

## 4. DETAILS OF OUR IPO

### 4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on [●] and will remain open until 5.00 p.m. on [●]. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

### 4.2 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time / date
Issuance of the Prospectus / Opening of Application	[●]
Closing date of Application	[●]
Balloting of Applications	[●]
Allotment of our IPO Shares to successful applicants	[●]
Listing on the ACE Market	[●]

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

### 4.3 PARTICULARS OF OUR IPO

#### 4.3.1 Public Issue

Our Public Issue, representing approximately 28.00% of our enlarged number of issued Shares, are offered at the IPO Price is subject to the terms and conditions of this Prospectus and shall be allocated in the following manner:

IPO details	Notes	No. of Shares	Percentage of the enlarged issued Shares (%) <sup>(1)</sup>
<b>Public Issue</b>			
Malaysian Public via balloting	(i)	21,192,000	5.00
Eligible Persons	(ii)	21,192,000	5.00
Private placement to selected investors	(iii)	76,286,000	18.00
<b>Total</b>		<b>118,670,000</b>	<b>28.00</b>

Note:

(1) Based on the enlarged issued share capital of 423,822,460 after the IPO.

#### (i) Malaysian Public

21,192,000 new Shares, representing approximately 5.00% of our enlarged number of issued Shares will be made available for application by the Malaysian Public through a balloting process as follows:

- (a) 10,596,000 new Shares, representing approximately 2.50% of our enlarged number of issued Shares, made available to Bumiputera Malaysian Public; and

**4. DETAILS OF OUR IPO (CONT'D)**

- (b) 10,596,000 new Shares, representing approximately 2.50% of our enlarged number of issued Shares, made available to Malaysian Public.

**(ii) Eligible Persons**

21,192,000 new Shares, representing approximately 5.00% of our enlarged number of issued Shares, are reserved for application by the Eligible Persons under the Pink Form Allocations in the following manner:

<b>Eligible Persons</b>	<b>Note</b>	<b>No. of Eligible Persons</b>	<b>Number of Shares allocated</b>
Eligible Directors of our Company	(1)	4	1,575,000
Eligible employees of our Group	(2)	28	14,550,000
Persons who have contributed to the success of our Group	(3)	16	5,067,000
<b>Total</b>		<b>48</b>	<b>21,192,000</b>

The criteria of allocation to the eligible Directors, eligible employees and persons who have contributed to the success of our Group are as follows:

**(1) Criteria of allocation to the eligible Directors**

The basis and criteria for allocation to our eligible Directors is based on, amongst others, their respective roles, responsibilities, and their anticipated contribution to the Group. The allocation of new Shares to our eligible Directors is as follows:

<b>Name of eligible Director</b>	<b>Designation</b>	<b>No. of Shares allocated</b>
Ir. Dr. Khairul Azmy Bin Kamaluddin	Independent Non-Executive Chairman	555,000
YM Raja Nor Azlina Binti Raja Azhar	Independent Non-Executive Director	340,000
Wong Poh May	Independent Non-Executive Director	340,000
Wong Keng Fai	Independent Non-Executive Director	340,000
<b>Total</b>		<b>1,575,000</b>

**(2) Criteria of allocation to the eligible employees**

The basis and criteria for the Pink Form Allocations to the eligible employees of the Group as approved by our Board, are based on the following factors:

- (a) the eligible employee must be a full-time confirmed employee and on the payroll of our Group and who has not submitted his/her resignation as at the LPD prior to the issuance of the Prospectus; and
- (b) the number of new Shares allocated to the eligible employee is based on, amongst others, seniority within our Group, length of service, as well as past performance and contributions made to our Group.

#### 4. DETAILS OF OUR IPO (CONT'D)

The number of new Shares to be allocated to our Key Senior Management is as follows:

<u>Name of eligible employee</u>	<u>Designation</u>	<u>No. of Shares allocated</u>
Ed Kamil Bin Md Bashah	Project Director	3,700,000
Khoirol Suhardi Bin Shaaban	Technical Director	3,700,000
Mohd Hanafy Bin Rasimon	Project Director	3,700,000
Gan Yee Shan	Finance Manager	350,000
<b>Total</b>		<b>11,450,000</b>

- (3) The criteria for allocation to persons who have contributed to the success of our Group, comprising our customers, suppliers and business associates, is based on, amongst others, their length of business relationship with our Group, past contribution to our success and/or potential contribution to our Group in the future.

As at the LPD, save as disclosed in Section 4.3.1 of this Prospectus, to the extent known to our Company:

- (a) there are no Substantial Shareholders, Directors or Key Senior Management of our Company who intend to subscribe for our new Shares save for the new Shares made available for application under the Pink Form Allocations; and
- (b) there are no person who intends to subscribe for more than 5% of our new Shares.

**(iii) Private placement**

76,286,000 new Shares, representing approximately 18.00% of our enlarged number of issued Shares, will be made available by way of private placement to selected investors.

#### 4.3.2 Placement, underwriting and allocation of our new Shares

A summary of our new Shares to be allocated under our IPO (subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus) is as follows:

Our Underwriter has fully underwritten the following:

- (i) all the 21,192,000 new Shares which are to be subscribed by the Malaysian Public; and
- (ii) all the 21,192,000 new Shares which are to be subscribed by the Eligible Persons by way of Pink Form Allocations.

Please refer to Section 4.10 of this Prospectus for the salient terms of the Underwriting Agreement.

The 76,286,000 new Shares made available for private placement to be subscribed by selected investors will not be underwritten. Irrevocable undertakings will be obtained from the selected investors to subscribe for the aforementioned new Shares made available under private placement.

## 4. DETAILS OF OUR IPO (CONT'D)

---

### 4.3.3 Clawback and reallocation

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

**(i) Malaysian Public via balloting**

In the event that there are Shares which are not subscribed by the Malaysian Public, the remaining portion unsubscribed will be made available for application and offered to the selected investors under Section 4.3.1 of this Prospectus.

Any further Shares which are not subscribed for after being allocated and offered to the selected investors under Section 4.3.1 of this Prospectus, such Shares shall be underwritten by our Underwriter in accordance with the salient terms of the Underwriting Agreement.

**(ii) Eligible Persons**

Any Pink Form Allocations which are not subscribed by any of the Eligible Persons shall be offered to other eligible employees of the Group (excluding Directors of the Company). Thereafter it will be offered to the Malaysian Public under Section 4.3.1(i) and the selected investors under Section 4.3.1 of this Prospectus.

Thereafter, any remaining Pink Form Allocations which are not subscribed for will be underwritten by our Underwriter in accordance with the salient terms of the Underwriting Agreement.

**(iii) Private Placement to the Selected Investors**

In the event of under-subscription of the Shares by the selected investors by way of private placement, the remaining unsubscribed portion will be clawed back and reallocated to the Malaysian Public under Section 4.3.1 (i) of this Prospectus.

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

The allocation of our IPO Shares shall be on a fair and equitable manner and shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirement of Bursa Securities and to establish a liquid market for our Shares.

There is no over-allotment or "greenshoe" option that will result in an increase in the number of our IPO Shares.

### 4.3.4 Minimum subscription level

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

Under the Listing Requirements, we are required to have at least 25.00% of our total number of issued Shares to be held by a minimum of 200 public shareholders holding not less than 100 Shares each. This is the minimum subscription level in terms of the number of Shares.

We expect to meet the public shareholding requirements at the point of our Listing.

#### 4. DETAILS OF OUR IPO (CONT'D)

If the public spread requirement is not met, we may not be permitted to proceed with our Listing. In such event, monies paid in respect of any application for our IPO Shares will be returned in full, without interest or any share of revenue or benefits arising therefrom. If such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

##### 4.3.5 Price stabilisation mechanism

We will not be employing any price stabilisation mechanism in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008 for our IPO.

#### 4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS

##### 4.4.1 Share capital

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

	<u>No. of Shares</u>	<u>RM</u>
Issued share capital after the Acquisition	305,152,460	15,257,718
Shares to be issued under the Public Issue	118,670,000	[●]
<b>Enlarged issued share capital upon Listing</b>	<b><u>423,822,460</u></b>	<b><u>[●]</u></b>
<b>IPO Price per Share</b>		<b>[●]</b>
Market capitalisation upon Listing (based on IPO price and enlarged number of issued Shares upon Listing)		[●]
Pro forma combined NA per Share (based on the pro forma combined statement of financial position as at 30 September 2023 after the Acquisition, Public Issue and the intended use of proceeds		<sup>(1)</sup> [●]

Note:

(1) Based on the pro forma combined NA after the IPO and adjusting for the use of proceeds from the Public Issue of RM[●] million and the enlarged issued share capital of 423,822,460 Shares after the IPO.

##### 4.4.2 Classes of shares and ranking

As at the date of this Prospectus, we only have one class of Shares, being ordinary shares in our Company.

Our IPO Shares will, upon allotment and issuance, rank equally in all respects with our existing issued Shares, including voting rights, and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of allotment of the IPO Shares, subject to any applicable rules of the Bursa Depository.

#### 4. DETAILS OF OUR IPO (CONT'D)

Subject to any special rights attaching to any Shares which we may issue in the future, our shareholders will, in proportion to the number of Shares held by them, be entitled to share in the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At every general meeting of our Company, a resolution put to the vote of the meeting shall be decided by way of poll. Each shareholder will be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. A proxy may but need not be a member of our Company and there shall be no restriction as to the qualification of the proxy.

On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative will have 1 vote. On a poll, each shareholder present either in person, by proxy, by attorney or other duly authorised representative will have 1 vote for each Share held or represented.

#### 4.5 BASIS OF ARRIVING AT THE IPO PRICE OF OUR IPO SHARES

Our Directors, Promoters, Principal Adviser, Underwriter and Placement Agent have determined and agreed on the IPO Price of RM[●] per IPO Share based on the following factors:

- (i) the PE Multiple of approximately [●] times based on SDCG's EPS of approximately 1.23 sen for the FY 2022 calculated based on the PAT attributable to the owners of the Company for the FY 2022 of RM5.20 million and SDCG' enlarged issued share capital of 423,822,460 upon Listing;
- (ii) the Group's historical financial performance for the FY Under Review and FP 2023 is summarised as follows:

	<b>Audited</b>			
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FP 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	14,709	17,594	18,648	16,806
GP	6,031	9,059	10,678	9,112
PAT attributable to:				
- Owners of the Company	1,999	4,217	5,195	3,408
EPS (sen) <sup>(1)</sup>	0.47	0.99	1.23	<sup>(2)</sup> 1.07

*Notes:*

- (1) *Calculated based on PAT attributable to the owners of the Company divided by the enlarged issued share capital of 423,822,460 Shares after the IPO.*
  - (2) *Calculated based on annualised PAT attributable to the owners of the Company for the FP 2023*
- (iii) The pro forma combined NA per Share of RM18.68 as at 30 September 2023 and RM[●] after the IPO, which was computed based on the following:
    - the audited combined NA as at 30 September 2023, the IPO and its subsequent utilisation of proceeds from the Public Issue;
    - the enlarged number of issued Shares of 423,822,460 Shares upon Listing, and
  - (iv) our competitive advantages and key strengths as set out in Section 7.5 of this Prospectus;
  - (v) our business strategies and plans as set out in Section 7.19 of this Prospectus; and

#### 4. DETAILS OF OUR IPO (CONT'D)

---

(vi) the IMR Report as set out in Section 8 of this Prospectus.

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

#### 4.6 DILUTION

##### 4.6.1 NA per Share

Dilution is computed as the difference between our IPO Price paid by you for our IPO Shares and the pro forma combined NA per Share of our Group immediately after our IPO.

The following table illustrates the effect of our Group's pro forma combined NA for each Share to our shareholders:

Details		RM
IPO Price	(A)	[•]
Pro forma combined NA per Share as at 30 September 2023 after our Acquisitions and before the Public Issue (based on the issued share capital of 305,152,460 Shares)	(B)	0.06
Pro forma combined NA per Share after the Public Issue and the intended utilisation of proceeds (based on the enlarged issued share capital of 423,822,460 Shares)	(C)	[•]
Increase in the pro forma combined NA per Share attributable to the existing shareholders (after the Public Issue and the intended use of proceeds)	(C) – (B)	[•]
Dilution in the pro forma combined NA per Share to new investors	(A) – (C)	[•]
Dilution in the pro forma combined NA per Share to new investors as a percentage of the IPO Price	$[(A) - (C)] / (A)$	[•]%

Further details of our pro forma combined NA per Share as at 30 September 2023 is set out in Section 13 of this Prospectus.

##### 4.6.2 Effective Cost per Share

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

*[The rest of this page has been intentionally left blank]*

**4. DETAILS OF OUR IPO (CONT'D)**

<b>Name</b>	<b><sup>(1)</sup> No. of Shares</b>	<b><sup>(3)</sup> Total Consideration (RM)</b>	<b>Average effective cost per Share (RM)</b>
Edison Kong	<sup>(2)</sup> 274,637,224	13,731,956	0.05
Eileen Liuk	30,515,236	1,525,762	0.05

*Notes:*

*(1) Issued pursuant to the Acquisition.*

*(2) Including 51 subscribers' shares held by Edison Kong and 49 subscribers' shares which is currently held by Yew Kong Seong and will be transferred to Edison Kong upon completion of the Acquisition.*

*(3) Being the consideration for the Acquisition and 100 subscribers' shares.*

Save for the above and the Pink Form Allocations to our eligible Directors and Key Senior Management, there has been no other acquisition or subscription of any of our Shares by our Directors, Promoters, Key Senior Management, substantial shareholders and/or persons connected to 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 the date of this Prospectus.

**4.7 OBJECTIVES OF OUR IPO**

The objectives of our IPO are as follows:

- (i) to enable our Group to raise funds for the purposes set out in Section 4.8 of this Prospectus;
- (ii) to enable our Group to gain access to the capital market to raise funds for future business growth opportunities;
- (iii) to provide an opportunity for the Eligible Persons as well as the Malaysian Public to participate in the future performance of our Group by way of equity participation; and
- (iv) to gain recognition through our listing status which will enhance our reputation so as to assist us in expanding our customer base, and retaining and attracting new skilled employees in our industry.

*[The rest of this page has been intentionally left blank]*

#### 4. DETAILS OF OUR IPO (CONT'D)

##### 4.8 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue of approximately RM[●] million in the following manner:

Details of use of proceeds	Reference	RM'000	%	Estimated timeframe for the use of proceeds from date of Listing
Expansion of our Headquarters	4.8.1	[●]	[●]	Within 24 months
Tender bonds and/or performance bonds for future projects	4.8.2	[●]	[●]	Within 24 months
Purchase of materials for solar thermal systems and energy saving services	4.8.3	[●]	[●]	Within 24 months
General working capital	4.8.4	[●]	[●]	Within 24 months
Capital expenditure	4.8.5	[●]	[●]	Within 24 months
Estimated listing expenses	4.8.6	[●]	[●]	Within 3 months
<b>Total</b>		<u>[●]</u>	<u>[●]</u>	

Further details of the proposed use of the gross proceeds from the Public Issue are as follows:

##### 4.8.1 Expansion of our Headquarters

Our current Headquarters is housed in a 3-storey shop office unit with a built-up area of approximately 8,320 sq. ft., which we own in Kajang, Selangor. Our Headquarters is located on a land area of 4,628 sq. ft., of which the building of our Headquarters stands on 2,983 sq. ft. The remaining 1,645 sq. ft. of the land area is currently vacant.

We have existing workstations to accommodate up to 26 employees, although our current workforce is 53 employees as at the LPD. Our employees from project department and technical and servicing department are primarily stationed at their respective project sites for project implementation and/or occupy the shared workstations at our Headquarters.

Ahead of our business expansion plan to focus on our current core competencies in the provision of BMS and solar thermal systems and energy saving services and addressing opportunities in solar photovoltaic ("PV") systems, we have earmarked RM[●] million from our proceeds for the expansion of our Headquarters by constructing a new extension on the remaining vacant land, which will increase the built-up area of our existing Headquarters from 8,320 sq. ft. to approximately 13,000 sq. ft. The expansion of the Headquarters is expected to incorporate dedicated floor space for the following:

Floor	Purpose	
	Existing Headquarters as at the LPD	Headquarters after expansion
Ground	<ul style="list-style-type: none"> <li>• Reception</li> <li>• Showroom</li> <li>• Storage room</li> </ul>	<ul style="list-style-type: none"> <li>• Reception</li> <li>• Showroom</li> <li>• Storage room</li> <li>• New meeting room which is able to accommodate more than 20 personnel</li> </ul>

## 4. DETAILS OF OUR IPO (CONT'D)

Floor	Purpose	
	Existing Headquarters as at the LPD	Headquarters after expansion
First	<ul style="list-style-type: none"> <li>10 workstations for finance, sales, procurement, administrative and human resources departments</li> <li>Discussion room</li> </ul>	<ul style="list-style-type: none"> <li>Estimated 18 workstations for finance, sales, procurement, administrative and human resources departments</li> <li>Discussion room</li> </ul>
Second	<ul style="list-style-type: none"> <li>Command and control centre</li> <li>16 share workstations for the project department and technical and servicing department</li> </ul>	<ul style="list-style-type: none"> <li>Command and control centre</li> <li>Estimated 26 share workstations for the project department and technical and servicing department</li> <li>New discussion room</li> </ul>

As at the LPD, we are in discussions with the identified professional consultants for the expansion of the Headquarters. Based on their preliminary assessment, each floor of the Headquarters will increase from approximately 2,700 sq. ft. to approximately 4,400 sq. ft. which will be allocated for the abovementioned purposes. The details of the floor plan are targeted to be submitted to the Majlis Perbandaran Kajang for approval in the 4<sup>th</sup> quarter of 2024.

The breakdown of the RM[●] million allocated the expansion of our Headquarters is as follows:

Details	(1) Estimated Costs RM'000
Construction works (including mechanical and electrical as well as infrastructure works)	[●]
Professional fees <sup>(2)</sup>	[●]
Renovation, interior fit-out and furnishing	[●]
<b>Total</b>	<b>[●]</b>

**Notes:**

- (1) Based on fees estimation by our professional consultants.  
(2) Comprise professional fees for architect, civil and structural engineers, mechanical and electrical engineers, and quantity surveyor.

The indicative timeline for the expansion of our Headquarters is as follows:

Estimated timeline	Milestones
4th quarter of 2024	Submission of building plan to Majlis Perbandaran Kajang
2nd quarter of 2025	Approval of building plan obtained
3rd quarter of 2025	Commencement of construction works
2nd quarter of 2026	<ul style="list-style-type: none"> <li>Completion of construction works, renovation, interior fit-out and furnishing</li> <li>Application for Certificate of Completion and Compliance</li> </ul>
4th quarter of 2026	Certificate of Completion and Compliance obtained

Pending the completion of the expansion of the Headquarters, we may consider to temporarily rent an additional office within the vicinity of our Headquarters in Kajang, Selangor, if necessary. As at the LPD, our current space limitations remain manageable, primarily due to the deployment of our employees from the project department and technical and servicing departments who are stationed at various project sites for project implementation.

#### 4. DETAILS OF OUR IPO (CONT'D)

---

Upon completion of the expansion of the Headquarters, our Headquarters will increase from 26 workstations to 44 workstations, which will be sufficient to house our employees as our employees from the project department and technical and servicing department will still be primarily stationed at their respective project sites for project implementation and/or share workstations in our Headquarters.

In the event that our actual costs for the expansion of the Headquarters are higher than estimated, the deficit will be funded out of the portion allocated for our working capital requirements and/or internally generated funds. However, if our actual costs are lower than estimated, the excess will be utilised for our Group's working capital.

##### 4.8.2 Tender bonds and/or performance bonds for future projects

We intend to allocate RM[●] million of our proceeds for tender bonds and/or performance bonds for our future projects. The allocation of our proceeds will improve our liquidity and cash flow position, which would place us in a better position to expand our projects portfolio in our BMS, solar thermal systems and energy saving services segments.

For the purposes of the submission of the bid or tender for future projects, we would commonly submit tender bonds, in the form of banker's cheque via our internally generated funds, to the prospective customers. Similarly, performance bonds are commonly required to be provided to the customers, in the form of bank guarantee via utilisation of the banking facility, upon execution of the contracts awarded.

In some cases, the purpose of a tender bond to be submitted along with the tender bid document is to provide a guarantee to the customer that we will undertake the project if we are awarded. We secure these contracts through the submission of tender bids or private proposals. The tender bond value is set not more than 5.00% depending on the tender. The validity of a tender bond lapses upon the end of the tender period. Generally, in the event we are awarded with the project, the tender bond will be substituted with a performance bond. Conversely, if our bid is not successful, the full amount of the tender bond is refunded.

On the other hand, for certain projects awarded to us, we are required to provide performance bonds to the awarding party as an assurance or security for us to complete our contractual obligations. The quantum of the performance bonds may differ between projects but is approximately 5.00% of the total contract sum. The performance bond is typically required to remain valid until 12 months upon the issuance of CPC or the expiration of the defect liability period, as the case may be. Subsequent to the completion of the projects and upliftment of the performance bonds, we will reallocate the amount to working capital which will then be either used for future performance bonds or other working capital requirements.

##### 4.8.3 Purchase of materials for solar thermal systems and energy saving services

We intend to allocate RM[●] million of our proceeds for the purchase of materials for solar thermal systems and energy saving services which comprise solar thermal system components, solar thermal system installation materials and other materials.

Solar thermal system components are mainly for installation of solar thermal hot water systems as part of energy performance services and standalone installation of solar thermal hot water systems. The types of solar thermal system components that we purchased include calorifier tanks, solar and other pumps and STCS controller and sensor components. Whereas, solar thermal system installation materials that we purchase such as power cables and electrical components, as well as other equipment which mainly comprise LED lighting equipment and boiling pan, heat pumps and steam generator.

#### 4. DETAILS OF OUR IPO (CONT'D)

The breakdown for each type of solar thermal system components, solar thermal system installation materials and other materials to be purchased cannot be determined at this juncture as it is dependent on projects that will be awarded to us.

##### 4.8.4 General Working capital

We have allocated RM[●] million of our proceeds to supplement our working capital over 24 months from the date of our Listing. The general working capital will be utilised for our day-to-day operations including payments to suppliers and subcontractors, administration and operating expenses. The details of the utilisation are as follows:

<b>General working capital</b>	<b>RM'000</b>
Payments to suppliers and subcontractors	[●]
Administration and other operating expenses	[●]
<b>Total</b>	<b>[●]</b>

Materials and equipment costs as well as subcontractor costs are our largest cost of sales item (collectively contributing 89.50%, 81.42%, 79.04% and 82.37% in FY 2020, FY 2021, FY 2022 and FY 2023 respectively) and as such we have allocated approximately 85.00% of the proceeds raised for general working capital to make payment to suppliers and subcontractors.

##### 4.8.5 Capital expenditure

We have allocated RM[●]million of our proceeds on purchasing new equipment, ICT related systems to enhance productivity and service delivery, with the breakdown as follows:

<b>Details</b>	<b>Note</b>	<b>Estimated Costs RM'000</b>
Purchasing new equipment for our BMS, and installation and maintenance of solar thermal hot water systems	(a)	[●]
Purchasing and subscription of ICT software and services	(b)	[●]
<b>Total</b>		<b>[●]</b>

##### (a) Purchasing new equipment for our BMS, and installation and maintenance of solar thermal hot water systems

We currently utilise tools and equipment to carry out our systems integration and maintenance services for BMS, and installation and maintenance of solar thermal hot water systems. We plan to purchase the following tools, equipment and vehicles to enhance our productivity and service delivery of these segments, with the estimated cost amounting to RM[●] million as follows:

<b>Details</b>	<b>Number of units</b>	<b>Estimated Costs RM'000</b>
Pick-up trucks	2	[●]
Forklift	1	[●]
Drones with thermal sensor	2	[●]
Panel cleaning equipment	1	[●]
<b>Total</b>		<b>[●]</b>

#### 4. DETAILS OF OUR IPO (CONT'D)

##### (b) Purchasing and subscription for ICT software and services

We currently operate our command and control centre at our Headquarters to provide centralised monitoring of connected BMS and solar thermal or hybrid hot water systems, which supports our BMS and solar thermal and energy saving services segments. We also utilise third-party software to support our BMS and solar thermal and energy saving services segments, and overall administrative functions. We intend to expand our command and control centre and ICT resources to support our business growth by purchasing or subscribing to ICT software and services, with the estimated cost amounting to RM[●]million as follows:

<b>Details</b>	<b>Estimated Costs RM'000</b>
IoT software	[●]
Solar irradiance database	[●]
Computer-aided design software	[●]
Specialised design software	[●]
Energy system simulation software	[●]
Accounting software	[●]
<b>Total</b>	<b>[●]</b>

In the event that our actual costs for these capital expenditures are higher than estimated, the deficit will be funded out of the portion allocated for our working capital requirements and/or internally generated funds. However, if our actual costs are lower than estimated, the excess will be utilised for our Group's working capital.

##### 4.8.6 Estimated listing expenses

We have allocated RM[●] million of our proceeds from the Public Issue for our listing expenses as follows:

<b>Details</b>	<b>Estimated Costs RM'000</b>
Professional fees <sup>(1)</sup>	[●]
Brokerage, underwriting and placement fees	[●]
Fees payable to authorities	[●]
Fees and expenses for printing and advertising	[●]
Miscellaneous expenses and contingencies <sup>(2)</sup>	[●]
<b>Total</b>	<b>[●]</b>

*Notes:*

- (1) *Includes professional and advisory fees for, amongst others, Principal Adviser, Due Diligence Solicitors, Auditors and Reporting Accountants, IMR, ICR and Company Secretary.*
- (2) *Other incidental or related expenses in connection with the IPO, which include share registrar, issuing house, translators, media related expenses and IPO event expenses.*

If the actual listing expenses are higher than estimated, the shortfall will be funded from the proceeds allocated for our working capital requirements and/or internally generated funds. Conversely, if the actual listing expenses are lower than estimated, the surplus will be used for working capital purposes.

#### 4. DETAILS OF OUR IPO (CONT'D)

---

Pending the eventual use of the gross proceeds from the Public Issue for the above intended purposes, we will place such funds in interest-bearing fixed deposit accounts with licensed financial institutions or in short-term money market instruments as our Directors may deem appropriate.

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

##### 4.9.1 Brokerage

We will pay brokerage in respect of our IPO Shares under the Retail Offering at the rate of [●]% of the IPO Price in respect of all successful Applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

##### 4.9.2 Underwriting commission

Mercury Securities, as our Underwriter has agreed to underwrite up to 42,384,000 of our new Shares made available for application by the Malaysian Public and our Eligible Persons (“**Underwritten Shares**”) for an underwriting commission of [●]% of the total value of the underwritten Shares at the IPO Price in accordance with the terms of the Underwriting Agreement.

##### 4.9.3 Placement fee

Mercury Securities, as our Placement Agent has agreed to place out 76,286,000 of our new Shares to selected investors. We will pay our Placement Agent a placement fee of up to [●]% of the value of Issue Shares at the IPO Price in accordance with the terms of the Placement Agreement.

#### 4.10 DETAILS OF UNDERWRITING AGREEMENT

This section sets out the salient terms contained in the Underwriting Agreement. The capitalised terms used in this section shall have the respective meanings as ascribed thereto in the Underwriting Agreement.

The following are the salient terms of the Underwriting Agreement:

**[The salient terms will be inserted once the Underwriting Agreement has been entered into and is available.]**

#### 4.11 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS (which is operated by Bursa Depository). This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, our Company will not deliver share certificates to the subscribers of our IPO Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain our Shares in CDS accounts, either directly in their name or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as the shareholders of our Company in respect of the number of Shares credited to the respective CDS accounts.

#### 4. DETAILS OF OUR IPO (CONT'D)

---

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. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

All Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;
- (iv) where a body corporate is removed from the Official List of Bursa Securities;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

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 2<sup>nd</sup> Market Day following the transaction date, and payment for the securities is generally settled on the 2<sup>nd</sup> Market Day following the transaction date.

It is expected that our IPO Shares will not commence trading on Bursa Securities until about 10 Market Days after the closing date of the Application. Holders of our Shares will not be able to sell or otherwise deal in our Shares (except by way of a book-entry transfers to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

*[The rest of this page has been intentionally left blank]*