
6. BUSINESS OVERVIEW

6.1 History and background

6.1.1 History of our business

We are principally involved in the provision of enterprise IT services, focusing on providing transportation IT solutions (including customised software development systems and integration of hardware and software system) with an established track record in the bus and rail segments. Our offerings also extend to include maintenance and support services as well as terminal management services for the IT solutions that we deliver to our customers.

Our history began when our Promoter, substantial shareholder and Executive Director / CEO, Tan Cherng Thong conceptualised a blueprint for TOS (comprising TMS and CTS) catering for the bus segment in 2009. The idea was developed after he observed inherent operational flaws and inefficiencies of bus terminals' operations, including overbooking of bus tickets, incidences of ticket touting, overcrowding at bus bays and traffic congestion at the arrival and departure gates arising from the lack of an IT system for supervision and dispersal of traffic at bus terminals particularly during peak hours. He ventured into the D&D of TOS in 2009 via his company, TCT International after having seen the necessity and anticipated benefits to be derived through the computerisation and integration of the bus terminals' operations processes. His pursuit in the development of a reliable TOS had led to TCT International securing the contract from Maju TMS, the operator of TBS, in 2011 to customise and install TOS for TBS.

NSS was incorporated in 2011 and commenced operations as an IT hardware and accessories provider in 2012.

Tan Cherng Thong subsequently undertook a business advisory role and assumed project management functions in NSS between May 2013 and April 2014. Under his guidance, NSS successfully developed MyBus (now known as BOS), a ticketing system for stage bus services and subsequently secured its first contract with Mara Liner Sdn Bhd in 2013. Having seen the potential and business prospects of NSS in providing IT hardware solutions catering to bus operations, he joined NSS as the CEO in May 2014 and became a director and major shareholder of NSS (with a 40% equity stake) in August 2015.

NSS subsequently set up a wholly-owned subsidiary, NSSPH in 2018 with the aim to expand its operations to the Philippines. Thereafter, NSSPH successfully secured a contract in the same year to implement and install TOS for Parañaque Integrated Terminal Exchange in Manila, the Philippines.

In December 2020, after having obtained a controlling interest in NSS (with a 60% equity stake), he proceeded to streamline and consolidate his businesses in TCT International into NSS in December 2021. This led to TCT International ceasing its business operations in December 2021. The details of his shareholdings in NSS up to the Pre-IPO Restructuring and Transactions are set out in **Section 5.5(i)** of this Prospectus.

Since his appointment as the Director and CEO of NSS, NSS has grown and successfully expanded its footprint to be a reliable provider of transportation IT solutions, primarily serving the bus and rail segments.

Please refer to **Section 6.2** of this Prospectus for the description of our business and solutions.

*. **BUSINESS OVERVIEW (cont'd)**

6.1.2 Milestones and achievements

The key milestones of our Group and development of our business since incorporation are set out as follows:-

Year	Key milestones of our Group
2011	<ul style="list-style-type: none"> NSS was incorporated as a private limited company on 17 October 2011.
2012	<ul style="list-style-type: none"> NSS commenced operations as a provider of IT hardware and accessories.
2013	<ul style="list-style-type: none"> Tan Cherng Thong undertook an advisory role in NSS to provide business advisory and project management functions. NSS began to embark on the D&D to develop a digital ticketing solution for stage bus services pursuant to the business advisory guidance from Tan Cherng Thong. NSS successfully developed MyBus (presently known as BOS) catering for stage bus services, which streamlines the ticket sales between bus operators and passengers. MyBus also includes other ancillary modules such as fleet management, driver tracking system, performance management and sales tracking system. NSS subsequently secured its first contract with Mara Liner Sdn Bhd to launch MyBus in Malaysia. As at the LPD, Mara Liner Sdn Bhd remains as our customer for BOS since 2013.
2014/ 2015	<ul style="list-style-type: none"> Tan Cherng Thong joined NSS as the CEO in May 2014 and became a director and major shareholder of NSS in August 2015. Prior to joining our Group, Tan Cherng Thong, our Promoter, had through his private vehicle TCT International secured the first TOS project in 2011 from Maju TMAS for TBS, an integrated bus terminal that serves all southern, eastern and northern-bound destinations in Peninsular Malaysia. TCT International worked with Maju TMAS to provide our solutions to transform the operations and management of the terminal. TCT International's business was subsequently streamlined and consolidated into NSS in 2021 ("Consolidation of Business"). MyBus expanded into the SPAD's Stage Bus Service Transformation Programme. SPAD was subsequently dissolved in 2018. Thereafter, APAD was established in January 2019 under the Ministry of Transport Malaysia, where APAD assumed the role (previously held by SPAD) to oversee the Stage Bus Service Transformation Programme.
2016	<ul style="list-style-type: none"> TCT Apps was incorporated as a private limited company on 18 October 2016 to venture into software development business.
2017	<ul style="list-style-type: none"> NSS completed the implementation of TOS (comprising the TMS and CTS) for a bus terminal located in Pahang. NSS expanded its TOS (comprising CTS only) for Terminal Larkin Sentral in Johor, where we conducted test runs in 2017 prior to the CTS going-live at the terminal in 2018.
2018	<ul style="list-style-type: none"> NSSPH was incorporated as a private limited company on 19 January 2018 by NSS to expand our operations to the Philippines. NSSPH secured a contract to implement and install TOS (comprising TMS and CTS) for Parañaque Integrated Terminal Exchange, located in Manila, the Philippines.
2019	<ul style="list-style-type: none"> NSS implemented TOS (comprising TMS and CTS) at Terminal Melaka Sentral and provided terminal management services (where NSS's primary function is to assume the role of a system operator to operate the TOS at the terminal). NSS developed the KTMB Integrated Ticketing System ("KITS"), a ticketing solutions platform for KTMB serving Shuttle Tebrau, Komuter Utara, ETS and Intercity passenger routes. The KITS integrates management and operational system software with hardware which includes ACGs and TVMs at KTMB's stations.
2020	<ul style="list-style-type: none"> TCT Apps developed GoPartner. NSS secured the contract to provide TOS (comprising TMS and CTS) at Terminal Bersepadu Gombak, an integrated bus terminal that has been earmarked to service the East Coast region of Peninsular Malaysia upon completion of the construction of the terminal and commencement of operations scheduled in the 2nd quarter of 2024.

6. BUSINESS OVERVIEW (cont'd)

Year	Key milestones of our Group
2021	<ul style="list-style-type: none"> ▪ NSS expanded its TOS (comprising TMS and CTS) and terminal management services for Terminal Klang Sentral and Kompleks Hentian Bas MBKT. ▪ NSS expanded its TOS (comprising CTS only) for a bus terminal in Sepang, Selangor. ▪ TCT Apps developed GoHub.com.my.
2022	<ul style="list-style-type: none"> ▪ TCT Apps launched GoGPS. ▪ TCT Apps expanded GoPartner's solution offerings to cater to customers who require inventory and reservation management system to manage their bookings for sports, accommodations and cultural performance. ▪ NSS secured the contract to provide and implement AFC for KTMB.

We have received a number of awards and recognition from both public and private agencies as set out below:-

Year	Key achievements of our Group
2015	<ul style="list-style-type: none"> ▪ Appointed as a Panel Vendor of the Electronic Ticketing Machine implementation under SPAD for the Stage Bus Service Transformation programme. SPAD was dissolved in December 2018 and APAD was established in January 2019 under the Ministry of Transport Malaysia.
2017	<ul style="list-style-type: none"> ▪ NSS was certified as MSC-Status company.
2021	<ul style="list-style-type: none"> ▪ Our quality management systems at Terminal Melaka Sentral were assessed and accredited with ISO 9001:2015 certification under the scope 'provision of terminal system to public transport industry'.
2022	<ul style="list-style-type: none"> ▪ NSS received the Certificate of Excellence under the Best SME IT Solution Provider category during the SME Entrepreneur Business Award ("SEBA") 2022 awarded by Yayasan Usahawan Malaysia. The award assessment was based on the business solutions and services of the candidates, where the jury of SEBA will take into consideration, amongst others, the media exposure and client testimonials of the candidates on the solutions and quality of services, business and governance review as well as financial assessment rating on the candidates (which is assessed by an auditor). The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in depth assessment and peer comparisons amongst the candidates. Nomination fee: RM1,000 per entry for nomination of the award No. of winners: 1 winner per category ▪ NSS received the Unifi Business Digital Transformation Excellence Award 2022 during the Sin Chew Business Excellence Award 2022 awarded by Sin Chew Daily. The award assessment was based on the candidates operating in the technology sector that offers digital transformation strategies that resulted in business growth and/or improve operational efficiencies of its customers. The jury of Sin Chew Daily will take into consideration, amongst others, the financial performance of the candidates for the past 3 financial years (in particular, revenue, profit and profit growth) and market outlook of the candidates as well as the strategies undertaken for branding and business growth and sustainability. The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in-depth assessment and peer comparisons amongst the candidates. Processing fee: RM5,300 per category No. of winners: 7 winners per category

6. BUSINESS OVERVIEW (cont'd)

Year	Key achievements of our Group
2023	<ul style="list-style-type: none"> <li data-bbox="400 309 1372 365">▪ Our Group received 2 awards during the Star Outstanding Business Awards 2022 edition organised by Star Media Group, which comprise the following categories:- <ul style="list-style-type: none"> <li data-bbox="448 398 1372 678">(i) Platinum Award under the Best Innovation category. The award assessment was based on the candidate's innovation in terms of ideas, processes, products and/or services that contributed to the success of the candidates' business, where the jury will take into consideration, amongst others, the innovation adopted and associated benefits as well as the impact of such innovation (which may include technology) to the business in terms of financial performance for the past 3 financial years. The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in depth assessment and peer comparisons amongst the candidates; and <li data-bbox="448 696 1372 976">(ii) Meritorious award under the Best Use of Technology category. The award assessment was based on the candidates' technological development and adoption which led to the enhancement of the candidates' product and/or service offerings, where the jury will take into consideration, amongst others, the type of technology, the tangible results arising from such technology and impact to the business in terms of financial performance for the past 3 financial years following the adoption of the technology. The candidates are required to submit the relevant documentations to justify and support the aforementioned selection criteria for the jury to undertake in-depth assessment and peer comparisons amongst the candidates. <p data-bbox="448 999 847 1055">Submission fee: RM300 per category No. of winners: 4 winners per category</p>

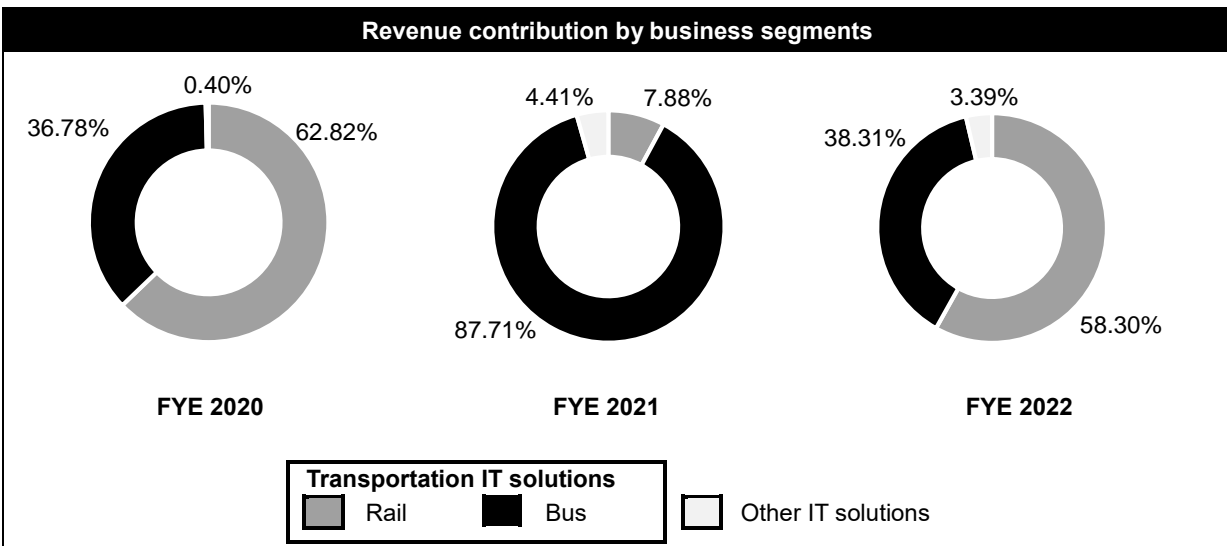
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6. BUSINESS OVERVIEW (cont'd)

6.2 Description of our business and solutions

Our Group's principal activities and business model are summarised in the diagram below:-

Principal activities	<ul style="list-style-type: none"> • Provision of enterprise IT services, focusing on transportation IT solutions (including customised software development systems and integration of hardware and software systems). • Our offerings also extend to include maintenance and support services as well as terminal management services. 			
Primary solutions	Transportation IT solutions	Other IT solutions		
	<ul style="list-style-type: none"> • TOS (comprising TMS and CTS) • BOS • AFC • Maintenance and support services as well as terminal management services 	GoPartner (an integrated cloud-based inventory and reservation management system)	GoHub.com.my (an online marketplace catering for ticketing needs)	Customised IT solutions
Principal segments that our Group serves	<u>Rail segment</u> <ul style="list-style-type: none"> • Rail operator 	Enterprises that require inventory and reservation management systems such as:- <ul style="list-style-type: none"> • Bus operators • Campsite operators • Homestay operators • Sports centre operators 	<ul style="list-style-type: none"> • Online marketplace customers of GoHub.com.my • Merchants such as customers of GoPartner 	Various industries that primarily require reservations, booking and management solutions
	<u>Bus segment</u> <ul style="list-style-type: none"> • Bus terminal operators • Stage and express bus operators 			
	Others*			
Business engagements	<ul style="list-style-type: none"> • Zero Capex • Outright Purchase 	Transaction fees	Outright Purchase	
Geographical markets	<ul style="list-style-type: none"> • Principally in Malaysia • Overseas sales – the Philippines (less than 2% of our total revenue for the financial years under review) 			



6. BUSINESS OVERVIEW (cont'd)

Note:-

- * Refers to other segments within the transportation sector (apart from bus and rail segments) as our solutions are adaptable and can be applied to other segments within the transportation sector which includes sea segment (i.e. ferry terminals, a segment which our Group is presently venturing into as disclosed in **Section 6.24.1** of this Prospectus).

We pride ourselves as a key transportation IT solutions provider in Malaysia with an established track record in the bus and rail segments. We provide customised solutions to our customers, which are catered primarily towards the optimisation and efficient management of operational process flows that are critical to the operations and requires real time monitoring, resource allocation and utilisation, automated scheduling and data analytics reporting.

The advancement of technologies and the necessity for transportation service providers and operators to adopt enterprise IT services to automate and streamline its operational process flow (resource allocation and utilisation as well as ticketing and traffic management) and elevating customer travelling experiences has led to an increase in the need and demand for our solutions. Although our solutions predominantly cater to the bus and rail segments, our solutions are adaptable and can be applied to other segments within the transportation sector (which includes sea and air transportation segments) and non-transportation sectors which require optimisation of critical process flow management functions such as warehousing and distribution centres, manufacturing facilities and healthcare.

Our business engagements with our customers are set out as below:-

No.	Business engagements	Description
(a)	Outright Purchase	<ul style="list-style-type: none"> • Payments are based on project milestones set out in the purchase orders and/or contracts, with the billing for the last project milestone to be issued upon completion of the project. • Our customers will typically obtain full ownership of the solutions (comprising hardware and/or software system, the latter provided under a one-time fee for software right of use) upon completion of the project. • There are no payment obligations (beyond the outright project purchase price for the solutions). • We typically enter into maintenance and support contracts with our customers subsequent to the Outright Purchase of our solutions.
(b)	Zero Capex	<ul style="list-style-type: none"> • This model accords our customers with the option to avoid significant upfront investments in our solutions whilst enabling the preservation of our customers' cash flow, given that no payments are required to be made for the development, customisation and installation of the systems (comprising hardware and/or software). However, the model will affect our revenue and cash flow given that we will incur upfront costs for the hardware involved, before recognising revenues when the solution is live. Further, under this model, we are also required to undertake maintenance on our solution and/or act as the system operator on behalf of our customer to operate our solutions. • In exchange thereof, our Group will charge subscription fees to our customers based on a pay-per-use payment model (where our customers are charged based on, amongst others, the usage of our solutions in terms of per passenger over the contract period). • Our Group retains the ownership of the solutions and maintain the hardware and/or software systems at our own cost. • In the event that our customers do not renew the contracts after its expiry, we will undertake the following:- <ul style="list-style-type: none"> (i) hardware and equipment – our Group will decommission all the hardware and equipment installed at our customers' sites under this model (such as ACG and TVMs) pursuant to the terms of the contracts. The costs of such decommission works will be fully borne by our Group; and/or

6. BUSINESS OVERVIEW (cont'd)

No.	Business engagements	Description
		<p>(ii) software systems – our Group will disable the software access to the solutions, resulting in the discontinuation of our customers’ access to the usage of our solutions. The relevant historical data that are vital to our customers will be stored in a data storage device and will be handed over to our customers.</p> <p>Further, the non-renewal of our contracts relating to the Specified Bus Terminals will result in the reallocation of our affected Specified Bus Terminals staff to other Specified Bus Terminals and/or other operational units.</p>
(c)	Transaction fees	<ul style="list-style-type: none"> • Fees charged to our customers or end users based on the following:- <ul style="list-style-type: none"> (i) percentage fee based model - involves charging a percentage of each transaction value. This model typically relates to the fees charged to our customers (which are bus, campsite, homestay and sports centre operators). In terms of bus tickets purchased or bookings/reservations for campsite, homestay and sports centre, a fee is charged based on a percentage of each bus ticket value sold or bookings/reservation of campsite and sports centres at the marketplace; and (ii) fixed fee model - involves charging a predetermined amount for each transaction, regardless of the transaction value. This model typically relates to fees charged to end users. A fixed fee is charged to the end-users of GoHub.com.my (regardless of the ticket value) for the processing of the purchase of online ticketing.

Further details of the business engagements are set out in **Section 11.3** of this Prospectus.

6.2.1 Transportation IT solutions

Our Group specialises in the development, customisation and implementation of IT solutions, catering to the transportation service providers and operators. Our solutions are designed to improve, streamline and optimise our customers’ operational process flows, which primarily comprise the following:-

- (i) POS functions (involving ticket issuance and fare collection);
- (ii) resource management and allocation (involving platform and bay allocation and assignments to maximise terminal capacity and minimise traffic congestions);
- (iii) scheduling functions (involving the scheduling of arrivals, departures and turnaround times of the various types of public transportation vehicles);
- (iv) real time tracking and monitoring functions (involving the tracking of the public transportation vehicles and ticket sales); and
- (v) management of data (involving passengers’ information and data analytics and reporting on key metrics such as ridership, on-time performance of the public transportation operators and terminal utilisation rate).

Our solutions typically comprise customised software development and integration of software systems with essential hardware components which include ACG, TVM, POS, RFID Readers, QR Readers and payment terminals. Our solutions can be integrated with third party software which include amongst others, OTA and bus operators’ ticketing system. In the implementation of such solutions, our Group may be required to appoint subcontractors to perform specific works which may be necessary for the solutions, such as mechanical and engineering works and installation of certain IT hardware. As at the LPD, we have integrated our solutions with more than 100 express bus operators.

6. BUSINESS OVERVIEW (cont'd)

Our scope of responsibilities, subject to the requirements of our customers, may also extend to the installation of required hardware which include ACGs, TVMs and POS to facilitate our solutions. In the implementation of such solutions, we may be required to appoint subcontractors to perform specific works which may be necessary for our solutions, such as mechanical and engineering works and installation of certain IT hardware.

Our geographical footprint of IT solutions utilised at the bus terminals and rail stations in Malaysia are as illustrated below:-

Bus terminals



No.	Terminals	TOS	State	Grade*	Year of commencement/ Status as at the LPD	Current contract tenure for maintenance and/or system operator services
1.	TBS	CTS	Kuala Lumpur	A	2011/ In operation	1 September 2023 to 31 August 2028 (with option to renew for additional 5 years)
2.	A bus terminal located in Pahang ⁽¹⁾	TMS and CTS	Pahang	A	2017/ In operation	1 month (with option to renew on a monthly basis via purchase orders) ⁽²⁾
3.	Terminal Larkin Sentral	CTS	Johor	A	2018/ Contract expired in 2023 ⁽³⁾	-
4.	Terminal Melaka Sentral [^]	TMS and CTS	Melaka	B	2019/ In operation	1 January 2022 to 21 December 2026 (no renewal option)
5.	Terminal Klang Sentral [^]	TMS and CTS	Selangor	B	2021/ In operation	1 December 2023 to 30 November 2026 (with option to renew for additional 3 years)
6.	Kompleks Hentian Bas MBKT [^]	TMS and CTS	Terengganu	A	2021/ In operation	1 July 2020 to 31 January 2036 (no renewal option)
7.	A bus terminal located in Sepang ⁽¹⁾	CTS	Selangor	A	2021/ Early termination of contract in 2022 ⁽⁴⁾	-
8.	A bus terminal located in Sabah ⁽¹⁾	TMS and CTS	Sabah	A	Ongoing work in progress (UAT stage)	-
9.	Terminal Bersepadu Gombak	TMS and CTS	Selangor	A	Ongoing work in progress (installation of hardware stage)	-

6. BUSINESS OVERVIEW (cont'd)

Notes:-

* The Terminal Grade Rating as defined by APAD is determined through an evaluation based on two main criteria as set out below:-

Criteria	Description
Passenger facilities, ticketing and safety and security facilities	<ul style="list-style-type: none"> ▪ Ticketing and information systems (include centralised ticketing system via mobile application, passenger information display system, public announcement system, boarding counter, information counter and queue management system) ▪ Safety (includes use of IP cameras, security control room, security personnel and pedestrian walkway) ▪ Terminal convenience (includes arrival and departure platforms, amenities for the disabled and passenger waiting areas) ▪ Facilities and user convenience (include customer service counter, dedicated counter for authorities, passenger pick-up and drop-off area, prayer facility and commercial areas for refreshment and food and beverages)
Bus operators' facilities	<ul style="list-style-type: none"> ▪ TOS (includes open parking system, card and RFID access, digital platform information display, entry and exit boom gates and control room for boom gates) ▪ Safety (includes use of IP cameras, queue officers and traffic controllers) ▪ Drivers' convenience (includes designated platforms for arrival and departure, holding bay, rest area, covered bus platform and platform information display)

Grade A is awarded to terminals that fulfil all of the abovementioned criteria, while Grade B is awarded to terminals that meet the majority of the set criteria, with exceptions including amongst others, mobile application ticketing, arrival and departure platforms, customer service counter, dedicated counter for authorities and passenger pick-up and drop-off area.

^ Existing Specified Bus Terminals.

- (1) Our Group is bound by certain confidentiality clauses relating to the disclosure of the names of the said bus terminals. In this regard, our Group had on 23 June 2023 and 22 September 2023, respectively sought consents from the bus terminal operators for the bus terminals located in Pahang and Sabah for disclosure of their names but the requests were declined by them on 11 September 2023 and 26 September 2023, respectively. For the bus terminal located in Sepang, no consent was sought from the said bus terminal operator as we had ceased to provide CTS following the early termination of the CTS contract in 2022 and there is no ongoing dealing with the said bus terminal operator as at the LPD.
- (2) Our Group has been servicing the customer since 2017, where all our engagements between our Group and the customer for our services were through purchase orders.
- (3) Expiry of the contract due to the non-renewal of our CTS contract with Terminal Larkin Sentral in Johor following the expiry of our 5 years contract period (which ended in August 2023) with the terminal operator. The reason for the non-renewal of our CTS contract was due to the terminal operator's commercial decision to appoint a new solutions provider.
- (4) Ceased to provide CTS following the early termination of the CTS contract due to a change in the terminal operator in Sepang (where the terminal owner appointed a new terminal operator who in turn preferred a new solutions provider).

In addition to the above, we have also installed and implemented our TOS in Parañaque Integrated Terminal Exchange (which was on an Outright Purchase model), located in Manila, the Philippines in 2018. Given that the implementation of TOS projects overseas on Zero Capex model would necessitate the reallocation of our workforce overseas to supervise and manage the project, the Zero Capex model is hence exclusively tailored towards the local market. Our Group does not currently have any intention of offering the Zero Capex model for our overseas ventures.

6. BUSINESS OVERVIEW (cont'd)

Rail stations

No.	Rail routes	Type of services offered by our Group as at the LPD	Year of commencement/ Status as at the LPD	Current contract tenure for maintenance services
1.	Intercity	CTS	2019/ In operation	1 April 2019 to 30 September 2026 (no renewal option)
2.	ETS			
3.	Komuter Utara			
4.	Shuttle Tebrau			
5.	KVDT	AFC	2022/ Ongoing work in progress (installation of hardware and UAT stage)	-

Intercity Routes



No.	Station	State	No.	Station	State
1.	JB Sentral	Johor	12.	Gua Musang	Kelantan
2.	Kempas Baru	Johor	13.	Limau Kasturi	Kelantan
3.	Kulai	Johor	14.	Bertam Baru	Kelantan
4.	Kluang	Johor	15.	Kemubu	Kelantan
5.	Segamat	Johor	16.	Dabong	Kelantan
6.	Gemas	Negeri Sembilan	17.	Kuala Krai	Kelantan
7.	Bahau	Negeri Sembilan	18.	Tanah Merah	Kelantan
8.	Mentakab	Pahang	19.	Pasir Mas	Kelantan
9.	Jerantut	Pahang	20.	Wakaf Baru	Kelantan
10.	Kuala Lipis	Pahang	21.	Tumpat	Kelantan
11.	Merapoh	Kelantan			

ETS Routes



No.	Station	State	No.	Station	State
1.	Gemas	Negeri Sembilan	19.	Ipoh	Perak
2.	Batang Melaka	Melaka	20.	Sungai Siput	Perak
3.	Pulau Sebang/Tampin	Melaka	21.	Kuala Kangsar	Perak
4.	Seremban	Negeri Sembilan	22.	Padang Rengas	Perak
5.	Kajang	Selangor	23.	Taiping	Perak
6.	Bandar Tasik Selatan	Kuala Lumpur	24.	Bagan Serai	Perak
7.	KL Sentral	Kuala Lumpur	25.	Parit Buntar	Perak
8.	Kuala Lumpur	Kuala Lumpur	26.	Nibong Tebal	Penang
9.	Kepong Sentral	Kuala Lumpur	27.	Butterworth	Penang
10.	Sungai Buloh	Selangor	28.	Bukit Mertajam	Penang
11.	Rawang	Selangor	29.	Tasik Gelugor	Penang
12.	Batang Kali	Selangor	30.	Sungai Petani	Kedah
13.	Kuala Kubu Bharu	Selangor	31.	Gurun	Kedah
14.	Tanjung Malim	Perak	32.	Alor Setar	Kedah
15.	Slim River	Perak	33.	Anak Bukit	Kedah
16.	Sungkai	Perak	34.	Arau	Perlis
17.	Kampar	Perak	35.	Padang Besar	Perlis
18.	Batu Gajah	Perak			

6. BUSINESS OVERVIEW (cont'd)

Komuter Utara Routes



No.	Station	State	No.	Station	State
1.	Padang Rengas	Perak	11.	Tasik Gelugor	Penang
2.	Taiping	Perak	12.	Sungai Petani	Kedah
3.	Kamunting	Perak	13.	Gurun	Kedah
4.	Bagan Serai	Perak	14.	Kobah	Kedah
5.	Parit Buntar	Perak	15.	Alor Setar	Kedah
6.	Nibong Tebal	Penang	16.	Anak Bukit	Kedah
7.	Simpang Ampat	Penang	17.	Kodiang	Kedah
8.	Bukit Mertajam	Penang	18.	Arau	Perlis
9.	Bukit Tengah	Penang	19.	Bukit Ketri	Perlis
10.	Butterworth	Penang	20.	Padang Besar	Perlis

Komuter KDVT Routes – Batu Caves to Tampin line



No.	Station	State	No.	Station	State
1.	Batu Caves	Selangor	14.	Serdang	Selangor
2.	Taman Wahyu	Kuala Lumpur	15.	Kajang	Selangor
3.	Kampung Batu	Kuala Lumpur	16.	UKM	Selangor
4.	Batu Kentonmen	Kuala Lumpur	17.	Bangi	Selangor
5.	Sentul	Kuala Lumpur	18.	Batang Benar	Negeri Sembilan
6.	Putra	Kuala Lumpur	19.	Nilai	Negeri Sembilan
7.	Bank Negara	Kuala Lumpur	20.	Labu	Negeri Sembilan
8.	Kuala Lumpur	Kuala Lumpur	21.	Tiroi	Negeri Sembilan
9.	KL Sentral	Kuala Lumpur	22.	Seremban	Negeri Sembilan
10.	Mid Valley	Kuala Lumpur	23.	Senawang	Negeri Sembilan
11.	Seputeh	Kuala Lumpur	24.	Sungai Gadut	Negeri Sembilan
12.	Salak Selatan	Kuala Lumpur	25.	Rembau	Negeri Sembilan
13.	Bandar Tasik Selatan	Kuala Lumpur	26.	Tampin / Pulau Sebang	Negeri Sembilan / Melaka

6. BUSINESS OVERVIEW (cont'd)

Komuter KDVT Routes - Tanjung Malim to Pelabuhan Klang line



No.	Station	State	No.	Station	State
1.	Tanjung Malim	Perak	18.	Pantai Dalam	Kuala Lumpur
2.	Kuala Kubu Bharu	Selangor	19.	Petaling	Selangor
3.	Rasa	Selangor	20.	Jalan Templer	Selangor
4.	Batang Kali	Selangor	21.	Kg. Dato Harun	Selangor
5.	Serendah	Selangor	22.	Seri Setia	Selangor
6.	Rawang	Selangor	23.	Setia Jaya	Selangor
7.	Kuang	Selangor	24.	Subang Jaya	Selangor
8.	Sungai Buloh	Selangor	25.	Batu Tiga	Selangor
9.	Kepong Sentral	Selangor	26.	Shah Alam	Selangor
10.	Kepong	Kuala Lumpur	27.	Padang Jawa	Selangor
11.	Segambut	Kuala Lumpur	28.	Bukit Badak	Selangor
12.	Putra	Kuala Lumpur	29.	Klang	Selangor
13.	Bank Negara	Kuala Lumpur	30.	Teluk Pulai	Selangor
14.	Kuala Lumpur	Kuala Lumpur	31.	Teluk Gadong	Selangor
15.	KL Sentral	Kuala Lumpur	32.	Kg. Raja Uda	Selangor
16.	Abdullah Hukum	Kuala Lumpur	33.	Jalan Kastam	Selangor
17.	Angkasapuri	Kuala Lumpur	34.	Pelabuhan Klang	Selangor

In addition to the above, we also serve the Shuttle Tebrau routes which includes the Johor Bahru and Woodlands stations.

Notwithstanding our established footprint in the bus and rail segments, our solutions are also adaptable and can be applied in other segments within the transportation sector. We are also currently venturing into the sea transportation segment, in particular, the ferry terminals in Sabah under an initiative to digitalise 8 identified ferry terminals in the state. We intend to undertake our venture into the ferry segment in stages with the aim to complete 4 ferry terminals by October 2024 and the balance 4 ferry terminals by March 2025 subject to our negotiations and agreements with the respective ferry terminal owners on, amongst others, the technical specification, the implementation timeframe and the expected operational date. Please refer to **Section 3.6.1(ii)(a)** of this Prospectus for further details on the implementation stages of our transportation IT solution for the ferry terminals in Sabah.

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6. BUSINESS OVERVIEW (cont'd)

1. TOS

Our TOS comprise the following modules:-

TOS	(A) TMS	Developed to optimise and streamline the traffic processes of bus terminals to improve operational efficiency.
	(B) CTS	Developed to complement TMS as a real-time centralised ticketing system connecting passengers and operators across multiple channels, including ticketing counters, TVMs, ticketing web platforms and mobile applications.

(A) TMS








TMS is generally applied to terminal based operations as the system infrastructure optimises the utilisation of platform bays, and management and control of the arrival and departure gates. Our TMS is currently adopted by 4 bus terminals in Malaysia as at the LPD, namely Terminal Melaka Sentral, Terminal Klang Sentral, Kompleks Hentian Bas MBKT, and bus terminal located in Pahang. Our TMS will also be adopted by Terminal Bersepadu Gombak upon commencement of its operations (which is envisaged to be by 2nd quarter of 2024) and a bus terminal in Sabah upon commencement of its operations (which is envisaged to be by November 2023).

TMS operates from a command centre in terminals, serving as a centralised hub for managing the arrival and departure of buses, passengers' traffic, safety and security, and other key aspects of terminal operations. With TMS, the administrator can oversee the entire terminal operations from a single location via IP cameras that are placed throughout the terminal.



6. BUSINESS OVERVIEW (cont'd)

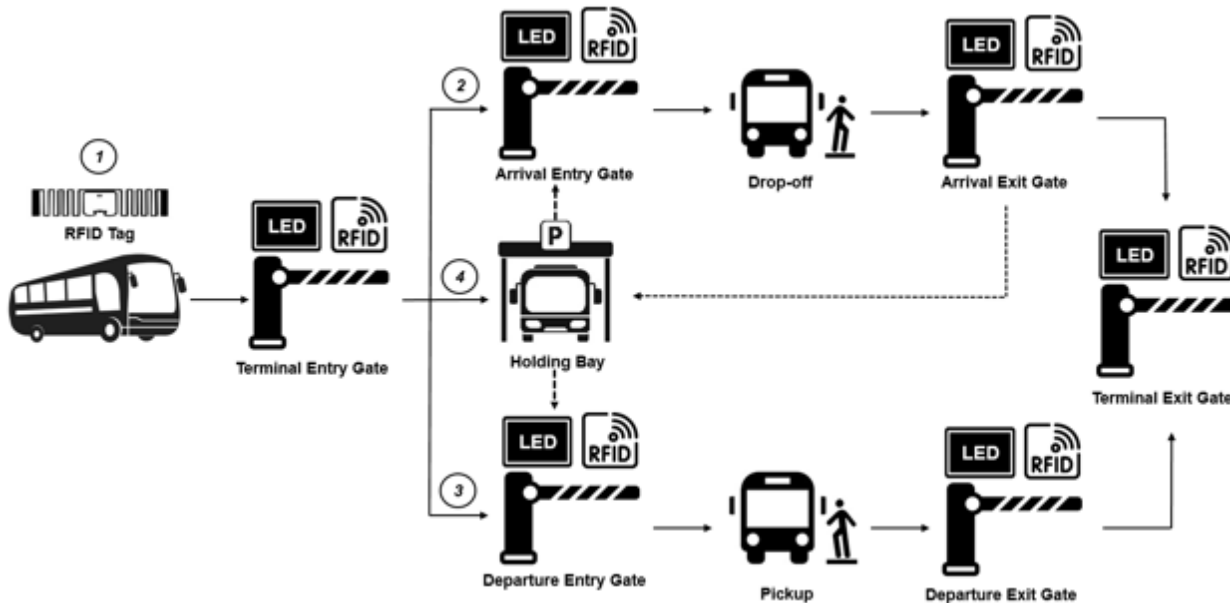
The key features of TMS include:-

 <p>TMS</p>	<p>Dynamic bay allocation</p> 	<p>This feature allocates limited bus bays based on a first-come-first-served basis and is subject to bus operators having APAD licences. It prevents bus bay hogging and helps to reduce idle time and congestion at the terminal with the aim to achieve smoother operations.</p>
	<p>Real-time information management</p> 	<p>TMS provides real-time information about bus schedules, destinations, delays and bay allocations. This information is communicated to bus operators, terminal staff and passengers through digital signage, mobile applications and online website.</p>
	<p>Traffic management</p> 	<p>TMS monitors and controls the movement of buses within the terminal using RFID and IP cameras to identify buses and manages bus arrivals and departures automatically. It helps in managing traffic flow, minimising bottlenecks and preventing accidents.</p>
	<p>Passenger information system</p> 	<p>TMS provides passengers with timely information with regard to bus schedules, bay locations and delays, amongst others and communicated through mobile applications and/or digital signage at the terminal.</p>
	<p>Integration with other systems</p> 	<p>TMS is integrated with other systems such as CTS, customer service platforms as well as surveillance systems to manage terminal operations comprehensively.</p>
	<p>Data analysis and reporting</p> 	<p>TMS collects and analyses data on various aspects of terminal operations, such as bus services, passenger traffic and bay utilisation which can be used to generate reports, make informed decisions and improve services.</p>

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6. BUSINESS OVERVIEW (cont'd)

TMS involves integration with various levels of hardware, including but not limited to ACG, IP cameras and RFID tags, to facilitate its implementation. The diagram below illustrates a general operational flow of TMS:-



- (1) All buses entering the terminal are required to complete a registration process. This involves the installation of an RFID Tag on the windscreen of each bus for identification and security purposes.
- (2) At the arrival gate, buses will be scanned and identified whereby the arrival information will be promptly updated on the Passenger Information Display. Meanwhile, bus drivers will be directed to the designated arrival bay for passenger drop-off.
- (3) For departure, departing bus will proceed to the departure gate. TMS then scans the bus' identity via RFID, and thereafter, bus drivers will be directed to the designated bay for passenger pick up. Once the bus arrives at the departure bay, TMS will scan the bus' RFID again to ensure that the bus enters the assigned bay. Once its identity is verified, TMS will update the trip status to "Boarding" and reflect this information on the Passenger Information Display accordingly. A countdown timer will be initiated to prevent the bus from overstaying.
- (4) Buses that arrive before its scheduled time are directed to the holding bay while waiting for the scheduled departure time. In the event of a bus breakdown or delays in boarding of passengers which may render the currently occupied bay unavailable to other buses, TMS will redirect incoming buses to the nearest available bay.

6. BUSINESS OVERVIEW (cont'd)

(B) CTS

CTS is a centralised ticketing system, serving as a unified and integrated platform that manages the issuance, distribution and processing of tickets across multiple channels, including ticketing web platforms, mobile applications, ticketing counters and self-service TVMs. It also consolidates ticket-related operations into a single system, which streamlines and simplifies the processes of ticket sales, issuance and management. The pictures below show some examples of ticket sales via ticketing counters and self-service TVMs available at the terminals.

Ticketing counters



Self-service TVMs



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6. BUSINESS OVERVIEW (cont'd)

We have customised and developed CTS for our bus and rail segments:-

(i) CTS (Express Bus)

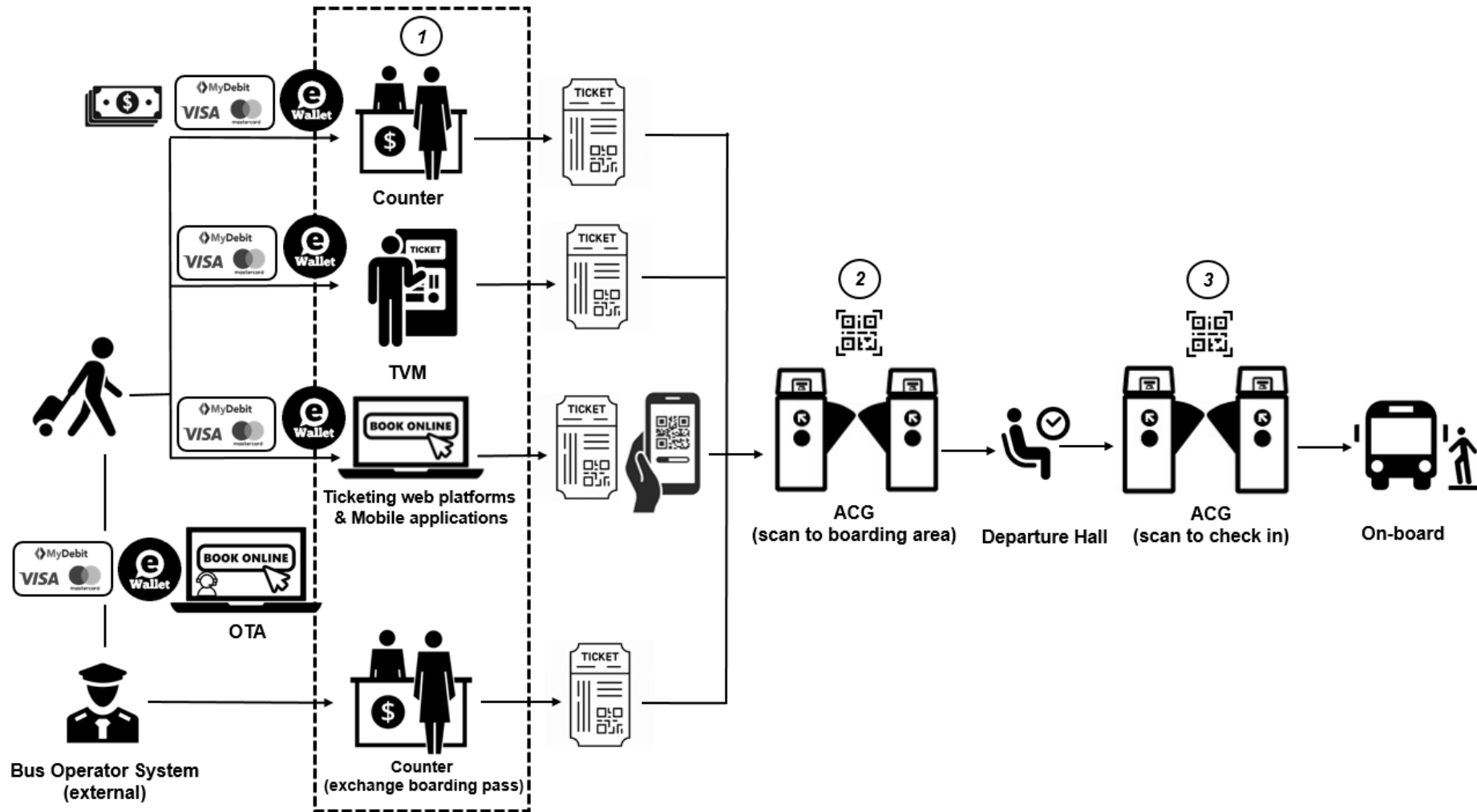
CTS (Express Bus) is a platform to unify ticketing operations in terminals for express bus operators. It supports multiple operators, sales channels and ticketing systems where information is integrated and synchronised.

The key features of CTS (Express Bus) include:-

<p style="text-align: center;">CTS (Express Bus)</p> 	<p>Ticketing interface</p> 	<p>An intuitive user interface where allows users to select their desired destinations, travel dates and seating preferences. The interface is accessible via various channels, such as the ticketing counters and self-service TVMs at bus terminals, ticketing web platforms and mobile applications.</p>
	<p>Booking management</p> 	<p>A back-end system for handling ticket bookings, cancellations and amendments. This system also handles real-time seat inventory management via API integration, reflecting the availability of seats based on bookings and cancellations.</p>
	<p>Payment gateway</p> 	<p>A secure module for handling/processing payments. It is integrated with various payment methods, including credit/debit cards, e-wallets and online bank transfers.</p>
	<p>Data analysis and reporting</p> 	<p>A module for generating detailed reports and analytics to understand the trends in, amongst others, ticket sales, popular destinations and peak travel times. This data aids in strategic decision-making for both bus and terminal operators.</p>
	<p>API integration</p> 	<p>CTS (Express Bus) is equipped with APIs that allow integration with external systems such as, amongst others, bus operators' ticketing system, accounting system and Passenger Information Display system.</p>

6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates a general operational flow of CTS (Express Bus):-



6. BUSINESS OVERVIEW (cont'd)

- (1) Passengers can purchase tickets from the following channels:-
 - (a) ticketing counters;
 - (b) TVMs;
 - (c) ticketing web platforms or mobile applications; and
 - (d) third-party OTAs (For OTA tickets, passengers are required to check in at the boarding counter to retrieve their boarding passes).
- (2) Passengers with bus tickets/boarding passes can proceed to the departure hall by scanning the QR Code on their ticket/boarding pass at the ACG. If the QR Code is valid, the gate will open and allow passengers to pass through the ACG. If the QR Code fails to be validated by the ACG, (e.g. passengers entering the wrong departure hall or possess an invalid ticket), the gate will remain closed and the passengers will be guided by the ground crew for the next step.
- (3) Passengers are required to scan their tickets/boarding passes before boarding to ensure that the passengers board the correct bus and helps to avoid any inadvertent errors in boarding.








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6. BUSINESS OVERVIEW (cont'd)

(ii) CTS (Rail)

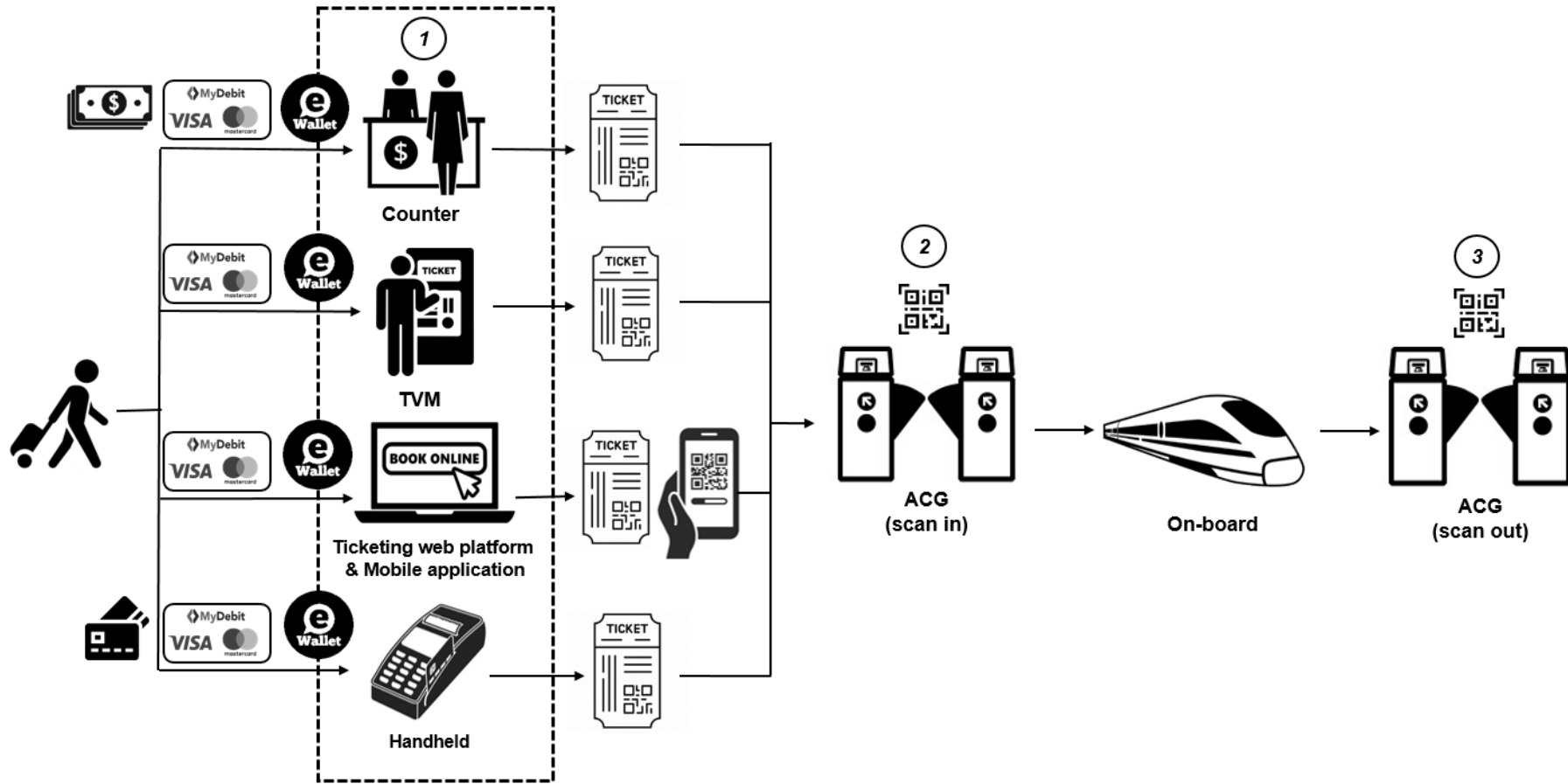
CTS (Rail) is designed to cater for railway infrastructure that enables users to purchase tickets seamlessly while providing rail operators efficient tools to manage the ticketing process.

The key features of CTS (Rail) include:-

<p style="text-align: center;">CTS (Rail)</p> 	<p>Cashless ticket purchasing</p> 	<p>CTS (Rail) allows passengers to purchase tickets (including regular tickets, seasonal passes and promotional tickets) via ticketing web platforms, mobile applications or through self-service TVM and ticketing counters, with payment made through various digital means.</p>
	<p>Real-time information management</p> 	<p>CTS (Rail) provides commuters with real-time information about train schedules, seat availability as well as delays, amongst others, which is accessible from various devices and platforms, increasing convenience for passengers.</p>
	<p>Customer profile management</p> 	<p>With a user account, commuters can manage their bookings, refunds request, cancellations and personal information. Commuters who meet the eligibility criteria can also register for concession tickets on the ticketing web platforms or mobile applications. They can also track their travel history and receive personalised suggestions or special offers.</p>
	<p>Data analysis and reporting</p> 	<p>CTS (Rail) provides comprehensive data management tools, allowing the railway authorities to track all transactions, ridership statistics, revenue, and etc, enabling efficient reporting and strategic planning.</p>
	<p>Security and fraud detection</p> 	<p>CTS (Rail) employs security protocols and encryption to safeguard both transactions and personal data. Additionally, it may utilise machine learning algorithms to identify and prevent fraudulent transactions.</p>
	<p>Integration with other systems</p> 	<p>CTS (Rail) can be integrated with other systems such as rail operation management, human resource system, crew planning system, customer relationship management (CRM) and financial systems. This integration provides a comprehensive and holistic approach to railway management.</p>

6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates a general operational flow of CTS (Rail):-



6. BUSINESS OVERVIEW (cont'd)

- (1) Passengers can purchase tickets from the following channels:-
 - (a) ticketing counters;
 - (b) TVMs;
 - (c) ticketing web platforms or mobile applications; and
 - (d) handheld devices.

- (2) Passengers with tickets can proceed to the departure platform by scanning the QR Code on their tickets at the ACG. If the QR Code is valid, the gate will open and allow passengers to pass through the ACG. If the QR Code fails to be validated by the ACG, the gate will remain closed and passengers will be guided by the ground crew for the next step.






- (3) Passengers are required to scan their tickets prior to exiting the arrival platform.

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6. BUSINESS OVERVIEW (cont'd)

2. BOS

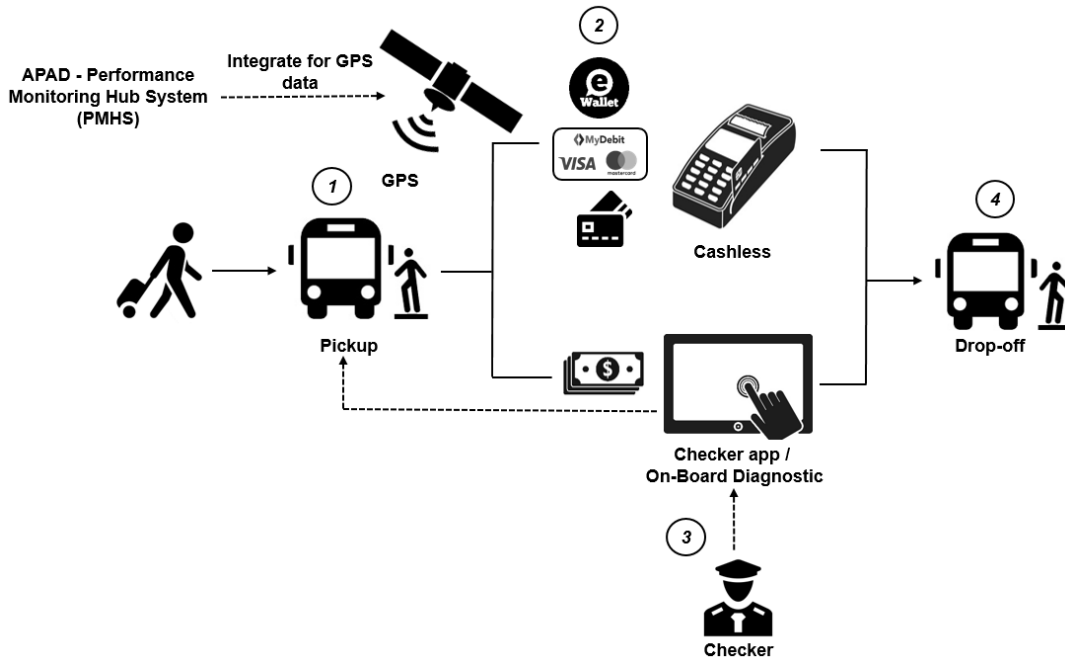
BOS is our GPS monitoring enabled ticketing solution designed for stage bus operations. The key features of BOS include:-

	<p>Real time bus tracking</p> 	<p>Integration of GPS technology to provide real-time bus tracking to provide passengers the access to accurate information with regard to bus locations, estimated arrival time, and route deviations through dedicated ticketing web platforms and mobile applications. This empowers passengers to plan their journeys better, minimising waiting time and reduce uncertainties.</p>
	<p>Cashless payment</p> 	<p>BOS allows passengers to make fare payments through various cashless methods, such as contactless cards, e-wallets or stored value cards. This eliminates the need for physical cash transactions, resulting in a faster, more secure, and less prone to errors or pilferage.</p>
	<p>Data analysis and reporting</p> 	<p>BOS generates valuable data related to passenger flow, bus optimisation and travel patterns. It enables APAD to leverage the available data to enhance fleet management, optimise routes, update schedules and ultimately elevate the overall service efficiency. This data-driven approach ensures that resources are allocated where they are most needed, resulting in cost savings and enhanced customer satisfaction.</p>
	<p>Fare integration</p> 	<p>BOS may also be seamlessly integrated with other modes of public transportation, such as trains, to provide passengers with an interconnected travel experience.</p>

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6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates the application of BOS in a general commuting process:-



- (1) The bus picks up passengers during its route.
- (2) When passengers board the bus, passengers have the option to make payment using either cash or cashless payment method. For cashless payment, passengers can use either their e-wallet, debit/credit card or stored-value card. For passengers using debit/credit card or stored-value card, passengers are required to tap in when boarding the bus and tap out during disembarkation. The fare will be calculated based on either distance, zone or flat rates. Meanwhile, for cash payments, the bus driver will select the desired destination and issue a ticket. A ticket will be printed after the payment is made.
- (3) Bus operators despatch ticket checkers at random to conduct audit ticket sales audit using a handheld ticket validator.
- (4) When passengers arrive at their destination, the bus driver will make a drop-off.

As at the LPD, we serve 32 stage bus operators, where our BOS are adopted by 527 stage buses.

We have also developed GoGPS, a cloud-based remote monitoring solution designed specifically for commercial vehicles such as buses, to optimise operational efficiency and ensure safety. GoGPS is equipped with GPS devices that are connected to the internet, enabling the collection of vehicle data, analysing their performance, real-time location tracking, and identifying any potential issues that may require attention. The collected data is subsequently transmitted back to the server via the device. GoGPS offers a range of features, including web and mobile applications accessibility, internet connectivity, administrative tools, automated billing and payment capabilities and custom-built APIs.

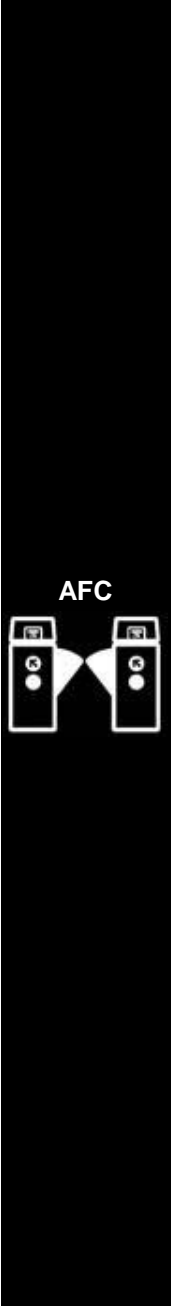


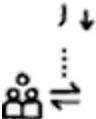



Our Group offers GoGPS as a built-in option under the BOS. It should also be noted that GoGPS can also be a standalone solution to be adopted by our customers who intend to remotely track and monitor the location of their commercial vehicles.

6. BUSINESS OVERVIEW (cont'd)

3. AFC

AFC system is a fare collection system that supports both cash and cashless payment method. AFC accepts various forms of payment, including but not limited to credit/debit cards (via transit mode), stored value cards, QR-based e-wallets, mobile payment applications (via NFC or QR code) as well as wearable devices.

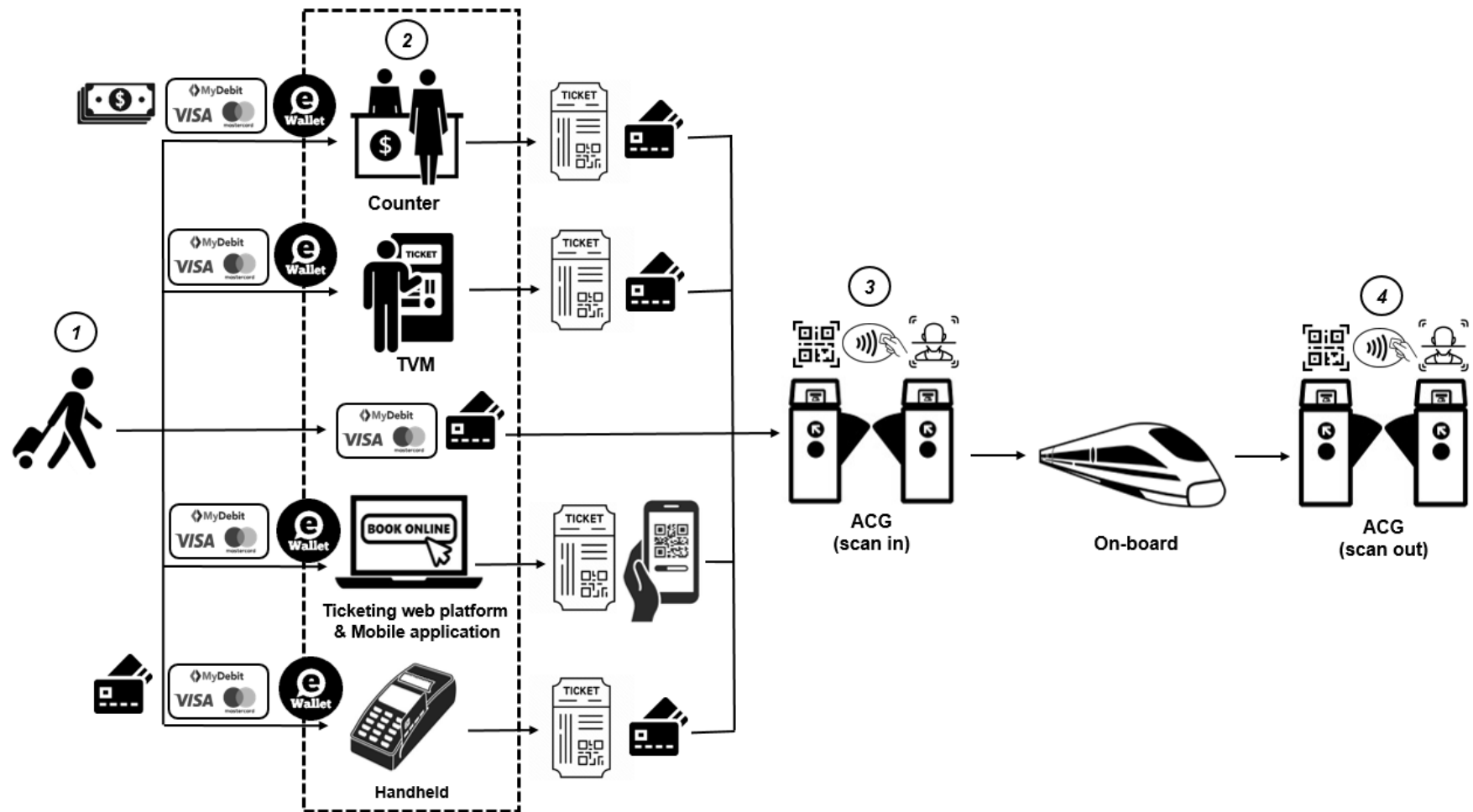
The key features of the AFC system include:-

		<p>Cashless payment</p> <p>Passengers are able to pay fares using electronic payment methods with a simple tap or wave at the ACG or TVM by reducing boarding time while enhancing the overall efficiency. The elimination of cash transactions also minimise the risk of theft and pilferage, enhancing overall financial security.</p>
		<p>Multi-modal integration</p> <p>AFC offers a seamless and interconnected travel experience by integrating diverse public transportation such as trains. Passengers can conveniently use a unified payment method across different transportation systems, ensuring a seamless journey.</p>
		<p>Real-time fare collection</p> <p>AFC calculates fares in real-time, taking into account factors which include the distance travelled, the number of transfers made and any applicable discounts or promotions. This approach enables accurate fare charges for passengers' journeys, promoting fairness and transparency in the ticketing process.</p>
		<p>Fare capping</p> <p>AFC promotes frequent use of public transportation by incorporating fare-capping mechanisms. Under this feature, once a specific fare limit is reached within a given period (e.g. a day or a week), the system offers additional trips taken during that period at a discounted rate.</p>
		<p>Data analysis and reporting</p> <p>An essential aspect of an advanced AFC is the comprehensive data analytics it provides. Transportation authorities such as APAD can access valuable insights into passenger trends, peak travel times, popular routes and overall ridership. This data-driven approach assists in optimising operations, allocating resource efficiently and planning services effectively.</p>
		<p>Enhanced security and fraud prevention</p> <p>AFC incorporates robust security measures to protect against fraudulent activities, ensuring that only valid transactions are processed.</p>

As at the LPD, the AFC has been only implemented within the rail sector in Peninsular Malaysia through our contract with KTMB, catering to the KDVT route. AFC is an adaptable solution, poised for seamless extension not only to additional routes within the KTMB rail network but also across other transportation segments, including bus and ferry segments.

6. BUSINESS OVERVIEW (cont'd)

The diagram below illustrates a general operational flow of utilising the AFC:-



6. BUSINESS OVERVIEW (cont'd)

- (1) Passengers who have purchased tickets through ticketing web platforms or mobile applications or via TVM, stored value card, debit/credit card and handheld devices can head straight to the ACG.
- (2) Passengers can purchase ticket as well as top-up their stored value card at the ticketing counters. When purchasing tickets at the counter, passengers can opt to pay with cash, e-wallet or debit/credit card.
- (3) Passengers can enter the departure platform either by scanning their physical/digital QR Code or tap their stored-value/debit/credit card at the ACG. In the event the QR Code and other payment methods fail to be validated by the AGC, the gate will remain closed and passengers will be guided by the ground crew for the next step.
- (4) Passengers are required to either scan the physical/digital QR Code or tap their stored-value/debit/credit card at the ACG before exiting the arrival platform.

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6. BUSINESS OVERVIEW (cont'd)

Passengers at the terminal have the option to purchase their tickets via multiple sales channels that accepts both cash and cashless payment methods. The table below summarises the types of sales channels, ticket mediums and payment methods supported by AFC:-

Sales channel	Payment mode						Cash*
	QR ticket	NFC	Debit/ credit (retail mode)	Debit/ credit (transmit mode)	Stored value card	E-wallet	
Ticketing counters			•		•	•	Optional
Self-service TVMs			•		•	•	Optional
ACG	•	•		•	•	•	
Handheld devices	•	•	•	•	•	•	Optional
Ticketing web platforms and mobile applications		•	•			•	

Note:-

* The cash payment method is an optional feature offered with the aim to provide flexibility to our customers who intend to offer cash options to its passengers at the terminal. This feature enables the passengers to make cash payments at the ticketing counters, handheld devices and TVMs (which has cash-note acceptor and dispense devices installed and integrated with the TVMs).

4. Maintenance and support services as well as terminal management services

As part of our contracts with our customers, our scope of work also includes maintenance and support services as well as terminal management services. The maintenance of the systems will be conducted according to a pre-scheduled timeline, which encompasses tasks such as general maintenance or updates of software and hardware, routine components/part replacement and general tests.

We also station our technicians at designated terminals and stations to provide on-site support and facilitate prompt maintenance and response time given that our customers are mainly involved in the public transportation sector where any downtime or disruption are expected to be minimal. As at the LPD, our technicians are stationed at the following states:-

States	No. of technicians
Cyberjaya (Headquarters)	2
Perlis	1
Kedah	3
Penang	2
Perak	4
Selangor	1
Wilayah Persekutuan Kuala Lumpur	10
Negeri Sembilan	3
Johor	6
Pahang	1
Kelantan	2
Terengganu	1
Total	36

Additionally, we also provide technical support services to our customers via e-mail and live chat features which allow customers to contact us should they have technical issues. Our technicians will troubleshoot and resolve the issues immediately. Maintenance and support services are available on contract basis which generally spanning from 1 to 5 years (with the option to extend), depending on the requirements of our customers' operational needs.

6. BUSINESS OVERVIEW (cont'd)

We provide training to our customers' employees who are responsible for operating, managing and maintaining the implemented solutions. These training services are designed to ensure that our customers' employees possess the necessary skills and knowledge to effectively utilise the system, thereby ensuring seamless operation of the bus and rail transportation systems.

Furthermore, upon the request from our customers, we also undertake the function of a system operator to manage and operate our solutions (i.e. TMS and/or CTS) at the bus terminals on behalf of our customers as well as perform terminal management services at the bus terminals, which includes, amongst others, managing terminal ticketing counters, scheduling and coordinating terminal routes, conducting maintenance and repair as well as ensuring the operational safety and security. For avoidance of doubt, our terminal management services do not encompass the management of the retail spaces within the Existing Specified Bus Terminals. The floor space managed by our Group at the Existing Specified Bus Terminals are solely confined to the ticketing counters and TVM area, waiting area, departure and arrival areas.

As at the LPD, we have been tasked to operate TOS and provide terminal management services for the Existing Specified Bus Terminals.

6.2.2 Other IT solutions

Our Group have also developed and customised software systems for various other end-user applications which are described as follows:-

Software systems	Description
GoPartner	<p>An integrated cloud-based inventory and reservation management system which comprises the following:-</p> <ul style="list-style-type: none"> (i) Global Distribution System (“GDS”) - a computerised reservation network that acts as a conduit between consumers and service providers (i.e. merchants) across various segments where live rates and availability are sent from a merchant’s CRS (as defined below) directly to the GDS and online booking websites via API or channel manager; and (ii) Central Reservation System (“CRS”) - a computerised system that facilitates the management and real-time distribution of our partners’ (i.e. merchants’) inventories, availabilities, pricing/rates and reservations from a centralised platform. It connects inventory management, diverse distribution channels and communications within a single platform. <p>GoPartner is a business-to-business (B2B) system that enables our customers to integrate their inventory via GDS and CRS with OTA. Currently, our customers include bus, campsite, homestay and sports centre operators.</p>
GoHub.com.my	<p>An online marketplace developed by us to cater for:-</p> <ul style="list-style-type: none"> (i) ticketing needs. GoHub.com.my currently serves as ticketing web platform for express buses. As at the LPD, the online marketplace offers bus ticket sales from 117 bus operators; and (ii) booking and reservations for campsite, homestay and sports centre reservations. As at the LPD, the online marketplace has approximately 50 registered campsite operators and 4 sports centres. <p>The online marketplace is a business-to-consumer (B2C) system that serves as a bridge to facilitate the users (who are the general public) to purchase bus tickets and/or make reservations for campsites, homestay and sports centre from enterprises (comprising of bus, campsite, homestay and sports centre operators).</p>

6. BUSINESS OVERVIEW (cont'd)

6.3 Competitive strengths

6.3.1 We have a diverse range of services and solutions catering to the public transportation sector

We specialise in providing diverse enterprise IT services to address the challenges faced by the public transportation sector in terms of terminal operating systems, ticketing systems, fare collection systems and fleet monitoring systems. Our approach involves developing and customising solutions aimed to simplify, enhance and improve the overall efficiency of our customers' operations.

As our Group offers a wide range of customisable public land transportation and software systems, our customers are able to enhance the convenience and cost-efficiency of their terminal operations by engaging us to provide end-to-end services. Some key features of our solutions include the following:-

Features	Description
Ticketing interface	An intuitive user interface where users can select their desired destinations, travel dates and seat preferences. This interface is accessible via various channels, such as the ticketing counters, self-service TVMs, ticketing web platforms and mobile applications.
API integration	Allows integration with external systems such as, amongst others, bus operators' ticketing system, accounting system and Passenger Information Display system.
Real-time information management	Provides users with real time information of, amongst others, travel schedules and seat availability that are accessible via various modes.
Passenger Information Display system	A display system that provides passengers with timely information with regard to, amongst others, schedules, bay allocations and delays.
Data analysis and reporting	The ability to collect and analyse data on various aspects of terminal operations, such as bus services, passenger traffic and bay utilisation. This data-driven approach assists in optimising operation, decision making and planning.
Payment gateway	Our solutions allow passengers to pay for their fares through various payment methods, which include, amongst others, debit/credit cards, e-wallets and stored value cards.

Our diverse range of solutions also provide potential for cross-selling and further integration of other systems for additional functions, as and when required by our customers. Our distinguishing feature includes our ability to integrate with customers' management system which ensures a seamless workflow while reducing operational barriers.

Our commitment extends beyond deployment and includes maintenance and support services as well as providing terminal management services upon request. The adoption of our solutions in our customers' operations, attributed by our user-friendly interfaces, intuitive design, streamlined processes and ongoing support, contributes to the stickiness of our solutions over time.

6. BUSINESS OVERVIEW (cont'd)

6.3.2 We serve a large customer base with a strong market presence in the public transportation sector and a growing recurring revenue in the financial years under review

We primarily provide our IT solutions to the bus and rail segments of the public transportation sector, and our key customers are:-

- (i) bus terminal operators: As at the LPD, we provide our TOS (comprising TMS and CTS) to 7 bus terminals in Malaysia and 1 bus terminal in the Philippines;
- (ii) stage bus operators: Our BOS caters to 527 stage buses in Peninsular Malaysia as at the LPD; and
- (iii) rail operator: Our solutions extends to the rail segment, where we service KTMB, a rail operator with more than 100 rail stations across Peninsular Malaysia, covering the ETS and Intercity, Komuter Utara and KVDT.

In addition to the above, we had also begun to venture into the sea transportation segment, reflecting the adaptability of our transportation IT solutions and highlighting our strategic growth approach. We are currently working with the Sabah Port Authority to implement transportation IT solutions at 8 identified ferry terminals in stages (anticipated to be completed by March 2025) subject to our negotiations and agreements with the respective ferry terminal owners and based on the implementation stages set out in **Section 3.6.1(ii)(a)** of this Prospectus. The aforementioned venture aligns with the state's digitalisation initiative to improve the efficiency, security and safety of operations of the ferry terminals. It will be our first ferry terminal venture and is poised to serve as a showcase project to expand our market presence in the ferry segment and East Malaysia.

Besides public transportation sector, we are also capable of developing customised software solutions for the tourism and hospitality sector (such as those involved in the provision of accommodation). As at the LPD, we provide other IT solutions (via GoPartner and GoHub.com.my) to 57 customers, who are service providers (comprising, amongst others, campsite and homestay operators) in the tourism and hospitality sectors in Malaysia. We also undertake customised IT solutions on ad hoc basis, catering to any enterprises in need of inventory and reservation management services.

Our solutions are procured through Outright Purchase, or with the option of Zero Capex which we believe fosters both stickiness and traction of our solutions within our customers' operations. Further, the Zero Capex engagement adopted by a selected subset of our customers, not only extends the contractual length of our services with these customers but also establishes a reliable recurring revenue stream throughout the duration of the contracts. Our recurring revenue contributed 30.26%, 35.15% and 65.46% of our total revenue for the FYE 2020, FYE 2021 and FYE 2022 respectively.

6.3.3 We have a proven track record in the public land transportation sector

We have established ourselves as a reliable transportation IT solutions provider in the bus and rail segments in Malaysia and we believe that our services and solutions are fairly entrenched. As at the LPD, our solutions are utilised at the bus terminals and rail stations set out in **Section 6.2.1** of this Prospectus. We intend to leverage on our track record to further expand our geographical footprint into locations where we have no presence or limited presence.

6. BUSINESS OVERVIEW (cont'd)

Given that most of our major customers (such as KTMB and bus terminal operators) are involve in the provision of mobility and transportation services to the general public, the Ministry of Transport and other government agencies have high expectations towards these major customers in ensuring the delivery of quality mobility services (in particular, schedule adherence and reliability in service with minimal disruptions/breakdowns, emergency preparedness and response time). Such high expectations in service levels are, in turn, imposed on our Group, where we are contractually required to provide prompt technical support within an expedited and swift response time (which is typically not more than 45 minutes) to address and rectify any potential technical issues or disruptions arising from the IT solutions.

Our proven track record and support capabilities over the years have enabled us to retain long standing relationships with our customers and secure new customers and projects within the public transportation sector as the transportation infrastructure in the country develops.

6.3.4 We have an experienced and knowledgeable key senior management team

The experience and knowledge of our key senior management team have been the key to the success of our Group over the years. Since securing the award to implement TOS for TBS in 2011, our Promoter, Tan Cherng Thong, who joined us as CEO in 2014, has been instrumental in leading us to secure contracts for the provision of TOS at various bus terminals across Malaysia. Our CEO together with the management team was also instrumental in securing KTMB as our major customer in 2019. Tan Cherng Thong is supported by our other Promoters and key senior management, namely:-

- (i) Lee Li Yee, our Executive Director / Finance Director, who has more than 20 years of working experience in the field of finance;
- (ii) Hong Boon Huon, our CTO, who has more than 20 years of working experience in the field of IT;
- (iii) Eng Chee Seng, our Chief Business Development Officer, who has approximately 20 years of working experience in the field of business development and project management;
- (iv) Mohd Aidy Hisyam Bin Abdullah, our Head of Operation (Terminal), who has approximately 15 years of working experience in the operations of bus terminals and maintenance of IT infrastructure systems;
- (v) Noor Rashid Bin Omar, our Head of Operation (BOS), who has approximately 17 years of working experience in IT project management for bus operations;
- (vi) Sing Chee Yeong, our Senior Manager of the IT Development Department, who has more than 20 years of working experience in the field of IT enterprise solutions, specialising in web application and database structure; and
- (vii) Chew Boon Keat, our Head of Finance, who has approximately 8 years of experience in the field of auditing.

Our Promoters and key senior management team are in turn supported by a sizeable team of experienced and dedicated project consultants, software engineers and technicians of more than 140 personnel with extensive experience across a range of business activities. The combined experience and knowledge of our talent pool is expected to contribute to the growth of our business in the future.

6. BUSINESS OVERVIEW (cont'd)

6.4 Impact of COVID-19 on our Group

Impact of COVID-19 on our operations

The COVID-19 was declared a pandemic by the World Health Organisation on 11 March 2020. As a result of the COVID-19 pandemic, the Government had announced various stages of lockdown measures across different states or localities in the country at different point in time since 18 March 2020 to 1 April 2021. The stages of lockdown imposed include MCO, conditional MCO, recovery MCO, enhanced MCO (“**EMCO**”), full lockdown MCO (“**FMCO**”) as well as the National Recovery Plan (“**NRP**”).

During the MCO which began on 18 March 2020, the Government imposed movement restriction order, where the general public is restricted from travelling. We are categorised under the essential service and were allowed to operate during that period albeit lower capacity of 50% workforce. The restrictions imposed during the MCO have resulted in lower ridership and demand for both bus and rail services. In addition, the movement restriction had slowed development activities, as well as experiencing lower operating capacity for terminals as a result of rotating of staff for social distancing. During the different stages of lockdown imposed, our employees were able to work remotely and we subsequently resume operations in May 2020 after obtaining the necessary permission and letters from MITI and resume operation with full workforce in October 2021.

Measures to commence and continue our business operations

As part of the requirements to resume operations, we adopted new standard operating procedures as set out by the MITI. The following sets out the standard operating procedures adopted by our Group:-

- (i) operating at workforce capacity of 50% and adopt remote working arrangements for personnel that are not involved in operating activities;
- (ii) measuring and recording temperature of our employees and visitors daily;
- (iii) ensuring all employees and visitors wear face masks at all times, regularly sanitise their hands and practice social distancing; and
- (iv) regular sanitising of our offices and the Existing Specified Bus Terminals.

Impact of COVID-19 on our financial position and financial performance

The imposed lockdown measures (included movement restriction orders to mitigate the spread of the COVID-19 virus) had effectively limited public travels. This had led to a sharp decline in ridership and demand for both bus and rail services. This is evidenced by the ridership data for rail services (in respect of the ETS, Intercity and Shuttle Tebrau Routes) as set out below:-

	Pre-COVID-19 pandemic period			COVID-19 pandemic period		
	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Rail ridership ('000)	11,289	12,799	14,028	#4,948	2,056	10,271

(Source: KTMB)

Note:-

For information purposes, our Group had only commenced our CTS maintenance services in August 2020 and the fees derived from the revenue sharing model was based on total ticket sales of 0.50 million from 17 August 2020 up to 31 December 2020.

6. BUSINESS OVERVIEW (cont'd)

The ridership for bus services at Terminal Melaka Sentral had also declined substantially during the COVID-19 pandemic period, evidenced by its terminal passengers' ridership data* as set out below:-

	Pre-COVID-19 pandemic period	COVID-19 pandemic period		
	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Terminal passengers ('000)	*1,154	*427	153	647

Note:-

* Only terminal passengers' ridership data in respect of Terminal Melaka Sentral was disclosed in the above table as the terminal has such data prior to the COVID-19 pandemic and during the COVID-19 pandemic given that the terminal had commenced its operations in the FYE 2019. It is pertinent to note that both Terminal Klang Sentral and Kompleks Hentian Bas MBKT had only commenced operations in the FYE 2021.

The declined ridership and demand had a direct impact to our Group. In particular, our CTS maintenance solutions (in respect of the ETS, Intercity and Shuttle Tebrau Routes - which are tied to ridership), and our terminal management services where we function as system operators (which are dependent on bus terminal utilisation), our Group experienced a notably sharp decline in revenue stream arising from the lockdown measures. Our revenue from our terminal management services at the Existing Specified Bus Terminals recorded a similar trend over the same financial years under review. We also experienced delays in the installation of our solutions, in particular, our TOS solution at an integrated terminal located in Gombak.

In addition, during the pandemic period, we had also encountered difficulties in trade receivables management of our Group. Our average trade receivables turnover period had increased from 109 days for the FYE 2020 to 145 days for the FYE 2021. This was primarily due to slow collection of trade receivables, which was a direct consequence of the demanding business operating environment during both financial years, materially impacted by the ongoing COVID-19 pandemic. Further details on the impact of COVID-19 pandemic on our financial performance and financial position are set out in **Section 4.1.4** of this Prospectus.

Impact of COVID-19 on our supply chain

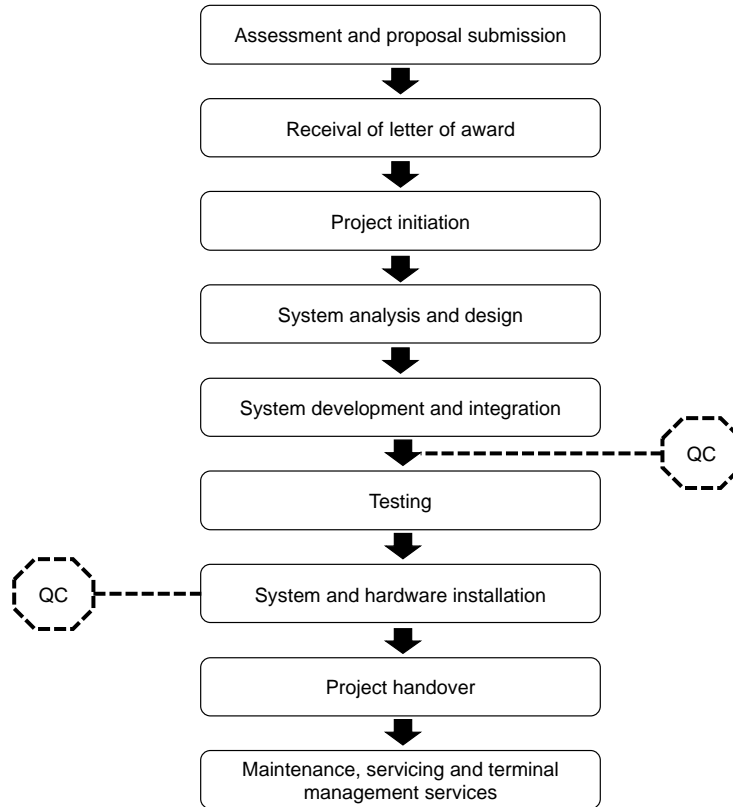
During the various stages of imposed lockdowns, we did not experience material adverse impact on our supply chain. We were able to source for hardware from our suppliers located both locally and overseas for our operations during the lockdown period by working closely to determine the timeline for the delivery of required hardware.

Transition to endemic phase

On 1 April 2021, the Government announced that Malaysia would transit from NRP into the "transition to endemic" phase where restrictions were further relaxed. This includes abolishing limits on workforce capacity, allowing interstate travel for all as well as abolishing restrictions on business operating hours. We have continued to operate in accordance with the regulations set out by the Government.

6. BUSINESS OVERVIEW (cont'd)

6.5 Operational process and facilities



(i) Assessment and proposal submission

For projects, we generally participate in tenders after receiving invitations to tender or through tender portals. A brief description on the project's requirements and specifications will be listed in the tender documents or obtained from our potential customers, which allow our business development team to evaluate the feasibility of the project.

If the project is feasible, our business development team and our project consultants will prepare a proposal specifying the services to be provided by our Group, manpower estimation, work approach, and hardware and software requirements before providing an estimated cost for the said proposal. Subsequently, the said proposal will be submitted for internal review and approval. Upon obtaining internal approval for the proposal, our business development personnel will perform physical/ online submission of all tender documents before the tender closing date.

We also acquire new projects through direct engagement and/or referrals from our existing customers. For direct engagement and/or referrals projects, we may arrange a proposal presentation meeting with the potential customers to assess their requirements before working out the deliverables, manpower and cost prior submitting to the potential customers. A follow-up will be initiated by our business development team and project consultants following the submission of the proposal.

(ii) Receipt of letter of award

Upon the successful tender or acceptance of our proposal by our customers, a letter of award which contains details such as the scope of project, project timeline, the payment schedule and other terms and conditions will be issued to us, formalising our appointment for the project.

6. BUSINESS OVERVIEW (cont'd)

In some cases, depending on the project, we may be required to provide a certain amount of performance bond in the form of bank guarantee or contract deposit which serves as a security sum to ensure our due performance throughout the contract term.

(iii) Project initiation

We will form a project management team (comprising project manager, project consultants, IT development team and business development team) to oversee the implementation of the project and organise a project kick-off meeting. The composition and size of the project management team varies depending on the project complexity, required technical skill and project scale.

Our project management team is primarily responsible for the project planning, monitoring of the progress, budget management and in constant contact with customers to clarify any unclear aspect as well as ensuring timely completion of the project.

We will also prepare a detailed project charter that outlines, amongst others, the project's objectives, scopes, deliverables, key stakeholders and the project timeline.

(iv) System analysis and design

During this stage, our project management team will gather detailed information to better understand the customer's business operations and workflow. Interviews are conducted to collect further information on the use of the proposed system and how it will be employed in the customer's organisation.

Based on all the information collected from our customer, our project management team will then identify the framework, system modules and technologies that required to be developed to fulfil the requirements of our customers. Thereafter, our project management team will develop the corresponding solution architecture and present it to the customer for confirmation prior to commencing system development and integration.

(v) System development and integration

Our project management team will develop the system according to the system design specifications. Our project management team will then assemble different constituent parts of the system, develop the control procedures and conduct internal review of the solutions (i.e. conduct programme unit testing).

The system development and integration process may take approximately 6 months to 12 months, depending on the complexity of the project.

(vi) Testing

Upon finalising the development and integration of the system, we will perform several tests that can be segregated into internal and external tests. Internal tests include sanity test and IAT, while external tests include but not limited to UAT and ORAT. Internal tests are carried out to identify and rectify issues before software is released to external users, thereby play a crucial role in ensuring the quality, reliability and overall performance of the software.

Following our internal testing, we will conduct UAT to ensure the solutions fulfil the requirements of our customer followed by ORAT to ensure operational aspects are in place for deployment and ongoing management of the software. We monitor the performance and functions of the system during the testing period to ensure it works according to our contractual requirements. During the testing period, any errors and/or bugs that are discovered will be rectified accordingly.

6. BUSINESS OVERVIEW (cont'd)

(vii) System and hardware installation

The accepted systems will be installed and integrated with our customer’s IT infrastructure. We will conduct user training to train our customers on the features and function of the enterprise IT service, particularly TOS as well as our customised software systems and their associated modules.

Upon the completion of the system installation, our procurement personnel will proceed with the procurement and installation of hardware components such as barrier gates, platforms, POS, ACG, TVMs and Passenger Information Display systems.

Once we received the hardware components from our suppliers, our technicians and/or procurement personnel will conduct inspection to ensure that the hardware components received matches the delivery orders and specifications. Any items that do not meet the order specifications will be returned to the vendors.

We will then proceed with the on-site installation of physical hardware components and SAT will be conducted, which involves testing the functionality and performance of the installed system and hardware at customer’s site to ensure that it operates in accordance with the project requirements.

(viii) Project handover

Prior to project handover, a final joint inspection will be carried out together with our customer to evaluate the overall completeness, workmanship, adherence to specifications and system functionality. Thereafter, our customer will sign off on the inspection report and project handover document, signifying the completion of the project. The IT solutions will then be launched organisation-wide and our Group will undertake the following processes:-

Outright Purchase	Zero Capex model	
	With system operator requirement	Without system operator requirement
<p>Hand over the solutions to our customers where their operations team will operate the solutions.</p> <p>Our customers will have the option to engage our Group to provide maintenance and support services post completion of the projects.</p>	<p>Operate the solutions on behalf of our customers.</p>	<p>Hand over the solutions to our customers and thereafter, perform maintenance on the hardware and/or software as well as support services over the tenure of the contracts.</p>

(ix) Maintenance and support services as well as terminal management services

Upon the completion of project handover, our customers are entitled to our technical support via helpdesk, in accordance with the agreed terms in the contract. They are also provided with on-site maintenance support with technicians stationed at the terminals, receiving direct support through our helpdesk. Please refer to **Section 6.2.1** of this Prospectus for further information on our stationed technicians.

Our maintenance and support services will follow a pre-scheduled timeline while unscheduled maintenance will be carried out promptly with technical support to ensure minimal downtime. The response time from our team to commence troubleshooting or provide services as per the mean-time-to-respond agreed in the service level agreement, which typically within 45 minutes during the operational hours, starting from the customer’s call or notification to the helpdesk.

6. BUSINESS OVERVIEW (cont'd)

We also offer terminal management services (where we act as system operator) upon our customers' requests (based on the terms of the service agreements), and are tasked to manage the day-to-day terminal system operations and management, including but not limited to terminal ticketing counters, scheduling and coordinating terminal routes, maintenance and repair, and ensuring operational safety and security.

6.6 Technology used

Over the course of our business, we employ a series of hardware devices and use software programs to design, develop and deploy our solutions throughout various terminals nationwide. The following tables set out the types of hardware and software used in the provision of our solutions:-

Hardware	Description	Units
BOS tablets	Accessing back-end BOS	659
Handheld devices	Portable electronic devices for system development and testing purposes	492
ACGs	Control gate that automatically verifies tickets by scanning the printed QR code, debit/ credit cards and stored-value cards.	26
TVMs	Vending machine that produces paper or electronic tickets	21
POS machines	Debit and credit card reader for accepting payments	16
Barrier gates	Barrier gate used to verify access automatically by scanning the RFID tags	11

Software	Description
Development software	
Adobe Lightroom and Photoshop	Application for creating, editing and managing images and graphics
Android Studio	Development tools for Android applications
Another Redis Desktop Manager	To access Remote Dictionary Server in Microsoft Azure Cloud
Microsoft Visual Studio	Development tools for system or website
SF Symbols	Development tools for iOS applications
SQL management studio	Development tools for Structured Query Language servers
XCode	Development tool for iOS applications
Operational software	
AnyDesk	Remote control for server deployment
Figma	Web application for interface design
Microsoft Project	Project management software
Postman	Testing and debugging for API
Team foundation server and GitHub	Source code control

6. BUSINESS OVERVIEW (cont'd)

6.7 Our business segments and markets

6.7.1 Revenue by business segments

Our revenue by business segments is as follows:-

	FYE 2020		FYE 2021		FYE 2022	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Transportation IT solutions						
- Rail	11,920	62.82	1,601	7.88	15,477	58.30
- Bus	6,978	36.78	17,817	87.71	10,171	38.31
	18,898	99.60	19,418	95.59	25,648	96.61
Others	75	0.40	896	4.41	901	3.39
Total revenue	18,973	100.00	20,314	100.00	26,549	100.00

Our revenue for the financial years under review was mainly derived from the transportation IT solutions segment, which accounted for more than 95% of our Group's total revenue for the financial years under review.

6.7.2 Revenue by geographical location

Our revenue by geographical location is as follows:-

	FYE 2020		FYE 2021		FYE 2022	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Malaysia	18,953	99.89	19,979	98.35	26,519	99.89
Overseas	20	0.11	335	1.65	30	0.11
Total revenue	18,973	100.00	20,314	100.00	26,549	100.00

Our revenue for the financial years under review was mainly derived from Peninsular Malaysia (being the primary market in which our Group operates), which accounted for more than 98% of our Group's total revenue for the financial years under review.

Our Group's overseas revenue solely relates to the TOS for Parañaque Integrated Terminal Exchange, located in Manila, the Philippines (which caters for the bus segment).

6.8 Sales and marketing strategies

Our sales and marketing strategies aim to address the growing needs of transportation services provider to optimise and streamline their operations. We focus our sales and marketing efforts on public transportation authorities and operators in Malaysia, given the increasing national demand for digitised, real-time and integrated transport management systems. Our sales and marketing strategies are as follows:-

(i) Strategic partnerships

We seek opportunities to partner with established entities in the public transportation sectors to provide an avenue for expansion and reach wider target audience. These partners range from bus and rail operators to public transportation authorities. This allows both parties to share expertise and resources as well as knowledge and deeper insights into the public transportation sector to provide tailored solutions that are aimed at improving public transportation services.

6. BUSINESS OVERVIEW (cont'd)

(ii) Customers' referral

We work closely with bus, rail and terminal operators to optimise their operations through tailored solutions. Our previous and existing customers (who have first-hand experience) typically refer our Group and solutions to potential customers due to the optimisation of operational matters as a result from the performance of our system. We also take an active approach in approaching customers directly to work with them to refer our solutions to other transportation services provider.

(iii) Direct approach

We also approach potential customers directly via cold calls, offering demonstrations of our solutions to highlight our Group's experience and technical capabilities in developing and customising solutions that are tailored to their unique challenges.

(iv) Participation in tenders

We also participate in open and invitation to tenders from the private and public sector to offer our solutions to the public transportation sector. We believe that our participation in tenders allows us to showcase our abilities and innovative solutions to address unique challenges and demand from the industry. For information purposes, we have tendered for 4 projects as at the LPD, totalling an aggregate value of RM33.96 million, for which the outcome is still pending. We have also been invited to perform various preliminary studies and proof of concept for other projects for which the project value cannot be ascertain at this juncture.

6.9 QC procedures and management

Our Group places emphasis on the quality of our solutions, with our operation adhering to stringent quality management standards.

Subsidiary	Standard	Scope	Issuing party	Validity period
NSS	ISO 9001:2015	Provision of terminal system to public transport industry in Terminal Melaka Sentral	SIRIM QAS International Sdn Bhd	27 December 2021 – 26 December 2024

Having complied with the abovementioned standard, we have also undertaken QC procedures throughout various project stages. Upon receipt of the hardware components from our suppliers, our technician and/or procurement personnel will conduct visual inspection on the hardware components to ensure that they are in good condition and meet the specifications and quantity ordered.

In relation to our enterprise IT services projects, once a project has commenced, our project management team (led by a project manager) 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 Group also engages third party professionals to conduct penetration testing and other relevant cybersecurity related testing to ensure the integrity and safeguard the sanctity of our solutions.

Our project consultants currently assume the QC function whereby they are responsible for the QC of the projects and conduct in-process inspections including factory acceptance test, UAT, IAT, SAT and ORAT. Our project management team will have regular meetings with the project manager to monitor the progress of the project and whenever issues arise, our project management team will report such issues immediately to the project consultants. Corrective actions will be taken to eliminate the cause of non-conformities in order to prevent recurrence of the identified issues. As at the LPD, we have designated 2 project consultants to undertake QC functions of our Group.

6. BUSINESS OVERVIEW (cont'd)

6.10 Seasonality

We do not experience any material seasonality or cyclical effects in our business.

6.11 Employees

As at the LPD, we have a workforce of 175 employees, of which 174 are local and 1 foreign employee. Further, out of the 175 employees, 136 are permanent employees (including the only foreign employee) and 39 are contractual employees. The breakdown of our employees as at 31 December 2022 and the LPD is as follows:-

Category	As at 31 December 2022	As at the LPD
<u>Permanent employees</u>		
Directors	2	2
Key senior management	5	6
Administrative/ Accounts/ Human Resources	13	14
System support	31	38
IT development	27	38
Project and support	12	16
Business development	7*	8*
Specified Bus Terminal staff	16	14
<u>Contractual employees</u>		
Specified Bus Terminal staff	26	39
Total	139	175

Note:-

* Includes 1 foreign employee, who holds a valid working permit as at the LPD. His employment is not an expatriate remuneration package (where housing allowances or accommodations are typically provided for).

Category	As at 31 December 2022	As at the LPD
Local	138	174
Foreign	1	1
Total	139	175

None of our employees, whether permanent or contractual, belong to any unions and for the financial years under review, there have been no material disputes between our management and our employees.

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6. BUSINESS OVERVIEW (cont'd)
6.12 Major customers

We primarily serve customers operating in the bus and rail segments, with our top 5 major customers contributing 81.44%, 78.61% and 73.77% to our total revenue during the financial years under review.

The table below list the top 5 major customers of our Group for the financial years under review:-

Customers	Customer's principal activities	Type of services provided by the Group	Business engagement	Length of business relationship up to the LPD (years)	FYE 2022		FYE 2021		FYE 2020	
					(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
KTMB®	Railway transportation and related services	CTS for Komuter Utara, ETS and Intercity	Outright Purchase (hardware) and Zero Capex (software)	4	15,477	58.30	1,605	7.90	11,920	62.83
		AFC	Outright Purchase (hardware and software)							
Syarikat Pengangkutan Maju Berhad Group of Companies	Bus transportation and related services	-	-	-	1,786	6.73	1,339	6.59	1,295	6.82
• <i>Penawar Express Line Berhad*</i>	<i>Business of general carries</i>	<i>CTS for Terminal Larkin Sentral</i>	<i>Outright Purchase (hardware and software)</i>	5	1,590	5.99	1,157	5.69	1,156	6.09
• <i>Syarikat Pengangkutan Maju Berhad</i>	<i>Bus transportation and related services</i>	<i>BOS</i>	<i>Zero Capex (hardware and software)</i>	9	196	0.74	182	0.90	139	0.73

6. BUSINESS OVERVIEW (cont'd)

Customers	Customer's principal activities	Type of services provided by the Group	Business engagement	Length of business relationship up to the LPD (years)	FYE 2022		FYE 2021		FYE 2020	
					(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Maju Group of Companies	Facilities management and other services	-	-	-	1,400	5.27	866	4.27	**	**
• <i>Maju TMAS[#]</i>	<i>Management and operation of bus terminal</i>	<i>CTS for TBS</i>	<i>Outright Purchase (hardware and software)</i>	11	1,382	5.20	243	1.20	**	**
• <i>Maju Healthcare Sdn Bhd[#]</i>	<i>General medical services</i>	<i>Mobile and online booking for drive thru screening and testing centre</i>	<i>Outright Purchase (hardware and software)</i>	2	18	0.07	623	3.07	-	-
Customer A [^]	Hospitality and tourism	TMS and CTS for a bus terminal located in Pahang	Outright Purchase (hardware and software)	7	471	1.77	**	**	644	3.40
Mara Liner Sdn Bhd	Bus transportation and related services	BOS	Zero Capex (hardware and software)	10	451	1.70	694	3.42	693	3.65
Reign Network Sdn Bhd	IT services	TMS and CTS for Terminal Bersepadu Gombak	Outright Purchase (hardware and software)	2	**	**	11,464	56.43	900	4.74
Total					19,585	73.77	15,968	78.61	15,452	81.44
Total revenue of our Group					26,549	100.00	20,314	100.00	18,973	100.00

6. BUSINESS OVERVIEW (cont'd)

Notes:-

- @ For avoidance of doubt, we have only provided the following solutions and/or services to KTMB throughout the financial years under review:-
- (i) AFC and CTS (serving Komuter Utara, ETS and Intercity routes) in the FYE 2020, FYE 2021 and FYE 2022; and
- (ii) SMS ticketing notification services to KTMB in the FYE 2021.
- * Penawar Express Line Berhad is a subsidiary of Syarikat Pengangkutan Maju Berhad.
- ** A customer of our Group during the respective financial year but was not one of the top 5 major customers in the respective financial year.
- # Both Maju Healthcare Sdn Bhd and Maju TMAS are subsidiaries of Maju Holdings Sdn Bhd.
- Not a customer in the respective financial year.
- ^ Our Group is bound by certain confidentiality clauses relating to the disclosure of the name of Customer A. In this regard, our Group had on 23 June 2023 sought consent from Customer A for disclosure of its name but the request was declined on 11 September 2023. Customer A is listed on the Main Market of Bursa Securities with its principal markets being Malaysia, United Kingdom and United States of America.

The nature of our Group's business is that the revenue for a particular customer could be lumpy for that financial year if we successfully secure the initial contract for the provision of transportation IT solutions (comprising TOS, BOS and/or AFC) or maintenance and support services or terminal management services. Depending on the nature of the contract with our customer and the business engagement option chosen, we are able to recognise recurring income from the provision of transportation IT solutions to the selected customer based on the maintenance schedule or contracts under the Zero Capex option. In this regard, the composition of the top 5 major customers and their individual percentage contribution will fluctuate from year to year and stabilise after the initial installation period of the transportation IT solutions.

Dependency on major customers

- Rail Segment

Our Group is dependent on KTMB for the rail segment given that they are the only nationwide railway transportation service provider in Peninsular Malaysia and has contributed RM11.92 million, RM1.61 million and RM15.48 million to our revenue on an individual basis for the FYE 2020, FYE 2021 and FYE 2022, respectively. The decrease in revenue from RM11.92 million in the FYE 2020 to RM1.61 million in the FYE 2021, representing a decrease of RM10.31 million or 86.49% was mainly due to the completion of the installation of our CTS for KTMB in the FYE 2020. As at the LPD, our ongoing projects with KTMB are CTS maintenance (where our maintenance fee is based on revenue sharing model) and our AFC maintenance and support services (with monthly maintenance fee beginning from October 2023 to the third quarter of 2026 (which may be further renewed by KTMB for an additional 2 years until third quarter of 2028)).

Notwithstanding our Group's dependency on KTMB, we remain confident that KTMB will continue to support local IT service providers which can demonstrate their reliability and capacity to deliver consistent and timely support services.

6. BUSINESS OVERVIEW (cont'd)

Our Group's effectiveness in delivering prompt CTS maintenance and support services is integral to minimise disruptions and breakdowns of our solutions and for KTMB to run its operations efficiently. Given that our Group has been the primary IT solutions provider for the CTS from the outset, KTMB is likely to continue engaging our Group for upcoming enhancements to the CTS, as well as for the expansion of KTMB's routes throughout Peninsular Malaysia. We strive to maintain a high level of service given our strategic relationship in supporting KTMB's IT infrastructure system.

As at the LPD, we are in the final stages of project rollout of our AFC with KTMB which involves the following:-

- (i) on-site installation of related hardware component and software solutions;
- (ii) perform UAT followed by ORAT to ensure our solutions fulfil the requirements of KTMB; and
- (iii) provide training to KTMB's employees who are assigned to operate the system.

Our management takes cognisance on our reliance on KTMB and intends to mitigate such reliance by undertaking strategic business expansions, which includes our venture into the ferry segment (with the aim to provide TOS to the 8 identified ferry terminals) and pursue strategic ventures to extend our CTS and AFC to other customers operating in the public land transportation sector if such opportunities arise.

Further details on our risk in respect of our dependency with KTMB are set out **Section 4.1.1** of this Prospectus,

- Bus Segment

We believe that we are not dependent on any particular bus terminal operator as each terminal in different states typically operates under a different operator.

In addition, we intend to diversify into ferry segments and other IT solutions to cater for non-transportation related sectors. These diversification efforts are gradually showing results and are expected to reduce our Group's reliance on any single customer over the long run.

6. BUSINESS OVERVIEW (cont'd)

6.13 Major suppliers

The table below list the top 5 major suppliers of our Group for the financial years under review:-

Suppliers	Supplier's principle activities	Type of products/services provided to the Group	Length of business relationship as at the LPD (years)	FYE 2022		FYE 2021		FYE 2020	
				(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Pristine Gateway Sdn Bhd	Provision of electrical, electrical engineering and general contractor services	Site setup and installation of TOS equipment	6	839	9.01	**	**	1,197	12.18
Supplier A ⁽¹⁾	Banking and financial services provider	Merchant service transactions	2	696	7.47	**	**	**	**
Supplier B [^]	Computer hardware and software provider	Software services and related support services	5	544	5.84	**	**	**	**
Malayan Banking Berhad ⁽¹⁾	Banking and financial services provider	Merchant service transactions	4	435	4.67	**	**	**	**
CTC Global Sdn Bhd ⁽²⁾	IT systems integration and field services support	Server system and Cloud hosting services	4	409	4.39	**	**	384	3.91
Johanah Sdn Bhd	Civil engineering	Installation of network cabling system	2	-	-	5,074	43.12	-	-
Willowglen (Malaysia) Sdn Bhd ⁽³⁾	Provision, implementation and maintenance of computer-based control systems	CCTV and database server configuration	4	-	-	1,120	9.52	-	-
Turboo Euro Technology Co Ltd	Manufacturing, sales and servicing of gate automation products	ACG	4	-	-	617	5.24	1,458	14.84
Posiflex Business Machines Sdn Bhd ⁽⁴⁾	Provision of computer and IT products	TOS kiosks and POS systems	7	**	**	494	4.20	1,008	10.26

6. BUSINESS OVERVIEW (cont'd)

Suppliers	Supplier's principle activities	Type of products/services provided to the Group	Length of business relationship as at the LPD (years)	FYE 2022		FYE 2021		FYE 2020	
				(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Ikris Bina Sdn Bhd	Provision of building, civil, mechanical and electrical engineering work	Structural works	3	-	-	290	2.46	**	**
Supplier C [^]	Provision of cash processing and handling systems and solutions	Cash-Note acceptor and dispenser	4	**	**	-	-	492	5.01
Total				2,923	31.38	7,595	64.54	4,539	46.19
Total cost of sales of our Group				9,315	100.00	11,767	100.00	9,826	100.00

Notes:-

** A supplier of our Group during the respective financial year but was not one of the top 5 major suppliers in the respective financial year.

[^] Our Group is bound by certain confidentiality clauses relating to the disclosure of the name of Supplier A, Supplier B and Supplier C. In this regard, our Group had on 26 June 2023, 23 June 2023 and 23 June 2023, respectively sought consent from Supplier A, Supplier B and Supplier C for disclosure of their names but the requests were declined by them on 27 June 2023, 28 June 2023 and 5 July 2023, respectively. Supplier A and Supplier B's principal markets are in Malaysia, while Supplier C is a Hong Kong-based company with its principal market being Hong Kong and China.

- Not a supplier in the respective financial year.

(1) A public company listed on Bursa Securities.

(2) CTC Global Sdn Bhd is a subsidiary of ITOCHU Techno-Solutions Corporation, which is a 59.40%-owned subsidiary of ITOCHU Corporation. ITOCHU Corporation is listed on the Tokyo Stock Exchange.

(3) Willowglen (Malaysia) Sdn Bhd is a wholly-owned subsidiary of Willowglen MSC Berhad, a public company listed on Bursa Securities.

(4) Posiflex Business Machines Sdn Bhd is a subsidiary of Posiflex Technology, Inc, a public company listed on Taipei Exchange and Taiwan Stock Exchange Corporation.

The top 5 major suppliers contributed 46.19%, 64.54% and 31.38% of our Group's total cost of sales for the FYE 2020, FYE 2021 and FYE 2022 respectively. We maintain good working relationship with our major suppliers and there have been no material disputes with our major suppliers or disruption in supplies to-date.

Nevertheless, our Group is not dependent on any of the major suppliers as we are able to source for other suppliers who are capable of furnishing comparable hardware, software or solutions. Our Group has 64, 62 and 102 suppliers for the FYE 2020, FYE 2021 and FYE 2022 respectively. As such, our Group is not subject to any inherent risk arising from dependency on these major suppliers.

6. BUSINESS OVERVIEW (cont'd)**6.14 Types, sources and availability of supplies**

Our main supplies consist of hardware equipment and third-party solutions. These supplies are sourced locally and overseas according to specifications required. The hardware equipment we purchase include payment terminals, TVMs and ACGs while solutions relates to subscription of cloud hosting and data plans. The table below details our purchases of our main supplies for the financial years under review:-

Types of purchases	FYE 2020		FYE 2021		FYE 2022	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Hardware	5,816	92.48	7,953	95.84	1,496	61.06
Solutions	473	7.52	345	4.16	954	38.94
Total	6,289	100.00	8,298	100.00	2,450	100.00

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6. BUSINESS OVERVIEW (cont'd)

6.15 Major licences and permits

Details of the approvals, major licences and permit obtained by our Group for the operation of our business are set out as follows:-

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
1.	NSS	MDEC	Certificate for MSC Malaysia status	Certificate No.: 4203 MDEC's reference: CS/3/8867(6a) & CS/3/8867(6b)	Effective date: 27 March 2017 Date of expiry: Valid until revoked	(a) NSS shall comply with the location requirements and conditions as out below: (i) NSS shall locate the implementation and operation of the MSC Malaysia Qualifying Activities within six months from the date of the grant of MSC Malaysia Status and thereafter continue to locate at all times at an address to be notified to the Government through MDEC with a minimum office space specified in item (iii) below in a Designated Premises within a MSC Malaysia Cybercity / Cybercentre, a list of which is available on the MSC Malaysia website as may be updated from time to time. Any change to the said address shall be subject to the prior written consent of the Government which request for approval shall be submitted through MDEC.	Complied

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
						<p>(ii) NSS accepts that the extent and range of amenities, facilities, services and business environment at the various Designated Premises and MSC Malaysia Cybercities and Cybercentres can and will differ.</p> <p>(iii) Minimum office space: 2,000 sq. ft.</p> <p>(b) NSS shall ensure that at all times at least 15% of the total number of employees (excluding support staff) of NSS are "knowledge workers" who shall be recruited, employed and/or appointed solely for the purpose of undertaking the MSC Malaysia Qualifying Activities. The recruitment, employment and/or appointment of foreign "knowledge workers" (if any) shall be the sole responsibility of NSS and the Government and/or MDEC shall not be held responsible for any liability arising from such recruitment, employment and/or appointment.</p> <p>(c) NSS shall notify the Government through MDEC of any change in the equity/shareholding structure of the Company, or such other changes that may affect the direction or operation of the Company.</p>	<p>Complied</p> <p>Complied</p>

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
2.	NSS	MOF	<p>Certificate of Registration with MOF for the provision of among others the following:</p> <p>(a) transportation, components and accessories/ vehicles, motorized and non-motorized/ bus;</p> <p>(b) ICT / computer equipment and fittings, component and hardware / hardware (low-end and high-end technology);</p> <p>(c) ICT / computer equipment and fittings, component and hardware / computer software, operating system, database, off the shelf packages including maintenance;</p> <p>(d) ICT / computer equipment and fittings, component and hardware / software / system development /</p>	<p>Registration No.: 357-02218724</p> <p>Certificate No.: K65949408243608890</p>	24 August 2023 / 23 August 2026	<p>(a) Any changes to the information of NSS must be updated online at www.eperolehan.gov.my within 21 days of such change in information. The MOF may suspend or cancel the registration of NSS in the event of failure to comply with this condition, and the directors of NSS may be subject to disciplinary action including being blacklisted without notice if the information provided by NSS is incorrect;</p> <p>(b) NSS must submit all information as may be requested by the MOF within such prescribed period. The MOF may suspend or cancel the registration of NSS in the event of failure to comply with this condition, and the directors of NSS may be subject to disciplinary action including being blacklisted without notice if the information provided by NSS is incorrect;</p> <p>(c) NSS shall ensure that the fields listed in this certificate do not overlap with the fields that have been approved for any other companies having the same owner or board of directors of NSS or that operate on the same licenced premises;</p> <p>(d) The MOF reserves the right to conduct an audit or inspection at</p>	<p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Noted</p>

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
			<p>customisation and maintenance;</p> <p>(e) ICT / computer equipment and fittings, component and hardware / telecommunication / networking-supply product, infrastructure, services including maintenance;</p> <p>(f) ICT / computer equipment and fittings, component and hardware / ICT security and firewall, encryption, PKI and anti-virus.</p> <p>(g) ICT / computer equipment and fittings, component and hardware / multimedia products, services and maintenance;</p> <p>(h) ICT / computer equipment and fittings, component and hardware / hardware and software leasing/renting; and</p>			<p>any time without prior notice at NSS's premises. The MOF may suspend or cancel the registration of NSS in the event of failure to comply with the registration requirements imposed by the MOF, and the directors of NSS may be subject to disciplinary action including being blacklisted without notice if the information provided by NSS is incorrect;</p> <p>(e) NSS shall not change its owner(s) or board of directors for a period of 6 months from the date of registration of this certificate;</p> <p>(f) Failure to renew this certificate after a period of 1 year after the expiry date may result in the cancellation and automatic removal of NSS's registration with the MOF, upon which NSS shall be required to make a new application accordingly.</p> <p>(g) NSS's registration shall be suspended or cancelled in the event of any of the following:</p> <p>(i) NSS or its owners or directors or any member of its management commits a crime and is found guilty by a local or foreign court, or has suffered civil liability;</p>	<p>Complied</p> <p>Noted</p> <p>Noted</p>

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
			(i) Services / employment / training services, teaching staff and moderators / negotiator.			(ii) NSS fails to perform the obligations of any contracts that it has entered into with the Government of Malaysia; (iii) NSS is found to have amended this certificate with fraudulent or other similar purposes; (iv) NSS allows this certificate to be misused by other individuals or companies; (v) NSS is discovered to be collaborating with other companies on price when entering into government tenders or subcontracts without the prior consent of the relevant government agencies. (h) Application for renewal must be made at least 3 months prior to its expiry.	Noted

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
3.	TCT Apps	Majlis Perbandaran Sepang ("MPS")	Office licence at 08-G-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account no.: 331201028982	Date of Expiry: 31 December 2023	Nil	N/A
4.	NSS	MPS	Office licence at 08-01-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account no.: 331201026938	Date of Expiry: 31 December 2023	Nil	N/A
5.	NSS	MPS	Office licence (information and communication technology) at Unit 08-02-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account no.: 331201033131	Date of Expiry: 31 December 2023	Nil	N/A
6.	NSS	MPS	Office licence at Unit 08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Business account no.: 331201022207	Date of Expiry: 31 December 2023	Nil	N/A

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
7.	NSS	Dewan Bandaraya Kuala Lumpur ("DBKL")	Office licence at Unit L4-14, 4 th Floor, Terminal Bersepadu Selatan, Jalan Terminal Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	File No.: DBKL.JPPP/00197/12/2022/KM01	10 December 2022 / 9 December 2023	Workers at the premises shall be 50% citizens and 50% non-citizens with valid work permits. ⁽¹⁾	Complied
8.	NSS	DBKL	Warehouse/ storage (without chairs and tables) licence at Unit L4-7A & B, 4 th Floor, Terminal Bersepadu Selatan, Jalan Terminal Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	File No.: DBKL.JPPP/00293/10/2022/KM01	7 October 2022 / 6 October 2023	Workers at the premises shall be 50% citizens and 50% non-citizens with valid work permits. ⁽¹⁾	Complied
9.	NSS	DBKL	Office licence at No. 8B, Aras 2, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur	File No.: DBKL.JPPP/02821/04/2023/KM01	28 April 2023 / 27 April 2024	Workers at the premises shall be 50% citizens and 50% non-citizens with valid work permits. ⁽¹⁾	Complied
10.	NSS	Majlis Bandaraya Melaka Bersejarah	Business office – ticket sales licence at Jalan Tun Razak, Plaza Melaka Sentral, 75400 Melaka	File No.: 221041119172021/L2.11917	Date of Expiry: 8 April 2024	Nil	N/A

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
11.	NSS	MBKT	Ticket sales or payment counter licence at Kaunter Sistem Tiket Berpusat Kompleks Hentian Bas MBKT, 20100 Kuala Terengganu, Terengganu	Business account no.: 131904/KHB KSTB	Date of Expiry: 31 December 2023	Nil	N/A
12.	NSS	MBKT	Management office and bag/ baggage storage services licence at Sistem Operasi Terminal Kompleks Hentian Bas MBKT, 20100 Kuala Terengganu, Terengganu	Business account No.: 131904/KHB SOT	Date of Expiry: 31 December 2023	Nil	N/A
13.	NSS	Majlis Perbandaran Klang	Bus ticket sales counter and signage licence at Terminal Bas & Teksi (A&B) Klang Sentral Persiaran Klang Sentral, Jalan Meru 41050 Klang, Selangor	Licence account No.: LL10157204485720227	Date of Expiry: 31 December 2023	Nil	N/A
14.	NSS	Majlis Bandaraya Johor Bahru	Business office licence at Lot No. 5C-91, First Floor Terminal Building, Larkin Sentral, 80350 Johor Bahru, Johor	License account no: L2022L105579	Date of Expiry: 31 December 2023	Nil	N/A

6. BUSINESS OVERVIEW (cont'd)

No.	Company	Authority	Description of approval / license / permit	License / Reference no.	Date of issuance / Date of Expiry	Major conditions imposed	Status of compliance
15.	NSS	Majlis Bandaraya Ipoh	Management office (information technology services) licence at B-3-2 IP 2, Lebuhraya Medan Bandar Baru, Medan Ipoh, 31400 Ipoh, Perak	Business account No.: L0133781-01	23 May 2023 / 22 May 2024	Nil	N/A
16.	NSS	Mayor Bandaraya Kota Kinabalu	Trading licence (information communication technology services, internet and telecommunication contractor) at Level 7, Parcel No. D-02-07, Block D, Aeropod Commercial Square, Jalan Aeropod, Off Jalan Kepayan, 88200 Kota Kinabalu, Sabah	Account no: 0000188310 T	31 March 2023 / 31 December 2023	Nil	N/A


Note:-

- (1) For information purposes, the said condition was translated verbatim from the licences issued by DBKL. Our legal adviser had sought confirmation from the DBKL officer that the condition is deemed complied on the basis that only less than 50% of foreign workers with valid work permits are permitted to work at the said premises. In respect thereof, our Group is in compliance with the said condition as our Group has only 1 foreign employee with valid working permit (who is based at our head office) as at the LPD.


6. BUSINESS OVERVIEW (cont'd)

6.16 Material trademarks and other intellectual property

Save for the trademark registration below, our Group does not have any other trademarks registrations and intellectual property rights which are material to our Group:-

No.	Trademark	Issuing authority	Registered owner / Applicant	Application or registration no.	Description	Validity Period	Status
1.		Intellectual Property Corporation of Malaysia ("MyIPO")	NSS	TM2021019977	<p>7 – Ticket vending machine</p> <p>9 – Ticket validation mechanisms for automatic gates; portable computers; handheld computers; handheld scanners; computer software for controlling self-service terminals; electronic payment terminals; interactive touch screen terminals; point-of-sale terminals</p> <p>39 – Booking of tickets for travel; issuing of tickets for travel; online information and booking services in the field of business travel; provision of information about booking business travel, via the internet; provision of information about transport services; provision of information relating to railway transport; provision of information relating to the planning and booking of travel and transportation via electronic means.</p> <p>42 – Computer software design, development and programming services; computer software installation and maintenance; design of computer software for controlling self-service terminals; designing computer software for controlling self-service terminals; design and development of computer software for logistics, supply chain management and e-business portals; leasing of computer software relating to travel.</p>	21 July 2021 – 21 July 2031	Registered

6. BUSINESS OVERVIEW (cont'd)

No.	Trademark	Issuing authority	Registered owner / Applicant	Application or registration no.	Description	Validity Period	Status
2.		MyIPO	TCT Apps	TM2023007371	<p>39 - Logistics services consisting of the storage, transport and delivery of goods; logistics services consisting of the transportation and warehousing of goods; transportation logistics; booking of seats for coach travel; coach transport; coach transport services; transport by coach; booking of tickets for travel; issuing of tickets for travel; travel and travel tour ticket reservation services; travel tours and ticket reservation services; arranging and booking of eco-travel via a web site; arranging and booking of sightseeing travel tours; arranging and booking of travel; arranging and booking of travel for package holidays; arranging of eco-travel via a website; arranging of holiday travel; arranging of sightseeing travel tours; arranging of travel; arranging of travel for study, language and educational trips; arranging travel for package holidays; booking of eco-travel via a website; booking of sightseeing travel tours; booking of travel; computerized reservation of travel; computerized travel reservation services; conducting of travel tours; conducting sightseeing travel tours by bus; consultancy in the field of business travel provided by telephone call centers and hotlines; escorting of travel tours; escorting of travelers; on-line information and booking services in the field of business travel; on-line information and booking services in the field of tourist travel; on-line trip and travel reservation services; operating and organizing of travel tours; organisation of holiday travel.</p>	-	<p>Application was provisionally refused on 27 September 2023 and appeal has been submitted on 3 November 2023⁽¹⁾</p>

6. BUSINESS OVERVIEW (cont'd)

Note:-

(1) Our Group has submitted the application on 15 March 2023 and the application has been provisionally refused for registration by MyIPO on 27 September 2023 pursuant to Sections 23(1)(b), 23(1)(c) and 24(2)(b) of the Trademarks Act 2019 based on the following grounds:-

- (a) trademarks which are devoid of any distinctive character;
- (b) trademarks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, other characteristics of goods or services or the time of production of goods or of rendering of services; and
- (c) trademark is similar to an earlier trademark and is to be registered for goods or services identical with or similar to the earlier trademark.

Our Company had on 3 November 2023 submitted a written appeal in response to the provisional appeal and currently awaiting for the response from the MyIPO on the appeal which is estimated to be received within 3 months from the date of the written appeal.

6.17 Material properties, plant, machinery and equipment

6.17.1 Properties owned by our Group

A summary of the material properties owned by our Group as at the LPD are as follows:-

No.	Title details / Property Address	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Purchase price (RM'000)	Legal/ Beneficial owner	Land area/ Built-up area (sq ft)	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 December 2022 (RM'000)
1.	Master Title Geran 339485, Lot 111284, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor bearing postal address of 08-01-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor ⁽¹⁾	<p>Description: 1st floor of an eight-storey semi-detached corporate offices/retail suites</p> <p>Existing use: Office for administrative and technical operation</p> <p>Tenure: Freehold</p> <p>Category of land use: Building</p>	1,467	NSS	2,158	18 December 2018 / 17 November 2017	Assigned to Maybank Islamic Berhad with power of attorney to transfer or otherwise deal with the property, pending issuance of strata title upon which charge is to be created	1,196

6. BUSINESS OVERVIEW (cont'd)

No.	Title details / Property Address	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Purchase price (RM'000)	Legal/ Beneficial owner	Land area/ Built-up area (sq ft)	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 December 2022 (RM'000)
2.	Master Title Geran 339485, Lot 111284, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor bearing postal address of 08-05-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor ⁽¹⁾	<p>Description: 5th floor of an eight-storey semi-detached corporate offices/retail suites</p> <p>Existing use: Office for administrative and technical operation</p> <p>Tenure: Freehold</p> <p>Category of land use: Building</p>	1,528	NSS	2,635	3 August 2016 / 17 November 2017	Assigned to Maybank Islamic Berhad with power of attorney to transfer or otherwise deal with the property, pending issuance of strata title upon which charge is to be created	1,345

Note:-

(1) Pending issuance of strata title.

As at the LPD, the properties owned by our Group are not in breach of any land use conditions, current statutory requirements, land codes, building regulations or by-laws, which will have material adverse impact on our operations.

6. BUSINESS OVERVIEW (cont'd)

6.17.2 Properties rented by our Group

A summary of the material properties rented by our Group as at the LPD are as follows:-

No.	Property Address	Landlord/ Tenant	Description/ Existing use	Floor area (sq ft)	Period of tenancy
1.	08-G-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Landlord: TCT International Tenant: TCT Apps	Description: Ground floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for IT and technical operation	1,946	2 years commencing from 1 January 2022 and expiring on 31 December 2023*
2.	08-02-01, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor	Landlord: Hazlinda Binti Mohamed Zain Tenant: NSS	Description: Second floor of an eight-storey semi-detached corporate offices/retail suites Existing use: Office for administrative operation	2,158	1 year commencing from 1 April 2023 and expiring on 15 March 2024
3.	Unit L4-14, Fourth Floor, Terminal Bersepadu Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	Landlord: Maju TMS Sdn Bhd Tenant: NSS	Description: Terminal and office building Existing use: Office	957	3 years commencing from 1 December 2021 and expiring on 30 November 2024
4.	Unit L4- 7A&B, Fourth Floor, Terminal Bersepadu Selatan, Bandar Tasik Selatan, 57100 Kuala Lumpur	Landlord: Maju TMS Sdn Bhd Tenant: NSS	Description: Terminal and office building Existing use: Hardware storage	256	3 years commencing from 1 October 2021 and expiring on 30 September 2024

6. BUSINESS OVERVIEW (cont'd)

No.	Property Address	Landlord/ Tenant	Description/ Existing use	Floor area (sq ft)	Period of tenancy
5.	No 8B, Aras 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur	Landlord: Keretapi Tanah Melayu Berhad Tenant: NSS	Description: Transit hub Existing use: Office	421	1 year commencing from 1 April 2023 and expiring on 31 March 2024
6.	Waiting Area, Terminal A, Klang Sentral, Persiaran Klang Sentral 1/KU5, Klang Sentral, 42200 Klang, Selangor	Landlord: NPO Management Sdn Bhd Tenant: NSS	Description: Bus terminal Existing use: Bus ticketing counters and online system within the waiting area	10,000	3 years commencing on 1 December 2020 and expiring on 30 November 2023*
7.	Plaza Melaka Sentral, Jalan Tun Razak, 75400 Melaka	Landlord: Melaka Sentral Sdn Bhd Tenant: NSS	Description: Bus terminal Existing use: Bus ticketing counter, office and waiting area	16,200	5 years commencing from 1 January 2022 and expiring on 21 December 2026
8.	No. KHB B16, B17, B18, B19, B20, B21, B22, B23, B24, B25, B95, B96, B97, B98, B99, B100, B101, B102, B103, B104, B105, B106, K4, K5, K6, K7, K8, K9 dan K10, (ticket counters) Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu ⁽¹⁾	Landlord: Majlis Bandaraya Kuala Terengganu Tenant: NSS	Description: Bus terminal Existing use: Ticketing counter, office, meeting room, pantry and surau	892	15 years 6 months commencing on 1 July 2020 and expiring on 31 January 2036

6. BUSINESS OVERVIEW (cont'd)

No.	Property Address	Landlord/ Tenant	Description/ Existing use	Floor area (sq ft)	Period of tenancy
9.	Waiting Area, Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu held under PN 4767, Lot 4545, Bandar Kuala Terengganu, 20100 Terengganu ⁽¹⁾	Landlord: Majlis Bandaraya Kuala Terengganu Tenant: NSS	Description: Bus terminal Existing use: Waiting & Boarding Area	4,659	15 years 6 months commencing on 1 July 2020 and expiring on 31 January 2036
10.	Lot No. 5C-91, Ground Floor, Terminal Building, Larkin Sentral, 80350 Johor Bahru, Johor	Landlord: Larkin Sentral Property Berhad Tenant: NSS	Description: Bus terminal Existing use: Office	270	2 years commencing from 1 August 2022 and expiring on 31 July 2024
11.	B-3-2, 3 rd Floor, Intan Business Centre 2, Lebuhr Persiaran Medan Ipoh, Bandar Baru Medan Ipoh, 31400 Ipoh, Perak	Landlord: Incubator4U Sdn Bhd Tenant: NSS	Description: Office building Existing use: Office	202	1 year commencing from 1 April 2023 and expiring on 31 March 2024
12.	Parcel No. D-02-07, Level 7, Block D, Aeropod Commercial Square, Jalan Aeropod, Off Jalan Kepayan, 88200 Kota Kinabalu, Sabah	Landlord: Amechanus Holdings Sdn Bhd Tenant: NSS	Description: Level 7 of an eight-storey retail office Existing use: Office	1,594	3 years commencing from 15 March 2023 and expiring on 14 March 2026

Notes:-

* Our Group is the midst of renewing the tenancy with the respective landlords.

(1) In Peninsular Malaysia, any occupation or granting of permission to occupy any building or part thereof without a CF or CCC will render the registered proprietor or occupier liable to a fine and/or imprisonment of persons such as directors, company secretary or similar officers within our Group. The Street, Drainage and Building Act 1974 provides that any person who occupies or permits to be occupied any building or any part thereof without a CCC, shall be liable on conviction to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

6. BUSINESS OVERVIEW (cont'd)

MBKT, being the state authority and owner of the bus terminal had, on 4 July 2023 confirmed that no CF/CCC was issued for these premises. Given that NSS, being the tenant of the bus terminal, NSS may hence be subject to penalties as mentioned above for occupying the bus terminal without a CF or CCC. As at the LPD, our Group has not received any notices, penalties or compounds from MBKT in respect of such non-compliance. Further, our management is of the view that the likelihood of penalty for the non-compliance being imposed by MBKT is remote as MBKT is the owner of the terminal.

Save as disclosed above, as at the LPD, the properties rented by our Group are not in breach of any land use conditions, current statutory requirements, land codes, building regulations or by-laws, which will have material adverse impact on our operations.

6.17.3 Material machinery and equipment

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

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6. BUSINESS OVERVIEW (cont'd)

6.18 Relevant Laws, regulations, rules or requirements, and environmental, social and governance practices

6.18.1 Governing laws and regulations

(i) Land Public Transport Act 2010 (“LPTA”)

Pursuant to Section 6 of the LPTA, no person shall operate any terminal unless he holds a licence issued by the Director General of Land Public Transport. A person who operates a terminal without a valid licence commits an offence and shall, on conviction, be liable to a fine not exceeding RM1 million or to imprisonment for a term not exceeding 5 years or to both.

In accordance with Section 12A of the LPTA, no person shall operate or provide an intermediation business unless he holds a licence issued by the Director General of Land Public Transport. The LPTA has defined “intermediation business” as the business of facilitating arrangements, bookings or transactions for the provision of land public transport services for public service vehicle service whether for any valuable consideration or money’s worth or otherwise. A person who operates or provides an intermediation business without a valid licence shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 3 years or to both.

As at the LPD, NSS provides terminal management services for the Existing Specified Bus Terminals. Further, NSS also develops and implements TOS (comprising TMS and CTS) for the transportation service providers and operators.

As such, NSS will be required to obtain the licences under Section 6 and Section 12A of the LPTA for its business operations. However, as at the LPD, the relevant regulations governing the licensing applications under Sections 6 and 12A of the LPTA have yet to be gazetted and NSS was advised by APAD that the application for relevant licences can only be submitted to APAD after the effective date of the relevant regulations. Our Group will undertake the necessary steps to meet the prescribed criteria under the LPTA (which will only be made known to our Group upon the Sections 6 and 12A of the LPTA are gazetted) given that such licenses will be critical to our operations. As at this juncture, we are currently monitoring the updates on the LPTA and will promptly make the relevant application to APAD after the regulations come into effect. Since our inception and up to the LPD, our Group has not been issued any penalties under the LPTA.

(ii) Local Government Act 1976

Pursuant to Section 102 of the Local Government Act 1976, local authorities are empowered to make, amend and revoke by-laws. Presently, our Group’s business activities are carried out in Cyberjaya, Klang, Selangor, Kuala Lumpur, Melaka, Kuala Terengganu, Terengganu, Johor Bahru, Johor, Ipoh, Perak and Kota Kinabalu, Sabah and as such, we come under the jurisdiction of Majlis Perbandaran Sepang, Dewan Bandaraya Kuala Lumpur, Majlis Bandaraya Melaka Bersejarah, MBKT, Majlis Perbandaran Klang, Majlis Bandaraya Johor Bahru, Majlis Bandaraya Ipoh and Mayor Bandaraya Kota Kinabalu.

No person shall operate any activity of trade, business and industry or use any place or premises for any activity of trade, business and industry without a licence issued pursuant to the relevant by-laws.

6. BUSINESS OVERVIEW (cont'd)

The penalties imposed by the relevant local authorities where the Group operates are set out below:-

- (a) Licensing of Trades, Businesses and Industries (Sepang Municipal Council) By-laws 2007 provides that any person who contravenes any provision of the by-laws, 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 one year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction;
- (b) Licensing of Trades, Businesses and Industries (Federal Territory of Kuala Lumpur) By-laws 2016 provides that any person who contravenes any provision of the by-laws, 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 one year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction;
- (c) Licensing of Trades (Malacca Historic City Council) By-laws 2010 provides that any person who contravenes any provision of the by-laws, 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 one year or to both;
- (d) Licensing of Trades, Businesses and Industries (Kuala Terengganu Municipal Council) By-laws 1990 provides that any person who contravenes any provision of the by-laws, 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 one year or to both, and to a further fine not exceeding RM200 for every day during which the offence is continued after conviction;
- (e) Licensing of Trades, Businesses and Industries (Klang Municipal Council) By-laws 2007 provides that any person who contravenes any provision of the by-laws, 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 one year or to both;
- (f) Licensing of Trades, Businesses, and Industries (Johor Bahru City Council) By-Laws 2016 provides that any person who contravenes any provision of the by-laws, 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 one year or to both;
- (g) Licensing of Trades, Businesses and Industries (Ipoh City Council) By-laws 2017 provides that any person who contravenes any provision of the by-laws, 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 one year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction; and
- (h) Trades Licensing Ordinance, 1948 provides that any person carries on business without a valid trading licence, shall be liable for each offence to a fine of four times the amount of the licence fee and to a further fine of RM10 for each day or part of a day subsequent to a conviction during which the contravention continues.

As at the LPD, our Group has obtained valid licences issued by the relevant local authorities for our business premises, further details of which are set out in **Section 6.15** of this Prospectus.

6. BUSINESS OVERVIEW (cont'd)

Since our inception and up to the LPD, our Group has not been issued with any material penalties pursuant to the Local Government Act 1976, Trades Licensing Ordinance, 1948 and the applicable by-laws. As at the LPD, our Group has observed and will continue to ensure that we comply with the provisions of the Local Government Act 1976, Trades Licensing Ordinance, 1948 and the applicable by-laws.

(iii) Personal Data Protection Act 2010

The Personal Data Protection Act 2010 regulates the processing of personal data in commercial transactions in Malaysia. Personal data relates directly or indirectly to a data subject, who is identified or identifiable from that information or from that and other information in the possession of a data user, including any sensitive personal data and expression of opinion about the data subject. The processing of personal data by a data user must comply with the Personal Data Protection Principles as provided under the Personal Data Protection Act 2010. A data user who fails to comply with the Personal Data Protection Principles commits an offence and shall, on conviction, be liable to a fine not exceeding RM300,000 or to imprisonment for a term not exceeding two years or to both.

Our Group collects personal data of the passengers when passengers purchase tickets via our online ticketing platform. Since our inception and up to the LPD, our Group has not been issued with any penalties pursuant to the Personal Data Protection Act 2010. As at the LPD, our Group will continue to comply with the Personal Data Protection Principles as provided under the Personal Data Protection Act 2010.

(iv) Street, Drainage and Building Act 1974 and Sabah Uniform Buildings By-Laws 2022

In Peninsular Malaysia, any occupation or granting of permission to occupy any building or part thereof without a CF or CCC will render the registered proprietor or occupier liable to a fine and/or imprisonment of persons such as directors, company secretary or similar officers within our Group. The Street, Drainage and Building Act 1974 provides that any person who occupies or permits to be occupied any building or any part thereof without a CCC, shall be liable on conviction to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

In Sabah, any occupation or granting of permission to occupy any building or any part thereof without a CCC, will render the registered proprietor or occupier liable to an offence under the Sabah Uniform Buildings By-laws 2022 and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both and in the case of a continuing offence, to a further fine not exceeding RM5,000 for every day during which the offence continues after conviction.

As at the LPD, all of our Group's owned and rented properties have their respective CF/CCCs save for 2 rented properties located on the same premises, the details of which are as follows:-

- (a) No. KHB B16, B17, B18, B19, B20, B21, B22, B23, B24, B25, B95, B96, B97, B98, B99, B100, B101, B102, B103, B104, B105, B106, K4, K5, K6, K7, K8, K9 dan K10, (ticketing counters) Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu; and
- (b) Waiting Area, Kompleks Hentian Bas Bandaraya Kuala Terengganu, Jalan Syed Hussin, Kuala Terengganu, 20100 Terengganu held under PN 4767, Lot 4545, Bandar Kuala Terengganu, 20100 Terengganu.

6. BUSINESS OVERVIEW (cont'd)

MBKT, being the state authority and terminal owner has on 4 July 2023 confirmed that no CF/CCC was issued for the abovementioned premises. Since our inception and up to the LPD, our Group has not received any notices, penalties or compounds from MBKT in respect of such non-compliance. As such, our Group is of the view that the likelihood of penalty being imposed by MBKT is remote as MBKT is the owner of the terminal.

6.18.2 Environmental, social and governance practices

We recognise the importance of adopting Environment, Social and Governance (“ESG”) practices such as ensuring environmentally responsible operations, providing conducive workplaces for employees and a high standard of corporate governance for sustainable valuation creation and maintaining the confidence of our shareholders and stakeholders. As such, we will focus on the following 3 broad categories:-

(i) Environmental sustainability

We endeavour to adhere to environmentally friendly practices in our management of resources and pollution generated from our business activities. In managing environmental sustainability matters, we will focus on, amongst others, the following:-

- (a) practising ERRR (Eliminate, Reduce, Re-use, Recycle) and lean resources management approach which includes, amongst others, reducing the use of paper in our operations and utilising digital documents where possible and practical, encouraging all employees to collect recyclable waste in the office and minimising electricity wastage to reduce carbon footprint;
- (b) adhere to all relevant environmental regulatory and legal requirements; and
- (c) raise awareness of the Sustainability Policy among our Group and stakeholders to promote sustainability and ensure that our employees are aware of our commitment to protect the environment.

(ii) Social Sustainability

We place a strong emphasis on the safety and health of our employees, driving towards mitigating any associated safety and health risks at our workplace, creating a safe environment for our employees to enhance productivity and performance as well as provides equal opportunities for all. In managing social sustainability matters, we will focus on, amongst others, the following:-

- (a) ensure a safe, healthy and conducive work environment for our employees;
- (b) eliminate improper conduct and practices, including but not limited to workplace bullying, discrimination against individual differences, discriminatory and sexual harassment, intimidation and victimisation;
- (c) ensure equal access to opportunities regardless of one’s age, gender, ethnicity, religion, national origin, sexual orientation, disability or any other relevant characteristics;
- (d) respect and uphold the fundamental workers’ rights through the elimination of child labour and forced labour of all forms;
- (e) empower our workforce by supporting their personal and professional growth;
- (f) cultivate a diverse and inclusive culture that recognises and values individuality; and

6. BUSINESS OVERVIEW (cont'd)

- (g) contribute to the well-being and development of the surrounding community through corporate social responsibility programmes and donation.

(iii) Governance

Our Group is committed to conduct our business ethically and in compliance with all relevant laws, regulations, rules and requirements as disclosed in **Section 6.18.1** above. In maintaining high standards of corporate governance, our Board has progressively adopted all the applicable principles and practices as promulgated in the Malaysian Code on Corporate Governance in particularly on embracing board gender diversity.

In addition, our Group has adopted the Anti-Bribery and Anti-Corruption policy towards bribery where we have put in place the policies and procedures to ensure strict compliance with the Malaysian Anti-Corruption Commission Act 2009. In relation to our risk management, our Group has put in place a risk management framework to monitor closely on the risk associated with our business as well as the Whistleblowing Policy and Personal Data Protection Policy to ensure and promote fairness in business dealings.

6.19 Dependency on contracts, agreements, documents or other arrangements

As at the LPD, we are not dependent on any contracts, agreements, documents or other arrangements for our business operations.

6.20 Productive capacity and extent of utilisation

A general metric to measure productive and/or operational capacity is working hours of the employees. However, due to the nature of our operations, our Group believes that such metric may not be a relevant and accurate representation as:-

- (i) our Group’s solutions are customised and developed according to our customers’ request and requirements; and
- (ii) the projects secured by our Group vary in terms of, amongst others, technical complexity, tenure of the contract and project as well as our customers’ site readiness.

6.21 D&D

D&D is an on-going process in our bid to continuously update all of our existing solutions to provide users with enhanced features. The table below lists our current on-going D&D efforts:-

Current

D&D plans	Targeted solutions	Description	Commencement of development/ Expected time to complete development and introduce feature
Facial recognition	CTS and AFC	Facial recognition is a technology to identify and verify individuals based on their unique facial features to improve the security and prevent fraud.	August 2023 / December 2024
Electronic Know-Your-Customer (“E-KYC”)	CTS, BOS and AFC	E-KYC is a digital method employed to verify and authenticate the identity of users which adheres to requirements from financial institutions.	September 2023 / July 2024

6. BUSINESS OVERVIEW (cont'd)

D&D plans	Targeted solutions	Description	Commencement of development/ Expected time to complete development and introduce feature
Onboard surveillance	BOS	We intend to integrate onboard surveillance for buses as a means of improving safety and increase security measures. It can also be used to improve drivers monitoring and used to investigate accidents.	August 2023 / July 2024
Licence plate recognition	TMS	Using character recognition technology, we intend to develop licence plate recognition feature to track the movement of vehicles in terminals. The information can be used to improve traffic management and increase crime prevention.	August 2023 / December 2024

Future

D&D plans	Targeted solutions	Description	Expected commencement of development/ Expected time to complete development and introduce feature
AI transportation booking	CTS, AFC, GoPartner and GoHub.com.my	We intend to incorporate AI into transportation booking system to enhance the booking process. It can be used to automate the allocation of resources (such as Chatbot and planning) and also enables personalised transportation booking experience according to inputs and requirements from each user. The estimated costs to acquire the AI chatbot engine (being the core component for the development of the AI transportation booking system) is approximately RM[●] million, and such costs will be funded through our Public Issue proceeds. For avoidance of doubt, our software engineers will undertake the development of the AI transportation booking system (which includes the integration for the AI chatbot engine).	January 2024/ December 2026

As at the LPD, our Group does not have dedicated D&D staff or department which undertakes D&D activities. These efforts are carried out by members of our IT development department, where staff are assigned on an ad hoc basis, and generally consist of a team made up of project manager, programmers and project consultants.

We incurred D&D expenses of approximately RM0.03 million, RM0.02 million and RM0.04 million in the FYE 2020, FYE 2021 and FYE 2022 respectively, representing 0.13%, 0.12% and 0.15%, over our total revenue respectively.

6. BUSINESS OVERVIEW (cont'd)

6.22 Interruptions to business and operations

We have not experienced any other interruption that has a significant effect on our business and operations during the past 12 months preceding the LPD. However, it should be noted that COVID-19 pandemic which had resulted in the restriction of travel has caused a significant effect on our Group's business and operations in the FYE 2020 and the FYE 2021. Please refer to **Sections 4.1.4** and **6.4** of this Prospectus for further details on the impact of COVID-19 on our business and operations.

6.23 Environmental matters

As at the LPD, there are no environmental matters that may materially affect our Group's business operations.

6.24 Future plans and business strategies

We intend to expand our business in the next 3 years, which include:-

- (i) leveraging on our market presence and established track record to expand our Group's footprint in the bus and rail segments to areas where we currently do not have any presence in;
- (ii) widening our public transportation IT solutions to include ferry terminals; and
- (iii) strengthening our operational capabilities that involve expansion of our workforce, setting up a D&D department and enhancing our customer support and maintenance services.

6.24.1 Expanding our geographical footprint in the domestic markets

Our principal market is currently Peninsular Malaysia. In line with our Group's strategic plans, we are actively pursuing opportunities to expand our presence within the country, focusing on identified domestic transportation-related initiatives with potential for collaboration and growth. Our business plans and strategies are as follows:-

Expansion of our market presence in the public land transportation sector

- (i) We have, on April 2018, secured a project for the installation of TOS (comprising TMS and CTS) at a bus terminal located in Sabah. We have completed the installation of TOS in November 2023 and the terminal commenced operations in the same month. Our Group will continue to provide maintenance support for the TOS at the terminal for a period of up to 12 months with the option to renew the maintenance contract on a yearly basis. We are confident that we are able to expand our market presence in the public land transportation sector in East Malaysia by leveraging on our track record in Peninsular Malaysia and the recent completion of our TOS project for the bus terminal located in Sabah; and
- (ii) Notably, the soon-to-be-completed electrified double track route from Gemas, Negeri Sembilan to Johor Bahru which will include additional 9 stations. This hence presents a promising avenue for our Group in view of our current market presence in the rail segment as our Group will be required by KTMB to install the related hardware (such as ACG and TVMs) and software at the 9 rail stations ("**New Rail Project**"). The installation of the related hardware will be on an Outright Purchase basis whilst the installation of the software will be based on Zero Capex model (where our Group will be required to provide maintenance and support services and charge such maintenance and support services in the form of revenue sharing). It should be noted that the New Rail Project will be undertaken by our Group as part of the extension of our existing CTS installation contract and CTS maintenance contract with KTMB.

6. BUSINESS OVERVIEW (cont'd)

Explore potential market to capture wider customer base

- (i) We are currently working with the Sabah Port Authority to implement transportation IT solutions at 8 identified ferry terminals under the state’s digitalisation initiative to improve the efficiency, security and safety of operations at the ferry terminals with the intention to fully implement our solutions by March 2025. Please refer to **Section 3.6.1(ii)(a)** of this Prospectus for further details on the implementation stages of our transportation IT solutions for the ferry terminals in Sabah; and
- (ii) We intend to expand our online marketplace offering of GoHub.com.my to include reservations for campsites, homestays and sports centres to establish our market presence in tourism and hospitality sectors. Such expansion will be implemented in-house and will be funded through the “Malaysia Digital Catalyst” grant from MDEC (which was obtained in October 2023) with funding of up to RM1.0 million and internally generated funds. The indicative timeframe to launch such online marketplace offering is set out below:-

Stage(s)	Key event(s)	Indicative Timeline
1.	<ul style="list-style-type: none"> • Design and development of the modules for GoHub.com.my website for desktop and mobile platform for end-users as well as the user administration modules for the enterprises (who are campsites, homestays and sports centres operators) to organise and manage bookings • Finalisation on the design layout of the website for desktop and mobile platform 	Up to 31 December 2023
2.	<ul style="list-style-type: none"> • Implementation of the modules on GoHub.com.my website and undertake integration of GoPartner modules with GoHub.com.my • GoHub.com.my website’s booking database management/infrastructure module in place 	Up to 31 March 2024
3.	<ul style="list-style-type: none"> • Successful integration of the GoPartner modules with GoHub.com.my website (which will enable end-users to access the database of GoPartner’s customers (who are, amongst others, campsite and homestay operators) • UAT on GoHub.com.my (for the booking modules for campsites, homestays and sports centres operators) 	Up to 30 June 2024
4.	<ul style="list-style-type: none"> • Official launch of GoHub.com.my (booking modules for campsites, homestays and sports centres operators) 	Up to 30 September 2024

6. BUSINESS OVERVIEW (cont'd)

6.24.2 Expanding our workforce

In line with our planned business expansion, we intend to increase our workforce to bolster our human resource capabilities. We will focus on the recruitment of skilled professionals who possess the required technical skillset and expertise which are essential to our industry. The following table sets out the details of our recruitment plan for the next 2 years:-

Details		No. of new hires (Up to)
1.	<p>Software engineers</p> <p>We intend to augment our software development capabilities by recruiting up to 10 software engineers. Our software engineering division currently consists of 24 software engineers, all of whom are integral to the programming and designing of our IT solutions.</p> <p>This recruitment initiative is geared towards enabling our Group to diversify our project portfolio without encroaching upon the resources allocated for our existing projects.</p>	10
2.	<p>QC engineers</p> <p>As part of our strategic business expansion, we are poised to establish a dedicated QC department, which will comprise up to 4 experienced professionals with background in software engineering. The QC function which was previously managed by our project consultants, and relieving them of this function will enable our project consultants to focus their efforts solely towards enhancing our solutions.</p> <p>The new QC engineers will be tasked to meticulously oversee all QC aspects across our projects. Their responsibilities entail the review of software codes to ensure that the outcome of the software system is aligned with our customer requirements, which were previously articulated during the on-boarding process.</p>	4
3.	<p>Project consultants</p> <p>We plan to recruit up to 6 computer engineers to fulfil the position of project consultants. Our project consultants are pivotal to our business operations as they undertake the following key roles:-</p> <ul style="list-style-type: none"> (a) on-boarding and requirement analysis functions - engaging in close collaboration with our customers to gain better understanding of their business and project requirements, to ensure seamless alignment between proposed technology solutions and the intended outcomes; (b) project management function - developing detailed project plans that set out the tasks, timelines, resource allocation and all significant milestones with the aim to ensure a structured approach to the execution of projects; (c) software system training function - providing training sessions and documentation to our customers to facilitate the adoption and application of our IT solutions; (d) customer support function - coordinating and assisting our customers to troubleshoot any unforeseen technical challenges and intricacies that may emerge after project completion; and (e) customer account management function - maintaining consistent communication with our customers throughout the project lifecycle, providing updates on progress, addressing concerns and managing expectations. <p>As at the LPD, we have a team of 8 project consultants managing our ongoing projects and customer relationships.</p>	6

6. BUSINESS OVERVIEW (cont'd)

Details		No. of new hires (Up to)																												
4.	<p>Helpdesk and customer service</p> <p>We intend to strengthen our support services by hiring additional 4 new personnel (with computer science and technology experience) for our helpdesk operations. We currently operate a helpdesk centre (which acts as the centralised support hub to respond to our customers) with 6 personnel. Our helpdesk coverage commences from 5.00 a.m. to 9.00 p.m. daily.</p> <p>In addition, our Group intends to set up a user support desk to provide customer service support to users of GOHUB's online marketplace application and website on software/application troubleshooting and user experience feedback collection. We will hire up to 4 personnel with IT helpdesk experience to manage and operate the user support desk.</p>	8																												
5.	<p>Technicians</p> <p>We intend to hire up to 15 technicians (with computer science and technology experience) to complement our existing team and support our new projects which include:-</p> <p>(a) allocation of up to 7 technicians to support 9 rail stations as KTMB extends its ETS routes to the South of Peninsular Malaysia; and</p> <p>(b) our venture into the ferry segment where we intend to allocate up to 8 technicians at 8 ferry terminals in Sabah.</p> <p>As our major customers are involved in the provision of mobility and transportation services to the general public, we are required to provide prompt onsite technical support and maintenance as well as expedited response in the case of any emergency or disruptions arising from our TOS. A high level of service is critical to our customers as they are expected by the Ministry of Transport / government agencies and the general public to operate with minimal disruptions/breakdowns and equipped with emergency preparedness and response time, should the need arise.</p> <p>Having recognised the need to provide swift support to our customers, we have stationed our technicians at the key rail stations and bus terminals on a permanent basis to perform periodic maintenance on TOS and onsite support (based on the directive of our helpdesk), where required. As at the LPD, our technicians are stationed in the following states:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">States</th> <th style="text-align: center;">No. of technicians</th> </tr> </thead> <tbody> <tr> <td>Cyberjaya (Headquarters)</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Perlis</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Kedah</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Penang</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Perak</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Selangor</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Wilayah Persekutuan Kuala Lumpur</td> <td style="text-align: center;">10</td> </tr> <tr> <td>Negeri Sembilan</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Johor</td> <td style="text-align: center;">6</td> </tr> <tr> <td>Pahang</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Kelantan</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Terengganu</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">36</td> </tr> </tbody> </table>	States	No. of technicians	Cyberjaya (Headquarters)	2	Perlis	1	Kedah	3	Penang	2	Perak	4	Selangor	1	Wilayah Persekutuan Kuala Lumpur	10	Negeri Sembilan	3	Johor	6	Pahang	1	Kelantan	2	Terengganu	1	Total	36	15
States	No. of technicians																													
Cyberjaya (Headquarters)	2																													
Perlis	1																													
Kedah	3																													
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Pahang	1																													
Kelantan	2																													
Terengganu	1																													
Total	36																													

6. BUSINESS OVERVIEW (cont'd)

Details		No. of new hires (Up to)
6.	D&D personnel We do not have dedicated D&D staff or department which undertakes D&D activities. These efforts are carried out by members of our IT Development department, where staff are assigned on an ad hoc basis, and generally consist of a team made up of project manager, programmers and project consultants. To support our future endeavours in our D&D activities, we intend to expand our workforce in the department.	6
Total		49

We intend to allocate RM[●] million or [●]% of our Public Issue proceeds towards the expansion of our workforce within 24 months from our Listing, of which RM[●] million will be utilised towards the payment of staff salaries and benefits of new recruits for up to 49 employees for an estimated period of 24 months (based on our staff salary records and salary estimates).

For avoidance of doubt, the initial recruitment costs associated to the recruitment of the above mentioned personnel will be fully funded via internally generated funds. We believe that that expansion will enhance our capacity to service the growing number of new purchase orders and contracts.

6.24.3 Marketing efforts to showcase our solutions and secure potential customers

Our immediate marketing plans involves participating in exhibitions worldwide focusing on transportation, traffic management as well as smart city infrastructure. We have outlined several exhibitions which we intend to participate:-

Exhibition	Description
Rail Solutions Asia	Rail Solutions Asia is an exhibition and comprehensive conference programme centred on rail solutions. It also holds the Annual Congress of the Asian Railway Operators Association, and the exhibition covers all aspects of railway activities.
Asia Pacific Rail	Asia Pacific Rail is a railway exhibition for the Asia Pacific region and brought together players from around the world for industry speeches, conference and networking opportunities.
American Transportation Association (“ APTA EXPO ”)	Held once every three years, APTA EXPO is an event that covers advanced mobility systems and showcase of latest technologies, products and services related to the transportation segment.
InnoTrans	InnoTrans is an international trade fair for transport technology and takes place every two years in Berlin. The event is sub-divided into various segment which include railway technology, railway infrastructure, public transport and interiors and tunnel construction.

In addition, we intend to implement a series of business development activities to increase our brand awareness in the industries that we serve. These activities include brand awareness through online channels and media advertisements to promote our applications and the “GOHUB” brand.

We intend to allocate RM[●] million or [●]% of our Public Issue proceeds for business development and participation in exhibitions. The business development activities and participation in exhibitions will be allocated RM[●] million and RM[●] million, respectively and both are expected to be implemented within 24 months from our Listing.

6. BUSINESS OVERVIEW (cont'd)

6.24.4 Set-up of new integrated centre

We intend to establish a new integrated centre in Kuala Lumpur that will serve as our new test laboratory, demonstration and training centre. This centre will encompass an area of approximately 2,000 sq ft, capable of accommodating up to 35 individuals.

We currently operate a rented testing centre measuring approximately 421 sq ft in Kuala Lumpur. Space constraint in the current testing centre discourages our Group from conducting demonstrations and trainings at our facility, with these activities taking place at customer's site or hotel function rooms. The existing testing centre is equipped with hardware such as POS, TVMs and ACG, which we use to test and demonstrate our solutions to our customers. We are only able to accommodate up to 10 individuals at a time at our current centre given the limited floor space.

To facilitate this initiative, we have earmarked RM[●] million or [●]% of our Public Issue proceeds to lease an office located in Klang Valley, where it will be utilised for the rental of the office space for 36 months and related renovation costs. The allocated funds also include the purchase of required computers, IT equipment and tools (which include amongst others, ACG, TVM, handheld devices and payment terminals). The plan is expected to be completed within 12 months from our Listing.

6.24.5 D&D

We recognise the importance of D&D activities in our bid to remain competitive and provide customers with the newest technological applications and solutions that optimises and streamlines operational process flows efficiently.

Effective D&D shapes the features and functionality of our solutions. We intend to incorporate AI in our solutions via the acquisition of an AI engine. AI engine is a component in an AI system and is responsible for making decisions, providing responses and generating outputs based on input data and predefined rules or models.

We intend to acquire an AI chatbot engine to provide customers with simple helpdesk and troubleshooting functions and will subscribe to new additional database and application servers to support the AI chatbot engine in terms of storage of analytics and complex data. The AI chatbot engine is a core component to the AI transportation booking system (which will be developed in-house by our software engineers). We have therefore earmarked RM[●] million or [●]% from our Public Issue proceeds for the acquisition of the AI chatbot engine and to fund the subscription costs for the supporting database and application servers. We expect to implement the plan within 36 months from our Listing. Further details of the estimated implementation timeframe are set out in **Section 3.6.1(iii)** of this Prospectus.

6. BUSINESS OVERVIEW (cont'd)

6.24.6 Acquisitions of IT equipment, tools and software

In line with our business expansion strategies as disclosed above, we intend to allocate approximately RM[●] million or [●]% of our Public Issue proceeds for this purpose. The acquisitions will include the purchase of IT equipment, tools and software tools required to support the strategies, and future potential projects, in particular, for our venture into the ferry segment and the upgrading of our BOS, details of which are summarised as follows:-

Details	RM'000
The key TOS* hardware to be installed for the ferry terminals in Sabah (under the Zero Capex model), which includes TVMs, ACG, CCTV and security related system, handheld devices and POS facilities, Passenger Information Display System as well as related electrical and engineering components. Further details of our venture to ferry terminals and the estimated timeframe are set out in Section 3.6.1(ii)(a) of this Prospectus.	[●]
Upgrading of cashless or open payment system for BOS (includes the payment terminal devices). Further details of the upgrading of our BOS are set out in Section 3.6.1(ii)(b) of this Prospectus.	[●]
Total	[●]

Note:-

* For avoidance of doubt, the TOS software will be developed and customised in-house by our software engineers. The costs associated with the development of the TOS software will be recognised as intangible assets in accordance with the recognition criteria set out in the MFRS 138 Intangible Assets.

We expect to carry out the above within 36 months from our Listing.

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