

15. STATUTORY AND OTHER INFORMATION

15.1 SHARE CAPITAL

- (a) As at the date of this Prospectus, we only have one class of shares, namely, ordinary shares, all of which rank equally with one another.
- (b) Save for the Pink Form Allocations as disclosed in Section 4.3.2:
- (i) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any share of our Company or our subsidiaries; and
- (ii) there is no scheme involving the employees of our Group in the shares of our Company or our subsidiaries.
- (c) Save for the subscriber Shares, new Shares issued for the Acquisition and to be issued for the Public Issue as disclosed in Sections 6.2 and 4.3.1 respectively, no shares of our Company have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise, within the past 2 years immediately preceding the date of this Prospectus.
- (d) Other than our Public Issue as disclosed in Section 4.3.1, there is no intention on the part of our Directors to further issue any Shares on the basis of this Prospectus.
- (e) As at the date of this Prospectus, our Company does not have any outstanding convertible debt securities.

15.2 SHARE CAPITAL OF OUR SUBSIDIARIES

Details of our Company's share capital are as set out in Section 6.1. Details of the share capital of our subsidiaries are as set out below.

15.2.1 ACS

ACS's issued share capital as at LPD is RM10,000,000 comprising 10,000,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
3 February 2009	3 Ordinary	RM3 / Cash	3
24 April 2009	97 Ordinary	RM97 / Cash	100
25 May 2009	99,900 Ordinary	RM99,900 / Cash	100,000
26 May 2010	150,000 Ordinary	RM150,000 / Cash	250,000
29 December 2012	2,150,000 Ordinary	RM2,150,000 / Cash	2,400,000
9 July 2020	⁽¹⁾⁽³⁾ 30,000 Ordinary A	RM30,000 / Cash	2,430,000
9 July 2020	⁽²⁾⁽³⁾ 20,000 Ordinary B	RM20,000 / Cash	2,450,000
30 November 2021	3,250,000 Ordinary	RM3,250,000 / Cash	5,700,000
30 December 2022	4,300,000 Ordinary	RM4,300,000 / Cash	10,000,000

Notes:

- (1) The voting rights for Ordinary A shares of ACS is similar to the voting rights attached to a share, being 1 vote per share.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (2) The voting rights for Ordinary B shares of ACS was 25.5 votes per share. Thereafter, effective from 29 November 2021, the voting rights of Ordinary B shares of ACS were varied to 58 votes per share.
- (3) On 20 December 2022, the voting rights of Ordinary A shares and Ordinary B shares of ACS were varied to 1 vote per share whereupon the shares became a single class of ordinary shares.

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in ACS. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.2 Bapas

Bapas' issued share capital as at LPD is RM3,000,000 comprising 3,000,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
30 December 2014	3	RM3 / Cash	3
2 January 2015	97	RM97 / Cash	100
22 June 2015	199,900	RM199,900 / Cash	200,000
24 December 2020	300,000	RM300,000 / Cash	500,000
30 November 2021	1,900,000	RM1,900,000 / Cash	2,400,000
8 December 2022	600,000	RM600,000 / Otherwise than Cash	3,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Bapas. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.3 CONSTITUTION

The following provisions are extracted from our Constitution. Terms defined in our Constitution shall have the same meanings when used here unless they are otherwise defined here or the context otherwise requires.

15.3.1 Changes in share capital and variation of class rights

The provisions in our Constitution dealing with changes in share capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Paragraph 9 to 11 – Alteration of Share Capital**Paragraph 9**

Subject always to Paragraph 4 of the Constitution[^], the Company shall have the power to increase or reduce the capital, to consolidate or subdivide the shares into shares of larger or smaller amounts and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preferential rights or privileges, or subject to any special terms or conditions and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such privileges, terms, conditions or designations in accordance with this Constitution and the Act.

[^] Paragraph 4 of the Constitution states that the liability of the Members is limited.

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

Paragraph 10

The Company may from time to time by special resolution alter its share capital in any one or more of the following ways:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) subdivide its share capital or any part thereof into shares of smaller amount than is fixed by this Constitution by subdivision of its existing shares or any of them, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one (1) or more of such shares may, by the resolution by which such subdivision is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares;
- (c) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled; and
- (d) subject to the provisions of this Constitution and the Act, convert and/or re-classify any class of shares into any other class of shares.

Paragraph 11

The Company may by special resolution, reduce its share capital in any manner permitted or authorised under and in compliance with the Applicable Laws.

Paragraph 12 to 13 – Allotment of Shares

Paragraph 12

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the Act, the Central Depositories Act and to the conditions, restrictions and limitations expressed in this Constitution and to the provisions of any resolution of the Company, the Directors may allot, grant options over or otherwise dispose of the unissued share capital of the Company to such persons, at such time and on such terms and conditions, with such preferred or deferred or other special rights as they think proper, PROVIDED ALWAYS THAT:

- (a) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in general meeting;
- (b) in the case of shares other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution; and
- (c) every issue of shares or options to employees and/or Directors of the Company or its subsidiaries pursuant to a share issuance scheme shall be approved by the Members in general meeting; No director shall participate in a share issuance scheme unless the Members in general meeting have approved the specific allotment to be made to such Director.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

Paragraph 13

Subject to the approval of the shareholders of the Company, this Constitution, the provisions of the Act, the Listing Requirements, the Central Depositories Act and or any other relevant authority, the Company may upon the recommendation of the Directors remunerate any employees and/or Directors of the Company or its subsidiaries by establishing an employee share scheme. The terms and conditions of the employee share scheme shall be determined by the Board.

Paragraph 14 – Rights of preference shareholders

Subject to the Applicable Laws and any other requirements of the Securities Commission, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are or at the option of the Company are liable to be redeemed and if the Company at any time issues preference capital, it shall indicate at the same time whether it reserves the right to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and audited financial statements and attending general meetings of the Company. PROVIDED always that preference shareholders shall not have the right to vote at any general meeting of the Company except on each of the following circumstances:

- (a) when the dividend or part of the dividend on the preference share is in arrears for more than six (6) months;
- (b) on a proposal to reduce the company's share capital;
- (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (d) on a proposal that affects rights attached to the preference shares;
- (e) on a proposal to wind up the Company; and
- (f) during the winding up of the Company.

Paragraph 16 – Share buy-back

Subject to and in accordance with the Act and the Rules and requirements of the Bursa Securities, the Bursa Depository, the Securities Commission and any other relevant authorities, the Company shall have the power to purchase its own shares. Any ordinary shares in the Company so purchased by the Company shall be dealt with as provided by the Act and the Listing Requirements and or requirements of any other relevant authority.

Paragraph 18 – Shares issued for the purpose of raising money for the construction of works or building

Where any shares are issued for the purpose of raising money to defray the expenses of construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest or returns on the amount of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 130 of the Act and may charge the same to capital as part of the cost of construction of the works or buildings or the provision of the plant.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

Paragraph 19 to 21 – Variation of rights on shares

Paragraph 19

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of 75% of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of this Constitution relating to meetings of Members shall mutatis mutandis apply so that the necessary quorum shall be 2 persons at least holding or representing by proxy at least one-tenth (1/10) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

Paragraph 20

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Paragraph 21

The Company may exercise the powers of paying commissions conferred by the Act, provided that the rate or the per centum of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the commission shall not exceed the rate of 10% of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent thereto. Such commission may be satisfied by the payment of cash or the allotment of fully paid up shares or partly paid up shares or by a combination of any of the aforesaid methods of payment. The Company may, on any issue of shares, also pay such brokerage as may be lawful.

15.3.2 Borrowing and voting powers of the directors

The provisions in our Constitution dealing with voting and borrowing powers of our Directors including voting powers in relation to proposals, arrangements or contracts in which they are interested in are as follows:

Paragraph 115

- (a) The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any related third party. Provided Always that nothing contained in this Constitution shall authorise the Board to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.
- (b) The Directors shall cause a proper register to be kept in accordance with Section 362 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of Section 352 of the Act in regard to the registration of mortgages and charges therein specified and otherwise.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (c) If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Paragraph 130(2)

A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretion by or under this Constitution vested in or exercisable by the Directors generally. Subject to this Constitution, questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the Chairman meeting shall have a second or casting vote except in situation where two (2) Directors form a quorum, the Chairman at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote.

Paragraph 131

Every Director shall declare his interest in the Company and his interest in any contract or proposed contract with the Company as may be required by law. Subject to Section 222 of the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

Paragraph 132

A Director, notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Board resolves to exercise any of the rights of the Company, (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company or whereat the terms of any such appointment as hereinafter mentioned are considered or where any decision is taken upon any contract or arrangement in which he is in any way interested provided always that he has complied with Section 221 and all other relevant provisions of the Act and of this Constitution.

Paragraph 133

A Director may vote in respect of:

- (a) any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

Paragraph 134

A Director may be or become director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise, or any corporation, which is directly or indirectly interested in the Company as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such corporation, unless the Company otherwise directs at the time of his appointment. The Director may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them Directors or other officers of such corporation) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or is about to be appointed a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid provided always that he has complied with Section 221 and all other relevant provisions of the Act and of this Constitution.

15.3.3 Remuneration of directors

The provisions in our Constitution dealing with remuneration of Directors are as follows:

Paragraph 108

Subject to Sections 230 of the Act, the fees of the Directors, and any benefits payable to the Directors including any compensation for loss of employment of a Director shall from time to time be determined and approved annually by an ordinary resolution of the Company in general meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree PROVIDED ALWAYS that:-

- (a) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;
- (b) salaries payable to executive Directors may not include a commission on or percentage of turnover but may include a commission on or percentage of profits;
- (c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and
- (d) any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Paragraph 110

- (a) The Directors shall be entitled to be reimbursed for all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (b) If by arrangement with the Directors, any Director shall perform or render any special duties or services outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a Member of a committee of Directors, the Directors may pay him special remuneration, in addition to his Director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged.

Paragraph 141

The remuneration of the Chief Executive / Managing Director and the Deputy Managing Director may subject to the terms of any agreement entered into in any particular case, be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of turnover but it may be a term of their appointment that they may receive pension, gratuity or other benefits upon their retirement.

15.3.4 Transfer of Shares

The provisions in our Constitution dealing with transfer of Shares are as follows:

Paragraph 47 – 51 Transfer of shares

Paragraph 47

The transfer of any listed security or class of any listed security of the Company, shall be by way of book entry by Bursa Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.

Paragraph 48

- (a) Subject to the Central Depositories Act and the Rules, the Board may in its absolute discretion and without assigning any reason thereof authorise its registrar to cause the Bursa Depository to decline to register any transfer of share upon which the Company has a lien or which are not fully paid-up.
- (b) Subject to the Central Depositories Act and the Rules, the Board may also authorise its registrar to cause the Bursa Depository to decline to register any transfer unless such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer is deposited at such place as the Directors may appoint.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

Paragraph 49

The Register may be closed at such time and for such period as the Company may from time to time determine PROVIDED ALWAYS that they shall not be closed for more than thirty (30) days in any calendar year. Any notice of intention to fix a books closing date and the reason therefor shall be given to the Bursa Securities, such notice shall state the books closing date, which shall be at least ten (10) Market Days (or such other period as may be prescribed by the Bursa Securities) after the date of notification to the Bursa Securities, and the address of the share registrar at which documents will be accepted for registration. In relation to such closure, the Company shall give written notice, in accordance with the Rules to issue the appropriate Record of Depositors.

Paragraph 50

- (a) No shares shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
- (b) Nothing in this Constitution shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

Paragraph 51

- (a) There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title of any shares, such fee as may be permitted by the relevant law and as the Board may from time to time require or prescribe.
- (b) All transfer of securities deposited with a Bursa Depository, including but not limited to he Deposited Security, shall be in compliance with the relevant laws and Rules.

15.4 GENERAL INFORMATION

- (a) Save for the dividends paid to our shareholders in FYE 2020, FYE 2021 and up to LPD, and Directors' remuneration as disclosed in Sections 5.1.5 and 5.2.4 respectively, no other amount or benefit has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be paid or given, to any of our Promoters, Directors or substantial shareholders.
- (b) None of our Promoters, Directors, substantial shareholders have any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.
- (c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the summarised procedures for application of our Shares are set out in Section 16.
- (d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

15.5 CONSENTS

- (a) The written consents of our Adviser, Sponsor, Underwriter, Placement Agent, Solicitors, Share Registrar, Company Secretaries and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn;
- (b) The written consents of our Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and report relating to the pro forma combined financial information in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn; and
- (c) The written consent of our IMR to the inclusion in this Prospectus of its name and the IMR Report, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not been subsequently withdrawn.

15.6 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company during normal business hours for a period of 6 months from the date of this Prospectus:

- (a) Constitution;
- (b) Audited financial statements of ACS and Bapas for FYE 2020 to 2022;
- (c) Accountants' Report as set out in Section 13;
- (d) Reporting Accountants' Report relating to our pro forma combined financial information as set out in Section 14;
- (e) IMR Report as set out in Section 8;
- (f) Material contracts as set out in Section 6.5; and
- (g) Letters of consent as set out in Section 15.5.

15.7 RESPONSIBILITY STATEMENTS

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

M&A Securities acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.