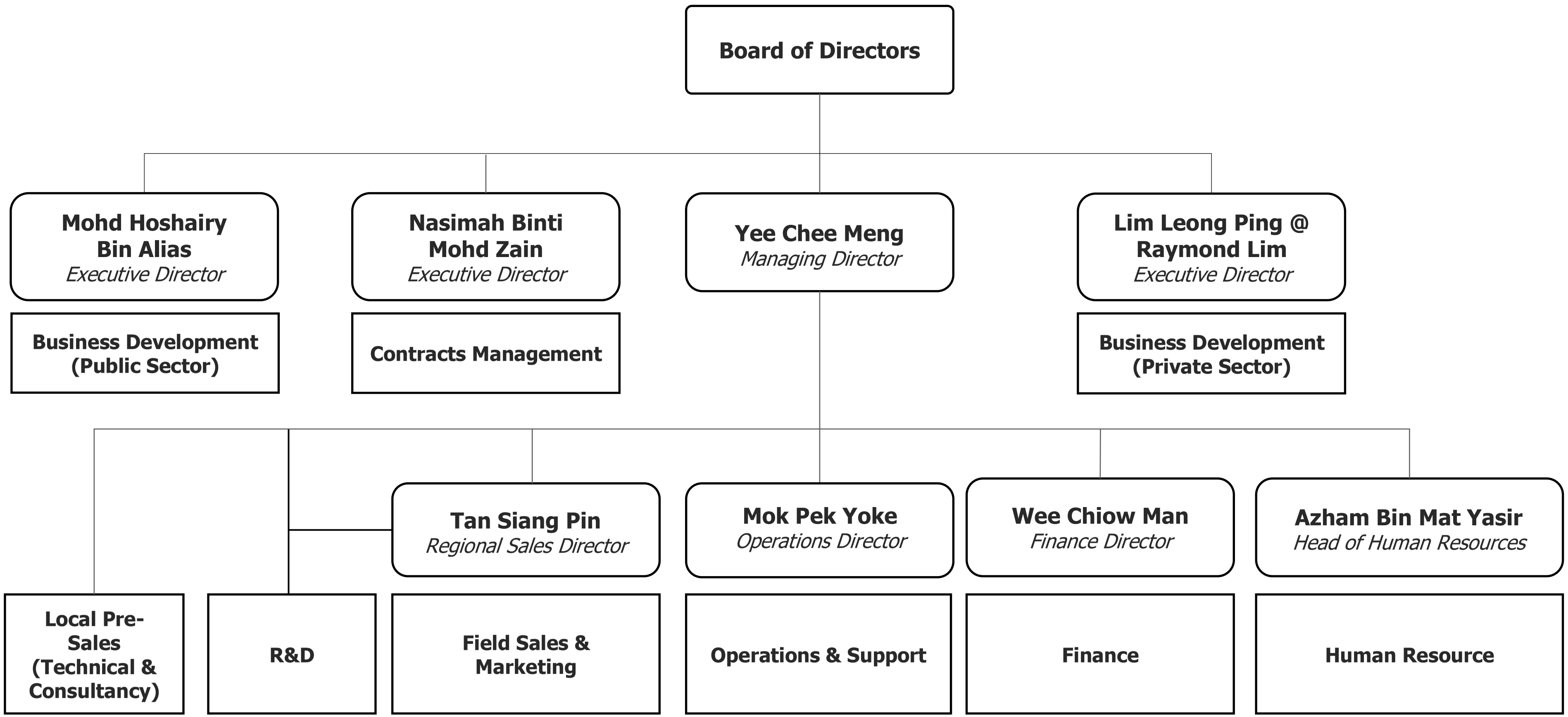
5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management structure

The management reporting structure of our Group is as follows:



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

5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Company before and after IPO, save for our Executive Directors, which are disclosed in Section 5.2.1, assuming that they will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

		Before IPO				[1]After IPO			
		Direct		Indirect		Direct		Indirect	
Name	**Designation / Nationality**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Tan Siang Pin	Regional Sales Director / Malaysian	36,019,400	6.9	-	-	31,108,200	5.2	-	-
Mok Pek Yoke	Operations Director / Malaysian	-	-	-	-	[2]1,250,000	0.2	-	-
Wee Chiow Man	Finance Director / Malaysian	-	-	-	-	[2]1,000,000	0.2	-	-
Azham Bin Mat Yasir	Head of Human Resources / Malaysian	-	-	-	-	[2]500,000	0.1	-	-

Notes:

(1) Based on the enlarged share capital of 601,250,000 Shares after IPO.

(2) Assuming he/she fully subscribes for his/her respective entitlement under the Pink Form Allocations.

5.3.3 Profiles of key senior management

Save for the profiles of our Executive Directors which are set out in Section 5.2, the profiles of the other key senior management of our Group are as follows:

Tan Siang Pin, a Malaysian, aged 52, is our Regional Sales Director. He is responsible for managing our Group's business development and sales functions, identifying new business opportunities, developing new market segments and initiating and managing relationships with international technology partners.

Tan Siang Pin graduated with a Master of Science in Information Technology in Business from the University of Humberside, UK in 1995.

Upon graduation, Tan Siang Pin began his career with Palindrome Corp., as an Engineer for the Asia Pacific region. Subsequent to the acquisition of Palindrome Corp. by Seagate Technology Inc., he assumed the role of Engineer for the Asia Pacific region prior to his promotion to the position of Asia Pacific Sales Account Manager under Seagate Software Inc. and its subsidiary in Malaysia, namely Penang Seagate Industries (M) Sdn Bhd. In 2000, following the acquisition of Seagate Software Inc's network and storage management business by Veritas Software Corporation, Tan Siang Pin assumed the role of Regional Manager for South Asia under Veritas Software Malaysia Sdn Bhd. He was then promoted to the position of General Manager in 2001 where he was responsible for the pre-sales consultation and sales of VERITAS Software products in the Asia Pacific region.

In 2002, he resigned from Veritas Software Malaysia Sdn Bhd and joined EDS (M) Sdn Bhd in the following year as Director, Business Development where he was responsible for sales, business development and new customer acquisition.

In 2009, he left EDS (M) Sdn Bhd to join IBM Malaysia Sdn Bhd as Product Sales Leader for ASEAN region where he was responsible for leading sales activities for the company's mainframe software in the ASEAN region.

In 2017, he left IBM Malaysia Sdn Bhd as Business Unit Executive and joined SAP Malaysia Sdn Bhd as Sales Director where he led a team of sales staff managing key accounts of the company.

In 2019, he left SAP Malaysia Sdn Bhd and joined Infomina as Sales Director. In the same year, he was redesignated to the position of Regional Sales Director. In 2021, he subsequently became a shareholder of Infomina with 10.9% equity interest via a share swap arrangement.

Mok Pek Yoke, a Malaysian, aged 52, is our Operations Director. She is responsible in overseeing the operational aspects of our Group, including application development, project planning, resource allocation, execution as well as service and delivery of projects.

Mok Pek Yoke graduated with a Bachelor of Science from Campbell University, USA in 1994. She subsequently completed a Master Degree in Business Administration from the University of Keele, UK in 2003.

Mok Pek Yoke commenced her career with Hitechniaga Software Sdn Bhd in 1994 as a Software Engineer, where she was responsible for designing and developing software applications and systems for financial services firms.

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

In 1995, she left Hitechniaga Software Sdn Bhd and joined Global Intelligence Sdn Bhd as Project Leader, and was subsequently promoted to the positions of Product Manager and Senior Manager in 1996 and 1998, respectively. She was tasked to undertake research and development activities to develop business management systems for financial institutions.

In 2000, she resigned from Global Intelligence Sdn Bhd to join Informix Sdn Bhd as Business Intelligence Sales Specialist where she was responsible for developing sales strategies to promote the company's business intelligence software and data warehouse solutions.

In 2001, she left Informix Sdn Bhd and joined IBM Malaysia Sdn Bhd as Software Sales Specialist, and was subsequently promoted to Territory Partner Manager in 2003. Her last held position in IBM Malaysia Sdn Bhd was Client Representative, a position to which she was promoted in 2004, where she was responsible for identifying business leads and generating sales revenue for the company's software solutions for the banking, insurance and financial services industry.

In 2006, she resigned from IBM Malaysia Sdn Bhd to join Computer Associates (Malaysia) Sdn Bhd (now known as CA (Malaysia) Sdn Bhd) as Account Manager where she was responsible for developing sales strategies to expand market reach of the company's enterprise solutions. She was also involved in coordinating all aspects of the sales cycle, including developing business proposals, product demonstrations, negotiations and closing of sales.

In 2007, she left Computer Associates (Malaysia) Sdn Bhd and joined Sun Microsystems Malaysia Sdn Bhd in 2008 as Senior Account Manager. As Senior Account Manager, she was responsible in managing and handling key accounts of the company to retain customers and cultivate business relationships.

In 2009, Mok Pek Yoke left Sun Microsystems Malaysia Sdn Bhd to join Infomina in 2010 as an Operations Director.

Presently, she also holds directorships in several private limited companies. Please refer to Section 5.3.4(a) for further details.

Wee Chiow Man, a Malaysian, aged 51, is our Finance Director. He is responsible for overseeing our Group's financial matters, including accounting, taxation, corporate finance, treasury and financial reporting functions.

Wee Chiow Man obtained the Institute of Chartered Secretaries and Administrators qualification in 2001, and the Association of International Accountants qualification in 2003.

Wee Chiow Man started his career in 1995 with O&M Management Consultants Sdn Bhd as a Company Secretary Assistant where he was responsible for the preparation of corporate secretarial documents including board resolutions, meeting minutes and filing of corporate statutory documents.

In 1996, he left O&M Management Consultants Sdn Bhd and briefly joined First Worldwide Technology Sdn Bhd in 1997 as an Accounts Executive before leaving in the same year to join Global Intelligence Sdn Bhd as an Account Executive. In 1999, he was promoted to Accounts and Human Resources Manager where he was responsible for managing the overall accounting and human resource functions of the company.

In 2016, Wee Chiow Man left Global Intelligence Sdn Bhd to join Infomina as Finance Manager before being promoted to his current role as Finance Director in 2020.

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

Azham Bin Mat Yasir, a Malaysian, aged 36, is our Head of Human Resources. He is responsible for overseeing our Group's human resources and administrative functions, including recruitment, training and development.

Azham Bin Mat Yasir completed a Diploma in Human Development from Universiti Putra Malaysia in 2007. Subsequently, he graduated with a Bachelor of Science (Human Resource Development) from Universiti Putra Malaysia in 2011.

Azham Bin Mat Yasir began his career with i-HR Consulting Sdn Bhd in 2011 as a Human Resources and Payroll Executive. He was responsible for managing the administration of company payroll processing as well as provide support to the company's human resource functions.

In 2013, he resigned from i-HR Consulting Sdn Bhd and joined Schenker Logistics (M) Sdn Bhd as Human Resources Administrator, where he was tasked to assist in the company's recruitment activities and training-related matters.

In 2015, he left Schenker Logistics (M) Sdn Bhd and re-joined i-HR Consulting Sdn Bhd as Head of Human Resources Advisory. He was involved in human resource consulting engagements and was responsible for overseeing the human resources administrative procedures of the company as well as providing support to the company's clients.

In 2017, he resigned from i-HR Consulting Sdn Bhd and joined MKN Services Sdn Bhd, as Human Resources Manager where he was responsible for human resources planning and allocation, staff recruitment, retention of talent, remuneration and administration of human resource related matters.

In 2019, Azham Bin Mat Yasir left MKN Services Sdn Bhd to join Infomina as Human Resources Manager, before being redesignated as Head of Human Resources in 2020.

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

5.3.4 Principal business performed outside our Group

Save as disclosed in Section 5.2.3 and below, none of our key senior management has any other principal directorship and/or principal business activities performed outside our Group as at LPD:

(a) Mok Pek Yoke

Company	Principal activities	Position held	Date of appointment /cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Reliance Edge Sdn Bhd	Property investment holding	Director / Shareholder	23 September 2009 / -	15.0	-
Past involvement					
Emegin Teknologi Sdn Bhd	Dissolved[(1)]	Director	28 February 2012 / 5 August 2022	-	-

Note:

(1) The company was dissolved on 5 August 2022. Prior to dissolution, the company was previously involved in the provision of IT services.

(b) Azham Bin Mat Yasir

Company	Principal activities	Position held	Date of appointment /cessation	% of shareholdings held	
				Direct	Indirect
Past involvement					
Hrmatix Consulting Sdn Bhd	Dissolved[(1)]	Director	11 November 2015 / 3 August 2020	-	-
Azam Hijrah Sdn Bhd	Dissolved[(2)]	Director	21 August 2007 / 8 June 2018	-	-

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

Notes:

(1) The company was dissolved on 3 August 2020. Prior to dissolution, the company was principally involved in human resource consultancy services and provision of human resources for client businesses.

(2) The company was dissolved on 8 June 2018. Prior to dissolution, the company was principally involved in activities of general merchant.

The involvement of our key senior management in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Their involvement in those business activities does not require significant amount of time, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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5.3.5 Key senior management remuneration and benefits

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

The aggregate remuneration and material benefits-in-kind (in bands of RM50,000) paid and proposed to be paid to our key senior management (save for our Directors which are disclosed in Section 5.2.4) for services rendered in all capacities to our Group for FYE 2020 to 2022 are as follows:

	[(1)]Remuneration band			
	FYE 2020 (Paid)	FYE 2021 (Paid)	FYE 2022 (Paid)	FYE 2023 (Proposed)
	RM'000			
Tan Siang Pin	300 - 350	800 - 850	1,350 - 1,400	1,350 - 1,400
Mok Pek Yoke	550 - 600	600 - 650	1,100 - 1,150	1,350 - 1,400
Wee Chiow Man	200 - 250	250 - 300	400 - 450	500 - 550
Azham Bin Mat Yasir	50 - 100	100 - 150	150 - 200	150 - 200

Note:

(1) The remuneration for key senior management includes salaries, bonuses, allowances and other emoluments.

5.4 BOARD PRACTICE

5.4.1 Board

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

(a) together with management, promoting good corporate governance culture within our Group which reinforces ethical, prudent and professional behaviour;

(b) reviewing and setting a strategic plan for our Group to ensure that the strategic plan of our Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;

(c) reviewing, challenging and deciding on management's proposals for our Group, and monitoring its implementation by management;

(d) overseeing the conduct of our Group's business to ensure it is properly managed, including supervising and assessing corporate behaviour and conduct of the business of our Group;

(e) identifying the principal risks and ensuring implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks incurred and potential returns to the shareholders;

(f) setting the risk appetite within which our Board expects management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risk;

(g) reviewing the information and risk management and internal control system and the effectiveness of the management;

(h) ensuring senior management has the necessary skills and experience, and there are measures for orderly succession planning for our Company's Board and key senior management which are reviewed on an annual basis, and to ensure that there are appropriate policies for training, appointment and performance monitoring of key senior management;

(i) developing and implementing an investor relations programme or shareholders' communications policy for our Group to enable effective communication with stakeholders;

(j) reviewing and approving financial statements;

(k) reviewing and approving our Company's annual report;

(l) ensuring the integrity of our Company's financial and non-financial reporting; and

(m) undertaking a formal and objective annual evaluation to determine the effectiveness of our Board, our Board Committees and each individual Director.

In accordance with our Constitution, at the first annual general meeting of our Company, all our Directors shall retire from the office and be eligible for re-election and an election of Directors shall take place each year at the annual general meeting of our Company, where one-third of our Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to one-third shall retire from office. This is provided always that all Directors shall retire from office once at least in each 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

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

Name	**Date of appointment as Director**	**Date of expiration of the current term in office**	**Tenure up to LPD**
Saleena Binti Mohd Ali	25 January 2022	At the 2022 Annual General Meeting of our Company	8 months
Yee Chee Meng	2 January 2018	At the 2023 Annual General Meeting of our Company	4 years and 8 months
Lim Leong Ping @ Raymond Lim	2 January 2018	At the 2023 Annual General Meeting of our Company	4 years and 8 months
Nasimah Binti Mohd Zain	4 September 2014	At the 2023 Annual General Meeting of our Company	8 years
Mohd Hoshairy Bin Alias	14 September 2007	At the 2022 Annual General Meeting of our Company	15 years
Tay Weng Hwee	25 January 2022	At the 2022 Annual General Meeting of our Company	8 months

Name	Date of appointment as Director	Date of expiration of the current term in office	Tenure up to LPD
Nor'Azamin Bin Salleh	25 January 2022	At the 2022 Annual General Meeting of our Company	8 months
Muhriz Nor Iskandar Bin Mohamed Murad	25 January 2022	At the 2022 Annual General Meeting of our Company	8 months

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

5.4.2 Audit and Risk Management Committee

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

(a) review the quarterly results and the year-end financial statements of our Group, before submission to our Board for approval;

(b) ask probing questions to ascertain whether the financial statements are consistent with operational and other information known, where there are significant matters requiring judgement;

(c) consider and recommend to our Board on the appointment or re-appointment of external auditors and to fix their fees (audit and non-audit), after assessing their independence and capabilities as well as the effectiveness of the external audit process;

(d) review the following and report the same to our Board:

  (i) letter of resignation from our external auditors or suggestions for their dismissal, including a copy of any written representations or statement of circumstances in relation with the resignation made by our external auditors, if applicable; and

  (ii) whether there is reason (supported by grounds) to believe that our external auditors is not suitable for re-appointment;

(e) assess the suitability, objectivity and independence of our external auditors on an annual basis based on the policies and procedures that have been established and the annual performance evaluation of the external auditors undertaken by the Audit and Risk Management Committee;

(f) review the following with the external auditors and report the same to our Board:

  (i) audit plan, its scope and nature;
  (ii) audit report;
  (iii) evaluation of the system of internal controls;
  (iv) the assistance given by our employees to the external auditors, including any difficulties or disputes with management encountered during audit; and
  (v) external auditors' management letter and management's response thereto;

(g) review the adequacy of the scope, competency and resources of our internal audit function, and that it has the necessary authority to carry out its work;

(h) review the findings of our internal auditor's reports, investigations undertaken and whether or not appropriate actions are taken by our management, based on the recommendations of our internal auditors;

(i) establish an adequate and effective risk management and internal control framework, which includes identifying the principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;

(j) review the enterprise risk management framework, policies and process, including identifying, managing, monitoring and mitigating the significant risks of our Group, and recommend for approval by our Board;

(k) monitor, review and report to our Board any related party transactions, recurrent related party transactions and conflict of interest situation that may arise within our Company or Group, including any transaction, procedures or course of conduct that raises question on management integrity;

(l) review the adequacy and appropriateness of our Anti-Bribery and Anti-Corruption Policy & Guidelines, and Whistleblowing Policy & Guidelines, when necessary; and

(m) carry out any other functions that may be mutually agreed upon by our Audit and Risk Management Committee and our Board.

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

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

Name	Designation	Directorship
Nor'Azamin Bin Salleh	Chairperson	Independent Non-Executive Director
Tay Weng Hwee	Member	Independent Non-Executive Director
Muhriz Nor Iskandar Bin Mohamed Murad	Member	Independent Non-Executive Director

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

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5.4.3 Nominating and Remuneration Committee

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

(a) Nomination

(i) identify, consider and recommend to our Board suitable candidates for appointment as Directors. Our Nominating and Remuneration Committee shall not solely rely on recommendations from our existing Board members, management or major shareholders, but will also utilise independent sources to identify suitably qualified candidates;

(ii) facilitate achievement of our Board gender diversity policies and targets;

(iii) develop and implement the fit and proper policy for the appointment and re-election of Directors of our Group that addresses the board quality and integrity;

(iv) review and recommend to our Board the re-election of Directors who retired by rotation pursuant to our Company's Constitution and re-appointment of Directors who retired pursuant to relevant sections of the Act, subject to the conduct of the fit and proper assessment;

(v) develop and review the performance criteria to evaluate the performance of our Board, Board Committees and individual Directors;

(vi) assess annually the effectiveness of our Board as a whole, our Board Committees and the contribution of each individual Director as well as our Managing Director having regard to time commitment, character, experience, integrity, the required mix of skills, experience and other qualities, including core competencies which Non-Executive Directors should bring to our Board and thereafter, recommend its findings to our Board;

(vii) review annually the performance of our Board and key senior management in addressing our Company's material sustainability risks and opportunities;

(viii) review and assess the independence of Independent Directors annually;

(ix) review the term of office and performance of our Audit and Risk Management Committee and each of its members annually to determine whether our Audit and Risk Management Committee and its members have carried out their duties in accordance with their Terms of Reference;

(x) facilitate Board induction programme for newly appointed Directors;

(xi) identify suitable educational and training programmes for continuous development of Directors to ensure the Directors keep abreast with development in the industry, regulatory changes and board business trends;

(xii) review our Board and key senior management succession plans and overseeing the development of a diverse pipeline for our Board and key senior management succession; and

(xiii) carry out such other duties or functions as may be delegated by our Board from time to time or required by the regulatory authority.

(b) Remuneration

(i) review our Group's policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of Directors and key senior management, and recommend to our Board for approval;

(ii) review remuneration packages of Directors and key senior management, having regard to our Group's operating results, individual performance and comparable market statistics and recommend to our Board for approval;

(iii) ensure fees and benefits payable to Directors, and any compensation for loss of employment of Executive Directors are approved by shareholders at general meetings;

(iv) review and recommend to our Board, the remuneration packages of Non-Executive Directors for shareholders' approval at our general meeting in accordance with the Act and ensure that remuneration and incentives for Independent Directors should not conflict with their obligation in bringing objectivity and independent judgment on matters discussed;

(v) provide clarification to shareholders during general meetings on matters pertaining to remuneration of Directors and key senior management as well as the overall remuneration framework of our Company; and

(vi) to carry out other responsibilities, functions or assignments as may be agreed by our Board from time to time.

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

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

Name	Designation	Directorship
Tay Weng Hwee	Chairperson	Independent Non-Executive Director
Nor'Azamin Bin Salleh	Member	Independent Non-Executive Director
Muhriz Nor Iskandar Bin Mohamed Murad	Member	Independent Non-Executive Director

5.5 RELATIONSHIPS AND/OR ASSOCIATIONS

There are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and key senior management as at LPD.

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at LPD, there are no existing or proposed service agreements entered into between our Company with any Directors; or between any companies within our Group with any key senior management.

5.7 DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

(a) in the last 10 years, a petition under any bankruptcy or insolvency laws that was filed (and not struck out) against him or any partnership in which he was a partner or any corporation of which he was a Director or a member of key senior management;

(b) disqualified from acting as a Director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(c) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(d) in the last 10 years, any judgment that was entered against him, 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;

(e) in the last 10 years, was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;

(f) being the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity;

(g) in the last 10 years has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and

(h) has any unsatisfied judgment against him.

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6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON INFOMINA

Our Company was incorporated in Malaysia under the Companies Act 1965 on 11 June 2007 as a private limited company under the name of Infomina Sdn Bhd and is deemed registered under the Act. On 21 February 2022, we converted into a public limited company and adopted our present name.

Our Company is a technology solution provider. We principally provide maintenance and support services for IT-related products and also investment holding. The aforementioned principal activities disclosed are based on Infomina's historical audited financial statements, which we will amend upon the filing of our next audited financial statement, to align with our Group's business activities. Together with our subsidiaries, we are principally involved in the design and implementation of technology applications and infrastructure solutions that support the fundamental business operations of our customers. The revenue derived from the design and implementation of technology applications and infrastructure solutions that support the fundamental business operations of our customers, is contributed by Infomina.

We further support our customers through customised operations, maintenance and support services for technology solutions. The principal activities of our subsidiaries are set out in Section 6.4.

There has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD. Please refer to Section 7.1 for detailed information of our Group's history.

As at LPD, our share capital is RM11.1 million comprising 520,081,200 Shares. The movements in our share capital since the date of our incorporation are set out below:

Date of allotment	No. of Shares allotted	Consideration / Type of issue RM	Cumulative share capital RM
11 June 2007	2	RM2 / Subscriber's shares	2
7 November 2012	4,998	RM4,998 / Issuance of Shares for cash	5,000
20 February 2014	15,000	RM15,000 / Issuance of Shares for cash	20,000
25 September 2014	280,000	RM280,000 / Issuance of Shares for cash	300,000
25 September 2015	700,000	RM700,000 / Issuance of Shares for cash	1,000,000
15 October 2019	4,000,000	RM4,000,000 / Capitalisation of reserves for bonus issue	5,000,000
20 May 2021	1,360,597	RM5,877,779 / Issuance of Shares for the acquisitions of Infomina SG and Infomina TH	10,877,779
24 May 2021	585,000	RM58,500 / Issuance of Shares for cash	10,936,279
3 August 2021	17,363	RM138,904 / Issuance of Shares for cash	11,075,183
6 October 2022	513,118,240	Nil / Subdivision of Shares	11,075,183

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

Upon completion of our IPO, our enlarged share capital will increase to RM43.5 million comprising 601,250,000 Shares.

6.2 GROUP RESTRUCTURING

6.2.1 Promoters' Reorganisation

During FYE 2021, our Promoters have completed the following exercises, details of which are as follows:

(a) Acquisitions of Infomina SG and Infomina TH

Pursuant to our members' and directors' resolutions passed on 20 May 2021, Infomina acquired:

(i) 40.0% equity interest in Infomina SG comprising 40 ordinary shares from Yee Chee Meng (20.0%) and Tan Siang Pin (20.0%) respectively; and

(ii) 23.9% equity interest (with respect to the entire issued share capital) in Infomina TH comprising 9,798 ordinary shares from Yee Chee Meng (12.2%) and Tan Siang Pin (11.7%) respectively,

for a total purchase consideration of RM5,877,779 which was satisfied via the issuance of 1,360,597 new Shares at an issue price of RM4.32 each.

The shareholding of Infomina SG and Infomina TH before and after the acquisitions of Infomina SG and Infomina TH are as follows:

Infomina SG

	Before Promoters' Reorganisation		After Promoters' Reorganisation	
Name	**No. of shares**	**%**	**No. of shares**	**%**
Infomina	60	60.0	100	100.0
Yee Chee Meng	20	20.0	-	-
Tan Siang Pin	20	20.0	-	-
	100	**100.0**	**100**	**100.0**

Infomina TH

	Before Promoters' Reorganisation		After Promoters' Reorganisation	
Name	**No. of shares**	**%**	**No. of shares**	**%**
Ordinary shares				
Infomina	-	-	9,798	48.99
Infomina SG	10,200	51.0	10,200	51.0
Yee Chee Meng	5,000	25.0	1	<0.1
Tan Siang Pin	4,800	24.0	1	<0.1
	20,000	**100.0**	**20,000**	**100.0**
Preference shares				
Arusa Rattanaphisit	**21,000**	**100.0**	**21,000**	**100.0**

	Purchase consideration			No. of Shares issued
	Infomina SG	**Infomina TH**	**Total**	
	RM	**RM**	**RM**	
Yee Chee Meng	1,524,200	1,353,512	2,877,712	666,137
Tan Siang Pin	1,647,911	1,352,156	3,000,067	694,460
	3,172,111	**2,705,668**	**5,877,779**	**1,360,597**

In view that the reorganisation involved Yee Chee Meng's and Tan Siang Pin's direct shareholding in Infomina SG and Infomina TH, the purchase consideration for the acquisitions of Infomina SG and Infomina TH of RM5.9 million was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the expected business growth of Infomina SG, Infomina TH and Infomina PH (which was then a 99.9%-subsidiary of Infomina SG); and their expected contribution to our Group based on the companies' financial performance for FYE 2021. For FYE 2021, these 3 companies collectively generated revenue of RM64.1 million or 60.8% of our Group's combined revenue, and PAT of RM7.9 million or 94.9% of our Group's combined PAT. Of this PAT amount, the effective shareholdings of Yee Chee Meng and Tan Siang Pin translate to an equivalent share of RM1.8 million respectively. The acquisitions of Infomina SG and Infomina TH enabled us to fully control and consolidate the results of the companies.

Based on the future revenue generation and earnings potential of Infomina SG and Infomina TH as well as the agreed resultant shareholdings among our Promoters, the parties have agreed on the purchase consideration for Yee Chee Meng and Tan Siang Pin's interest in Infomina SG and Infomina TH to be approximately RM2.9 million and RM3.0 million respectively.

The number of Shares issued was determined in a manner to achieve the desired shareholding structure in our Group after the acquisitions of Infomina SG and Infomina TH as agreed by our Promoters on the basis above.

The issue price of RM4.32 per Infomina Share was derived based on the unaudited NA of Infomina as at 31 March 2021 (an agreed cut-off point among our Promoters) of approximately RM24.4 million, divided by 5,585,000 Infomina Shares (including the 585,000 Shares to be issued to Nasimah Binti Mohd Zain and Mohd Hoshairy Bin Alias), resulting in an NA per share of RM4.38 per Share. The NA per share of RM4.38 computed includes the 585,000 Shares to be issued to Nasimah Binti Mohd Zain and Mohd Hoshairy Bin Alias as the Promoters' Reorganisation was considered collectively, notwithstanding that the individual steps were executed on different dates. The issue price of RM4.32 per Infomina Share represents a slight discount of approximately 1.36% to the said NA per Share.

The acquisitions of Infomina SG and Infomina TH were completed on 20 May 2021. Thereafter, Infomina held 100.0% equity interest in Infomina SG and 23.9% equity interest in Infomina TH.

(b) **Subscription of Shares**

Pursuant to our members' and directors' resolutions passed on 24 May 2021, our Promoters, Executive Directors and substantial shareholders, namely Nasimah Binti Mohd Zain and Mohd Hoshairy Bin Alias each subscribed for 292,500 new Infomina Shares at an issue price of RM0.10 each, representing 4.21% respectively of the enlarged issued share capital of Infomina at that point of time of 6,945,597 Shares, based on the enlarged unaudited NA of Infomina as at 31 March 2021 of RM24.4 million, 4.21% is equivalent to RM1.0 million each ("**Subscription of Shares**"). The issue price of RM0.10 per Infomina Share was determined on a "willing-buyer willing-seller" basis taking into consideration their past and continued contributions to our Company as one of the earlier shareholders. Both of them were not required to and did not abstain from the passing of the resolutions.

6.2.2 Pre-IPO investment

On 3 August 2021, Puteri Mazwin Binti Abdul Aziz subscribed for 17,363 new Infomina Shares at an issue price of RM8.00 each ("**Pre-IPO Investment**"). The issue price of RM8.00 per Infomina Share was determined based on a "willing-buyer willing-seller" basis taking into account a price-to-book multiple of 2.4 times based on the audited combined NA per share of Infomina as at 31 May 2021 of RM3.34.

The price-to-book multiple of 2.4 times was agreed upon on a "willing-buyer willing-seller" basis, given her shorter investment tenure in our Company prior to our Listing as compared with our other existing shareholders.

Puteri Mazwin Binti Abdul Aziz was our Director prior to her resignation as a director on 25 January 2022. She continues to be employed as our manager handling contracts management as well as other sales related matters.

6.2.3 Group Internal Restructuring

In preparation for our Listing, we have undertaken the Group Internal Restructuring as detailed below.

(a) **Acquisitions**

To streamline our Group structure such that all our subsidiaries are directly held by Infomina, Infomina has undertaken the Acquisitions, details as follows:

(i) **Acquisition of Infomina ID**

The acquisition by Infomina of 99.6% equity interest in Infomina ID comprising 249 ordinary shares from Infomina SG for a purchase consideration of RM644,941 which was satisfied by offsetting the inter-company balances owing by Infomina SG to Infomina. The remaining 1 share in Infomina ID representing 0.4% equity interest is held by Yee Chee Meng, our Managing Director to comply with the minimum requirement of at least 2 shareholders for a limited company in Indonesia.

The purchase consideration for the Acquisition of Infomina ID of RM644,941 was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of Infomina ID as at 31 May 2021 of RM647,531.

(ii) Acquisition of ISSB

The acquisition by Infomina of 49.0% equity interest in ISSB comprising 147,000 ordinary shares from Yee Chee Meng for a cash purchase consideration of RM1.00.

The purchase consideration for the Acquisition of ISSB of RM1.00 was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited net liability of ISSB as at 31 May 2021 of RM20,043.

(iii) Acquisition of Infomina TH

The acquisition by Infomina of 51.0% ordinary equity interest (24.88% of the total issued share capital) in Infomina TH comprising 10,200 ordinary shares for a purchase consideration of RM2,524,948 from Infomina SG which was satisfied by offsetting the inter-company balances owing by Infomina SG to Infomina. The remaining 2 ordinary shares in Infomina TH are held by Yee Chee Meng, our Managing Director and Tan Siang Pin, our Regional Sales Director, to comply with the minimum requirement of at least 3 shareholders for a limited company in Thailand. For clarity, the issued share capital of Infomina TH consists of 20,000 ordinary shares and 21,000 preference shares issued to our Thai employee, Arusa Rattanaphisit.

The purchase consideration for the Acquisition of Infomina TH of RM2,524,948 was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of Infomina TH as at 31 May 2021 of RM4,950,878.

The Acquisition of ISSB was completed on 31 May 2022. Whilst the Acquisition of Infomina ID and Acquisition of Infomina TH were completed on 24 May 2022 and 28 February 2022 respectively. Thereafter, ISSB became our wholly-owned subsidiary while Infomina ID and Infomina TH became our 99.6%-owned and 48.78%-owned subsidiary (with respect to the entire issued share capital) respectively. The Acquisitions did not involve the issuance of any new Shares by Infomina.

Subsequent to the Acquisitions, Infomina SG had on 19 October 2022 transferred its 99.95% equity interest in Infomina PH comprising 10,195 ordinary shares to Infomina by way of dividend-in-specie for a transfer consideration of RM883,800, being Infomina SG's cost of investment in Infomina PH as at 31 March 2021. Thereafter, Infomina PH became a 99.95% direct subsidiary of Infomina.

The remaining equity interest (0.05%) in Infomina PH is held by Yee Chee Meng, Tan Siang Pin, Jimmy S. Soo, Milagros E. Soriano and Nina Sarah D. Cabeza, all of whom are directors of Infomina PH, with each director holding 1 share in Infomina PH (representing 0.01% equity interest) as required under Philippine law.

(b) Shareholders' Reorganisation

Our Promoters also undertook a reorganisation of their shareholdings to consolidate their shareholdings in Infomina under one investment holding company. As such, Infomina Holdings was incorporated to be our Promoters' private investment holding company to hold the Infomina Shares:

(i) Our Promoters, namely Yee Chee Meng, Lim Leong Ping @ Raymond Lim, Nasimah Binti Mohd Zain, Mohd Hoshairy Bin Alias and Tan Siang Pin transferred in aggregate 76.5% of their equity interest in Infomina (comprising 5,326,665 Infomina Shares) to Infomina Holdings in exchange for shares in Infomina Holdings on a one-to-one basis; and

(ii) The balance 23.5% equity interest in Infomina is held directly by Yee Chee Meng (8.4%), Lim Leong Ping @ Raymond Lim (7.9%), Tan Siang Pin (6.9%) and Puteri Mazwin Binti Abdul Aziz (0.3%) respectively.

The Shareholders' Reorganisation was completed on 6 October 2022. Arising therefrom, Infomina Holdings became our shareholder holding 76.5% equity interest and our Promoters became shareholders of Infomina Holdings. Please refer to Section 5.1.2 for our Promoters' shareholdings in Infomina Holdings.

The Shareholders' Reorganisation did not involve the issuance of any new Shares by Infomina.

(c) Subdivision of Shares

Following the Shareholders' Reorganisation, our Company carried out a subdivision of the entire issued share capital of RM11.1 million comprising 6,962,960 Shares into RM11.1 million comprising 520,081,200 Shares.

The Subdivision of Shares was completed on 6 October 2022.

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

The changes in our shareholding structure arising from the Group restructuring in Sections 6.2.1, 6.2.2 and 6.2.3 are as follows:

	Before		After Promoter's Reorganisation and Pre-IPO Investment		After Group Internal Restructuring			
					After Shareholders' Reorganisation		After Subdivision of Shares	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Infomina Holdings	-	-	-	-	5,326,665	76.5	397,862,100	76.5
Yee Chee Meng	1,000,000	20.0	1,666,137	23.9	585,571	8.4	43,737,800	8.4
Nasimah Binti Mohd Zain	1,500,000	30.0	1,792,500	25.7	-	-	-	-
Mohd Hoshairy Bin Alias	1,500,000	30.0	1,792,500	25.7	-	-	-	-
Lim Leong Ping @ Raymond Lim	1,000,000	20.0	1,000,000	14.4	551,126	7.9	41,165,000	7.9
Tan Siang Pin	-	-	694,460	10.0	482,235	6.9	36,019,400	6.9
Puteri Mazwin Binti Abdul Aziz	-	-	17,363	0.3	17,363	0.3	1,296,900	0.3
	5,000,000	**100.0**	**6,962,960**	**100.0**	**6,962,960**	**100.0**	**520,081,200**	**100.0**

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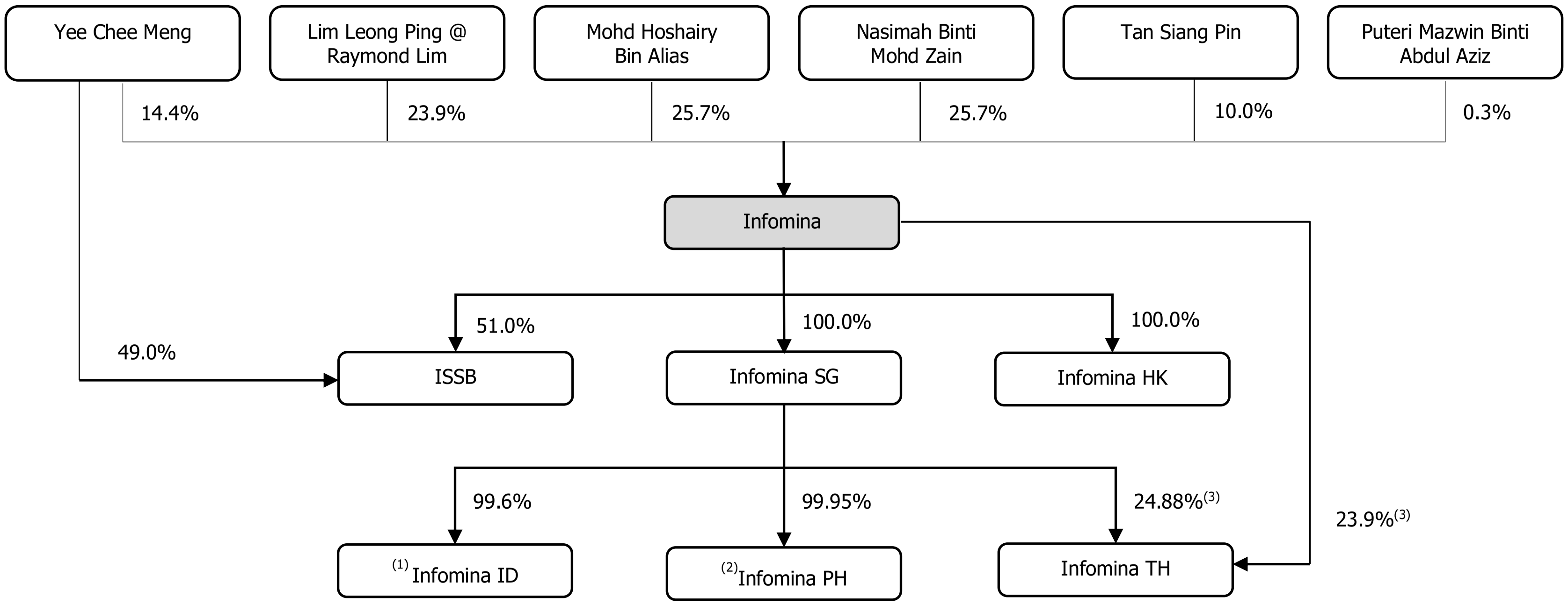
6. INFORMATION ON OUR GROUP *(Cont'd)*

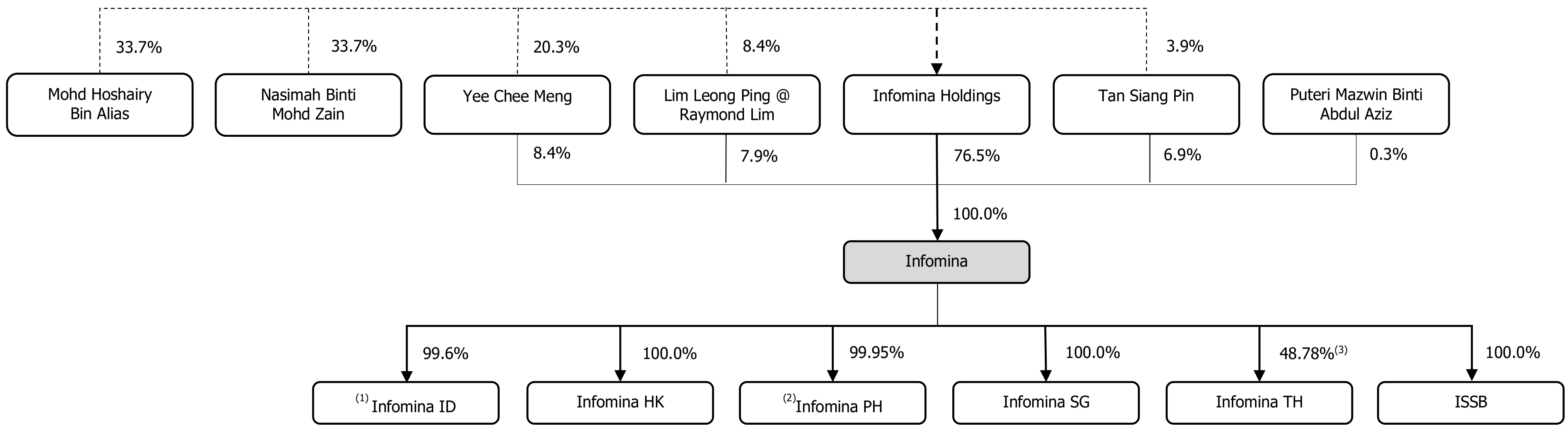
6.3 GROUP STRUCTURE

Before Group Internal Restructuring



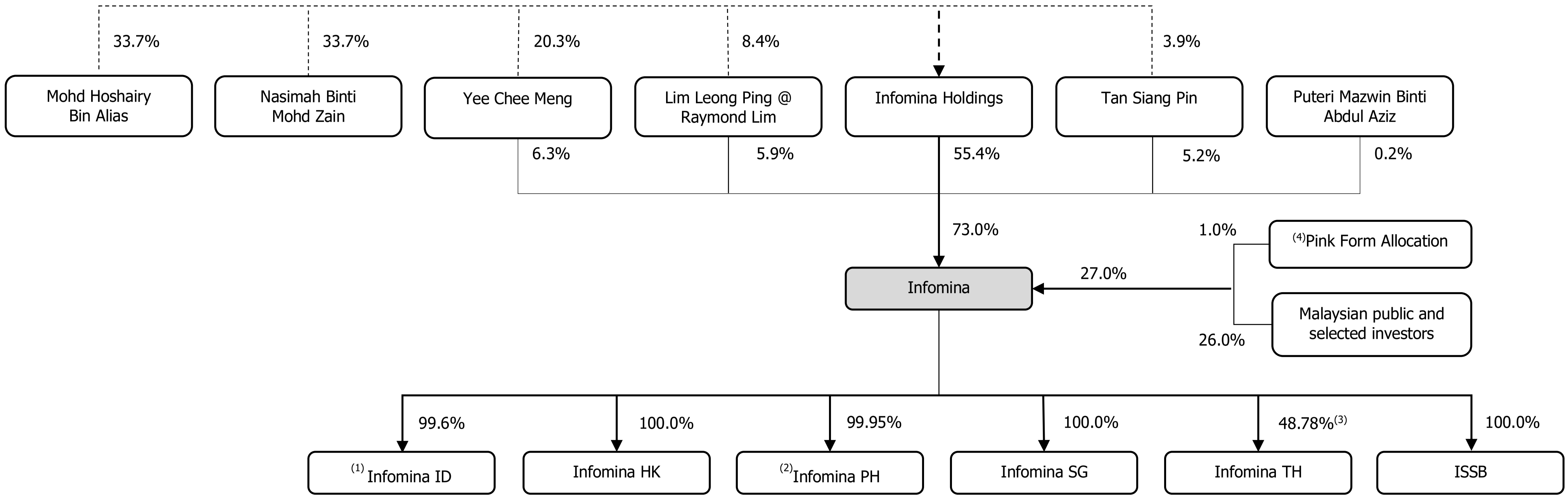
6. INFORMATION ON OUR GROUP *(Cont'd)*

After Group Internal Restructuring



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

After IPO



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

Notes:

(1) The remaining equity interest (0.4%) in Infomina ID is held by Yee Chee Meng, (our Promoter, Managing Director and substantial shareholder).

(2) The remaining equity interest (0.05%) in Infomina PH is held by Yee Chee Meng, Tan Siang Pin, Jimmy S. Soo, Milagros E. Soriano and Nina Sarah D. Cabeza, all of whom are Directors of Infomina PH, and each holding 1 share in Infomina PH representing 0.01% equity interest.

(3) Being the equity interest calculated based on the issued share capital of Infomina TH which consists of 20,000 ordinary shares and 21,000 preference shares issued to our Thai employee, Arusa Rattanaphisit. These preference shares carry voting rights of 1 vote per 20 preference shares, amounting to an effective voting right of 4.99% by our Thai employee. Pursuant to the 19,998 ordinary voting shares owned by Infomina in Infomina TH, the effective voting rights of Infomina in Infomina TH is 95.00% while Yee Chee Meng and Tan Siang Pin would both collectively have 0.01% effective voting rights. Accordingly, Infomina TH's results are consolidated as part of our Group's results.

(4) Assuming that all our eligible Directors and employees will subscribe for the Pink Form Allocations.

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

6.4 SUBSIDIARIES AND ASSOCIATED COMPANIES

Details of our subsidiaries as at LPD are summarised as follows:

Company	Date / Place of incorporation	Principal place of business	Issued share capital	Effective equity interest %	Principal activities
Infomina ID	29 July 2020 / Indonesia	Indonesia	IDR2,500,000,000	99.6	Dormant. Intended for computer programming activities, computer consulting and other computer facility management
Infomina HK	27 July 2021 / Hong Kong	Hong Kong	HKD10,000	100.0	Dormant. Intended for information technology consultancy and services
Infomina PH	10 February 2020 / Philippines	Philippines	PHP10,200,000	99.95	Provision of date management, storage and archiving, reselling of software and software integration
Infomina SG	18 September 2019 / Singapore	Singapore	SGD100	100.0	Provision of technology hardware, software, consultancy, support and services
Infomina TH	1 November 2019 / Thailand	Thailand	THB500,000	[(1)]48.78	Import and export of computer software and hardware
ISSB	24 November 2015 / Malaysia	Malaysia	RM300,000	100.0	Dormant. Intended for provision of maintenance and support services for information technologies

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

Note:

(1) Being the equity interest calculated based on the issued share capital of Infomina TH which consists of 20,000 ordinary shares and 21,000 preference shares issued to our Thai employee, Arusa Rattanaphisit. These preference shares carry voting rights of 1 vote per 20 preference shares, amounting to an effective voting right of 4.99% by our Thai employee. Pursuant to the 19,998 ordinary voting shares owned by Infomina in Infomina TH, the effective voting rights of Infomina in Infomina TH is 95.00% while Yee Chee Meng and Tan Siang Pin would both collectively have 0.01% effective voting rights. Accordingly, Infomina TH's results are consolidated as part of our Group's results.

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

As at LPD, we do not have any associated company.

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6.5 MATERIAL CONTRACTS

Save as disclosed below, there were no contracts which are or may be material (not being contracts in the ordinary course of business) entered into by our Group for FYE 2019 to 2022 and up to LPD:

(a) Contract not in writing (authorised pursuant to the Members' and Directors' Resolutions of Infomina dated 20 May 2021) in relation to the acquisition of Infomina SG and Infomina TH (as detailed in Section 6.2.1(b)) for a total purchase consideration of RM5,877,779, satisfied by the issuance of 1,360,597 new Shares to Yee Chee Meng and Tan Siang Pin at an issue price of RM4.32 each, which was completed on 20 May 2021;

(b) Share sale agreement dated 14 February 2022 between our Company and Infomina SG for the Acquisition of Infomina ID for a purchase consideration of RM644,941 which was satisfied by offsetting the inter-company balances owing by Infomina SG to Infomina, and the Acquisition of Infomina TH for a purchase consideration of RM2,524,948 from Infomina SG which was satisfied by offsetting the inter-company balances owing by Infomina SG to Infomina. The Acquisition of Infomina ID and Acquisition of Infomina TH were completed on 19 May 2022 and 28 February 2022 respectively;

(c) Share sale agreement dated 14 February 2022 between our Company and Yee Chee Meng for the Acquisition of ISSB for a cash purchase consideration of RM1.00, which was completed on 31 May 2022; and

(d) Underwriting agreement dated 12 October 2022 between our Company and M & A Securities for the underwriting of 36,075,100 Issue Shares for an underwriting commission of 2.5% of the IPO Price multiplied by the number of Issue Shares underwritten.

Additionally, our Group is not materially dependent on any contracts including commercial or financial contracts.

6.6 PUBLIC TAKE-OVERS

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

(a) No public take-over offers by third parties in respect of our Shares; and

(b) No public take-over offers by our Company in respect of other companies' shares.

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

6.7 MAJOR APPROVALS AND LICENCES

As at LPD, save for general business approvals and licences issued by local councils in Malaysia, the major approvals, major licences and permits issued to our Group in order for us to carry out our operations are disclosed below:

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences	Equity and/or major conditions imposed	Compliance status
(a)	Infomina / MOF / Certificate No.: K65952492742465692	21 January 2020 / 16 April 2023	Company Registration Certificate for the supply and/or services in the sectors, fields and sub-fields set out in the certificate which include the following (see table below)	(i) Any changes to the said information must be updated online via the website www.eperolehan.gov.my within 21 days from the date of such change and failure to do the same.	To be complied
				(ii) The Government is entitled to withdraw registration / suspend / revoke if the company is subject to disciplinary action pursuant to 1PP/PK8 (Treasury Circular / Government Procurement 8) (*"Pekeliling Perbendaharaan/ Perolehan Kerajaan 8"*).	Noted

Sector	Fields	Sub-fields
ICT	Computer equipment and fittings, hardware and components	• Hardware (low end technology) • Hardware (high end technology) • Computer software, operating system, database, off-the-shelf packages including maintenance • Software / system development / customisation and maintenance • Telecommunication / networking-supply product, infrastructure, services including maintenance

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

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences			Equity and/or major conditions imposed	Compliance status
					• Data management – provide services including disaster • ICT security and firewall, encryption, PKI, anti-virus • Multimedia-products, services and maintenance • Hardware and software leasing / renting • Geographic information system (GIS) and services		

The individuals authorised by the company for government procurement matters are as follows:

(i) Nasimah Binti Mohd Zain – Director

(ii) Ikhwal Nurazzeman Bin Ikhsan – Technical Manager

(iii) Muhd Amiruddin Bin Abas – Account Manager

(iv) Zhafri Arif Bin Safari – Pre-Sales Consultant

(v) Mohamad Fariz Bin Zubir – Pre-Sales Consultant

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

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences	Equity and/or major conditions imposed	Compliance status
(b)	Infomina / AELB / Licence No.: LPTA/A/2291	14 May 2020 / 13 May 2023	Licence granted in respect of Class C, Class E and Class H pursuant to the Atomic Energy Licensing Act 1984 and the regulations thereunder for the following licensed activities: (i) Irradiating apparatus testing and maintenance service agency (ii) Purchasing (iii) Owning (iv) Transferring (v) Trading (vi) Possessing (vii) Exporting (viii) Handling (ix) Importing (x) Selling (xi) Storing and in relation to the licenced irradiating apparatus as set out in Annexure A of the licence, namely for the detection of contents of baggage and cargo. Name of Radiation Protection Officer: Ahmad Bin Hj Busari This licence is required for a contract secured by our Group from a government agency in relation to the supply, delivery, installation, testing, training and maintenance as well as infrastructure works for cargo scanning machines and related systems to be implemented at selected international seaports in Sabah and Sarawak which involve the handling of X-ray and radiation equipment.	(i) Person Responsible for Licence ("Orang Bertanggungjawab Terhadap Lesen") ("**OBTL**"): Name: Yee Chee Meng Position: Managing Director	Complied
				(ii) Licencee shall ensure that only OBTL or Radiation Protection Officer and Supervisor deals with AELB.	Complied
				(iii) Licencee shall purchase radiation equipment from a supplier licenced by AELB only.	Complied
				(iv) For purchases directly from abroad, licencee shall ensure that the radiation equipment to be purchased meets the standards adopted by AELB.	Complied

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

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences	Equity and/or major conditions imposed	Compliance status
				(v) AELB has the right to revoke or cancel this licence at any time without notice if the licencee is found to have failed to comply with the Atomic Energy Licensing Act 1984, the subsidiary regulations under it and the conditions of the licence issued.	Noted
				(vi) Licence issued by AELB is non- transferable.	Noted
(c)	Infomina / AELB / Approval Reference: AELB/JPS/181809/2022	20 February 2022 / 19 February 2023	Approval slip in relation to the appointment of a radiation protection consultant by Infomina, as the holder of Licence No. LPTA/A/2291 issued pursuant to the Atomic Energy Licensing Act 1984. Details of the recognised consultant are as follows: Name : Ahmad Bin Hj Busari Position : Radiation Protection Consultant Validity Period : 20 February 2022 to 19 February 2023 Consulting Firm : Alpha Centennial (M) Sdn. Bhd.	(i) The licencee must comply with all the conditions and regulations that have been set specifically on matters relating to employment / termination of workers as contained in the conditions of the licence and the Atomic Energy Licensing (Basic Safety Radiation Protection) Regulations 2010.	Noted

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

<table>
<tr><th>No.</th><th>Licencee / Issuing authority / Registration no.</th><th>Effective Date or Date of issue / Date of expiry</th><th>Nature of approval / licences</th><th>Equity and/or major conditions imposed</th><th>Compliance status</th></tr>
<tr><td></td><td></td><td></td><td>This approval is required for a contract secured by our Group from a government agency in relation to the supply, delivery, installation, testing, training and maintenance as well as infrastructure works for cargo scanning machines and related systems to be implemented at selected international seaports in Sabah and Sarawak which involve the handling of X-ray and radiation equipment.</td><td>(ii) Action will be taken against the recognised consultant and licencee if the recognised consultant fails to comply with the conditions attached to the approval and the Atomic Energy Licensing Act 1984.</td><td>Noted</td></tr>
<tr><td>(d)</td><td>Infomina /
CIDB /
Registration no.: 0120210813-WP080556</td><td>13 August 2021 /
12 August 2023</td><td>Certificate of Registration issued by CIDB certifying that Infomina has been registered as a contractor with CIDB in accordance with the Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 ("CIDB Act") as follows:

<table><tr><th>Grade</th><th>Category</th><th>Specialisation</th></tr><tr><td>G7</td><td>ME</td><td>M15</td></tr><tr><td>G7</td><td>B</td><td>B04</td></tr><tr><td>G7</td><td>CE</td><td>CE21</td></tr></table>
<u>Category</u>

<table><tr><td>ME</td><td>:</td><td>Mechanical and Electrical</td></tr><tr><td>B</td><td>:</td><td>Building</td></tr><tr><td>CE</td><td>:</td><td>Civil Engineering</td></tr></table></td><td>(i) The Certificate of Registration is not transferable.
(ii) CIDB has the right to review the contractor registration grade from time to time.
(iii) Registration of contractor shall be cancelled or suspended if:

(aa) the contractor does not comply with the requirements of any other written law;
(bb) the contractor has been adjudged a bankrupt;</td><td>Noted

Noted

Noted</td></tr>
</table>

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

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences	Equity and/or major conditions imposed	Compliance status
			Specialisation M15 : Various mechanical fittings – Installation, testing, maintenance and repair of various mechanical fittings such as machinery plants and waste treatment plant, mobile rack delivery system ("sistem penyampai rak bergerak"), pool equipment system ("sistem kelengkapan kolam renang") hydraulic door lift installation ("pemasangan alat angkat pintu hidrolik"), sluice gate ("pintu air") and liquefied petroleum gas installation system ("pemasangan sistem gas petroleum cecair"). B04 : Building construction works – construction works of any building and plant. CE21 : Civil engineering construction – construction works, maintenance and repair of any civil engineering construction.	(cc) winding-up petition in relation to the contractor has been presented; (dd) the contractor breaches or does not comply with any provision of the CIDB Act; (ee) the contractor obtained this certificate by making or causing to be made any false or fraudulent declaration, certification or representation in writing or otherwise; (ff) the contractor abandons any construction work undertaken without any reasonable cause;	

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

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences	Equity and/or major conditions imposed	Compliance status
				(gg) the contractor has been found guilty of negligence by the court or any investigation board established under any written law in relation to any construction work undertaken; or (hh) the contractor has breached any terms and conditions of the responsibilities and obligations of contractor set out in the Certificate of Registration.	
(e)	Infomina ID / Indonesia Investment Coordinating Board / -	8 September 2020 / -	Industrial Business License to operate in certain sectors to carry out the corresponding business activity, which are: (i) To carry out computer consultation activities and the management other computer facilities (KBLI 62029); and (ii) To carry out computer programming activities (other) (KBLI 62019).	None	Not applicable

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

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences	Equity and/or major conditions imposed	Compliance status
(f)	Infomina ID / Indonesia Investment Coordinating Board	8 September 2020 / -	Business Identification Number which is the identity of businesses, which also functions as Company Registration Certificate (*Tanda Daftar Perusahaan*), Import Identification Number, and Custom Registration.	None	Not applicable
(g)	Infomina ID / Indonesia Investment Coordinating Board	8 September 2020 / 8 September 2023	Location Permit to carry out specified business activities at the location described i.e. The City Tower, Lt 12 Unit 1n, Jl. Mh Thamrin No. 81, Menteng, Menteng, Jakarta Pusat, DKI Jakarta.	None	Not applicable
(h)	Infomina ID / KPP Pratama Jakarta Menteng Dua	26 August 2020 / -	Pursuant to Law No. 28 of 2007 concerning General Provisions and Tax Procedures, all taxable persons and entities must have a Taxpayer Identification Number (NPWP). Infomina ID's tax number is 95.734.945.9-071.000 which was registered on 26 August 2020 at KPP Pratama Jakarta Menteng Dua.	None	Not applicable
(i)	Infomina ID / Directorate General of Taxes / Registration No.: S-1539KT/WPJ.06/KP.0803/2020	26 August 2020 / -	SKT (Certificate of Tax Registration), which pursuant to Indonesian tax regulations, is a confirmation letter issued by the Directorate General of Taxes which basically serves as the notification to the taxpayer on the following information: (a) The tax office where said taxpayer is registered; (b) Information on the NPWP (Taxpayer Identification Number); and (c) Other tax obligations.	None	Not applicable

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

No.	Licencee / Issuing authority / Registration no.	Effective Date or Date of issue / Date of expiry	Nature of approval / licences	Equity and/or major conditions imposed	Compliance status
(j)	Infomina PH / Local Government of the City of Makati	18 January 2022 to 31 December 2022	Business Permit	None	Not applicable
(k)	Infomina PH / City of Makati, Environmental Health & Sanitation Section	18 January 2022 to 31 December 2022	Sanitary Permit	None	Not applicable
(l)	Infomina PH / Bureau of Internal Revenue / -	13 February 2020 / -	Certificate of Registration	None	Not applicable

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

6.8 INTELLECTUAL PROPERTIES

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

No.	Trademark	Applicant(s) or Registered owner(s)	Trademark registration or application no. / Class	Approving authority / Place of application or registration	Status / Registration validity
(a)	infomina	Infomina	(i) TM2021012917 / Class 9 (ii) TM2021012918 / Class 35 (iii) TM2021012919 / Class 42	MyIPO / Malaysia	Registered
(b)	VIDESPACE	Infomina	(i) TM2021021845 / Class 35 (ii) TM2021021846 / Class 42	MyIPO / Malaysia	Registered
(c)	VIDESPACE	Infomina	(i) TM2021021843 / Class 9	MyIPO / Malaysia	Registered
(d)	infomina	Infomina	(i) 305844970 / Class 9 (ii) 305844961 / Class 35 (iii) 305844952 / Class 42	Intellectual Property Department, the Government of the Hong Kong Special Administrative Region / Hong Kong	Registered
(e)	VIDESPACE	Infomina	(i) 305845005 / Class 9 (ii) 305844998 / Class 35 (iii) 305844989 / Class 42	Intellectual Property Department, the Government of the Hong Kong Special Administrative Region / Hong Kong	Registered

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

No.	Trademark	Applicant(s) or Registered owner(s)	Trademark registration or application no. / Class	Approving authority / Place of application or registration	Status / Registration validity
(f)	infomina	Infomina	(i) 220100391 / Class 9 (ii) 220100393 / Class 35 (iii) 220100395 / Class 42	Department of Intellectual Property of Thailand / Thailand	Pending review[(1)]
(g)	VIDESPACE	Infomina	(i) 220100407 / Class 9 (ii) 220100410 / Class 35 (iii) 220100412 / Class 42	Department of Intellectual Property of Thailand / Thailand	Pending review[(1)]

Note:

(1) The trademark application was filed with the Department of Intellectual Property of Thailand on 6 January 2022 and is in the process of being reviewed by the Registrar. The registration of trademark application filed with the Department of Intellectual Property of Thailand will normally take 12 to 18 months to complete.

After the examination process by the relevant officer is completed, the trademark application will be published in the official gazette for 90 days. During the period, it allows any third party to file an opposition against this trademark registration. If no opposition is raised within the prescribed period, the trademark application will be approved by the Registrar and the Registrar shall issue the Certificate of Trademark Registration to the applicant.

VIDESPACE is registered particularly as our Group's business collaboration and communication platform application to provide a value added service to our customers only.

Our business and profitability are not materially dependent on the trademarks of Infomina and VIDESPACE, including those which registrations are pending review.

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

6.9 PROPERTY, PLANT AND EQUIPMENT

6.9.1 Properties owned by our Group

As at LPD, we do not own any material properties.

6.9.2 Properties rented by our Group

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

No.	Postal address	Landlord / Tenant	Description / Existing use	Built-up area (sq ft)	Period of tenancy / Rental per annum
(a)	BO3-C-12-1, Menara 3A, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur	HT Alliance Sdn Bhd / Infomina	1 unit of commercial lot on the 12th floor of a 17 storey office tower / Office	Approximately 4,400	1 July 2020 to 30 June 2023 (with option to renew for another 3 years) / RM199,773.60
(b)	SO-33-05, Menara 1, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur	Mok Pek Yoke / Infomina	1 unit of commercial lot on the 33rd floor of a 35 storey office tower / Office	Approximately 1,000	1 January 2022 to 31 December 2023 (with option to renew for another 1 year) / RM96,000.00
(c)	SO-33-06, Menara 1, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur	Yee Chee Meng / Infomina	1 unit of commercial lot on the 33rd floor of a 35 storey office tower / Office	Approximately 1,000	1 January 2022 to 31 December 2023 (with option to renew for another 1 year) / RM96,000.00
(d)	Level 9, MCMC Tower 2, Jalan Impact, Cyber 6, 63000 Cyberjaya, Selangor	Customer C / Infomina	1 unit of commercial lot on the 9th floor of a 22 storey office tower / Office	Approximately 2,557	1 March 2022 to 28 February 2025 (with option to renew for another 3 years) / RM107,394.00

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

No.	Postal address	Landlord / Tenant	Description / Existing use	Built-up area (sq ft)	Period of tenancy / Rental per annum
(e)	B-38-03, The Estate, No. 1, Jalan Pantai Prima, Bangsar South, 59200 Kuala Lumpur	Lee Tuck Heng / Infomina	1 unit of residential lot on 38th floor of a 46 storey residential tower / Residential accommodation for outstation and overseas employees	Approximately 2,580	15 May 2022 to 14 May 2024 (with option to renew for another 1 year) / RM93,600
(f)	The City Tower, Lt 12 Unit IN, Jl. MH. Thamrin No 81, Menteng, Jakarta, Indonesia	PT vOffice / Infomina ID	Virtual office(1) / Office	Not applicable	15 July 2022 to 15 July 2023 / IDR9,890,100.00 (including value added tax)
(g)	A section of Unit 901, 9th Floor, Sage House, 110 V.A. Rufino Street, Legaspi Village, Makati City, Manila, Philippines	Gilgamesh Resources, Inc ("**Sub-Lessor**") / Infomina PH	Service office / Office	Approximately 32	1 March 2019 until the master sub-lease between the Sub-Lessor and Paramount Life & General Insurance Corporation has terminated or expired(2) / PHP15,000.00
(h)	Level 24, One Bonifacio, High Street, Bonifacio Global City, Metro Manila 1634 Philippines	Servcorp Manila, Inc. / Infomina PH	Virtual office(1) / Office	Not applicable	1 December 2021 to 30 November 2022 (thereafter renewal on a monthly basis) / PHP79,200.00
(i)	Level 29, The Office at CentralWorld, 999/9 Rama 1 Road, Khwaeng Pathumwan, Khet Pathumwan, Bangkok 10330, Thailand	Servcorp Co Ltd / Infomina TH	Virtual office(1) / Office	Not applicable	1 September 2022 to 28 February 2023 (thereafter renewal on a monthly basis) / THB36,300.00
(j)	Level 24, CapitaGreen, 138 Market Street, Singapore 048946	Servcorp Singapore Holdings Pte Ltd / Infomina SG	Virtual office(1) / Office	Not applicable	8 November 2019 to 7 December 2019 (thereafter renewal on a monthly basis) / SGD3,000.00

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

No.	Postal address	Landlord / Tenant	Description / Existing use	Built-up area (sq ft)	Period of tenancy / Rental per annum
(k)	Level 12, One Peking, 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong	Servcorp / Infomina HK	Virtual office(1) / Office	Not applicable	1 August 2021 to 31 August 2021 (thereafter renewal on a monthly basis) / HKD17,400.00

Notes:

(1) The rental of virtual offices provides our Group with, amongst others, a corporate address in the respective countries with mail handling and parcel reception services, a local telephone number with receptionist service, as well as complimentary usage of workspace and meeting rooms for limited durations.

(2) We are unable to obtain details of the period of the master sub-lease between the Sub-Lessor and Paramount Life & General Insurance Corporation ("**Master Sub-Lease**") as Infomina PH is a sub-lessee and not a party to the Master Sub-Lease. Under the Sublease Agreement dated 27 February 2020 between the Sub-Lessor and Infomina PH ("**Sublease Agreement**"), the lease of the sub-leased premises by Infomina PH shall commence on 1 March 2019 and shall continue until terminated by either party on 30 days' prior written notice, or when the Master Sub-Lease has been terminated or has expired. If the Sub-Lessor terminates its tenancy in the sub-leased premises under the Master Sub-Lease, the Sub-Lessor will provide 20 days' notice to Infomina PH and such notice shall cause the termination of the Sublease Agreement. For clarification, the sub-leased premises is a service office space for registered office purpose only.

In addition to the rented properties and virtual office spaces above, we also subscribe to power supply and workspace facilities from Telekom Malaysia Berhad. This entitles us to utilise a data centre located at TM Brickfields Exchange, Kuala Lumpur, as well as usage of meeting room facilities and business suites. We use these facilities as our regional Centre of Excellence. For avoidance of doubt, the subscription is not a tenancy agreement for the rental of premises.

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Our Group is currently subscribing to the workspace facilities pursuant to a master services agreement dated 21 July 2022 with Telekom Malaysia Berhad, details of which are as follows:

Location	Provider / Subscriber	Services subscribed	Period of subscription / Charges per annum
TM Brickfields Exchange, Level 6, Bangunan TM Brickfield, Jalan Tun Sambanthan, 50470 Kuala Lumpur	Telekom Malaysia Berhad / Infomina	(a) Data centre usage (power allocation for 3 server racks, 1 mainframe rack, 1 storage rack); (b) Dedicated business suite measuring 135 sq ft, furnished with workstations, connectivity and security; (c) Workspace area upon request (2 sessions per year of maximum 1 week each, for 3 rooms that can accommodate up to 30 persons, and 1 meeting room); and (d) Direct connection to customer with high speed bandwidth, and dedicated caged area for customer measuring a perimeter of 24 metres, with related temperature, power, connectivity and security infrastructure.	Monthly subscription basis from 6 September 2021 up to 5 September 2024 / RM1.4 million

As at LPD, the properties rented by our Group are not in breach of any building regulations / by-laws, which may materially affect our usage of the properties.

6.9.3 Acquisition of properties

We have not acquired nor entered into any agreements to acquire any properties during FYE 2019 to 2022 and up to LPD.

6.9.4 Material capital expenditures and divestitures

(a) Material capital expenditures

Save for the expenditures disclosed below, there were no other capital expenditures (including interests in other corporations) made by us for FYE 2019 to 2022 and up to LPD:

	At cost				
	FYE 2019	FYE 2020	FYE 2021	FYE 2022	1 June 2022 up to LPD
Capital expenditures	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Computer and software	159	85	52	2,493	3
Furniture and fittings	-	29	364	-	12
Motor vehicles	636	-	-	4	-
Office equipment	40	17	161	16	2
Renovation	-	-	341	-	-
	835	131	918	2,513	17

The above capital expenditures were primarily financed by a combination of bank borrowings and internally generated funds. Our capital expenditures are mainly driven by our business growth as well as for replacement purposes.

(b) Material capital divestitures

Save for the divestitures disclosed below, there were no other capital divestitures (including interests in other corporations) made by us for FYE 2019 to 2022 and up to LPD:

	At cost				
	FYE 2019	FYE 2020	FYE 2021	FYE 2022	1 June 2022 up to LPD
Capital divestitures	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Motor vehicles	-	450	561	-	-
Furniture and fittings	-	-	-	22	-
Renovation	-	-	-	36	-
	-	450	561	58	-

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

Moving forward, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

6.9.5 Material plans to construct, expand or improve our facilities

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

6.10 REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES

Our business is regulated by, and in some instances required to be licenced or registered under specific laws of the countries that we operate in. The below is an overview of the relevant laws and regulations governing the conduct of our Group's business in Malaysia, Singapore, Thailand, Indonesia and the Philippines which are material to our business operations.

(a) Malaysia

As at LPD, save for the laws and regulations that are material and specific to Infomina and ISSB as disclosed below, Infomina and ISSB are not subject to any particular laws or regulations of Malaysia other than those generally applicable to companies incorporated and/or operating in Malaysia:

(i) **Local Government Act 1976** ("**LGA**")

Under the LGA and the by-laws of the respective local councils and authorities in Peninsular Malaysia, a business licence granted by the local authority is generally valid for a period not exceeding 3 years and is subject to renewal at the discretion of the local authority.

Pursuant to the Licensing of Trades, Businesses and Industries (Federal Territory of Kuala Lumpur) By-Laws 2016, no person may use any premise for operating any business activity unless a business premise licence has been issued for the said premise by the commissioner of the City of Kuala Lumpur. Any person who contravenes this legal requirement shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

Further, pursuant to the Licensing of Trades, Businesses and Industries (Sepang Municipal Council) By-Laws 2007, no person shall operate any activity of trade, business and industry or use any place or premise in the local area of the Sepang Municipal Council for any activity of trade, business and industry without a licence issued by the licencing authority. Any person who contravenes this legal requirement commits an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

As at LPD, Infomina has obtained valid business premise licence from Dewan Bandaraya Kuala Lumpur for the following premises for the period 14 June 2022 to 13 June 2023:

(aa) BO3-C-12-1, Menara 3A, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur; and

(bb) SO-33-05 & SO-33-06, Menara 1, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur.

Infomina has also obtained valid business licence from Majlis Perbandaran Sepang for Level 9, MCMC Tower 2, Jalan Impact, Cyber 6, 63000 Cyberjaya, Selangor for the period 27 May 2022 to 31 December 2022.

The business premise and business licences for the operations of our Group in KL Eco City and Cyberjaya are not deemed as major licences as they are regarded as licences that are administrative in nature in order for us to carry on business in the specified premises.

Additionally, in the event the business premise or business licence(s) cannot be renewed or is otherwise, revoked, our operations can be relocated without much difficulty and we can then apply for new business premise or business licence in the new premises. In this respect, our Group may carry out operations mainly on customers' premises and/or may operate remotely, if required. As such, the business premise and business licences for the KL Eco City and Cyberjaya offices are not listed under Section 6.7.

(ii) **CIDB Act**

Under the CIDB Act, no person shall carry out or complete, undertake to carry out or complete any construction work or hold himself as a contractor, unless he is registered with CIDB and holds a valid certificate of registration issued by CIDB under the CIDB Act. Any person who contravenes this legal requirement shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM100,000.

Infomina is currently registered with CIDB as a Grade G7 contractor for the building, civil engineering and mechanical and electrical categories. As a Grade G7 registered contractor, Infomina's tender capacity is unlimited. Infomina's registration with CIDB as a contractor is required in relation to a contract secured by Infomina from a government agency in relation to the supply, delivery, installation, testing, training and maintenance as well as infrastructure works for cargo scanning machines and related systems to be implemented in the seaports of Sabah and Sarawak.

Please refer to Section 6.7(d) for further details of the certificate of registration.

(iii) **Atomic Energy Licensing Act 1984** ("**AELA**")

Under the AELA, a licence is required to, among others, deal in, possess or dispose of any radioactive material, nuclear material, prescribed substance or irradiating apparatus. Any person who contravenes this requirement commits an offence and on conviction, is liable to imprisonment for a term not exceeding 10 years or a fine not exceeding RM100,000 or both. Where the offence is committed by a body corporate, every person who at the time of the commission of the offence was a director or officer of that body corporate commits that offence provided that no such person shall be rendered liable if he proves that he exercised all due diligence and took all reasonable precautions to prevent the commission of such offence and that such offence was committed without his knowledge, consent and connivance.

Further, any person who would have been liable under the AELA to any penalty for anything done or omitted if such thing had been done or omitted by him personally, shall be liable to the same penalty if such thing had been done or omitted by his partner, agent or servant, unless he proves that he exercised all due diligence and took all reasonable precautions to prevent the doing or omission of such thing and that such thing was done or omitted without his knowledge, consent and connivance.

Licences issued under the AELA are classified into Classes A to H. Infomina currently holds a licence issued by AELB in respect of Classes C, E and H – a Class C licence is a licence to manufacture, trade in, produce, process, purchase, own, possess, use, transfer, handle, sell or store irradiating apparatus; a Class E licence is a licence to export or import radioactive materials, nuclear materials, prescribed substances, irradiating apparatus or their wastes; and a Class H licence is a licence issued by the appropriate authority for the control of activities not covered by Classes A to G, inclusive.

The licence issued by AELB is required in relation to a contract secured by Infomina from a government agency in relation to the supply, delivery, installation, testing, training and maintenance as well as infrastructure works for cargo scanning machines and related systems to be implemented in the seaports of Sabah and Sarawak.

Please refer to Section 6.7(b) for further details of the licence issued by AELB.

(b) Singapore

As at LPD, Infomina SG is not subject to any particular laws or regulations of Singapore other than those generally applicable to companies incorporated and/or operating in Singapore.

(c) Thailand

The Foreign Business Act B.E. 2542 (1999) ("**FBA**") provides a legal framework which regulates the carrying on of business in Thailand by a foreign person or legal entity considered a "foreigner" as defined under the FBA. Under the FBA, a Thai company in which half or more of its shares is held by a foreign person or foreign legal entity is considered a "foreigner" and is prohibited from carrying out certain types of business unless permission from the relevant authorities is obtained.

Based on the shareholding structure of Infomina TH as at LPD, Infomina TH is not considered a "foreigner" under the FBA and is therefore not subject to the requirement set out above.

As at LPD, Infomina TH is not subject to any particular laws or regulations of Thailand other than those generally applicable to companies incorporated and/or operating in Thailand.

(d) Indonesia

As at LPD, save for the laws and regulations that are material and specific to Infomina ID as disclosed below, Infomina ID is not subject to any particular laws or regulations of Indonesia other than those generally applicable to companies incorporated and/or operating in Indonesia:

(i) **Government Regulation No. 5 of 2021**

Following the enactment of Government Regulation No. 5 of 2021 regarding Implementation of Risk-based Licensing, the Indonesian licencing system is directed to the platform known as the Online Single Submission ("**OSS**") system operated by BKPM. By implementing the OSS system, all businesses in Indonesia are required to apply for their licences through the OSS system.

Accordingly, all businesses in Indonesia are required to obtain a Business Identification Number (known as *Nomor Induk Berusaha* or "**NIB**") and a business license.

There is no penalty if a business does not obtain a NIB. However, NIB is required to apply for a business licence, open bank account, tax registration, and other corporate action. Therefore, the absence of NIB will result in the inability of the business to operate.

According to Government Regulation No. 107 of 2015 regarding Industrial Business Licence, an industrial business sector company that does not have an industrial business licence shall be subject to written warning and temporary closure.

As at LPD, Infomina ID has obtained valid NIB and industrial business licence.

Please refer to Sections 6.7(e) and (f) for further details of the NIB and industrial business licence.

(ii) **BKPM Regulation No. 4 of 2021**

Pursuant to BKPM Regulation No. 4 of 2021 concerning Guidelines for Risk-Based Licensing and Investment Facility, companies that have obtained a business licence from BKPM must submit a quarterly investment report (known as *Laporan Kegiatan Penanaman Modal* or LKPM) to BKPM.

Further, BKPM Regulation No. 5 of 2021 regarding Guidelines and Procedures for Supervision of Risk-Based Business Licenses stipulates that the period of the quarterly investment report shall be submitted at the latest by 10 January, 10 April, 10 July and 10 October of each year. The absence of quarterly investment report may be subject to the following administrative sanctions:

(a) written warning;

(b) temporary suspension of business activity;

(c) revocation of business licence; or

(d) revocation of supporting business licence.

The purpose of submission is to keep updating BKPM on the investment progress made by Infomina ID, and for BKPM to further monitor and supervise its fulfilment of investment activities of Infomina ID.

Infomina ID has submitted the latest quarterly investment report for third quarter LKPM period on 3 October 2022.

(iii) **Law No. 7 of 1981 and Ministry of Manpower Regulation No. 4 of 2019**

Pursuant to Law No. 7 of 1981 regarding Mandatory Manpower Report and Ministry of Manpower Regulation No. 4 of 2019 regarding Procedure of Mandatory Manpower Report, an employer must submit an annual manpower report. Failure to submit an annual manpower report will be subject to imprisonment of maximum 3 months or a maximum fine of IDR1,000,000.

Infomina ID has submitted the annual manpower report on 23 February 2022.

(iv) **Law No. 28 of 2007**

Pursuant to Law No. 28 of 2007 concerning General Provisions and Tax Procedures ("**Law No. 28 of 2007**"), an Indonesian tax subject is required to submit an annual tax report. Failure to submit an annual tax report will be subject to fine and administrative sanction in the amount of IDR1,000,000 and if there is any late payment of tax, the fine will be 2% for each month of the late payment.

As at LPD, Infomina ID has submitted the annual tax report for the financial year 2021/2022 on 30 September 2022.

Further, Law No. 28 of 2007 provides that all taxable persons and entities must have a Taxpayer Identification Number (known as *Nomor Pokok Wajib Pajak* or NPWP). The legal consequences for not complying with this requirement are 6 years imprisonment and penalty in the amount of at least 2 times and at most 4 times of the indebted tax.

Please refer to Section 6.7(h) for further details of Infomina ID's tax number.

(e) Philippines

As at LPD, save for the laws and regulations that are material and specific to Infomina PH as disclosed below, Infomina PH is not subject to any particular laws or regulations of the Philippines other than those generally applicable to companies incorporated and/or operating in the Philippines:

(i) **Local Government Code of 1991 ("LGC")**

Under the LGC, its amendments, and the respective ordinance of each local government unit in the Philippines, cities and municipalities are allowed to impose and collect taxes, fees and charges on businesses and occupations or on the practice of any profession. Further, the City and Municipal Mayors are mandated to issue licences and permits and to suspend and revoke the same for any violation of the conditions upon which these permits and licences have been issued. The payment of local taxes shall be paid within the first 20 days of January or each subsequent quarter, as the case may be, unless such deadline is extended by the council (known as *Sanggunian*) concerned.

As at LPD, Infomina PH has obtained valid business permit and sanitary permit.

Please refer to Sections 6.7(j) and (k) for further details of the business permit and sanitary permit.

(ii) **National Internal Revenue Code of 1997 ("NIRC")**

Under the NIRC, its amendments, and the issuances of the Bureau of Internal Revenue ("**BIR**"), every person subject to any internal revenue tax shall register once with the appropriate Revenue District Officer ("**RDO**") on or before the commencement of business. An annual registration fee of PHP500 for every separate or distinct establishment or place of business, including facility types where sales transactions occur, shall be paid upon registration and every year thereafter on or before the last day of January. Once filed and paid, it must be displayed in the business establishment or office premises together with other business licences and permits.

Failure to register will result in a fine of not less than PHP5,000 but not more than PHP20,000 and imprisonment of not less than 6 months but not more than 2 years. Failure to display the Certificate of Registration, the poster "Ask for Receipt" or "Notice to the Public" to demand receipts/invoice and failure to file, pay and display BIR Form 0605 Annual Registration Fee will result to a compromise penalty of one thousand pesos, or criminal penalty of imprisonment of not more than 6 months. In case of corporations, the penalty shall be imposed on the president, general manager, branch manager, treasurer, officer-in-charge and employees responsible for the violation.

As at LPD, Infomina PH's Certificate of Registration was issued by the BIR on 20 July 2020. The annual registration fee was paid on 6 June 2022 for the tax period ending on 31 May 2023.

Please refer to Section 6.7(l) for Infomina PH's Certificate of Registration.

(iii) **Revised Corporation Code of the Philippines ("RCC")**

Under the RCC as well as its amendments, and the rules, regulations, and issuances from the Securities and Exchange Commission ("**SEC**") Philippines, a person or group of persons desiring to incorporate shall submit their articles of incorporation and by-laws to the SEC. A private corporation organised under the RCC commences its corporate existence and juridical personality from the date the SEC issues the certificate of incorporation under its official seal. All persons who assume to act as a corporation knowing it to be without authority to do so shall be liable as general partners for all debts, liabilities and damages incurred or arising as a result thereof; provided however, that when any such ostensible corporation is sued on any transaction entered by it as a corporation or on any tort committed by it as such, it shall not be allowed to use its lack of corporate personality as a defence. Anyone who assumes an obligation to an ostensible corporation as such cannot resist performance thereof on the ground that there was in fact no corporation.

Infomina PH's SEC Certificate of Incorporation was issued on 10 February 2020. As at LPD, Infomina PH has not been dissolved nor has the SEC received any information derogatory to Infomina PH that would prevent it from exercising its primary franchise.

As at LPD, there are no breach of laws and regulations governing our business operations, and environmental issues which may materially affect our Group's operation.

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6.11 EMPLOYEES

The breakdown of our employees as at 31 May 2022 and LPD are as follows:

	No. of employees	
Category of employees	**As at 31 May 2022**	**As at LPD**
Management / Managerial	4	4
Technical[(1)]	78	85
Sales & Marketing		
- Sale consultant / Sale manager	9	10
- Pre-sale consultant[(1)]	9	7
Finance	5	5
Human resources / Administrative	8	11
	113	**122**

Note:

(1) Our Group employs 78 technical staff as at 31 May 2022 and 85 technical staff as at LPD. Our technical staff as well as pre-sale consultants have generally undergone training by our technology partners and suppliers. Training for our technical staff will enable them to perform implementation as well as minor maintenance and troubleshooting whilst training for our pre-sale consultants are mainly for product knowledge purposes. Certifications will be issued by our technology partners and suppliers to our staff or consultants for the attendance of these training sessions.

For avoidance of doubt, our technical staff and pre-sale consultants staff generally attend these training sessions when needed. However, not all of our staff or consultants require such training, as they may already be familiar with the solutions and/or products and able to perform their work.

The following sets out the categories of our technical staff:

	No. of technical staff	
Category of employees	**As at 31 May 2022**	**As at LPD**
Project managers	5	5
IT support engineers (including system engineers, engineers trained by our hardware and software principals)	32	39
IT analysts / consultants (including business analysts, analyst programmers, system testers, user representatives)	16	16
Software developers (including system programmers)	25	25
	78	**85**

There were no significant changes in the number of employees of our Group for FYE 2022 and up to LPD.

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

The breakdown of our employees as at 31 May 2022 and LPD are as follows:

	No. of employees	
Company	**As at 31 May 2022**	**As at LPD**
Infomina	110	120
Infomina ID	-	-
Infomina HK	-	-
Infomina PH	2	1
Infomina SG	-	-
Infomina TH	1	1
ISSB	-	-
	113	**122**

All of our employees are locals in the respective country where the respective company is domiciled. None of our employees belong to any labour union and as at LPD, there is no material dispute between our management and our employees. Over FYE 2019 to 2022, there has not been any incident of work stoppage or labour disputes that has materially affected our operations.

As at LPD, 111 of our employees are full-time employees and the balance 11 employees are on contract basis as support engineers for projects involving government agencies. The duration of their contracts is between 1 to 2 years, all of which ends in 2023 or 2024.

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7. BUSINESS OVERVIEW

7.1 OUR HISTORY

Our corporate developments over the years

Our Group's history can be traced back to the year 2007 when Mohd Hoshairy Bin Alias ("**Hoshairy**") and Syamsiah Sofia Binti Roseli ("**Syamsiah**") each acquired 50% equity interest in Infomina for a consideration of RM1.00 for 1 share each, from Saharuddin Bin Abdullah and Sumami Binti Kiman respectively, both of whom were subscribing shareholders that incorporated Infomina and held 1 share each. Infomina was then a dormant company. Hoshairy and Syamsiah were then appointed as our Directors following their acquisition of shares in Infomina. Hoshairy and Syamsiah acquired Infomina with the intention to venture into the IT industry due to the growing prospects of IT at that point in time.

In 2007, we commenced business undertaking IT services in relation to hardware and software supply and services for local small and medium enterprises. During the period between 2007 and 2011, we operated from a rented office unit located in Menara Citibank, Kuala Lumpur.

In 2009, we achieved a milestone when we secured a contract to support Customer H in the provision of system integration services.

In 2010, Hoshairy invited Yee Chee Meng as an IT consultant to Infomina to perform IT services for projects secured by Infomina. In 2011, we relocated our office to Solaris Mont Kiara. Yee Chee Meng and Hoshairy are distant relatives with Hoshairy being the husband of Yee Chee Meng's wife's cousin.

In 2014, we relocated our office to Menara UOA Bangsar. In the same year, Syamsiah disposed her entire equity interest in Infomina (representing 50% equity interest) to pursue other business interests as she had other ventures to take care of. Nasimah Binti Mohd Zain ("**Nasimah**") acquired the entire equity interest of Syamsiah for a consideration of RM1.00 and was appointed as a Director. Prior to this, Nasimah held roles as an administrator in local banks and saw an opportunity to venture further into IT systems administration through Infomina.

In 2014, we were registered with the MOF for government procurement relating to the supply and/or services under the ICT sector, which include software, hardware, data management, customisation and maintenance, networking and telecommunications. This allows us to participate in tenders with public institutions under the Government. Please refer to Section 6.7 for further details on our registration with the MOF as at LPD.

Following the registration with MOF, in 2014, Hoshairy was in the midst of securing a contract with Customer C relating to the delivery of IT services, and was required to demonstrate Infomina's financial capability to finance the contract. For this purpose, Hoshairy and Nasimah wrote to Yee Chee Meng requesting for him to lend up to RM1.0 million. As Yee Chee Meng saw potential in the business of Infomina, and with visibility of the contract with Customer C, he agreed vide a letter dated 1 September 2014 to lend up to RM1.0 million to Hoshairy and Nasimah ("**Loan**") to be utilised in relation to the contract with Customer C, at interest rate equal to the base lending rate (BLR), to be repaid within 3 years from the date of the agreement (i.e. by 1 September 2017), with an option for settlement of the Loan in exchange for 40.0% equity interest in Infomina ("**Option**"). Pursuant thereto, in September 2014, Yee Chee Meng had lent RM280,000 which was split equally between Hoshairy and Nasimah to invest in Infomina in equal proportion. With this assistance from Yee Chee Meng, we successfully secured the contract with Customer C in 2014.

Additionally, in 2014, Yee Chee Meng's consultancy role was expanded to include leading the business development activities of Infomina and positioning the company as a direct vendor of IT services to public and private sector customers. Particularly, he spearheaded the carrying out of the contract with Customer C. He also played an instrumental role initiating and forging the relationship between Infomina and CA Group.

Further in 2015, we began collaborating with CA Group to explore opportunities relating to the marketing of the latter's software technologies. In the same year, the contract with Customer C progressed and required further funding. Yee Chee Meng further lent RM700,000 under the Loan arrangement, which was split equally between Hoshairy and Nasimah.Yee Chee Meng had funded the Loan together with Lim Leong Ping @ Raymond Lim ("**Raymond**") who agreed to undertake half of the total Loan. In this regard, Yee Chee Meng had been exploring business ventures with Raymond, an entrepreneur with business interests in multiple industries, who had decided to venture into IT and technologies through Infomina due to the increasing demand for IT services regionally. Raymond was convinced that Infomina had potential given the progress of the contract with Customer C, and decided to fund 50.0% of the Loan and the remaining 50.0% was funded by Yee Chee Meng.

Following his contributions to the business, Yee Chee Meng was appointed as the managing director (non-Board position) of Infomina in 2017, and he spearheaded the strategic growth of the business in Malaysia, with a long-term goal of regional expansion. Based on the track record with Customer C, we secured a contract with Customer J in 2017. Additionally, we relocated to our present business premise in KL Eco City in 2017.

Subsequently in 2018, as Infomina had begun showing growth with the contract with Customer J, Yee Chee Meng (together with Raymond) decided to exercise the Option to own an aggregate of 40.0% shareholdings in Infomina as settlement of the Loan. Pursuant to the Option, Hoshairy and Nasimah mutually agreed for Yee Chee Meng and Raymond to each acquire 20.0% equity interest in Infomina from Nasimah and Hoshairy for RM200,000 respectively, and the remaining loan amount of RM580,000 was deemed fully repaid. In 2018, Yee Chee Meng was appointed to our Board as a Managing Director, being responsible for charting our Group's business direction, managing our strategic development and overseeing the regional expansion of our Group whilst Raymond was appointed to our Board in the same year as Executive Director/Chairman and assumed a key role overseeing the business development activities as well as operational matters of our Group.

In 2019, we began actively exploring the potential of venturing overseas and securing customers in neighbouring countries due to the growing demand for IT and technology services regionally. Tan Siang Pin subsequently joined Infomina as a Sales Director to grow our regional expansion efforts. Tan Siang Pin has held several senior marketing and sales positions in multinational IT technology firms since 1995.

With Raymond, Hoshairy, Nasimah and Tan Siang Pin supporting Yee Chee Meng in growing the business of Infomina, we were able to expand our business regionally to capture new business opportunities.

In 2019, we expanded our business to Singapore and incorporated our subsidiary, Infomina SG (where Infomina's shareholding in Infomina SG was 60.0%, while Yee Chee Meng and Tan Siang Pin's shareholding was 20.0% respectively), to serve as a sales office for our regional markets. We further expanded to Thailand and incorporated our subsidiary, Infomina TH, in the same year (where Infomina SG, Yee Chee Meng and Tan Siang Pin's shareholding in Infomina TH was 51.0%, 25.0% and 24.0% respectively). Subsequently in 2020, we incorporated Infomina ID and Infomina PH to support our expansion into Indonesia and the Philippines respectively.

In 2021, Tan Siang Pin became a shareholder of Infomina with 10.9% equity interest via a share swap arrangement, whereby 694,460 Infomina Shares were issued to Tan Siang Pin, at an issue price of RM4.32 each for the acquisition of his entire shareholding in Infomina SG (representing 20.0%), and his 4,799 shares in Infomina TH (representing approximately 11.70% of the entire issued share capital), which amounts to a total consideration of RM3.0 million. Please refer to Section 6.2.1 (b) for further details.

In the same year, we also incorporated Infomina HK to support our expansion into Hong Kong, Taiwan and China.

We focused on delivering technology application and infrastructure solutions to customers in Malaysia and expanding regionally

In 2014, following our registration with the MOF, we secured a contract relating to the delivery of IT services with Customer C, a statutory body that regulates converging communications and multimedia industry in Malaysia.

The contract was in relation to the implementation of a unified communication system at Customer C's new headquarters building at Cyberjaya, connecting the new headquarters to all Customer C's branch offices nationwide for a contract sum of approximately RM5.7 million. The contract included the setup of unified communication infrastructure for a Tier-4 ready data centre, specifically relating to the planning, configuration, commissioning and support services. The unified communication infrastructure also encompasses the headquarters of Customer C and extends across its branches nationwide.

A Tier-4 ready data centre is the most complex facility with the most redundant components. Tier-4 ready data centres are required by enterprises that require uninterrupted availability. Government organisations and large enterprises with mission-critical servers and intense business demands are typical users of a Tier-4 facility. This Tier-4 ready data centre allows virtual convergence of data storage servers, networking and input or output into one cohesive infrastructure. The scope of work of the contract was subsequently expanded to include the relocation of Customer C's data centre and end-user computing platform to its then new headquarters building in Cyberjaya.

These abovementioned projects were led and managed by Yee Chee Meng.

We expanded our customer base to financial services institutions and secured contracts for the provision of technology application and infrastructure services to Bank Simpanan Nasional ("**BSN**") in 2016 for a contract value of approximately RM1.4 million and Customer M in 2018 for a contract value of approximately RM1.5 million.

In 2017, we secured a turnkey and maintenance contract from Customer J, where we were engaged to support its core activities in relation to its digital transformation, operational support, system maintenance, security access and control, source code management, application design and analysis, inclusive of system continuous improvement, and integrated card services centre support. This contract extended across all Customer J offices nationwide. We achieved a milestone in 2019 when we secured our first overseas customer, being a customer from Hong Kong which subscribed for Broadcom Mainframe Software for a contract value of approximately USD0.9 million. In 2020, we expanded our business to Thailand when we secured a contract from The Siam Commercial Bank Public Company Limited, a financial services institution in Thailand, for the provision of technology application and infrastructure operations, maintenance and support services. The aforementioned overseas customers are existing users of Broadcom Mainframe Software, who have low usage and limited support from Broadcom in relation to their Broadcom Mainframe Software. Leveraging on our existing market contacts, we approached these existing users to offer them value added operations, maintenance and support services in addition to subscription of updated Broadcom Mainframe Software. We also provided additional support to these customers which allowed them to broaden and optimise their usage of the Broadcom Mainframe Software range.

For clarity, we have also secured other customers in the CA Partner Regions who are not Broadcom Mainframe Software users. Instead of engaging us, the aforementioned customers (including the limited support Broadcom Mainframe Software users) have the option of retaining the use of their existing mainframe technology without engaging us; or selecting another mainframe technology of their preference.

Nonetheless, we attribute our success in securing projects and customers in these foreign markets to our ability to understand the business process and technology requirements of these customers, our knowledge of latest industry trends, track record with existing customers, comprehension of Broadcom's software technologies as well as competitiveness against other solution providers.

In 2020, we further secured other overseas customers during the year, namely Customer P and Bangkok Bank Public Company Limited in the Philippines and Thailand for contract sums of approximately PHP1.4 billion and USD5.6 million respectively. As part of our business strategy to venture into national security and technology solutions, we secured a contract from a Customer K in relation to the supply, delivery, installation, testing, training and maintenance as well as infrastructure works for 7 cargo scanning machines and related systems to be implemented in the seaports of Sabah and Sarawak. To comply with the implementation of this project, we secured licenses from the AELB and CIDB. Specifically, the AELB license allowed us to import irradiating equipment and components used for the installation of cargo scanning machines for the said project.

In 2021, we further expanded our presence to Taiwan when we secured a contract for the support and subscription of technology application and infrastructure solutions for the Taiwan Business Bank with an approximate contract value of USD0.1 million.

We further achieved a milestone in 2020 when we successfully launched Project Wspace, a business collaboration and communication platform application that we developed internally, which was made available on Google Play Store and Apple App Store. Subsequently in 2022, Project Wspace was relaunched as VIDESPACE upon successful registration of the VIDESPACE trademark. VIDESPACE allows users to initiate, manage and monitor daily tasks and activities. Please refer to Section 7.13 for further details on VIDESPACE.

In 2021, we established a regional Centre of Excellence where we intend to leverage upon to support the digital transformation drive of our customers and promote learning and development based on technology trends and development. We intend to leverage upon this regional Centre of Excellence for our Group's future growth across multiple industry verticals and in the countries where we have presence and/or projects. Our regional Centre of Excellence is presently located at TM Brickfields Exchange, Kuala Lumpur. We have set up a mainframe ecosystem at this location, which will enable us to offer organisations large storage, processing power and high level of reliability for fundamental business applications requiring high volumes of data processing. Please refer to Section 7.15.1 for further details on our future plans for our regional Centre of Excellence. In the same year, we secured a contract with a financial services institution in the Philippines, for the provision of technology infrastructure operations, maintenance and support services for a contract sum of approximately USD32.8 million.

Our technology solutions are strengthened by technology partnerships that we have established with established technology partners

In 2017, we entered into an agreement with a Japan-based digital solutions MNC relating to the marketing and sales of its hardware and software in Malaysia.

In 2019, we entered into a partnership with Broadcom Inc.'s subsidiary, CA Singapore, pursuant to the Regional Partner Agreement, whereby Infomina was appointed to resell and distribute Broadcom software technologies (comprising Broadcom Enterprise Software and Broadcom Mainframe Software). Infomina was also recognised as a Premier Tier 1 VAD pursuant to the Regional Partner Agreement for purposes of marketing Broadcom software technologies in Malaysia, Singapore, Thailand, Indonesia, the Philippines, Hong Kong and Taiwan. Subsequently, this appointment to resell and distribute Broadcom Enterprise Software was extended to China in 2021 and the right to resell and distribute the Broadcom Mainframe Software was extended to China in 2022 (the aforementioned countries referred to as "**CA Partner Regions**"). Infomina's appointment by CA Singapore as a Premier Tier 1 VAD commenced on 24 June 2019, and it is automatically renewed annually unless CA Singapore decides not to renew the Regional Partner Agreement or the Regional Partner Agreement is terminated.

Premier Tier 1 VAD is a status accorded to our Company as a preferred partner of CA Singapore.

For avoidance of doubt, the Regional Partner Agreement, CA Singapore and Broadcom do not individually define "Tier 1", "VAD" or "Tier 1 VAD". Based on management's understanding, "Tier 1" indicates that our Company can directly purchase from CA Singapore, and "VAD" (which stands for Value Added Distributor) indicates that Infomina is a distributor that delivers value above and beyond the mere distribution of CA Singapore's offerings, and may also distribute to resellers.

Being appointed as Premier Tier 1 VAD gives customers confidence and implicitly acknowledges our Company's capabilities in attaining the status. It therefore serves as an upfront status recognition, which is useful for marketing and facilitating negotiations with customers.

Broadcom Inc. is a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. Broadcom Inc., via CA Singapore, provides mainframe services to our Company in 3 different areas, namely Development Operations (DevOps) and Application Development, Enterprise Security and Compliance, and Intelligent Operations and Management.

Pursuant to the Regional Partner Agreement, we are able to engage and procure Broadcom software technologies directly from CA Singapore and to resell and distribute Broadcom software technologies to distributors and resellers in the CA Partner Regions. Additionally, the Regional Partner Agreement sets out the overall manner of conducting business in relation to CA Singapore such as ordering and records, marketing, confidentiality and compliance with laws, whilst fees and pricing are quoted separately by CA Singapore which may change from time to time. This helps to facilitate negotiations with potential customers.

Please refer to Section 7.3.3 for further details of our business relationship with CA Group.

In 2020, we were appointed as a business partner to Supplier I for technology solutions. As a business partner, we are able to engage and procure hardware and software directly from Supplier I. During the year, we also registered as an indirect channel partner of China-based ICT infrastructure and smart devices provider, for the marketing and sales of video conferencing technologies. We further entered into a VMware Partner Connect Agreement with VMware, Inc. in 2020 for the marketing and sales of VMware software solutions in Malaysia.

In 2021, we entered into an agreement with a leading American IT and networking MNC, for the distribution of its hardware and software in Malaysia. We further registered for the PartnerConnect programme with Software AG relating to the marketing and sales of software solutions in Malaysia. The PartnerConnect programme is Software AG's global partner programme which supports partners (i.e. distributors and vendors) in delivering Software AG's products, platforms and services to their enterprise customers.

The agreements that we have with the technology partners above are not exclusive, and our business and profitability are not dependent on these partnerships.

7.2 KEY ACHIEVEMENTS AND MILESTONES

The key milestones and achievements of our Group since the commencement of our business are as follows:

Year	Key milestones and achievements
2007 - 2010	• Incorporation of Infomina • Commencement of operations by providing IT implementation services to small and medium enterprises • Secured contract from Customer H for the provision of system integration services which eventually became our major customer for FYE 2019 to 2021
2014 - 2015	• Registered with MOF • Awarded 2 contracts to deliver IT services, specifically in relation to the implementation of a unified communication system for Customer C's offices nationwide and a Tier-4 ready data centre
2016 - 2018	• Recognised by APAC CIO Outlook[1] as one of the Top 25 Companies providing Unified Communications Solutions[2] in Asia Pacific • Awarded contract by Bank Simpanan Nasional for the provision of technology application and infrastructure services • Awarded contract by Customer M for the provision of technology application and infrastructure services • Awarded contract by Customer J for the provision of turnkey and maintenance services
2019	• Appointed as CA Singapore's Premier Tier 1 VAD for Malaysia, Singapore, Thailand, Indonesia, the Philippines, Hong Kong and Taiwan • Secured first foreign customer in Hong Kong for a contract value of approximately USD0.9 million relating to the subscription of Broadcom Mainframe Software • Entered into partnership with Software AG Operations Malaysia Sdn Bhd Software AG Operations Malaysia Sdn Bhd supplies API software to our Group

1 APAC CIO Outlook is a digital and print format publication on enterprise technology, encompassing trends in big data, mobile computing, security and cloud. The APAC CIO Outlook also identifies and profiles emerging companies providing cutting edge solutions to enterprises in the Asia Pacific region.

2 Unified communications solutions refer to technology equipment, software and services that provide and combine multiple enterprise communications channels, such as voice, video, messaging, voicemail and content sharing.

7. BUSINESS OVERVIEW *(Cont'd)*

Year	Key milestones and achievements
2020	• Registered as channel partner of China-based provider of ICT infrastructure and smart devices for its video conferencing technologies • Appointed as Supplier I's Business Partner to market its mainframe hardware, mainframe maintenance licence, infrastructure software such as database, systems, applications, API and security software • Entered into contracts with financial institutions in the Philippines and Thailand for contract sums of approximately PHP1.4 billion and USD5.6 million respectively for the provision of technology application and infrastructure operations, maintenance and support services • Awarded "Best New Partner" by Software AG • Developed 'Project Wspace', now known as VIDESPACE a business collaboration and communication platform application
2021	• Appointed CA Singapore's Premier Tier 1 VAD for China with effect from 2021 (in respect of Broadcom Enterprise Software) • Ventured into Taiwan and secured contract to supply software to Taiwan Business Bank with an approximate contract value of USD0.1 million • Established regional Centre of Excellence to leverage on future growth • Assessed and certified with MS ISO 9001:2015 Quality Management System • Registered for the PartnerConnect programme with Software AG • Received a Certificate of Achievement from CA Singapore where it was acknowledged as Mainframe Partner of the Year for 2021 • Secured a contract with a financial services institution in the Philippines for the provision of technology infrastructure operations, maintenance and support services for a contract sum of approximately USD32.8 million

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7.3 PRINCIPAL ACTIVITIES

Our Group is a technology firm, and we principally design and implement technology application and infrastructure solutions that support the fundamental business operations of our customers. The technology application and infrastructure solutions that we specialise in are mainframe technology solutions, and we also have capabilities in developing solutions based on other technologies such as virtualisation, API, and distributed computing environment, from suppliers such as Supplier I, VMWare and Software AG. We leverage on Broadcom software technologies as well as Supplier I technologies to deliver our mainframe technology solutions. We further support our customers through customised operations, maintenance and support services for technology solutions.

We deliver technology application and infrastructure solutions which usually entail a detailed understanding of the business needs, processes and technology requirements of our customers. Among others, this involves:

(a) a detailed assessment of our customers' existing (physical as well as technology) infrastructure;

(b) design of solutions and corresponding business processes; and/or

(c) integration of hardware and software.

Depending on project requirements, we may also customise hardware and software in order to fulfil our customers' needs. Depending on the specifications or business needs of our customers, we advise them in optimising, updating and/or changing their existing IT infrastructure to newer, more technologically advanced infrastructure, robust and secure platforms.

As such, we are able to design and build customised mainframe technology application and infrastructure solutions with different platforms, storage systems, security systems, hardware, software and network equipment to support critical applications, including bulk data processing for tasks such as large-scale data entry, transaction processing and enterprise resource planning.

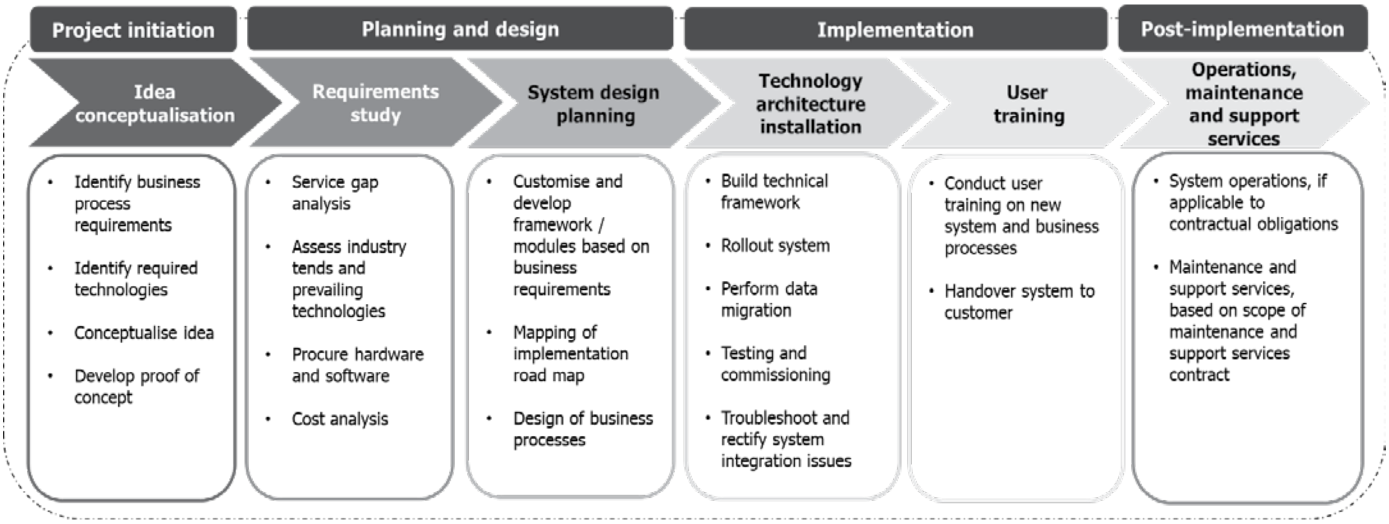
We have a diverse customer base across multiple countries in Asia. Our customers from the private and public sectors are primarily based in Malaysia, Singapore, Thailand, Philippines, Indonesia, Hong Kong and Taiwan, and they belong to both the private and public sectors. Our customers in the private sector include medium-sized to large-sized MNCs and local business enterprises as well as government linked companies in the banking, telecommunications and automotive sectors. Our customers in the public sector include government agencies and statutory bodies.

We principally operate in Malaysia, Singapore, Thailand, the Philippines, Indonesia and Hong Kong through our subsidiaries.

7.3.1 Design and implementation of technology application and infrastructure solutions

Our technology application and infrastructure solutions are tailor-made to each customer based on their business needs, industry practices as well as technological developments. Our technology application and infrastructure solutions are aimed at supporting the fundamental business operations of our customers.

Specifically, we adopt the following technology implementation methodology:



(a) Idea conceptualisation

We conceptualise and develop ideas for technology application and infrastructure solutions by assessing the business digital needs of customers, mapping and adoption of new technologies in the market, including mainframe technologies. This requires domain knowledge of the business of our customers, their business process requirements as well as industry trends, both from a technical perspective and impact to the organisation.

Understanding the technology issues and challenges faced by our customers in their daily business operations allows us to propose relevant technologies and systems to our customers. We have solution architects and technical consultants with domain expertise in selected industry verticals, acquired from their experience servicing customers in these industries and supplemented by their understanding of the applicable regulatory landscape that impact the operations of our customers. Leveraging on our understanding of the regulatory landscape, we are able to conceptualise practical and workable solutions for our customers.

As an illustration, we assist our customers in the implementation of technology to automate repetitive processes and reduce manual intervention; as well as enhancements and improvements of the corresponding business processes in line with changing industry trends, guidelines, regulations and compliance procedure standards. During this stage, we may also partner with other technology service providers for the adoption of technology application and infrastructure solutions, if required. These other technologies include virtualisation, API, distributed computing environment and unified communications, from suppliers such as Supplier I, VMWare and Software AG.

(b) Requirements study

We perform a service gap analysis focusing on our customers' existing infrastructure and business processes against their aspired goals to identify their system requirements. This further allow us to assess how our proposed technology solution can be incorporated into our customers' existing technology frameworks, and business processes that need to be designed in relation to the new solution.

(c) System design planning

Based on the findings from the gap study, we develop the corresponding frameworks and architecture. We may further customise the architecture to suit the requirements of our customers.

During this stage, we develop a detailed implementation plan, typically to be rolled out in phases. The architecture and implementation plan will be presented to the customer for approval.

(d) Technology architecture installation

There are several high-level architectures, including enterprise architecture, solution architecture and technology architecture. Depending on the scope of our engagement, we may be engaged to develop and install one or more of the following architectures:

(i) The enterprise architecture is a blueprint of the whole company and defines the architecture of the complete company. It includes all applications and IT systems that are used within the company and by different companies' departments including all applications (core and satellite), integration platforms, web, portal and mobile applications, data analytical tooling, data warehouse, operational and development toolings, security, and collaborative applications. The objective of an enterprise architecture is to focus on making IT work for the whole company and business and fit the companies' and business' goals. It looks at the business strategy and finds IT solutions to make it work including innovation and digital enablement;

(ii) The solution architecture describes what functionalities a specific system needs to perform. It is a detailed description of the functionalities needed to meet business objectives, the logic that governs them, and the information associated with them. It is also described as the functional architecture of an application or system. A solution architecture typically applies to a single project or project release and facilitates the translation of requirements into a solution vision, high-level business and/or IT system specifications; and

(iii) The technology architecture is a detailed description of the various technology components needed to meet business objectives, the logic that governs them, and the data associated with them. The technology architecture shows the software and hardware architecture, and focuses on how a specific solution can be served by this platform.

We may develop and install more detailed sub-architectures if required.

We typically rollout the adoption and integration of new infrastructure and solutions into an organisation's systems and workflows in phases. We carry out several tests prior to and during the rollout and integration phase, among which include system integration test, installation test, simulation test, functional test and load test. These tests will be conducted to determine if the assembled system installed is operating optimally and whether such assembled system will meet the documented requirements.

(e) User training

We plan and implement user training to support the successful implementation of technology application and infrastructure solutions.

The implementation of a new system can be a big change for many employees. A new or upgraded solution will include new hardware and software, tools, buttons and improved processes that will allow businesses to be more productive in the long run and reduce human errors. However, because of all these changes and new processes, employees may not be on par with each other, progress wise, when learning the new system on their own. This can restrict our customers from seeing the efficiencies from the technology application and infrastructure solution.

Thus, training of the end users is an important step for a successful system implementation. Training before the system officially goes live will give employees a chance to acclimate to any new processes and work out any problems with the system before it is implemented.

Premised on our technological capabilities, understanding of the requirements and legacy systems that our customers possess, we assess latest technology trends for incorporation in our solutions in order to add value to the technology application and infrastructure solutions that we propose to our customers.

We possess domain expertise in several industry verticals, which are industry-specific knowledge acquired from our experience servicing customers in these industries and supplemented by our understanding of the applicable regulatory landscape that impact the operations of our customers. Leveraging on this knowledge of the regulatory landscape, we are able to conceptualise practical and workable solutions for our customers. Primarily, our domain knowledge are in the government and financial services industries, which has enabled us to develop and deliver robust mainframe technology infrastructure solutions that meet the business needs of our customers in these industries. "Robustness" means the ability of a system to cope with errors during execution and cope with erroneous input without breaking down or experiencing failure.

We typically deliver technology application and infrastructure solutions on a turnkey basis. The duration of each project varies and largely depends on the scale of the project and the scope of work assigned to us.

We primarily undertake development and deployment works internally. However, the delivery of our turnkey technology application and infrastructure solutions contracts may require works that fall outside the ambit of ICT or specialised ICT tasks. In such instances, as the main contractor, we will engage external parties to undertake such specialised tasks. Specialised tasks by external parties are typically performed under the design and delivery of technology infrastructure solutions segment.

Works that fall outside the ambit of ICT includes, amongst others, building construction, mechanical and electrical works as well as structured cabling works. We also outsource specialised ICT services such as security tests, offsite data storage and recovery, and maintenance services to external parties. These are proprietary services and non-recurrent in nature, which are required to be performed independently by external parties (typically the supplier of the corresponding hardware and/or software) to maintain product warranty. Our Group does not employ specialised IT staff for such services that are non-recurrent in nature.

The number of subcontractors engaged for specialised ICT services during the financial years under review are as follows:

	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Number of subcontractors engaged	6	5	3	1
Subcontractors' cost incurred (RM)	314,043	377,736	178,282	60,000
Cost of sales (RM)	50,380,027	68,166,652	81,280,286	159,164,105
Percentage of cost of sales (%)	0.6	0.6	0.2	<0.1

Our Group did not engage any subcontractors solely for non-ICT services for FYE 2019 to 2022. During FYE 2019 to 2022, the non-ICT service costs were mainly for construction work performed for a contract with Customer K for turnkey delivery of a cargo scanning system and its related infrastructure at selected international seaports in Sabah and Sarawak, which are categorised under project-related costs (hardware). As the supplier charged our Group on a lumpsum basis, the breakdown for the non-ICT portions of the costs are not available.

The service fee for our technology application and infrastructure solution contracts is generally a fixed fee, taking into account our customers' requirements, scope of work, costs for carrying out the contract with reference to the costs of procuring the relevant hardware and/or software and whether any sub-contractor is engaged. Our fee is payable either in one lump sum for the sales of hardware and/or software after delivery; or by instalment after completion of specified progress milestone set out in the contract if other services are involved. The tenure for our contracts typically ranges from 1 year to 6 years, depending on the scope in which we have been engaged to perform.

For certain service contracts entered into with government agencies, statutory bodies and financial institutions, we are required to provide a performance bond in the form of a bank guarantee or contract deposit as a security sum to ensure our due performance during the contract term. Selected contracts that we secure may have liquidated ascertained damages ("**LAD**") clauses, for which the LAD claimable by customers is determined based on various factors such as the value of the affected scope, duration, as well as type of damages. Our Group did not receive any LAD claims during FYE 2019 to FYE 2022. However, subsequent to FYE 2022 up to LPD, our Group has received LAD claims of RM3.0 million from Customer K.

Our service is deemed to be completed once our customers accept the result of the user acceptance test in the deployed technology application and infrastructure solution.

The following projects (and their key scope with which we segmentise our revenue) serve as an illustration of our capabilities in delivering technology infrastructure solutions across selected industry verticals:

	Scope	
Project and customer	**Design and delivery of technology infrastructure solutions**	**Technology infrastructure operations, maintenance and support solutions**
Government sector		
(a) Design, installation, testing, commissioning, operations, maintenance and support of a cargo scanning system and its related infrastructure at selected international seaports in Sabah and Sarawak for a Customer K;	✓	✓
(b) Design, installation, testing, commissioning, maintenance and support of a main business system for Customer J;	✓	✓

Project and customer	Scope	
	Design and delivery of technology infrastructure solutions	Technology infrastructure operations, maintenance and support solutions
(c) Design, installation, testing and commissioning of a librarian, spool and scheduling system for statutory bodies in Thailand;	✓	✓
(d) Design, upgrade, installation, testing, commissioning, maintenance and support of a core immigration system for a statutory body in Malaysia;	✓	✓
(e) Design, installation, testing, commissioning, maintenance and support of core applications for statutory bodies in Malaysia;	✓	✓
(f) Design, installation, testing and commissioning of a project portfolio management system for a statutory body in Malaysia;	✓	
(g) Design, installation, testing and commissioning of a smart portal platform for Customer C; and	✓	
(h) Design and delivery of a report generator and change management system for a Chinese state-owned investment company based in Hong Kong.	✓	
<u>Financial services sector</u>		
(a) System security integrity test for mobile banking application for BSN;		✓
(b) Maintenance and support of the development framework of core banking application for a government-owned fund board in Malaysia;		✓
(c) Maintenance and support of the development framework of core banking application for Customer M;		✓
(d) Design and delivery of a change management system for a financial services institution in Hong Kong providing interbank clearing and settlement services nationwide;	✓	✓
(e) Design and delivery of a report generator and change management system for the local bourse in Hong Kong;	✓	✓

Project and customer	Scope	
	Design and delivery of technology infrastructure solutions	**Technology infrastructure operations, maintenance and support solutions**
(f) Design and delivery of enterprise management system for core banking application for The Siam Commercial Bank Public Company Limited and Bangkok Bank Public Company Limited another major financial institution in Thailand;	✓	✓
(g) Design and delivery of enterprise management system for core banking application for Customer P;	✓	✓
(h) Design and delivery of enterprise management system for core banking application for a major banking institution in Hong Kong;	✓	✓
(i) Design and delivery of enterprise management system for core banking application for a Chinese state-owned commercial bank operating in Hong Kong; and	✓	✓
(j) Design and delivery of data protection and recovery system for an insurance firm in Taiwan.	✓	✓
Other sector		
Upgrade of enterprise software platform for a national car manufacturer in Malaysia.	✓	✓

7.3.2 Provision of technology infrastructure operations, maintenance and support services

Following the completion of our provision of the aforesaid technology infrastructure services, our customers may engage us to provide on-going operations, maintenance and support services under a separate engagement. Some customers also engage us to provide maintenance and support services on technology hardware and/or software purchased from third party suppliers, for which the typical tenure of such contracts range between 1 and 6 years.

Our operations services relate to operating the system for a specified period ranges from 1 to 6 years in line with the tenure of our contracts. We support our customers in meeting predetermined service quality benchmarks relating to their daily operations. These include the meeting of their service-level agreement indicators. For example, one of our major customers requires the printing of identification cards securely within a stipulated timeframe as a civil service commitment to the public. Selected contracts that we secure may have service-level agreement ("**SLA**") clauses, for which each claim by a customer is determined on a case-to-case basis. Our Group has incurred SLA claims amounting RM0.11 million, RM0.07 million, RM0.01 million and RM0.03 million for FYE 2019, 2020, 2021 and 2022 respectively.

The maintenance and support services provided by us entail ad-hoc technical services, IT system administration, maintenance and corrective services. Our customers also engage us to assist them in the renewal of their subscription licences for certain IT systems, hardware and software. Occasionally, our technical staff may also be seconded (between 1 to 6 years pursuant to the contract) to our customers' office at their request for such services. As at LPD, we have 18 technical staff seconded to our customers' office to carry out maintenance and support services for 3 contracts.

We generally charge our customers a fixed fee for an agreed service period, taking into account our scope of work, required service-level, complexity of the technology systems and the costs of procuring the required hardware and/or software. Our service fees are usually payable on an annual basis. For certain service contracts entered into with government agencies, statutory bodies and financial institutions, we are required to provide performance bond in the form of bank guarantee or contract deposit as a security sum to ensure our due performance during the contract term.

Our service is deemed to be completed once the contract period expires.

7.3.3 Technology hardware and software products

To date, we have entered into distribution/reseller agreements with 7 leading IT hardware and software providers relating to the marketing and sales of hardware and software products of our technology partners respectively. They are: CA Singapore, Supplier I, VMWare, Inc. Software AG Operations Malaysia Sdn Bhd, a Japan-based digital solutions MNC, a China-based ICT infrastructure and smart devices provider and a leading American IT and networking MNC. The agreements that we have with our technology partners are non-exclusive in nature. We use the hardware and software products of our technology partners in our technology solutions projects for our customers. Our Group is not materially dependent on the agreements that we have with our technology partners.

- **Our business relationship with CA Group**

  In 2019, we entered into a partnership with Broadcom Inc.'s subsidiary, CA Singapore, pursuant to the Regional Partner Agreement, whereby Infomina was appointed to resell and distribute Broadcom software technologies (comprising Broadcom Enterprise Software and Broadcom Mainframe Software). Infomina was also recognised as a Premier Tier 1 VAD for purposes of marketing Broadcom software technologies in Malaysia, Singapore, Thailand, Indonesia, the Philippines, Hong Kong and Taiwan. Subsequently, this appointment to resell and distribute Broadcom Enterprise Software was extended to China in 2021 and the right to resell and distribute the Broadcom Mainframe Software was extended to China in 2022. Infomina's appointment by CA Singapore as a Premier Tier 1 VAD commenced on 24 June 2019, and it is automatically renewed annually unless CA Singapore decides not to renew the Regional Partner Agreement or the Regional Partner Agreement is terminated.

  Pursuant to the Regional Partner Agreement, we are able to engage and procure Broadcom software technologies directly from CA Singapore, and to resell and distribute the Broadcom software technologies to distributors and resellers in the CA Partner Regions. Additionally, being a Premier Tier 1 VAD serves as an upfront status recognition for marketing purposes and the Regional Partner Agreement sets out the overall manner of conducting business in relation to CA Singapore such as ordering and records, marketing, confidentiality and compliance with laws, whilst fees and pricing are quoted separately by CA Singapore which may change from time to time. This helps to facilitate negotiations with potential customers.

Based on Broadcom's website as at LPD, Infomina is the sole appointed distributor and Premier Tier 1 VAD of Broadcom Mainframe Software (but not for Broadcom Enterprise Software) in the CA Partner Regions and our Group is not aware of any other appointed Premier Tier 1 VAD by CA Singapore. For the avoidance of doubt, CA Singapore is not precluded from appointing other Premier Tier 1 VAD in the CA Partner Regions. The Regional Partner Agreement also provides the right for Infomina to market Broadcom software technologies in the CA Partner Regions to other IT distributors, if and when such opportunities arise.

Our Group has been in direct business with CA (Malaysia) Sdn Bhd since 2015 where we have been distributing Broadcom software technologies in Malaysia. Over the years, we have gradually proven our abilities as a distributor, thus leading to CA Singapore appointing Infomina for the regional distribution of Broadcom software technologies as well as a Premier Tier 1 VAD for the CA Partner Regions. The appointment of Infomina as a Premier Tier 1 VAD is the formalisation of the acknowledgment and recognition by CA Singapore of Infomina's capabilities as a distributor. This status serves as an additional marketing channel for Infomina, especially in countries where we do not have physical presence, as potential customers are able to obtain Infomina's contact details directly from Broadcom's website. This contributes to further enhancing our visibility and credibility with potential customers.

As at LPD, although Infomina is the sole distributor listed on Broadcom's website for Broadcom Mainframe Software in the CA Partner Regions, our Group notes that there are other market players in these countries that also offer mainframe solutions, including those from IT providers other than Broadcom. In competing with other providers in these foreign countries, we attribute our success in securing projects and customers in foreign markets to our ability to understand the business process and technology requirements of these customers, our knowledge of latest industry trends, track record with existing customers, comprehension of Broadcom's software technologies as well as competitiveness against other solution providers.

Premised on the above, M & A Securities being our Sponsor confirms that the foreign projects secured since 2019 (after FYE 2019 i.e. after 31 May 2019) as highlighted in the key milestones in Section 7.2 were not secured by virtue of our Company's Regional Partner Agreement with CA Singapore.

Our Group's business and profitability is materially dependent on our continual business relationship with CA Singapore for our distributorship of Broadcom software technologies. Nonetheless, our Group is not dependent on the Regional Partner Agreement. We also have partnerships with other mainframe technology partners and suppliers.

Please refer to Section 7.11 and 9.1.4 for further information regarding our dependency on CA Singapore as major supplier.

In 2020, we were appointed as a business partner to Supplier I for technology solutions. As a business partner, we are able to engage and procure hardware and software directly from Supplier I. We source for mainframe hardware, mainframe maintenance licence and infrastructure software such as database, systems, applications, API and security software from Supplier I. During the year, we also registered as an indirect channel partner of China-based ICT infrastructure and smart devices provider, for the marketing and sales of video conferencing technologies. We further entered into a VMware Partner Connect Agreement with VMware, Inc. in 2020 for the marketing and sales of VMware software solutions in Malaysia.

The business partner programme with our technology partners normally operates on several levels, with first-tier being the highest level. To achieve first-tier or second-tier ranking, business partners are typically required to:

- meet certain performance targets each year;
- possess extensive technical capabilities and product knowledge; and
- have a good market reputation.

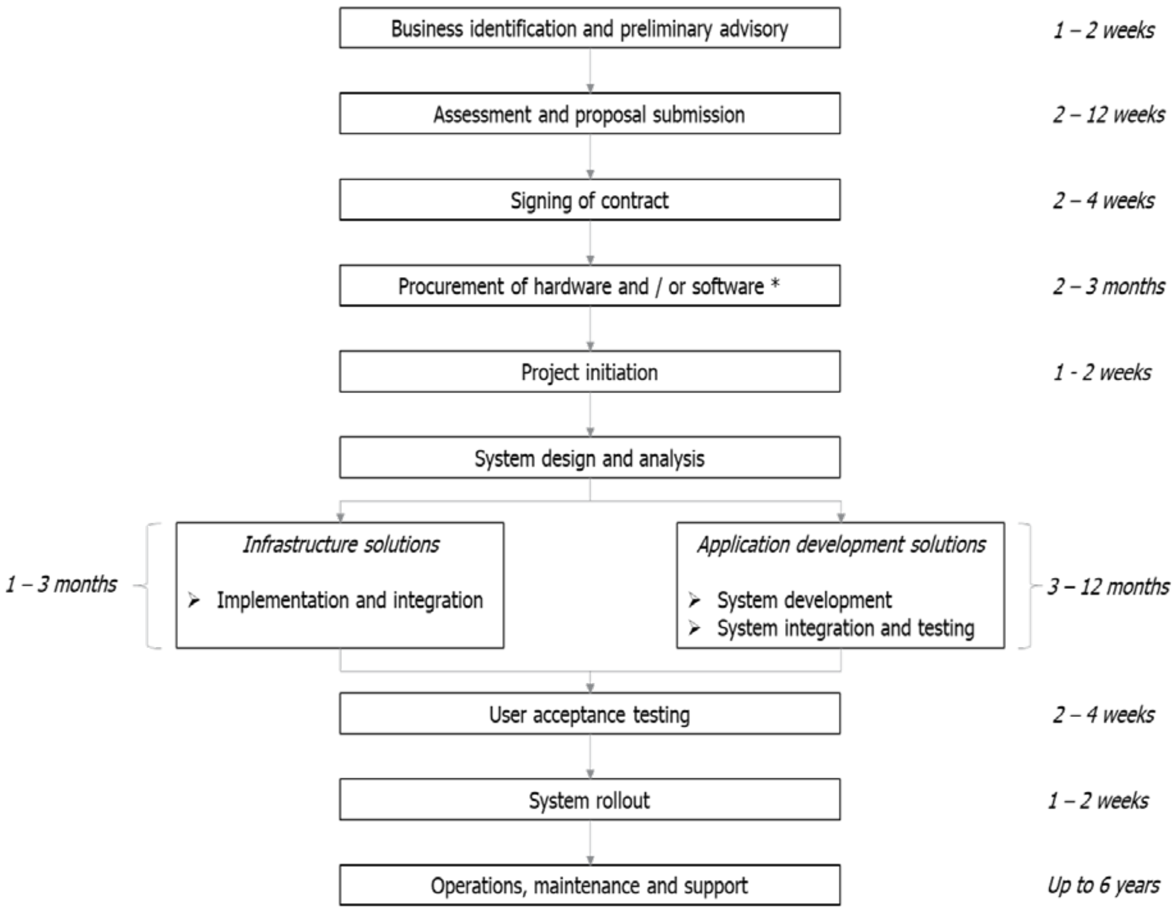
Although no compensation or penalty would be imposed by our suppliers on us should we fail to meet certain performance targets in any year, our ranking as a business partner of such supplier could be affected. Further, our profitability and overall competitiveness may also be affected in the event we have to purchase technology hardware and/or software from other intermediaries as opposed to directly from our technology partners, as there may be additional costs to these purchases.

We primarily utilise software technologies from our technology partners in our technology solutions projects, and do not merely resell technology hardware and software from these partners. Thus, we do not analyse our revenue for segmental sales of technology hardware and software products.

7.4 BUSINESS PROCESSES

7.4.1 Our business operation flow

We offer a wide range of technology application and infrastructure solutions, many of which require mainframe technology. Whether or not a project will involve all the steps in the operation flow below largely depends on our customer's requirements.



Note:

* Depending on the requirements of each project, the procurement of hardware and/or software is not always required.

The contracts that we enter into with our customers typically range between 1 year and 6 years, depending on the scope of services in which we have been engaged to perform. The timeframes in the diagram above applies to each stage of the overall implementation of turnkey project implementation portions of a project up to system rollout, which may individually vary between contracts. Post system rollout, we are generally also engaged for operations, maintenance and support for up to 6 years.

(a) Business identification and preliminary advisory

Our contracts are identified mainly through tendering (including open tender and invited tender); and direct engagement.

A brief description on the project's requirements and specifications and the estimated contract period will be included in the tender notices published by government agencies or statutory bodies. For private sector projects, we generally receive tender invitations or direct request for quotation and/or proposal from our existing customers or business referrals and we would provide our preliminary advice to our customers.

Our sales and marketing team, in collaboration with our technical team, would also take the initiative to carry out business development activities to explore opportunities to offer our solutions to potential customers from both the private and public sectors.

(b) Assessment and proposal submission

Based on the project requirements and other relevant materials obtained from our customers and/or as listed in the tender documents, we will perform technical and financial assessment and preliminarily analyse the specifications and requirements of the project and commence preliminary work such as considering the relevant hardware and/or software to be procured, IT product vendors to be lined up, and workforce availability.

We typically submit:

(i) a commercial proposal, as part of the tender documents containing the cost breakdown in terms of estimated man-hour of various professional staff categories required and their respective charging rate as well as payment schedule; and

(ii) a technical proposal specifying, among others, the technology application and infrastructure solution provided by our Group, manpower estimation, work approach, architecture design including civil engineering, mechanical and electrical engineering as well as structured cabling works to support the delivery of our proposed solution, and hardware and software requirements.

A letter of award or purchase order will be issued if our proposal is accepted.

(c) Signing of contract

For public sector projects, once the government agency / statutory body has issued us the letter of award, we will enter into a separate contract with the government agency / statutory body whereby the contract will contain details such as the scope of our services, the payment schedule and other terms and conditions.

For private sector projects, if the projects are relatively straightforward, our customers will either sign on the quotation or proposal for confirmation. If the job is long term and more complex, we will develop a more detailed contract regarding the technology application and infrastructure solutions we can offer and seek our customer' confirmation.

For certain service contracts entered into with government agencies, statutory bodies and financial institutions, we are required to provide certain amount of performance bond in the form of a bank guarantee or contract deposit as a security sum to ensure our due performance during the contract term.

(d) Procurement of hardware and/or software

If hardware and/or software procurement is needed, we will select the suitable product vendors and the hardware and/or software according to our customers' specifications. On some occasions, our customers may specify certain products or certain brands of products to be procured. We are responsible for ensuring that the products sourced conform to the system requirements of our customers. Based on our customers' business needs, we generally give advice to our customers as to which hardware and/or software best suits their purposes.

For selected projects, hardware and/or software procurement may not be required. Typically, services that do not require hardware or software procurement relate to testing, training, installation and configuration services.

(e) Project initiation

We will form an internal project team comprising our staff for project planning and implementation. The size of the project team varies depending on the complexity, skill and scale of the project. Typically, a project team comprises a project manager, analyst programmers, system programmers, business analysts, system engineers, system testers, engineers from hardware and software principals, consultants and user representatives.

(f) System analysis and design

The detailed system analysis identifies frameworks, modules and technologies that we need to develop to meet the requirements of our customers. Thereafter, our project team will develop the corresponding enterprise architecture, solution architecture and technology architecture.

Our system analysis and design comprises:

(i) Infrastructure solutions

<u>Implementation and integration</u>

Depending on the project size and complexity, we may conduct site preparation in accordance with our site preparation plan. If project requires third party hardware and/or software, we will carry out configuration and reliability tests to ensure the hardware and/or software procured are fit and proper. We then configure and customise the hardware and/or software in accordance with our customers' requirements and specifications.

Thereafter, we perform functional, integration and stress tests to ensure the customised hardware and/or software will perform as per contract specifications, perform data migration and update for our customer's existing IT systems.

(ii) Application development solutions

System development

There are generally 2 types of system development, namely:

- projects that require us to ride on existing hardware and/or software, which means based on the basic framework of the hardware and/or software procured from our suppliers, we moderate, revise and formulate additional systems that fit our customers' needs; and
- projects that require us to develop the system from scratch based on the project specifications.

After conducting system analysis and design, we implement the findings in the system analysis and design report. Physical system design will be planned and implemented. Programme code is written and/or modified based on the design, specifications and development standards. If changes are required with respect to the agreed scope and plan, a change request form will be sent to and agreed with our customers during the course of our projects with additional charge for any expanded scope of work. During the software development process, we also conduct unit testing, during which small testable parts of an application will be individually and independently scrutinised to ensure proper operation.

System integration and testing

We assemble different constituent parts of the system, develop the control procedures and conduct programme unit testing. The assembled system will be installed at our customer's IT system. Several tests including but not limited to system integration test, installation test, simulation test, functional test and load test will be conducted to determine if the assembled system installed is operating optimally and whether such assembled system will meet the documented requirements. We record and rectify any defects or issues encountered during the system integration testing.

(g) User acceptance testing

During user acceptance testing, our customers will test the assembled system to determine whether it can handle the required tasks in their real-world business scenarios according to the specifications. The user acceptance test may need to be performed multiple times. The user acceptance testing ensures that the technology application and infrastructure solutions provided by us work for our customers. Our customers issue a user's acceptance report or other forms of project completion document after our passing of the user acceptance test.

(h) System rollout

The accepted system is then rolled-out organisation wide and goes live. If required, we may provide training to our customers in respect of operating the system. We also provide a pre-determined contractual nursing period for 30 days after the rollout, during which any problems found not owing to our customers' faults or product defects will be rectified by us.

(i) Technology infrastructure operations, maintenance and support

Upon completion of system rollout, we are able to support our customers in meeting pre-determined service quality benchmarks relating to their daily operations. This includes maintaining service uptime, efficiency and effectiveness of the system. We ensure our system enables our customers to meet their service-level agreement indicators with their end customers.

We offer a wide range of maintenance and support service to our customers. Our customers will generally engage us to provide the on-going maintenance and support services under a separate maintenance and support agreement. Occasionally, our customers will also enter into separate maintenance agreements with us for providing maintenance and support services in relation to third party hardware and/or software.

If our customers encounter any problems with our solutions offered, they can contact our technicians at our helpdesk for remote support. If such problem cannot be resolved over the telephone or email, we will provide on-site support.

We normally stipulate our scope of work in our maintenance and support service agreement with our customers, the scope of which can be broadly categorised as follows:

- Service desk and call centre support;
- Systems / application maintenance and related services;
- On-site preventive and corrective maintenance;
- Management and coordination of on-site maintenance by product principals (if necessary);
- Management and coordination of extending warranty and/or renewal of licences on behalf of customers from a previous term of warranty or licence; and
- On-site secondment / placement of skilled human talents.

Technology hardware and software warranties are provided directly by product principals or suppliers for the benefit of our customers. Nonetheless, as part of maintenance and support services, we assist and coordinate the warranty claims process between our customers and the relevant product principals or suppliers. Our Group does not honour warranties instead of the principals or suppliers.

7.4.2 Operating capacities and output

Our Group is principally involved in the provision of technology application and infrastructure solutions, as well as technology infrastructure operations, maintenance and support services. As such, conventional measures of production capacity and utilisation are not relevant to our business.

7.4.3 Technology used and to be used

(a) Mainframe technology

Mainframes are high-performance computers with large amounts of memory and processors that process millions of transactions in real time. Mainframes are primarily used by large organisations for critical large scale and real-time applications such as bulk data and transaction processing.

In the era of digital business transformation, mainframes are entering a new phase. A wide range of applications running on a variety of distributed computing platforms now need to access data that resides on a mainframe. Mainframe digital transformation involves connecting existing mainframe technology to software development and IT operation processes, APIs, cloud computing resources, and emerging innovative technologies. A connected mainframe approach to digital transformation provides cost savings, enhanced security, and greater processing speed.

As the appointed distributor for CA Singapore, we are responsible for the marketing and sales of Broadcom software technologies in CA Partner Regions.

Please refer to Section 7.3.3 for further information of our business relationship with CA Group.

(b) Industry 4.0

Malaysia looks towards Industry 4.0 to boost productivity growth, with priority initially given to the manufacturing sector and future plans to extend it to other sectors. The pillars of Industry 4.0, namely big data, augmented reality, AI, simulation, IoT, cloud computing, cyber security, systems integration, additive manufacturing, and autonomous robots, aim to help transform the operational potential of manufacturing industries. Industry 4.0 involves the connectivity of cyber-physical systems where existing and new production machines are fitted with sensors which collect lots of relevant data, use QR codes, radio frequency identification tags or IoT devices to identify different products, technologies in which we have developed expertise.

We support our customers' adoption of Industry 4.0 by designing and building technology application and infrastructure solutions that incorporate elements such as big data, AI, IoT and cloud computing, that support bulk data processing and large-scale transaction processing.

(c) IoT and smart solutions

With the rise of the IoT and smart solutions, the possibilities of technology solutions are ever expanding. There is increasingly a shift in the way IT is being used through cloud computing, system integration and the IoT.

In IoT, physical objects are embedded with sensors, processing ability, software, and other technologies, and that connect and exchange data with other devices and systems over the Internet or other communications networks. Combined with other technologies such as AI and big data, IT systems can be configured to become autonomous with minimal human intervention. The digitalisation of such operating environment will become unified by connected systems that enable interactions within and between systems to allow self-configuration, failure prediction and be more adaptive to changes.

We adopt IoT to support predictive analytics for maintenance services for the technology solutions that we deliver to our customers, especially in relation to ensuring the uptime of data centre and mainframe infrastructure to improve the service-level targets of our customers.

(d) Application programming interface

APIs are software intermediary that allows different applications to communicate with each other in a seamless and efficient manner. APIs ensure that data extracted from one software application is formatted and passed to the next application securely and accurately, even if the associated application's feature sets have been updated. Essentially, they allow two applications to seamlessly communicate and share data with each other. The ultimate goal of the API economy is to facilitate the creation of user-focused applications that support business goals and improve workforce throughput.

The benefits of APIs in software development support the shift from an on-premises software to the cloud and microservices-based applications. Smaller, function-based components are easier to maintain, with individual developers or inhouse IT teams assuming responsibility for a specific part. By building a business model around APIs, businesses can rapidly scale up by using APIs.

We currently adopt APIs in selected solutions, where it enables automated inter-organisational information sharing between pre-authorised users.

Further, we intend to adopt APIs in our regional Centre of Excellence where information on a technology platform can be accessed and validated by pre-approved stakeholders from various agencies, thereby improving efficiency of operations for all stakeholders. This will allow stakeholders to meet and improve their service-level targets.

7.5 BUSINESS SEGMENTS AND PRINCIPAL MARKETS

The breakdown of our revenue by business segment for FYE 2019 to 2022 is as follows:

	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Business segment	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Design and delivery of technology infrastructure solutions	42,546	64.5	45,340	55.5	27,856	26.5	101,179	50.3
Technology infrastructure operations, maintenance and support services	23,460	35.5	36,276	44.5	77,368	73.5	99,885	49.7
Total revenue	**66,006**	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

The breakdown of our revenue by country for FYE 2019 to 2022 is as follows:

	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Business segment	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	66,006	100.0	67,413	82.6	41,164	39.1	115,442	57.4
Foreign country								
Thailand	-	-	10,321	12.7	31,890	30.3	32,543	16.2
The Philippines	-	-	2,540	3.1	26,802	25.5	42,311	21.1
Others	-	-	(1)1,342	1.6	(1)5,368	5.1	(2)10,767	5.3
Total revenue	**66,006**	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

Notes:

(1) Revenues from customers in Hong Kong that were generated through our subsidiary, Infomina SG.

(2) Revenues from customers in Hong Kong and Taiwan that were generated through our subsidiary, Infomina SG.

We principally operate in Malaysia, Singapore, Thailand, the Philippines, Indonesia and Hong Kong through our subsidiaries. For our operations in Indonesia, we have yet to receive any purchase orders from Indonesia due to pandemic and lack of local staffs. For FYE 2020, 2021 and 2022, Infomina SG has generated revenue of RM1.3 million, RM5.4 million and RM9.7 million respectively from our customers in Hong Kong. The remaining RM1.0 million revenue generated by Infomina SG in FYE 2022 was from our customers in Taiwan.

Please refer to Section 12.2.3 for further information on the breakdown of our revenue.

7.6 SALES AND MARKETING STRATEGIES

Our Group's sales and marketing activities are led by our Managing Director, Yee Chee Meng. He is supported by Executive Directors, Raymond, Hoshairy as well as Nasimah, who oversees contracts management including coordination, planning, reviewing, administration, approval and execution of contract workflows internally.

Our Group typically identifies new business opportunities mainly through request for quotations in competitive bidding open tenders or direct negotiations.

Our business development efforts focus on identifying new opportunities in the public and private sectors. The public sector engagement is led by Hoshairy while the private sector engagement is led by Raymond.

Hoshairy and Raymond are supported by the Field Sales and Marketing team, which is led by Tan Siang Pin. The Field Sales and Marketing Team comprises a team of 17 sales and pre-sales consultants across our subsidiary companies. The Field Sales and Marketing team is also responsible for meeting sales targets, preparing quotations and proposal frameworks as well as liaising with technical team for pre-sales consultation.

The Field Sales and Marketing team is further responsible for initiating and maintaining technology partnerships with international technology partners for the marketing and sales of technology hardware and software.

Further, as CA Singapore's Premier Tier 1 VAD, our contact details are featured on the website of our technology partner. We are able to attend to and service requests from customers within Malaysia, Singapore, Thailand, Indonesia, the Philippines, Hong Kong, Taiwan and China. Based on Broadcom's website as at LPD, Infomina is the sole appointed distributor and Premier Tier 1 VAD of Broadcom Mainframe Software (but not for Broadcom Enterprise Software) in the CA Partner Regions and our Group is not aware of any other appointed Premier Tier 1 VAD by CA Singapore. Our contact details are also featured on Supplier I's website, being a tier-1 business partner to Supplier I.

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7.7 INTERRUPTIONS TO BUSINESS

Save for the interruption in our operations arising from the imposition of movement controls in Malaysia following the outbreak of COVID-19, our Group has not experienced any other interruption which has significantly affected our business during the past 12 months preceding LPD.

7.7.1 Impact of COVID-19 and MCO on our business operations

Impact on our business operations in Malaysia

Due to the outbreak of COVID-19, several periods of movement controls were implemented in Malaysia. The different periods of movement controls and their impact on our operations are summarised as follows:

Events	Description
2020	
MCO 1.0	• Implemented from 18 March 2020 to 3 May 2020. • The control measures implemented included, amongst others, the closure of all business sectors and activities, except for those classified as essential services. However, the Government classified telecommunications and digital infrastructure including ICT services and global business services as essential services. • We temporarily suspended our office operations from 18 March 2020 to 3 May 2020. • Our office-based employees were required to work remotely from home.
Conditional MCO ("CMCO")	• Implemented from 4 May 2020 to 9 June 2020. • Certain restrictions previously gazetted under the MCO 1.0 period were gradually eased and many economic sectors were allowed to resume operations following specific guidelines and SOP. • Our employees worked on a rotation basis from the office with workforce capacity at 50%.
Recovery MCO ("RMCO")	• Implemented from 10 June 2020 and the following extensions, ended on 31 March 2021. • All economic sectors were generally allowed to resume operations so long as they follow the specified guidelines and SOP. • Our employees worked on a rotation basis from the office with workforce capacity at 50%.
2021	
MCO 2.0	• Implemented from 16 April 2021 to 31 May 2021. • MCO restrictions were first re-imposed to several states and districts, before extending nationwide effective 12 May 2021. During this period, all economic sectors were allowed to operate.

Events	Description
	• Our employees worked on a rotation basis from the office with workforce capacity at 50%.
MCO 3.0	• Implemented from 12 May 2021 to 7 June 2021 as the nation faced rising COVID-19 infections. • Our employees worked on a rotation basis from the office with workforce capacity at 60%.
National Recovery Plan ("NRP")	• The Government announced the NRP, a four-phase recovery plan for Malaysia to return to normalcy, with each phase being more relaxed, and achieved progressively through reduction of COVID-19 cases.
NRP Phase 1	• Phase 1 of NRP commenced from 1 June 2021. • All sectors were not allowed to operate except for those in the essential economic and service sectors. • Our employees worked on a rotation basis from the office with workforce capacity at 60%.
NRP Phase 2	• Kuala Lumpur, Selangor and Putrajaya transitioned into Phase 2 of NRP on 10 September 2021. • Restrictions for cross district travels were further relaxed for states that had transitioned to Phase 2. • Our employees worked on a rotation basis from the office with workforce capacity at 80%.
NRP Phase 3	• Kuala Lumpur, Selangor, Putrajaya and Melaka transitioned into Phase 3 of NRP on 1 October 2021. • The Government of Malaysia announced further relaxation on interstate and international travel for fully vaccinated individuals which took effect on 11 October 2021 for all states save for Sabah. • Our employees worked on a rotation basis from the office with workforce capacity at 80%.
NRP Phase 4	• Klang Valley and Melaka transitioned into Phase 4 of NRP on 18 October 2021. • Our employees worked on a rotation basis from the office with workforce capacity at 80% and gradually increased to full capacity.
2022	
Transition to endemic phase	• Malaysia entered into endemic phase on 1 April 2022. • The Government of Malaysia announced the lifting of all restrictions on business operating hours, as well as abolishment on limitations on the number of people allowed in the workplace based on vaccination status. • Our office returned to full capacity.

During the periods of movement restrictions as set out above, particularly the MCO 1.0, CMCO, MCO 2.0 and NRP Phase 1, a few of our customers' business operations were affected, resulting in selected on-going projects being rescheduled. In such circumstance, we notified the affected customers about the disruptions and constraints arising from the movement restrictions, and they agreed to defer the onsite installation of hardware and software. As an illustration, the project delivery schedule for one of our projects was extended from July 2021 to December 2021. While our contracts generally include penalty terms relating to the delay in project completion, we were not penalised for the delay in completion of contracts and/or completion of purchase orders due to movement restrictions arising from the pandemic as at LPD as we were granted extension of time by the affected project owners. In circumstances where our project staff were permitted to be stationed in customers' offices, they were required to follow the relevant COVID-19 SOP.

For all periods of movement restrictions, the delivery of our on-going operations, maintenance and support services were not materially affected as these services can be performed remotely.

Our procurement activities were temporarily affected, particularly during MCO 1.0 and CMCO, due to movement restrictions on our technology partners, suppliers and vendors, which affected delivery of hardware that we require for our projects. This delay ranged between two to four weeks on average. While this led to deferment of revenue recognition in relation to a project, our Group's operations and financial performance was not materially affected by this delay.

For the avoidance of doubt, we did not experience any cancellation of contracts or purchase orders throughout all the periods of movement restrictions.

Additionally, the COVID-19 pandemic has not disrupted our regional expansion plans in terms of staffing, as our Group has managed to employ local staff in the intended regions remotely and without physical presence.

The pandemic has, however, disrupted plans for regional marketing efforts as physical meetings are still preferred, as well as regional administrative procedures such as statutory documentation and the opening of bank accounts. Nonetheless, our Group continued to secure contracts in Thailand and Philippines during the pandemic.

7.7.2 Impact on our business operations outside Malaysia

Our offices abroad are virtual offices, and all our contracts with customers abroad are in relation to operations, maintenance and support services. As these services can be performed remotely, our business operations outside Malaysia were not materially affected.

7.7.3 Impact of COVID-19 on our cash flows, liquidity, financial position and performance

Our Group declared a financial assistance of RM3,000 for each staff due to COVID-19 in 2020, which we disbursed in early 2021. The total disbursed financial assistance to our staff was RM321,000. Our Group received RM193,200 from the Government under the Wage Subsidy Programme in FYE 2021.

We experienced disruptions in our business operations as a result of the imposition of the various phases of MCO since March 2020. The delivery of our on-going projects and the provision of our maintenance and support services were not materially affected as these services can be performed remotely. Nonetheless, the project delivery schedule for 1 project was extended from July 2021 to December 2021, as the COVID-19 outbreak had affected our customers' business operations resulting in this on-going project being extended. Specifically, the delay was for a project with a statutory body, where the delivery schedule was extended from July 2021 to December 2021. As a result, the revenue recognition from the affected milestone billing that was correspondingly delayed totalled RM18.6 million, whereby RM5.5 million was recognised in FYE 2021 and RM13.1 million in FYE 2022.

However, we did not experience significant impact on our financial performance arising from the COVID-19 pandemic as demonstrated by an increase in revenue from RM66.0 million in FYE 2019 to RM105.2 million in FYE 2021. Our revenue further increased to RM201.1 million in FYE 2022 as business activities gradually resumed following the lifting of the MCO and reopening of international borders in 2022. Our Group's profitability was not materially impacted by the MCO and variations thereof because the increase in shipping and material costs arising from the pandemic were absorbed by our suppliers.

Further, we do not expect any significant impact to the sustainability of our business operations in the foreseeable future as:

(a) our business operations have resumed to full capacity as at LPD;

(b) we did not experience any cancellation in contracts or purchase orders during the movement control periods as it has since been resolved with the resumption of business activities by our suppliers and subcontractors;

(c) we recorded an increase in revenue from RM66.0 million in FYE 2019 to RM201.1 million in FYE 2022; and

(d) as at LPD, our on-going contracts amount to RM443.6 million, to be delivered up to FYE 2027.

We do not expect any significant impact to our liquidity, financial position and financial performance arising from the impact of COVID-19 and MCO. We also do not anticipate any financial difficulties in meeting our obligations to sustain our business operations.

7.7.4 Disease control measures implemented in our workplace

We had put in place the following disease control measures to curb the spread of COVID-19 in compliance of the SOP issued by the relevant authorities in Malaysia:

(a) compulsory wearing of face masks;

(b) symptoms screening for employees and visitors at our workplace;

(c) physical distancing of at least one metre at workplace; and

(d) avoidance of unnecessary work activities which require travelling and face-to-face meetings.

As at LPD, our Group has incurred approximately RM160,000 for the implementation of COVID-19 disease control measures. The costs incurred were mainly for the procurement of pandemic preparedness and response plan, thermometers, provision of face masks for employees and visitors, COVID-19 testing, purchase of disinfectant liquids, sprays and hand sanitisers. The costs incurred are not material to our Group as it represents only 0.7% of PBT for FYE 2022. Our Group has not breached any laws relating to COVID-19 restrictions or SOP issued by the relevant authorities in Malaysia.

Subsequent to the nation entering into the endemic phase, the Government announced the relaxation of COVID-19 rules and SOP commencing 1 April 2022.

7.7.5 COVID-19 cases in our workplace

As at LPD, we have had employees contracted COVID-19, which have not materially affected our business operations. We will continue to implement stringent SOP to continue business operations as precautionary measures to prevent any occurrence of COVID-19 incident.

7.8 SEASONALITY

Our business is not subject to seasonal fluctuations.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.9 MAJOR CUSTOMERS

Our top 5 major customers for each of FYE 2019 to 2022 are as follows:

FYE 2019

No.	Customers	Country	Business activities	Type of service	Revenue contribution RM'000	Revenue contribution %	Length of relationship[1] Years
1	Customer J[2]	Malaysia	Government ministry	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	46,380	70.3	3
2	Customer H[3]	Malaysia	Provision of IT systems services	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	14,255	21.6	11
3	BSN	Malaysia	Provision of financial services	Technology infrastructure operations, maintenance and support services	2,313	3.5	6
4	Customer M[4]	Malaysia	Provision of financial services	Technology infrastructure operations, maintenance and support services	1,438	2.2	5
5	Customer C[5]	Malaysia	Statutory body	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	922	1.4	6
					65,308	**99.0**	

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2020

No.	Customers	Country	Business activities	Type of service	Revenue contribution RM'000	Revenue contribution %	Length of relationship[1] Years
1	Customer J[2]	Malaysia	Government ministry	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	44,461	54.5	4
2	Customer H[3]	Malaysia	Provision of IT systems services	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	17,806	21.8	12
3	The Siam Commercial Bank Public Company Limited	Thailand	Provision of financial services	Technology infrastructure operations, maintenance and support services	8,839	10.8	1
4	Customer P[6]	The Philippines	Provision of financial services	Technology infrastructure operations, maintenance and support services	2,146	2.6	1
5	Customer C[5]	Malaysia	Statutory body	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	1,313	1.6	7
					74,565	**91.4**	

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2021

No.	Customers	Country	Business activities	Type of service	Revenue contribution RM'000	Revenue contribution %	Length of relationship [(1)] Years
1	The Siam Commercial Bank Public Company Limited	Thailand	Provision of financial services	Technology infrastructure operations, maintenance and support services	21,124	20.1	2
2	Customer J[(2)]	Malaysia	Government ministry	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	19,995	19.0	5
3	Customer P[(6)]	The Philippines	Provision of financial services	Technology infrastructure operations, maintenance and support services	16,106	15.3	2
4	Customer H[(3)]	Malaysia	Provision of IT systems services	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	11,655	11.1	13
5	Bangkok Bank Public Company Limited	Thailand	Provision of financial services	Technology infrastructure operations, maintenance and support services	7,697	7.3	2
					76,576	**72.8**	

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2022

No.	Customers	Country	Business activities	Type of service	Revenue contribution RM'000	Revenue contribution %	Length of relationship [(1)] Years
1	Customer K[(7)]	Malaysia	Government agency	Technology infrastructure operations, maintenance and support services	49,237	24.5	3
2	Customer J[(2)]	Malaysia	Government ministry	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	46,758	23.3	6
3	The Siam Commercial Bank Public Company Limited	Thailand	Provision of financial services	Technology infrastructure operations, maintenance and support services	20,006	10.0	3
4	Customer P[(6)]	The Philippines	Provision of financial services	Technology infrastructure operations, maintenance and support services	19,520	9.7	3
5	Customer H[(3)]	Malaysia	Provision of IT systems services	Design and implementation of technology application and infrastructure solutions; technology infrastructure operations, maintenance and support services	15,117	7.5	14
					150,638	**75.0**	

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) Length of relationship as at the respective FYE.

(2) Customer J is a ministry of the Government which is responsible for safety and public order, immigration, border control and population registry. Contracts with Customer J are for the benefit of a national registry body under the purview of the Ministry of Home Affairs Malaysia. It provides registration service to the public (i.e. birth, death, adoption, marriage and divorce), determining citizenship status and the issuance of identity card to eligible individuals. It has service branches that are located in 13 states and 2 federal territories in Malaysia. In FYE 2022, contracts with Customer J are also for the benefit of the immigration department.

(3) Customer H is a company based in Malaysia and listed on the Main Market of Bursa Securities. The group is principally involved in the provision of systems integration, network related services, data centre management, disaster recovery services and other IT related services. The group serves customers in Malaysia primarily from the insurance industry, IT industry, defence industry as well as health industry. Customer H purchases system integration services together with Broadcom Technologies from providers such as our Group as a supplier, and extends the same system integration services to its customers.

(4) Customer M is a company based in Malaysia held under a financial and banking services provider that is listed on the Main Market of Bursa Securities. The group provides an array of financial products and services through three key business pillars: retail banking services; wholesale banking services and conventional and Islamic insurance solutions. The group operates and is supported by shared corporate functions across a global network of 18 countries.

(5) Customer C is a statutory body in Malaysia which regulates several strategic ICT industries such as telecommunications, broadcasting, postal and courier, digital signatures and online activities. It has state offices that are located in 13 states and 1 federal territory in Malaysia.

(6) Customer P is a company based in the Philippines and listed on the Philippine Stock Exchange. The group is principally a provider of a range of banking and collateral services, including but not limited to, consumer banking, corporate banking, investment banking, treasury, branch banking and others. It has a domestic presence of more than 950 branches and it owns more than 30 foreign maintained branches / offices.

(7) Customer K is a government agency responsible for administrating Malaysia's indirect tax policy in relation to import and export duty, excise duty, sales tax and service tax and prevention of smuggling activities.

We have not obtained consent from the major customers under notes (2) to (7) above to disclose their identify and their respective business dealings with our Group as at LPD. Save for BSN, The Siam Commercial Bank Public Company Limited and Bangkok Bank Public Company Limited for which consent is not required, we are unable to disclose the identity of the major customers.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Group had a total of 14, 28, 35 and 43 customers that contributed to our total revenue in the FYE 2019, 2020, 2021 and 2022 respectively. Of these customers, our Group secured 7 new customers in FYE 2019 which contributed to RM0.5 million (0.8% of total revenue in FYE 2019), 14 new customers in FYE 2020 which contributed to RM18.9 million (23.2% of total revenue in FYE 2020), 13 new customers in FYE 2021 which contributed to RM9.3 million (8.8% of total revenue in FYE 2021) and 14 new customers in FYE 2022 which contributed to RM18.5 million (9.2% of total revenue in FYE 2022). In this respect, new customers are customers that we secured in the FYE 2019, 2020, 2021 and 2022 that have not made purchases from our Group in prior financial years as well.

Revenue from our major customers collectively comprised between 72.8% and 99.0% of our revenue over FYE 2019 to 2022. In particular, Customer J has been contributing substantially to our Group's revenue, accounting for 70.3%, 54.5%, 19.0% and 23.3% over FYE 2019 to 2022. The significant contributions arose from projects with Customer J which have commenced since 2017. During this time, our Group has also been securing contracts from different customers and industry segments who have also increasingly contributed to our Group's revenue. We expect to continue diversifying our customer base in future to replenish our order book. As such, contribution from Customer J has been on a declining trend. However, this does not preclude our Group to tender for new contracts from Customer J should the opportunity arise. As at LPD, the contracts with Customer J will last up to FYE 2026. Premised on the foregoing, our Group is not particularly dependent on Customer J despite its significant contribution to our Group's revenue over FYE 2019 to 2022.

Revenue contribution from our major customers vary from year to year given the nature of our business being conducted on a contract basis. The contracts that we enter into with our customers typically range between 1 year and 6 years, depending on the scope of services in which we have been engaged to perform. We may not secure similar contracts in terms of size and scope with the same customers every year. As such, we are not dependent on any single major customer for our business continuity as our contracts with them are secured on a contract by contract basis. However, their significant contribution to our revenue from FYE 2019 to 2022 may be considered as a risk factor to our Group as we will continue to tender for new contracts from these customers when the opportunity arises. Due to their significant revenue contributions, terminations and loss of future opportunities with these major customers without timely replacement may adversely impact our Group. Please refer to Section 9.1.3 for further details.

There are termination clauses in our Group's contracts which are beneficial to our Group, where some contracts provide for any remaining contract value to be paid in full if the contract is prematurely terminated at convenience or without cause. Where the contracts do not have such terms, such termination may not have any material impact on our Group because the remaining contract sum is either not material, and partially completed contracts can be reimbursed, and/or the right to terminate is typically at the option of our Group. Additionally, the termination of any project can be subject to negotiation as well. Generally, customers and our Group would be averse to termination, and will always endeavour to negotiate or resolve any circumstances that may potentially result in termination of a contract. This is because contracts, once secured and implemented halfway, are usually more costly to replace or terminate, than to continue. For FYE 2019 to 2022 and up to LPD, we did not experience any material termination except with regards to a project with Customer H where Infomina provided support services. In November 2021, after delivering works for the month, Customer H did not issue any further work orders to us for this particular project. There is no termination clause for the aforementioned project with Customer H. There is also no specified amount for the remainder of the project. Since then, we did not have any new projects with Customer H up to LPD. Subsequent to LPD, in March 2022, Customer H renewed their subscription of Broadcom Enterprise Software for their customer through Infomina, for the period up to FYE 2023, under the technology infrastructure operations, maintenance and support services segment amounting to RM11.4 million.

7. BUSINESS OVERVIEW *(Cont'd)*

7.10 TYPES, SOURCES AND AVAILABILITY OF INPUTS

The main inputs for our business are:

(a) Software and corresponding licences;
(b) Hardware; and
(c) Technical support and maintenance services.

The breakdown of the inputs purchased by our Group for FYE 2019 to 2022 is as follows:

		FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Inputs	**Countries sourced**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
In RM:									
Licences and software	Malaysia	21,326	47.5	16,616	27.0	652	0.9	14,456	9.4
Technical support and maintenance		21,804	48.6	25,731	41.8	13,181	17.5	13,778	9.0
Hardware		1,086	2.4	1,143	1.9	4,015	5.3	53,226	34.6
Training-related costs		159	0.4	1,650	2.7	104	0.1	185	0.1
Total purchases in RM		**44,375**	**98.9**	**45,140**	**73.4**	**14,506**	**23.8**	**81,645**	**53.1**
In foreign currency:									
Licences and software									
- In USD	Singapore, UK, Canada, Australia and the Philippines	510	1.1	16,300	26.5	54,380	72.3	72,142	46.9
- In PHP	The Philippines	-	-	-	-	2,817	3.8	-	-
		510	**1.1**	**16,300**	**26.5**	**57,197**	**76.1**	**72,142**	**46.9**
Technical support and maintenance	Australia								
- In USD		-	-	-	-	34	<0.1	-	-

7. BUSINESS OVERVIEW *(Cont'd)*

		FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Inputs	**Countries sourced**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Training-related costs	Australia								
- In USD		-	-	50	0.1	-	-	-	-
Total purchases in foreign currency		**510**	**1.1**	**16,350**	**26.6**	**60,677**	**76.2**	**72,142**	**46.9**
Total purchases		**44,885**	**100.0**	**61,490**	**100.0**	**75,183**	**100.0**	**153,787**	**100.0**

We primarily undertake development and deployment works internally. Nonetheless, we receive technical support and maintenance from our product principals / suppliers for hardware and/or software purchases, where such support and maintenance works are undertaken at no additional cost by the product principals / suppliers as part of their delivery services for a particular contract or project as these are proprietary services to maintain product warranty. No additional costs are charged by our product principals / suppliers for such maintenance services. Major maintenance services are generally required to be obtained from the supplier that provided the hardware or software. However, we sometimes perform minor maintenance services, for which we may, from time to time, engage external parties to perform where we do not have the workforce and capacity do so, as explained below.

We may also engage external parties to undertake specialised tasks, such as building construction, mechanical and electrical works as well as structured cabling works, which do not fall under the ambit of ICT. These specialised tasks are typically recorded under technical support and maintenance as well.

We have encountered situations in the past where we needed to allocate additional project manpower resources to accelerate the progress of our projects. In such instances, we engage external manpower to supplement our own internal project manpower. From time to time, we may also engage external parties to undertake ICT related works such as security tests, offsite data storage and recovery, and minor maintenance services, to increase our workforce capacity as and when required for services that are proprietary and/or non-recurrent in nature, especially during peak periods. We engage external parties to carry out such work because:

(a) this allows us to focus on core areas we are experienced in and leave the specialised part to special skilled labour;

(b) it reduces the labour cost as we do not have to employ a large permanent workforce to manage the occasional peak periods of work; and

(c) increases our flexibility and capacity in carrying out the projects thereby enabling us to operate more efficiently and cost-effectively.

Our Group does not segmentise the costs of our externally engaged parties.

7. BUSINESS OVERVIEW *(Cont'd)*

In relation to foreign customers, our Group typically quote contracts in USD and impose a premium on fees quoted in local currencies. This is to encourage our customers to accept the contracts that we quote in USD. As such, foreign contracts are generally accepted and transacted in USD, which act as a natural hedge for our purchases that are generally paid for in USD. However, where contracts are accepted in local currencies, the premium on fees may not be sufficient to offset any foreign exchange losses. Such shortfall occurred in FYE 2020, resulting in a RM1.1 million loss on foreign exchange. Save for the premium on fees imposed, there are no other measures in place to minimise our exposure to foreign exchange fluctuations.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.11 MAJOR SUPPLIERS

Our top 5 major suppliers for each of FYE 2019 to 2022 are as follows:

FYE 2019

No.	Suppliers	Country	Inputs procured	Purchase contribution RM'000	Purchase contribution %	Length of relationship [1] Years
1	Supplier H [2]	Malaysia	Hosting services [3]	10,925	21.8	5
2	CA Group [4]	Malaysia	Software	7,327	14.6	5
3	Supplier I [5]	Malaysia	Hardware, software and services	4,398	8.8	5
4	Tech Data Advanced Solutions (M) Sdn Bhd	Malaysia	Hardware and software	2,657	5.3	5
5	Supplier E [6]	Malaysia	Hardware and software	2,648	5.3	4
				27,953	**55.8**	

FYE 2020

No.	Suppliers	Country	Inputs procured	Purchase contribution RM'000	Purchase contribution %	Length of relationship [1] Years
1	CA Group [7]	Singapore and Malaysia	Software	18,607	27.3	6
2	DMX Packet (Malaysia) Sdn Bhd	Malaysia	Hardware	5,797	8.5	3
3	Supplier H [2]	Malaysia	Hosting services [3]	4,831	7.1	6
4	Wesure Sdn Bhd	Malaysia	Manpower for technical support and maintenance services	4,457	6.5	2
5	Supplier I [5]	Malaysia	Software	4,234	6.2	6
				37,926	**55.6**	

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2021

No.	Suppliers	Country	Inputs procured	Purchase contribution RM'000	Purchase contribution %	Length of relationship [1] Years
1	CA Group [8]	Singapore	Software	53,963	66.4	7
2	Supplier N [9]	China	Hardware, software and services	3,446	4.2	2
3	Supplier Z [10]	Malaysia	Manpower for technical support and maintenance services	3,445	4.2	2
4	Supplier C [11]	Malaysia	Manpower for technical support and maintenance services	2,800	3.4	2
5	Rightsledger Philippines, Inc.	The Philippines	Manpower for technical support and maintenance services	2,604	3.2	2
				66,258	**81.5**	

FYE 2022

No.	Suppliers	Country	Inputs procured	Purchase contribution RM'000	Purchase contribution %	Length of relationship [1] Years
1	CA Group [8]	Singapore	Software	71,657	45.0	8
2	Supplier N [9]	China	Hardware, software and services	33,545	21.1	3
3	VSTECS Pericomp Sdn Bhd	Malaysia	Enterprise servers, storage, network products and software	12,088	7.6	8
4	Ingram Micro Malaysia Sdn Bhd	Malaysia	Enterprise servers, storage, network products and software	5,807	3.6	6

7. BUSINESS OVERVIEW *(Cont'd)*

				Purchase contribution		Length of relationship [1]
No.	**Suppliers**	**Country**	**Inputs procured**	**RM'000**	**%**	**Years**
5	Wesure Sdn Bhd	Malaysia	Manpower for technical support and maintenance services	5,495	3.5	2
				128,592	**80.8**	

Notes:

(1) Length of relationship as at the respective FYE.

(2) Supplier H is a company based in Malaysia and listed on the Main Market of Bursa Securities. The group is principally involved in the provision of systems integration, network related services, data centre management, disaster recovery services and other IT related services. The group serves customers in Malaysia primarily from the insurance industry, IT industry, defence industry as well as health industry.

(3) For the hosting of database, applications and related critical systems in relation to our technology application and infrastructure solutions, for our customers' access externally via internet connection. While we continued to procure hosting services from Supplier H amounting to RM2.28 million in FYE 2021, Supplier H is not ranked among our major suppliers. Our Group is not dependent on these services or on Supplier H as hosting services are readily and widely available from other suppliers. Our Group intends to gradually cease engaging Supplier H for hosting services. This has led to the reduction of transactions with them over FYE 2019 to FYE 2022.

(4) Being purchases from CA (Malaysia) Sdn Bhd only for FYE 2019.

(5) Supplier I is a company based in Malaysia held under a USA-based IT MNC listed on the New York Stock Exchange. The group is principally involved in the delivery of integrated and secure cloud, data and artificial intelligence solutions to its clients; consulting, business process and application management services; remanufacturing and remarketing; provision of infrastructure platforms as well as telecommunications consulting services and solutions. The group has operations in more than 175 countries.

(6) Supplier E is a company based in Malaysia that is principally involved in research, development and implementation of IT, trading in computers software and hardware and other products.

(7) Being CA Malaysia and CA Singapore.

7. BUSINESS OVERVIEW *(Cont'd)*

(8) Being purchases from CA Singapore only for FYE 2021 and FYE 2022.

(9) Supplier N is a security inspection products company which held under a China-based corporation listed on the Shanghai Stock Exchange. The group is principally involved in the manufacturing of security inspection products, which include scanners for baggage and parcel inspection, cargo and vehicle inspection, personnel inspection, and fever screening technology. The group operates in more than 170 countries and regions.

(10) Supplier Z is a company based in Malaysia that principally provides outsourced, remote IT services, namely data backup and recovery services, managed IT support, and IT strategy consulting.

(11) Supplier C is a company based in Malaysia that is principally involved in the business of web design, advertising and IT.

In the event we require additional capacity to accelerate the progress of our projects, we may engage certain major suppliers to provide additional manpower resources to supplement our own internal project manpower resources. We may also engage external parties to undertake ICT related works such as security tests, offsite data storage and recovery, and minor maintenance services, to increase our workforce capacity as and when required for services that are proprietary and/or non-recurrent in nature, especially during peak periods.

The technical support and maintenance services provided by the suppliers are mainly in the form of technical staff and services.

The number of suppliers engaged by our Group during FYE 2019, 2020, 2021 and 2022 were at 71, 63, 43 and 67 respectively.

Our major suppliers comprise distributors and resellers of technology hardware and third-party software, data centre services, as well as external IT consultants that provide outsourced IT services to supplement our internal resources, as and when required, especially during peak periods. On the contrary, technical support and maintenance received for hardware and/or software purchases are provided by suppliers as part of their deliverables for a particular contract or project.

Broadcom Inc., the holding company of CA Singapore, is a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. In 2019, we entered into a partnership with Broadcom Inc.'s subsidiary, CA Singapore, pursuant to the Regional Partner Agreement, whereby Infomina was appointed to resell and distribute Broadcom software technologies (comprising Broadcom Enterprise Software and Broadcom Mainframe Software). Infomina was also recognised as a Premier Tier 1 VAD for purposes of marketing Broadcom software technologies in Malaysia, Singapore, Thailand, Indonesia, the Philippines, Hong Kong and Taiwan. Subsequently, this appointment to resell and distribute Broadcom Enterprise Software was extended to China in 2021 and the right to resell and distribute the Broadcom Mainframe Software was extended to China in 2022.

7. BUSINESS OVERVIEW *(Cont'd)*

Pursuant to the Regional Partner Agreement, we are able to engage and procure Broadcom software technologies directly from CA Singapore and to resell and distribute the Broadcom software technologies to distributors and resellers in the CA Partner Regions. Additionally, being a Premier Tier 1 VAD serves as an upfront status recognition for marketing purposes and the Regional Partner Agreement sets out the overall manner of conducting business in relation to CA Singapore such as ordering and records, marketing, confidentiality and compliance with laws, whilst fees and pricing are quoted separately by CA Singapore which may change from time to time. This helps to facilitate negotiations with potential customers.

Based on Broadcom's website as at LPD, Infomina is the sole appointed distributor and Premier Tier 1 VAD of Broadcom Mainframe Software (but not for Broadcom Enterprise Software) in the CA Partner Regions and our Group is not aware of any other appointed Premier Tier 1 VAD by CA Singapore. For the avoidance of doubt, CA Singapore is not precluded from appointing other Premier Tier 1 VAD in the CA Partner Regions. The Regional Partner Agreement also provides the right for Infomina to market Broadcom software technologies in the CA Partner Regions to other IT distributors, if and when such opportunities arise.

As at LPD, although Infomina is the sole distributor listed on Broadcom's website for Broadcom Mainframe Software in the CA Partner Regions, our Group notes that there are other market players in these countries that also offer mainframe solutions, including those from IT providers other than Broadcom. In competing with other providers in these foreign countries, we attribute our success in securing projects and customers in foreign markets to our ability to understand the business process and technology requirements of these customers, our knowledge of latest industry trends, track record with existing customers, comprehension of Broadcom's software technologies as well as competitiveness against other solution providers.

The overseas customers secured in the CA Partner Regions comprise existing users of Broadcom Mainframe Software as well as other mainframe technology users. Although our Group has overseas customers who are not existing users of Broadcom Mainframe Software, some of our overseas customers which we have secured in 2019 and 2020 respectively such as Amidas Hong Kong, Limited, The Siam Commercial Bank Public Company Limited, and Customer P are existing users of Broadcom Mainframe Software.

All existing users of Broadcom Mainframe Software engaged by Infomina, including those named above, have low usage and limited support from Broadcom in relation to their Broadcom Mainframe Software. Leveraging on our existing market contacts, we approached these existing users to offer them value added operations, maintenance and support services in addition to subscription of updated Broadcom Mainframe Software. We also provided additional support to these customers which allowed them to broaden and optimise their usage of the Broadcom Mainframe Software range.

For clarity, instead of engaging us, the aforementioned customers (including the limited support Broadcom Mainframe Software users) have the option of retaining the use of their existing mainframe technology without engaging us; or selecting another mainframe technology of their preference.

Premised on the above, M & A Securities being our Sponsor confirms that the foreign projects secured since 2019 (after FYE 2019 i.e. after 31 May 2019) as highlighted in the key milestones in Section 7.2 were not secured by virtue of our Company's Regional Partner Agreement with CA Singapore.

7. BUSINESS OVERVIEW *(Cont'd)*

CA Group contributed to 14.6%, 27.3%, 66.4% and 45.0% of our purchases in FYE 2019, 2020, 2021 and 2022 respectively. For the time being, we are unable to isolate the revenue derived from the sale of products pursuant to the Regional Partner Agreement, as each project has several components which are priced as a package, and are not accounted for separately. Our Group, being specialised in mainframe technology, expects to continue growing its relationship with CA Singapore. As such, moving forward, we anticipate that CA Singapore will continue to be a major supplier to our Group and we will continue to depend on CA Singapore for the distribution of its technologies. However, we are not materially dependent on the Regional Partner Agreement.

In the event the Regional Partner Agreement is terminated, we may still continue engaging CA Singapore directly as a supplier, albeit without an upfront status recognition as a Premier Tier 1 VAD. For avoidance of doubt, we have been in business directly with CA (Malaysia) Sdn Bhd since 2015 prior to entering into the Regional Partner Agreement in 2019. Over the years, we have gradually proven our abilities as a distributor, thus leading to CA Singapore appointing Infomina for the regional distribution of Broadcom software technologies as well as a Premier Tier 1 VAD for the CA Partner Regions. The appointment of Infomina as a Premier Tier 1 VAD is the formalisation of the acknowledgment and recognition by CA Singapore of Infomina's capabilities as a distributor. This status serves as an additional marketing channel for Infomina, especially in countries where we do not have physical presence, as potential customers are able to obtain Infomina's contact details directly from Broadcom's website. This contributes to further enhancing our visibility and credibility with potential customers.

We believe that our partnership with CA Singapore is sustainable and mutually dependent, as it is part of CA Singapore's business model to rely on a network of specialised solutions partners like our Group to market its solutions. Notwithstanding the current mainframe infrastructure in our regional Centre of Excellence, over the long term, we intend to diversify our range of mainframe technology solutions beyond CA Singapore by exploring partnerships with other mainframe technology partners. In this respect, we may acquire mainframes from other mainframe technology partners such as Supplier I and Software AG to be placed in our regional Centre of Excellence based on business growth and customer requirements, as this will allow us to serve customers that use these mainframe technologies, and position our regional Centre of Excellence as a centralised resource hub for mainframe infrastructure.

We generally do not enter into long term agreements or arrangements with our major suppliers, as this allows us to have the flexibility to source for quality products and services at competitive prices. Over the years we have built good relationships with our suppliers. The tenures of our agreements with our major suppliers are as follows:

(a) Our appointment by CA Singapore as a Premier Tier 1 VAD commenced on 24 June 2019, and it is automatically renewed annually unless CA Singapore decides not to renew the Regional Partner Agreement or the Regional Partner Agreement is terminated;

(b) Our appointment as Supplier I's Business Partner in 2020 was pursuant to an agreement entered into between Infomina and Supplier I effective 28 February 2020. The agreement is for a duration of 2 years and unless Supplier I specifies otherwise in writing, the agreement will be renewed automatically for subsequent 2 year periods;

(c) Our agreement with Supplier N and its group company on 3 March 2020 was specifically for a government agency project, and the contract is valid until all the contractual obligations of each party have been fulfilled. The project is scheduled to be completed by FYE 2026; and

7. BUSINESS OVERVIEW *(Cont'd)*

(d) Our hardware maintenance agreement with DMX Packet (Malaysia) Sdn Bhd is dated 11 December 2019 and is for the period of 1 December 2019 until 30 November 2021. The agreement has expired. The agreement was entered into by our Group with DMX Packet (M) Sdn Bhd in relation to the delivery of a project with Customer H, which has been completed.

Save for the above, there are no agreements entered into with our other major suppliers.

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7.12 QUALITY CONTROL PROCESS

The provision of consistent and satisfactory quality of our services is one of the key factors attributable to our success. This is to ensure that the quality of our procedures and management comply with relevant regulations and to provide our customers with assurance of the quality of our services.

As a testament to our quality commitment, Infomina has been certified compliant to MS ISO 9001:2015 Quality Management System, details of which are as follows:

Year first achieved	Current validity period	Certification	Scope	Awarding body
2021	21 July 2021 to 20 July 2024	MS ISO 9001:2015 Quality Management System	Construction, buildings and maintenance including mechanical, electrical and civil works activities and providing maintenance and support services for information technologies	Platinum Shauffmantz Veritas Sdn Bhd

The system analysts in our project team will be responsible for the quality control of the technology application and infrastructure solution projects and conducting independent testing for our customers. Apart from the system analysts, our project manager will also ensure the quality of our technology application and infrastructure solutions. We also have a technical staff who is qualified as a Certified Tester (foundation level) by the International Software Testing Qualifications Board. He holds the position of Business Analyst of our Group and he is responsible for designing the testing process for our customers. He is supported by a team of 4 technical staff to perform testing for our customers. There is no risk of the said qualified technical staff's resignation as other staff are able to obtain a similar certification and qualification. We do not need more than 1 qualified staff at a time.

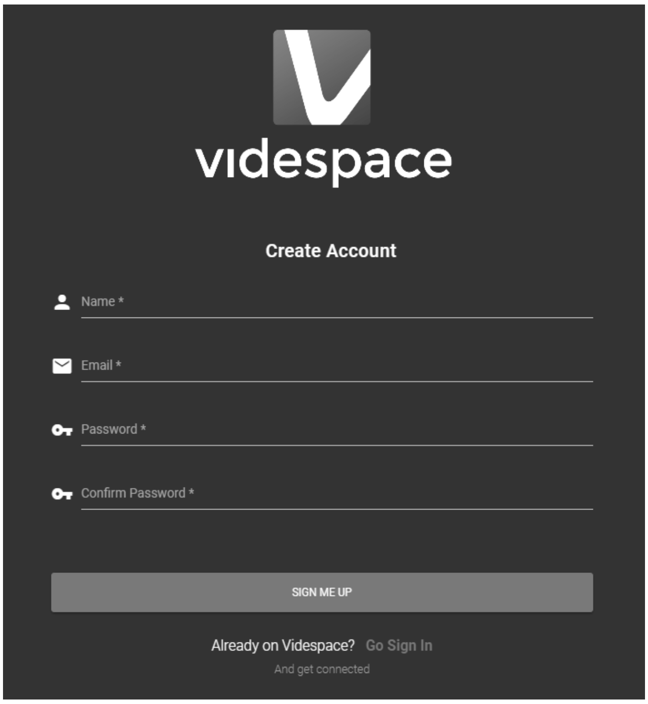
Our technology partners and suppliers typically require both our technical staff and sale and marketing staff (especially pre-sale consultants), to attend product training in respect of their respective hardware and software. Training for our technical staff will enable them to perform implementation as well as minor maintenance and troubleshooting whilst training for our sale and marketing staff are mainly for product knowledge purposes. Certifications will be issued by our technology partners and suppliers to our staff for the attendance of these training sessions.

For avoidance of doubt, our technical staffs and sales and marketing staff generally attend these training sessions when needed. However, not all of our staff require such training, as they may already be familiar with the solutions and/or products and able perform their work.

In relation to our technology application and infrastructure solution projects, once a project has commenced, our project managers will monitor the progress of the project in all respects to ensure that it satisfies our customers' requirements and can be delivered to our customers within the agreed timeframe. Our technical staff will have regular meetings with our project managers to monitor the project progress and whenever issues or problems arise, the technical team will report such issues or problems immediately to the project managers.

7. BUSINESS OVERVIEW *(Cont'd)*

7.13 R&D ACTIVITIES



We do not have a specific department or employees that focus solely on R&D. We assign our technical staff to carry out ad hoc R&D projects as we may from time to time identify. Yee Chee Meng, our Managing Director with the assistance of 13 IT personnel offer R&D efforts for the enhancement of VIDESPACE whilst Tan Siang Pin, our Regional Sales Director together with 6 IT staff are responsible primarily for the upkeep and maintenance of our regional Centre of Excellence.

In 2020, we undertook R&D for Project Wspace. The beta version of Project Wspace was launched internally in November 2020 and was subsequently also made available for public download on Google Play Store and Apple App Store respectively on 21 November 2020 and 21 May 2021, for the purposes of gathering user feedback which will allow us to further enhance the features and functionalities of this application. Subsequently in 2022, Project Wspace was relaunched as VIDESPACE upon successful registration of the VIDESPACE trademark. As at LPD, we have not generated revenue from VIDESPACE.

Unlike other applications and platforms in the market, VIDESPACE was launched with the intention of meeting the business and operational needs of corporate users. VIDESPACE is built with the objective to promote better collaboration and communication on a virtual platform among users regardless of geographical location. It is designed with a "social-networking" user experience that allows users to initiate, manage and monitor daily tasks and activities. Specifically, the features under VIDESPACE are as follows:

- Chat communication: group communication and direct communication among tagged users;
- Collaborative tag: allows a user / project owner to schedule meetings, tasks and poll voting, and tagged users will receive such notifications immediately;

- Activity tracking: allows project owner to monitor progress of tasks assigned to users and the necessary approvals to be provided at specific milestones;

- Digital file sharing: secure channel for sharing and managing files among identified users;

- Instant notifications: tagged users will receive alerts via the VIDESPACE application; and

- Application marketplace: programmers, brand owners and marketers will be able to feature their mobile applications on VIDESPACE marketplace, thus marketing their products and services to a wider market.

The features above have been specifically designed to cater to business users, whereby VIDESPACE allows for instant and secure communication, activity management as well as file sharing protocols among employees in an organisation.

We have further plan to enhance and continuously improve on the features of this application based on user feedback and usability of its functions. Particularly, we aim to further expand the functionalities and modules under VIDESPACE to include the application economy via the launching of an application marketplace. Under the VIDESPACE application marketplace, programmers, brand owners and marketers will be able to feature their mobile applications on VIDESPACE marketplace, for download and usage by users that are subscribed to VIDESPACE. The application marketplace will provide a publicly accessible API. This API will provide any external developer with programmatic access to a proprietary software application or web service. We have relaunched VIDESPACE to the public with the enhanced features in 2022, after which we expect to continuously enhance its functionalities and modules over 24 months from the receipt of proceeds from the Public Issue.

VIDESPACE is targeted at businesses of all sizes, non-profit organisations and for personal use.

We did not incur significant R&D costs during FYE 2019 to 2022.

7.14 COMPETITIVE STRENGTHS

7.14.1 We are well positioned to leverage on technological changes affecting businesses premised on our experience in delivering solutions premised on mainframe technologies

In the last decade, technology has been reshaping banking and financial services, health and life sciences, material sciences, energy, transportation, public services and a wide range of other industries and domains. During the pandemic, technology further lowered barriers to digital disruption, paving the way for more rapid, technology-driven changes. Collectively, this has become the catalyst for computing power infrastructure.

This wave of technology is driven by the combination of AI, 5G, quantum computing, big data, IoT and blockchain. Organisations are beginning to realise that in the age of the digital economy, mainframe computing power is an important and innovative form of productivity. Computing power is not just technical but also economic innovation. It is a small breakthrough at the fundamental level with impact that will be immeasurable over a long term.

Our Group has developed competency in designing and building customised technology application and infrastructure solutions with different platforms, storage systems, security systems, hardware, software and network equipment to support the fundamental business activities of our customers. This includes business activities such as bulk data processing for tasks such as large-scale data entry, high-volume transaction processing, multi-platform integration, block-chain adoption, AI operations, scaling API, intuitive end point user interface and user experience with the new computing era of mobile apps and IoT.

We have a suite of customers to whom we provide mainframe technology solutions to support their fundamental business operations. In delivering mainframe technology solutions to these customers, we acquire domain knowledge of the business of our customers, their business process requirements as well as industry trends, both from a technical perspective and impact to the organisation. Thus, this positions us favourably as a technology partner to support these customers in meeting their current and future organisations' technology needs. Our staff have acquired up to 15 years of domain knowledge in selected business processes and industries, which serve as a key platform to deliver practical and workable solutions for our customers. We are further establishing our regional Centre of Excellence which organisations can leverage on for their digital transformation needs and internal learning and development needs.

In addition to the above, we are constantly monitoring technology developments and industry trends as this will allow us to propose and incorporate such technologies in our solutions to support the automation and modernisation of business processes of our customers, and help them meet and improve their service level performance.

7.14.2 We are able to offer tailor-made technology application and infrastructure solutions premised on the domain knowledge that we have acquired and technical expertise of our employees

We have been in the IT business since 2007. We offer a wide range of technology application and infrastructure services ranging from providing software licences to comprehensive, tailor-made technology solutions which may encompass consultation and assessment; procurement of hardware and/or software; design and implementation; and on-going support and maintenance. Leveraging on our good business relationships with various technology product vendors, we are able to offer technology related project management as well as a wide range of solution offerings to help our customers minimise the chance of encountering technology crisis or solution problems.

As technology advances rapidly, when our customers subscribe for a new system, they need a bridging between existing systems and the new system which will allow them to retain intellectual properties acquired over the years. In this connection, we have technical expertise in providing tailor-made solutions which involve the transformation and integration of different technology systems. We also offer nursing period (as part of our technology application and infrastructure or development solutions) and/or secondment services to our customers where our staff will be stationed at our customer's office to serve them exclusively, for seamless integration of existing and new systems.

We are able to develop customised solutions for our customers premised on the domain knowledge that our employees have acquired over the years relating to the business of our customers, their business process requirements as well as industry trends, both from a technical perspective and impact to the organisation.

We believe that our ability to provide our customers with convenience, flexibility and efficiency allows us to build long term business relationships with our customers.

7.14.3 We have a reputable customer base

We have a reputable customer base regionally consisting of government and non-government public bodies, local and MNCs who are major players in various industries ranging from public sector, financial services institutions, automotive and telecommunications. Please refer to Section 7.9 for our top 5 customers in FYE 2019 to 2022. With a diversified customer base, we do not rely on any single customer and in case of a downturn in any particular industry, the impact on the business and financial position of our Group could be reduced. We had a total of 14, 28, 35 and 43 customers in the FYE 2019, 2020, 2021 and 2022 respectively.

Our commitment to service quality has allowed us to secure customers that are well-known MNCs and government statutory bodies over the years. Our portfolio of reputable customers lends credence to our abilities and market reputation, and allows us to market our technology application and infrastructure solutions to other customers.

Further, our technical skills, domain knowledge and ability to deliver comprehensive and tailor-made technology solutions will allow us to forge stable business relationships with new customers, and will be the foundation for continued business growth.

7.14.4 We have established relationships with major international technology partners

Due to our technical skills and project management experience, our Group has established long term relationships with major international technology partners, including hardware and software vendors that are well known, have market presence and whose products are widely accepted in the market. We leverage on the products of our technology partners to bid for and deliver technology solutions to our customers, thereby lending credibility to our solutions. As at LPD, we have engaged a total of 7 technology partners.

We have been able to achieve such rankings mainly due to our ability to meet certain benchmarks set by the product vendors such as our actual sales volume each year; our technical capabilities and domain knowledge demonstrated by passing competency assessments of such vendors; and our relationship with customers.

Pursuant to the Regional Partner Agreement, we are able to engage and procure Broadcom software technologies directly from CA Singapore, and to resell and distribute the Broadcom software technologies to distributors and resellers in CA Partner Regions. Based on Broadcom's website as at LPD, Infomina is the sole appointed distributor and Premier Tier 1 VAD of Broadcom Mainframe Software (but not for Broadcom Enterprise Software) in the CA Partner Regions and our Group is not aware of any other appointed Premier Tier 1 VAD by CA Singapore. As a Premier Tier 1 VAD, we are able to maintain our competitiveness in the market since we are able to obtain more resources and technical support. We are able to receive technical support from the products vendors for marketing activities as well as R&D activities. We may also participate in trainings, workshops and forums given by them to equip our employees with the latest technical knowledge of the hardware, software and/or technology infrastructure solutions.

Our business partner status also enables us to participate in certain incentive programmes offered by the product vendors. Under such incentive programmes, upon fulfilling certain performance achievements, discounts may be directly granted to us, or our cost of procuring hardware and software from the product vendors may be reduced by cash incentive depending on the programme.

Our established relationships with these partners give us credibility when bidding for contracts with its customers. This has facilitated our capability to deliver technology solutions to meet the ever-changing business requirements of our customers in a timely and cost-efficient manner and assisted our Group in attracting and retaining customers.

7.14.5 We have an experienced and dedicated management team and technical team

The vision and experience of our management team is fundamental to our success. Our management team is led by our Managing Director, Yee Chee Meng who has 25 years of experience in the IT and technologies business and business management. He is supported by a qualified key senior management team comprising:

Name	Designation	Years of relevant working experience
Lim Leong Ping @ Raymond Lim	Executive Director	39
Mohd Hoshairy Bin Alias	Executive Director	15
Nasimah Binti Mohd Zain	Executive Director	10
Tan Siang Pin	Regional Sales Director	26
Mok Pek Yoke	Operations Director	28
Wee Chiow Man	Finance Director	25
Azham Bin Mat Yasir	Head of Human Resources	11

The experience and knowledge of our key senior management team in their relevant field of expertise industry have been instrumental in formulating our business strategies as well as implementing risk management strategies to ensure the continued growth of our Group.

By attending regular trainings offered by our product vendors and external parties, our technical team possesses in-depth domain knowledge as well as a thorough understanding of the trends in the industry.

We believe that the strength and experience of our key senior management team and technical team will enable us to further grow our business and expand our market presence.

7.15 BUSINESS STRATEGIES AND PROSPECTS

7.15.1 We intend to strengthen our R&D and expand our technology application and infrastructure solutions in line with technological developments

Technology hardware and software have evolved over the years in line with technological innovations, and this has corresponding impact on how businesses rely on and their technology infrastructure for operations. With the rise of 5G, blockchain, Industry 4.0, IoT and AI, the possibilities of technology solutions are ever expanding.

In light of the increasing demand for technology application and infrastructure solutions in all industries, we will continue to strengthen our R&D and technology capabilities in order to maintain our competitiveness and increase our market presence. In particular, we intend to further enhance and replicate our existing technology application and infrastructure solutions across other industry verticals, as well as expand and develop new technology applications for enterprises. Presently, our Group primarily serves the government, financial and automotive sectors, and we have also approached potential customers from the telecommunications and automotive industries which we intend to expand into.

VIDESPACE and the Regional Centre of Excellence are technological application and infrastructure solutions that are developed by our Group.

Specifically, VIDESPACE is a business collaboration and communication platform application, which is solution not existingly offered by us but increasingly used by many businesses as technology develops. Our Regional Centre of Excellence is a key offering used for business transformation, which is becoming a focus area for many businesses. Their development is therefore an expansion and strengthening of our technology applications and infrastructure solution offerings, and are in line with technological developments observed by our Group.

We plan to utilise RM7.6 million or approximately 23.4% of the proceeds from our Public Issue to strengthen R&D and expand our solution offerings comprising application development costs of VIDESPACE amounting to RM3.1 million, and the investments and additional expenditure for our regional Centre of Excellence of RM4.5 million, in the following manner:

Description		**Estimated cost (RM'000)**
Application development of VIDESPACE comprising:		
Recruitment of IT staff[1] comprising:		
(i)	2 project managers	288
(ii)	2 software developers	360
(iii)	2 IT analysts	240
(iv)	2 user interface designers	360
Hardware, software and services[3]		
(v)	Hosting and storage	600
(vi)	Security tests (internal and external)	300
(vii)	Software licencing	550
(viii)	Hardware and development tools	450
	Subtotal	**3,148**
Investments and additional expenditure for our regional Centre of Excellence		
(i)	Recruitment of IT staff[2] comprising:	
	- 1 project manager	144
	- 3 IT consultants / trainers	540
(ii)	Implementation and setup for mainframe add-ons and upgrade	770
(iii)	Leasing of existing space, electricity and telecommunication utilities[3]	480
(iv)	Internal training and development of IT staff	350
(v)	Business development and marketing	250
(vi)	Maintenance and upkeep of regional Centre of Excellence[4]	720
(vii)	Software licencing[5]	360
(viii)	Hardware and development tools[6]	840
	Subtotal	**4,454**
		7,602

Notes:

(1) An allocation of approximately RM1.2 million is set aside for the hiring of the abovementioned positions for the further application development of VIDESPACE. These staff will be based in our offices in Malaysia.

The recruitment expenses will be utilised over a period of 24 months after Listing and mainly consist of salaries, medical expenses, staff benefits and other related expenses.

(2) An allocation of approximately RM0.7 million is set aside for the hiring of the abovementioned positions for our regional Centre of Excellence. These staff will be based in our offices in Malaysia.

The recruitment expenses will be utilised over a period of 24 months after Listing and mainly consist of salaries, medical expenses, staff benefits and other related expenses.

(3) These costs are based on our management's internal estimations using historical purchase costs for similar hardware, software and services. Based on our existing master services agreement with Telekom Malaysia Berhad as disclosed in Section 6.9.2, our leasing expenses amounts to RM1.4 million per annum. From the proceeds of our Public Issue, we have allocated RM0.5 million for additional upgrades in line with our expansion plan to upgrade and enhance the mainframe and servers in our regional Centre of Excellence within 24 months from the date of our Listing. These additional upgrades under leasing expenses include subscription for high-speed connectivity to an internet gateway and corresponding increases in related power utility expenses. Presently, our existing regional Centre of Excellence only has direct and dedicated connections to customers. By adding an internet gateway connection, we will be able to offer customers another option to access the internet from our regional Centre of Excellence.

(4) Related to maintenance and upkeep of additional upgrades to our regional Centre of Excellence. Higher maintenance and upkeep expenses will be required to support the upgrades to our regional Centre of Excellence which will enable it to, amongst others, be connected to the internet gateway.

Additionally, we are also planning to upgrade our regional Centre of Excellence to be able to handle multiple virtual environments simultaneously as opposed to the current single environment. As a result, higher maintenance and upkeep expenses will be incurred for the increase in virtual environments. The maintenance and upkeep expenditure encompass patch management, error fixes, health monitoring, physical maintenance and performance monitoring.

(5) Being additional software licences required to support the planned upgrades to our regional Centre of Excellence. For instance, each virtual environment requires its own set of software such as operating system (e.g. Windows), firewall (e.g. Norton anti-virus and anti-malware software), productivity applications (e.g. Microsoft Office) in order to run its own business process simulations.

Further, the planned upgrade to our regional Centre of Excellence for high-speed internet connectivity will require subscription of virtual private network (VPN) software and intrusion prevention system (IPS) software. As the planned upgrade to our regional Centre of Excellence includes the ability to handle multiple virtual environments, each of these virtual environments will require its own set of software licences.

(6) Includes internet modems and routers, core switches, hardware firewall, hard disk drives (HDD) and solid-state drives (SSD), and random-access memory (RAM).

(a) Enhancement of VIDESPACE

Our Group's R&D efforts relating to the development and enhancement of VIDESPACE are led by our Managing Director, Yee Chee Meng, and he is supported by 13 IT personnel.

As a result of our R&D initiatives, we developed and launched our own software application, Project Wspace, in 2020 which was made available on Google Play Store and Apple App Store. Subsequently in 2022, Project Wspace was relaunched as VIDESPACE upon successful registration of the VIDESPACE trademark. VIDESPACE is a business collaboration and communication platform application. Presently, the features and modules under VIDESPACE include chat communication, collaborative user tagging, digital file sharing, instant notifications and application marketplace.

We intend to allocate resources to upgrade and improve the existing functionalities and modules under VIDESPACE to include the application economy via the launching of an application marketplace. The application marketplace will provide a publicly available API. Specifically, this API will provide any external developer with programmatic access to a proprietary software application or web service.

We will further monetise VIDESPACE by offering a premium version of VIDESPACE that is customised with advanced platform features, including local hosting and individualised user interface for paying users. These users can subscribe to a payment plan that offers the necessary customisations and functionalities that they require. We will continue to offer free version of VIDESPACE largely for non-profit organisations and for personal use, which retain basic features for social and personal use.

In order to support our future plans relating to the enhancement of VIDESPACE, we will strengthen our manpower resources as well as increase our capacities in terms of hosting and storage, as well as software licences and tools. We plan to recruit 8 employees comprising project managers, software developers, IT analysts and user interface designers to work on our next phase of development for the aforementioned enhancements of VIDESPACE, and have allocated approximately RM3.1 million from the proceeds raised from the Public Issue over the next 24 months for our R&D activities for VIDESPACE. Please refer to Section 4.9.1 for a further breakdown of the utilisation of proceeds.

(b) Regional Centre of Excellence

Business transformation is increasingly becoming a focus area for organisations to improve agility, drive successful customer engagement, enable innovation and scale, and deal with disruption. To address those challenges and offer potential solutions, our Group has established a regional Centre of Excellence to provide best practices and drive innovation within organisations for successful digital transformation. Our regional Centre of Excellence is equipped with a z13 mainframe unit, together with several units of storage, switches, servers and security equipment. The regional Centre of Excellence hosts several suites of software, namely mainframe software, operating systems, transaction and database subsystems and virtual environment software.

Our regional Centre of Excellence will also act as an offsite disaster recovery centre for subscribing organisations. We will continually invest in upgrading and enhancing our regional Centre of Excellence in line with the growth in our customer base and requirements of our customers.

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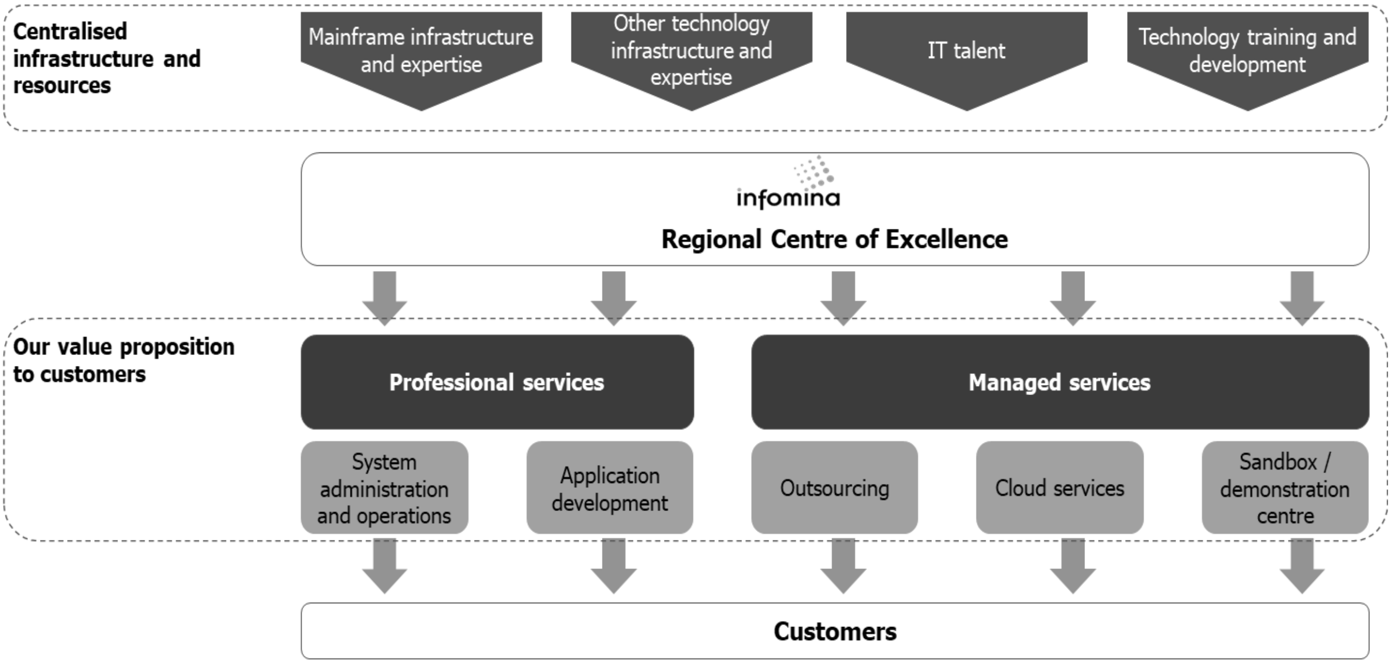
7. BUSINESS OVERVIEW *(Cont'd)*

Our value proposition for our regional Centre of Excellence is as follows:



Our regional Centre of Excellence serves as a centralised resource hub for mainframe infrastructure and expertise as well as other infrastructure including servers, storage networking hardware such as routers, switches and hubs, and expertise, namely programming, networking and API related to the aforementioned other infrastructure; IT talent; as well as a place for training, product demonstration, introduction of new technologies as well as additional mainframe computing power on cloud, as part of our R&D efforts. This will allow us to offer professional services comprising system administration and operations and application development solutions; as well as managed services comprising technology outsourcing, cloud services and act as a sandbox / demonstration centre for potential customers.

Further, in collaboration with our IT partners, we intend to position our regional Centre of Excellence as a training and development academy. We will maintain our mainframe a depository of software suites by our IT technology partners, which organisations can leverage on for their digital transformation needs and internal learning and development needs. We will further staff our regional Centre of Excellence with a team of specialists with technology expertise and experiences.

With our regional Centre of Excellence, we can analyse customers' usage data trends which will further aid in our understanding of customers' business value chain of organisations, their expectations, and technology requirements, in addition to our preliminary analysis undertaken at the initial phase of each project. This will enable us to advise organisations on how to leverage upon and adopt technology, market and mechanism, being the drivers for digital transformation.

This regional Centre of Excellence will also feature as a learning and development institution that will allow us to equip our employees as well as employees of our customers with IT and technology knowledge and expertise. By upgrading the skills of our employees, we will be able to leverage on their capabilities to support the growth in demand for our technology applications and infrastructure operations, maintenance and support services.

Our regional Centre of Excellence is presently located within a data centre located at TM Brickfields Exchange, Kuala Lumpur, at which we have set up our supercomputing mainframe ecosystem wherein we have subscribed to power supply and workspace facilities to set up a mainframe ecosystem. Our Group has commenced using our regional Centre of Excellence for the benefit of our customers since October 2021. Arising from our investment in this mainframe, we will be able to offer organisations large storage, processing power and high level of reliability for fundamental business applications requiring high volumes of data processing.

Coupled with our Group's skillsets, our regional Centre of Excellence can be used to:

(a) simulate a real-life technology operating environment for customers;

(b) generate the necessary bulk data that customers can use to test their systems and capture the resulting system test results; and

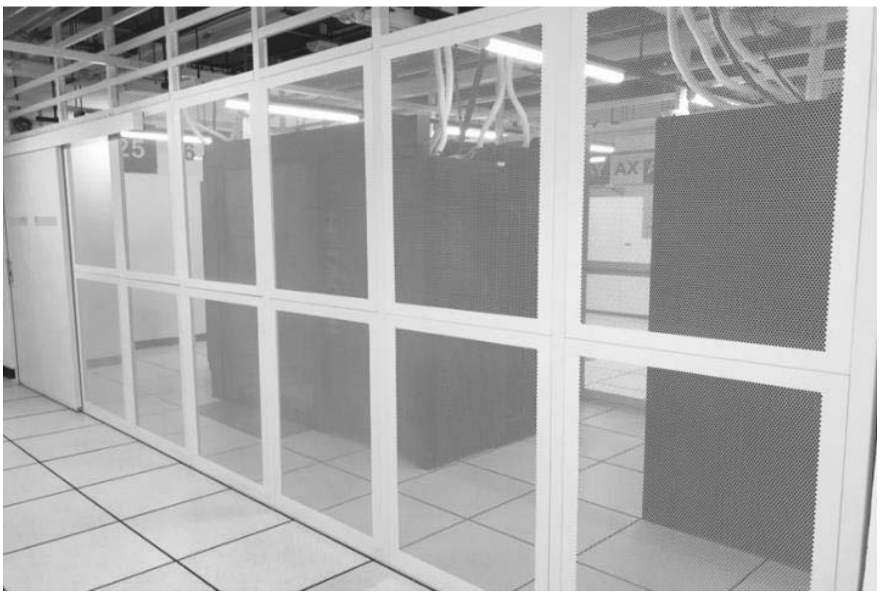
(c) demonstrate relevant business cases under multiple operating scenarios.

Collectively, this allows our Group to better understand the business value chain of our customers across various industries, their expectations and technology requirements, and thus, develop better solutions to meet the business needs of our customers.

For example, a customer may have data security concerns and requires a solution, but cannot allow external access to their data for testing due to privacy or security restrictions. This customer can utilise our regional Centre of Excellence with our Group to create simulations of real-life technology operating environments from which we can demonstrate possible solutions or improvements to the customers in these simulations.

By offering mainframe as a service in our regional Centre of Excellence, customers can tap into our external mainframe management services. The model can potentially help organisations reduce the costs associated with the energy and physical space required for mainframe machines. This also helps alleviate some of the challenges organisations face when trying to find qualified professionals who can operate the mainframe.

The following is a view of the data centre space which houses our supercomputing mainframe ecosystem:



The following is a view of the meeting facilities located at our regional Centre of Excellence.

We intend to allocate approximately RM4.5 million from the proceeds from our Public Issue over the next 24 months for our regional Centre of Excellence. Please refer to Section 4.9.1 for a further breakdown of the utilisation of proceeds.

In addition to the existing capabilities of our regional Centre of Excellence mentioned above, expenditures to be incurred on our regional Centre of Excellence after the Listing are aimed at growing and further enhancing our regional Centre of Excellence as a centralised resource hub for mainframe infrastructure and expertise as well as other infrastructure and expertise. These other infrastructure include servers, storage, and networking hardware such as routers, switches and hubs. The other expertise refers to programming, networking and API related to the other infrastructure mentioned above.

By increasing IT talent, building a depository of software suites by IT technology partners, and investing in training, our Group can enable our regional Centre of Excellence's mainframe to cater for additional operating environments that can suit a wider variety of customer needs. Further mainframe add-ons and upgrades will also allow us to partition the mainframe capacity to run multiple environments concurrently, as well as intelligently assign computing capacities to each partition dynamically. Our regional Centre of Excellence will then be better positioned as an avenue for product demonstration, introduction of new technologies, training, as well as serve as additional mainframe computing power on cloud.

Further, our Group will also invest in business development and marketing expenditures to attract and secure new customers and promote our regional Centre of Excellence among customers, which will help build a knowledge base of business applications to better analyse customers' businesses and technology trends.

From the proceeds of our Public Issue, we have allocated RM0.5 million for additional upgrades in line with our expansion plan to upgrade and enhance the mainframe and servers in our regional Centre of Excellence within 24 months from the date of our Listing. These additional upgrades under leasing expenses include subscription for high-speed connectivity to an internet gateway (where our existing regional Centre of Excellence only has direct connections to clients) and corresponding increases in related power utility expenses. Presently, our existing regional Centre of Excellence only has direct and dedicated connections to customers. By adding an internet gateway connection, we will be able to offer customers another option to access the internet from our Regional Centre of Excellence.

A further RM0.7 million is allocated for maintenance and upkeep of the additional upgrades to our regional Centre of Excellence. This is needed considering the higher maintenance and upkeep expenses required to support the upgrades to our regional Centre of Excellence which will enable it to, amongst others, be connected to the internet gateway.

Additionally, we are also planning to upgrade our regional Centre of Excellence to be able to handle multiple virtual environments simultaneously from the current single environment. As a result, higher maintenance and upkeep expenses will be incurred for the increase in virtual environments. The maintenance and upkeep expenditure encompass patch management, error fixes, health monitoring, physical maintenance and performance monitoring.

Additionally, RM0.4 million of software licenses are required to support the planned upgrades to our regional Centre of Excellence. For instance, each virtual environment requires its own set of software such as operating system (i.e. Windows), firewall (i.e. Norton anti-virus and anti-malware software), productivity applications (i.e. Microsoft Office) in order to run its own business process simulations. Further, the planned upgrade to our regional Centre of Excellence for high-speed internet connectivity will require subscription of virtual private network (VPN) software and intrusion prevention system (IPS) software. As the planned upgrade to our regional Centre of Excellence includes the ability to handle multiple virtual environments, each of these virtual environments will require its own set of software licences.

Further, we plan to allocate RM0.9 million for the investment in hardware and development tools which includes internet modems and routers, core switches, hardware firewall, hard disk drives (HDD) and solid-state drives (SSD), and random-access memory (RAM) drives.

Please refer to Section 4.9.1(b) for details of the utilisation of proceeds towards our regional Centre of Excellence.

7.15.2 We intend to continue expanding our business regionally to capture growth opportunities

Based on our experience and track record in the industry, we have acquired the capabilities to design and build technology application and infrastructure solutions for enterprises. Presently, we have incorporated subsidiaries in Singapore, Thailand, the Philippines, Hong Kong and Indonesia to serve as our regional sales offices to support our overseas customers. We presently support our regional customers from our technical support centre in Malaysia.

We anticipate that enterprises and governmental bodies will continue to spend more in improving existing technology infrastructure and upgrading their internal technology systems. In light of such prospects, we intend to further expand our business in ASEAN region as well as China, Hong Kong and Taiwan by further strengthening our presence in these countries.

The projects that we have undertaken in Malaysia are mainly turnkey projects in relation to design, build, installation, testing and maintenance support services. Therefore, we intend to leverage on our current track record and expertise to expand such solution offerings regionally. Presently, we have been engaged by MNCs, local financial institutions and governmental bodies to develop and implement technology application and infrastructure systems to support their core business activities, such as maintaining secure payment processing systems and various software applications to support registration systems.

We believe that our capability to render quality services to our customers is premised on our strong project teams that are staffed with professional personnel who possess relevant skills and experience. Having an experienced and larger workforce can also facilitate us to have better cost and quality control in handing additional and sizeable projects.

Thus, we intend to recruit additional sales and technical staff for our regional offices as we aim to increase our competitiveness and enhance the comprehensiveness and quality of our technology application and infrastructure solutions. We will also increase the number of our support staff to cope with our anticipated business expansion. The actual recruitment will be subject to various factors including the availability of suitable personnel in the respective countries and the progress of our business expansion.

In order to support our regional expansion, we will carry out pre-sales business development activities. Specifically, this relates to customer visits, pre-sales technology assessments, concept and prototype development with potential customers to generate sales opportunities for technology application and infrastructure solutions.

In order to educate our sales and technical staff on the latest technological developments, we will also offer internal training and arrange for external continuous professional training programmes for such staff to learn and keep abreast of the changes in technologies, industry standards and domain knowledge on new products and solutions, and to enhance their quality of service and sales or technical skills. In particular, we intend to secure industry quality certifications such as the International Standards Organisation and Project Management Institute, and/or their equivalent, which are internationally recognised and will attest to our quality management system as well as project management capabilities.

To facilitate our regional expansion, we intend to utilise RM5.5 million or approximately 17.0% of the proceeds from our Public Issue over the next 18 months. The total cost for our regional expansion will be fully funded via our IPO proceeds. Please refer to Section 4.9.1 for a further breakdown of the utilisation of proceeds.

7.15.3 We intend to strengthen our branding, marketing and promotional activities to capture more growth opportunities

To enhance public awareness, recognition of our Group and our solution offerings, we also intend to allocate resources to strengthen our branding efforts. We aim to build and enhance our connections with existing and potential customers and the hardware or software suppliers by organising seminars and customer relationship events. We also aim to increase our market visibility and brand recognition by participating in more industry exhibitions and forums and placing advertisements through various platforms such as digital publications, websites, in-application advertisements and social media platforms.

Historically, our Group has largely undertaken minimal scale of marketing and branding activities. Our marketing and sales efforts are mainly focused on initiating and cultivating business relationships with new and existing customers. We typically identify new business opportunities mainly through request for quotations in competitive bidding open tenders or direct negotiations.

To strengthen our branding and promotional activities, we intend to utilise RM0.9 million or approximately 2.7% of the proceeds from our Public Issue over the next 18 months. Please refer to Section 4.9.1 for a further breakdown of the utilisation of proceeds.

7.15.4 Prospects of our Group

We believe that our prospects in the enterprise IT services industry are favourable, taking into account our competitive strengths set out in Section 7.14, our business strategies as set out above as well as the industry outlook as set out in the IMR Report as set out below.

The enterprise IT services industry in Malaysia specific to IT consulting and implementation services; and operations, maintenance and support services is characterised by enterprise spending on these IT services. The enterprise IT services industry in Malaysia grew from RM4.9 billion in 2019 to RM5.1 billion in 2021 at a CAGR of 2.0%. The COVID-19 pandemic has highlighted an aspect of technology that is not as distinctly apparent in more normal times – business continuity. While the ability of technology solutions to mitigate abrupt business changes has been noted in the past, the extensive reliance on technology solutions to maintain widespread and fundamental business continuity, as we are seeing today, has never been experienced on such a large scale. During the COVID-19 response, organisations relied on technology to sustain business operations through remote access, automated reporting, electronic data exchange, and real-time factory controls.

This led to a growth in enterprise IT spending in 2021 (year-on-year growth rate of 17.3%) amidst the global COVID-19 pandemic landscape. Industry growth in 2021 was also driven by an increasing demand for IT system integration services given an increased penetration rate for IT systems used in enterprises and favourable government initiatives aimed at boosting the country's digital economy; and an increasing demand for IT consultancy services as well as system operations, maintenance and support services due to the rising number of end-users and growing complexity of enterprise IT systems. With these factors expected to continue to have an influence in the years ahead, the enterprise IT services industry in Malaysia is expected to grow from RM5.1 billion in 2021 to RM6.5 billion in 2025 at a CAGR of 6.3%.

The enterprise IT services market in Southeast Asia grew from RM28.9 billion in 2019 to RM30.2 billion in 2021 at a CAGR of 1.9%. In 2021, enterprise IT spending grew 15.5% year-on-year as containment measures arising from the COVID-19 pandemic made digitalisation essential for economic and social resilience. Future growth in the region will continue to be driven by increasing demand for IT system integration services given an increased penetration rate for IT systems used in enterprises and favourable government initiatives aimed at boosting digital economy; and an increasing demand for IT consultancy services as well as system operations, maintenance and support services due to the rising number of end-users and growing complexity of enterprise IT systems.

(Source: IMR Report by Providence)

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14 October 2022

The Board of Directors
INFOMINA BERHAD
BO3-C-12-1, Menara 3A
No.3 Jalan Bangsar
KL Eco City
59200 Kuala Lumpur
Malaysia.

Dear Sirs,

Independent Market Research Report on the Enterprise Information Technology Services Industry in Malaysia and Southeast Asia in conjunction with the Listing of INFOMINA BERHAD on the ACE Market of Bursa Malaysia Securities Berhad

PROVIDENCE STRATEGIC PARTNERS SDN BHD ("**PROVIDENCE**") has prepared this independent market research report on the Enterprise Information Technology Services Industry in Malaysia and Southeast Asia for inclusion in the Prospectus of INFOMINA BERHAD.

PROVIDENCE has taken prudent measures to ensure reporting accuracy and completeness by adopting an independent and objective view of these industries within the confines of secondary statistics, primary research and evolving industry dynamics.

For and on behalf of PROVIDENCE:

ELIZABETH DHOSS
EXECUTIVE DIRECTOR

About PROVIDENCE STRATEGIC PARTNERS SDN BHD:

PROVIDENCE is an independent research and consulting firm based in Petaling Jaya, Selangor, Malaysia. Since our inception in 2017, PROVIDENCE has been involved in the preparation of independent market research reports for capital market exercises. Our reports aim to provide an independent assessment of industry dynamics, encompassing aspects such as industry performance, demand and supply conditions, competitive landscape and government regulations.

About ELIZABETH DHOSS:

Elizabeth Dhoss is the Executive Director of PROVIDENCE. She has more than 10 years of experience in market research for capital market exercises. Elizabeth Dhoss holds a Bachelor of Business Administration from the University of Malaya, Malaysia.

1 ENTERPRISE INFORMATION TECHNOLOGY SERVICES INDUSTRY IN MALAYSIA

1.1 DEFINITIONS AND SEGMENTATION

The technology sector, also known as the information technology ("**IT**") sector comprises companies with revenue driven by technological growth, development, and manufacturing. Companies in the technology sector focus on developing new technology related to electronic devices, both internet and cloud-based products, as well as physical products for consumers. The main sub-groups within the technology sector include:

- **Hardware**

  Includes companies that manufacture or distribute computers, computer equipment, servers and mainframes, electronics, and communications equipment.

- **Software**

  Includes companies that develop software for the Internet, for computer applications, for database management or home entertainment. It also includes data processing, technology consulting, outsourced services, operations, maintenance and support services.

- **IT services**

  Includes companies that offer IT consulting and implementation services; operations, maintenance and support services as well as business process outsourcing, whereby:

  i) IT consulting and implementation services refer to advisory services that help organisations evaluate technology strategies to align their technology strategies with their business strategies or internal processes. The areas of IT consulting include the overall strategy, technology architecture, and implementation. IT consulting and implementation firms essentially provide architectural, operational, planning and implementation support services to clients to ensure the company's IT systems and infrastructure achieve their intended purposes;

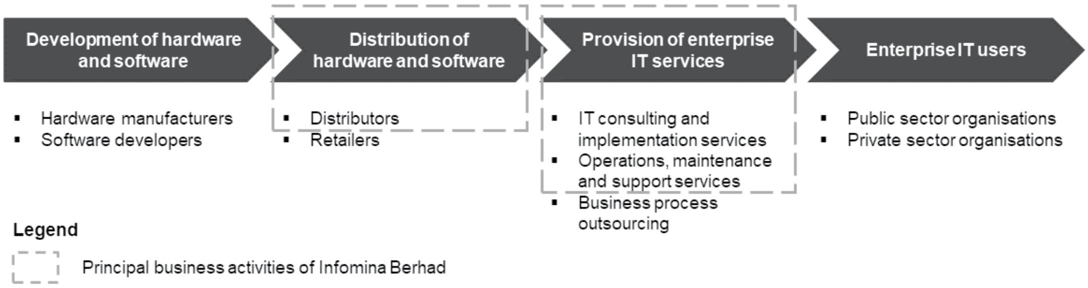
  ii) Operations, maintenance and support services refer to external contracting of IT-related services instead of relying on company-owned resources. In an IT context, these activities include IT administration, IT application, and web hosting services. It also includes system integration, software installation and support, and IT education and training; and

  iii) Business process outsourcing services refer to the transfer of entire business processes or individual activities from an organisation to a third party and is often IT-based. Business process outsourcing covers a wide variety of business processes, usually either in the back office (such as human resources and finance) or in the front office (such as customer service in call centres).

The breadth of IT services is wide and encompasses both mainframe as well as non-mainframe technologies. Mainframes are high-performance computers with large amounts of memory and processors that process millions of transactions in real time. Mainframes are primarily used by large organisations for critical large scale and real-time applications such as bulk data and transaction processing. In the era of digital business transformation, mainframes are entering a new phase. A wide range of applications running on a variety of distributed computing platforms now need to access data that resides on a mainframe. Mainframe digital transformation involves connecting existing mainframe technology to software development and IT operation processes, application programming interface (APIs), cloud computing resources, and emerging innovative technologies. A connected mainframe approach to digital transformation provides cost savings, enhanced security, and greater processing speed.

Infomina Berhad is a technology firm that principally designs and implements technology application and infrastructure solutions that support the fundamental business operations of its customers. Infomina Berhad further supports its customers through customised operations, maintenance and support services for technology solutions. Infomina Berhad specialises in mainframe technology solutions, and has capabilities in developing solutions based on other technologies.

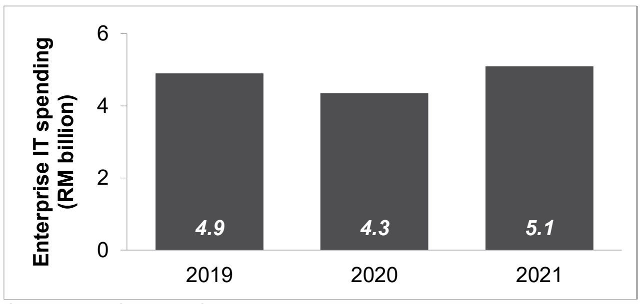
The position of Infomina Berhad within the IT industry value chain is as follows:



1.2 INDUSTRY SIZE AND GROWTH POTENTIAL

The enterprise IT services industry in Malaysia specific to IT consulting and implementation services; and operations, maintenance and support services is characterised by enterprise spending on these IT services. The enterprise IT services industry in Malaysia grew from RM4.9 billion in 2019 to RM5.1 billion in 2021 at a compound annual growth rate ("**CAGR**") of 2.0%.

Enterprise IT services industry in Malaysia



Source: PROVIDENCE analysis

Enterprise IT spending was initially affected in 2020 as a result of the COVID-19 pandemic as enterprises, particularly small and medium enterprises ("**SMEs**"), opted to defer or minimise selected expenses as they focused on sustaining their cash flows. However, the COVID-19 pandemic has created a case for the adoption of technology to address work-from-home policies, managing changes in demand and uncertain supply chains.

The COVID-19 pandemic has highlighted an aspect of technology that is not as distinctly apparent in more normal times – business continuity. While the ability of technology solutions to mitigate abrupt business changes has been noted in the past, the extensive reliance on technology solutions to maintain widespread and fundamental business continuity, as we are seeing today, has never been experienced on such a large scale. During the COVID-19 response, organisations relied on technology to sustain business operations through remote access, automated reporting, electronic data exchange, and real-time factory controls.

This led to a growth in enterprise IT spending in 2021 (year-on-year growth rate of 17.3%) amidst the global COVID-19 pandemic landscape. Industry growth in 2021 was also driven by an increasing demand for IT system integration services given an increased penetration rate for IT systems used in enterprises and favourable government initiatives aimed at boosting the country's digital economy; and an increasing demand for IT consultancy services as well as system operations, maintenance and support services due to the rising number of end-users and growing complexity of enterprise IT systems.

With these factors expected to continue to have an influence in the years ahead, the enterprise IT services industry in Malaysia is expected to grow from RM5.1 billion in 2021 to RM6.5 billion in 2025 at a CAGR of 6.3%.

1.3 DEMAND CONDITIONS: KEY GROWTH DRIVERS

Rapid pace of technological evolution creates demand for robust IT services to support organisations in adapting to technological changes

In the last decade, technology has been reshaping banking and financial services, health and life sciences, material sciences, energy, transportation, public services and a wide range of other industries and domains. During the COVID-19 pandemic, technology further lowered barriers to digital disruption, paving the way for more rapid, technology-driven changes. Collectively, this has become the catalyst for computing power infrastructure. This wave of technology is driven by the combination of artificial intelligence, 5G, quantum computing, big data, Internet of Things ("**IoT**") and blockchain. Organisations are beginning to realise that in the age of the digital economy, mainframe computing power is an important and innovative form of productivity. Computing power is not just technical but also economic innovation. It is a small breakthrough at the fundamental level with impact that will be immeasurable over a long term.

To stay competitive, governments and corporations are utilising these technologies as part of their business operations in the wake of globalisation and to improve efficiency. The use of these technologies has also led to increasing amount of data due to digitalisation.

The COVID-19 pandemic has also forced organisations to adapt to remote working arrangements as countries around the world had to impose lockdowns to curb the spread of this disease. Realising the need for the flexibility of allowing their employees to work from home, organisations have harnessed the use of technology such as file sharing, messaging platforms, project management and video conferencing. The increased popularity of electronic commerce platforms during this time has also encouraged organisations to take their business online as an additional revenue channel.

The National IoT Strategic Framework estimates that the market for IoT in Malaysia will reach RM42.5 billion by 2025. Meanwhile, the Government of Malaysia intends to accelerate the adoption of big data through the National Big Data Analytics Framework, which would spur demand for big data in all sectors, catalyse the adoption of big data in the public sector and build the big data industry in Malaysia. Further, the National Fiberisation and Connectivity Plan 2019-2023 will provide the robust infrastructure needed to support these technologies.

The technological changes that organisations face are significant and rapidly taking place, almost simultaneously. Many organisations rely on external enterprise IT providers to support them in evaluating their technology needs and adopting the relevant technologies and systems that will allow them to remain competitive.

The rise of cloud computing creates demand for supporting enterprise IT services

Cloud computing is used to drive the automation of different work streams. It involves significant amount of data traffic and the establishment and operation of data centres would require the deployment of IT infrastructure products and related services. In addition, in order to customise the cloud computing products to the business needs and operating requirements of the organisations, enterprise IT services are required to facilitate an efficient data transition and interactions across various platforms. On the other hand, organisations adopting IoT systems are required to build an IT infrastructure which can enable efficient information and data exchange across various devices or platforms to ensure the interoperability and connectivity among them. This would require the use of IT infrastructure solutions services as well as IT development solutions services. In addition, IoT creates value by facilitating the joint functioning of various devices or platforms, which involves a significant amount of private user information and it is important to create a sophisticated information security mechanism to protect such information from inappropriate and/or unauthorised use. The establishment of such security management system would require the deployment of the IT infrastructure solution and IT development solution services as well.

By leveraging cloud computing and IoT techniques, there are opportunities for enterprise IT service providers to provide more extensive client support and provide more tailored supply chain management solutions for the clients. It is expected that it will be a future trend for the companies to lease IT software or systems with the aid of the cloud technology from enterprise IT service providers for the use in their business operations and pay service fees on a periodic basis instead of developing their own IT software or systems by making a substantial investment upfront. The shift from capital expenditure to operational expenditure model in respect of IT investments provides a number of advantages to the clients:

- alleviating the need to incur a large amount of investment costs at one time;
- provides flexibility for clients to procure the rental services on an as-needed basis and to switch to other systems in light of any change in their business operations or advancement in technology; and

- savings on maintenance costs, staff costs and other administrative expenses in relation to the operation of the IT systems.

These advantages which arise from the shift to operational expenditure model encourage organisations to upgrade their IT software or systems, which presents opportunities to enterprise IT service providers. At the same time, the operational expenditure model provides a relatively more stable and sustainable source of income to IT service providers as they would be engaged in provision of ongoing services to their clients rather than a one-off project of non-recurring nature.

Wider adoption of digital and cashless payment solutions create demand for supporting enterprise IT services

Based on the Visa Consumer Payment Attitude Study 2020, 45% of Malaysians have made it a habit to avoid using cash since the COVID-19 pandemic. Businesses are increasingly introducing digital payment solutions to meet the demands of the consumers.

Visa Consumer Payment Attitude Study 2020 also showed that 49% of Malaysians carry less cash in their wallet because 77% of them now opt to pay via contactless payments instead of paying cash. This is largely attributed to the benefits of contactless payments. Survey findings indicate that top benefits stated by consumers in using contactless card payments include the convenience of not carrying cash (71%), the speed of transaction (61%), and being safe from infection (57%). Based on the study, 95% of them are aware of this payment solution and 21% of them actually used contactless payments mostly at supermarkets, fast food chains, restaurants and petrol service stations for the first time during the pandemic. The study further indicated that 65% of Malaysians use contactless card payments, and during the pandemic, 47% of them increased their usage of contactless payments, making this their preferred mode of payment as it is perceived as a good method to reduce contact with banknotes. Contactless payments are enabling Malaysian consumers to transact in a secure and seamless environment as they become more particular about physical hygiene.

Malaysia's electronic commerce ("**e-commerce**") market, among the fastest growing in Southeast Asia, is estimated to have experienced a growth of 24.7% in 2020 (from a total transaction value of RM24.2 billion in 2019 to an estimated RM30.2 billion in 2020). The market is forecasted to reach RM51.6 billion by 2024, increasing at a CAGR of 14.3% between 2020 and 2024.

The digitisation of the economy creates demand for corresponding mainframe technology consulting and implementation, as offered by enterprise IT service providers, to support large scale and real-time transaction processing.

Evolving supply chains create demand for enterprise IT services

Due to the COVID-19 pandemic, governments worldwide have imposed tight movement restrictions, causing business disruptions at a near-unprecedented scale. As such, leveraging technology to develop better business practices and approaches has never been more urgent. Organisations are undertaking research and development and innovation activities, including adopting automation and smart manufacturing technology to increase productivity and competitiveness.

The supply chain disruption that occurred amid the COVID-19 pandemic affected multiple industries from automotive production to consumer appliances and medical devices, and even toys. With critical chips and components in short supply throughout 2020 and 2021, many organisations experienced significant shipment and order delays.

Amid such a dynamic and fluid environment, organisations are beginning to prepare for the next wave of unknowns as part of risk management, taking into consideration supply chain disruptions, systemic risks, and other uncertainties, including natural disasters and geopolitical instabilities that could create impacts of even greater magnitude.

To effectively deal with future (and potentially greater) supply chain challenges, organisations are building their supply networks with the ability to offer granular visibility across all tiers and levels. Incorporating advanced technologies such as 5G, robotic automation, blockchain, and artificial intelligence can provide sales, distribution, and channel executives with near-real-time insight, and better visibility into diverse areas across their supply chain, logistics, and channel operations. As part of digitising their supply networks, organisations have an opportunity to revamp traditional organisational silos in order to better connect research and development, sales and marketing, indirect channels, suppliers, internal operations, and other facilities.

The adoption of connectivity, automation, and digitalisation, as the industry transitions from being labour-intensive, will increase efficiency and productivity, enabling industry players to be more competitive and agile in transforming their manufacturing landscape. Revamping supply chain operations to make them more agile and flexible will require the expertise of enterprise IT service providers with domain and technology knowledge to propose robust and sustainable solutions that can support organisational growth.

Investments signify growth potential for enterprise IT services

Malaysia recorded a total of RM164 billion worth of approved investments in the manufacturing, services and primary sectors in 2020 across 4,599 projects. Of the total investments approved, foreign direct investments ("**FDI**") accounted for RM64.2 billion or 39.1%, with domestic direct investments ("**DDI**") accounting for RM99.8 billion or 60.9%. The manufacturing sector attracted RM91.3 billion (55.6%) of the total approved investments, followed by the services sector at RM66.7 billion (40.7%), while the primary sector received RM6.0 billion or (3.7%).

Malaysia continued to attract a total of RM177.8 billion approved investments in the manufacturing, services and primary sectors, involving 3,037 projects in January to September 2021. The manufacturing sector accounted for the largest share of the total investments for the period, amounting to RM103.9 billion (58.4%), followed by the services sector with RM57.8 billion (32.5%) and the primary sector with RM16.1 billion (9.1%). FDI accounted for nearly 60% of approved investments, valued at RM106.1 billion. While FDI lead the approved investments in the manufacturing sector investments from local companies dominated in the services and primary sectors. Domestic direct investments totalled RM71.7 billion (40.3%) of the total approved investments.

Malaysia's performance is a testament to investors' confidence in Malaysia as a preferred investment hub, particularly the conducive business ecosystem in providing high-skilled talents and having strong readiness in advanced technology. This, in turn, further bolsters Malaysia's role as a prominent site in global companies' manufacturing networks, enhancing the nation's position as an investment destination in the region.

Malaysia is expected to continue attracting investments, especially FDIs, as the economy recovers. This is expected to bode well and create demand for enterprise IT services such as IT consulting and implementation services, system integration, application development, as well as software installation support services.

Demand arising from the use of technologies which require enterprise IT infrastructure solutions

Organisations rely on the use of various technologies to improve their operations, processes and productivity. In particular, technologies to facilitate data analytics, data processing and data exchange require appropriate IT infrastructure solutions to run effectively and securely.

An increasing number of industries are incorporating different levels of IT services and technologies into their own daily business operations in order to enhance business development. For instance, with the rising popularity of e-trading and mobile-trading platforms for retail businesses, an increasing number of traditional retail stores and companies have started to engage in e-trading and mobile-trading businesses by building their own-trading platforms and transaction systems. It is anticipated that a growing number of companies, particularly those in the transportation, travel, hospitality and leisure industries, will integrate internet technologies and various IT services with their business operations in Malaysia to enhance their competitiveness.

Big data management involves the process of collecting, organising and analysing large sets of data for analytical purposes, becomes more popular. An increasing number of business establishments, especially from the retail, financial, and logistics industries, are adopting big data management in order to gain insights from data, and improve productivity and profitability. It is expected that the increasing popularity of big data management will bring more business opportunities to the enterprise IT services industry in Malaysia, especially those providing services in data migration and consolidation.

Virtualisation facilitates the connectivity of people to computing systems and resources, leading to a number of benefits such as raising labour productivity, improving production efficiency and data security. It is anticipated that virtualisation will become an essential strategy for boosting IT efficiency, and will lead to greater adoption of such technology by both the private and public sectors, thereby increasing the demand for enterprise IT services in Malaysia.

Furthermore, there is increasing popularity of cloud-based services such as Dropbox, Google Drive, Slack and Office 365, as well as video conferencing applications such as Zoom and Microsoft Teams. These applications have experienced high usage particularly during the COVID-19 pandemic whereby national lockdowns were imposed in many countries, forcing employees to work from home. The proliferation of wireless technologies such as IoT, WiFi and Bluetooth also require the supporting IT infrastructure.

As the use of these technologies increase, the demand for enterprise IT services for the provision of IT infrastructure solutions is expected to correspondingly rise.

Growing number of companies and businesses

Malaysia has seen a steady growth of newly registered companies at an average increase of 3.7% annually between 2016 and 2020. According to latest available data from the Companies Commission of Malaysia, new companies in Malaysia grew from 1.2 million in 2016 to 1.4 million in 2020. This steady growth trend is expected to continue in light of the nation's developing economy over the long-term.

The growing number of registered companies provides opportunities for growth of the IT infrastructure enterprise IT services in Malaysia**.**

Government initiatives to support the IT industry and adoption of digital technology

- **New Services Sector Blueprint**

  To drive the development of the services sector for the period 2021 – 2025, the Government, through the Ministry of International Trade and Industry ("**MITI**"), formulated the New Services Sector Blueprint 2021 – 2025 (NSSB). This plan is vital in understanding the services sector from a more holistic perspective and aims to build upon the successes of the first blueprint, while identifying lessons learned and focussing on high growth and potential areas for development.

- **National Policy Framework for the Fourth Industrial Revolution and Digital Economy Blueprint**

  As the focus of Industry4WRD launched on 31 October 2018 was on the manufacturing sector and the manufacturing-related services, there was a need for a broader Industry 4.0 policy framework for the rest of the economy to interlink with the Industry4WRD framework and thus, the National Policy on Industry 4.0 was mapped out as an overarching policy. The framework will help steer Malaysia's socio-economic transformation by harnessing potential Industry 4.0 technologies to boost growth and the socio-environmental wellbeing of Malaysians over the period of 2021 to 2030.

  The Industry 4.0 framework is complemented by the Digital Economy Blueprint (2021 – 2030), which was developed in response to how digital technology advancement and the growth of high-speed internet connectivity have changed the way goods and services are created, distributed and consumed, and how people interact. The blueprint will help accelerate Malaysia's digital technology adoption in the manufacturing, services and agriculture sectors – in a bid to enhance the nation's efficiency and productivity, competitiveness and growth, as well as boost innovation– as it outlines action plans including implementation, monitoring and assessment of identified initiatives.

  The Economic Planning Unit, together with the Malaysian Investment Development Authority ("**MIDA**") and MITI, drafted the blueprint. From 2021 onwards, MIDA will lend its expertise in executing the identified initiatives to expedite the Industry 4.0 framework adoption in the country while positioning Malaysia as a regional leader in the digital economy with inclusive, responsible and sustainable socio-economic development and growth.

- **Digital adoption**

  A range of incentives has been offered to encourage companies to adopt digitalisation. Seeing as policy interventions will continue to assume a crucial role in shaping the future of Malaysia's digital economy, MIDA introduced the Automation Capital Allowance ("**Automation CA**") for the services sector and Smart Automation Grant ("**SAG**") to particularly drive automation and digitalisation of SMEs and mid-sized companies.

  Under Budget 2020, the existing Automation CA for the manufacturing sector was expanded to also drive the services sector towards automation. Meanwhile, the SAG introduced under PENJANA aims to assist and incentivise SMEs and mid-sized companies to digitalise operations and trade channels as well as to enhance their competitiveness at an international level.

1.4 INDUSTRY DYNAMICS

1.4.1 Supply conditions

Availability of hardware and software

Physical hardware components and software are critical components of enterprise IT services, and are typically purchased from third-party hardware and software distributors or retailers. Physical hardware components and software are the basic components needed before a service provider is able to customise, configure, implement and maintain proper IT infrastructure. Thus, enterprise IT service providers are dependent on their network of hardware and software principals, distributors and retailers, and their ability to obtain a reliable supply of the physical hardware components and software required for implementing their systems.

Availability of skilled IT talent

A critical element of being able to provide enterprise IT services is the availability of qualified and experienced talent. It is essential that an enterprise IT services provider is able to hire, train and retain talented employees. Generally, there is no shortage of skilled resources in the IT sector, as the number of IT, science and mathematics graduates in Malaysia accounted for 10.3% of total graduates in 2019. While organisations have faced some challenges recruiting qualified and experienced IT talent in 2020 and 2021 as the imposition of various movement orders restricted recruitment activities, this is expected to be short term with the situation anticipated to improve in line with the high vaccination rates nationwide, lifting of restrictions and recovery of the economy.

1.4.2 Product / service substitution

Enterprise IT services rendered by third party enterprise IT service providers may also be carried out in-house by organisations themselves.

Nonetheless, by engaging third party enterprise IT service providers, organisations will be able to realise benefits such as:

- alleviating the need to incur a large amount of investment costs at one time;
- flexibility for clients to procure the rental services on an as-needed basis and to switch to other systems in light of any change in their business operations or advancement in technology; and
- savings on maintenance costs, staff costs and other administrative expenses in relation to the operation of the IT systems.

1.5 COMPETITIVE LANDSCAPE

The enterprise IT services industry in Malaysia is fragmented with industry players providing a wide range of services from IT consulting and implementation services, IT administration, IT application, and web hosting services. It also includes system integration, software installation and support, and IT education and training as well as business process outsourcing.

While the enterprise IT services industry is competitive in nature, there are barriers to entry that can restrict the entry of new firms into this industry, among which include:

- **Industry reputation**

  The reputation and quality of services provided are important competitive factors in the enterprise IT services industry. Good reputation is formed by offering satisfactory IT services to customers. Enterprise IT service providers with better reputations would be seen as delivering higher quality of services and possessing the capabilities to handle large and complex IT services projects. However, new entrants normally do not have such a reputation. It is therefore difficult for such companies to attract business and capture market share.

- **Business relationship with renowned IT product suppliers**

  Enterprise IT service providers are generally required to integrate different types of IT hardware and/or IT software into a functional unit. Hence, they need to consign various types of IT products from different suppliers. By establishing stable relationships with suppliers, enterprise IT service providers could obtain more favourable terms of credit, delivery, exchange conditions and customer support from the suppliers. Furthermore, maintaining amicable business relationships with suppliers may also increase the reputation and competitiveness of enterprise IT service providers. Such stable and amicable business relationships with suppliers usually take time to build up and require large sales volume transactions; hence, this may form an entry barrier to new entrants.

- **Availability of skilled IT talents**

  New entrants may find it more difficult to attract, hire and retain experienced and skilled IT professionals. In general, experienced and skilled IT professionals tend to work in established and large companies, which are able to provide them a stable platform for executing large and complex IT services projects for different business sectors. As a result, new entrants may find it difficult to attract skilled talents.

- **Loyalty**

  During the process of establishing IT infrastructure, enterprise IT service providers are often exposed to client's confidential information, which discourages existing clients to change their enterprise IT service providers. The downtime and costs involved in such transfers and the rigorous learning process of adapting to new products hinders clients from shifting to new entrants.

Infomina Berhad principally designs and implements technology application and infrastructure solutions, and supports its customers through customised operations, maintenance and support services for technology solutions. Thus, the competitive landscape for enterprise IT services will focus on industry players that are involved in:

- the design and implementation of IT application and infrastructure solutions; and
- IT operations, maintenance and support services.

In the financial year ended ("**FYE**") 31 May 2022, Infomina Berhad secured a revenue of RM115.4 million from the provision of technology application and infrastructure solutions, as well as operations, maintenance and support services for technology solutions in Malaysia. In comparison to the enterprise IT spending specific to IT consulting and implementation services; operations, maintenance and support services of RM5.1 billion in 2021, Infomina Berhad garnered a market share of 2.3%.

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The following sets out the latest available revenues of private and public listed firms in Malaysia that are involved in the provision of enterprise IT services comprising the design and implementation of IT application and infrastructure solutions as well as IT operations, maintenance and support services.

Industry player	Latest available FYE	Revenue [d, e] (RM)	Profit before tax (RM)	Profit before tax margin (%)	Profit after tax (RM)	Profit after tax margin (%)
Big Dataworks Sdn Bhd	31 December 2021	45,559,323	4,538,298	10.0	3,346,810	7.3
Brilliance Information Sdn Bhd	31 March 2020	40,720,486	678,563	1.7	423,251	1.0
Censof Holdings Berhad [a]	31 March 2022	110,047,000	24,266,000	22.1	19,892,000	18.1
Dagang Net Technologies Sdn Bhd [b]	31 December 2021	214,900,000	-72,670,000	-33.8	-82,372,000	-38.3
Dataprep Holdings Bhd [a]	31 December 2021	35,990,000	-11,143,000	-31.0	-11,012,000	-30.6
Datasonic Group Berhad [a]	31 March 2022	136,428,000	12,737,000	9.3	10,225,000	7.5
Excel Force MSC Berhad [a]	31 December 2021	37,312,442	16,885,529	45.3	12,179,755	32.6
HeiTech Padu Berhad [a]	31 December 2021	269,502,000	-16,128,000	-6.0	-16,381,000	-6.1
Infomina Berhad	31 May 2022	201,063,000	22,990,000	11.4	17,080,000	8.5
Iris Corp Berhad [c]	31 March 2022	210,987,000	4,192,000	2.0	3,405,000	1.6
Mesiniaga Berhad [a]	31 December 2021	240,189,000	6,259,000	2.6	5,476,000	2.3
My E.G. Services Berhad [a]	31 December 2021	721,877,000	320,683,000	44.4	316,705,000	43.9
N2N Connect Berhad [c]	31 December 2021	115,755,422	21,049,457	18.2	20,367,820	17.6
Omesti Berhad [a]	30 March 2021	305,293,782	1,307,709	0.4	-8,893,702	-2.9
Scicom MSC Berhad [a]	30 June 2021	216,195,996	33,323,959	15.4	25,814,040	11.9
Software Dynamics Sdn Bhd	31 August 2021	11,724,833	1,325,587	11.3	583,955	5.0

Notes:
[a] Listed on the Main Market of Bursa Malaysia Securities Berhad
[b] Subsidiary of Dagang NeXchange Berhad, which is listed on the Main Market of Bursa Malaysia Securities Berhad
[c] Listed on the ACE Market of Bursa Malaysia Securities Berhad
[d] Revenues may be derived from businesses other than the design and implementation of IT application and infrastructure solutions as well as IT operations, maintenance and support services
[e] Revenues may include that which are derived from foreign markets
[f] The list above is based on publicly available information and is not exhaustive as it may not include companies whose financial information have been private exempted and cannot be viewed by the public

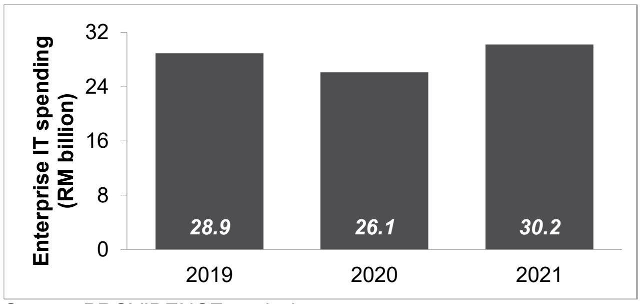
Latest available as at 13 October 2022

Source: Various annual reports, company websites, Companies Commission of Malaysia, PROVIDENCE analysis

2 ENTERPRISE INFORMATION TECHNOLOGY SERVICES MARKET IN SOUTHEAST ASIA

The enterprise IT services market in Southeast Asia is characterised by enterprise spending on IT consulting and implementation services; and operations, maintenance and support services.

Enterprise IT services industry in Southeast Asia



Source: PROVIDENCE analysis

The enterprise IT services market in Southeast Asia grew from RM28.9 billion in 2019 to RM30.2 billion in 2021 at a CAGR of 1.9%. In 2021, enterprise IT spending grew 15.5% year-on-year as containment measures arising from the COVID-19 pandemic made digitalisation essential for economic and social resilience. In 2021, enterprise IT spending in Malaysia, Thailand and Philippines was RM11.7 billion (38.9% of Southeast Asia's total enterprise IT spending). Future growth in the region will continue to be driven by increasing demand for IT system integration services given an increased penetration rate for IT systems used in enterprises and favourable government initiatives aimed at boosting digital economy; and an increasing demand for IT consultancy services as well as system operations, maintenance and support services due to the rising number of end-users and growing complexity of enterprise IT systems.

In the FYE 31 May 2022, Infomina Berhad secured a revenue of RM190.3 million from the provision of technology application and infrastructure solutions, as well as operations, maintenance and support services for technology solutions in Malaysia, Thailand and Philippines. In comparison to the enterprise IT spending specific to IT consulting and implementation services; operations, maintenance and support services of RM11.7 billion in 2021, Infomina Berhad garnered a market share of 3.7%.

In Thailand, the nation's national development plan, Thailand 4.0, aims to enhance the competitiveness of the local business environment and enable a transparent government to provide citizens with equitable access to public services and their data by utilising digital technology. The country's high internet and mobile internet penetration arising from individuals and consumers spending more time online, companies adapting to the new business norms of work-from-home and growth of the gig economy has spurred demand for data centres and cloud technology. To further strengthen the ecosystem of the digital industry, Thailand's Board of Investment is promoting the digital industry through tax and non-tax incentives, with a focus on software development, digital infrastructure and businesses supporting digital ecosystem.

Thailand ranked top in the top 5 nations globally for internet users engaging in mobile banking and financial services applications, e-commerce adoption, mobile payment, mobile commerce and QR code usage in 2021.[1] This is partially attributed to the government's digital co-payment scheme which is part of a relief package for those affected by the COVID-19 pandemic. This in turn has put more pressure on the financial sector in Thailand to be digitally ready to meet demand and customer needs, and have the supporting infrastructure in place with data strategy to meet this demand.

In the Philippines, the COVID 19 pandemic has accelerated digital adoption among consumers, particularly in the areas of electronic payments (e-payments) and e-commerce, and a wide range of economic activities are now conducted online. The use of digital technologies such as digital payments, e-commerce, telemedicine, and online education is rising in the Philippines and has helped individuals, businesses and the government cope with social distancing measures, ensure business continuity, and deliver public services during the COVID-19 pandemic. The Government of Philippines has been facilitating greater adoption of digital economy through policy regulations and frameworks that seek to support key areas of the digital economy, implement initiatives that provide stakeholders with the opportunity and capacity to participate in the industry, and digitalisation of key government services.

The abovementioned developments in Thailand and the Philippines create opportunities for industry players offering technology consulting and implementation services; as well as operations, maintenance and support services.

[1] Source: Digital 2021 by Kepios Pte Ltd

9. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 Our technology applications and infrastructure solution project deliverables are exposed to unexpected delays or interruptions that are beyond our control

The deliverables of our technology applications and infrastructure solution projects are subject to unexpected delays or interruptions caused by factors beyond our control. For example, our customers may delay the completion of projects due to unforeseen circumstances such as unavailability of persons-in-charge at the customers' sites to facilitate the implementation of the project, or unexpected difficulties in accessing our customers' infrastructure due to sudden breakdowns or unscheduled system maintenance.

If there are any delays caused by our customers which result in delays in the progress of our projects, our timing of delivery will be affected and this will subsequently affect our timing for revenue recognition and collection of payment from our customers, thus affecting our financial performance. Hence, we are dependent on the availability and cooperation of our customers to minimise delays in our deliverables.

Any other unexpected events such as pandemics, accidents and natural disasters may also restrain our employees' movements where our implementation teams are unable to travel to customer premises, or in more serious cases, lead to loss of some of our implementation team members which may cause temporary disruptions to our projects. As the delivery of our services and project deliverables is dependent on our employees and cannot be replaced or automated with machines, any unexpected significant interruptions to our manpower which are not resolved in a timely manner may affect the timing of delivery of our projects and subsequently affect our timing for revenue recognition and collection of payment from our customers.

Our technology applications and infrastructure solutions may be subject to specific completion schedules. For some turnkey projects, our customers are entitled to claim liquidated ascertained damages ("**LAD**") from us if we do not meet the schedules, pursuant to clauses for penalties or LAD. We may also be subject to service level agreement claims in respect of selected contracts with our customers. Failure to meet the milestones under the schedule of work of our contracts or service level performance indicators may result in claims for damages, other contract liabilities and disputes with the customers or even the termination of relevant contracts.

As at LPD, there have been delays in the progress and completion of projects but extension of time has been was granted by the affected project owners. Save for a LAD claim of RM3.0 million by Customer K in August 2022 as a result of delay in the progress of the project, we have not been imposed with any LAD penalty for any delay in the progress or completion of projects. As at LPD, our Company is currently appealing to Customer K to request them to consider waiving the entire LAD claim as we are of the view that the delay in the progress of the project was caused by, amongst others, the COVID-19 pandemic and MCO restrictions in Malaysia, which are interruptions beyond our control. Our Group has not sustained any material service level agreement claims as at LPD.

9.1.2 We may not be able to accurately estimate the cost required to deliver our technology applications and infrastructure solution projects

We generally undertake the design and delivery of technology application and infrastructure solutions on a turnkey basis. Some technology applications and infrastructure solution projects are awarded through competitive tendering process for which we have to estimate the time and costs needed in order to determine our fees and submit the quotations. There is no assurance that the actual time taken and costs incurred would not exceed our estimation. We expect to continue bidding on fixed-price contracts, the terms of which normally require us to complete a project for a fixed price, increasing the possibility of exposing us to cost overruns and resulting in lower profits or losses in a project.

The actual time taken and cost incurred by us in completing technology applications and infrastructure solution projects may be affected by many factors, including technical difficulties, integration with third party vendors' products, procurement of additional hardware and other unforeseeable problems and circumstances. Any one of these factors can cause cost overruns or schedule variations to our projects, thereby affecting the profitability from the affected project, including resulting in lower profits.

Most of our technology applications and infrastructure solution projects are subject to specific completion schedules and some of our customers are entitled to claim liquidated damages from us if we do not meet the schedules. Service level agreement breaches are typically levied at an agreed rate for each day or part of a day for such delay. Failure to meet the schedule requirements of our contracts may result in service level agreement claims, other contract liabilities and disputes with the customers or even the termination of relevant contracts. Any claims relating to liquidated damages or breaches from service level agreement will affect the profitability of the affected project. As at LPD, there has been no past occurrence of cost overrun or schedule variations in our projects that has led to LAD claims for the financial years under review. Our Group has incurred service level agreement claims of RM0.11 million, RM0.07 million, RM0.01 million and RM0.03 million for the FYE 2019, 2020, 2021 and 2022 respectively. These service level agreement claims were not material to the financial performance of our Group.

There is no guarantee that we would not encounter cost overruns or schedule variations in our current and future technology applications and infrastructure solution projects that would affect the profitability of our projects. Should such problems occur, our business and financial performance would be adversely affected.

As at LPD, we have not experienced any material service level agreement claims from our customers.

9.1.3 We derive a significant portion of our revenues from our major customers

Our revenue from our top five customers for FYE 2019 to 2022 accounted for approximately 99.0%, 91.4%, 72.8% and 75.0% respectively of our total revenue, while our revenue from our largest customer accounted for approximately 70.3%, 54.5%, 19.0% and 24.5% respectively of our total revenue in the corresponding FYE.

Our major customers who have contributed significantly to our revenue from FYE 2019 to 2022 are as follows:

	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	%	**%**	**%**	**%**
Customer K	-	1.0	5.3	24.5
Customer J	70.3	54.5	19.0	23.3
Customer H	21.6	21.8	11.1	7.5

	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	%	%	%	%
The Siam Commercial Bank Public Company Limited	-	10.8	20.1	10.0
	91.9	**88.1**	**55.5**	**65.3**

Further details of our major customers and their respective revenue contribution are set out in Section 7.9.

Collectively, the abovementioned major customers contributed approximately 91.9%, 88.1%, 55.5% and 65.3% to our Group's revenue in FYE 2019 to 2022 respectively. As at LPD, our Group has the following unbilled sales from on-going projects with the abovementioned major customers:

(i) 2 projects with Customer K with unbilled sales amounting to RM38.6 million to be delivered up to FYE 2027, which are contracts under the design and delivery of technology infrastructure solutions segment; and

(ii) 3 project with Customer J with unbilled sales amounting to RM83.2 million to be delivered up to FYE 2026, which are contracts under the design and delivery of technology infrastructure solutions.

We have completed our works for Customer H on a project for which we supply support services, from December 2020 to November 2021 with a total value of RM8.4 million and subsequently Customer H did not issue any further work orders to us for this particular project. Since then, we do not have any new projects with Customer H up to LPD. In March 2022, Customer H renewed their subscription of Broadcom Enterprise Software for their customer through Infomina for up to FYE 2023, under the technology infrastructure operations, maintenance and support services segment amounting to RM11.4 million.

The revenue that we secure from our major customers vary on a year-to-year basis. Based on the major customers' significant revenue contribution as set out above, we risk having our Group's revenue concentrated among these few major customers. Their significant contribution to our revenue from FYE 2019 to 2022 may be considered as a risk factor to our Group as we will continue to tender for new contracts from these customers when the opportunity arises.

Notwithstanding any termination clauses which are to our Group's benefit, contracts with these major customers will generally lead to continuing business opportunities with our Group via its technology infrastructure operations, maintenance and support services segment. Although our Group is not dependent on our major customers individually, we may be materially and adversely affected if we were to lose several of our major customers without securing new customers in a timely manner to replace the loss of business, or if we were to encounter difficulties in collecting payment from these major customers due to the value of the contracts that we have with them. Termination of several major customers' contracts would generally also mean the loss of the customers and any future opportunities with them, and we may be adversely impacted if we are unable to secure new customers in a timely manner to replace the loss of business.

9.1.4 We are dependent on CA Singapore as our major supplier

Broadcom Inc., the holding company of CA Singapore, is a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. In 2019, we entered into a partnership with Broadcom Inc.'s subsidiary, CA Singapore, pursuant to the Regional Partner Agreement, whereby Infomina was appointed to resell and distribute Broadcom software technologies (comprising Broadcom Enterprise Software and Broadcom Mainframe Software). Infomina was also recognised as a Premier Tier 1 VAD for purposes of marketing Broadcom software technologies in Malaysia, Singapore, Thailand, Indonesia, the Philippines, Hong Kong and Taiwan. Subsequently, this appointment to resell and distribute Broadcom Enterprise Software was extended to China in 2021 and the right to resell and distribute the Broadcom Mainframe Software was extended to China in 2022. Pursuant to the Regional Partner Agreement, we are able to engage and procure Broadcom software technologies, directly from CA Singapore, and to resell and distribute the Broadcom software technologies to distributors and resellers in the CA Partner Regions.

Based on Broadcom's website as at LPD, Infomina is the sole appointed distributor and Premier Tier 1 VAD of Broadcom Mainframe Software (but not for Broadcom Enterprise Software) in the CA Partner Regions and our Group is not aware of any other appointed Premier Tier 1 VAD by CA Singapore.

CA Group contributed to 14.6%, 27.3%, 66.4% and 45.0% of our purchases in FYE 2019, 2020, 2021 and 2022 respectively. Moving forward, we anticipate that CA Singapore will continue to be a major supplier to our Group and we will be dependent on our business relationship with CA Singapore. For the time being, we are unable to isolate the revenue derived from the sale of products pursuant to our business with CA Singapore, as each project has several components which are priced as a package, and are not accounted for separately.

Our appointment by CA Singapore as a Premier Tier 1 VAD commenced on 24 June 2019, and it is automatically renewed annually unless CA Singapore decides not to renew the Regional Partner Agreement or the Regional Partner Agreement is terminated. There is no assurance that this appointment would be renewed, extended upon expiry or continued without interruption. Our appointment is also non-exclusive. In the event that we are not able to renew, extend upon expiry or continue this appointment with CA Singapore without interruption or timely replacement with another supplier, we may still continue engaging CA Singapore directly as a supplier, albeit without an upfront status recognition as a Premier Tier 1 VAD.

For avoidance of doubt, Infomina has been in direct business with CA (Malaysia) Sdn Bhd since 2015 where we have been distributing Broadcom software technologies in Malaysia.

Should our business relationship with CA Singapore be terminated, our competitiveness will be affected as we will need time to familiarise with the hardware and software specifications as well as system processes of other product principals, including the implication of its integration in our technology solutions. We may also not be able to procure mainframe technologies from other suppliers at competitive rates, or may need to incur additional costs to incorporate mainframe technologies from other suppliers in our technology solutions. Due to the learning curve and potential cost implications, our customers also typically resist changing mainframe technology brands on a frequent basis. As such, we may lose such customers if they are adverse to switching to another brand of mainframe technology.

9.1.5 We are dependent on our IT staff for the provision of technology application and infrastructure solutions

Our IT staff are our Group's main assets in our technology application and infrastructure solutions business. Our IT staff comprise 73.5% (72 persons), 73.9% (85 persons), 71.5% (88 persons) and 69.0% (78 persons) of our Group's total workforce for FYE 2019, 2020, 2021 and 2022 respectively. The provision of technology application and infrastructure solutions, including consulting and implementation of the respective solutions as well as operations, maintenance and support services, requires the expertise of our IT staff who are equipped with domain knowledge as well as experience in technology and industry trends.

Our ability to retain and also to attract competent and skilled IT staff is crucial for our continued success, future business growth and expansion. Any loss of our IT staff and our inability to find suitable replacements in a timely manner may cause disruptions to our project deliverables. Consequently, if our Group is unable to adhere to our project delivery schedules, our billing schedule will be delayed as invoices are issued according to project delivery milestones. Further, based on the agreements for our current on-going turnkey projects as at LPD, our customers are allowed to claim for breach of service level agreements. In the event that our customers make such claims in relation to delays or failures caused by our Group to meet any milestones as specified in the agreement, it will increase our project cost and this may adversely affect our financial performance if there is a significant number or value of such claims.

For FYE 2019, 2020, 2021 and 2022, our IT staff turnover rate was 10.2%, 7.8%, 7.3% and 30.1% respectively. The increase of IT staff turnover rate in FYE 2022 was due to more competitive packages offered among the industry players. However, the Company was able to recruit replacement candidates in a timely manner. There have been no material delays resulting from the loss of technical and skilled IT employees over the period under review and we have not experienced any liquidated damage claims from customers for delays in completion schedules arising from the turnover of our IT staff. Where we foresee any delays in completion schedules, we engage external IT consultants to supplement our internal project manpower to accelerate the progress of our projects. The engagement of external IT consultants is not due to our inability to recruit IT professionals or to find suitable IT professional replacements, but is due to short term manpower requirement.

9.1.6 We are dependent on our Executive Directors and key senior management

The continued success and growth of our business is dependent on our ability to retain our Executive Directors and key management personnel, in particular our Managing Director, Yee Chee Meng and our Executive Directors namely Lim Leong Ping @ Raymond Lim, Mohd Hoshairy Bin Alias and Nasimah Binti Mohd Zain. These individuals have been instrumental in the development of our corporate strategy and the growth of our business. Their ability to understand the IT and technology industries, and anticipate industry trends equip them with the necessary skillsets to establish business relationships with our customers and suppliers.

Our Executive Directors are supported by a team of qualified and experienced key senior management personnel comprising Tan Siang Pin, Mok Pek Yoke, Wee Chiow Man, and Azham Bin Mat Yasir. Collectively, our Executive Directors and key senior management have extensive knowledge and experience of 10 to 39 years in their relevant field of industry expertise which enable us to remain competitive.

As such, a loss of such experienced management personnel without suitable and timely replacements could have a material impact on our competitiveness, business and operations.

9.1.7 Our business and operations are exposed to sudden disruptions caused by serious pandemic and epidemic outbreaks

The mandatory social / physical distancing measures and/or lockdowns imposed by the governments in Malaysia, the Philippines, Thailand, Singapore, Hong Kong and Indonesia due to COVID-19 have restricted us from continuing our work at our customers' premises primarily in relation to our turnkey projects. While our consultants continued to work from home to ensure the continuation of project implementation, certain parts of our work were restricted such as physical sighting of confidential documents, and extraction of information required from our customers. This had caused slight delays to our project delivery schedule primarily for our turnkey projects which had subsequently affected our billing schedule from the second quarter of 2020 onwards for our existing projects.

COVID-19 had also affected our ability to recruit suitably qualified IT professionals to staff our projects in a timely manner due to the various movement controls instituted in Malaysia and countries in which we have presence.

Our business development and marketing activities were affected during this COVID-19 period. As a result of travel restrictions and social distancing measures, we were unable to carry out business development and marketing activities such as attending conferences and events as well as meeting prospective customers. As such, our Group relied on virtual meetings to initiate contact with prospective customers during this period.

Please refer to Section 7.7.1 and 7.7.2 for further details on the interruptions to our business operations caused by the COVID-19 pandemic and MCO.

Further, the economic impact of COVID-19 may adversely affect the financial positions of many organisations which may result in tighter budgets. Organisations may be more cautious in their spending moving forward and prioritise resources in recovering their sales performance and financial position after the crisis ends. This may temporarily affect the demand for IT services in view of its investment cost and may consequently cause a slowdown in the demand for our technology services.

As a result of the COVID-19 outbreak, up until LPD, we have entered into an agreement with a customer for the deferment of our project due to factors as detailed in Section 7.7.2.

Any such future pandemic outbreaks, as well as epidemic outbreaks affecting a significantly large but more localised population, may result in similar interruptions to our Group's business and operations, which may subsequently have a material adverse impact on our financial performance.

9.1.8 We are exposed to risks relating to the economic, political, legal and regulatory environments in the countries in which we derive revenue

Our Group operates regionally with offices in Malaysia, Singapore, Thailand, the Philippines, Indonesia and Hong Kong. Our Group also plans to continue expanding our regional presence to Taiwan and China.

We derive a significant portion of our revenue from our foreign markets. For FYE 2020, FYE 2021 and FYE 2022, our foreign sales accounted for approximately 17.4%, 60.9% and 42.6% of our revenues respectively.

Business segment	FYE 2019 RM'000	FYE 2019 %	FYE 2020 RM'000	FYE 2020 %	FYE 2021 RM'000	FYE 2021 %	FYE 2022 RM'000	FYE 2022 %
Malaysia	66,006	100.0	67,413	82.6	41,164	39.1	115,442	57.4
Foreign country								
Thailand	-	-	10,321	12.7	31,890	30.3	32,543	16.2
The Philippines	-	-	2,540	3.1	26,802	25.5	42,311	21.1
Others	-	-	(1)1,342	1.6	(1)5,368	5.1	(2)10,767	5.3
Total revenue	**66,006**	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

Notes:

(1) Revenues from customers in Hong Kong that were generated through our subsidiary, Infomina SG.

(2) Revenues from customers in Hong Kong and Taiwan that were generated through our subsidiary, Infomina SG.

Our business, prospects, financial condition and results of operations may be affected by any adverse developments, changes and / or uncertainties in the economic, political, legal and regulatory environments that are beyond our control in the countries where we operate and transact business. These risks include unfavourable changes in political conditions, economic conditions, interest rates, government policies and regulations, import and export restrictions, duties and tariffs, civil unrests, methods of taxation, inflation and foreign exchange controls. Any changes in government policies that may cause disruptions in business operations and financial performance of businesses, may consequently cause a decline in IT budgets and demand for our Group's products and services. Such events may have a material adverse effect on our business and financial performance. There can be no assurance that any adverse economic, political, legal and / or regulatory developments will not lead to a material adverse effect on the business performance of our Group.

While we take measures to mitigate such risks by keeping abreast with economic and regulatory changes in the relevant countries, there can be no assurance that any adverse changes in political, economic and regulatory conditions of the countries will not materially affect our financial performance. However, with our continuous effort to diversify our customer base, we could reduce the susceptibility of our financial performance to any political, economic and regulatory changes in a particular country.

9.1.9 We are exposed to foreign exchange transaction risks

Our Group is involved in the provision of technology applications and infrastructure solutions primarily for customers regionally. We are mainly exposed to transactional currency exposure as our revenue and purchase are presently denominated in RM, THB, PHP and USD. Fluctuations in these foreign currency exchange rates may adversely affect our financial performance and profit margin.

Our Group does not hedge our exposure to fluctuations in foreign currency exchange rates. As such, we are subject to foreign exchange fluctuation risk for our revenue and purchases denominated in foreign currencies which we transact.

A depreciation of the RM against the currencies which we transact will lead to higher revenue in RM after conversion, whereas it will also lead to higher cost of purchases in RM after conversion. Conversely, appreciation of the RM against the currencies which we transact will lead to lower revenue and lower cost of purchases in RM after conversion. Overall, our foreign exchange gains and losses for FYE 2019 to 2022 are as follows:

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Realised (loss) / gain on foreign exchange	-	(899)	61	245
Unrealised (loss) / gain on foreign exchange	-	(206)	(252)	287
Net loss	**-**	**(1,105)**	**(191)**	**532**

In relation to foreign customers, our Group typically quote contracts in USD and imposes a premium on fees quoted in local currencies. This is to encourage our customers to accept the contracts quoted in USD. As such, foreign contracts are generally accepted and transacted in USD, which act as a natural hedge for our purchases that are generally paid for in USD. However, where contracts are accepted in local currencies, the premium of fees may not be sufficient to offset any foreign exchange losses. For reference, our Group's sales contract with a customer in Thailand in FYE 2020 which was quoted in local currency while purchases from the supplier, CA Singapore, was quoted in USD. Being the first contract secured by our Group in Thailand, we did not quote a premium even though the contract was in local currency because securing a customer in Thailand was the main priority of our Group at the time. As a result, the weakening of THB against USD gave rise to the RM1.1 million loss on foreign exchange in FYE 2020.

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We may not be able to keep up with rapid technological changes

The IT and technology industry are characterised by rapidly changing technology, evolving industry standards, frequent introductions and enhancements of new products and services, and changing customer demands. The introduction of new technology and the emergence of new industry standards may render our services obsolete and uncompetitive. As a technology firm, our future success will depend on our ability to adapt to rapidly changing technologies, adapt our services to the evolving industry standards and continually improve the know-how of our staff in response to evolving demands of the market place. The need to keep abreast with technological changes and development is a requirement for companies like us, and is therefore a risk should our Group not be able to do so within our industry, notwithstanding it is in the nature of our Group as an IT solutions provider to keep up-to-date with the latest technologies. Failure to adapt to such changes would have a material adverse effect on our business and results of operations.

9.2.2 The technology application and infrastructure solutions industry is competitive

For large scale technology application and infrastructure solutions, the barriers of entry are relatively high as they generally require sophisticated technical know-how, extensive development experience. We compete with renowned IT services providers for projects based on industry reputation, business relationships with IT product suppliers, availability of skilled IT talents and loyalty. In particular, service providers such as our Group, that are able to demonstrate domain knowledge to deliver practical and workable solutions for our customers are better positioned to secure technology contracts. This restricts the entry of new industry players that may not possess the abovementioned qualities.

Our Group has demonstrated the ability to implement large scale technology application and infrastructure solutions for government agencies, statutory bodies and financial institutions. Please refer to Section 7.3.1 for details of selected technology application and infrastructure solutions that we have delivered to our customers.

Our Group's existing competitors may, in the future, achieve greater market acceptance and recognition as well as a greater market share. We compete with other similar IT service providers in relation to expertise and resources available, type of software used, service quality, delivery time and pricing strategies. The competition from other similar IT service providers may result in stiffer competition in successfully winning competitive tenders for future projects, which will have a negative impact on our revenue and subsequently our overall financial performance. There can be no assurance that the competition in the IT services industry will not increase in the future and if we fail to maintain or improve our market position or fail to respond successfully to changes in such competitive landscape, our business, and financial performance would be negatively affected.

The IMR Report in Section 8 identifies 16 industry players that are involved in the provision of enterprise IT services comprising the design and implementation of IT application and infrastructure solutions as well as IT operations, maintenance and support services. These industry players were identified based on publicly available information. This list of industry players is not exhaustive as it may not include companies whose financial information have been private exempted and cannot be viewed by the public.

9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

9.3.1 There is no prior market for our Shares

Prior to our Listing, there was no public trading for our Shares. The listing of our Shares on the ACE Market does not guarantee that an active market for our Shares will develop or continue be developed upon or subsequent to our Listing.

There is also no assurance that our IPO Price will correspond to the price at which our Shares will be traded on the ACE Market upon or subsequent to our Listing.

9.3.2 Our Listing is exposed to the risk that it may be aborted or delayed

Our Listing may be aborted or delayed should any of the following occur:

(a) the selected investors fail to subscribe for their portion of our IPO Shares;

(b) our Underwriter exercising its rights under the Underwriting Agreement to discharge itself from its obligations therein; and

(c) we are unable to meet the public shareholding spread requirement set by Bursa Securities, whereby at least 25.0% of our total number of Shares for which listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares upon the completion of our IPO and at the point of our Listing.

If any of these events occur, investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the Application within 14 days, failing which the provisions of Section 243(2) of the CMSA will apply.

If our Listing is aborted and/or terminated, and our Shares have been allotted to the investors, a return of monies to the investors could only be achieved by way of cancellation of share capital as provided under Sections 116 or 117 of the Act and its related rules.

Such cancellation requires the approval of shareholders by special resolution in a general meeting, with sanction of High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and ROC within 7 days of the date of the special resolution and us meeting the solvency requirements under Section 117(3) of the Act.

There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

9.3.3 The trading price and trading volume of our Shares following our Listing may be volatile

The trading price and volume of our Shares may fluctuate due to various factors, some of which are not within our control and may be unrelated or disproportionate to our financial results. These factors may include variations in the results of our operations, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations.

The performance of Bursa Securities is also affected by external factors such as the performance of the regional and world bourses, inflow or outflow of foreign funds, economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our Shares.

9.4 OTHER RISKS

9.4.1 Our Promoters will be able to exert significant influence over our Company

Our Promoters will collectively hold approximately 72.8% of our enlarged share capital upon Listing. Because of the size of their shareholdings, our Promoters will likely have a deciding vote on the outcome of (i.e. to approve or reject) certain matters requiring the vote of shareholders unless they are required to abstain from voting by law and/or as required by the relevant authorities.

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10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Save for the acquisitions of Infomina SG and Infomina TH as set out in Section 6.2.1, Acquisition of ISSB and as disclosed below, there were no transactions, existing and/or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, substantial shareholders and/or persons connected with them which are material to our Group during FYE 2019 to 2022 and up to LPD:

					Transaction value									
					FYE 2019		FYE 2020		FYE 2021		FYE 2022		1 June 2022 up to LPD	
Related party	**Transacting company in our Group**	**Interested person**	**Nature of relationship**	**Nature of transaction**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Yee Chee Meng	Infomina	Yee Chee Meng	Yee Chee Meng is our Promoter, substantial shareholder and Managing Director	Rental of SO-33-06, Menara 1, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur from Yee Chee Meng by Infomina for use as office [(4)]	96	[(1)]1.5	96	[(1)]2.8	96	[(1)]1.2	96	[(1)]0.5	32	[(5)]N/A
Mok Pek Yoke	Infomina	Mok Pek Yoke	Mok Pek Yoke is our key senior management	Rental of SO-33-05, Menara 1, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur from Mok Pek Yoke by Infomina for use as office [(4)]	96	[(1)]1.5	96	[(1)]2.8	96	[(1)]1.2	96	[(1)]0.5	32	[(5)]N/A

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value: FYE 2019 RM'000	FYE 2019 %	FYE 2020 RM'000	FYE 2020 %	FYE 2021 RM'000	FYE 2021 %	FYE 2022 RM'000	FYE 2022 %	1 June 2022 up to LPD RM'000	1 June 2022 up to LPD %
Yee Chee Meng	Infomina PH	Yee Chee Meng	Yee Chee Meng is our Promoter, substantial shareholder and Managing Director	Rental paid on behalf by Yee Chee Meng to Servcorp Manila, Inc for rental of virtual office space at Level 17, Ayala Avenue Office Tower, Ayala Avenue, Makati City, Manila, Philippines 1226 [3]	-	-	4	[1]0.1	8	[1]0.1	0.6	*	-	[5]N/A
Yee Chee Meng	Infomina SG	Yee Chee Meng	Yee Chee Meng is our Promoter, substantial shareholder and Managing Director	Rental paid on behalf by Yee Chee Meng to Servcorp Singapore Holdings Pte Ltd for rental of virtual office space at Level 24, CapitaGreen, 138 Market Street, Singapore 048946	-	-	5	[1]0.1	17	[1]0.2	4	*	-	[5]N/A
Yee Chee Meng	Infomina TH	Yee Chee Meng	Yee Chee Meng is our Promoter, substantial shareholder and Managing Director	Rental paid on behalf by Yee Chee Meng to Servcorp Co., Ltd for rental of virtual office space at Level 29, The Offices at Centralworld, 999/9 Rama 1 Road, Pathumwan, Bangkok 10330	-	-	5	[1]0.1	11	[1]0.1	0.1	*	-	[5]N/A

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
					FYE 2019		FYE 2020		FYE 2021		FYE 2022		1 June 2022 up to LPD	
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
				Advances received / (repaid) by Infomina TH from / to Yee Chee Meng	-	-	1,472	[2]10.0	(1,472)	[2]10.0	-	-	-	[5]N/A
Yee Chee Meng	Infomina	Yee Chee Meng	Yee Chee Meng is our Promoter, substantial shareholder and Managing Director	Payment on behalf of Infomina by Yee Chee Meng	46	[1]0.7	55	[1]1.6	40	[1]0.5	-	-	-	[5]N/A

Notes:

* Negligible

(1) Computed over our Group's PAT for the respective financial years.

(2) Computed over our Group's NA as at the respective financial year end.

(3) Effective from 1 December 2021, Infomina PH has moved to Level 24, One Bonifacio High Street, Bonifacio Global City, Metro Manila 1634, Philippines.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(4) Being recurrent transactions that may recur after Listing.

In respect of the tenancy agreement dated 15 December 2021 between our Company and Yee Chee Meng for the rental of 1 unit of commercial office situated at SO-33-06, Menara 1, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, the initial term of the tenancy is for 2 years commencing from 1 January 2022 to 31 December 2023 at the monthly rental of RM8,000. Our Company has the option to renew the tenancy for a further term of 1 year. Either our Company or Yee Chee Meng may terminate the tenancy agreement by giving the other party 2 months' notice in writing or 2 months' rent in lieu of notice but such right of termination is only exercisable after 12 months of the initial term. If the rental is in arrears for more than 7 days, Yee Chee Meng shall have the full power to take repossession of the said premises and the security deposit of 2 months' rental and utility deposit of 1 month's rental shall be forfeited by Yee Chee Meng but without prejudice to the right of action of Yee Chee Meng in respect of any breach of Infomina's covenants in the tenancy agreement.

In respect of the tenancy agreement dated 15 December 2021 between our Company and Mok Pek Yoke for the rental of 1 unit of commercial office situated at SO-33-05, Menara 1, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, the initial term of the tenancy is for 2 years commencing from 1 January 2022 to 31 December 2023 at the monthly rental of RM8,000. Our Company has the option to renew the tenancy for a further term of 1 year. Either our Company or Mok Pek Yoke may terminate the tenancy agreement by giving the other party 2 months' notice in writing or 2 months' rent in lieu of notice but such right of termination is only exercisable after 12 months of the initial term. If the rental is in arrears for more than 7 days, Mok Pek Yoke shall have the full power to take repossession of the said premises and the security deposit of 2 months' rental and utility deposit of 1 month's rental shall be forfeited by Mok Pek Yoke but without prejudice to the right of action of Mok Pek Yoke in respect of any breach of Infomina's covenants in the tenancy agreement.

(5) Not applicable as we did not prepare any financial statements from 1 June 2022 up to LPD.

The acquisitions of Infomina SG and Infomina TH, as well as the Acquisition of ISSB were undertaken as an internal reorganisation among our Promoters, with a view to achieve their agreed shareholdings of our Group, prior to undertaking our Listing.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

The purchase consideration for the acquisitions of Infomina SG and Infomina TH of RM5.9 million was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the expected business growth of Infomina SG, Infomina TH and Infomina PH (which was then a 99.9%-subsidiary of Infomina SG); and their expected contribution to our Group based on the companies' financial performance for FYE 2021. For FYE 2021, these 3 companies collectively generated revenue of RM64.1 million or 60.8% of our Group's combined revenue, and PAT of RM7.9 million or 94.9% of our Group's combined PAT. Of this PAT amount, the effective shareholdings of Yee Chee Meng and Tan Siang Pin translate to an equivalent share of RM1.8 million respectively. The acquisitions of Infomina SG and Infomina TH enabled us to fully control and consolidate the results of the companies. The issue price of RM4.32 per Infomina Share was derived to achieve the desired shareholding structure in Infomina after the acquisitions of Infomina SG and Infomina TH as agreed by the Promoters. As there is no comparable transaction in the market, and the transactions did not involve the interest of any other third parties, they were deemed to be transacted at arm's length with the collective agreement of our Promoters. Please refer to Section 6.2 for further details of the internal reorganisation among our Promoters.

Save for the advances received from Yee Chee Meng and payments paid on behalf by Yee Chee Meng which are not conducted on arm's length basis as they are interest free, our Directors (save for the interested Director i.e. Yee Chee Meng who has abstained from deliberation in those transactions where he has interest) are of the view that all our other related party transactions were conducted on arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to our Group. These are rental payments which are within RM7,500 to RM8,000, being the range of market rental rates of the respective properties.

The advances received from Yee Chee Meng and outstanding balances from payments paid on behalf by Yee Chee Meng are unsecured, interest free and repayable on demand. The payments paid by Yee Chee Meng on behalf of the companies were rendered as assistance to the companies as a matter of convenience, and are not expected to continue moving forward. All payments paid by Yee Chee Meng on behalf of the companies have been fully repaid in September 2021.

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10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Moving forward, in order to ensure that related party transactions are undertaken on arm's length basis and on normal commercial terms, we have established the following procedures:

(a) Recurrent related party transactions

(i) At least 2 other contemporaneous transactions with third parties for similar products and/or quantities will be used as comparison, wherever possible, to determine if the price and terms offered by related parties are fair and reasonable and comparable to those offered by other third parties for the same or substantially similar type of products/services and/or quantities; or

(ii) If quotation or comparative pricing from third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by other third parties for substantially similar type of transaction to ensure that the recurrent related party transactions are not detrimental to us.

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at a general meeting. As these transactions may be time-sensitive in nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

(b) Other related party transactions

(i) Whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;

(ii) The rationale for the Group to enter into the related party transaction and the nature of alternative transactions, if any; and

(iii) Whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and the nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

For related party transactions that require shareholders' approval, the Directors, major shareholders and/or persons connected with such Director or major shareholder, which have any interest, direct or indirect, in the proposed related party transaction will abstain from deliberating and voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has interest, direct or indirect, in any proposed related party transactions, the Director or major shareholder concerned will also abstain from deliberating and voting in respect of his direct and/or indirect shareholdings. The relevant Directors who are deemed interested or conflicted in such transactions shall also abstain from our Board deliberations and voting on the Board resolutions relating to these transactions.

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. If a member of our Audit and Risk Management Committee has an interest in any related party transaction, he is to abstain from participating in the review and approval process in relation to that transaction. Where necessary, our Board would make appropriate disclosures in our annual report with regard to any related party transaction entered into by us.

10.2 OTHER TRANSACTIONS

10.2.1 Transactions entered into that are unusual in their nature or conditions

There were no transactions that were unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party for FYE 2019 to 2022 and up to LPD.

10.2.2 Outstanding loans (including guarantees of any kind)

(a) Outstanding loans and/or balances

As at LPD, there are no outstanding loans made by our Group to/for the benefit of a related party or granted by the related parties for the benefit of our Group.

(b) Guarantees

Our Promoters, substantial shareholders and Directors, namely Yee Chee Meng, Lim Leong Ping @ Raymond Lim, Nasimah Binti Mohd Zain and Mohd Hoshairy Bin Alias have jointly and severally provided personal guarantees for the banking facility extended by Malayan Banking Berhad ("**Financier**"):

Financier	Type of facility	Outstanding balance as at LPD	Facility limit	Guarantors
		RM'000	RM'000	
Malayan Banking Berhad	Bank guarantee	14,943	15,000	• Yee Chee Meng • Lim Leong Ping @ Raymond Lim • Mohd Hoshairy Bin Alias • Nasimah Binti Mohd Zain

In conjunction with our Listing, we have applied to the Financier to obtain a release and/or discharge of the above personal guarantees by substituting the same with other securities from our Group acceptable to the Financier. Until such release and/or discharge are obtained from the Financier, the aforesaid persons will continue to guarantee the banking facility extended to our Group.

As at the date of this Prospectus, we have received approval from Malayan Banking Berhad vide its supplementary letter of offer dated 9 August 2022, to discharge the existing personal guarantee executed by Mohd Hoshairy Bin Alias, Yee Chee Meng, Nasimah Binti Mohd Zain and Lim Leong Ping @ Raymond Lim as stated above subject to the fulfilment of the following:

(a) completion of our Listing;

(b) letter of undertaking to be executed by Mohd Hoshairy Bin Alias, Yee Chee Meng, Nasimah Binti Mohd Zain and Lim Leong Ping @ Raymond Lim to extend their guarantee for all banking facilities granted to our Company in the event the Listing does not complete within 3 months from the date of regulatory approval; and

(c) irrevocable letter of undertaking to be executed by Yee Chee Meng, our Managing Director to remain as Director in Infomina throughout the financing tenure, which has been provided on 14 October 2022.

10.2.3 Transactions entered into with M & A Securities

Save as disclosed below, we have not entered into any transactions with M & A Securities who is the Adviser, Sponsor, Placement Agent and Underwriter for our Listing:

(a) Agreement dated 2 June 2021 between Infomina and M & A Securities for the appointment of M & A Securities as Adviser, Sponsor, Underwriter and Placement Agent for our Listing; and

(b) Underwriting Agreement dated 12 October 2022 entered into between our Company and M & A Securities for the underwriting of 36,075,100 Issue Shares.

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11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CLIENTS AND SUPPLIERS

None of our Directors and substantial shareholders has any interest, direct or indirect, in other businesses and corporations which are carrying on a similar trade as our Group, or which are customers and suppliers of our Group.

Moving forward, we have established procedures for related party transactions to ensure that they are carried out on an arm's length basis, on normal commercial terms which are not more favourable to our related parties than those generally available to the public, and are not to the detriment of our minority shareholders. Please refer to our procedures as disclosed in Section 10.1.

It is our Director's fiduciary duty to avoid conflict, and they are required to attend courses which provide them guidelines on their fiduciary duties. In order to mitigate any possible conflict of interest situation in the future, our Directors will declare to our Nominating and Remuneration Committee and our Board their interests in other companies at the onset and as and when there are changes in their respective interests in companies outside our Group. Our Nominating and Remuneration Committee will then first evaluate if such Director's involvement gives rise to an actual or potential conflict of interest with our Group's business after the disclosure provided by such Director. After a determination has been made on whether there is an actual or potential conflict of interest of a Director, our Nominating and Remuneration Committee will then:

(a) Immediately inform our Audit and Risk Management Committee and Board of the conflict of interest situation;

(b) After deliberation with our Audit and Risk Management Committee, to make recommendations to our Board to direct the conflicted Director to:

    (i) withdraw from all his executive involvement in our Group in relation to the matter that has given rise to the conflict of interest (in the case where the conflicted Director is an Executive Director); and

    (ii) abstain from all Board deliberation and voting in the matter that has given rise to the conflict of interest.

In relation to (b)(ii) above, the conflicted Director and persons connected to him (if applicable) shall be absent from any Board discussion relating to the recommendation of our Nominating and Remuneration Committee and the conflicted Director and persons connected to him (if applicable) shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director, may however at the request of the Chairman of our Board, be present at our Board meeting to answer any questions.

In circumstances where a Director is determined to have a significant, ongoing and irreconcilable conflict of interest with our Group, and where such conflict of interest significantly impedes the Director's ability to carry out his fiduciary responsibility to our Group, our Nominating and Remuneration Committee may determine that a resignation of the conflicted Director from our Board is appropriate and necessary.

Where there are related party transactions between our Group with our Directors (or person connected to them) or companies in which our Directors (or person connected to them) have an interest, our Audit and Risk Management Committee will, amongst others, supervise and monitor such related party transaction and the terms thereof and report to our Board for further action. Please refer to Section 10.1 for the procedures to be taken to ensure that related party transactions (if any) are undertaken on arm's length basis.

11.2 DECLARATIONS OF CONFLICT OF INTEREST BY OUR ADVISERS

(a) M & A Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Adviser, Sponsor, Underwriter and Placement Agent for our Listing;

(b) Newfields Advisors Sdn Bhd has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Financial Adviser for our Listing. Its scope of work as Financial Adviser includes the following:

    (i) to conceptualise and advise on our Group's restructuring, equity and corporate structure in preparation for our Listing;

    (ii) to assist our Group in compiling information and documents for our Listing;

    (iii) to assist in reviewing the draft documents prepared by the relevant advisers in relation to our Listing; and

    (iv) to assess and advise on any other issues relevant to our Listing;

(c) Chooi & Company + Cheang & Ariff has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Solicitors for our Listing;

(d) Baker Tilly Monteiro Heng PLT has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Auditors and Reporting Accountants for our Listing; and

(e) Providence Strategic Partners Sdn Bhd has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as IMR for our Listing.

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12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our historical combined financial information throughout FYE 2019 to FYE 2022 have been prepared in accordance with MFRS and IFRS. The financial information included in this Prospectus is not intended to predict our Group's financial position, results or cash flows.

It should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Accountants' Report set out in Sections 12.2 and 13 respectively.

12.1.1 Combined statements of comprehensive income

The following table sets out a summary of our audited combined statements of comprehensive income for FYE 2019 to FYE 2022 which have been extracted from the Accountants' Report.

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	66,006	81,616	105,224	201,063
Cost of sales	(50,380)	(68,167)	(81,280)	(159,164)
GP	**15,626**	**13,449**	**23,944**	**41,899**
Other income	348	1,846	393	764
Administrative expenses	(6,805)	(10,710)	(12,189)	(20,426)
Operating profit	**9,169**	**4,585**	**12,148**	**22,237**
Finance costs	(102)	(78)	(102)	(186)
PBT	**9,067**	**4,507**	**12,046**	**22,051**
Income tax expense	(2,165)	(1,135)	(3,757)	(4,971)
PAT	**6,902**	**3,372**	**8,289**	**17,080**
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations	-	(5)	29	12
Total comprehensive income for the financial year	**6,902**	**3,372**	**8,318**	**17,092**
PAT attributable to:				
Owner of our Company	6,902	3,372	8,287	17,078
Non-controlling interests	-	(5)	2	2
	6,902	**3,372**	**8,289**	**17,080**
EBIT(1)	8,821	4,191	11,903	22,012
EBITDA(1)	9,357	4,772	12,671	23,306
GP margin (%)(2)	23.7	16.5	22.8	20.8
PBT margin (%)(3)	13.7	5.5	11.5	11.0
PAT margin (%)(3)	10.5	4.1	7.9	8.5
EPS (sen)(4)	1.3	0.7	1.6	3.3

12. FINANCIAL INFORMATION *(Cont'd)*

Notes:

(1) EBIT and EBITDA are calculated as follows:

EBIT is calculated as profit before interest income, finance costs, taxes, and amortisation.

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
PAT	6,902	3,372	8,289	17,080
Less:				
Interest income	348	394	245	225
Add:				
Finance costs	102	78	102	186
Income tax expense	2,165	1,135	3,757	4,971
EBIT	**8,821**	**4,191**	**11,903**	**22,012**
Add:				
Depreciation	536	581	768	1,294
EBITDA	**9,357**	**4,772**	**12,671**	**23,306**

(2) Calculated based on GP divided by revenue.

(3) PBT margin and PAT margin are calculated based on the respective PBT and PAT for the financial year divided by revenue.

(4) Calculated based on PAT divided by 520,081,200 enlarged number of Shares in issue before IPO.

(5) Negligible.

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12. FINANCIAL INFORMATION *(Cont'd)*

12.1.2 Combined statements of financial position

The following table sets out our combined statements of financial position as at 31 May 2019, 2020, 2021 and 2022 which have been extracted from the Accountants' Report.

	Audited			
	As at 31 May			
	2019	2020	2021	2022
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	1,509	1,185	2,225	5,397
Deferred tax assets	1,163	864	965	5,231
Other receivables	-	654	632	874
Total non-current assets	**2,672**	**2,703**	**3,822**	**11,502**
Current assets				
Current tax assets	-	-	61	151
Trade and other receivables	9,395	32,330	48,794	86,046
Contract assets(1)	3,580	2,323	-	-
Cash and short-term deposits	16,946	26,981	24,495	70,934
Total current assets	**29,921**	**61,634**	**73,350**	**157,131**
TOTAL ASSETS	**32,593**	**64,337**	**77,172**	**168,633**
EQUITY AND LIABILITIES				
Equity attributable to owners of our Group				
Invested equity / Share capital	1,147	5,178	11,086	11,075
Irredeemable preference shares	-	-	-	65
Retained earnings	10,238	9,610	17,897	34,921
Reorganisation reserve	-	-	(5,847)	(5,700)
Other reserves	-	-	29	92
	11,385	14,788	23,165	40,453
Non-controlling interests	-	(3)	2	7
TOTAL EQUITY	**11,385**	**14,788**	**23,167**	**40,460**
Non-current liabilities				
Loans and borrowings	909	690	1,002	2,213
Deferred tax liabilities	-	-	326	3,068
Total non-current liabilities	**909**	**690**	**1,328**	**5,281**

12. FINANCIAL INFORMATION *(Cont'd)*

	Audited			
	As at 31 May			
	2019	**2020**	**2021**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current liabilities				
Loans and borrowings	228	351	578	829
Current tax liabilities	1,407	572	185	2,213
Trade and other payables	8,422	21,761	9,779	59,066
Contract liabilities(2)	10,242	26,175	42,135	60,784
Total current liabilities	**20,299**	**48,859**	**52,677**	**122,892**
TOTAL LIABILITIES	**21,208**	**49,549**	**54,005**	**128,173**
TOTAL EQUITY AND LIABILITIES	**32,593**	**64,337**	**77,172**	**168,633**

Notes:

(1) Contract assets arise when work is done for a project but we are not able to issue billing because the level of work done has not reached a billable milestone as stated in the project contract.

(2) Contract liabilities arise when advance billing is issued for a project, but revenue is not recognised.

(3) Negligible.

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12.1.3 Combined statements of cash flows

The following table sets out our combined statements of cash flows for FYE 2019 to FYE 2022 which have been extracted from the Accountants' Report.

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash flows from operating activities				
PBT	9,067	4,507	12,046	22,051
Adjustments for:				
Depreciation of property, plant and equipment	536	581	768	1,294
Gain on disposal of property, plant and equipment	-	(90)	(87)	(4)
Property, plant and equipment written off	-	-	-	29
Impairment loss on trade receivables	-	-	62	-
Finance costs	102	78	102	186
Finance income	(348)	(394)	(245)	(225)
Net loss / (gain) on unrealised foreign exchanges	-	206	252	(287)
Operating profit before working capital changes	9,357	4,888	12,898	23,044
Changes in working capital:				
Trade and other receivables	3,069	(23,071)	(17,576)	(37,688)
Contract assets	(3,580)	1,257	2,323	-
Trade and other payables	(2,317)	11,334	(9,944)	49,601
Contract liabilities	1,964	15,934	15,959	18,807
Cash from operations	8,493	10,342	3,660	53,764
Interest received	348	394	15	8
Income tax refund	59	-	-	-
Income tax paid	(1,305)	(1,670)	(3,982)	(4,548)
Net cash from / (used in) operating activities	**7,595**	**9,066**	**(307)**	**49,224**
Cash flows from investing activities				
Purchase of property, plant and equipment	(239)	(131)	(918)	(2,514)
Proceeds from disposal of property, plant and equipment	-	90	190	4
Change in pledged deposits	(109)	(814)	(836)	(3,564)
Net cash used in investing activities	**(348)**	**(855)**	**(1,564)**	**(6,074)**
Cash flows from financing activities				
Proceeds from allotment of shares	-	32	61	139
Proceeds from issuance of preferences shares	-	-	-	65

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Repayment of term loans	(84)	(74)	(129)	(18)
Repayment of lease liabilities	(132)	(148)	(325)	(502)
Net change in amount owing (to) / by directors	(205)	1,439	(1,405)	(72)
Interest received	-	-	230	217
Interest paid	(102)	(78)	(102)	(186)
Net cash (used in) / from financing activities	**(523)**	**1,171**	**(1,670)**	**(357)**
Net increase / (decrease) in cash and cash equivalents	6,724	9,382	(3,541)	42,793
Cash and cash equivalents at the beginning of the financial year	9,894	16,618	25,839	22,517
Effect of foreign exchange translation	-	(161)	219	(82)
Cash and cash equivalents at the end of the financial year	**16,618**	**25,839**	**22,517**	**65,392**
Cash and cash equivalents at end of the financial year comprise:				
Short-term deposits	15,328	18,397	7,138	28,603
Less: Pledged deposits	(328)	(1,142)	(1,978)	(5,542)
	15,000	17,255	5,160	23,061
Add: Cash and bank balances	1,618	8,584	17,357	42,331
	16,618	**25,839**	**22,517**	**65,392**

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12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our combined financial information for FYE 2019 to FYE 2022 should be read in conjunction with the Accountants' Report included in Section 13.

12.2.1 Overview of our operations

(a) Principal activities

We are a technology firm, and we principally design and implement technology infrastructure solutions that support the fundamental business operations of our customers. We further support our customers through customised maintenance and support services for technology solutions. We are principally involved in the following business activities:

(i) Design and delivery of technology infrastructure solutions	-	Our design and delivery of technology infrastructure solutions are tailor-made to each customer based on their business needs, industry practices as well as technological developments. Our technology infrastructure solutions are aimed at supporting the fundamental business operations of our customers.
(ii) Technology infrastructure operations, maintenance and support services	-	Our technology infrastructure operations, maintenance and support services are provided in the following manner: (a) under a separate engagement following the completion of our provision of the aforesaid technology infrastructure services; (b) on technology hardware and/or software purchased from or developed by third party suppliers; (c) to renew our customers' licences for subscribing certain IT systems, hardware and software provided by the IT products vendors; (d) to renew our customers' technical support and maintenance services as well as warranty for the hardware and software by the IT products vendors; and (e) secondment of our technical staff to customers' office.

We principally operate in Malaysia, Singapore, Thailand, the Philippines and Hong Kong through our subsidiaries. Our revenue is generated from local and overseas sales, and the currencies used in our invoicing are RM, THB, PHP and USD. Please refer to Section 12.2.2(g) for our Group's revenue segmentised by country.

Please refer to Section 7 for our Group's detailed business overview.

(b) Revenue

Our revenue stream can be segregated into two segments namely design and delivery of technology infrastructure solutions as well as technology infrastructure operations, maintenance and support services, as follows:

(i) Design and delivery of technology infrastructure solutions

We are appointed by our customers to carry out design and delivery of technology infrastructure solutions that support the fundamental business operations of our customers.

The service fee for our technology infrastructure solution contracts is generally a fixed fee, taking into account our customers' requirements, scope of work, costs for carrying out the contract with reference to the costs of procuring the relevant hardware and/or software and whether any third-party technical support or maintenance services are engaged.

Our fee is payable either in one lump sum for the sales of hardware and/or software after delivery; or by instalment after completion of specified progress milestone set out in the contract if other services are involved. We also derive income for right to use of technology infrastructure that we deploy to our customers. Our service is deemed to be completed once our customers accept the result of the user acceptance test in the deployed technology infrastructure.

For contracts with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the standalone selling price is not directly observable, our Group estimates it by using the costs plus margin approach. Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

(ii) Technology infrastructure operations, maintenance and support services

We offer operations, maintenance and support services on technology hardware and/or software. We generally charge our customers a fixed fee for an agreed service period, taking into account our scope of work, required service level, complexity of the technology systems and the costs of procuring the required hardware and/or software. Our service fees are usually payable on an annual basis. Our service is deemed to be completed once the contract period expires. Revenue from rendering of services is recognised at a point in time when service is rendered to the customer, which is the point in time when the performance obligation in the contract with customer is satisfied. Most contracts in this respect are renewals or extensions of licence subscriptions and/or warranty periods, covering technical support and maintenance. Revenue from warranty renewals is recognised progressively over the renewed warranty period.

Each of our contracts may encompass the above scopes of revenue which are recognised separately in their respective segments.

(c) Cost of sales

The cost of sales comprises:

(i) **Project-related costs** – which are costs required and stated in the contracts, comprising the purchase of software licences, purchase of IT hardware; supply of technical support and maintenance as well as training-related costs; and

(ii) **Personnel costs** – which are mainly related to the employees and subcontracted IT manpower involved in the provision of IT services (design and delivery of technology infrastructure solutions as well as operations, maintenance and support services) that are relatively fixed in nature.

(d) Other income

Other income includes interest income from fixed deposits and bank balances with licenced banks, gain on disposal of property, plant and equipment, net realised or unrealised gain on foreign exchange and late payment charges to a customer.

(e) Administrative expenses

Administrative expenses are expenses not directly attributable to the generation of revenue. It includes overheads incurred to maintain our operations such as employee-related expenses, professional services, depreciation, upkeep and maintenance (of office, computer and office equipment as well as the motor vehicles for business use) as well as rent expenses.

(f) Finance costs

Finance costs comprise interest expense on our borrowings and liabilities.

(g) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items during FYE 2019 to FYE 2022. In addition, our audited financial statements for the financial years under review were not subject to any audit qualifications.

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12.2.2 SIGNIFICANT FACTORS AFFECTING OUR REVENUE

Please refer to Section 9 for the details of the risk factors relating to our business and the industry in which we operate. Some of these risk factors have an impact on our revenue and financial performance. The significant factors affecting our revenue include, but are not limited to, the following:

(a) The technology application and infrastructure solutions industry is competitive

The markets for technology application and infrastructure solutions are competitive. We compete with local and international vendors or service providers. For large scale technology application and infrastructure solutions, the barriers of entry are relatively high as they generally require sophisticated technical know-how and extensive development experience. However, we may have to compete with internationally renowned IT services providers for these projects. This competition may result in competitive pricing, which may have an adverse impact on our operating performance and profitability.

Please refer to Section 9.2.2.

(b) Our technology application and infrastructure solution project deliverables are exposed to unexpected delays or interruptions that are beyond our control

The deliverables of our technology application and infrastructure solution projects are subject to unexpected delays or interruptions caused by factors beyond our control. For example, our customers may delay the completion of projects due to unforeseen circumstances such as unavailability of persons-in-charge at the customers' sites to facilitate the implementation of the project, or unexpected difficulties in accessing our customers' infrastructure due to sudden breakdowns or unscheduled system maintenance.

If there are any delays caused by our customers which result in delays in the progress of our projects, our timing of delivery will be affected and this will subsequently affect our timing for revenue recognition and collection of payment from our customers, thus affecting our financial performance. Hence, we are dependent on the availability and cooperation of our customers to minimise delays in our deliverables.

Please refer to Section 9.1.1.

(c) We may not be able to accurately estimate the cost required to deliver our technology application and infrastructure solution projects

We generally undertake the design and delivery of technology application and infrastructure solutions on a turnkey basis. Some technology application and infrastructure solution projects are awarded through competitive tendering process for which we have to estimate the time and costs needed in order to determine our fees and submit the quotations. There is no assurance that the actual time taken and costs incurred would not exceed our estimation. We expect to continue bidding on fixed-price contracts, the terms of which normally require us to complete a project for a fixed price, increasing the possibility of exposing us to cost overruns and resulting in lower profits or losses in a project.

Please refer to Section 9.1.2.

12.2.3 Review of our results of operations

(a) Revenue

Revenue by business segment

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Business segment	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Design and delivery of technology infrastructure solutions	42,546	64.5	45,340	55.6	27,856	26.5	101,179	50.3
Technology infrastructure operations, maintenance and support services	23,460	35.5	36,276	44.4	77,368	73.5	99,884	49.7
Renewals packaged with turnkey delivery projects	8,718	13.2	9,732	11.9	2,013	1.9	-	-
Standalone renewal	14,742	22.3	26,544	32.5	75,355	71.6	99,884	49.7
	66,006	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

Revenue by country

	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Country	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	66,006	100.0	67,413	82.6	41,164	39.1	115,442	57.4
Foreign country:								
Thailand	-	-	10,321	12.7	31,890	30.3	32,543	16.2
The Philippines	-	-	2,540	3.1	26,802	25.5	42,311	21.1
Others	-	-	(1)1,342	1.6	(1)5,368	5.1	(2)10,767	5.3
	66,006	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

Notes:

(1) Revenues from customers in Hong Kong that were generated through our subsidiary, Infomina SG.

(2) Revenues from customers in Hong Kong and Taiwan that were generated through our subsidiary, Infomina SG.

Revenue by type of customers

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Type of customer base	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Design and delivery of technology infrastructure solutions	42,546	64.5	45,340	55.5	27,856	26.5	101,179	50.3
Government agencies / statutory bodies	37,694	57.1	36,264	44.4	23,927	22.8	96,889	48.2
Others (1)	4,852	7.4	9,076	11.1	3,929	3.7	4,290	2.1

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Type of customer base	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Technology infrastructure operations, maintenance and support services	23,460	35.5	36,276	44.5	77,368	73.5	99,884	49.7
Government agencies / statutory bodies	9,608	14.6	10,303	12.6	2,883	2.7	2,253	1.1
Financial services institutions	3,793	5.8	14,159	17.4	57,236	54.4	76,188	37.9
Others [(1)]	10,059	15.2	11,814	14.5	17,249	16.4	21,443	10.7
	66,006	**100.0**	**81,616**	**100.0**	**105,224**	**100.0**	**201,063**	**100.0**

Note:

(1) Others comprise private and public listed companies operating in various industries other than financial services and government agencies / statutory bodies.

Comparison between FYE 2019 and FYE 2020

Our Group's total revenue increased by RM15.6 million or 23.7%, from RM66.0 million in FYE 2019 to RM81.6 million in FYE 2020. This was mainly contributed by an increase of RM12.8 million or 54.6% in revenue contribution from the technology infrastructure operations, maintenance and support services segment. Our largest revenue contributor for FYE 2020 was the design and delivery of technology infrastructure solutions segment, having contributed 55.6% of our revenue for FYE 2020 as compared to 64.5% for FYE 2019.

During FYE 2020, we commenced two new contracts in Malaysia with government agencies under the design and delivery of technology infrastructure solutions segment with a total value of RM141.9 million and three new contracts under the technology infrastructure operations, maintenance and support services segment with The Siam Commercial Bank Public Company Limited and Bangkok Bank Public Company Limited in Thailand, and one customer in Hong Kong respectively with a total value of RM91.6 million. These contracts are to be delivered progressively over a period of one to six years.

Revenue from Malaysia accounted for all of our Group's total revenue in FYE 2019. Separately in FYE 2020, Malaysia and Thailand accounted for 82.6% and 12.7% of our revenue, respectively, in line with the new contracts secured in these countries.

Revenue from government agencies and statutory bodies accounted for 71.7% (RM47.3 million) and 57.1% (RM46.7 million) of our total revenue in FYE 2019 and FYE 2020 respectively. Such revenue were mainly from the design and delivery of technology infrastructure solutions segment and in relation to a contract with Customer J, who contributed RM37.7 million and RM34.9 million to the segment in FYE 2019 and FYE 2020 respectively. Revenue from financial services institutions increased by RM10.4 million, mainly contributed by The Siam Commercial Bank Public Company Limited, Bangkok Bank Public Company Limited and a customer in Hong Kong respectively, where we commenced three new contracts in FYE 2020, under the technology infrastructure operations, maintenance and support services segment.

Revenue from other types of customers also increased by RM6.0 million, mainly contributed by Customer H, from which we recorded an increase in revenue of RM3.5 million from RM14.3 million in FYE 2019 to RM17.8 million in FYE 2020.

Design and delivery of technology infrastructure solutions segment

Revenue from the design and delivery of technology infrastructure solutions segment increased by RM2.8 million or 6.6%, from RM42.6 million in FYE 2019 to RM45.3 million in FYE 2020. The increase was mainly attributable to the following:

(i) contract for the provision of design and delivery of technology infrastructure as well as implementation services on behalf of Customer H in line with work progress for its project, where the delivery of these solutions is made directly to Customer H's customer. This contract contributed a revenue of RM8.9 million in FYE 2020 as compared to RM4.7 million in FYE 2019; and

(ii) new contract with Customer K for design, installation, testing, commissioning, operations, maintenance and support of a cargo scanning system and its related infrastructure at selected international seaports in Sabah and Sarawak, for which service activities pursuant to the contract commenced in January 2020 and RM0.8 million was billed for the work performed and recognised as revenue.

The increase was offset by the decrease in:

(i) lower contribution from a contract with Customer J, for which service activities commenced in October 2019 and contributed a revenue of RM34.9 million in FYE 2020 as compared to RM37.7 million in FYE 2019 due to slower progress arising from movement controls due to COVID-19.

Technology infrastructure operations, maintenance and support services segment

Revenue from the technology infrastructure operations, maintenance and support services segment increased by RM12.8 million or 54.6%, from RM23.5 million in FYE 2019 to RM36.3 million in FYE 2020. The increase was mainly attributable to three newly secured contracts for system upgrades of enterprise management systems for The Siam Commercial Bank Public Company Limited, Bangkok Bank Public Company Limited and Customer P which contributed to a total revenue of RM12.3 million in FYE 2020. We need to study the upgrade for these systems to keep updated with latest technology or business requirements.

Comparison between FYE 2020 and FYE 2021

Our Group's total revenue increased by RM23.6 million or 28.9%, from RM81.6 million in FYE 2020 to RM105.2 million in FYE 2020. This was mainly contributed by an increase of RM41.1 million in revenue contribution from the technology infrastructure operations, maintenance and support services segment, which became our largest revenue contributor for FYE 2021, comprising 73.5% of our revenue for FYE 2021 as compared to 44.5% for FYE 2020. The increase in this segment was offset by the decrease of RM17.5 million in the design and delivery of technology infrastructure solutions segment.

During FYE 2021, we commenced one new contract in Malaysia with Customer J under the design and delivery of technology infrastructure solutions segment with a value of RM96.3 million and eight new contracts under the technology infrastructure operations, maintenance and support services segment (two in Malaysia, three in Hong Kong and three in the Philippines) with a total value of RM150.4 million to be delivered progressively over a period of 1 to 5 years.

Malaysia and Thailand accounted for 39.1% and 30.3% of our revenue in FYE 2021 as compared to 82.6% and 12.7% of our revenue in FYE 2020.

In terms of our revenue by type of customer, revenue from financial services institutions accounted for 55.4% in FYE 2021 compared to 17.4% of our total revenue in FYE 2020. The higher revenue generated from financial services institutions was a result of our Group's strategy at that point in time in FYE 2020, which was to diversify our revenue base across various industries, following which we managed to secure higher contribution from financial services institutions. As a result of our Group's strategy and marketing efforts across various industries to diversify our customer base, our Group managed to secure more contracts from the financial services institutions as they more heavily dependent on technology.

Revenue from other types of customers also increased by RM0.3 million, which was contributed by 14 customers which recorded an increase of RM7.1 million and offset primarily by the decrease in revenue generated from Customer H of RM6.2 million. We completed the following major projects in FYE 2020:

(i) contract for design, installation, testing, commissioning, maintenance and support of a main business system with Customer J; and

(ii) contract for provision of IT system services on behalf of Customer H.

<u>Design and delivery of technology infrastructure solutions segment</u>

Revenue from the design and delivery of technology infrastructure solutions segment decreased by RM17.5 million or 38.6%, from RM45.3 million in FYE 2020 to RM27.9 million in FYE 2021. The decrease was mainly attributable to the following:

(i) a turnkey contract with Customer J, which was completed in September 2020 and contributed a revenue of RM18.2 million in FYE 2021 as compared to RM34.9 million in FYE 2020; and

(ii) a contract for the provision of design and delivery of technology infrastructure as well as implementation services on behalf of Customer H where the delivery of these solutions is made directly to Customer H's customer. This contract contributed revenue of RM3.2 million in FYE 2021 as compared to RM8.9 million in FYE 2020.

The decrease was offset by the increase in revenue from the following:

(i) a contract with Customer K for turnkey delivery of a cargo scanning system and its related infrastructure at selected international seaports in Sabah and Sarawak which contributed a revenue of RM5.5 million in FYE 2021 as compared to RM0.8 million in FYE 2020.

Notwithstanding the decrease in revenue contribution from the design and delivery of technology infrastructure solutions segment during the year, we expect this segment to contribute a larger proportion of our total revenue in the future, as seen from the revenue contribution from the design and delivery of technology infrastructure solutions segment for the FYE 2022. Our order book as at LPD is skewed towards renewal contracts as they are contracted for longer tenures as compared to turnkey contracts which are short to medium term in nature, and replenished year-to-year. In this respect, we aim to intensify our marketing efforts to secure more turnkey contracts in future, given further relaxation of pandemic related movement restrictions. Our Group has tendered for RM375.9 million of turnkey projects as at LPD which may provide revenue up to FYE 2027. Therefore, we expect turnkey projects to contribute a larger proportion of revenue notwithstanding the existing composition of our order book.

Technology infrastructure operations, maintenance and support services segment

Revenue from the technology infrastructure operations, maintenance and support services segment increased by RM41.1 million or 113.3%, from RM36.3 million in FYE 2020 to RM77.4 million in FYE 2021. The increase was mainly attributable to significant progress in the following existing core banking applications which customers have already implemented, and require only maintenance and support services:

(i) core banking application for The Siam Commercial Bank Public Company Limited and Bangkok Bank Public Company Limited which contributed revenue of RM21.1 million and RM7.7 million respectively in FYE 2021 as compared to RM8.8 million and RM1.3 million in FYE 2020;

(ii) core banking application for Customer P which contributed a revenue of RM16.1 million in FYE 2021 as compared to RM2.2 million in FYE 2020; and

(iii) core banking application for a financial services institution in the Philippines, for which service activities commenced in June 2020 and contributed a revenue of RM6.5 million in FYE 2021.

Comparison between FYE 2021 and FYE 2022

Our Group's total revenue increased by RM95.8 million or 91.1%, from RM105.2 million in FYE 2021 to RM201.1 million in FYE 2022. This was mainly contributed by an increase of RM73.3 million from the design and delivery of technology infrastructure solutions segment, which became our largest revenue contributor for FYE 2022, comprising 50.3% of our revenue for FYE 2022 as compared to 26.5% for FYE 2021.

The incremental revenue recorded from the design and delivery of technology infrastructure solutions segment was mainly in relation to an ongoing contract with Customer K which contributed to a revenue of RM49.2 million and one new contract with Customer J which contributed to a revenue of RM40.1 million, while the incremental revenue recorded from the technology infrastructure maintenance and support services segment was mainly in relation to 3 contracts in the Philippines, of which 1 was a new contract that contributed to a revenue of RM13.3 million, and 2 other existing contracts which saw significant progress, contributing to a revenue of RM19.5 million and RM5.3 million respectively in FYE 2022 as compared to RM16.1 million and RM3.8 million in FYE 2021.

Malaysia and Philippines accounted for 57.4% and 21.1% of our revenue in FYE 2022 as compared to 39.1% and 25.5% of our revenue in FYE 2021.

In terms of our revenue by type of customer, revenue from government agencies and statutory bodies increased by RM72.3 million which accounted for 49.3% in FYE 2022 compared to 25.5% of our total revenue in FYE 2021. The higher revenue generated from government agencies and statutory bodies was attributable to higher revenue from Customer K and Customer J which contributed an aggregate revenue of RM96.0 million in FYE 2022 as compared to RM25.5 million in FYE 2021.

Revenue from financial services institutions increased by RM19.0 million. However, due to the higher increase in other types of customers, revenue from financial services institutions only accounted for 37.9% of our total revenue in FYE 2022 as compared to 54.4% of our total revenue in FYE 2021. The higher revenue generated from financial services institutions was mainly attributable to:

(i) a new core banking application project for a financial services institution in the Philippines which contributed a revenue of RM13.3 million in FYE 2022 as compared to nil in FYE 2021; and

(ii) increase in revenue generated from Customer P of RM19.5 million in FYE 2022 as compared to RM16.1 million in FYE 2021.

Revenue from other types of customers also increased by RM4.6 million, which was mainly due to an increase in revenue generated from Customer H of RM3.4 million.

Design and delivery of technology infrastructure solutions segment

Revenue from the design and delivery of technology infrastructure solutions segment increased by RM73.3 million or 263.2%, from RM27.9 million in FYE 2021 to RM101.2 million in FYE 2022. The increase was mainly attributable to the following:

(i) a contract with Customer K for turnkey delivery of a cargo scanning system and its related infrastructure at selected international seaports in Sabah and Sarawak which contributed a revenue of RM49.2 million in FYE 2022 as compared to RM5.5 million in FYE 2021. The increase was attributable to higher service activities performed as well as fulfilment of significant project milestones (namely, the delivery of 7 radiography machines and upon the final acceptance tests performed and approved) in FYE 2022; and

(ii) a turnkey contract with Customer J which contributed a revenue of RM40.1 million in FYE 2022 as compared to nil in FYE 2021. This project commenced in May 2021 and achieved significant project milestones in FYE 2022.

The increase in revenue was offset by decrease in revenue from a turnkey contract for Customer J in Malaysia due to its completion in September 2020 (ie. Completed during FYE 2021), which contributed a revenue of RM18.2 million in FYE 2021.

Technology infrastructure operations, maintenance and support services segment

Revenue from the technology infrastructure operations, maintenance and support services segment increased by RM22.5 million or 29.1%, from RM77.4 million in FYE 2021 to RM99.9 million in FYE 2022. The increase was mainly attributable to the following:

(i) new contract for core banking application for a financial services institution in the Philippines, for which service activities commenced in November 2021 and contributed a revenue of RM13.3 million in FYE 2022;

(ii) core banking application for two financial services institution in the Philippines where there was significant progress, which contributed revenue of RM19.5 million and RM5.3 million respectively in FYE 2022 as compared to RM16.1 million and RM3.8 million in FYE 2021;

(iii) contract for system upgrades of enterprise management systems for a private company, which contributed revenue of RM3.6 million in FYE 2022 as compared to RM2.6 million in FYE 2021; and

(iv) new contract for core banking application for a financial services institution in Hong Kong, for which service activities commenced in April 2021 and contributed a revenue of RM1.9 million in FYE 2022 as compared to RM0.3 million in FYE 2021.

The increase was partially offset by a decrease in revenue from a contract for core banking application for The Siam Commercial Bank Public Company Limited which contributed revenue of RM20.0 million in FYE 2022 as compared to RM21.1 million in FYE 2021.

(b) Cost of sales, GP and GP margin

Analysis of cost of sales by business segment

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Business segment	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Design and delivery of technology infrastructure solutions	28,850	57.3	35,203	51.6	20,687	25.5	90,667	57.0
Technology infrastructure operations, maintenance and support services	21,530	42.7	32,964	48.4	60,593	74.5	68,497	43.0
	50,380	**100.0**	**68,167**	**100.0**	**81,280**	**100.0**	**159,164**	**100.0**

Analysis of cost of sales by component

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Component	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Project-related costs:	44,885	89.1	61,490	90.2	75,183	92.5	153,787	96.6
- Licences and software	21,836	43.3	32,916	48.3	57,849	71.2	86,598	54.4
- Technical support and maintenance[(1)]	21,804	43.3	25,731	37.7	13,215	16.3	13,778	8.7
- Hardware costs	1,086	2.2	1,143	1.7	4,015	4.9	53,226	33.4
- Training and related costs	159	0.3	1,700	2.5	104	0.1	185	0.1
Salaries for project-related personnel	5,495	10.9	6,677	9.8	6,097	7.5	5,377	3.4
	50,380	**100.0**	**68,167**	**100.0**	**81,280**	**100.0**	**159,164**	**100.0**

Note:

(1) Including contractors' costs for technical support and maintenance, and personnel costs for subcontracted IT manpower. The breakdown of technical support and maintenance segment as follows:

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Technical support and maintenance								
- Contractors' cost	21,490	98.6	25,353	98.5	13,037	98.7	13,718	99.6
- Subcontracted IT manpower costs	314	1.4	378	1.5	178	1.3	60	0.4
	21,804	**100.0**	**25,731**	**100.0**	**13,215**	**100.0**	**13,778**	**100.0**

(i) Project-related costs

These relate to costs which are specifically required to undertake a contract. For example, purchase of software licences, purchase of IT hardware, supply of technical support and maintenance (from our major suppliers (typically bundled together with hardware and software purchases) and professional IT firms) as well as training-related costs that we are required to deliver in accordance with the contracts.

The composition of project-related cost varies according to each projects' requirements depending on project scope, the composition of manpower allocation, hardware and software requirements. Some projects may require higher manpower allocation for project delivery, while other projects may require higher expenditure for hardware as well as licences and software.

In FYE 2020 and FYE 2021, the main contributor to the increase in project-related costs are licences and software, which is in line with the increase in total revenue attributed to the new contracts secured in FYE 2020 in Thailand and the Philippines. These are in relation to the design and delivery of enterprise management system for core banking applications, where the main cost component of the contracts are licences and software.

In FYE 2021, technical support and maintenance costs decreased in line with the completion of our Group's contract with Customer J in September 2020.

In FYE 2022, the main contributor to the increase in project-related costs was hardware costs, which increased by RM49.6 million, mainly for radiography machines needed for our project with Customer K.

Typically, we are also required to deliver training for our customers and its employees upon deployment of the solutions.

(ii) Personnel costs

Personnel costs are salaries for project related personnel.

Personnel costs increased by RM1.2 million or 21.5% from RM5.5 million in FYE 2019 to RM6.7 million in FYE 2020, mainly driven by the increase in the average headcount by 13 employees between FYE 2019 and FYE 2020 in line with our business growth in Singapore, Thailand and the Philippines.

We provided a one-time financial assistance of RM3,000 for each project staff due to COVID-19 in FYE 2020. In FYE 2021, personnel cost decreased by RM0.6 million or 8.7% as we did not further incur any financial assistance cost during the year.

In FYE 2022, our personnel costs decreased by RM0.7 million or 11.8% from RM6.1 million in FYE 2021 to RM5.4 million in FYE 2022, mainly due to the decrease in the headcount by 10 employees between FYE 2021 and FYE 2022 mainly due to loss of employees as more competitive packages offered among the industry players. However, our Group was able to recruit new candidates to replace the vacancies in a timely manner, and did not require as many employees as FYE 2021 for its projects in FYE 2022.

Analysis of GP and GP margin by business segment

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin
Business segment	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Design and delivery of technology infrastructure solutions	13,696	32.2	10,137	22.4	7,169	25.7	10,512	10.4
Technology infrastructure operations, maintenance and support services	1,930	8.2	3,312	9.1	16,775	21.7	31,387	31.4
Overall GP / GP margin	**15,626**	**23.7**	**13,449**	**16.5**	**23,944**	**22.8**	**41,899**	**20.8**

Comparison between FYE 2019 and FYE 2020

Cost of sales

Our Group's total cost of sales increased by RM17.8 million or 35.3%, from RM50.4 million in FYE 2019 to RM68.2 million in FYE 2020.

The increase in cost of sales was mainly contributed by the increase in project-related costs of RM16.6 million or 37.0%. This was mainly driven by higher costs for licences and software of RM11.4 million from the technology infrastructure operations, maintenance and support services segment in line with the increased activities in this segment.

GP and GP margin

As our revenue increased 23.7% compared to the 35.3% increase in our cost of sales, thus our Group's GP decreased by RM2.2 million or 13.9%, from RM15.6 million in FYE 2019 to RM13.5 million in FYE 2020. Our overall GP margin decreased from 23.7% in FYE 2019 to 16.5% in FYE 2020. This was mainly attributable to the drop in GP and GP margin from our design and delivery of technology infrastructure solutions segment which recorded a decrease in GP margin from 32.2% in FYE 2019 to 22.4% in FYE 2020. This was primarily mainly due to an increase in project-related costs in relation to technical support which will vary based on different stages or scope of a project. Our projects in FYE 2020 for the design and delivery of technology infrastructure solutions segment were at the implementation stage up to the user acceptance stage where higher technical support and maintenance costs were required (particularly on more external services) and recognised upfront, which resulted in a lower GP margin. In comparison, the amount of technical support and maintenance costs required for our design and delivery of technology infrastructure solutions segment was lower in FYE 2019, as they were mainly at the design and analysis stage and implementation stage but which did not require as much external services yet.

However, the decrease in GP and GP margin from the design and delivery of technology infrastructure solutions segment was offset by the increase in GP and GP margin from the technology infrastructure operations, maintenance and support services segment. The GP from this segment increased by RM1.4 million or 71.6%, mainly contributed by more software licencing and maintenance contracts from our customers from Thailand. Contracts where we provide solely software licencing and maintenance generally contribute better GP margins as compared to provision of solely hardware or turnkey projects with hardware components. For FYE 2021, RM6.3 million of revenue was from the provision of hardware only. Accordingly, our GP margin for this segment rose from 8.2% in FYE 2019 to 9.1% in FYE 2020.

Comparison between FYE 2020 and FYE 2021

Cost of sales

Our Group's total cost of sales increased by RM13.1 million or 19.2%, from RM68.2 million in FYE 2020 to RM81.3 million in FYE 2021.

The increase in cost of sales was mainly contributed by the increase in project-related costs of RM13.7 million or 22.3% in line with our business growth. The increase was mainly driven by higher licence and software costs of RM24.9 million and offset by the decrease in technical support and maintenance of RM12.5 million, mainly for the technology infrastructure operations, maintenance and support services segment.

GP and GP margin

As our revenue increased by 28.9% compared to a 19.2% increase in cost of sales, our Group's GP increased by RM10.5 million or 78.0%, from RM13.5 million in FYE 2020 to RM23.9 million in FYE 2021. Our overall GP margin increased from 16.5% in FYE 2020 to 22.8% in FYE 2021.

The increase in our overall GP and GP margin in FYE 2021 was mainly attributable to the improvement in GP and GP margin from our technology infrastructure operations, maintenance and support services segment which recorded a spike in GP and GP margin from RM3.3 million and 9.1% respectively in FYE 2020 to RM16.8 million and 21.7% respectively in FYE 2021. This was mainly because the contracts secured in FYE 2020 from our customers in Thailand relating solely to software and licences subscriptions and renewals contributed to a larger proportion of our total revenue in this segment, in addition to new contracts secured during the year from our customers in the Philippines which also comprised mostly software and licences subscriptions and renewals. Furthermore, certain portions of our turnkey projects relating to operations, maintenance and support services which have a lower GP margin were completed and contributed less to our GP during FYE 2021.

However, the increase in GP from our technology infrastructure operations, maintenance and support services segment was offset by the decrease in GP from the design and delivery of technology infrastructure solutions segment. The GP from the design and delivery of technology infrastructure solutions segment decreased by RM3.0 million or 29.3%, due to lower revenue recognition for turnkey project activities undertaken in FYE 2021 arising from effects of COVID-19. The lower revenue recognition for turnkey project activities undertaken was a result of delays in project implementation, which are generally recognised under the design and delivery of technology infrastructure solutions segment. Notwithstanding the decrease in GP, the GP margin for the design and delivery of technology infrastructure solutions segment increased from 22.4% to 25.7% mainly because our projects were at the stage where lower project-related cost in relation to technical support and maintenance costs were required.

Comparison between FYE 2021 and FYE 2022

Cost of sales

Our Group's total cost of sales increased by RM77.9 million or 95.8%, from RM81.3 million in FYE 2021 to RM159.2 million in FYE 2022.

The increase in cost of sales was mainly contributed by the increase in project-related costs of RM78.6 million or 104.6% in line with our business growth. The increase was mainly driven by higher hardware costs of RM49.6 million, mainly comprising radiography machines particularly for a project with Customer K. Additionally, an increase in licences and software costs of RM28.8 million also contributed to the increase in cost of sales.

GP and GP margin

Notwithstanding that our revenue only increased by 91.1% as compared to a 95.8% increase in cost of sales, our Group's GP still increased by RM18.0 million or 75.0%, from RM23.9 million in FYE 2021 to RM41.9 million in FYE 2022. Despite the increase in our Group's GP, our overall GP margin decreased from 22.8% in FYE 2021 to 20.8% in FYE 2022. This was mainly attributable to a drop in GP margin from our design and delivery of technology infrastructure solutions segment which recorded a decrease in GP margin from 25.7% in FYE 2021 to 10.4% in FYE 2022. This was mainly due to increase in project-related hardware costs of RM49.2 million, largely for radiography machines and related expert services used for our contract with Customer K. The contract is more comprehensive in nature as compared to the usual contracts that we enter into with our customers as a majority of the contract costs comprises the delivery of a cargo scanning system and its related infrastructure, for which the costs are recognised as hardware costs under project-related costs. We were required to procure radiography machines (which included related expert services on the said machines) at the early stage of the contract. Accordingly, this resulted in the lower average GP margin for this segment.

The decrease in GP margin from our design and delivery of technology infrastructure solutions segment was offset by the increase in GP margin from our technology infrastructure operations, maintenance and support services segment. The GP from this segment increased by RM14.6 million or 87.1%, mainly contributed by a higher proportion of software licencing and maintenance contracts from our customers from Thailand and the Philippines. These types of contracts generally contribute better GP margins. Accordingly, our GP margin for this segment increased from 21.7% in FYE 2021 to 31.4% in FYE 2022.

(c) Other income

	Audited							
	FYE 2019		**FYE 2020**		**FYE 2021**		**FYE 2022**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Interest income[1]	348	100.0	394	21.3	245	62.3	225	29.4
Gain on disposal of property, plant and equipment	-	-	90	4.9	87	22.2	4	0.5
Realised gain on forex	-	-	-	-	61	15.5	245	32.1
Unrealised gain on forex	-	-	-	-	-	-	287	37.6
Late payment charges	-	-	[2]1,362	73.8	-	-	-	-
COVID-19 relief	-	-	-	-	-	-	3	0.4
	348	**100.0**	**1,846**	**100.0**	**393**	**100.0**	**764**	**100.0**

Notes:

(1) Represents interest income from fixed deposit and bank balances from licenced banks.

(2) Represents late payment imposed on overdue invoices (owing by Customer H) for the period from 1 January 2016 to 31 May 2019. Our Group had a long term working relationship with Customer H, and has therefore allowed late repayments from Customer H with the understanding that late payment charges will be imposed and similarly, our Group is also accorded longer terms of repayment by Customer H as Supplier H with the understanding that we will be charged for late payment as well. The outstanding amounts between our Group and Customer H arose over different periods and resulted in different penalty amounts. As such, our Group agreed with Customer H to contra the eventual settlement of outstanding amounts, including penalties. Our Group did not have any purchases from Supplier H for FYE 2022. However, our Group still has revenue from Customer H for FYE 2022 amounting to RM15.1 million. As such, the arrangement to offset the late payment charges no longer exists. Notwithstanding that our Group does not have any trade payables to Supplier H to contra against the trade receivables from Customer H, we are confident that all amounts due from Customer H are recoverable based on their past track record and payment trends. Furthermore, we will remain open to business opportunities with Customer H, as the end-user of Customer H's contracts with our Group had historically been mainly government agencies, which provided a channel for us to showcase our strengths and grow our customer base and revenue.

Comparison between FYE 2019 and FYE 2020

Our other income increased by RM1.5 million, from RM0.4 million in FYE 2019 to RM1.9 million in FYE 2020 mainly due to late payment charges of RM1.4 million on overdue invoices with Customer H.

Comparison between FYE 2020 and FYE 2021

Our other income reverted to a level of RM0.4 million as there were no late payment charges recognised in FYE 2021.

Comparison between FYE 2021 and FYE 2022

Our other income increased by RM0.4 million, from RM0.4 million in FYE 2021 to RM0.8 million in FYE 2022, mainly due to realised gain on forex of RM0.2 million, primarily due to the conversion of THB to USD (due to the strengthening USD, based on the average exchange rate of approximately THB33.40 : USD1.00 for FYE 2020) (payment from a customer in Thailand) and unrealised gain on forex of RM0.3 million, primarily for the conversion of exchange differences on translation of PHP to RM (based on the average exchange rate of approximately PHP12.03 : RM1.00 for FYE 2022 where PHP has strengthened).

(d) **Administrative expenses**

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Employee-related costs[1]	5,456	80.2	6,612	61.8	8,295	68.0	13,316	65.2
Depreciation	536	7.9	581	5.4	768	6.3	1,294	6.4
Professional services[2]	34	0.5	243	2.3	659	5.4	2,847	13.9
Net loss on foreign exchange	-	-	1,105	10.3	252	2.1	-	-
Rent expenses[3]	205	3.0	245	2.3	273	2.2	210	1.0
Penalty[4]	-	-	914	8.5	213	1.8	-	-
Utilities expenses	174	2.6	208	1.9	195	1.6	212	1.1
Business travels expenses[5]	160	2.3	306	2.9	101	0.8	105	0.5
Upkeep[6]	83	1.2	90	0.8	83	0.7	130	0.6
Other[7]	157	2.3	406	3.8	1,350	11.1	2,312	11.3
	6,805	**100.0**	**10,710**	**100.0**	**12,189**	**100.0**	**20,426**	**100.0**

Notes:

(1) Employee-related costs pertain to staff salaries, allowances, bonus, statutory contributions and other benefits of administrative and management employees as well as directors.

(2) Professional services mainly include audit, consulting, tax, legal and secretarial fees.

(3) Rent expenses pertain to the rental of photocopier and offices by our Group which are short term or low value assets and hence not considered as part of right of use assets.

(4) Penalty pertains to late payment charges of RM0.9 million in FYE 2020 imposed by Supplier H for the long outstanding supplier invoices. Additionally, there was a penalty of RM0.2 million mainly attributed to late tax filing and tax penalty arising from tax audit for years of assessment 2014 to 2017.

(5) Business travel expenses are mainly related to travel expenses such as hotels, accommodation, transportation and airfare for sales and technical sales staff.

(6) Upkeep includes office expenses, upkeep of computers, motor vehicles, office equipment, offices and insurance expenses.

(7) Others are mainly expenses incurred for service charges, stamp duty, withholding tax, bank charges, project insurance subscription, licence fee as well as marketing expenses.

Comparison between FYE 2019 and FYE 2020

Our administrative expenses increased by RM3.9 million or 57.4%, from RM6.8 million in FYE 2019 to RM10.7 million in FYE 2020 mainly attributable to the following:

(i) increase in employee-related costs of RM1.2 million. The increase in employee-related costs due to salary adjustments and bonus payout, as well as recruitment of four additional staff during FYE 2020 (1 each for sales and marketing department and finance department as well as 2 for human resource and administrative department);

(ii) increase in net loss on foreign exchange of RM1.1 million arising from the settlement of foreign currency payables, primarily due to the conversion of THB (payment from a customer in Thailand) to USD (based on the average exchange rate of approximately THB31.56 : USD1.00 for FYE 2020) (payment to CA Singapore). The losses arose from our Group's sales contract with a customer in Thailand in FYE 2020, which was quoted in local currency while purchases from the supplier, CA Singapore, was quoted in USD. Being the first contract secured by our Group in Thailand, we did not quote a premium even though the contract was in local currency because securing a customer in Thailand was the main priority of our Group at the time. As a result, the weakening of THB against USD gave rise to the RM1.1 million loss on foreign exchange in FYE 2020. Since then, as a mitigating measure, we will typically quote contracts in USD and impose a premium on fees quoted in local currencies. This is to encourage customers to accept the contracts in USD to naturally hedge the payments to suppliers in USD;

(iii) increase in late payment charges of RM0.9 million imposed by Supplier H for the long outstanding supplier invoices which are related to the late payment charges we imposed on them as explained for our other income above. Payment was withheld to settle the long outstanding supplier invoices as Supplier H who is also our Customer H had high outstanding amounts owing to us in FYE 2020. Our Group did not have any purchases from Supplier H for FYE 2022. However, our Group still has revenue from Customer H for FYE 2022 amounting to RM15.1 million. As such, the arrangement to offset the late payment charges no longer exists. Notwithstanding that our Group does not have any trade payables to Supplier H to contra against the trade receivables from Customer H, we are confident that all amounts due from Customer H are recoverable based on their past track record and payment trends. Furthermore, we will remain open to business opportunities with Customer H, as end-user of Customer H's contracts with our Group had historically been mainly government agencies, which provided a channel for us to showcase our strengths and grow our customer base and revenue;

(iv) increase in professional services which are mainly legal fees of RM0.2 million, of which RM0.1 million is in relation to the drafting of a supplier agreement with Supplier N. As the arrangement with Supplier N involves counterparties in China, we had entered into an agreement for the terms of the arrangement to be governed under Malaysian law as preferred by our Group; and

(v) increase in others mainly include higher bank charges of RM58,000 for bank guarantee application, higher stamp duty of RM51,000 for bank facilities agreement and performance bond insurance of RM62,000 in relation to one customer contract.

<u>Comparison between FYE 2020 and FYE 2021</u>

Our administrative expenses increased by RM1.5 million or 13.8% from RM10.7 million in FYE 2020 to RM12.2 million in FYE 2021 mainly attributable to the following:

(i) increase in employee-related costs of RM1.7 million, mainly due to salary adjustments and the recruitment of five additional staff during FYE 2020 (4 for sales and marketing department and one for finance department);

(ii) increase in other expenses of RM1.0 million mainly due to value-added tax of RM0.9 million for our foreign projects;

(iii) increase in professional services of RM0.4 million mainly include higher audit fee of RM0.2 million for subsidiaries established in FYE 2020 and consulting fee of RM0.2 million for tax advisory services on our tax audit; and

(iv) increase in depreciation of RM0.2 million mainly attributable to higher depreciation on right-of-use assets for office space under rental obligation.

However, the increase in administrative expense was partially offset by the following:

(i) decrease in net loss on foreign exchange of RM0.9 million arising from the settlement of foreign currency payables, primarily due to the conversion of THB (payment from a customer in Thailand) to USD (based on the average exchange rate of approximately THB30.99 : USD1.00 for FYE 2021) (payment to CA Singapore). These payments are part of the Group's first contract in Thailand, where no mitigating measures were taken to hedge the foreign exchange translation differences. Further information on such measures are set out in Section 9.1.9;

(ii) decrease in penalty of RM0.7 million. In FYE 2021, penalties of RM0.2 million were mainly attributed to late tax filing of RM0.1 million for Infomina PH and penalty arising from the tax audit for YA 2014 to 2017 for Infomina of RM0.1 million; and

(iii) decrease in business travels expenses of RM0.2 million following travel restrictions imposed by governments due to COVID-19.

Comparison between FYE 2021 and FYE 2022

Our administrative expenses increased by RM8.2 million or 67.6% from RM12.2 million in FYE 2021 to RM20.4 million in FYE 2022 mainly attributable to the following:

(i) increase in employee-related costs of RM5.0 million, mainly due to salary adjustments and bonus to existing employees and directors in FYE 2022;

(ii) increase in other expenses of RM1.0 million mainly due to withholding tax of RM0.9 million for Infomina PH;

(iii) increase in professional services of RM2.2 million comprising mainly RM1.7 million in relation to our listing exercise, CIDB business license application fees and levy of RM0.1 million and trademark application fees of RM0.1 million; and

(iv) increase in depreciation of RM0.5 million mainly attributable to higher depreciation for additional computers and software as well as depreciation on right-of-use assets for additional office space under rental obligation and additional motor vehicles under hire purchase arrangement.

However, the increase in administrative expense was partially offset by the decrease in net loss on foreign exchange of RM0.3 million.

(e) Finance costs

	Audited							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
Interest expense on:	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Term loans	50	49.0	29	37.2	17	16.7	107	57.5
Lease liabilities	52	51.0	49	62.8	85	83.3	79	42.5
	102	**100.0**	**78**	**100.0**	**102**	**100.0**	**186**	**100.0**

For FYE 2019 to FYE 2022, we incurred minimal finance costs as we did not have significant bank borrowings.

(f) PBT and PAT

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
PBT (RM'000)	9,067	4,507	12,046	22,051
PBT margin (%)	13.7	5.5	11.5	11.0
PAT (RM'000)	6,902	3,372	8,289	17,080
PAT margin (%)	10.5	4.1	7.9	8.5

Comparison between FYE 2019 and FYE 2020

We recorded a decrease in PBT of RM4.6 million or 50.3%, from RM9.1 million in FYE 2019 to RM4.5 million in FYE 2020, mainly due to lower GP and GP margin in FYE 2020 as well as higher administrative expenses as explained above. This was slightly cushioned by higher other income. As a result, our PBT margin decreased from 13.7% in FYE 2019 to 5.5% in FYE 2020.

Correspondingly, our PAT margin decreased from 10.5% in FYE 2019 to 4.1% in FYE 2020, while our PAT decreased by RM3.5 million from RM6.9 million in FYE 2019 to RM3.4 million in FYE 2020.

Comparison between FYE 2020 and FYE 2021

We recorded an increase in PBT of RM7.5 million or 167.3%, from RM4.5 million in FYE 2020 to RM12.1 million in FYE 2021, mainly due to the improvements in GP and GP margin, although partially offset by higher administrative expenses. Accordingly, our PBT margin also increased from 5.5% in FYE 2020 to 11.5% in FYE 2021.

Correspondingly, our PAT margin increased from 4.1% in FYE 2020 to 7.9% in FYE 2021, while our PAT increased by RM4.9 million from RM3.4 million in FYE 2020 to RM8.3 million in FYE 2021.

Comparison between FYE 2021 and FYE 2022

We recorded an increase in PBT of RM10.0 million or 83.1%, from RM12.1 million in FYE 2021 to RM22.1 million in FYE 2022, mainly due to higher revenue which resulted in higher GP in FYE 2022 and higher other income. The increased PBT was offset by higher professional fees and higher employee-related costs. Despite the increase in PBT, our PBT margin marginally decreased from 11.5% in FYE 2021 to 11.0% in FYE 2022 mainly due to the drop in GP margin from our design and delivery of technology infrastructure solutions segment as well as higher administrative expenses.

However, our PAT margin increased from 7.9% in FYE 2021 to 8.5% in FYE 2022 due to a lower effective tax rate of 22.5% in FYE 2022 as compared to 31.2% in FYE 2021.

(g) Taxation

The breakdown of our income tax expenses is as follows:

	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000	RM'000
Income tax	2,673	835	3,538	6,477
Deferred tax (assets) / liabilities	(508)	300	219	(1,506)
	2,165	**1,135**	**3,757**	**4,971**
Effective tax rate (%)	23.9	25.2	31.2	22.5
Statutory tax rate (%)	[(1)]17.0 / 24.0	24.0	24.0	24.0

Note:

(1) We qualified for a preferential tax rate of 17.0% on the first chargeable income of RM0.5 million for FYE 2019 as our share capital was below RM2.5 million. For chargeable income in excess of RM0.5 million, the statutory income tax rate of 24.0%, is still applicable.

Our effective tax rate increased from 23.9% in FYE 2019 to 25.2% in FYE 2020, mainly due to an increase in non-deductible expenses amounting to RM0.3 million such as stamp duty and subscription fee. In FYE 2020, our Group recorded an increase in net deferred tax liabilities of RM0.3 million, as a result of additional deferred costs (i.e prepaid expenses on software licences to CA Singapore) during the year. Generally, deferred tax liabilities are recognised for income tax payable for future periods in respect of taxable temporary differences, which may arise from items such as deferred costs. This will increase our income tax expenses in the current financial year.

Our effective tax rate increased from 25.2% in FYE 2020 to 31.2% in FYE 2021, mainly due to an increase in deferred tax liability recognised of RM1.5 million for Infomina PH, partly as a result of additional deferred costs during the year of the same nature as FYE 2020 in relation to CA Singapore. RM0.7 million of the RM1.5 million deferred tax liability were overprovisions arising from over-recognition of deferred costs.

Our effective tax rate decreased from 31.2% in FYE 2021 to 22.5% in FYE 2022 mainly due to an increase in net deferred tax assets of RM1.6 million for Infomina PH as a result of additional deferred income and an adjustment in respect of deferred tax in prior year of RM0.7 million as explained above. The deferred income is in relation to advance payments from customers for the renewals or extensions of licence subscriptions and/or warranty periods for future periods during the year. Generally, a deferred tax asset is recognised to reduce taxable income for future periods in respect of tax deductible temporary differences, which may arise from items such as deferred income. This will decrease our income tax expenses in the current financial year.

12.2.4 Review of financial position

(a) Assets

	Audited			
	As at 31 May			
	2019	2020	2021	2022
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	1,509	1,185	2,225	5,397
Deferred tax assets	1,163	864	965	5,231
Other receivables	-	654	632	874
Total non-current assets	**2,672**	**2,703**	**3,822**	**11,502**
Current assets				
Current tax assets	-	-	61	151
Trade and other receivables	9,395	32,330	48,794	86,046
Contract assets	3,580	2,323	-	-
Cash and short-term deposits	16,946	26,981	24,495	70,934
Total current assets	**29,921**	**61,634**	**73,350**	**157,131**
TOTAL ASSETS	**32,593**	**64,337**	**77,172**	**168,633**

Comparison between 31 May 2019 and 31 May 2020

Our total assets increased by RM31.7 million, from RM32.6 million as at 31 May 2019 to RM64.3 million as at 31 May 2020. This was mainly due to an increase in current assets of RM31.7 million.

The increase in current assets was attributable to:

(i) increase in trade and other receivables of RM22.9 million mainly from the increased revenue and invoices billed to customers of RM3.6 million during the last quarter of FYE 2020 and increased prepayments of RM18.3 million mainly for prepaid expenses on software licences (i.e. deferred costs in relation to advanced billings from CA Group). This amount will be recognised as expenses upon performance of service; and

(ii) increase of RM10.0 million in fixed deposits as well as cash and bank balances from the internally generated funds contributed by our business growth. The increase in fixed deposits in FYE 2020 was pledged with a licenced bank as collateral for a new bank guarantee.

The increase in current assets was offset by a decrease in contract assets of RM1.3 million as a result of service works which have been performed and subsequently billed.

Comparison between 31 May 2020 and 31 May 2021

Our total assets increased by RM12.8 million from RM64.3 million as at 31 May 2020 to RM77.2 million as at 31 May 2021. This was due to an increase in current assets of RM11.7 million and an increase in non-current assets of RM1.1 million mainly for two additional office space leases under rental which was classified under right-of-use assets.

The increase in current assets was mainly attributable to an increase in trade and other receivables of RM16.5 million mainly from invoices billed to customers of RM7.0 million in line with our increased revenue, and increased prepayments of RM6.0 million mainly for higher prepaid expenses on software licences (i.e. deferred costs in relation to advanced billings from CA Singapore, as well as an increase in value-added tax ("**VAT**") on receivables of RM2.6 million in relation to Infomina TH and Infomina PH which will be offset against VAT output until the VAT is fully deducted.

The increase in current assets was partially offset by:

(i) decrease in contract assets of RM2.3 million as a result of service works which have been performed and subsequently billed; and

(ii) decrease in cash and short-term deposits of RM2.5 million which were mainly used for payment to suppliers.

Comparison between 31 May 2021 and 31 May 2022

Our total assets increased by RM91.4 million from RM77.2 million as at 31 May 2021 to RM168.6 million as at 31 May 2022. This was due to an increase in current assets of RM83.8 million and non-current assets of RM7.6 million.

The increase in non-current assets was mainly attributable to the increase in deferred tax assets of RM4.3 million mainly resulting from the temporary timing difference arising from deferred income (being advance payments from customers for the renewals or extensions of licence subscriptions and/or warranty periods).

The increase in current assets was mainly attributable to the following:

(i) increase of RM46.4 million in fixed deposits as well as cash and bank balances from the internally generated funds from our revenue; and

(ii) increase in trade and other receivables of RM37.3 million mainly from increase in trade receivables balance of RM24.5 million in line with our increased revenue, and increased prepayments of RM13.6 million mainly for prepaid expenses on software licences (i.e. deferred costs in relation to advanced billings from CA Singapore for software licences where CA Singapore required an advance payment for 12 months' access). This amount will be recognised as expenses upon performance of services.

(b) Liabilities

	Audited			
	As at 31 May			
	2019	2020	2021	2022
	RM'000	RM'000	RM'000	RM'000
Non-current liabilities				
Loans and borrowings	909	690	1,002	2,213
Deferred tax liabilities	-	-	326	3,068
Total non-current liabilities	**909**	**690**	**1,328**	**5,281**
Current liabilities				
Loans and borrowings	228	351	578	829
Current tax liabilities	1,407	572	185	2,213

	Audited			
	As at 31 May			
	2019	**2020**	**2021**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Trade and other payables	8,422	21,761	9,779	59,066
Contract liabilities	10,242	26,175	42,135	60,784
Total current liabilities	**20,299**	**48,859**	**52,677**	**122,892**
TOTAL LIABILITIES	**21,208**	**49,549**	**54,005**	**128,173**

Comparison between 31 May 2019 and 31 May 2020

Our total liabilities increased by RM28.3 million from RM21.2 million as at 31 May 2019 to RM49.6 million as at 31 May 2020. This was mainly due to an increase in current liabilities of RM28.6 million.

The increase in current liabilities was mainly attributable to:

(i) increase in trade and other payables of RM13.3 million from increased supplier invoices across multiple projects (totalling RM9.5 million during the last quarter of FYE 2020) and increase in other payables of RM3.9 million mainly in relation to higher amount owing to a director of RM1.5 million (mainly in relation to a fixed deposit placed under Infomina TH with a licenced bank for a project for The Siam Commercial Bank Public Company Limited) and sales and services tax payables of RM0.9 million; and

(ii) increase in contract liabilities of RM15.9 million as a result of higher advance billings for which work has not been performed for a total of 23 contracts amounting to RM12.6 million.

The increase in current liabilities was partially offset by the decrease in current tax liabilities of RM0.8 million.

Comparison between 31 May 2020 and 31 May 2021

Our total liabilities increased by RM4.5 million from RM49.6 million as at 31 May 2020 to RM54.0 million as at 31 May 2021. This was mainly due to an increase in current liabilities of RM3.8 million.

The increase in current liabilities was attributable to:

(i) increase in contract liabilities of RM16.0 million as a result of higher advance billings to customers for services to be delivered for a total of 30 contracts in relation to renewals of software licences; and

(ii) increase in loans and borrowings of RM0.2 million due to the short-term portion of lease liabilities for rental obligations.

The increase in current liabilities was offset by:

(i) the decrease in current tax liabilities of RM0.4 million; and

(ii) decrease in trade and other payables of RM12.0 million attributable to higher payments to several suppliers towards the end of FYE 2021.

Comparison between 31 May 2021 and 31 May 2022

Our total liabilities increased by RM74.2 million from RM54.0 million as at 31 May 2021 to RM128.2 million as at 31 May 2022. This was mainly due to an increase in current liabilities of RM70.2 million.

The increase in current liabilities was mainly attributable to:

(i) increase in trade and other payables of RM49.3 million mainly from increased supplier invoices across multiple projects totalling RM19.1 million during the last quarter of FYE 2022 and accrued purchases of RM33.2 million in line with our business growth. Additionally, there was an increase in accruals of RM4.1 million mainly in relation to staff bonuses;

(ii) increase in contract liabilities of RM18.6 million as a result of higher advance billings to customers for services to be delivered for a total of 37 contracts; and

(iii) increase in current tax liabilities of RM2.0 million, being our income tax expenses for FYE 2022 of RM6.5 million which was offset by the monthly tax instalments paid of RM4.5 million.

12.2.5 Review of cash flows

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Net cash from / (used in) operating activities	7,595	9,066	(307)	49,224
Net cash used in investing activities	(348)	(855)	(1,564)	(6,074)
Net cash (used in) / from financing activities	(523)	1,171	(1,670)	(357)
Net increase / (decrease) in cash and cash equivalents	6,724	9,382	(3,541)	42,793
Cash and cash equivalents at the beginning of the financial years	9,894	16,618	25,839	22,517
Effect of exchange rate changes on cash and cash equivalents	-	(161)	219	82
Cash and cash equivalents at the end of the financial years	**16,618**	**25,839**	**22,517**	**65,392**

FYE 2019

Net cash from operating activities

In FYE 2019, our Group recorded net cash inflow from operating activities of RM7.6 million, based on an operating profit of RM9.4 million and after taking into account the following working capital changes:

(i) decrease in receivables of RM3.1 million mainly due to higher collections from several of our customers;

(ii) increase in contract assets of RM3.6 million for more work performed which was yet to be billed in relation to our project with a national registry body in Malaysia;

(iii) decrease in payables of RM2.3 million mainly due to higher payments to suppliers during the last quarter of FYE 2019;

(iv) increase in contract liabilities of RM2.0 million due to advance billings to customers prior to work done; and

(v) payment of income tax of RM1.3 million.

Net cash for investing activities

In FYE 2019, our Group recorded net cash outflow for investing activities of RM0.4 million.

This was attributable to the following:

(i) cash purchase of computer and software of RM0.2 million; and

(ii) higher pledged deposits of RM0.1 million.

Net cash for financing activities

In FYE 2019, we recorded net cash outflow for financing activities of RM0.5 million, which was attributable to the following:

(i) net repayment of loans and borrowings (being used to finance working capital and purchase of motor vehicles) of RM0.2 million;

(ii) net increase in amount owing to a director of RM0.2 million (in relation to payments made by this director on behalf of our Group); and

(iii) interest of RM0.1 million for loans and borrowings.

FYE 2020

Net cash from operating activities

In FYE 2020, our Group recorded net cash inflow from operating activities of RM9.1 million based on an operating profit of RM4.9 million and after taking into account the following working capital changes:

(i) increase in receivables of RM23.1 million mainly due to higher billings to customers during the last quarter of FYE 2020, in tandem with the growth in our revenue as well as higher prepayments for software licences;

(ii) decrease in contract assets of RM1.3 million in line with the billings for work performed;

(iii) increase in payables of RM11.3 million mainly due to higher supplier invoices across multiple projects during the last quarter of FYE 2020;

(iv) increase in contract liabilities of RM15.9 million as a result of higher advance billings to several customers for 23 contracts; and

(v) payment of income tax of RM1.7 million.

Net cash for investing activities

In FYE 2020, our Group recorded net cash outflow for investing activities of RM0.9 million. This was attributable to the following:

(i) cash purchase of property, plant and equipment of RM0.1 million, mainly comprising 25 units of notebooks; and

(ii) placement of a fixed deposit with a licenced bank in Malaysia of RM0.8 million.

The cash outflow was offset by the proceeds of RM0.1 million from the disposal a unit of motor vehicle.

Net cash from financing activities

In FYE 2020, we recorded net cash inflow from financing activities of RM1.2 million, which was mainly attributable to amount owing by a director of RM1.4 million (in relation to a fixed deposit placed under Infomina TH with a licenced bank for a project for The Siam Commercial Bank Public Company Limited). These advances were fully repaid in FYE 2021.

The cash inflow was offset by the following:

(i) net repayment of loans and borrowings (being used to finance working capital and purchase of motor vehicles) of RM0.2 million; and

(ii) interest of RM0.1 million for loans and borrowings.

FYE 2021

Net cash for operating activities

In FYE 2021, our Group recorded net cash outflows for operating activities of RM0.3 million based on an operating profit of RM12.9 million and after taking into account the following working capital changes:

(i) increase in receivables of RM17.6 million mainly due to higher billings to customers during the last quarter of FYE 2021 and also in line with our revenue growth;

(ii) decrease in contract assets of RM2.3 million which were billed for and transferred to receivables;

(iii) decrease in payables of RM9.9 million mainly due to higher payments to several suppliers for multiple projects towards the end of FYE 2021;

(iv) increase in contract liabilities of RM16.0 million due to higher advance billings to customers for 30 contracts mainly in relation to renewals of software licences; and

(v) payment of income tax of RM4.0 million.

Our Sponsor is of the view that our Group's net cash used in operations for FYE 2021 is a temporary situation due to higher billings to customers during the last quarter of FYE 2021, and a delay in payment from Customer H owing an amount of RM11.4 million which was fully collected in July 2021.

Net cash for investing activities

In FYE 2021, our Group recorded net cash outflow for investing activities of RM1.6 million. This was mainly attributable to the following:

(i) purchase of furniture and fittings as well as office renovation for our offices at KL Eco City, Kuala Lumpur of RM0.7 million and purchase of computer, software and office equipment of RM0.2 million; and

(ii) higher pledged deposit of RM0.8 million.

The cash outflow was offset by proceeds of RM0.2 million from disposal of a unit of motor vehicle.

Net cash for financing activities

In FYE 2021, we recorded net cash outflow for financing activities of RM1.7 million, which was mainly attributable to the following:

(i) net repayment of loan and borrowings (being used to finance working capital and purchase of motor vehicles) of RM0.5 million;

(ii) repayment of amount owing to directors of RM1.4 million, being full settlement of this amount; and

(iii) interest of RM0.1 million for loans and borrowings.

The cash outflow was partially offset by the interest received from fixed deposit and bank balances from licenced banks of RM0.2 million.

FYE 2022

Net cash from operating activities

In FYE 2022, our Group recorded net cash inflows from operating activities of RM49.2 million based on an operating profit of RM23.0 million and after taking into account the following working capital changes:

(i) increase in receivables of RM37.7 million mainly due to higher billings to customers during the last quarter of FYE 2022 in line with our revenue growth and higher prepaid expenses on software licences;

(ii) increase in payables of RM49.6 million mainly due to higher supplier invoices as well as accrued purchases across multiple projects during the last quarter of FYE 2022, in line with our business growth;

(iii) increase in contract liabilities of RM18.8 million due to higher advance billings to customers for 37 contracts; and

(iv) payment of income tax of RM4.5 million.

Net cash for investing activities

In FYE 2022, our Group recorded net cash outflow for investing activities of RM6.1 million. This was attributable to the following:

(i) cash purchase of property, plant and equipment of RM2.5 million, mainly comprising computer and software; and

(ii) higher pledged fixed deposits of RM3.6 million.

Net cash for financing activities

In FYE 2022, we recorded net cash outflow for financing activities of RM0.4 million, which was mainly attributable to the following:

(i) net repayment of loan and borrowings (being used to finance working capital and purchase of motor vehicles) of RM0.5 million; and

(ii) interest of RM0.2 million for loans and borrowings.

The cash outflow was partially offset by the cash inflow from interest received from fixed deposit and bank balances from licenced banks of RM0.2 million and proceeds from allotment of shares of RM0.1 million.

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working capital

We have been financing our operations through existing cash and bank balances, cash generated from our operations, credit extended by our suppliers and external sources of funds. Our external sources of funds comprise term loans and lease liabilities under hire purchase arrangement. The principal use of our borrowings is for working capital purpose and purchase of motor vehicles. In addition, we also rely on bank guarantees from financial institutions to provide performance bonds for our projects.

The decision to utilise either internally generated funds or borrowings for our business operations depends on, amongst others, our cash and bank balances, expected cash inflow and outflow, future working capital requirements, future capital expenditure requirements and the interest rate on borrowings.

After taking into consideration the following, our Board is of the view that our working capital will be sufficient for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus:

(a) our cash and cash equivalents as at LPD of approximately RM82.0 million (excluding RM6.3 million which is pledged as security for our banking facilities);

(b) our banking facilities (excluding lease liabilities) of up to a limit of RM103.1 million as at LPD, of which RM67.7 million has been utilised;

(c) our expected future cash flows from operations taking into account our on-going contracts of RM443.6 million as at LPD, to be recognised progressively up to FYE 2027; and

(d) our pro forma NA position and gearing level as at 31 May 2022 after the Public Issue (and utilisation of proceeds) of RM70.8 million and less than 0.1 times respectively.

At this juncture, we do not foresee any circumstances which may materially affect our liquidity. Our Group has not encountered any major disputes with our debtors. Our finance personnel work closely with our marketing and sales staff for the collection of outstanding balances on a monthly basis. This measure has proven to be effective while allowing us to maintain cordial relationship with our customers.

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12. FINANCIAL INFORMATION *(Cont'd)*

12.4 BORROWINGS AND INDEBTEDNESS

We utilise banking facilities such as term loan to finance our working capital. Lease liabilities are used to finance the purchase of motor vehicles under hire purchase arrangement.

Our total outstanding borrowings as at 31 May 2022 stood at RM3.0 million, details of which are set out below. All our borrowings are interest-bearing and denominated in RM.

	Purpose	Number of borrowing / facility / indebtedness	Tenure of facility	Security	Effective interest rate % per annum	As at 31 May 2022 RM'000
Current						
Lease liabilities	• Purchase of motor vehicles • Rental of offices	3	4 to 9 years	Certain lease liabilities of our Group are secured by our Group's motor vehicles under the hire purchase arrangements.	4.74% to 7.60%	739
Term loan	• Working capital	1	7 years	(a) Letter of offer; (b) Asset sale agreement (Islamic financing); (c) Personal guarantee by the Promoters (who are Directors and substantial shareholders of Infomina); and (d) Guarantee by Credit Guarantee Corporation Malaysia Berhad for RM0.42 million.	9.90%	90
					Total current borrowing	**829**

12. FINANCIAL INFORMATION *(Cont'd)*

	Purpose	Number of borrowing / facility / indebtedness	Tenure of facility	Security	Effective interest rate % per annum	As at 31 May 2022 RM'000
Lease liabilities	• Purchase of motor vehicles • Rental of offices	3	4 to 9 years	Certain lease liabilities of our Group are secured by our Group's motor vehicles under the hire purchase arrangements.	4.74% to 7.60%	2,213
					Total non-current borrowing	**2,213**
					Total borrowing	**3,042**

Pro forma gearing (times)	
Before the Public Issue(1)	0.1
After the Public Issue and utilisation of proceeds(2)	less than 0.1

Notes:

(1) Computed based on our pro forma equity attributable to the owners of the Company of RM40.5 million in the pro forma combined statements of financial position before Public Issue and proposed utilisation of proceeds.

(2) Computed based on our pro forma equity attributable to the owners of the Company of RM70.8 million in the pro forma combined statements of financial position after the Public Issue and utilisation of proceeds.

We also rely on bank guarantees for performance bonds. Such bank guarantees are used for all aspects of the project contract lifecycle from the start of project up to expiration of our liability towards the customer in accordance with the terms of each contract. The bank guarantees allow us to execute and guarantee our deliverables to our customers.

12. FINANCIAL INFORMATION *(Cont'd)*

Our total bank guarantees as at 31 May 2022 stood at RM13.7 million, details as set out below. All our bank guarantees are secured, interest-bearing and denominated in RM.

	Purpose	Number of facility	Tenure of facility	Security	Commission rate % per annum	As at 31 May 2022 RM'000
Bank guarantee	Performance bond	2	On demand	(a) Fixed deposits pledged; (b) Letters of set-off; (c) Memoranda of deposit in relation to fixed deposits pledged; (d) Facility agreements; and (e) Personal guarantee by our Promoters (who are Directors and substantial shareholders of Infomina) (with respect to 1 bank guarantee only).	0.15%	13,652

The liabilities in respect of the bank guarantees will only crystallise and become payable following a call by our customer of the performance bonds in accordance with the terms and conditions of such contracts. During FYE 2019 to FYE 2022, we did not experience any call of the performance bonds issued to our customers.

Included in the borrowings set out above are the following lease liabilities:

	Purpose	Tenure	As at 31 May 2022 RM'000
Lease liabilities payable within 1 year	Rental for offices	Between 2 and 6 years	500
Lease liabilities payable more than 1 year	Rental for offices	Between 2 and 6 years	1,482

As at LPD, we do not have any borrowings which are non-interest bearing and/or in foreign currency. We have not defaulted on payments of principal sums and/or interests in respect of any borrowings throughout FYE 2019 to FYE 2022 and up to LPD. As at LPD, neither our Company nor our subsidiaries are in breach of any terms, conditions or covenants associated with credit arrangements or bank loans which can materially affect our financial position and results or business operations or the investments by holders of our securities.

From FYE 2019 to FYE 2022, we did not experience any claw back or reduction in the facilities limit granted to us by our lenders.

12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

Save as disclosed in Section 12.4, we do not utilise any other financial instruments. We receive proceeds in THB, PHP, USD in respect of our foreign sales and pay for purchases denominated in THB, PHP, USD from our foreign currency accounts.

We finance our operations mainly through cash generated from our operations, credit extended by trade payables as well as external sources of funds which mainly comprise borrowings. Save for finance leases and bank guarantees, which carry fixed interest rates, all other borrowings bear variable interest rates based on the bank's cost of funds plus a rate which varies depending on the different types of bank facilities.

12.6 MATERIAL CAPITAL COMMITMENTS

As at LPD, our Group does not have any material capital commitment.

12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES

(a) Material litigation

As at LPD, we have not been engaged in any government, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on the financial position or profitability of our Group.

(b) Contingent liabilities

As at LPD, save for the bank guarantees placed as performance bonds as set out under Section 12.4, there are no contingent liabilities incurred by us, our subsidiaries, which upon becoming enforceable, may have a material effect on our financial position or our subsidiaries' financial position.

12.8 KEY FINANCIAL RATIOS

Our key financial ratios are as follows:

	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Trade receivable turnover (days)(1)	27	23	36	48
Trade payable turnover (days)(2)	57	62	56	70
Current ratio (times)(3)	1.5	1.3	1.4	1.3
Gearing ratio (times)(4)	0.1	0.1	0.1	0.1

Notes:

(1) Computed based on average trade receivables multiplied by 365 days for the respective FYE, and divided by total revenue:

	Audited			
	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000	RM'000
Opening trade receivables	6,314	3,366	6,944	13,977
Closing trade receivables	3,366	6,944	13,977	38,462
Revenue	66,006	81,616	105,224	201,063

(2) Computed based on average trade payables multiplied by 365 days for the respective FYE, and divided by cost of sales:

	Audited			
	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000	RM'000
Opening trade payable	9,084	6,773	16,261	8,597
Closing trade payable	6,773	16,261	8,597	52,360
Cost of sales	50,380	68,167	81,280	159,164

(3) Computed based on current assets over current liabilities as at the end of the respective financial years.

(4) Computed based on the total borrowings and lease liabilities over total equity as at the end of the respective financial years.

12.8.1 Trade receivables turnover

The normal credit terms that our Group gives its customers are generally 30 days from the date of invoice, but this may be extended in certain cases after taking into consideration the background and credit-worthiness of the customer, payment history of the customer and our relationship with the customer.

Our Group has outstanding trade receivables of approximately RM38.5 million as at 31 May 2022. Our trade receivable turnover periods for FYE 2019, FYE 2020, FYE 2021 and FYE 2022 were between 23 days and 48 days. Our trade receivable turnover periods for FYE 2021 is higher than our credit period, due to delay in payment from Customer H owing an amount of RM11.4 million or 81.3% of total trade receivables, which was subsequently collected in July 2021. Our Group had long term working relationship with Customer H, and has therefore allowed late repayments from Customer H with the understanding that late payment charges will be imposed and similarly, our Group is also accorded longer terms of repayment by Customer H as Supplier H with the understanding that we will be charged for late payment as well. Our Group did not have any purchases from Supplier H for FYE 2022. However, our Group still has revenue from Customer H for FYE 2022 amounting to RM15.1 million. Notwithstanding that our Group does not have any trade payables to Supplier H to contra against the trade receivables from Customer H, we are confident that all amounts due from Customer H are recoverable based on their past track record and payment trends. Furthermore, we will remain open to business opportunities with Customer H, as the end-user of Customer H's contracts with our Group had historically been mainly government agencies, which provided a channel for us to showcase our strengths and grow our customer base and revenue.

In FYE 2022, trade receivable turnover period is higher than our credit period, due to higher invoices issued to two major customers at the end March 2022 and early April 2022, amounting to an aggregate of RM34.7 million or 90.2% of trade receivables past due, of which RM17.4 million have been subsequently collected up to the LPD.

Although the credit period as per contractual terms is 30 days, there is still a gap between contractual terms and actual collections as indicated in the trade receivable turnover days. This is mainly due to our clients' internal process involving verification by various internal departments before payment is processed. However, we opt not to extend our credit period in our contracts to reflect the actual practice as clients may take even longer time to pay if longer payment terms are granted.

The ageing analysis of our trade receivables as at 31 May 2022 and the subsequent collections up to LPD are set out below:

			Exceeding credit period				
		Within credit period	**1 to 30 days**	**31 to 60 days**	**61 - 90 days**	**More than 90 days**	**Total**
Gross trade receivables (RM'000)	A	1,043	30,631	6,644	[1]	205	38,523
Less: Impairment (RM'000)	B	-	-	-	-	(61)	(61)
Net receivables (RM'000)	C = A - B	1,043	30,631	6,644	[1]	144	38,462
% of net trade receivables (%)		*2.7*	*79.6*	*17.3*	*[1]*	*0.4*	*100.0*
Subsequent collections up to LPD (RM'000)	D	(1,043)	(19,992)	-	[1]	-	(21,035)
% of subsequent collections up to LPD (%)	*E = D / A*	*100.0*	*65.3*	-	*100.0*	-	*54.7*
Outstanding gross trade receivables (RM'000)	**F = A - D**	**-**	**10,639**	**6,644**	**-**	**144**	**17,427**

Note:

(1) Negligible.

As at LPD, we have collected RM21.0 million of our gross trade receivables as at 31 May 2022.

Our management closely monitors the recoverability of the trade receivables on a regular basis, and, when appropriate, provides for specific impairment of these trade receivables. Our Board is of the view that the remaining trade receivables are recoverable and no further provision for impairment is required after taking into consideration our relationship with customers as well as our effort to improve collection with various credit control measures to reduce the potential exposure on credit risk.

12.8.2 Trade payables turnover

The normal trade credit terms granted to our Group by our suppliers is 30 days. Our Group has outstanding trade payables of approximately RM52.4 million as at 31 May 2022. Our trade payables turnover periods for FYE 2019, FYE 2020, FYE 2021 and FYE 2022 were between 56 days and 70 days.

Our trade payables turnover period for FYE 2019 of 57 days was above the normal credit period granted by our suppliers, as most of the suppliers allowed us a longer period for payment in view of our established relationship with them. Nonetheless, all of the amounts outstanding have been subsequently paid.

Our trade payables turnover period increased from 57 days for FYE 2019 to 62 days for FYE 2020 was mainly due to higher purchases of licence and software as more orders were made towards the end of the period which were required at that point in time in accordance with project timeline. The purchases made towards the end of the period amounted to approximately RM7.2 million, out of which RM5.3 million are within the credit period of 30 days and RM1.9 million exceeded the credit period of 30 days. As a result, trade payables increased, and in turn, the trade payables turnover period. All of the amounts outstanding have been subsequently paid.

Our trade payables turnover period for FYE 2021 of 56 days was above the normal credit period granted by our suppliers, as most of the suppliers allowed us a longer period for payment in view of our established relationship with them. Nonetheless, all of the amounts outstanding have been subsequently paid. Our trade payables turnover period improved from 62 days for FYE 2020 to 56 days in FYE 2021. This was mainly due to higher payment to suppliers towards the end of FYE 2021.

In FYE 2022, our trade payables turnover period increased to 70 days, due to accrued purchases of RM33.2 million or 63.4% of total trade payables (which was not due for payment as no supplier invoice was issued), mainly attributable to a major supplier of RM31.5 million. The accrued purchases were recognised as the major supplier had delivered hardware and rendered the related expert services during the FYE 2022. As at LPD, we have not received the invoices on such purchases in order to proceed with payment to them.

Certain payables exceeded the credit period, as our suppliers have allowed a longer period for payment in view of our established relationship with them, our payment history and our credentials. We have not encountered any issue with our suppliers in spite of the slower payment to them.

The ageing analysis of our trade payables as at 31 May 2022 is as follows:

			Exceeding credit period				
		Within credit period	**1 to 30 days**	**31 to 60 days**	**61 - 90 days**	**More than 90 days**	**Total**
Trade payables (RM'000)		18,888	4	219	-	71	19,182
Accrued purchases (RM'000)		33,178	-	-	-	-	33,178
Total trade payables (RM'000)	A	52,066	4	219	-	71	52,360

			Exceeding credit period				
		Within credit period	**1 to 30 days**	**31 to 60 days**	**61 - 90 days**	**More than 90 days**	**Total**
% of total trade payables (%)		*99.5*	*	*0.4*	*-*	*0.1*	*100.0*
Subsequent payments up to LPD (RM'000)	B	(17,212)	(4)	(27)	-	-	(17,243)
% of subsequent payments up to LPD (%)	*C = B / A*	*33.1*	*100.0*	*12.3*	*-*	*-*	*32.9*
Outstanding trade payables (RM'000)	**D = A -B**	**34,854**	**-**	**192**	**-**	**71**	**35,117**

As at LPD, we have settled trade payables amounting RM17.2 million as at 31 May 2022.

As at LPD, there are no disputes in respect of any trade payables and our Board confirms that there has been no legal action initiated by our suppliers to demand for payment from us in the past and present.

12.8.3 Current ratio

Our current ratios throughout the financial years under review are as follows:

	Audited			
	FYE 2019	**FYE 2020**	**FYE 2021**	**FYE 2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current assets	29,921	61,634	73,350	157,131
Current liabilities	20,299	48,859	52,677	122,892
Net current assets	**9,622**	**12,775**	**20,673**	**34,239**
Current ratio (times)	1.5	1.3	1.4	1.3

For FYE 2020, our current ratio reduced from 1.5 times for FYE 2019 to 1.3 times for FYE 2020. This was mainly due to an increase in trade and other payables as well as contract liabilities in FYE 2020, which are attributed to higher project-related costs incurred and advance billings for services to be delivered.

For FYE 2021, our current ratio improved from 1.3 times in FYE 2020 to 1.4 times in FYE 2021 mainly due to an increase in trade and other receivables attributed to increase in revenue and higher billings issued at the last quarter of FYE 2021.

For FYE 2022, our current ratio reduced from 1.4 times for FYE 2021 to 1.3 times for FYE 2022. This was mainly due to an increase in trade and other payables as well as contract liabilities in FYE 2022, which are attributable to higher project-related costs incurred, accrued purchases and advance billings for services to be delivered.

12.8.4 Gearing ratio

Our gearing ratios throughout the financial years under review are as follows:

	Audited			
	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000	RM'000
Total borrowings	1,137	1,041	1,580	3,042
Total equity	11,385	14,788	23,167	40,460
Gearing ratio (times)	0.1	0.1	0.1	0.1

There was no significant change in our gearing ratio for the financial years under review.

12.9 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES

There were no government, economic, fiscal or monetary policies or factors which materially affected our financial performance during the financial years under review except for the various movement restrictions imposed as detailed in Section 7.7.

There is no assurance that our financial performance will not be adversely affected by the impact of further changes in government, economic, fiscal or monetary policies or factors moving forward. Risks relating to government, economic, fiscal or monetary policies or factors which may adversely and materially affect our operations are set out in Section 9.

12.10 IMPACT OF INFLATION

Our Group is of the view that the current inflation rate does not have a material impact on our business, financial condition or results of our operations. However, any significant increase in future inflation may adversely affect our Group's operations and performance if we are unable to pass on the higher costs to our customers.

12.11 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES

12.11.1 Impact of foreign exchange rates

We are mainly exposed to transactional currency exposure as our revenue and purchase are denominated in RM, THB, PHP and USD. Any significant change in foreign exchange rates may affect our financial results.

For FYE 2019 to FYE 2022, our losses from foreign exchange fluctuations are as follows:

	Audited			
	FYE 2019	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000	RM'000
Realised (loss) / gain on foreign exchange	-	(899)	61	245
Unrealised (loss) / gain on foreign exchange	-	(206)	(252)	287
Net (loss) / gain	**-**	**(1,105)**	**(191)**	**532**

A sensitivity analysis performed on our Group's foreign currency financial assets and liabilities as at 31 May 2022 indicates that, in the event of a 5% fluctuation of RM against USD, our PBT for FYE 2022 would fluctuate by RM0.4 million, while the effects of fluctuations in SGD, PHP, THB and IDR are negligible.

We maintain foreign currency accounts to receive sales proceeds in foreign currencies. In addition, we also mitigate foreign exchange risk through natural hedging of our foreign currency accounts used to pay for foreign currency denominated purchases of software licence and hardware. Notwithstanding the above, there is no assurance that any fluctuation in foreign exchange rates would not have an impact on our financial performance.

Separately, as the financial results of our subsidiaries are consolidated with the financial results of our Group which is reported in RM, any adverse fluctuation of USD, THB, PHP, IDR and SGD against the RM may have a material impact on our Group's financial performance. Notwithstanding the above, the exchange translation on consolidation is only an accounting entry for the purpose of consolidating the enlarged our Group's financial results as at a particular date.

12.11.2 Impact of interest rates

Our exposure to changes in interest rate relates primarily to our borrowings from banks. We do not hedge interest rate risk.

A sensitivity analysis performed on our Group based on the outstanding floating rate of the bank borrowings as at 31 May 2022 indicates that our PAT for FYE 2022 would increase or decrease by less than RM1,000, as a result of increase or decrease in interest rates by 50 basis points on these borrowings.

Our Group's financial results for FYE 2019 to FYE 2022 were not materially affected by fluctuations in interest rates. However, should we undertake significant bank borrowings, a major increase in interest rates would raise the cost of borrowings and our finance costs, which may have an adverse effect on the performance of our Group.

12.11.3 Impact of commodity prices

We are not affected by fluctuations in commodity prices as the hardware, software and licences that we use in delivering our products and service are not commodities.

12.12 SIGNIFICANT CHANGES

Save for the COVID-19 pandemic as disclosed in Section 7.7, there are no other significant changes which may have a material effect on the financial position and results of our Group subsequent to FYE 2022 and up to LPD. Please refer to Section 7.7 for further details on the impact of the COVID-19 pandemic on our Group's business and financial performance.

12.13 ORDER BOOK

Our order book relates to the contract value of on-going projects and less amounts recognised as revenue up to LPD. These on-going contracts will be performed and recognised as revenue progressively up to FYE 2027 based on expected progress.

Business segment	LPD to end of FYE 2023 RM' million	FYE 2024 RM' million	FYE 2025 RM' million	FYE 2026 RM' million	FYE 2027 RM' million	Total as at LPD RM' million
Design and delivery of technology infrastructure solutions	56.7	56.7	22.1	11.2	7.3	154.0
Technology infrastructure operations, maintenance and support services	103.6	72.1	58.2	42.2	13.4	289.6
	160.3	128.8	80.3	53.4	20.7	443.6

Note:

(1) Our order book based on geographical location is as follows:

Geographical location	RM' million
Malaysia	180.0
Overseas	263.6
Total	**443.6**

As at LPD, the total value of the projects that we have tendered for amounts to RM375.9 million. These projects, if awarded to our Group, will further increase our order book.

12.14 DIRECTORS' DECLARATION ON OUR GROUP'S FINANCIAL PERFORMANCE

Our Board is of the opinion that:

(a) our Group's revenue will remain sustainable with an upward growth trend, in line with our on-going contracts as set out in Section 12.13 and the positive outlook of the enterprise IT services industry as set out in the IMR Report in Section 8;

(b) our liquidity will improve subsequent to the Public Issue given the additional funds to be raised for our Group to carry out our future plans and business strategies as stated in Section 7.15; and

(c) our financial resources will strengthen, taking into account the amount to be raised from the Public Issue as well as internally generated funds. We may consider debt funding for our business expansion should the need arise.

In addition to the above, our Board confirms that there are no known circumstances which would result in a significant decline of our revenue and GP margins, or know of any factors that are likely to have a material impact on our liquidity, revenue or profitability.

12.15 TREND INFORMATION

Based on our track record for FYE 2019 to FYE 2022, including our segmental analysis of revenue and profitability, the following trends may continue to affect our business:

(a) during FYE 2019 to FYE 2022, an average 50.8% of our revenue was derived from technology infrastructure operations, maintenance and support services segment. We expect the technology infrastructure operation, maintenance and support services segment will continue contributing significantly to our revenue in the future;

(b) during FYE 2019 to FYE 2022, our revenue was derived from both local and foreign projects. We expect this trend continue in the future; and

(c) during FYE 2019 to FYE 2022, the main component of our cost of sales was project-related costs, which constituted an average of 92.1% of our total cost of sales. We expect this trend to continue.

As at LPD, after all reasonable enquiries and save as disclosed in Sections 12.2, 12.3, and 12.4, our Board confirms that our operations have not been and are not expected to be affected by any of the following:

(a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's financial performance, position, operations, liquidity and capital resources save as disclosed in this section and Sections 7.7, 9 and 12.2.2;

(b) material commitments for capital expenditure;

(c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save as disclosed in this section and Sections 7.7, 9 and 12.2.2;

(d) known trends, demands, commitments, events or uncertainties that have resulted in a material impact on our Group's revenue and/or profits save as disclosed in this section and Sections 7.7, 9 and 12.2.2; and

(e) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not necessarily indicative of the future financial performance and position save as disclosed in this section and Sections 7.7, 9 and 12.2.2.

Our Board is optimistic about the future prospects of our Group given the positive outlook of the enterprise IT services industry in Malaysia and Southeast Asia as set out in the IMR Report in Section 8, our Group's competitive advantages set out in Section 7.14 and our Group's intention to implement our business strategies as set out in Section 7.15.

12.16 DIVIDEND POLICY

Infomina is an operating and holding company. Our ability to pay dividends is dependent upon our financial performance as well as the dividends we receive from our subsidiaries, present or future. As at LPD, save as required under the Act, which is applicable to all Malaysian companies, consent from our financiers as set out in the respective facility agreements, and as disclosed in Section 15.4, there are no legal, financial, or economic restrictions on the ability of our existing subsidiaries to transfer funds in the form of cash dividends, loans or advances to us. Moving forward, the payment of dividends or other distributions by our subsidiaries will depend on their distributable profits, operating results, financial condition, capital expenditure plans, business expansion plans and other factors that our Board deem relevant.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividends for the year are subject to shareholders' approval. Actual dividends proposed and declared may vary depending on the financial performance and cash flows of our Group.

During the financial years under review and up to LPD, we did not declare or pay any ordinary dividends to our shareholders. However, Infomina TH has declared RM3,000 dividend on its preference shares on 31 May 2022.

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12.17 CAPITALISATION AND INDEBTEDNESS

The table below summarises our capitalisation and indebtedness:

(a) Based on the unaudited financial information as at 31 August 2022; and

(b) After adjusting for the effects of IPO and utilisation of proceeds.

		I	II	III
	As at 31 August 2022	**After the Group Internal Restructuring**	**After I and Public Issue**	**After II and utilisation of proceeds**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Capitalisation				
Shareholders' equity	44,605	44,605	77,072	74,930
Total capitalisation	**44,605**	**44,605**	**77,072**	**74,930**
Indebtedness				
Current				
Secured and guaranteed				
Lease liabilities	797	797	797	797
Non-current				
Secured and guaranteed				
Lease liabilities	2,094	2,094	2,094	2,094
Total indebtedness	**2,891**	**2,891**	**2,891**	**2,891**
Total capitalisation and indebtedness	**47,496**	**47,496**	**79,963**	**77,821**
Gearing ratio[(1)](times)	Less than 0.1	Less than 0.1	Less than 0.1	Less than 0.1

Note:

(1) Calculated based on the total indebtedness divided by the total capitalisation.

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14 October 2022

The Board of Directors
Infomina Berhad
BO3-C-12-1, Menara 3A
No. 3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

Dear Sirs,

Reporting Accountants' opinion on the Combined Financial Statements contained in the Accountants' Report of Infomina Berhad ("Infomina" or the "Company")

Opinion

We have audited the accompanying combined financial statements of the Company and its subsidiaries as defined in Note 2 to the combined financial statements (collectively referred to as the "Group"), which comprise of:

i) The combined statements of financial position as at 31 May 2019, 31 May 2020 and 31 May 2021, the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years then ended.
ii) The consolidated statement of financial position as at 31 May 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year then ended.
iii) Notes to the combined financial statements, including a summary of significant accounting policies, as set out on pages 5 to 96.

In our opinion, the accompanying combined financial statements contained in the Accountants' Report of the Company gives a true and fair view of the combined financial positions of the Group as at 31 May 2019, 31 May 2020, 31 May 2021 and 31 May 2022, and of its financial performance and its cash flows for the financial year ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and Chapter 10, Part II Division I: Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFOMINA BERHAD
(Incorporated in Malaysia)

Basis for Opinion (continued)

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws* (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Responsibilities of the Directors for the Combined Financial Statements

The directors of the Company are responsible for the preparation of the combined financial statements contained in the Accountants' Report, so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the Group, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a Reporting Accountants' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the combined financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INFOMINA BERHAD
(Incorporated in Malaysia)

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Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Reporting Accountants' report to the related disclosures in the combined financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Reporting Accountants' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

Other Matters

This report is made solely to the board of directors of the Company and has been prepared solely to comply with the Prospectus Guidelines – Equity issued by the Securities Commission Malaysia and for inclusion in the Prospectus of the Company in connection with the listing of and quotation of the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad and should not be relied upon any other purposes. We do not assume responsibility to any other persons for the content of this report.

Baker Tilly Monteiro Heng PLT	Paul Tan Hong
201906000600 (LLP0019411-LCA) & AF 0117	No. 03459/11/2023 J
Chartered Accountants	Chartered Accountant

Kuala Lumpur

Date: 14 October 2022

STATEMENT BY DIRECTORS

We, **YEE CHEE MENG** and **NASIMAH BINTI MOHD ZAIN**, being two of the directors of INFOMINA BERHAD, do hereby state that in the opinion of the directors, the accompanying combined financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group as at 31 May 2019, 31 May 2020, 31 May 2021 and 31 May 2022 and of their financial performance and cash flows for the financial years then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors.

....
YEE CHEE MENG
Director

....
NASIMAH BINTI MOHD ZAIN
Director

Kuala Lumpur

Date: 14 OCT 2022

COMBINED STATEMENTS OF FINANCIAL POSITION

		As at 31 May			
		2019	**2020**	**2021**	**2022**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
ASSETS					
Non-current assets					
Property, plant and equipment	**5**	1,509	1,185	2,225	5,397
Deferred tax assets	**6**	1,163	864	965	5,231
Other receivables	**7**	-	654	632	874
Total non-current assets		**2,672**	**2,703**	**3,822**	**11,502**
Current assets					
Current tax assets		-	-	61	151
Trade and other receivables	**7**	9,395	32,330	48,794	86,046
Contract assets	**8**	3,580	2,323	-	-
Cash and short-term deposits	**9**	16,946	26,981	24,495	70,934
Total current assets		**29,921**	**61,634**	**73,350**	**157,131**
TOTAL ASSETS		**32,593**	**64,337**	**77,172**	**168,633**
EQUITY AND LIABILITIES					
Equity attributable to the owners of the Group					
Invested equity/Share capital	**10**	1,147	5,178	11,086	11,075
Irredeemable preference shares	**11**	-	-	-	65
Retained earnings		10,238	9,610	17,897	34,921
Reorganisation reserve	**12**	-	-	(5,847)	(5,700)
Other reserves	**13**	-	*	29	92
		11,385	14,788	23,165	40,453
Non-controlling interests		-	*	2	7
TOTAL EQUITY		**11,385**	**14,788**	**23,167**	**40,460**

COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

	Note	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
		As at 31 May			
Non-current liabilities					
Loans and borrowings	**14**	909	690	1,002	2,213
Deferred tax liabilities	**6**	-	-	326	3,068
Total non-current liabilities		**909**	**690**	**1,328**	**5,281**
Current liabilities					
Loans and borrowings	**14**	228	351	578	829
Current tax liabilities		1,407	572	185	2,213
Trade and other payables	**15**	8,422	21,761	9,779	59,066
Contract liabilities	**8**	10,242	26,175	42,135	60,784
Total current liabilities		**20,299**	**48,859**	**52,677**	**122,892**
TOTAL LIABILITIES		**21,208**	**49,549**	**54,005**	**128,173**
TOTAL EQUITY AND LIABILITIES		**32,593**	**64,337**	**77,172**	**168,633**

* *Less than RM1,000*

The accompanying notes form an integral part of these combined financial statements.

COMBINED STATEMENTS OF COMPREHENSIVE INCOME

	Note	FYE 31 May 2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Revenue	**16**	66,006	81,616	105,224	201,063
Cost of sales		(50,380)	(68,167)	(81,280)	(159,164)
Gross profit		15,626	13,449	23,944	41,899
Other income	**17**	348	1,846	393	764
Administrative expenses		(6,805)	(10,710)	(12,189)	(20,426)
Operating profit		9,169	4,585	12,148	22,237
Finance costs	**18**	(102)	(78)	(102)	(186)
Profit before tax	**19**	9,067	4,507	12,046	22,051
Income tax expense	**21**	(2,165)	(1,135)	(3,757)	(4,971)
Profit for the financial year		6,902	3,372	8,289	17,080
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		-	*	29	12
Other comprehensive income for the financial year	**22**	-	*	29	12
Total comprehensive income for the financial years		6,902	3,372	8,318	17,092
Profit attributable to:					
Owners of the Group		6,902	3,372	8,287	17,078
Non-controlling interests		-	*	2	2
		6,902	**3,372**	**8,289**	**17,080**
Total comprehensive income attributable to:					
Owners of the Group		6,902	3,372	8,316	17,090
Non-controlling interests		-	*	2	2
		6,902	**3,372**	**8,318**	**17,092**
Earnings per share (RM)					
- Basic and diluted	**23**	6.02	0.91	1.59	2.42

* *Less than RM1,000*

The accompanying notes form an integral part of these combined financial statements.

INFOMINA BERHAD
Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Note	Attributable to owners of the Group							
		Invested equity RM'000	Preference shares RM'000	Reorganisation reserve RM'000	Other reserves RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 June 2018		1,147	-	-	-	3,336	**4,483**	-	**4,483**
Total comprehensive income for the financial year									
Profit for the financial year, representing total comprehensive income for the financial year		-	-	-	-	6,902	**6,902**	-	**6,902**
At 31 May 2019		**1,147**	**-**	**-**	**-**	**10,238**	**11,385**	**-**	**11,385**
Total comprehensive income for the financial year									
Profit for the financial year		-	-	-	-	3,372	3,372	*	3,372
Other comprehensive income for the financial year	**22**	-	-	-	*	-	*	*	*
Total comprehensive income		-	-	-	*	3,372	3,372	*	3,372
Transaction with owners									
Bonus issue	**10**	4,000	-	-	-	(4,000)	-	-	-
Issuance of ordinary shares	**10**	31	-	-	-	-	31	*	31
Total transactions with owners		4,031	-	-	-	(4,000)	31	*	31
At 31 May 2020		**5,178**	**-**	**-**	*	**9,610**	**14,788**	*	**14,788**

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	Invested equity/ Share capital RM'000	Preference shares RM'000	Reorganisation reserve RM'000	Other reserves RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Attributable to owners of the Group							
At 1 June 2020		**5,178**	**-**	**-**	*****	**9,610**	**14,788**	*****	**14,788**
Total comprehensive income for the financial year									
Profit for the financial year		-	-	-	-	8,287	8,287	2	8,289
Other comprehensive income for the financial year	22	-	-	-	29	-	29	*	29
Total comprehensive income		-	-	-	29	8,287	8,316	2	8,318
Transaction with owners									
Issuance of ordinary shares	10	5,939	-	-	-	-	5,939	-	5,939
Adjustment pursuant to restructuring exercise	12	(31)	-	(5,847)	-	-	(5,878)	-	(5,878)
Total transactions with owners		5,908	-	(5,847)	-	-	61	-	61
At 31 May 2021		**11,086**	**-**	**(5,847)**	**29**	**17,897**	**23,165**	**2**	**23,167**
Total comprehensive income for the financial year									
Profit for the financial year		-	-	-	-	17,078	17,078	2	17,080
Other comprehensive income for the financial year	22	-	-	-	12	-	12	*	12
Total comprehensive income		-	-	-	12	17,078	17,090	2	17,092
Transaction with owners									
Issuance of ordinary shares	10	139	-	-	-	-	139	-	139
Issuance of preference shares	11	-	65	-	-	-	65	-	65
Transfer to statutory reserve		-	-	-	51	(51)	*	(*)	-
Changes in ownership in interests in a subsidiary	1	-	-	-	*	1	1	(1)	-
Adjustment pursuant to restructuring exercise	10	(150)	-	147	*	(1)	(4)	4	*
Dividends paid on preference shares	24	-	-	-	-	(3)	(3)	-	(3)
Total transactions with owners		(11)	65	147	51	(54)	198	3	201
At 31 May 2022		**11,075**	**65**	**(5,700)**	**92**	**34,921**	**40,453**	**7**	**40,460**

* *Less than RM1,000*

The accompanying notes form an integral part of these combined financial statements.

COMBINED STATEMENTS OF CASH FLOWS

	Note	FYE 31 May 2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Cash flows from operating activities					
Profit before tax		9,067	4,507	12,046	22,051
Adjustments for:					
Depreciation of property, plant and equipment		536	581	768	1,294
Gain on disposal of property, plant and equipment		-	(90)	(87)	(4)
Property, plant and equipment written off		-	-	-	29
Impairment loss on trade receivables		-	-	62	-
Finance costs		102	78	102	186
Finance income		(348)	(394)	(245)	(225)
Net unrealised foreign exchange loss/(gain)		-	206	252	(287)
Operating profit before changes in working capital		**9,357**	**4,888**	**12,898**	**23,044**
Changes in working capital					
Trade and other receivables		3,069	(23,071)	(17,576)	(37,688)
Contract assets		(3,580)	1,257	2,323	-
Trade and other payables		(2,317)	11,334	(9,944)	49,601
Contract liabilities		1,964	15,934	15,959	18,807
Net cash generated from operations		**8,493**	**10,342**	**3,660**	**53,764**
Income tax refund		59	-	-	-
Income tax paid		(1,305)	(1,670)	(3,982)	(4,548)
Interest received		348	394	15	8
Net cash generated from/(used in) operating activities		**7,595**	**9,066**	**(307)**	**49,224**
Cash flows from investing activities					
Purchase of property, plant and equipment	**(a)**	(239)	(131)	(918)	(2,514)
Proceeds from disposal of property, plant and equipment		-	90	190	4
Additional investment in subsidiary		-	-	-	*
Change in pledged deposits		(109)	(814)	(836)	(3,564)
Net cash used in investing activities		**(348)**	**(855)**	**(1,564)**	**(6,074)**

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

	Note	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
		FYE 31 May			
Cash flows from financing activities	**(b)**				
Proceeds from issuance of ordinary shares		-	32	61	139
Proceeds from issuance of preference shares		-	-	-	65
Repayment of term loans		(84)	(74)	(129)	(18)
Repayment of lease liabilities		(132)	(148)	(325)	(502)
Net change in amount owing to a director		(205)	1,439	(1,405)	(72)
Interest received		-	-	230	217
Interest paid		(102)	(78)	(102)	(186)
Net cash (used in)/from financing activities		**(523)**	**1,171**	**(1,670)**	**(357)**
Net increase/(decrease) in cash and cash equivalents		6,724	9,382	(3,541)	42,793
Cash and cash equivalents at the beginning of the financial year		**9,894**	**16,618**	**25,839**	**22,517**
Effect of exchange rate changes on cash and cash equivalents		-	(161)	219	82
Cash and cash equivalents at the end of the financial year	**9**	**16,618**	**25,839**	**22,517**	**65,392**

* *Less than RM1,000*

(a) Purchase of property, plant and equipment:

	Note	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
		FYE 31 May			
Purchase of property, plant and equipment	**5**	518	257	1,911	4,495
Financed by way of lease arrangements		(279)	(126)	(993)	(1,981)
Cash payments on purchase of property, plant and equipment		239	131	918	2,514

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities are as follows:

	1.6.2018 RM'000	Cash flow RM'000	Non-cash: Effect of MFRS 16 RM'000	Non-cash: Foreign exchange movement RM'000	31.5.2019 RM'000
Term loans	395	(84)	-	-	311
Lease liabilities	679	(132)	279	-	826
Amount owing to a director	251	(205)	-	-	46
	1,325	(421)	279	-	1,183

	1.6.2019 RM'000	Cash flow RM'000	Non-cash: Effect of MFRS 16 RM'000	Non-cash: Foreign exchange movement RM'000	31.5.2020 RM'000
Term loans	311	(74)	-	-	237
Lease liabilities	826	(148)	126	-	804
Amount owing to a director	46	1,439	-	22	1,507
	1,183	1,217	126	22	2,548

	1.6.2020 RM'000	Cash flow RM'000	Non-cash: Effect of MFRS 16 RM'000	Non-cash: Foreign exchange movement RM'000	31.5.2021 RM'000
Term loans	237	(129)	-	-	108
Lease liabilities	804	(325)	993	-	1,472
Amount owing to a director	1,507	(1,405)	-	(29)	73
	2,548	(1,859)	993	(29)	1,653

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COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities are as follows: (continued)

			Non-cash		
	1.6.2021 RM'000	**Cash flow RM'000**	**Effect of MFRS 16 RM'000**	**Foreign exchange movement RM'000**	**31.5.2022 RM'000**
Term loans	108	(18)	-	-	90
Lease liabilities	1,472	(502)	1,982	-	2,952
Amount owing to a director	73	(72)	-	(1)	-
	1,653	(592)	1,982	(1)	3,042

The accompanying notes form an integral part of these combined financial statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Infomina Berhad (the "Company") was incorporated as a private limited liability company and is domiciled in Malaysia. The company was converted to a public company limited by shares and assumed its present name on 21 February 2022. The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur W.P. Kuala Lumpur. The principal place of business of the Company is located at BO3-C-12-1, Menara 3A, No 3 Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur.

The principal activity of the Company is the provision of technology hardware, software, consultancy, support and services and the details of its operating entities are as follows:

Operating entities	Principal place of business/ Country of incorporation	Effective equity interest (%) 2019	2020	2021	2022	Principal activities
Infomina Services Sdn. Bhd.	Malaysia	51%	51%	51%	100%	Dormant. Intended for provision of maintenance and support services for information technologies
Infomina Pte. Ltd.*	Singapore	-	60%	100%	100%	Provision of technology hardware, software, consultancy, support and services
Infomina (Thailand) Co., Ltd*	Thailand	-	-	48.99%	99.99%	Import and export of computer software and hardware
PT Infomina Solution Indonesia*	Indonesia	-	-	-	99.60%	Dormant. Intended for computer programming activities, computer consulting and other computer facility management
Infomina Limited*	Hong Kong	-	-	-	100%	Dormant. Intended for information technology consultancy and services

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

The principal activity of the Company is the provision of technology hardware, software, consultancy, support and services and the details of its operating entities are as follows: (continued)

Operating entities	Principal place of business/ Country of incorporation	Effective equity interest (%) 2019	2020	2021	2022	Principal activities
Held through Infomina Pte. Ltd.						
Infomina (Thailand) Co., Ltd*	Thailand	-	51%	51%	-	Import and export of computer software and hardware
Infomina Philippines, Inc*	Philippines	-	99.95%	99.93%	99.95%	Provision of data management, storage and archiving, reselling of software and software integration
PT Infomina Solution Indonesia*	Indonesia	-	-	99.60%	-	Dormant. Intended for computer programming activities, computer consulting and other computer facility management

* *Audited by an independent network firm of Baker Tilly International.*

There have been no significant changes in the nature of these principal activities during the financial years under review.

The combined financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 14 October 2022.

(a) Movement of equity interests in Infomina Services Sdn. Bhd.

For the FYE 31 May 2019, 31 May 2020 and 31 May 2021, Infomina Berhad has common control over Infomina Services Sdn. Bhd. through a 51% equity interest and a 49% direct interest held by one of the directors of Infomina Berhad. As such, the results of Infomina Services Sdn. Bhd. were included in the combined financial statements for the FYE 31 May 2019, 31 May 2020 and 31 May 2021.

On 14 February 2022, the Company purchased an additional 49% equity interest (representing 147,000 ordinary shares) in Infomina Services Sdn. Bhd. from a director for a total cash consideration of RM1. The Company's effective ownership in Infomina Services Sdn. Bhd. increased from 51% to 100% as a result of the additional shares purchased.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(b) Movement of equity interests in Infomina Pte. Ltd.

On 18 September 2019, Infomina Berhad acquired a 60% equity interest (representing 60 ordinary shares) in Infomina Pte. Ltd. for a cash consideration of approximately RM185 (equivalent to SGD60).

For the FYE 31 May 2020, Infomina Berhad has common control over Infomina Pte. Ltd. through a 60% equity interest and a 40% direct interest held by two of the directors of Infomina Berhad.

On 20 May 2021, Infomina Berhad acquired the remaining 40% equity interest (representing 40 ordinary shares) in Infomina Pte. Ltd. from two of the directors of Infomina Berhad through the issuance of 734,285 ordinary shares in Infomina Berhad amounting to RM3,172,111.

(c) Movement of equity interests in Infomina (Thailand) Co., Ltd

On 1 November 2019, Infomina Pte. Ltd. acquired a 51% equity interest (representing 10,200 ordinary shares) in Infomina (Thailand) Co., Ltd for a cash consideration of approximately RM32,346 (equivalent to THB255,000).

For the FYE 31 May 2020, Infomina Berhad has common control over Infomina (Thailand) Co., Ltd through a 51% equity interest and a 49% direct interest held by two of the directors of Infomina Berhad.

On 20 May 2021, Infomina Berhad acquired 48.99% equity interest (representing 9,798 ordinary shares) in Infomina (Thailand) Co., Ltd from two of the directors of Infomina Berhad through the issuance of 626,312 ordinary shares in Infomina Berhad amounting RM2,705,668.

On 28 February 2022, Infomina Berhad purchased an additional 51% equity interest (representing 10,200 ordinary shares) in Infomina (Thailand) Co., Ltd from Infomina Pte. Ltd. for a total cash consideration of RM2,524,948. The Company's effective ownership in Infomina (Thailand) Co., Ltd increased from 48.99% to 99.99% as a result of the additional shares purchased.

Effects of the decrease pursuant to the Group's internal restructuring exercise is as follows:

	2022 **RM'000**
Fair value of consideration transferred	-
Decrease in share of net assets	(*)
Deficit charged directly to equity	(*)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(d) Movement of equity interests in Infomina Philippines, Inc

On 10 February 2020, Infomina Pte. Ltd. acquired a 99.93% equity interest (representing 10,193 ordinary shares) in Infomina Philippines, Inc for a cash consideration of approximately RM841,579 (equivalent to PHP10,192,860).

For the FYE 31 May 2020, Infomina Berhad has common control over Infomina Philippines, Inc through a 99.93% equity interest and a 0.02% direct interest held by two of the directors of Infomina Berhad.

On 22 May 2022, two (2) shareholders of Infomina Philippines, Inc transferred their equity interest of 0.01% each to Infomina Pte. Ltd.. Infomina Pte. Ltd.'s effective ownership in Infomina Philippines, Inc., increased from 99.93% to 99.95% as a result of the additional shares transferred.

Effects of the increase in the Group's ownership interest is as follows:-

	2022
	RM'000
Fair value of consideration transferred	-
Increase in share of net assets	1
Excess charged directly to equity	1

Effects of the decrease pursuant to the Group's internal restructuring exercise is as follows:

	2022
	RM'000
Fair value of consideration transferred	-
Decrease in share of net assets	(3)
Deficit charged directly to equity	(3)

(e) Movement of equity interests in PT Infomina Solution Indonesia

On 28 July 2020, Infomina Pte. Ltd. acquired a 99.6% equity interest (representing 249 ordinary shares) in PT Infomina Solution Indonesia for cash consideration of approximately RM744,896 (equivalent to IDR 2,490,000,000).

For the FYE 31 May 2020, Infomina Berhad has common control over PT Infomina Solution Indonesia through a 99.6% equity interest and a 0.4% direct interest held by one of the directors of Infomina Berhad.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(e) Movement of equity interests in PT Infomina Solution Indonesia (continued)

On 19 May 2022, Infomina Berhad purchased a 99.6% equity interest (representing 249 ordinary shares) in PT Infomina Solution Indonesia from Infomina Pte. Ltd. for a total cash consideration of RM644,941.

Effects of the decrease pursuant to the Group's internal restructuring exercise is as follows:

	2022 RM'000
Fair value of consideration transferred	-
Decrease in share of net assets	(3)
Deficit charged directly to equity	(3)

(f) Non-controlling interests of the operating entities

The financial information of the Group's operating entities that has a non-controlling interest is as follows:

Equity interest held by non-controlling interests:

	Ownership interest and voting interest as at 31 May			
	2019 %	2020 %	2021 %	2022 %
Name of company				
Infomina (Thailand) Co., Ltd	-	-	-	0.01
Infomina Philippines, Inc	-	0.05	0.05	0.05
PT Infomina Solution Indonesia	-	-	-	0.40

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(f) Non-controlling interest of the operating entity (continued)

The financial information of the Group's operating entity that has a non-controlling interest is as follows: (continued)

Carrying amount of non-controlling interest:

	As at 31 May			
	2019	**2020**	**2021**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Name of company				
Infomina (Thailand) Co., Ltd	-	-	-	1
Infomina Philippines, Inc	-	*	2	4
PT Infomina Solution Indonesia	-	-	-	2

* *Less than RM1,000*

Profit or loss allocated to non-controlling interest:

	FYE 31 May			
	2019	**2020**	**2021**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Name of company				
Infomina (Thailand) Co., Ltd	-	-	-	*
Infomina Philippines, Inc	-	*	2	2
PT Infomina Solution Indonesia	-	-	-	(*)

* *Less than RM1,000*

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION

The combined financial statements of Infomina Berhad for the financial years ended 31 May 2019, 31 May 2020, 31 May 2021 and 31 May 2022 have been prepared pursuant to the listing of and quotation for the entire enlarged issued share capital of Infomina Berhad on the ACE Market of Bursa Malaysia Securities Berhad which consist of the financial statements of the following entities under common control for each of the financial years:

Entities Under Common Control	**FYE 31 May**			
	2019	**2020**	**2021**	**2022**
Infomina Berhad	√, #	√, #	√,^	√,^
Infomina Services Sdn. Bhd.	√, #	√, #	√,^	√,^
Infomina Pte. Ltd.	*	√, +	√, +	√, +
Infomina (Thailand) Co., Ltd	*	√, +	√, +	√, +
Infomina Philippines, Inc	*	√, +	√, +	√, +
PT Infomina Solution Indonesia	>	>	√, +	√, +
Infomina Limited	@	@	@	√, +

√ *The combined financial statements of the Company include the financial statements of these combining entities prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") and the International Financial Reporting Standards ("IFRSs") for the respective financial years.*

* *No financial statements were available as the Company was incorporated in FYE 2020.*

> *No financial statements were available as the Company was incorporated in FYE 2021.*

@ *No financial statements were available as the Company was incorporated in FYE 2022.*

^ *The combined financial statements of the Group for the respective financial years have been prepared based on the audited financial statements which were audited by Baker Tilly Monteiro Heng PLT.*

\+ *The combined financial statements of the Group for the respective financial years have been prepared based on the audited financial statements which were audited by an independent member firm of Baker Tilly International.*

\# *The combined financial statements of the Group for the respective financial years have been prepared based on the audited financial statements which were re-audited by Baker Tilly Monteiro Heng PLT for the purpose of inclusion into the combined financial statements of the Group. The audited financial statements which was lodged with Companies Commission of Malaysia were audited by a firm of chartered accountants other than Baker Tilly Monteiro Heng PLT.*

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

Combined financial statements of the Group for FYE 31 May 2019, 31 May 2020 and 31 May 2021

The combined financial statements of the Group for the relevant periods were prepared in a manner as if the entities under common control were operating as a single economic enterprise from the beginning of the earliest comparative period covered by the relevant period or the dates of incorporation of entities within the Group, if later.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory ("commonly controlled entities"). Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the commonly controlled entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The financial information presented in the combined financial statements may not correspond to those in the combined financial statements of the Group had the relevant transactions to legally constitute a group been incorporated in the combined financial statements for the respective financial years. Such financial information in the combined financial statements does not purport to predict the financial position, results and the cash flows of the entities under common control for those financial years.

Consolidated financial statements of the Group for FYE 31 May 2022

The consolidated financial statements of the Group FYE 31 May 2022 were prepared based on the audited consolidated financial statements of the Company for FYE 31 May 2022.

The combined financial statements are prepared under the historical cost convention except otherwise indicated in the summary of significant accounting policies.

The accounting policies applied by the Group are consistently applied for all the financial years presented in these combined financial statements.

2.1 Statement of compliance

The combined financial statements of the Group have been prepared in accordance with the the Malaysian Financial Reporting Standards ("MFRSs") and the International Financial Reporting Standards ("IFRSs").

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Change in accounting policies

(i) MFRS 15 Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

(i) identify the contracts with a customer;
(ii) identify the performance obligation in the contract;
(iii) determine the transaction price;
(iv) allocate the transaction price to the performance obligations in the contract;
(v) recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The following MFRSs and IC Interpretations will be withdrawn on the application of MFRS 15:

MFRS 111	Construction Contracts
MFRS 118	Revenue
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 131	Revenue – Barter Transactions Involving Advertising Services

Impact of the adoption of MFRS 15

The adoption of MFRS 15 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. Other than the enhanced new disclosures relating to contracts with customers, which the Group has complied with in the current financial year, the adoption of this standard does not have any significant effect on the financial statements of the Group.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Change in accounting policies (continued)

(ii) MFRS 16 Leases

Effective 1 January 2019, MFRS 16 has replaced MFRS 117 *Leases* and IC Int 4 *Determining whether an Arrangement contains a Lease.*

Under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its combined statements of financial position assets and liabilities arising from finance leases. For operating leases, lease payments are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

MFRS 16 eliminates the distinction between finance and operating leases for lessees. Instead, all leases are brought onto the combined statements of financial position except for short-term and low value asset leases.

The Group has applied MFRS 16 using the modified retrospective approach with any cumulative effect of initial application recognised as an adjustment to the opening balance of retained earnings at the date of initial application (i.e. 1 June 2018). Other than stated as below, the comparative information was not restated and continues to be reported under MFRS 117 and IC Int 4.

Definition of a lease

MFRS 16 changes the definition of a lease mainly to the concept of control. MFRS 16 defines that a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group has elected the practical expedient not to reassess whether a contract contains a lease at the date of initial application. Accordingly, the definition of a lease under MFRS 16 was applied only to contracts entered or changed on or after 1 June 2019. Existing lease contracts that are still effective on 1 June 2018 will be accounted for as lease contracts under MFRS 16.

Impact of the adoption of MFRS 16

The application of MFRS 16 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements as at the date of initial application. Other than the enhanced new disclosures relating to leases, which the Group has complied with in the current financial year, the application of this standard does not have any significant effect on the financial statements of the Group, except for those as discussed below.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Change in accounting policies (continued)

(ii) MFRS 16 Leases (continued)

Impact of the adoption of MFRS 16 (continued)

(a) Classification and measurement

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all the risks and rewards incidental to ownership of the underlying asset to the Group.

On adoption of MFRS 16, for all its leases other than short-term and low value asset leases, the Group:

- recognised the right-of-use assets and lease liabilities in the combined statements of financial position as at the date of initial application;
- recognised depreciation of right-of-use assets and interest on lease liabilities in profit or loss for the current financial year; and
- separated the total amount of cash paid for leases into principal and interest portions (presented within financing activities) in the combined statements of cash flows for the current financial year.

For leases that were classified as operating lease under MFRS 117

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application.

The right-of-use assets were measured at either:

(a) their carrying amount as if MFRS 16 had been applied since the commencement date, discounted using the Group's incremental borrowing rate at the date of initial application. The Group applied this approach to its largest property leases; or
(b) an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Group applied this approach to all other leases.

The Group also applied the following practical expedients wherein its:

(a) applied a single discount rate to a portfolio of leases with similar characteristics;
(b) adjusted the right-of-use assets by the amount of MFRS 137 onerous contract provision immediately before the date of initial application, as an alternative to an impairment review;

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Change in accounting policies (continued)

(ii) MFRS 16 Leases (continued)

Impact of the adoption of MFRS 16 (continued)

(a) Classification and measurement (continued)

For leases that were classified as operating lease under MFRS 117 (continued)

The Group also applied the following practical expedients wherein its: (continued)
(c) applied the exemption not to recognise right-of-use assets and lease liabilities for leases which the lease term ends within 12 months of the date of initial application;
(d) excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and
(e) used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

For leases that were classified as finance lease under MFRS 117

The Group recognised the carrying amount of the lease assets and finance lease liabilities under MFRS 117 immediately before transition as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application. The measurement requirements of MFRS 16 are applied after that date.

(b) Short-term lease and low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of equipment that have a lease term of 12 months or less and leases of low value assets based on the value of the underlying asset when new. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The following is reconciliation of the financial statement line items from MFRS 117 to MFRS 16 at 1 June 2018:

	Carrying amount at 31 May 2018 RM'000	Remeasurement RM'000	MFRS 16 carrying amount at 1 June 2018 RM'000
Property, plant and equipment	1,160	367	1,527
Loans and borrowings	(694)	(381)	(1,075)
Retained earnings	(3,350)	14	(3,336)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

2.3.1 The Group has not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of MFRSs	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operation	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#
MFRS 9	Financial Instruments	1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statements of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (continued)

2.3.1 The Group has not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective: (continued)

		Effective for financial periods beginning on or after
Amendments/Improvements to MFRSs (continued)		
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

^ *The Annual Improvements to MFRSs 2018-2020*
# *Consequential amendments as a result of MFRS 17 Insurance Contracts*

2.3.2 The Group plans to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may be applicable to the Group are summarised below:

Annual Improvements to MFRSs 2018–2020

Annual Improvements to MFRSs 2018–2020 covers amendments to:
- MFRS 1 *First-time Adoption of MFRSs* – simplifies the application of MFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
- MFRS 9 *Financial Instruments* – clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- Illustrative Examples accompanying MFRS 16 *Leases* – deletes from Illustrative Example 13 the reimbursement relating to leasehold improvements in order to remove any potential confusion regarding the treatment of lease incentives.
- MFRS 141 *Agriculture* – removes a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in MFRS 141 with those in other MFRSs.

Amendments to MFRS 3 Business Combinations

The amendments update MFRS 3 by replacing a reference to an old version of the *Conceptual Framework for Financial Reporting* with a reference to the latest version which was issued by Malaysian Accounting Standards Board (''MASB'') in April 2018.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (continued)

2.3.2 The Group plans to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs are summarised below: (continued)

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

These amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business, as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (continued)

2.3.2 The Group plans to adopt the above applicable new MFRS and amendments/ improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs are summarised below: (continued)

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Amendments to MFRS 112 Income Taxes

The amendments specify how an entity should account for deferred tax on transactions such as leases and decommissioning obligation.

In specified circumstances, MFRS 112 exempts an entity from recognising deferred tax when it recognises assets or liabilities for the first time. There had been some uncertainties about whether the exemption from recognising deferred tax applied to transactions such as leases and decommissioning obligations – transactions for which an entity recognises both an asset and a liability. The amendments clarify that the exemption does not apply and that entity is required to recognise deferred tax on such transactions.

Amendments to MFRS 116 Property, Plant and Equipment

The amendments prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity shall recognise such sales proceeds and related cost in profit or loss.

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

2.3.3 The initial application of the above applicable new MFRS and amendments/ improvements to MFRSs are not expected to have any material impact on the prior year and current periods of financial statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (the "functional currency"). The combined financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's functional currency, has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group have been prepared on the historical cost basis, except as otherwise disclosed in Note 3.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the combined financial statements of the Group.

3.1 Basis of combination/consolidation

Combined financial statements of the Group for FYE 31 May 2019, 31 May 2020 and 31 May 2021

The combined financial statements comprise the financial statements of Infomina Berhad, Infomina Services Sdn. Bhd., Infomina Pte. Ltd., Infomina (Thailand) Co., Ltd., Infomina Philippines, Inc., PT Infomina Solution Indonesia and Infomina Limited. The financial statements used in the preparation of the combined financial statements are prepared for the same reporting date as Infomina Berhad. Consistent accounting policies are applied to like transactions and events in similar circumstances.

Entities under a reorganisation does not result in any change in economic substance. Accordingly, the combined financial statements of the Group is a continuation of the Group and is accounted for as follows:

- the assets and liabilities of the acquired entity is recognised and measured in the combined financial statements at the pre-combination carrying amounts, without restatement to fair value;
- the retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- the equity structure, however, reflects the equity structure of the Group and the differences arising from the change in equity structure of the Group will be accounted for in other reserves.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of combination/consolidation (continued)

Combined financial statements of the Group for FYE 31 May 2019, 31 May 2020 and 31 May 2021 (continued)

(a) Business combination

The Group applies the merger method of accounting.

A business combination involving entities under common control is a business combination in which all the combining entities are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Combining entities acquired which have met the criteria for pooling of interest are accounted for using merger accounting policies. Under the merger method of accounting, the results of combining entities are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the combining entities is taken to reorganisation reserve or merger deficit.

(b) Non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to owners of Group and are presented separately in the combined statements of financial position within equity.

Losses attributable to the non-controlling interest are allocated to the non-controlling interest even if the losses exceed the non-controlling interest.

(c) Transactions eliminated on combination

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the combined financial statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of combination/consolidation (continued)

Consolidated financial statements of the Group for FYE 31 May 2022

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

Subsidiaries are entities (including structured entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

Acquisition of entities under a reorganisation scheme does not result in any change in economic substance. Accordingly, the consolidated financial statements of the Company are a continuation of the acquired entity and is accounted for as follows:

- the assets and liabilities of the acquired entity are recognised and measured in the consolidated financial statements at the pre-combination carrying amounts, without restatement to fair value;
- the retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- the equity structure, however, reflects the equity structure of the Company and the differences arising from the change in equity structure of the Group will be accounted for in other reserves.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the combined statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, a joint venture, an available-for-sale financial asset or held for trading financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of combination/consolidation (continued)

Consolidated financial statements of the Group for FYE 31 May 2022 (continued)

(b) Non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to owners of Group and are presented separately in the consolidated statements of financial position within equity.

Losses attributable to the non-controlling interest are allocated to the non-controlling interest even if the losses exceed the non-controlling interest.

(c) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

3.2 Foreign currency transactions

(a) Translation of foreign currency transactions

Foreign currency transactions are translated to the respective functional currencies of the Group entities using the exchange rates prevailing at the transaction dates.

At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the historical rates as at the dates of the initial transactions.

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary items that are designated as hedging instruments in either a cash flow hedge or a hedge of the Group's net investment of a foreign operation. When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences are recognised in profit or loss in the separate financial statements of the parent company or the individual financial statements of the foreign operation. In the consolidated financial statements, the exchange differences are considered to form part of a net investment in a foreign operation and are recognised initially in other comprehensive income until its disposal, at which time, the cumulative amount is reclassified to profit or loss.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Foreign currency transactions (continued)

(a) Translation of foreign currency transactions (continued)

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

(b) Translation of foreign operations

The assets and liabilities of foreign operations denominated in the functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiaries, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in foreign exchange translation reserves related to that foreign operation is reclassified to profit or loss. For a partial disposal not involving loss of control of a subsidiary that includes a foreign operation, the proportionate share of cumulative amount in foreign exchange translation reserve is reattributed to non-controlling interests. For partial disposals of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

3.3 Financial instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

Except for the trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as FVPL. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at FVPL.

(a) Subsequent measurement

The Group categorises the financial instruments as follows:

(i) Financial assets

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses upon derecognition
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition
- Financial assets at FVPL

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business models for managing those assets change.

<u>Debt instruments</u>

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(a) Subsequent measurement (continued)

The Group categorises the financial instruments as follows: (continued)

(i) Financial assets (continued)

Debt instruments (continued)

- **Amortised cost**
  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3.8(a). Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

- **Fair value through other comprehensive income ("FVOCI")**
  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, and the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. The policy for the recognition and measurement of impairment is in accordance with Note 3.8(a). Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

- **Fair value through profit or loss ("FVPL")**
  Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

  Financial assets at FVPL are carried in the combined statements of financial position at fair value with net changes in fair value recognised in the profit or loss.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(a) Subsequent measurement (continued)

The Group categorises the financial instruments as follows: (continued)

(i) Financial assets (continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Upon initial recognition, the Group can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

(ii) Financial liabilities

The Group classifies its financial liabilities in the following measurement categories:
- Financial liabilities at FVPL
- Financial liabilities at amortised cost

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at FVPL are measured at fair value with the gain or loss recognised in profit or loss.

Financial liabilities designated upon initial recognition at FVPL are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group has not designated any financial liability at FVPL.

Financial liabilities at amortised cost
Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(b) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(c) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group commits itself to purchase or sell an asset).

Trade date accounting refers to:
(i) the recognition of an asset to be received and the liability to pay for it on the trade date; and
(ii) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Generally, interest does not start to accrue on the asset and corresponding liability until the settlement date when title passes.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(d) Derecognition

A financial asset or a part of it is derecognised when, and only when:
(i) the contractual rights to receive cash flows from the financial asset expire; or
(ii) the Group has transferred its rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either
 (a) the Group has transferred substantially all the risks and rewards of the asset; or
 (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the combined statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.8(b).

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes cost of materials, direct labour, and any other direct attributable costs but excludes internal profits.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(b) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss as incurred.

(c) Depreciation

Property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Computer and software	4
Furniture and fittings	4
Motor vehicles	5
Office equipment	4
Renovation	10
Right-of-use assets	2 - 9

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted as appropriate.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment (continued)

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

3.5 Leases

(a) Definition of lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

(b) Lessee accounting

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

Right-of-use asset

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. the Group expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.8(b).

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Leases (continued)

(b) Lessee accounting (continued)

<u>Lease liability</u>

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 this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statements of comprehensive income.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Leases (continued)

(b) Lessee accounting (continued)

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(c) Lessor accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described in Note 3.5(b), then it classifies the sub-lease as an operating lease.

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group applies MFRS 15 to allocate the consideration under the contract to each component.

3.6 Contract assets/(liabilities)

Contract asset is the right to consideration for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Group's future performance. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.8(a).

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Cash and cash equivalents

For the purpose of the combined statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.8 Impairment of assets

(a) Impairment of financial assets and contract assets

Financial assets measured at amortised cost, financial assets measured at FVOCI, lease receivables, contract assets, a loan commitment and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group measures loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables and contract assets, the Group applies the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Group in full, without taking into account any credit enhancements held by the Group; or
- the contractual payment of the financial asset is more than 30 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment of assets (continued)

(a) Impairment of financial assets and contract assets (continued)

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:
- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default of past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of impairment losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss. For financial assets measured at FVOCI, the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the combined statements of financial position.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment of assets (continued)

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group makes an estimate of the assets' recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs").

The recoverable amount of an asset of a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceeds the recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit of groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in OCI. In the latter case, the impairment is recognised in OCI up to the amount of any previous revaluation.

For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Share capital

(a) Ordinary shares

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(b) Preference shares

Preference shares are classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividend payments are discretionary. Dividends thereon are recognized as distributions within equity.

Preference shares are classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in profit or loss as accrued.

3.10 Employee benefits

(a) Short-term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group.

(b) Defined contribution plans

As required by law, the Group contributes to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Revenue and other income

The Group recognises revenue that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue recognition of the Group is applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics if the Group reasonably expects that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

The Group measures revenue from sale of good or service at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as service tax, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group uses the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group expects to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the standalone selling price is not directly observable, the Group estimates it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group has assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Revenue and other income (continued)

Financing components

The Group has applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components if the Group expects that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) Maintenance and support services for information technologies

Revenue from maintenance and support services for information technologies is recognised at a point in time when service is rendered to the customer, which is the point in time when the performance obligation in the contract with customer is satisfied.

(b) Interest income

Interest income is recognised using the effective interest method.

3.12 Borrowing costs

Borrowing costs are interests and other costs that the Group incurs in connection with borrowing of funds.

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.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The Group begins capitalising borrowing costs when the Group has incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Income tax

Income tax expense in profit or loss comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

(a) Current tax

Current tax is the expected taxes payable or receivable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

(b) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the combined statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Income tax (continued)

(b) Deferred tax (continued)

Deferred tax is 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 tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

(c) Sales and services tax

Revenue, expenses and assets are recognised net of the amount of sales and services tax except:
- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

(d) Value-added tax

Value-added tax receivables represent value-added tax imposed on the Group by its supplier for the acquisition of goods and services as required by the Philippine taxation laws and regulations. Value-added tax receivables are disclosed in Note 7 and will be used to offset against the current value-added tax payables. Value added tax receivables are initially recognised at actual amount paid for or costs and subsequently stated at its net recoverable amount (cost less impairment).

Value-added tax payables represent value-added tax imposed on the Group's vatable gross sales or receipts for the sales of goods or services as required by the Philippine taxation laws and regulations. Value-added tax payables are disclosed in Note 15. Value-added tax payables are stated at their undiscounted cash amount to be paid.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.15 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group Managing Director, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker that makes strategic decisions.

3.16 Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a 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.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the data of the event or change in circumstances that caused the transfers.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.17 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:
(a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's financial statements within the next financial year are disclosed as follows:

(a) Impairment of financial assets and contract assets

The impairment provisions for financial assets and contract assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimate at the end of each reporting period.

The Group uses a provision matrix to calculate expected credit losses for trade receivables. The provision rates are depending on the number of days that a trade receivable is past due. The Group uses the group according to the customer segments that have similar loss patterns. The criterias include geographical region, product type, customer type and rating, collateral or trade credit insurance.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(a) Impairment of financial assets and contract assets (continued)

The provision matrix is initially based on the Group's historical observed default rates. The group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the financial assets and contract assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's financial assets and contract assets are disclosed in Note 25(b).

(c) Measurement of income taxes

The Group operates in various jurisdictions and are subject to income taxes in each jurisdiction. Significant judgement is required in determining the Group's estimation for current and deferred taxes because the ultimate tax liability for the Group as a whole is uncertain. When the final outcome of the tax payable is determined with the tax authorities, the amounts might be different from the initial estimates of the taxes payable. Such differences may impact the current and deferred taxes in the period when such determination is made. The Group will make adjustments for current or deferred taxes in respect of prior years in the current period on those differences arise.

The income tax expense of the Group are disclosed in Note 21.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT

	Computer and software RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Office equipment RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
FYE 31 May 2019							
Cost							
At 1 June 2018	456	218	1,328	117	-	-	2,119
Adjustment on initial application of MFRS 16	-	-	-	-	-	500	500
Reclassification	-	-	(317)	-	-	317	-
Adjusted balance 1 June 2018	456	218	1,011	117	-	817	2,619
Additions	159	-	8	40	-	311	518
At 31 May 2019	615	218	1,019	157	-	1,128	3,137
Accumulated depreciation							
At 1 June 2018	136	59	721	43	-	-	959
Adjustment on initial application of MFRS 16	-	-	-	-	-	133	133
Reclassification	-	-	(100)	-	-	100	-
Adjusted balance 1 June 2018	136	59	621	43	-	233	1,092
Depreciation charge for the financial year	130	52	177	31	-	146	536
At 31 May 2019	266	111	798	74	-	379	1,628
Carrying amount							
At 1 June 2018	320	159	390	74	-	584	1,527
At 31 May 2019	349	107	221	83	-	749	1,509

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer and software RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Office equipment RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
FYE 31 May 2020							
Cost							
At 1 June 2019	615	218	1,019	157	-	1,128	3,137
Additions	85	29	-	17	-	126	257
Disposal	-	-	(450)	-	-	-	(450)
At 31 May 2020	700	247	569	174	-	1,254	2,944
Accumulated depreciation							
At 1 June 2019	266	111	798	74	-	379	1,628
Depreciation charge for the financial year	144	57	114	36	-	230	581
Disposal	-	-	(450)	-	-	-	(450)
At 31 May 2020	410	168	462	110	-	609	1,759
Carrying amount							
At 1 June 2019	349	107	221	83	-	749	1,509
At 31 May 2020	290	79	107	64	-	645	1,185

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer and software RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Office equipment RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
FYE 31 May 2021							
Cost							
At 1 June 2020	700	247	569	174	-	1,254	2,944
Additions	52	364	-	161	341	993	1,911
Disposal	-	-	(561)	-	-	-	(561)
At 31 May 2021	752	611	8	335	341	2,247	4,294
Accumulated depreciation							
At 1 June 2020	410	168	462	110	-	609	1,759
Depreciation charge for the financial year	154	92	2	60	26	434	768
Disposal	-	-	(458)	-	-	-	(458)
At 31 May 2021	564	260	6	170	26	1,043	2,069
Carrying amount							
At 1 June 2020	290	79	107	64	-	645	1,185
At 31 May 2021	188	351	2	165	315	1,204	2,225

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer and software RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Office equipment RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
FYE 31 May 2022							
Cost							
At 1 June 2021	752	611	8	335	341	2,247	4,294
Additions	2,493	-	4	16	-	1,982	4,495
Disposal	-	(22)	-	-	-	-	(22)
Written off	-	-	-	-	(36)	-	(36)
Derecognised due to end of lease term	-	-	-	-	-	(626)	(626)
At 31 May 2022	3,245	589	12	351	305	3,603	8,105
Accumulated depreciation							
At 1 June 2021	564	260	6	170	26	1,043	2,069
Depreciation charge for the financial year	546	106	3	61	34	544	1,294
Disposal	-	(22)	-	-	-	-	(22)
Written off	-	-	-	-	(7)	-	(7)
Derecognised due to end of lease term	-	-	-	-	-	(626)	(626)
At 31 May 2022	1,110	344	9	231	53	961	2,708
Carrying amount							
At 1 June 2021	188	351	2	165	315	1,204	2,225
At 31 May 2022	2,135	245	3	120	252	2,642	5,397

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Right-of-use assets

The Group lease several assets including motor vehicles and office buildings.

Information about leases for which the Group are lessees is presented below:

	Motor vehicles RM'000	Office buildings RM'000	Total RM'000
Carrying amount			
At 1 June 2018	217	367	584
Additions	311	-	311
Depreciation	(52)	(94)	(146)
At 31 May 2019	476	273	749
Additions	-	126	126
Depreciation	(126)	(104)	(230)
At 31 May 2020	350	295	645
Additions	-	993	993
Depreciation	(126)	(308)	(434)
At 31 May 2021	224	980	1,204
Additions	638	1,344	1,982
Depreciation	(136)	(408)	(544)
At 31 May 2022	726	1,916	2,642

The Group lease office buildings for their office space and operations. The leases for office space generally have lease terms of 2 to 6 years.

The Group also lease motor vehicles with lease term of 4 to 9 years with options to purchase the assets at the end of the lease term.

Extension and termination options
The Group has several lease contracts that include extension options. These options are negotiated by the Group to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

6. DEFERRED TAX ASSET/(LIABILITIES)

Deferred tax relates to the following:

	As at 1 June 2018	Recognised in profit or loss	Exchange differences	As at 31 May 2019
	RM'000	RM'000	RM'000	RM'000
Deferred tax liabilities:				
Property, plant and equipment	(46)	3	-	(43)
Prepayments	(1,286)	32	-	(1,254)
	(1,332)	35	-	(1,297)
Deferred tax assets:				
Contract liabilities	1,987	471	-	2,458
Lease liabilities	-	2	-	2
	1,987	473	-	2,460
	655	508	-	1,163

	As at 1 June 2019	Recognised in profit or loss	Exchange differences	As at 31 May 2020
	RM'000	RM'000	RM'000	RM'000
Deferred tax liabilities:				
Property, plant and equipment	(43)	6	-	(37)
Prepayments	(1,254)	61	-	(1,193)
	(1,297)	67	-	(1,230)
Deferred tax assets:				
Contract liabilities	2,458	(495)	-	1,963
Lease liabilities	2	-	-	2
Unabsorbed losses carried forward	-	128	1	129
	2,460	(367)	1	2,094
	1,163	(300)	1	864

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

6. DEFERRED TAX ASSET/(LIABILITIES) (CONTINUED)

Deferred tax relates to the following: (continued)

	As at 1 June 2020 RM'000	Recognised in profit or loss RM'000	Exchange differences RM'000	As at 31 May 2021 RM'000
Deferred tax liabilities:				
Property, plant and equipment	(37)	(13)	-	(50)
Prepayments	(1,193)	(1,751)	(20)	(2,964)
	(1,230)	(1,764)	(20)	(3,014)
Deferred tax assets:				
Contract liabilities	1,963	1,631	14	3,608
Lease liabilities	2	13	-	15
Unabsorbed losses carried forward	129	(129)	*	-
Allowance for doubtful debts	-	15	*	15
Unrealised foreign exchange losses	-	5	*	5
Unabsorbed capital allowances	-	10	-	10
	2,094	1,545	14	3,653
	864	(219)	(6)	639

	As at 1 June 2021 RM'000	Recognised in profit or loss RM'000	Exchange differences RM'000	As at 31 May 2022 RM'000
Deferred tax liabilities:				
Property, plant and equipment	(50)	(387)	-	(437)
Prepayments	(2,964)	(1,600)	39	(4,525)
	(3,014)	(1,987)	39	(4,962)
Deferred tax assets:				
Contract liabilities	3,608	3,565	(21)	7,152
Prepayments				
Lease liabilities	15	(1)	-	14
Allowance for doubtful debts	15	-	*	15
Unrealised foreign exchange losses	5	(61)	*	(56)
Unabsorbed capital allowances	10	(10)	-	-
	3,653	3,493	(21)	7,125
	639	1,506	18	2,163

* *Less than RM1,000*

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

6. DEFERRED TAX ASSET/(LIABILITIES) (CONTINUED)

Deferred tax relates to the following: (continued)

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Presented after appropriate offsetting as follows:				
Deferred tax assets	1,163	864	965	5,231
Deferred tax liabilities	-	-	(326)	(3,068)
	1,163	864	639	2,163

7. TRADE AND OTHER RECEIVABLES

		As at 31 May			
	Note	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Non-current:					
Non-trade					
Other receivables		-	654	632	874
Total other receivables (non-current)		-	654	632	874
Current:					
Trade					
Trade receivables	(a)				
- Third parties		3,366	6,944	14,039	38,523
Less: Impairment for trade receivables		-	-	(62)	(61)
		3,366	6,944	13,977	38,462

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

7. TRADE AND OTHER RECEIVABLES (CONTINUED)

		As at 31 May			
	Note	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Non-trade					
Other receivables		-	174	507	2,468
Deposits	(b)	797	841	910	224
Prepayments	(c)	5,232	23,563	29,513	43,084
Withholding tax receivables ("WHT")		-	65	479	-
Goods and services tax receivables ("GST")		-	38	104	586
Value-added tax receivables ("VAT")		-	705	3,304	1,222
		6,029	25,386	34,817	47,584
Total trade and other receivables (current)		9,395	32,330	48,794	86,046
Total trade and other receivables (non-current and current)		9,395	32,984	49,426	86,920

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group is 30 days. Other credit terms are assessed and approved on a case by case basis.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
At 1 June	-	-	-	62
Charge for the financial year				
- Individually assessed	-	-	62	-
Foreign exchange differences	-	-	-	(1)
At 31 May	-	-	62	61

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

7. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Deposits

Included in deposits is an amount of RM Nil (2021:RM710,278; 2020:RM Nil: 2019:RM Nil) placed in a financial institution as a performance guarantee.

(c) Prepayments

Deferred costs included in prepayments represent advance billings from creditors. This amount will be recognised in profit and loss upon performance of service.

8. CONTRACT ASSETS/(LIABILITIES)

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Current:				
Contract assets relating to timing difference between recognition of revenue and issuance of invoice	3,580	2,323	-	-
Total contract assets	3,580	2,323	-	-
Contract liabilities relating to information technology service contracts	(10,242)	(26,175)	(42,135)	(60,784)
Total contract liabilities	(10,242)	(26,175)	(42,135)	(60,784)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

8. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

(a) Significant changes in contract balances

	FYE 31 May							
	2019		2020		2021		2022	
	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase)/ decrease RM'000	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase)/ decrease RM'000	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase)/ decrease RM'000	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase)/ decrease RM'000
Revenue recognised that was included in contract liabilities at the beginning of the financial year	-	8,277	-	10,242	-	26,175	-	39,790
Increase due to consideration received from customers/progress billings issued, but revenue not recognised	-	(10,242)	-	(26,175)	-	(42,135)	-	(58,439)
Increase due to revenue recognised, but no right to consideration	3,580	-	2,323	-	-	-	-	-
Transfer from contract assets recognised at the beginning of the period to receivables	-	-	(3,580)	-	(2,323)	-	-	-

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

8. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

(b) Revenue recognised in relation to contract balances

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Revenue recognised that was included in contract liabilities at the beginning of the financial year	8,277	10,242	26,175	39,790

9. CASH AND SHORT-TERM DEPOSITS

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Cash and bank balances	1,618	8,584	17,357	42,331
Short-term deposits	15,328	18,397	7,138	28,603
	16,946	26,981	24,495	70,934

For the purpose of the combines statements of cash flows, cash and cash equivalents comprise of the following:

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Short-term deposits	15,328	18,397	7,138	28,603
Less: Pledged deposits	(328)	(1,142)	(1,978)	(5,542)
	15,000	17,255	5,160	23,061
Cash and bank balances	1,618	8,584	17,357	42,331
	16,618	25,839	22,517	65,392

Included in the deposits placed with licensed bank of the Group, RM5,541,701 (2021: RM1,978,052; 2020: RM1,141,707 and 2019: RM328,169) is pledged for banking facilities granted to the Group as disclosed in Note 14.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

10. INVESTED EQUITY/SHARE CAPITAL

	Number of ordinary shares				Amount			
	2019 Unit'000	2020 Unit'000	2021 Unit'000	2022 Unit'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Issued and fully paid-up:								
At 1 June	1,147	1,147	5,157	7,093	1,147	1,147	5,178	11,086
Bonus Issue	-	4,000	-	-	-	4,000	-	-
Issuance of shares	-	10	1,946	17	-	31	5,939	139
Adjustment pursuant to restructuring exercise	-	-	(10)	(147)	-	-	(31)	(150)
At 31 May	1,147	5,157	7,093	6,963	1,147	5,178	11,086	11,075

For the purpose of this report, the invested equity at the end of the respective financial years 31 May 2020 and 31 May 2021 is the aggregate of the share capital of the combining entities constituting the Group. Pursuant to the Pre-Initial Public Offering Reorganisation, the total number of shares as at 31 May 2022 represents the number of issued shares of the Group.

The new ordinary shares issued during the financial years rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company. All ordinary shares rank pari passu with regards to the Company's residual assets.

11. IRREDEEMABLE PREFERENCE SHARES

On 22 December 2021, 21,000 preference shares of THB25 each were issued by Infomina Berhad to an employee of Infomina (Thailand) Co., Ltd. The salient features of the preference shares are as follows:

- The preference shares carry voting rights of 1 vote per 20 preference shares;
- The preference shares are not redeemable at a fixed date; and
- The preference shares carry a dividend of 5% of the par value of the preferred shares in the event the company has a profit after the legal reserve and other necessary reserves have been completed without accumulated loss.

12. REORGANISATION RESERVE

The reorganisation reserve arose from the differences between the carrying value of the investment and the nominal value of the shares of the subsidiary upon consolidation under the merger accounting principles.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

13. OTHER RESERVES

	As at 31 May			
	2019 RM'000	**2020 RM'000**	**2021 RM'000**	**2022 RM'000**
Exchange reserve	-	*	29	41
Legal reserve	-	-	-	51
	-	*	29	92

* *Less than RM1,000*

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

Under the provisions of the Civil and Commercial Code, Infomina (Thailand) Co.,Ltd. is required to set aside as a legal reserve at least 5% of its net profit at each dividend declaration until the reserve reaches 10% of authorised capital. The reserve is not available for dividend distribution.

As at 31 May 2022, the legal reserve of the Company is equal to 10% of authorised capital.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

14. LOANS AND BORROWINGS

	Note	As at 31 May 2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Non-current:					
Term loan	(a)	237	108	-	-
Lease liabilities	(b)	672	582	1,002	2,213
		909	690	1,002	2,213
Current:					
Term loan	(a)	74	129	108	90
Lease liabilities	(b)	154	222	470	739
		228	351	578	829
Total loans and borrowings:					
Term loan	(a)	311	237	108	90
Lease liabilities	(b)	826	804	1,472	2,952
		1,137	1,041	1,580	3,042

(a) Term loan

Term loan of the Group of RM89,958 (2021: RM108,019; 2020: RM236,720 and 2019: RM311,146) bears interest at Base Financing Rate ("BFR") plus 4.00% per annum ("p.a."), plus 4.50% p.a. or 15.00% p.a. whichever is higher and is repayable by monthly instalments of RM10,400 over seven years commencing from the day of first drawdown and is secured and supported as follows:

(i) Letter of offer;
(ii) Asset sale agreement (Islamic financing);
(ii) Joint and several guarantee by the Group's Director; and
(iii) Guarantee by Credit Guarantee Corporation Malaysia Berhad Guarantee under Portfolio Guarantee for RM420,000.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

14. LOANS AND BORROWINGS (CONTINUED)

(b) Lease liabilities

Future minimum lease payments under finance lease together with the present value of net minimum lease payments are as follows:

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Minimum lease payments:				
Not later than one year	198	260	460	885
Later than one year and not later than five years	671	592	1,189	2,491
Later than five years	86	44	1	-
	955	896	1,650	3,376
Less: Future finance charges	(129)	(92)	(178)	(424)
Present value of minimum lease payments	826	804	1,472	2,952
Present value of minimum lease payments payable:				
Not later than one year	154	222	470	739
Later than one year and not later than five years	558	500	970	2,213
later than five years	114	82	32	-
	826	804	1,472	2,952
Less: Amount due within twelve months	(154)	(222)	(470)	(739)
Amount due after twelve months	672	582	1,002	2,213

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

15. TRADE AND OTHER PAYABLES

	Note	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
		As at 31 May			
Current:					
Trade					
Trade payables	(a)				
- Third parties		6,773	16,261	8,597	19,182
Trade accruals		-	-	-	33,178
		6,773	16,261	8,597	52,360
Non-trade					
Other payables		35	427	153	252
Accruals		1,028	1,562	703	4,791
Amount owing to a director	(b)	46	1,507	73	-
Withholding tax payables ("WHT")		-	21	208	1,290
Value-added tax payables ("VAT")		-	578	-	-
Sales and service tax payables ("SST")		540	1,405	45	373
		1,649	5,500	1,182	6,706
Total trade and other payables (current)		8,422	21,761	9,779	59,066

(a) Trade payables

Trade receivables are non-interest bearing and the normal credit terms granted to the Group is 30 days.

(b) Amount owing to a director

Amount owing to a director is unsecured, non-trade in nature, non-interest bearing, repayable on demand and is expected to be settled in cash.

For explanation on the Group's liquidity risk management process, refer to Note 25(b)(ii).

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

16. REVENUE

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Revenue from contract customers:				
Technology infrastructure operations, maintenance, and support services	23,460	36,276	77,368	99,884
Design and delivery of technology infrastructure solutions	42,546	45,340	27,856	101,179
	66,006	81,616	105,224	201,063
Time of revenue recognition:				
At a point in time	66,006	81,616	105,224	201,063

17. OTHER INCOME

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Net realise foreign exchange gain	-	-	61	245
Net unrealised foreign exchange gain	-	-	-	287
Interest income	348	394	245	225
Gain on disposal of property, plant and equipment	-	90	87	4
Miscellaneous	-	-	-	3
Late payment charges	-	1,362	-	-
	348	1,846	393	764

18. FINANCE COSTS

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Interest expense on:				
- Term loan	50	29	17	107
- Lease liabilities	52	49	85	79
	102	78	102	186

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

19. PROFIT BEFORE TAX

Other than as disclosed elsewhere in the combined financial statements, the following items have been charged in arriving at profit before tax:

		FYE 31 May			
	Note	**2019 RM'000**	**2020 RM'000**	**2021 RM'000**	**2022 RM'000**
Auditors' remuneration					
- Malaysian operations		12	19	39	86
- Overseas operation		-	1	168	254
- Others		-	-	-	217
Depreciation of property, plant and equipment	**5**	536	581	768	1,294
Property, plant and equipment written off		-	-	-	29
Impairment loss on trade receivables	**7**	-	-	62	-
Employee benefits expense	**20**	10,437	12,775	13,817	18,338
Expenses relating to short term leases					
- Rental of office premise		192	192	229	150
- Low value assets		13	41	44	60
Net realised foreign exchange losses		-	899	-	-
Net unrealised foreign exchange losses		-	206	252	-

20. EMPLOYEE BENEFITS EXPENSE

	FYE 31 May			
	2019 RM'000	**2020 RM'000**	**2021 RM'000**	**2022 RM'000**
Salaries, allowances and bonuses	9,303	11,361	12,084	16,250
Defined contribution plans	1,019	1,264	1,554	1,901
Other staff related benefits	115	150	179	187
	10,437	12,775	13,817	18,338
Included in employee benefits expenses are:				
- Directors' fee	18	18	28	119
- Salaries, allowances and bonuses	2,069	2,101	2,462	4,000
- Directors' defined contribution plan	240	253	361	480
- Directors' other emoluments	2	3	3	4
	2,329	2,375	2,854	4,603

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

21. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 May 2019, 31 May 2020, 31 May 2021 and 31 May 2022 are as follows:

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Combined statements of comprehensive income				
Current income tax:				
- Current income tax charge	2,647	835	3,538	6,667
- Adjustment in respect of prior year	26	-	-	(190)
Total current income tax	2,673	835	3,538	6,477
Deferred tax (Note 6):				
- Origination/(Reversal) of temporary differences	(508)	300	219	(808)
- Adjustment in respect of prior year	-	-	-	(698)
	(508)	300	219	(1,506)
Income tax expense recognised in profit or loss	2,165	1,135	3,757	4,971

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated taxable profit for the financial year.

The income tax rate applicable to small and medium scale enterprise ("SME") incorporated in Malaysia with paid-up capital of RM2,500,000 and below and annual sales less than RM50,000,000 (2021 and 2020: RM50,000,000 and 2019: Nil) is subject to the statutory tax rate of 17% (2021, 2020 and 2019: 17%) on chargeable income up to RM600,000 (2021 and 2020: RM600,000 and 2019: RM500,000). For chargeable income excess of RM600,000 (2021 and 2020: RM600,000 and 2019:RM500,000), statutory tax rate of 24% (2021, 2020 and 2019: 24%) is still applicable.

The Group has paid-up capital of more than RM2,500,000 for the financial year ended 31 May 2020, 31 May 2021 and 31 May 2022. Hence, domestic tax rate is calculated at the Malaysia statutory income tax rate of 24% on the estimable profit for the financial year after 31 May 2020.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

21. INCOME TAX EXPENSE (CONTINUED)

The reconciliations from the tax amount at the statutory income tax rate to the Group's tax expense are as follows:

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Profit before tax	9,067	4,507	12,046	22,051
Taxation at Malaysian statutory income tax rate of 24%	2,176	1,082	2,891	5,292
Different rate in other country	-	(22)	(118)	(791)
Singapore statutory stepped income exemption	-	(6)	-	-
SME Tax Savings	(35)	-	-	-
Effect of changes in tax rate	-	-	(62)	-
Adjustments:				
Non-taxable income	(75)	(65)	(2)	(502)
Non-deductible expenses	73	146	1,050	1,860
Deferrred tax not recognised on tax losses and temporary differences	-	-	3	-
Utilisation of previously unrecognised tax losses and capital allowance	-	-	(5)	-
Adjustment in respect of current income tax of prior years	26	-	-	(190)
Adjustment in respect of deferred tax of prior year	-	-	-	(698)
Income tax expense	2,165	1,135	3,757	4,971

22. OTHER COMPREHENSIVE INCOME

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations	-	*	29	12

* *Less than RM1,000*

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

23. EARNINGS PER SHARE

Basic earnings per ordinary share and diluted earnings per ordinary share

Basic earnings per ordinary share are based on the profit for the financial year attributable to owners of the Group and the weighted average number of ordinary shares outstanding during the financial years.

Diluted earnings per ordinary share are based on the profit for the financial year attributable to owners of the Group and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The basic and diluted earnings per ordinary share are computed as follow:

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Profit attributable to owners of the Group	6,902	3,372	8,287	17,078
Weighted average number of ordinary shares for basic and diluted earnings per shares^	1,147	3,695	5,212	7,064
Basic and diluted earnings per share (RM)	6.02	0.91	1.59	2.42

^ For the purpose of calculating the earnings per ordinary shares for the financial years ended 31 May 2019, 31 May 2020, 31 May 2021 and 31 May 2022, the weighted average number of ordinary shares is the aggregate share capital of the combining entities constituting the Group.

24. DIVIDEND

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Recognised during the financial year:				
Dividend on preference shares:				
- Single-tier dividend for the financial year ended 31 May 2022: RM0.15 per preference share paid on 31 May 2022	-	-	-	3

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned:

(i) Amortised cost

	Carrying amount RM'000	Amortised cost RM'000
At 31 May 2019		
Financial assets		
Trade and other receivables, less prepayment	4,163	4,163
Cash and short-term deposits	16,946	16,946
	21,109	21,109
Financial liabilities		
Loans and borrowings	(1,137)	(1,137)
Trade and other payables, less SST	(7,882)	(7,882)
	(9,019)	(9,019)
At 31 May 2020		
Financial assets		
Trade and other receivables less prepayment, WHT, GST and VAT	8,613	8,613
Cash and short-term deposits	26,981	26,981
	35,594	35,594
Financial liabilities		
Loans and borrowings	(1,041)	(1,041)
Trade and other payables, less WHT, VAT and SST	(19,757)	(19,757)
	(20,798)	(20,798)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned: (continued)

	Carrying amount RM'000	Amortised cost RM'000
At 31 May 2021		
Financial assets		
Trade and other receivables, less prepayment, WHT, GST and VAT	16,026	16,026
Cash and short-term deposits	24,495	24,495
	40,521	40,521
Financial liabilities		
Loans and borrowings	(1,580)	(1,580)
Trade and other payables, less WHT and SST	(9,526)	(9,526)
	(11,106)	(11,106)
At 31 May 2022		
Financial assets		
Trade and other receivables, less prepayment, GST and VAT	42,028	42,028
Cash and short-term deposits	70,934	70,934
	112,962	112,962
Financial liabilities		
Loans and borrowings	(3,042)	(3,042)
Trade and other payables, less WHT and SST	(57,403)	(57,403)
	(60,445)	(60,445)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management

The Group's activities are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's overall financial risk management objective is to optimise value for its shareholders. The Group does not trade in financial instruments.

The Board of Directors review and agree to policies and procedures for the management of these risks, which are executed by the Group's senior management.

(i) Credit risk

Credit risk is the risk of financial loss to the Group that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the combined statements of financial position.

The carrying amounts of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile
At the end of the reporting period, the Group has a significant concentration of credit risk in the form of two (2) (2021: one (1); 2020: three (3) and 2019: one (1)) trade receivables, representing approximately 90% (2021: 93%; 2020: 99%, and 2019: 93%) of the Group's total trade receivables.

The Group applies the simplified approach to providing for expected credit losses prescribed by MFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix are as follows:

	Contract assets RM'000	← Trade receivables → Current RM'000	1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	91 to 120 days past due RM'000	> 120 days past due RM'000	Total RM'000
At 31 May 2019								
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	3,580	78	145	3,143	-	-	-	3,366
Impairment losses	-	-	-	-	-	-	-	-

	Contract assets RM'000	← Trade receivables → Current RM'000	1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	91 to 120 days past due RM'000	> 120 days past due RM'000	Total RM'000
At 31 May 2020								
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	2,323	1,920	1,746	3,270	8	-	-	6,944
Impairment losses	-	-	-	-	-	-	-	-

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix are as follows: (continued)

		Trade receivables						
	Contract assets RM'000	Current RM'000	1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	91 to 120 days past due RM'000	> 120 days past due RM'000	Total RM'000
At 31 May 2021								
Expected credit loss rate	0%	0%	0%	0%	1%	0%	0%	1%
Gross carrying amount at default	-	1,714	-	144	12,181	-	-	14,039
Impairment losses	-	-	-	-	(62)	-	-	(62)

		Trade receivables						
	Contract assets RM'000	Current RM'000	1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	91 to 120 days past due RM'000	> 120 days past due RM'000	Total RM'000
At 31 May 2022								
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	-	1,043	30,631	6,644	*	-	205	38,523
Impairment losses	-	-	-	-	-	-	(61)	(61)

* *Less than RM1,000*

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets

For other receivables and other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group will consider the expected manner of recovery and recovery period of the intercompany loan.

As at the end of report date, the Group did not recognise any loss allowance for impairment for other receivables and other financial assets. Refer to Note 3.8(a) for the Group's other accounting policies for impairment of financial assets.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations when they fall due. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities between financial assets and liabilities. The Group's exposure to liquidity risk arises principally from trade and other payables, loans and borrowings.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group maintains sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group uses a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's finance department also ensures that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

<u>Maturity analysis</u>
The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date is based on contractual undiscounted repayment obligations are as follows:

		← Contractual cash flows →			
	Carrying amount RM'000	On demand or within one year RM'000	Between one and five years RM'000	Later than five years RM'000	Total RM'000
At 31 May 2019					
Trade and other payables, less SST	7,882	7,882	-	-	7,882
Term loan	311	104	146	215	465
Lease liabilities	826	198	671	86	955
	9,019	8,184	817	301	9,302
At 31 May 2020					
Trade and other payables, less WHT, VAT and SST	19,757	19,757	-	-	19,757
Term loan	237	146	215	-	361
Lease liabilities	804	260	592	44	896
	20,798	20,163	807	44	21,014

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)
The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date is based on contractual undiscounted repayment obligations are as follows: (continued)

		Contractual cash flows			
	Carrying amount RM'000	On demand or within one year RM'000	Between one and five years RM'000	Later than five years RM'000	Total RM'000
At 31 May 2021					
Trade and other payables, less WHT & SST	9,526	9,526	-	-	9,526
Term loan	108	125	90	-	215
Lease liabilities	1,472	460	1,189	1	1,650
	11,106	10,111	1,279	1	11,391
At 31 May 2022					
Trade and other payables, less WHT & SST	57,403	57,403	-	-	57,403
Term loan	90	90	-	-	90
Lease liabilities	2,952	885	2,491	-	3,376
	60,445	58,378	2,491	-	60,869

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales, purchases and bank balances that are denominated in a foreign currency).

The foreign currencies in which these transactions are denominated are mainly Singapore Dollar ("SGD") and United States Dollar ("USD").

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

The Group's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	As at 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Other receivables				
Singapore dollar ("SGD")	-	-	15	16
Cash and short-term deposits				
SGD	-	47	330	4
United States Dollar ("USD")	-	156	4,718	10,478
Trade payables				
USD	-	706	-	137
Other payables				
SGD	-	5	20	1

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk
The Group's principal foreign currency exposure relates mainly to USD and SGD.

The following table demonstrates the sensitivity to a reasonably possible change in the USD and SGD, with all other variables held constant on the Group's total equity and profit for the financial years.

	Change in rate	Effect on profit and equity for the financial year RM'000
At 31 May 2020		
USD	+5%	(21)
	-5%	21
SGD	+5%	2
	-5%	(2)
At 31 May 2021		
USD	+5%	179
	-5%	(179)
SGD	+5%	12
	-5%	(12)
At 31 May 2022		
USD	+5%	393
	-5%	(393)
SGD	+5%	1
	-5%	(1)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its long-term loans and borrowings with floating interest rates.

Sensitivity analysis for interest rate risk
The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial years.

	Carrying amount RM'000	Change in basis points	Effect on profit and equity for the financial year RM'000
At 31 May 2019			
- Term loan	311	+ 50	(1)
		- 50	1
At 31 May 2020			
- Term loan	237	+ 50	(1)
		- 50	1
At 31 May 2021			
- Term loan	108	+ 50	*
		- 50	*
At 31 May 2022			
- Term loan	90	+ 50	*
		- 50	*

* *Less than RM1,000*

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(v) Fair value measurement

The carrying amounts of cash and short-term deposits, receivables and payables and short-term borrowings are reasonably approximate to their fair values due to relatively short-term nature of these financial instruments.

There have been no material transfers between Level 1, Level 2 and Level 3 during the financial years.

		Fair value of financial instruments not carried at fair velue			
	Carrying amount RM'000	Fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 31 May 2019					
Term loan	237	-	-	299	299
At 31 May 2020					
Term loan	108	-	-	183	183
At 31 May 2021					
Term loan	-	-	-	-	-
At 31 May 2022					
Term loan	-	-	-	-	-

Level 3 fair value

Fair value of financial instruments not carried at fair value
The fair value of liability component of term loans and bridging loans are calculated based on the present value of future principal and interest cash flows, discounted at the market interest rate of similar liabilities.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

26. RELATED PARTIES

(a) Identification of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:
(i) Entity in which certain directors have substantial financial interests; and
(ii) Key management personnel of the Group, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities or indirectly.

(b) Significant related party transactions

Significant related parties transactions other than disclosed elsewhere in the financial statements are as follows:

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Rental expense:				
- Entity in which certain directors have substantial financial interests	96	96	96	96
- Key management personnel of the Group	96	96	96	96

(c) Compensation of key management personnel

	FYE 31 May			
	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Directors' fee	18	18	28	119
Salaries, allowances and bonuses	2,069	2,101	2,462	5,496
Defined contribution plan	240	253	361	659
Other staff related expenses	2	3	3	7
	2,329	2,375	2,854	6,281

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

27. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholders value. The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 May 2019, 31 May 2020, 31 May 2021 and 31 May 2022.

The Group monitors capital using gearing ratio. The gearing ratio is calculated as total debts divided by total equity of the Group. The gearing ratio as at 31 May 2019, 31 May 2020, 31 May 2021 and 31 May 2022 are as follows:

		As at 31 May			
	Note	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Loans and borrowings	14	1,137	1,041	1,580	3,042
Total debts		1,137	1,041	1,580	3,042
Total equity		11,385	14,788	23,167	40,460
Gearing ratio (times)		0.10	0.07	0.07	0.08

There were no changes in the Group's approach to capital management during the financial years under review.

The Group is not subject to externally imposed capital requirement.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

28. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Covid-19 pandemic

On 11 March 2020, the World Health Organisation declared the Covid-19 outbreak as a pandemic in recognition of its rapid spread across the globe. On 16 March 2020, the Malaysian Government has announced the Movement Control Order ("MCO") starting from 18 March 2020 to curb the spread of the Covid-19 outbreak in Malaysia. The Covid-19 outbreak also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the Covid-19 outbreak since early 2020 has brought significant economic uncertainties in Malaysia and markets in which the Group operates.

The Group has performed an assessment of the overall impact of the situation on the Group's operations and financial implications, including the recoverability of the carrying amount of assets and subsequent measurements of assets and liabilities, and concluded that there is no material adverse effects on the financial statements for the financial year ended 31 May 2022.

Given the fluidity of the situation, the Group is unable to reasonably estimate the complete financial impacts of COVID-19 pandemic for the financial year ending 31 May 2023 to be disclosed in the financial statements as impact assessment of the COVID-19 pandemic is a continuing process. The Group will continuously monitor any material changes to future economic conditions that will affect the Group.

29. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(a) Subdivision of shares

Upon approval of IPO, Infomina Berhad will carry out a subdivision of the entire issued share capital of RM11,075,183 comprising 6,962,960 shares into RM11,075,183 comprising 520,081,200 shares.

The subdivision of shares did not have an impact to the pro forma combined statement of financial position other than an increase in the number of shares of Infomina from 6,962,960 to 520,081,200.

The subdivision of shares was completed on 6 October 2022.

(b) Dividend-in-specie

On 13 September 2022, Infomina Pte. Ltd. declared a distribution of its equity interest of 99.95% in Infomina Philippines, Inc at a consideration of RM883,800 to Infomina Berhad, being the cost of investment as at 31 May 2021 by way of dividend in specie. This transfer is pending issuance of the certificate authorising registration of transfer by the relevant authorities in the Philippines. Thereafter, Infomina Philippines, Inc will become a 99.95% direct subsidiary of Infomina Berhad.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the directors for the purpose of making decision about resource allocation and performance assessment.

	Technology infrastructure operations, maintenance, and support services RM'000	Design and delivery of technology infrastructure solutions RM'000	Total RM'000
31 May 2019			
Revenue:			
Revenue from external customer	23,460	42,546	66,006
Segment profit	1,930	13,696	15,626
Other income			348
Unallocated expenses			(6,805)
Finance costs			(102)
Income tax expense			(2,165)
Profit for the financial year			6,902
Results:			
Included in the measure of segment profit is:			
Employee benefits expense			5,495

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

	Technology infrastructure operations, maintenance, and support services RM'000	Design and delivery of technology infrastructure solutions RM'000	Total RM'000
31 May 2020			
Revenue:			
Revenue from external customer	36,276	45,340	81,616
Segment profit	3,312	10,137	13,449
Other income			1,846
Unallocated expenses			(10,710)
Finance costs			(78)
Income tax expense			(1,135)
Profit for the financial year			3,372
Results:			
Included in the measure of segment profit is:			
Employee benefits expense			6,677

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

	Technology infrastructure operations, maintenance, and support services RM'000	Design and delivery of technology infrastructure solutions RM'000	Total RM'000
31 May 2021			
Revenue:			
Revenue from external customer	77,368	27,856	105,224
Segment profit	16,775	7,169	23,944
Other income			393
Unallocated expenses			(12,189)
Finance costs			(102)
Income tax expense			(3,757)
Profit for the financial year			8,289
Results:			
Included in the measure of segment profit is:			
Employee benefits expense			6,097

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

	Technology infrastructure operations, maintenance, and support services RM'000	Design and delivery of technology infrastructure solutions RM'000	Total RM'000
31 May 2022			
Revenue:			
Revenue from external customer	99,884	101,179	201,063
Segment profit	31,387	10,512	41,899
Other income			764
Unallocated expenses			(20,426)
Finance costs			(186)
Income tax expense			(4,971)
Profit for the financial year			17,080
Results:			
Included in the measure of segment profit is:			
Employee benefits expense			5,355

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

Geographical information

Revenue information based on the geographical location of customers are as follows:

	Revenue RM'000	Non-current assets RM'000
31 May 2019		
Malaysia	66,006	1,509
31 May 2020		
Malaysia	67,413	1,185
Thailand	10,321	-
Philippines	2,540	654
Hong Kong	1,342	-
	81,616	1,839
31 May 2021		
Malaysia	41,164	2,225
Thailand	31,890	632
Philippines	26,802	-
Hong Kong	5,368	-
	105,224	2,857
31 May 2022		
Malaysia	115,442	5,397
Thailand	32,543	874
Philippines	42,311	-
Hong Kong	9,714	-
Taiwan	1,053	-
	201,063	6,271

Information about major customers

For renewal license fee and maintenance services, hardware and support services, revenue from four (4) (31.05.2021: four (4); 31.05.2020: three (3) and 31.05.2019: two (2)) customers represented approximately RM135,521,000 (31.05.2021: RM68,880,000; 31.05.2020: RM71,106,000 and 31.05.2019: RM60,635,000) of the Group's total revenue.

bakertilly

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14 October 2022

The Board of Directors
Infomina Berhad
BO3-C-12-1, Menara 3A
No. 3, Jalan Bangsar
KL, Eco City
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

Dear Sirs,

INFOMINA BERHAD AND ITS SUBSIDIARIES

REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2022 INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of the pro forma combined statement of financial position of Infomina Berhad ("Infomina" or " the Company") and its subsidiaries, namely Infomina Services Sdn. Bhd., Infomina Pte. Ltd., Infomina (Thailand) Co., Ltd, Infomina Philippines, Inc., PT Infomina Solution Indonesia and Infomina Limited (collectively referred to as the "Group") for which the directors of Infomina are solely responsible.

The pro forma combined statement of financial position consists of the pro forma combined statement of financial position as at 31 May 2022 together with the accompanying notes thereon, as set out in the accompanying statement, for which we have stamped for the purpose of identification. The applicable criteria on the basis of which the directors of Infomina have compiled the pro forma combined statement of financial position are as described in Note 3 to the pro forma combined statement of financial position and in accordance with the requirements of the *Prospectus Guidelines – Equity* issued by the Securities Commission Malaysia ("Prospectus Guidelines") ("Applicable Criteria").

The pro forma combined statement of financial position of the Group has been compiled by the directors of Infomina, for illustrative purposes only, for inclusion in the prospectus of Infomina ("Prospectus") in connection with the listing of and quotation for the entire enlarged issued share capital of Infomina on the ACE Market of Bursa Malaysia Securities Berhad ("Listing"), after making certain assumptions and such adjustments to show the effects on the pro forma combined financial position of the Group as at 31 May 2022 adjusted for subsequent event as described in Note 2, the offer for sale, public issue and the utilisation of proceeds as described in Notes 1.2.2, 1.2.3 and 4.2.1, respectively.

As part of this process, information about the Group's pro forma combined statement of financial position has been extracted by the directors of Infomina from the audited financial statements of Infomina and its subsidiaries.

The audited financial statements of Infomina and its subsidiaries for the financial year ended ("FYE") 31 May 2022 were reported by the auditors to their respective members without any modifications.

Directors' Responsibility for the Pro Forma Combined Statement of Financial Position

The directors of Infomina are responsible for compiling the pro forma combined statement of financial position based on the Applicable Criteria.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the *By-Laws (on Professional Ethics, Conduct and Practice)* issued by the Malaysian Institutes of Accountants and the International Ethics Standards Boards for Accountants' *International Code of Ethic for Professional Accountants (including International Independence Standards)*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our 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 and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, on whether the pro forma combined statement of financial position has been compiled, in all material respects, by the directors of Infomina based on the Applicable Criteria.

We conducted our engagement in accordance with *International Standard on Assurance Engagements (ISAE) 3420: Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the directors of Infomina have compiled, in all material respects, the pro forma combined statement of financial position based on the Applicable Criteria.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma combined statement of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma combined statement of financial position.

The purpose of the pro forma combined statement of financial position included in the Prospectus is solely to illustrate the impact of significant events or transactions on the unadjusted financial information of the Group as if the events had occurred or the transaction had been undertaken at an earlier date selected for illustrative purposes only. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

A reasonable assurance engagement to report on whether the pro forma combined statement of financial position has been compiled, in all material respects, based on the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the directors of Infomina in the compilation of the pro forma combined statement of financial position of the Group provide a reasonable basis for presenting the significant effects directly attributable to Public Issue and the adjustment for subsequent events as described in Notes 1.2.3 and 2 to the pro forma combined statement of financial position, and to obtain sufficient appropriate evidence about whether:

(a) The pro forma combined statement of financial position of the Group has been properly prepared on the basis and assumptions set out in the accompanying notes to the pro forma combined statement of financial position, based on the audited financial statements of Infomina for the FYE 31 May 2022 and the audited financial statements of its subsidiaries for the FYE 31 May 2022, and in a manner consistent with both the format of the financial statements and the accounting policies adopted Infomina and its subsidiaries in the preparation of its audited financial statements for the FYE 31 May 2022 and the adoption of the new accounting policies as described in Note 3.6 to the pro forma combined statement of financial position; and

(b) Each material adjustment made to the information used in the preparation of the pro forma combined statement of financial position is appropriate for the purpose of preparing the pro forma combined statement of financial position.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events and transactions in respect of which the pro forma combined statement of financial position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma combined statement of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion

In our opinion:

(a) the pro forma combined statement of financial position of the Group has been properly prepared on the basis and assumptions set out in the accompanying notes to the pro forma combined statement of financial position, based on the audited financial statements of Infomina for the FYE 31 May 2022 and the audited financial statements of its subsidiaries for the FYE 31 May 2022 and in a manner consistent with both the format of the financial statements and the accounting policies adopted by the subsidiaries in the preparation of its audited financial statements for the FYE 31 May 2022, which had been adopted by Infomina as its group's accounting policies and the adoption of the new accounting policies as described in Note 3.6 to the pro forma combined statement of financial position; and

(b) each material adjustment made to the information used in the preparation of the pro forma combined statement of financial position of the Group is appropriate for the purpose of preparing the pro forma combined statement of financial position.

Other matter

This report has been prepared for inclusion in the Prospectus in connection with the Listing. As such, this report should not be used, circulated, quoted or otherwise referred to in any document or used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Paul Tan Hong
No. 03459/11/2023 J
Chartered Accountant

INFOMINA BERHAD AND ITS SUBSIDIARIES

PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION

1. **INTRODUCTION**

The pro forma combined statement of financial position of Infomina Berhad ("Infomina" or the "Company") and its subsidiaries, namely Infomina Services Sdn. Bhd., Infomina Pte. Ltd., Infomina (Thailand) Co., Ltd, Infomina Philippines, Inc., PT Infomina Solution Indonesia and Infomina Limited (hereinafter collectively referred to as the "Group") has been compiled by the directors of Infomina, for illustrative purposes only, for inclusion in the prospectus of Infomina in connection with the listing of and quotation for the entire enlarged issued share capital of Infomina on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing").

1.1 Infomina is undertaking a listing of and quotation for its entire enlarged issued share capital on the ACE Market of Bursa Securities. The Listing comprises the following:

1.2 **Listing Scheme**

1.2.1 **Internal Group Restructuring**

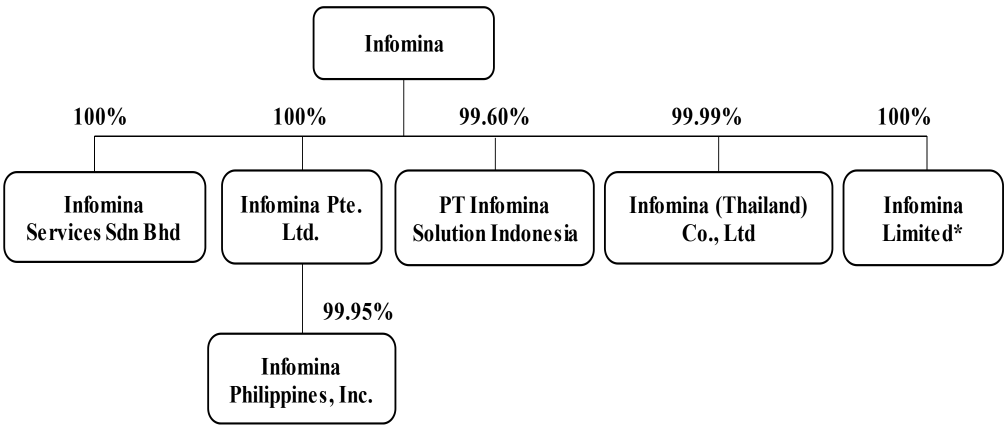
Dividend in specie

Upon approval of initial public offering ("IPO"), Infomina Pte. Ltd. will distribute 99.95% equity interest in Infomina Philippines, Inc at a consideration of RM883,800 to Infomina, being the cost of investment as at 31 May 2021, as dividend in specie.

The declaration of dividends did not have an impact on the pro forma combined statement of financial position.

The Group structure before and after the Internal Group Restructuring is illustrated below:

<u>**Before the Internal Group Restructuring**</u>



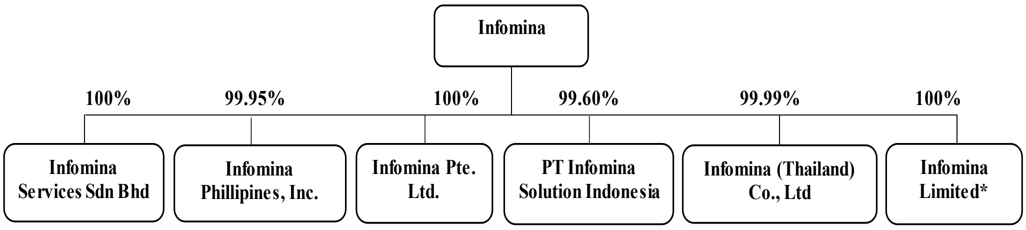
INFOMINA BERHAD AND ITS SUBSIDIARIES

1. INTRODUCTION (CONTINUED)

1.2 Listing Scheme (continued)

1.2.1 Internal Group Restructuring (continued)

<u>After the Internal Group Restructuring</u>



* *The company was incorporated in Hong Kong on 27 July 2021.*

1.2.2 Offer for Sale

Offer for sale of 81,168,800 existing shares in Infomina ("Shares") at an indicative Offer Price of RM0.40 per Share representing 13.50% of the enlarged number of shares of Infomina, to be allotted in the following manner:

(i) 51,106,300 by way of private placement to selected investors; and

(ii) 30,062,500 by way of private placement to Bumiputra investors approved by MITI.

1.2.3 Public Issue

The public issue of 81,168,800 new Shares at the IPO price of RM0.40 per Share, representing approximately 13.50% of the enlarged number of shares of Infomina, to be allocated and allotted in the following manner:

(i) 30,062,600 new Shares made available to the Malaysian public;

(ii) 6,012,500 new Shares made available for application by the eligible directors and employees and persons who have contributed to the success of the Group;

(iii) 45,093,700 new Shares made available by way of private placement to identified MITI approved Bumiputera investors.

(Collectively hereinafter referred as "Public Issue").

1.3 Listing

Upon completion of the IPO, Infomina's entire enlarged issued share capital of RM43,545,869 comprising 601,250,000 Shares will be listed on the ACE Market of Bursa Securities.

INFOMINA BERHAD AND ITS SUBSIDIARIES

2. **Adjustment for subsequent event ("Subsequent Event")**

Subdivision of shares

Upon approval of IPO, Infomina will carry out a subdivision of the entire issued share capital of RM11,075,183 comprising 6,962,960 shares into RM11,075,183 comprising 520,081,200 shares.

The subdivision of shares did not have an impact to the pro forma combined statement of financial position other than an increase in the number of shares of Infomina from 6,962,960 to 520,081,200.

The subdivision of shares was completed on 6 October 2022.

3. BASIS OF PREPARATION OF THE PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION

3.1 The pro forma combined statement of financial position has been prepared to illustrate the pro forma combined financial position of the Group as at 31 May 2022, adjusted for the Subsequent Event as described in Note 2, the Internal Group Restructuring, the Offer for Sale, Public Issue and the utilisation of proceeds as described in Notes 1.2.1,1.2.2, 1.2.3 and 4.2.1, respectively.

3.2 The pro forma combined statement of financial position has been prepared based on the following audited financial statements for the financial year ended ("FYE") 31 May 2022 of the subsidiaries:

Company Name	FYE
Infomina Berhad	31 May 2022
Infomina Services Sdn. Bhd.	31 May 2022
Infomina Pte. Ltd.	31 May 2022
Infomina (Thailand) Co., Ltd	31 May 2022
Infomina Philippines, Inc.	31 May 2022
PT Infomina Solution Indonesia	31 May 2022
Infomina Limited	31 May 2022

3.3 The audited financial statements of Infomina and each of its subsidiaries for the financial year under review were reported by the auditors to their respective members without any modifications.

3.4 The pro forma combined statement of financial position of the Group have been prepared for illustrative purposes only and, such information may not, because of its nature, give a true picture of the actual financial position and the results of the Group and does not purport to predict the future financial position and results of the Group.

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3. BASIS OF PREPARATION OF THE PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION (CONTINUED)

3.5 The pro forma combined statement of financial position of the Group has been properly prepared on the basis set out in the accompanying notes to the pro forma combined statement of financial position based on the audited financial statements of Infomina for FYE 31 May 2022 and audited financial statements of each of the subsidiaries for FYE 31 May 2022, which have been prepared in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards.

3.6 The pro forma combined statement of financial position of the Group have been prepared in a manner consistent with both the format of the audited financial statements and accounting policies adopted by the subsidiaries in the preparation of its audited financial statements for the FYE 31 May 2022 and the adoption of the following new accounting policies, which had been adopted by the Group as the group's accounting policies.

Merger accounting

The subsidiaries are accounted for using the merger method of accounting.

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.

Acquisition of entities under common control does not result in any change in economic substance. Accordingly, the Group is a continuation of the acquired entities and is accounted for as follows:

- the assets and liabilities of the acquired entities are recognised and measured in the combined financial statements at the pre-combination carrying amounts;
- the retained earnings and other equity balances of acquired entities immediately before the business combination are those of the Group; and
- the equity structure, however, reflects the equity structure of the Group and the difference arising from the change in equity structure of the Group will be accounted for in reorganisation reserve.

3.7 In connection with the Listing, the pro forma combined statement of financial position has been presented before the Public Issue as described in Note 1.2.3.

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INFOMINA BERHAD AND ITS SUBSIDIARIES

4. PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION OF THE GROUP

4.1 The pro forma combined statement of financial position of the Group as set out below, for which the directors of Infomina are solely responsible, have been prepared for illustrative purposes only, to show the effects on the audited combined statement of financial position of the Group as at 31 May 2022, had the Subsequent Event as described in Note 2, the Internal Group Restructuring as described in Note 1.2.1, the Offer for Sale as described in 1.2.2, the Public Issue as described in Note 1.2.3 and the utilisation of proceeds as described in Note 4.2.1 been effected on that date, and should be read in conjunction with the notes accompanying thereto.

	Pro Forma		Pro Forma I	Pro Forma II
	Combined Statement of Financial Position as at 31 May 2022	Adjusted for Subsequent Event	After the Public Issue and Offer For Sale	After Pro Forma I and the Utilisation of Proceeds
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	5,397	5,397	5,397	5,397
Deferred tax assets	5,231	5,231	5,231	5,231
Other receivables	874	874	874	874
Total non-current assets	11,502	11,502	11,502	11,502
Current assets				
Current tax assets	151	151	151	151
Trade and other receivables	86,046	86,046	86,046	86,046
Contract assets	-	-	-	-
Cash and short-term deposits	70,934	70,934	103,402	101,260
Total current assets	157,131	157,131	189,599	187,457
TOTAL ASSETS	168,633	168,633	201,101	198,959
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	11,075	11,075	43,543	42,328
Irredeemable preference shares	65	65	65	65
Retained earnings	34,921	34,921	34,921	33,994
Reorganisation reserve	(5,700)	(5,700)	(5,700)	(5,700)
Other reserves	92	92	92	92
	40,453	40,453	72,921	70,779
Non-controlling interests	7	7	7	7
TOTAL EQUITY	40,460	40,460	72,928	70,786

INFOMINA BERHAD AND ITS SUBSIDIARIES

4. PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

4.1 (Continued)

	Pro Forma		Pro Forma I	Pro Forma II
	Combined Statement of Financial Position as at 31 May 2022 RM'000	Adjusted for Subsequent Event RM'000	After the Public Issue and Offer For Sale RM'000	After Pro Forma I and the Utilisation of Proceeds RM'000
Non-current liabilities				
Loans and borrowings	2,213	2,213	2,213	2,213
Deferred tax liabilities	3,068	3,068	3,068	3,068
Total non-current liabilities	5,281	5,281	5,281	5,281
Current liabilities				
Loans and borrowings	829	829	829	829
Current tax liabilities	2,213	2,213	2,213	2,213
Trade and other payables	59,066	59,066	59,066	59,066
Contract liabilities	60,784	60,784	60,784	60,784
Total current liabilities	122,892	122,892	122,892	122,892
TOTAL LIABILITIES	128,173	128,173	128,173	128,173
TOTAL EQUITY AND LIABILITIES	168,633	168,633	201,101	198,959
Number of ordinary shares assumed to be in issue ('000)	6,963	520,081	601,250	601,250

Net Assets ("NA")^ (RM'000)	40,460	40,460	72,928	70,786
NA per ordinary share (RM)	5.81	0.08	0.12	0.12

^ attributable to owners of Infomina

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4. PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

4.2 Notes to the pro forma combined statement of financial position are as follows:

4.2.1 The proceeds from the Public Issue would be utilised in the following manner:

Purposes	**RM'000**	**%**	**Estimated time frame for use (from the listing date)**
Strengthen research and development to expand technological application and development solutions [(1)]	7,602	23.41%	Within 24 months
Intensify regional expansion to capture growth opportunities [(1)]	5,525	17.02%	Within 18 months
Branding, marketing and promotional activities [(1)]	886	2.73%	Within 18 months
Working capital	13,955	42.98%	Within 12 months
Estimated listing expenses	4,500	13.86%	Within 1 month
	32,468	100.00%	

(1) As at latest practicable date, the Group has yet to enter into any agreement in relation to the proceeds earmarked for the research and development for the expansion of technological application and development solutions, regional expansions to capture growth opportunities and branding and marketing and promotional activities. Accordingly, the utilisation of proceeds earmarked for the aforementioned purposes are not reflected in the pro forma combined statement of financial position.

4. PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

4.2 (Continued)

4.2.2 The pro forma combined statement of financial position should be read in conjunction with the notes below:

(a) **Pro Forma I**

Pro Forma I incorporates the effects of the Offer for Sale as described in Note 1.2.2 and the Public Issue as described in Note 1.2.3.

The Offer for Sale had no impact on the pro forma combined statement of financial position of Infomina as at 31 May 2022.

The Public Issue had the following impact on the pro forma combined statement of financial position of Infomina as at 31 May 2022:

	Increase	
	Effects on Total Assets RM'000	Effects on Equity RM'000
Cash and short-term balances	32,468	-
Share capital	-	32,468
	32,468	32,468

(b) **Pro Forma II**

Pro Forma II incorporates the cumulative effects of Pro Forma I and the utilisation of proceeds from the Public Issue.

The proceeds arising from the Public Issue earmarked for the research and development for the expansion of technological application and development solutions, regional expansions to capture growth opportunities and branding, marketing and promotional activities will be included in the Cash and Short-Term Deposits Account.

From the total estimated listing expenses of RM4.50 million, a total of RM1.22 million is assumed to be directly attributable to the issuance of new shares and therefore will be set off against the Share Capital Account. The remaining expenses of RM3.28 million are assumed to be attributable to the listing exercise and therefore will be recognised in the Retained Earnings Account. From the RM3.28 million to be recognised in the retained earnings of which RM2.36 million has been incurred by the Group and charged to the Retained Earnings as at 31 May 2022.

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4. PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

4.2 (Continued)

4.2.2 (Continued)

(b) **Pro Forma II (continued)**

The utilisation of proceeds will have the following impact on the pro forma combined statement of financial position of the Group as at 31 May 2022:

	Decrease Effects on Total Assets RM'000	Decrease Effects on Equity & Total Liabilities RM'000
Cash and short-term balances	(2,142)	-
Share capital	-	(1,215)
Retained earnings	-	(927)
	(2,142)	(2,142)

4.2.3 Movements in share capital and reserves are as follows:

	Share capital RM'000	Irredeemable preference shares RM'000	Retained earnings RM'000	Reorganisation reserve RM'000	Other reserves RM'000	Non-controlling interests RM'000
Combined statement of financial position of Infomina Group as at 31 May 2022	11,075	65	34,921	(5,700)	92	7
Arising from Subsequent Event	-	-	-	-	-	-
Adjusted for Subsequent Event	11,075	65	34,921	(5,700)	92	7
Arising from the Public Issue and Offer for Sale	32,468	-	-	-	-	-
As per Pro Forma I	43,543	65	34,921	(5,700)	92	7
Arising from the defrayment of estimated listing expenses in relation to the Listing	(1,215)	-	(927)	-	-	-
As per Pro Forma II	42,328	65	33,994	(5,700)	92	7

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INFOMINA BERHAD AND ITS SUBSIDIARIES

4. PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

4.2 (Continued)

4.2.4 Movements in cash and short-term deposits are as follows:

	RM'000
Combined statement of financial position of the Group as at 31 May 2022	70,934
Arising from Subsequent Event	-
Adjusted for Subsequent Event	70,934
Arising from the Public Issue and Offer for Sale	32,468
As per Pro Forma I	103,402
Arising from defrayment of estimated listing expenses in relation to the Listing	(2,142)
As per Pro Forma II *	101,260

* *Included in the cash and short-term deposits is an amount of RM13.95 million, RM7.6 million, RM5.5 million and RM0.9 million arising from the Public Issue earmarked for working capital, strengthening research and development, intensifying regional expansion and branding, marketing and promotional activities purposes respectively.*

INFOMINA BERHAD AND ITS SUBSIDIARIES

APPROVAL BY BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of Infomina Berhad in accordance with a resolution dated 14 October 2022

…………………………………………	…………………………………………
Yee Chee Meng	**Nasimah Binti Mohd Zain**
Director	**Director**

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15. STATUTORY AND OTHER INFORMATION

15.1 SHARE CAPITAL

(a) As at the date of this Prospectus, we only have one class of shares, namely, ordinary shares, all of which rank equally with one another.

(b) Save for the Pink Form Allocations as disclosed in Section 4.3.2,

(i) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any share of our Company or our subsidiary; and

(ii) there is no scheme involving the employees of our Group in the shares of our Company or our subsidiary.

(c) Save for the new Shares issued as disclosed in Sections 6.2.1, 6.2.2, 6.2.3(c) and to be issued for the Public Issue as disclosed in Section 4.3.1, no shares of our Company have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise, within the past 2 years immediately preceding the date of this Prospectus.

(d) Other than our Public Issue as disclosed in Section 4.3.1, there is no intention on the part of our Directors to further issue any Shares on the basis of this Prospectus.

(e) As at the date of this Prospectus, our Company does not have any outstanding convertible debt securities.

15.2 SHARE CAPITAL OF OUR SUBSIDIARIES

Details of our share capital are set out in Section 6.1. Details of the share capital of our subsidiaries are set out below.

15.2.1 Infomina HK

Infomina HK's issued share capital as at LPD is HKD10,000 comprising 10,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			HKD
27 July 2021	10,000	HKD10,000 / Cash	10,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Infomina HK. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.2 Infomina ID

Infomina ID's issued share capital as at LPD is IDR2,500,000,000 comprising 250 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			IDR
28 July 2020	250	IDR2,500,000,000 / Cash	2,500,000,000

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Infomina ID. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.3 Infomina PH

Infomina PH's issued share capital as at LPD is PHP10,200,000 comprising 10,200 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			PHP
10 February 2020	10,200	PHP10,200,000 / Cash	10,200,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Infomina PH. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.4 ISSB

ISSB's issued share capital as at LPD is RM300,000 comprising 300,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			RM
24 November 2015	2	RM2 / Subscriber's shares	2
24 March 2016	299,998	RM299,998 / Cash	300,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in ISSB. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.5 Infomina SG

Infomina SG's issued share capital as at LPD is SGD100 comprising 100 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			SGD
18 September 2019	100	SGD100 / Cash	100

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Infomina SG. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.6 Infomina TH

Infomina TH's issued share capital as at LPD is THB4,100,000 comprising 20,000 ordinary shares and 21,000 preference shares, held by Arusa Rattanaphisit who is a local staff member. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital
			THB
25 October 2019	20,000	THB500,000 / Cash	2,000,000

Date of allotment	No. of preference shares allotted	Consideration / Type of issue	Cumulative share capital
			THB
22 December 2021	21,000	THB525,000 / Cash	2,100,000

As at LPD, save for the 20,000 ordinary shares and 21,000 preference shares which have been partly paid up to THB500,000 and THB525,000 respectively, there are no outstanding warrants, options, convertible securities or uncalled capital in Infomina TH. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.3 CONSTITUTION

The following provisions are extracted from our Constitution. Terms defined in our Constitution shall have the same meanings when used herein unless they are otherwise defined herein or the context otherwise requires.

15.3.1 Changes in share capital and variation of class rights

The provisions in our Constitution dealing with changes in share capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Clause 7 – Classes of shares

(3) Rights of preference shareholders

Subject to the Act, any applicable laws and any other requirements of Bursa Securities and the SC, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are liable, or at the option of the Company are liable to be redeemed and the Company shall not issue preference shares ranking in priority over preference shares already issued but may issue preference shares ranking equally therewith.

(a) A holder of preference shares must have a right to vote in each of the following circumstances:

  (i) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;

  (ii) on a proposal to reduce the Company's share capital;

(iii) on a proposal for the disposal of the whole of the Company's property, business and undertaking;

(iv) on a proposal that affects the rights attached to the preference shares;

(v) on a proposal to wind up the Company; and

(vi) during the winding up of the Company.

(b) A holder of preference shares shall be entitled to the same rights as a holder of ordinary shares in relation to receiving notices, reports, audited financial statements and attending meetings.

(4) Repayment of preference capital

Notwithstanding Clause 3 hereof, the repayment of preference share capital other than redeemable preference shares or any alteration of preference shareholders' rights shall only be made pursuant to a special resolution of the preference shareholders concerned provided always that where the necessary majority for such a resolution is not obtained at the meeting of the preference shareholders concerned, consent in writing representing not less than seventy-five percent (75%) of the total voting rights of the holders of the preference shares obtained within two (2) months of the meeting shall be valid and effectual as a special resolution carried at the meeting.

Clause 8 – Variation of rights

(1) Variation of rights

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 by a separate meeting of the holders of that class of shares sanctioning the variation.

(3) Variation of rights of existing preference shares

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 12 – Issue of securities

(1) Allotment of shares or grant of rights

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject always to the Act, the Listing Requirements and this Constitution, the Directors have the right to:

(a) issue and allot shares in the Company; and

(b) grant rights to subscribe for shares or options over unissued shares in the Company.

(3) Issue of new shares or securities to Members

(a) Subject to the Act, the Listing Requirements and any direction to the contrary that may be given by the Company in General Meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled.

(b) The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company.

(c) The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

(4) General mandate for issue of securities

Subject to Rule 6.07 of the Listing Requirements and notwithstanding the existence of a resolution pursuant to Sections 75(1) and 76(1) of the Act, the Company must not issue any shares or convertible securities if the total number of those shares or convertible securities, when aggregated with the total number of any such shares or convertible securities issued during the preceding twelve (12) months, exceeds ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company except where the shares or convertible securities are issued with the prior shareholder approval in a General Meeting of the precise terms and conditions of the issue.

Clause 46 – Alteration of capital

(3) Purchase of own shares

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.

15.3.2 Borrowing and voting powers of the Directors

The provisions in our Constitution dealing with voting and borrowing powers of our Directors including voting powers in relation to proposals, arrangements or contracts in which they are interested in are as follows:

Clause 95 – Powers of Directors

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:

Borrowing

(1) borrow money;

Mortgage

(2) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;

Issue debentures

(3) issue debentures and other Securities whether outright or as security; and/or

Lend or advance money

(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 97 – Powers of Directors

Power of attorney

(1) The Directors may from time to time by power of attorney appoint any corporation, firm, or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for the purposes and with the powers, authorities, and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for a period and subject to any conditions as the Directors may think fit.

(2) Any powers of attorney granted under Clause 97(1) may contain provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities, and discretions vested in the attorney.

Clause 105 – Directors' interest in contracts

Directors' interest in contracts

(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.

(b) Every Director shall observe the provisions of Sections 221 and 222 of the Act relating to the disclosure of the interest of the Directors in contracts or proposed contracts with the Company or of any office or property held by the Directors which might create duties or interest in conflict with their duties or interest as Directors and participation in discussion and voting. Such disclosure of material personal interest by the Directors shall be in the form of a notice. Such notice shall be in the form and manner prescribed under Section 221 of the Act.

Clause 107 - Passing of resolution by the Directors

(1) Passing of resolution by more than one Director

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.

Clause 118 – Voting at board meetings

(1) Directors' decision

Subject to this 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) Casting of vote

Each Director is entitled to cast one (1) vote on each matter for determination.

15.3.3 Remuneration of Directors

The provisions in our Constitution dealing with remuneration of Directors are as follows:

Clause 93 – Remuneration of Directors

(1) Non-executive Directors' remuneration

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) Fee

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) Fee of non-executive Directors

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) Expenses

The following expenses shall be determined by the Director:

(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

(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' remuneration

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.

15.3.4 Transfer of Shares

The provisions in our Constitution dealing with transfer of Shares are as follows:

Clause 14 – Transfer of securities

Transfer of securities

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 17 – Transfer of Shares or debentures

(1) Instrument of transfer

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) Execution of instrument of transfer

The instrument of transfer must be executed by or on behalf of the transferor and the transferee.

(3) Effect the transfer of shares or debentures

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.

15.4 POLICIES ON FOREIGN INVESTMENTS, TAXATION AND FOREIGN EXCHANGE CONTROLS

The relevant policies on foreign investments, taxation and foreign exchange controls in Singapore, Thailand, Indonesia, the Philippines and Hong Kong in relation to the distribution of dividends, repatriation of capital and remittance of profits by or to our Group are set out below.

15.4.1 Singapore

(a) Exchange controls

Subject to Infomina SG adhering to the applicable provisions of the Companies Act 1967 of Singapore ("**Singapore Companies Act**"), there are no significant restrictions on the remittance of profits, dividend and the return of capital by Infomina SG to Infomina. Under the laws of Singapore, Infomina SG may repatriate capital and/or remit profits to Infomina by way of:

(i) share buy-backs;

(ii) capital reduction;

(iii) distribution of assets on a winding-up; and

(iv) declaration of dividends.

(b) Dividend distribution

Subject to the Singapore Companies Act, the constitution of Infomina SG, and the payment of applicable taxes under the laws of Singapore:

(i) dividends may be paid only out of profits available for distribution. The constitution of Infomina SG provides for the declaration of dividends upon Infomina's approval by ordinary resolution in a general meeting, but any dividend declared must not exceed the amount recommended by the directors of Infomina SG. There are no restrictions on payment of dividends to Infomina provided there is no breach of any rule for internal monitoring for countering money laundering and terrorism;

(ii) the directors of Infomina SG may from time to time pay to Infomina such interim dividends as appear to the directors to be justified by the profits of Infomina SG; and

(iii) capital may not be returned to Infomina unless a capital reduction exercise is carried out.

(c) Withholding tax

Dividends received in respect of the ordinary shares of Infomina SG by either Singapore tax resident or non-Singapore tax resident taxpayers are not subject to Singapore withholding tax, even if paid to non-Singapore resident shareholders.

Currently, subject to certain transitional rules, Singapore has adopted the "One-Tier" Corporate Tax System ("**One-Tier System**"). Under this One-Tier System, the tax collected from corporate profits is the final tax and Infomina SG can pay tax exempt (1-tier) dividends which are tax exempt in the hands of Infomina, regardless of the tax residence status or the legal form of Infomina.

15.4.2 Thailand

(a) Exchange controls

Under the laws of Thailand, Infomina TH may repatriate capital and/or remit profits to Infomina, by way of:

(i) capital reduction where Infomina TH may reduce its capital by reducing the par value of each share or by reducing the number of its shares by way of a special resolution passed at a shareholders' meeting. However, the capital of Infomina TH cannot be reduced to below 25% of its total capital per time;

(ii) distribution of dividend where dividends distributed by Infomina TH must be made from its profits in proportion to its paid-up share capital of each share by way of resolution of either a board of directors' meeting or a shareholders' meeting (as detailed in Section 15.4.2(b)). According to the Articles of Association of Infomina TH ("**Infomina TH AOA**"), the preference shareholder is entitled to receive the dividend at 5% of par value held by each preference shareholder. The outstanding dividend after allocation to preference shareholder(s) shall be payable to ordinary shareholders based on their shareholding proportion; and

(iii) distribution of capital or benefits pursuant to a winding-up procedure where the remaining capital of Infomina TH can be returned to its shareholders, including Infomina, based on their shareholding proportion upon its liquidation but only if Infomina TH has sufficient assets or funds to pay all its debts or perform all its obligations. According to the Infomina TH AOA, the preference shareholder(s) shall receive the capital return before the ordinary shareholders.

In addition, under the Thailand Foreign Exchange Regulation, dividends or proceeds from sales (including capital gains from the transfer of shares), or capital reduction after payment of the applicable Thai taxes, if any, can be remitted out of Thailand in foreign currencies without any requirement for prior approval from the Bank of Thailand. However, if the amount is USD200,000 or more in the relevant currency, a request form must be submitted to an authorised agent (commercial bank) together with relevant supporting documents to support the remittance.

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

(b) Dividend distribution

Any declaration of dividends must be approved by a resolution passed at an annual general meeting or an extraordinary general meeting of the shareholders of Infomina TH. An interim dividend payment can be declared from time to time if the board of directors of Infomina TH resolves that it has profits justified to be distributed to its shareholders, including Infomina, in proportion to their shareholding proportion. According to the Infomina TH AOA, the preference shareholder is entitled to receive dividend at 5% of par value held by each preference shareholder. The outstanding dividend after allocation to preference shareholder(s) shall be payable to ordinary shareholders based on their shareholding proportion.

When distributing dividends, Infomina TH must reserve funds of at least 5% of its profits until its reserve funds reaches 10% of its registered capital.

(c) Withholding tax

Any capital reduction amount of Infomina TH payable to Infomina is a taxable / assessable income of Infomina but only for the amount not exceeding the total amount of the profits and the reserve funds of Infomina TH and it is subject to the withholding tax at the rate of 15%. The capital reduction amount that exceeds the total amount of the profits and the reserve funds of Infomina TH is not a taxable / assessable income.

The dividend of Infomina TH payable to Infomina is a taxable / assessable income and it is subject to withholding tax at the rate of 10%.

When Infomina TH repatriates funds to Infomina, Infomina TH is required to withhold applicable withholding taxes mentioned above from the funds payable and remit the taxes withheld to the Thai Revenue Department.

Subject to the prevailing Double Tax Agreements, the applicable withholding taxes from Infomina TH to Infomina may be reduced from the rates set out above.

15.4.3 Indonesia

(a) Exchange controls

Indonesian Investment Law No. 25 of 2007 as amended by Law No. 11 of 2020 ("**Capital Investment Law"**) only permits foreign direct investment in Indonesia by establishing an Indonesian limited liability company.

Under the Capital Investment Law, Infomina ID may repatriate capital to Infomina in the form of:

(i) capital;

(ii) profits, bank interest, dividends, and other income;

(iii) funds required to:

(aa) purchasing raw and auxiliary materials, half-finished goods or finished goods; or

(bb) replacing capital goods to protect the viability of the investment;

(iv) additional funds required for investment financing; e. funds for repayment of loans;

(v) royalties or fees payable;

(vi) income of individual foreign citizens working in the investment company;

(vii) proceeds from the sales or liquidation of an investment;

(viii) compensation for losses;

(ix) compensation for acquisitions;

(x) payments made in connection with technical assistance, fees payable for technical and management services, payments made under the project contract, and payment of intellectual property rights; and

(xi) proceeds of sales of assets.

There are no foreign exchange controls in Indonesia save for the physical inflow or outflow of IDR into and out of the country. For the purposes of repatriation or transfer of money by Infomina ID to Infomina, the IDR can be converted into any currency.

The laws of Indonesia specifically provide that these repatriation rights do not prejudice the government's rights to require reports on the implementation of repatriation activities and compliance with related taxation/royalties regulations. In addition, the repatriation rights do not prejudice the implementation of any law that gives protection to creditors' rights or laws to avoid losses to the government.

(b) Dividend distribution

As the shareholders of Infomina ID are Infomina, a Malaysian entity, and Yee Chee Meng, a Malaysian individual, the applicable tax for the dividend distribution of Infomina ID is subject to the prevailing Double Tax Agreement between Indonesia and Malaysia. Such dividends paid by Infomina ID to Infomina may be taxed in Indonesia at a rate not exceeding 15% of the gross amount of the dividends.

(c) Withholding tax

Dividend payments will be subject to a withholding tax according to the prevailing Double Tax Agreement between Indonesia and Malaysia. Infomina ID has the obligation to withhold the tax of dividends distribution and pay to the tax authority.

15.4.4 Philippines

(a) Exchange controls

Subject to the Republic Act No. 265, dividend and profit remittances as well as capital repatriation are generally not regulated in the Philippines. Among the rights recognised by the Philippine government is the right to remit earnings from investment, in the currency in which the investment was originally made and at the exchange rate prevailing at the time of remittance.

Foreign investments registered with the Bangko Sentral ng Pilipinas ("**BSP**") may repatriate capital and remit dividends, profit and earnings, using foreign exchange sourced from the domestic banking system. If the foreign investment is not registered with the BSP, remittances using foreign exchange may only be sourced outside the domestic banking system.

(b) Dividend distribution

Under the laws of the Philippines, dividends may only be declared out of the unrestricted retained earnings of Infomina PH, which may be paid by cash, property or in stock to all stockholders, including Infomina, on the basis of the outstanding stock held by them.

Board approval is required for the declaration of cash dividends. Any cash dividends due on delinquent stock shall first be applied to the unpaid balance on the subscription price plus costs and expenses. Declaration of stock dividends also require the approval of at least two-thirds of the outstanding capital stock at a regular or special meeting duly called for the purpose. Further, stock dividends shall be withheld from the delinquent stockholders until their unpaid subscription is fully paid.

Infomina PH is prohibited from retaining surplus profits in excess of 100% of its paid-in capital stock, except:

(i) when justified by definite corporate expansion projects or programs approved by the board of directors;

(ii) when Infomina PH is prohibited under any loan agreement with financial institutions or creditors, whether local or foreign, from declaring dividends without their consent, and such consent has not yet been secured; or

(iii) when it can be clearly shown that such retention is necessary under special circumstances obtaining in Infomina PH, such as when there is need for special reserve for probable contingencies.

(c) Withholding tax

Dividends received by Infomina from Infomina PH is subject to income tax at a final withholding tax rate of 25%. The prevailing Double Tax Agreement between Malaysia and the Philippines currently provides that the dividends payable to Infomina will be subject to a preferential tax rate of 25% of the gross amount of the dividends.

15.4.5 Hong Kong

(a) Exchange controls

There are currently no foreign exchange controls in Hong Kong. Hence, there is limited restriction on the repatriation of profits, whether in the form of dividends or interest, or capital (meaning funds in general) by Infomina HK to Infomina. In general, repatriation of profits is entirely dependent on the ability of Infomina HK to pay dividends to Infomina.

In 2002, the Hong Kong Legislative Council approved anti-money laundering and enacted a new anti-terrorism law allowing Secretary for Security to freeze funds and financial assets reasonably believed to belong to terrorist, as required by Security Council of United Nations in its Resolutions 1373. On 10 September 2002, following passage of the new laws, the Hong Kong Monetary Authority issued a circular to banks and ordered banks to submit reports outlining the approach they had adopted in the fight against terrorist financing. On 1 April 2012, Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) came into operation to enhance the anti-money laundering regulatory regime.

(b) Dividend distribution

Infomina HK can only declare dividend from its distributable profits (that is, accumulated realised profits less its accumulated realised losses). Dividends cannot be paid:

(i) out of Infomina HK's share capital; and
(ii) in advance of the generation of distributable profits.

Dividends must be paid in accordance with the procedures or requirements specified in Infomina HK's articles.

(c) Withholding tax

Dividends paid by Infomina HK are not subject to profits tax in Hong Kong nor is any tax required to be withheld from it.

15.5 GENERAL INFORMATION

(a) Save for the remuneration paid as disclosed in Sections 5.2.4 and 5.3.5 respectively, no other amount or benefit has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be paid or given, to any of our Promoters, Directors or substantial shareholders.

(b) Save as disclosed in Section 10.1, none of our Directors or substantial shareholders have any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.

(c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the summarised procedures for application of our Shares are set out in Section 16.

(d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

15.6 CONSENTS

(a) The written consents of our Adviser, Sponsor, Underwriter, Placement Agent, Financial Adviser, Solicitors, Share Registrar, Company Secretary and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn;

(b) The written consents of our Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and report relating to the pro forma combined financial information in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn; and

(c) The written consent of our IMR to the inclusion in this Prospectus of its name and the IMR Report, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not been subsequently withdrawn.

15.7 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company during normal business hours for a period of 6 months from the date of this Prospectus:

(a) Constitution;

(b) Audited financial statements of Infomina, Infomina ID, Infomina HK, Infomina PH, ISSB, Infomina SG and Infomina TH for FYE 2019 to 2022, where applicable;

(c) Accountants' Report as set out in Section 13;

(d) Reporting Accountants' Report relating to our pro forma combined financial information as set out in Section 14;

(e) IMR Report as set out in Section 8;

(f) Material contracts as set out in Section 6.5; and

(g) Letters of consent as set out in Section 15.5.

15.8 RESPONSIBILITY STATEMENTS

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

M & A Securities acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE "DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE" ACCOMPANYING THE ELECTRONIC PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 1 NOVEMBER 2022

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 11 NOVEMBER 2022

In the event of any changes to the date or time for closing, we will advertise the notice of changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application Method
Applications by our eligible Directors and employees of our Group	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

16.2.2 Placement

Types of Application	Application Method
Applications by selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
Applications by Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

Selected investors and Bumiputera Investors approved by MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in 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 Application**.

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.

16.3.2 Application by Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

(a) You must be one of the following:

(i) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

(ii) a corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

(iii) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

(b) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

(c) You must submit Applications by using only one of the following methods:

(i) White Application Form; or

(ii) Electronic Share Application; or

(iii) Internet Share Application.

16.3.3 Application by eligible Directors and employees of our Group

The eligible Directors and employees of our Group will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO shares. Applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus.

16.4 APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.40 for each IPO Share.

Payment must be made out in favour of **"TIIH SHARE ISSUE ACCOUNT NO. 728"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(a) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

(b) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Tricor 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 11 November 2022 or by such other time and date specified in any change to the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

16.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions, 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.

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

(a) reject Applications which:

(i) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

(ii) are illegible, incomplete or inaccurate; or

(iii) are accompanied by an improperly drawn up or improper form of remittance; or

(b) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(c) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 16.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER / UNDER SUBSCRIPTION

In the event of over-subscription, the Issuing House, will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our 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 1 market day after the balloting date.

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

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the underwriting arrangements and reallocation as set out in Section 4.3.3 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.

16.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application Monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

(a) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

(b) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (a) and (b) above (as the case may be).

(d) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (b) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

(a) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.

(b) You may check your account on the 5th Market Day from the balloting date.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

(a) Our IPO Shares allotted to you will be credited into your CDS Account.

(b) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(c) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

(d) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services 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.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

You may also check the status of your Application at the above website, **5 Market Days** after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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