NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF EXPRESS POWERR SOLUTIONS (M) BHD ("EXPRESS POWERR" OR "COMPANY") DATED 20 AUGUST 2025 ("ELECTRONIC PROSPECTUS")

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

Website

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

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, Mercury Securities Sdn Bhd ("**Mercury Securities**"), or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

Jurisdictional Disclaimer

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

Close of Application

Applications will be accepted from 10.00 a.m. on 20 August 2025 and will close at 5.00 p.m. on 8 September 2025. In the event there is any change to the timetable, the Company will make an announcement on the Website and advertise the notice of the change in widely circulated daily English and Bahasa Malaysia newspaper within Malaysia.

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

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

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

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

2025

EXPRESS POWERR SOLUTIONS (M) BHD
(Registration No. 202301027296 (1521219-K))
(Incorporated in Malaysia under the Companies Act 2016)

PROSPECTUS

EXPRESS POWERR SOLUTIONS (M) BHD
(Registration No. 202301027296 (1521219-K))
(Incorporated in Malaysia under the Companies Act 2016)

PROSPECTUS

EXPRESS POWERR SOLUTIONS (M) BHD
(Registration No. 202301027296 (1521219-K))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("**IPO**") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED SHARE CAPITAL OF EXPRESS POWERR SOLUTIONS (M) BHD ("**EXPRESS POWERR**" OR "**COMPANY**") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") COMPRISING:

(I) PUBLIC ISSUE OF 180,000,000 NEW ORDINARY SHARES IN EXPRESS POWERR ("**SHARES**") IN THE FOLLOWING MANNER:

- 46,722,600 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 18,688,800 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS AND EMPLOYEES AS WELL AS PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF EXPRESS POWERR AND ITS SUBSIDIARY;
- 63,193,900 NEW SHARES AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND
- 51,394,700 NEW SHARES AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY OF MALAYSIA ("**MITI**");

AND

(II) OFFER FOR SALE OF 65,411,500 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MITI,

AT AN IPO PRICE OF RM0.20 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor,
Sole Underwriter and Sole Placement Agent

Mercury Securities Sdn Bhd
(Registration No. 198401000672 (113193-W))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Bursa Securities has approved the admission of our Company to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities. This Prospectus has been registered by Bursa Securities. The approval for the admission of our Company to the Official List of Bursa Securities, and the registration of this Prospectus, should not be taken to indicate that Bursa Securities recommends the offering or assumes responsibility for the correctness of any statement made, opinion expressed, or report contained in this Prospectus. Bursa Securities has not, in any way, considered the merits of the securities being offered for investment. Bursa Securities is not liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus. No securit ies will be allotted or issued based on this Prospectus after 6 months from the date of this Prospectus.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 161.

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

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

This Prospectus is dated 20 August 2025

All defined terms used in this Prospectus are defined under "Definitions" commencing from page v to x of this Prospectus.

RESPONSIBILITY STATEMENTS

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

Mercury Securities, being our Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

STATEMENTS OF DISCLAIMER

Approval has been obtained from Bursa Securities for the listing of and quotation for our Shares being offered. Our admission to the Official List of the ACE Market of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company, or our IPO Shares.

Bursa Securities is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

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

OTHER STATEMENTS

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

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

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

This Prospectus is prepared and published solely in connection with our IPO under the laws of Malaysia. Our IPO Shares are offered in Malaysia solely based on the contents of this Prospectus. Our Company, Directors, Promoter, Selling Shareholder, Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoter, Selling Shareholder, Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent or any of their respective directors, or any other persons involved in our IPO. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our IPO Shares in any other jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation.

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

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

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

Neither us nor our Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any country or jurisdiction.

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

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

ELECTRONIC PROSPECTUS

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

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

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Principal Adviser or Issuing House, a paper/printed copy of this Prospectus. In the event of any discrepancies arising between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with Bursa Securities shall prevail.

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

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

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

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

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

(i) the Internet Participating Financial Institutions or Participating Securities Firms are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions or Participating Securities Firms which may be viewed via web browser or other relevant software;

(ii) the Internet Participating Institutions or Participating Securities Firms shall not be responsible in any way for the integrity of the contents of the Electronic Prospectus which has been downloaded or obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms and thereafter communicated or disseminated in any manner to you or other parties; and

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

The Internet Participating Financial Institutions or Participating Securities Firms shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions or Participating Securities Firms, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

[The rest of this page is intentionally left blank]

INDICATIVE TIMETABLE

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

Events	Tentative Time / Date
Issuance of this Prospectus / Opening of Application	10.00 a.m./ 20 August 2025
Closing of Application	5.00 p.m./ 8 September 2025
Balloting of Application	10 September 2025
Allotment/Transfer of our IPO Shares to successful applicants	22 September 2025
Listing on the ACE Market	24 September 2025

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

[The rest of this page is intentionally left blank]

DEFINITIONS

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

COMPANIES WITHIN OUR GROUP

Express Powerr or **Company**	:	Express Powerr Solutions (M) Bhd (Registration No.202301027296 (1521219-K))
Express Mission or **Subsidiary**	:	Express Mission Sdn Bhd (Registration No.200501025328 (707461-W))
Express Powerr Group or **Group**	:	Express Powerr and Express Mission, collectively

GENERAL

ACE Market	:	The ACE Market of Bursa Securities
Acquisition	:	Acquisition by our Company of the entire equity interest of Express Mission from the Vendor for a purchase consideration of RM33,950,164 which was wholly satisfied by the issuance of 754,448,089 new Shares at an issue price of RM0.0450 per Share
Act	:	Companies Act 2016
ADA(s)	:	Authorised Depository Agent(s)
AGM	:	Annual General Meeting
Application(s)	:	Application(s) for our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Form(s)	:	Printed application form(s) for the application of our IPO Shares accompanying this Prospectus
ATM(s)	:	Automated teller machine(s)
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application, with respect to payments for our IPO Shares
Board	:	Board of Directors of our Company
Building 1	:	A single-storey semi-detached factory with a store, 3 storey offices and basement being constructed on Lot 1 with a total built-up area of approximately 26,339.29 sq ft
Building 2	:	A single-storey semi-detached factory with a store, 3 storey offices and basement being constructed on Lot 2 with a total built-up area of approximately 26,339.29 sq ft
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No.198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.200301033577 (635998-W))
CAGR	:	Compounded annual growth rate
CDS	:	Central Depository System

DEFINITIONS *(Cont'd)*

CDS Account(s)	:	An account(s) established by Bursa Depository for the Depositor for the recording of deposits or withdrawal of securities and for dealings in such securities by the Depositor
CF / CCC	:	Certificate of fitness for occupation or Certificate of completion and compliance, as the case may be
CIDB	:	Construction Industry Development Board
CIDB Act	:	Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994
Closing date	:	The date adopted in this Prospectus as the last date for acceptance and receipt of Application
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
COVID-19	:	Novel coronavirus disease, an infectious respiratory disease which first broke out in 2019
Customer A	:	Customer A is a public listed company incorporated in Malaysia and listed on Main Market of Bursa Securities. Customer A is primarily involved in the business of the generation, transmission, distribution and sales of electricity. We had sought consent from Customer A for disclosure of its identity in this Prospectus, but the consent was not received by our Group.
Depositor	:	A holder of a CDS Account
Director(s)	:	Director(s) of our Company and within the meaning given in Section 2 of the CMSA
Dynasynergy	:	Dynasynergy Technology Sdn Bhd (Registration No. 200201013455 (581118-K))
EBIT	:	Earnings before interest and taxation
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EIS	:	Employment Insurance System
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including, but not limited to, CD-ROMs (compact disc read-only memory)
Electronic Share Application	:	Application for our IPO Shares through a Participating Financial Institutions' ATM
Eligible Persons	:	Collectively, our Directors, employees of our Group and persons who have contributed to the success of our Group and who are eligible to participate in our Public Issue
EPF	:	Employees Provident Fund
EPS	:	Earnings per Share
FPE	:	3-month financial period ended 31 March

DEFINITIONS *(Cont'd)*

FYE	:	Financial year ended / ending 31 December, as the case may be
FYE Under Review	:	FYE 2021, FYE 2022, FYE 2023 and FYE 2024, collectively
Government	:	Government of Malaysia
GP	:	Gross profit
IFRS	:	International Financial Reporting Standards as issued by the International Accounting Standards Board
IMR Report	:	Independent market research report titled "Independent Market Research Report on the Light Machinery and Equipment Rental Industry in Malaysia" dated 1 August 2025 prepared by Protégé
Internet Participating Financial Institutions or Participating Securities Firms	:	Participating financial institutions or participating securities firms for the Internet Share Application
Internet Share Application	:	Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institution(s) or Participating Securities Firms
IPO	:	Initial public offering of our IPO Shares comprising the Public Issue and Offer for Sale, collectively, in conjunction with our Listing
IPO Price	:	RM0.20 per IPO Share
IPO Shares	:	The Issue Shares and Offer Shares, collectively
Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No.199301003608 (258345-X))
Issue Shares	:	180,000,000 new Shares, to be issued pursuant to our Public Issue
KKB	:	Kejuruteraan Kuasa Bumi Sdn Bhd (Registration No.199001009876 (201448-X))
KLKB	:	Kejuruteraan Letrik KB Sdn Bhd (Registration No.199201005073 (236577-D))
Letter of Award	:	Letter of Award dated 26 May 2025 between Dynasynergy and our Group for the supply, delivery and commissioning of generators on rental basis to Dynasynergy at PPU Mowtas (11kV), Sandakan, Sabah for a period of 2 years from 1 January 2025 to 31 December 2026
Listing	:	Listing of and quotation for our entire enlarged issued share capital of 934,449,089 Shares on the ACE Market
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
Lot 1	:	A piece of freehold land bearing the title details of HS(M) 206971, PT 88023, Mukim of Kapar, Tempat of 5th Mile Sg Binjai Road, Klang, Selangor measuring approximately 49,503 sq ft in area. Lot 1 is located adjacent to Lot 2.

DEFINITIONS *(Cont'd)*

Lot 2	:	A piece of freehold land bearing the title details of HS(M) 206970, PT 88022, Mukim of Kapar, Tempat of 5th Mile Sg Binjai Road, Klang, Selangor measuring approximately 22,270 sq ft in area. Lot 2 is located adjacent to Lot 1.
LPD	:	21 July 2025, being the latest practicable date prior to the issuance of this Prospectus
Malaysian Public	:	Malaysian citizens, companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day(s)	:	Any day(s) on which Bursa Securities is open for trading of securities, which may include a ungazetted day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as public holiday at the beginning of the calendar year
MCO	:	The nationwide Movement Control Order imposed by the Government of Malaysia under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 as a measure to contain the outbreak of COVID-19 pandemic The MCO begun on 18 March 2020 and unless otherwise specified includes all its subsequent phases namely, the conditional MCO, recovery MCO, enhanced MCO and full lockdown MCO, as may be imposed, extended and/or varied from time to time
Mercury Securities or **Principal Adviser** or **Sponsor** or **Sole Underwriter** or **Sole Placement Agent**	:	Mercury Securities Sdn Bhd (Registration No. 198401000672 (113193-W))
MFRS	:	Malaysian Financial Reporting Standards, as issued by the Malaysian Accounting Standards Board
MITI	:	Ministry of Investment, Trade and Industry of Malaysia
MyIPO	:	Intellectual Property Corporation of Malaysia
N/A	:	Not applicable or not available
NA	:	Net assets
NBV	:	Net book value
NEM	:	Net energy metering
Offer for Sale	:	Offer for sale by our Selling Shareholder of 65,411,500 Offer Shares at our IPO Price, representing approximately 7.00% of our enlarged issued share capital
Offer Shares	:	65,411,500 existing Shares to be offered by our Selling Shareholder pursuant to the Offer for Sale
Official List	:	A list specifying all securities which have been admitted for listing on the Bursa Securities and not removed
Participating Financial Institution(s)	:	Participating financial institution(s) for the Electronic Share Application
PAT	:	Profit after taxation

DEFINITIONS *(Cont'd)*

PBT	:	Profit before taxation
PE Multiple	:	Price-to-earnings multiple
Pink Application Form(s)	:	Application form(s) for the application of our IPO Shares by the Eligible Persons accompanying this Prospectus
Pink Form Allocations	:	Allocation of 18,688,800 Issue Shares for application by the Eligible Persons pursuant to the Public Issue
Prescribed Security	:	Securities of a company that are prescribed by Bursa Securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository
Promoter or **Vendor** or **Substantial Shareholder** or **Specified Shareholder** or **Selling Shareholder**	:	Lim Cheng Ten
Prospectus	:	This Prospectus dated 20 August 2025 in relation to our IPO
Protégé or **IMR**	:	Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H)), our independent market researcher
Public Issue	:	Public issue of 180,000,000 Issue Shares, representing approximately 19.26% of our enlarged issue share capital at the IPO Price comprising: (a) 46,722,600 Issue Shares, representing approximately 5.00% of our enlarged issued share capital, made available for application by the Malaysian Public; (b) 18,688,800 Issue Shares, representing approximately 2.00% of our enlarged issued share capital, made available for application by the Eligible Persons; (c) 63,193,900 Issue Shares, representing approximately 6.76% of our enlarged issued share capital, made available by way of private placement to selected investors; and (d) 51,394,700 Issue Shares, representing approximately 5.50% of our enlarged issued share capital, made available by way of private placement to selected Bumiputera investors approved by the MITI.
Rules of Bursa Depository	:	Rules of Bursa Depository and any appendices thereto as amended from time to time
SAC	:	Shariah Advisory Council of the SC
SC	:	Securities Commission Malaysia
SEDA	:	Sustainable Energy Development Authority Malaysia
Service Contracts	:	3 service agreements with tenure of 3-years (with renewal term of a further 3-years) entered into between Express Mission and TNB, all on 4 July 2022 (supplemented by 3 supplemental agreements dated 24 July 2025) for the provision of power solutions in the states of Johor, Selangor/Wilayah Persekutuan Putrajaya and Wilayah Persekutuan Kuala Lumpur, respectively

DEFINITIONS *(Cont'd)*

SESB	:	Sabah Electricity Sdn Bhd (Registration No. 199801006745 (462872-W)), an 82.76% owned subsidiary of TNB and 17.24% owned by the State Government of Sabah
Share(s) or **Express Powerr Share(s)**	:	Ordinary share(s) in our Company
Share Registrar	:	Boardroom Share Registrars Sdn Bhd (Registration No.199601006647 (378993-D))
SICDA	:	Securities Industry (Central Depositories) Act 1991
SOCSO	:	Social Security Organisation, also known as PERKESO (Pertubuhan Keselamatan Sosial)
sq ft	:	Square feet
SSA	:	Conditional share sale agreement dated 8 September 2023 and supplemental share sale agreement dated 30 December 2024 entered into between the Vendor and our Company for the Acquisition
TNB	:	Tenaga Nasional Berhad (Registration No.199001009294 (200866-W)) and its group of companies
Underwriting Agreement	:	The underwriting agreement dated 22 July 2025 entered into between our Company and Mercury Securities pursuant to our IPO

EXPRESS POWERR'S OPERATING LOCATION

Headquarter	:	Our headquarter is located at No. 6 (Ground Floor), Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor
Southgate Office	:	D-3A-10, Block D, Southgate Commercial Centre, No. 2, Jalan Dua off, Jalan Chan Sow Lin, 55200 Kuala Lumpur

LIST OF OPERATION YARDS

Bandar Bukit Raja	:	PT 69404, Jalan Astana 2, Bandar Bukit Raja, 41000 Klang, Selangor
Puchong	:	No. 43, Jalan Utama 2/25, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor
Kuala Lumpur	:	Lot 50071, Jalan Satu, Chan Sow Lin, 55200 Kuala Lumpur
Pasir Gudang	:	No. 28, Jalan Senangin 6, Taman Pasir Putih, 81700 Pasir Gudang, Johor
Kulai	:	Lot 58787, Jalan Tanjung 27/7, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor
Kelantan	:	Lot 3677, Kawasan Perusahaan Tanah Merah, 17500 Tanah Merah, Kelantan
Penang	:	No. 875, Maklom, Jalan Pekan Darat, 13800 Butterworth, Penang

CURRENCY

RM and **sen**	:	Ringgit Malaysia and sen, respectively

GLOSSARY OF TECHNICAL TERMS

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

Alternator	:	A device that converts mechanical energy to electrical energy in the form of alternating current
AMF panel	:	Automatic mains failure ("**AMF**") panel is an automated switching device that switches the supply from standby generator to main switchboard
Ampere meter	:	An instrument used to measure the electric current in a circuit
Cable(s)	:	Current-carrying wires, whether bonded, twisted, or braided, which serve the purpose of transporting electrical energy from one point to another
Canopy generator	:	A generator enclosed in a protective housing (i.e. canopy). This enclosure is designed to reduce noise levels and protect the equipment from weather, dust, and other environmental factors. Canopy generators are commonly used in outdoor settings or areas where noise reduction is important, such as residential neighbourhoods, construction sites, or events In the context of this Prospectus, canopy generator is not portable but remains at a work site for the duration of its use and is removed once its usage is complete
Copper busbar	:	A metallic strip or bar used in electric power distribution to transfer power and energy from a supply point to different output circuits. It is typically housed inside switchgear, panel boards, and busways
Cross-rent	:	In the context of this Prospectus, this refers to cross-renting generators that are not available in our Group's fleet of generators from a third-party generator rental service provider, which are then rented out to our customers
DIN connector	:	An electrical connector that is standardised by DIN. This type of connector used as protective electrical enclosures for electrical connections *DIN, refer to Deutsches Institut für Normung (also known as the German Institute for Standardisation Registered Association), the German national organisation for standardisation that develops norms and standards for rationalisation, quality assurance, environmental protection, safety and communication in industry, technology, science, and government, as well as the public domain*
Distribution board	:	A component of an electricity supply system that divides an electrical power feed into subsidiary circuits while providing a protective fuse or circuit breaker for each circuit in a common enclosure

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

Generator	:	A device used to provide electric power for various machinery and equipment without the need for connection to a power grid and often used when quick and flexible power supply is required. It is also essential for emergency tasks and unexpected special circumstances, such as flash floods and power blackouts In the context of this Prospectus, refers to canopy generator and/or mobile generator utilises by the Express Powerr Group for the provision of generator rental services
Generator synchronisation panel	:	Control panel used to synchronise multiple generators with each other or with the main power grid. It ensures that the power magnitude levels (i.e. voltage, frequency, and speed) of each generator is matched before they are connected in parallel to supply power
Isolator board	:	A distribution board used to completely isolate the electrical supply between 2 or more generator to achieve absolute isolation
kV	:	Kilovolts, equals to 1,000 voltage
kVA	:	Kilovolt-ampere, refers to the measurement of power in a transformer or from a generator
Large-sized generator(s)	:	In the context of this Prospectus, refers to powerful industrial generator(s) with power capacities 500kVA and above, and is used for electrical power required for industrial or commercial settings, such as powering hospitals, factories, or other critical infrastructures
Load bank	:	A device that simulates an electrical load and is used to commission, maintain, and verify the performance of electrical power sources such as generators, power supplies and electrical systems
M&E	:	Mechanical and electrical
Medium-sized generator(s)	:	In the context of this Prospectus, refers to generator(s) with power capacities ranging from 250kVA to less than 500kVA and is used for wider range of applications including powering construction sites, large events or industrial operations
Megawatt	:	A unit for measuring electric power, with the value of 1,000,000 watts
Mobile generator	:	In the context of this Prospectus, refers to a portable generator unit mounted on a truck, designed for easy transportation and deployment to various locations, providing mobile power solutions for emergency situations, construction sites, outdoor events, and other temporary power needs
PV	:	Photovoltaics, refer to electricity generating facility that converts sunlight to direct current
Radiator	:	A heat exchanger used to transfer thermal energy from one medium to another for the purpose of cooling and heating
Ring main unit	:	Metal enclosed set of switchgear used in electrical power distribution systems and responsible for switching, protection, and metering of electrical power

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

Small-sized generator(s)	:	In the context of this Prospectus, refers to generator(s) with power capacities less than 250kVA and is used for generating the electrical power required for small events or providing backup power for homes and businesses
Switchgear	:	Apparatus used for controlling, regulating and switching on or off the electrical circuit in the electrical power system
Transformer	:	An electrical equipment that functions to change the voltage of electricity flowing in the circuit. Step-up transformers are used to increase the voltage of electricity, while step-down transformers are used to reduce the voltage of electricity in electric current circuits
Vacuum circuit breaker	:	An automatically operated electrical switch that shuts itself off (trips) and stops the flow of electricity if it detects overcurrent or surges. It is a type of circuit breaker that uses a vacuum as an arc extinction medium
Volt	:	A unit of measure of the electrical potential difference between two points
Voltage meter	:	An instrument used to measure voltage

[The rest of this page is intentionally left blank]

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "our Company" or "Express Powerr" in this Prospectus are to Express Powerr Solutions (M) Bhd, while references to "our Group" are to our Company and our Subsidiary taken as a whole. References to words such as "we", "us", "our" and "ourselves" are to our Company or our Group or our Subsidiary, as the context requires. Unless the context otherwise requires, references to "Management" are to our Managing Director, Non-Independent Executive Director and our key senior management as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

All reference to "you" are to our prospective investors.

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

The word "approximately" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest hundredth or 2 decimal places (for percentage) or RM and sen for currency. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

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

Any reference to any provisions of the acts, statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits) be construed as a reference to provisions of such acts, statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactments to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the industry in which our Group operates or are exposed to. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from our Management. In particular, certain information in this Prospectus is extracted or derived from the IMR Report prepared by the Protégé for inclusion in this Prospectus.

We have appointed Protégé to provide an independent market and industry review relating to an overview of the industry in which we operate in or is exposed to. In compiling their data for the review, Protégé had relied on their research methodology, industry sources, published materials, their own private databases and direct contacts within the industry. We believe that the information on the industry and other statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate in or is exposed to.

However, third party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Hence, you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and should not be relied upon. If there is any discrepancy between the contents of such website relating to our Group and this Prospectus, the information contained in this Prospectus shall prevail.

If there are any discrepancies or inconsistencies between the English and Malay versions of this Prospectus, the English version of this Prospectus shall prevail.

All information stated herein are as at the LPD unless otherwise specified.

FORWARD-LOOKING STATEMENTS

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

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

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

(i) demand for our services, trends and competitive position;

(ii) our business strategies, future plans and potential growth opportunities;

(iii) our future financial position, earnings, cash flows and liquidity;

(iv) our ability to pay future dividends; and

(v) the regulatory environment and effect of future regulations.

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

(i) the general economic, business, social, political and investment environment in Malaysia and globally;

(ii) government policy, legislation or regulation;

(iii) finance costs, interest rates, tax rates and exchange rates;

(iv) the competitive environment in the industry in which we operate;

(v) availability and fluctuations in prices of supplies;

(vi) fixed and contingent obligations and commitments;

(vii) reliance on licenses, permits and approvals;

(viii) continued availability of capital and financing;

(ix) changes in accounting standards such as MFRSs and IFRSs; and

(x) any other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to those discussed in Section 9 on "Risk Factors" and Section 12.2 on "Management's Discussion and Analysis of Financial Conditions and Results of Operations" of this Prospectus. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made based on information available to us as at the LPD.

FORWARD-LOOKING STATEMENTS *(Cont'd)*

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of the IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA, Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus) and Rule 3.12D of the Listing Requirements.

[The rest of this page is intentionally left blank]

TABLE OF CONTENTS

		PAGE
1.	**CORPORATE DIRECTORY**	1
2.	**APPROVALS AND CONDITIONS**	
2.1	APPROVALS AND CONDITIONS	4
2.2	MORATORIUM ON OUR SHARES	6
3.	**PROSPECTUS SUMMARY**	
3.1	PRINCIPAL DETAILS OF OUR IPO	8
3.2	GROUP STRUCTURE AND BUSINESS MODEL	8
3.3	COMPETITIVE STRENGTHS	10
3.4	BUSINESS STRATEGIES AND FUTURE PLANS	11
3.5	RISK FACTORS	12
3.6	INTERRUPTION TO BUSINESS AND OPERATIONS AND IMPLICATIONS ON OUR BUSINESS OPERATIONS	14
3.7	PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT	14
3.8	UTILISATION OF PROCEEDS	15
3.9	FINANCIAL AND OPERATIONAL HIGHLIGHTS	15
3.10	DIVIDEND POLICY	16
4.	**PARTICULARS OF OUR IPO**	
4.1	OPENING AND CLOSING OF APPLICATION PERIOD	18
4.2	INDICATIVE TIMETABLE	18
4.3	DETAILS OF OUR IPO	18
4.4	SHARE CAPITAL, CLASSES OF SHARES AND RANKING	24
4.5	BASIS OF ARRIVING AT OUR IPO PRICE	25
4.6	DILUTION	26
4.7	TOTAL MARKET CAPITALISATION UPON LISTING	26
4.8	OBJECTIVES OF OUR IPO	27
4.9	UTILISATION OF PROCEEDS FROM OUR IPO	27
4.10	BROKERAGE FEES, UNDERWRITING COMMISSION AND PLACEMENT FEES	32
4.11	SALIENT TERMS OF THE UNDERWRITING AGREEMENT	32
5.	**INFORMATION ON PROMOTER, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY SENIOR MANAGEMENT**	
5.1	PROMOTER AND SUBSTANTIAL SHAREHOLDER	38
5.2	BOARD OF DIRECTORS	42
5.3	KEY SENIOR MANAGEMENT	60
5.4	BOARD PRACTICES	65
5.5	REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT	73
5.6	DECLARATION BY OUR PROMOTER, DIRECTORS AND KEY SENIOR MANAGEMENT	75
5.7	FAMILY RELATIONSHIPS AND ASSOCIATIONS	76
5.8	EXISTING OR PROPOSED SERVICE AGREEMENTS	76
5.9	MANAGEMENT SUCCESSION PLAN	76
6.	**INFORMATION ON OUR GROUP**	
6.1	INFORMATION ON OUR GROUP	77
6.2	DETAILS OF THE ACQUISITION	77
6.3	SHARE CAPITAL	77
6.4	OUR SHAREHOLDERS AND GROUP STRUCTURE	78
6.5	INFORMATION ON OUR SUBSIDIARY	79

TABLE OF CONTENTS *(Cont'd)*

	6.6	CAPITAL INVESTMENTS AND DIVESTITURES	81
	6.7	PUBLIC TAKE-OVERS	83
7.	**BUSINESS OVERVIEW**		
	7.1	HISTORY AND BACKGROUND	84
	7.2	PRINCIPAL ACTIVITIES AND BUSINESS MODEL OF OUR GROUP	86
	7.3	COMPETITIVE STRENGTHS	90
	7.4	REVENUE CONTRIBUTION BY PRINCIPAL MARKETS	92
	7.5	SEASONALITY	95
	7.6	BUSINESS AND OPERATION PROCESS	95
	7.7	MATERIAL PROPERTIES, PLANT AND EQUIPMENT	102
	7.8	TYPES, SOURCES AND AVAILABILITY OF SUPPLIES AND SERVICES	110
	7.9	SALES AND MARKETING	111
	7.10	DEPENDENCY ON CONTRACTS, PRODUCTION OR BUSINESS PROCESS	111
	7.11	MAJOR APPROVALS, LICENCES AND PERMITS	120
	7.12	INTELLECTUAL PROPERTY	127
	7.13	TECHNOLOGY USED	128
	7.14	MAJOR CUSTOMERS OF OUR GROUP	128
	7.15	MAJOR SUPPLIERS OF OUR GROUP	132
	7.16	RESEARCH AND DEVELOPMENT	135
	7.17	GOVERNING LAWS AND REGULATIONS	135
	7.18	INTERRUPTIONS TO BUSINESS AND OPERATIONS AND IMPLICATIONS ON OUR BUSINESS OPERATIONS	141
	7.19	QUALITY CONTROL PROCEDURES	141
	7.20	BUSINESS STRATEGIES AND FUTURE PLANS	142
	7.21	EMPLOYEES	146
	7.22	ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES	147
8.	**IMR REPORT**		149
9.	**RISK FACTORS**		
	9.1	RISKS RELATING TO OUR BUSINESS AND OPERATIONS	161
	9.2	RISKS RELATING TO OUR INDUSTRY	166
	9.3	RISKS RELATING TO INVESTMENT IN OUR SHARES	167
10.	**RELATED PARTY TRANSACTIONS**		
	10.1	RELATED PARTY TRANSACTIONS	169
	10.2	TRANSACTIONS THAT ARE UNUSUAL IN NATURE OR CONDITION	194
	10.3	LOANS AND / OR FINANCIAL ASSISTANCE MADE TO OR FOR THE BENEFIT OF THE RELATED PARTIES	194
	10.4	PROVISION OF GUARANTEES BY OUR PROMOTER AND / OR DIRECTORS FOR THE BANKING FACILITIES GRANTED TO OUR GROUP	195
	10.5	MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS	196
11.	**CONFLICT OF INTEREST**		
	11.1	INTEREST IN SIMILAR BUSINESS AND IN BUSINESS OF OUR CUSTOMERS AND OUR SUPPLIERS	197

TABLE OF CONTENTS *(Cont'd)*

11.2	MONITORING AND OVERSIGHT OF CONFLICT OF INTEREST	198
11.3	DECLARATION BY THE ADVISERS ON CONFLICT OF INTEREST	199
12.	**FINANCIAL INFORMATION**	
12.1	HISTORICAL FINANCIAL INFORMATION	200
12.2	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS	206
12.3	LIQUIDITY AND CAPITAL RESOURCES	240
12.4	BORROWINGS	241
12.5	TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES	242
12.6	MATERIAL CAPITAL COMMITMENTS	242
12.7	MATERIAL LITIGATION AND CONTINGENT LIABILITIES	242
12.8	KEY FINANCIAL RATIOS	243
12.9	SIGNIFICANT FACTORS AFFECTING OUR REVENUE	247
12.10	IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES	249
12.11	IMPACT OF INFLATION	249
12.12	IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS	249
12.13	ORDER BOOK	250
12.14	TREND INFORMATION	250
12.15	DIVIDEND POLICY	251
12.16	CAPITALISATION AND INDEBTEDNESS	253
13.	**REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION**	254
14.	**ACCOUNTANTS' REPORT**	268
15.	**ADDITIONAL INFORMATION**	
15.1	EXTRACT OF OUR CONSTITUTION	360
15.2	SHARE CAPITAL	364
15.3	LIMITATION ON THE RIGHT TO OWN SECURITIES	364
15.4	EXCHANGE CONTROLS	364
15.5	MATERIAL LITIGATION, CLAIMS AND ARBITRATION	364
15.6	MATERIAL CONTRACTS	365
15.7	CONSENTS	365
15.8	RESPONSIBILITY STATEMENTS	365
15.9	DOCUMENTS FOR INSPECTION	366
16.	**SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**	
16.1	OPENING AND CLOSING OF APPLICATIONS	367
16.2	METHODS OF APPLICATIONS	367
16.3	ELIGIBILITY	368
16.4	PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS	369
16.5	PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS	370
16.6	PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS	370
16.7	AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE	370

TABLE OF CONTENTS *(Cont'd)*

16.8	OVER / UNDER-SUBSCRIPTION	371
16.9	UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS	371
16.10	SUCCESSFUL APPLICANTS	372
16.11	ENQUIRIES	373

1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name / (Gender)	Designation	Address	Nationality
Dato' Mohd Redza Shah Bin Abdul Wahid (M)	Independent Non-Executive Chairman	6, Lorong PJU 7/21B Mutiara Damansara 47800 Petaling Jaya Selangor	Malaysian
Lim Cheng Ten (M)	Managing Director	No. 13, Jalan Setia Nusantara U13/22E Setia Eco Park 40170 Shah Alam Selangor	Malaysian
Rosli Bin Jonid (M)	Non-Independent Executive Director	No. 41, Jalan Putra Permai 8B Taman Equine Bandar Putra Permai 43300 Seri Kembangan Selangor	Malaysian
Abdul Rahman Bin Adam (M)	Independent Non-Executive Director	No. 3 Jalan Impian Makmur 2/1 Taman Saujana Impian 43000 Kajang Selangor	Malaysian
Aun Siew Kuan (F)	Independent Non-Executive Director	No. 156 Lorong Bandar Taman Bukit Desa Old Klang Road 58100 Kuala Lumpur	Malaysian
Farah Shireen Binti Mohamed Said (F)	Independent Non-Executive Director	A3-4A Astana Damansara No 33 Jalan 17/1 46400 Petaling Jaya Selangor	Malaysian

Notes:

M refers to Male
F refers to Female

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Aun Siew Kuan	Chairperson	Independent Non-Executive Director
Abdul Rahman Bin Adam	Member	Independent Non-Executive Director
Farah Shireen Binti Mohamed Said	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Abdul Rahman Bin Adam	Chairperson	Independent Non-Executive Director
Aun Siew Kuan	Member	Independent Non-Executive Director
Farah Shireen Binti Mohamed Said	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY *(Cont'd)*

REMUNERATION COMMITTEE

Name	Designation	Directorship
Farah Shireen Binti Mohamed Said	Chairperson	Independent Non-Executive Director
Abdul Rahman Bin Adam	Member	Independent Non-Executive Director
Aun Siew Kuan	Member	Independent Non-Executive Director

COMPANY SECRETARY : Wong Youn Kim : (MAICSA 7018778)
SSM Practicing Certificate No. : 201908000410
Professional Qualification : Chartered Secretary
Fellow of the Malaysian Institute of Chartered Secretaries and Administrators

Synergy Professionals Group Sdn Bhd
Registration No: 202301003202 (1497121-V)
Unit No. 11.07, Amcorp Tower
Amcorp Trade Centre
18, Persiaran Barat
46050 Petaling Jaya, Selangor

Telephone No. : (60) 17 622 9303

REGISTERED OFFICE : Unit No. 11.07, Amcorp Tower
Amcorp Trade Centre
18, Persiaran Barat
46050 Petaling Jaya, Selangor

Telephone No. : (60) 17 622 9303

HEADQUARTER : No. 6 (Ground Floor), Jalan Tiara 5
Bandar Baru Klang
41150 Klang, Selangor

Telephone No. : (03) 3343 3504
Facsimile No. : (03) 3343 7016
Email : enquiry@expressmission.com
Website : https://expressmission.com/

PRINCIPAL ADVISER, SPONSOR, SOLE UNDERWRITER AND SOLE PLACEMENT AGENT : **Mercury Securities Sdn Bhd**
Registration No: 198401000672 (113193-W)
L-7-2, No. 2, Jalan Solaris
Solaris Mont' Kiara
50480 Kuala Lumpur

Telephone No. : (03) 6203 7227

1. CORPORATE DIRECTORY *(Cont'd)*

AUDITORS AND REPORTING ACCOUNTANTS	:	**Crowe Malaysia PLT** Firm No. 201906000005 (LLP0018817-LCA) & AF 1018 Level 16, Tower C Megan Avenue II 12 Jalan Yap Kwan Seng 50450 Kuala Lumpur Telephone No. : (03) 2788 9999 Partner-in-charge : Ung Voon Huay Approval No. : 03233/09/2026 J Professional Qualification : Fellow Chartered and Certified Accountant (FCCA), Chartered Accountant Malaysia (CA(M)), and Member of the Malaysian Institute of Accountants (Membership No.: 14828)
DUE DILIGENCE SOLICITORS	:	**Ong Eu Jin Partnership** Unit 9-1, Level 9 Wisma Mont Kiara No. 1, Jalan Kiara, Mont Kiara 50480 Kuala Lumpur Telephone No. : (03) 6206 2053
INDEPENDENT MARKET RESEARCHER	:	**Protégé Associates Sdn Bhd** Registration No: 200401037256 (675767-H) Suite C-11-12 Plaza Mont' Kiara 2, Jalan Kiara, Mont' Kiara 50480 Kuala Lumpur Telephone No. : (03) 6201 9301 Person-in-charge : Seow Cheow Seng Qualification : Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia
SHARE REGISTRAR	:	**Boardroom Share Registrars Sdn Bhd** Registration No: 199601006647 (378993-D) 11th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13 46200 Petaling Jaya, Selangor Telephone No. : (03) 7890 4700
ISSUING HOUSE	:	**Malaysian Issuing House Sdn Bhd** Registration No: 199301003608 (258345-X) 11th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13 46200 Petaling Jaya, Selangor Telephone No. : (03) 7890 4700
LISTING SOUGHT	:	ACE Market
SHARIAH STATUS	:	Approved by the SAC

2. APPROVALS AND CONDITIONS

2.1 APPROVALS AND CONDITIONS

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 19 June 2025, approved our admission to the Official List of the ACE Market, and the listing of and quotation for our entire enlarged issued share capital on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

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

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

Bursa Securities had, vide its letter dated 19 June 2025, approved the relief sought by our Company as follows:

Reference	Details of relief granted
Rule 3.06 of the Listing Requirements	Relief from having continuity of substantially the same management at the level of executive directors and senior management for 3 full financial years before submitting the listing application to Bursa Securities or since commencement of its operations (if less than 3 full financial years).

Bursa Securities had, vide its letter dated 6 August 2025, approved the relief sought by our Company as follows:

Reference	Details of relief granted
Rule 3.12B(1) of the Listing Requirements in relation to Paragraph 5.02(h), Division 1, Part II of the Prospectus Guidelines of SC	Relief from having to disclose the name of the customer of Express Powerr Group to the 2 letters of intent dated 2 July 2025 and 2 letters of award dated 8 July 2025 in relation to the provision of generator panel services to the said customer in Penang and Kelantan and to describe the customer as "Customer A"

2.1.2 SC

Our Listing is an exempt transaction under Section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 20 June 2025, approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to our Company allocating Shares equivalent to 12.50% of our enlarged number of issued share capital upon Listing to Bumiputera investors to be approved by the MITI. In addition, our Company is to make available at least 50.00% of the Shares offered to the Malaysian Public investors via balloting to Bumiputera public investors.

2.1.3 MITI

The MITI had, vide its letter dated 6 May 2025, stated that it has taken note of and has no objection to our Listing.

2.1.4 SAC

The SAC had on 12 August 2025, classified our Shares as Shariah-compliant securities based on our audited combined financial statements for the FYE 2024.

[The rest of this page is intentionally left blank]

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

2.2 MORATORIUM ON OUR SHARES

In compliance with the Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of the Shares held by our Specified Shareholder namely Lim Cheng Ten as follows:

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

(ii) upon the expiry of the First 6-Month Moratorium, our Specified Shareholder's aggregate shareholding amounting to at least 45.00% of the total number of issued Shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and

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

(collectively referred to as the "**Moratorium Period**").

The details of our Shares held by our Specified Shareholder which will be held under moratorium are set out below:

	Year 1				**Year 2**		**Year 3**	
	Shares under moratorium during the First 6-Month Moratorium		**Shares under moratorium during the Second 6-Month Moratorium**		**Shares under moratorium**		**Shares under moratorium**	
Specified Shareholder	**No. of Shares**	**%(1)**	**No. of Shares**	**%(1)**	**No. of Shares**	**%(1)**	**No. of Shares**	**%(1)**
Lim Cheng Ten	689,037,589	73.74	420,502,100	45.00	280,334,734	30.00	140,167,368	15.00
Total	**689,037,589**	**73.74**	**420,502,100**	**45.00**	**280,334,734**	**30.00**	**140,167,368**	**15.00**

Note:

(1) Based on the enlarged issued share capital of 934,449,089 Shares after our IPO.

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

Our Specified Shareholder has provided written undertaking to Bursa Securities that he will not sell, transfer or assign his respective number of Shares under moratorium during the abovementioned moratorium periods.

The moratorium restriction, which has been fully accepted by our Specified Shareholder, will be specifically endorsed on the share certificates representing the Shares held by our Specified Shareholder which are under moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes with the aforesaid restriction.

[The rest of this page is intentionally left blank]

3. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE PROSPECTUS PRIOR TO DECIDING ON WHETHER TO INVEST IN OUR SHARES.

3.1 PRINCIPAL DETAILS OF OUR IPO

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

	Public Issue		Offer for Sale		Total	
	No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(1)
Malaysian Public (via balloting)	46,722,600	5.00	-	-	46,722,600	5.00
Eligible Persons	18,688,800	2.00	-	-	18,688,800	2.00
Private placement to selected investors	63,193,900	6.76	-	-	63,193,900	6.76
Private placement to selected Bumiputera investors approved by MITI	51,394,700	5.50	65,411,500	7.00	116,806,200	12.50
Total	**180,000,000**	**19.26**	**65,411,500**	**7.00**	**245,411,500**	**26.26**

Note:

(1) Based on our enlarged issued Shares of 934,449,089 after our IPO.

Enlarged number of issued Shares upon Listing	934,449,089
IPO Price per Share	RM0.20
Market capitalisation upon Listing	RM186,889,818

The shareholdings of our Specified Shareholder after our IPO will be subjected to the Moratorium Period as set out in Section 2.2 of this Prospectus. Further details on moratorium on our Shares and our IPO are set out in Sections 2.2 and 4.3 of this Prospectus, respectively.

3.2 GROUP STRUCTURE AND BUSINESS MODEL

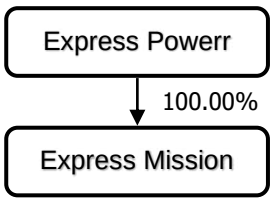
Our Company was incorporated in Malaysia under the Companies Act on 17 July 2023 as a private limited company under the name of Express Powerr Solutions Sdn Bhd and subsequently changed its name to Express Powerr Solutions (M) Sdn Bhd on 25 August 2023. On 23 October 2023, our Company was converted into a public limited company and we assumed our present name as Express Powerr Solutions (M) Bhd.

Our Company was incorporated to facilitate the Listing and is principally an investment holding company. Through our Subsidiary namely Express Mission, we are principally involved in the provision of generator rental services and other related services which include the supply of ancillary items such as distribution boards, generator synchronisation panels, transformers, switchgears, load banks and cables to meet the varied requirements of our customers. As part of our business strategy and future plan, we have expanded into offering solar PV solutions though this segment is still in the early stages of development.

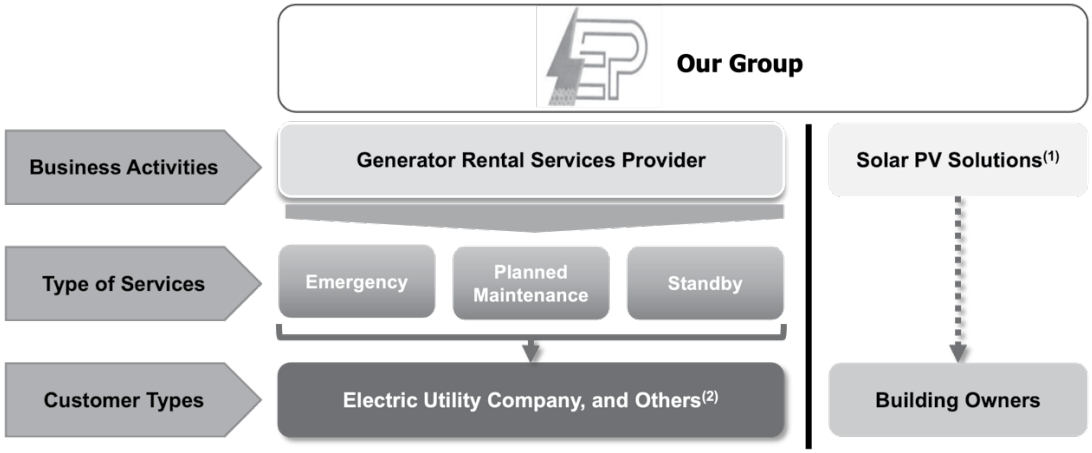
In terms of geographical coverage, 100.00% of our Group's revenue for the FYE Under Review and the FPE 2025 was generated from our business operations in Malaysia.

3. PROSPECTUS SUMMARY *(Cont'd)*

Our Group's current corporate structure is illustrated below:



The following diagram illustrates our business model:



Notes:

(1) Our Group ventured into solar PV solutions business in April 2024.

(2) Comprise M&E companies, manufacturing companies, construction companies, event organisers, and government agencies.

Our Group's core business revolves around providing generator rental services. These services can be categorised into the following service categories, each designed to meet the specific needs of our diverse customer base:

(i) **emergency -** this includes providing immediate generator rental services for critical emergency situations such as power outages and emergency/disaster scenarios;

(ii) **planned maintenance -** this involves providing generator rental services tailored to ensure seamless power continuity during planned maintenance shutdowns or pre-planned requests; and

(iii) **standby -** this comprises providing standby generator rental services for events, special occasions, or situations where a reliable backup power source is required.

Further details of our Group and business model are set out in Section 7 of this Prospectus.

[The rest of this page is intentionally left blank]

3. PROSPECTUS SUMMARY *(Cont'd)*

3.3 COMPETITIVE STRENGTHS

Our Group's competitive strengths are set out below:

(i) We have a fleet of generators with varying capacities and are able to provide a range of generator rental services

We have a fleet of generators with varying capacities and ancillary items such as distribution boards, generator synchronisation panels, transformers, switchgears, load banks and cables, which enables us to cater for a variety of customers and their customised needs. In addition, we provide flexible rental terms with no minimum rental period, together with other support services including generator installation and disassembly, technical support and on-site operation personnel such as engine driver, chargeman, technician and general worker, as well as repair and maintenance services during rental period for our customers.

(ii) We have a fleet of generators which are regularly maintained

Our generators are scheduled for maintenance services every 300 operational hours to ensure that all our generators are available in good and operable conditions at all times to prevent or minimise disruptions to our customers. In addition, a well-maintained generator can operate efficiently and reliably over an extended period, regardless of its age.

We perform the routine maintenance of our generators in-house which includes tasks such as checking and replacing worn parts, cleaning and lubricating, and testing for optimal efficiency. For major repairs of our generators that require specialised skills or tools, such as engine overhaul, alternator winding repair or replacement, and fuel and cooling system repair, we will outsource them to third-party services providers. In addition to the routine maintenance, we place equal emphasis on quality control and have quality control measures in placed which include testing the generators before it is put into service, along with regular inspection and evaluation of the conditions of the generators.

(iii) Our track record and reputation

Our Group has been providing generator rental services since 2005, and we have 20 years of proven track record in delivering timely and reliable generator rental services to our customers. Our track record and ability to provide reliable and satisfactory generator rental services to our customers have helped nurture a good market reputation for us within the industry. We have established stable business relationships with our customers, particularly our top 5 customers, who have been dealing with our Group for periods between 2 years and 12 years. By maintaining good working relationships with our customers, we are able to retain our customers over the past years. For the FYE Under Review and the FPE 2025, we have 84, 90, 96, 86 and 39 customers, respectively, who have been engaging our generator rental services.

(iv) Competent operational and technical support team for our generator rental services

An important element that sets us apart from our competitors is the provision of operational and technical support to all customers, whether existing or potential. Therefore, we have built and nurtured a knowledgeable and responsive operational and technical support team to provide quality services from pre-rental stage up to rental period to our customers.

Our pre-rental stage consultation services comprise advice and assistance by our operational and technical support team in selecting rental generators with the appropriate power output, which includes the necessary ancillary items for optimal generator performance while considering the customer's specific requirements. Safety and efficiency in operating the rented generators are prioritised under all circumstances and environments.

Further details of our competitive strengths are set out in Section 7.3 of this Prospectus.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.4 BUSINESS STRATEGIES AND FUTURE PLANS

Our Group's business strategies and future plans are summarised as below:

(i) Expansion of our fleet of generators, and medium and high voltage equipment

Our Group recognises that expanding our fleet of generators is essential to support our business strategies including expanding to other regions in Malaysia to gain new customers, meet the growing demand for our services, enhance our operational capacity, and ensure we can effectively cater for the needs of our existing and potential customers. As such, we intend to expand our fleet of generators and medium and high voltage equipment to stay competitive and effectively meet the said purposes.

Medium and high voltage equipment is required to ensure efficient transmission of electricity, grid stability and overall system reliability. To complement the expansion of our fleet of generators, we will require additional medium and high voltage equipment as part of the provision of generator rental services to support our business operations. As such, we intend to purchase additional medium and high voltage equipment such as transformers, vacuum circuit breakers, ring main unit, cables and load banks to support the additional generators.

(ii) Expanding of our customer base and geographical coverage

Our Group intends to increase sales and better diversify our customer base through a two-pronged approach:

Expanding our customer base

Electric utility customers currently form the core of our customer base, while a portion of our business is generated from non-electric utility customers including M&E companies, manufacturing companies, construction companies, event organisers and government agencies. To mitigate the risk associated with overreliance on any single end-user market or customer, and to achieve a better customer mix, we intend to expand our services to cater for the needs of other potential end-user markets such as the oil and gas industry.

To effectively penetrate these potential end-user markets, we intend to allocate more resources toward marketing our services to these prospective end-user groups. We plan to leverage on digital technology to attain greater visibility and accessibility to potential end-user markets through digital marketing channels specifically, Google Ads. This will enable us to reach potential clients more effectively and provide positive contribution to our Group's earnings from these new potential end-user markets.

Expanding our geographical coverage

To further diversify and grow our customer base, we intend to increase our presence in different regions in Malaysia. In 2024, we have successfully expanded our geographical presence to Sabah, through the provision of our generator rental services in Sandakan, where we deployed a total of 21 units of generators for our project secured from Dynasynergy. We have subscribed a virtual office in Kota Kinabalu to serve as a local hub for our sales and marketing activities to facilitate better customer engagement and support in Sabah. We continue to actively participate in tenders for generator rental services in Sabah. In 2025, our geographical expansion includes Penang and Kelantan where our Group had received 2 letters of award from Customer A to provide generator rental services in the said states. As at the LPD, we have rented operation yards in the said states and we are in the midst of preparing the business licence applications for the said operation yards. The business licences for the operation yards in Penang and Kelantan are expected to be obtained by 3rd quarter of 2025 and the operations of the said operations yards are expected to commence upon obtaining the said business licences.

3. PROSPECTUS SUMMARY *(Cont'd)*

(iii) Increasing manpower

To support the continuous growth of our generator rental services business, we intend to hire additional sales personnel and qualified technical personnel who possess the necessary knowledge, skills and required level of competence for our business operations. More sales personnel are required to support a wider customer base as well as a more expansive geographical market. The increase in qualified technical personnel will improve our ability to provide greater technical and maintenance support to our customers thereby enhancing the quality of our services to meet the customers' requirements.

(iv) Setting up a new headquarter

In December 2022, we entered into two 2 sales and purchase agreements to acquire the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively. These buildings are expected to be completed by 3rd quarter of 2025. Upon completion, these buildings will serve as our new headquarter and new operation yard, replacing the existing headquarter and operation yard located at Bandar Bukit Raja, Klang, Selangor.

(v) Expanding our solar PV solutions business

Driven by the need to achieve sustainable growth, our Group has identified the solar PV solutions business as a new business segment to venture into to capitalise on the strong growth in demand anticipated for solar PV solutions in Malaysia. We had, through Express Mission, applied for and successfully registered as a solar PV investor under the NEM programme and PV service provider by SEDA in January 2024 and February 2024, respectively. We intend to expand our solar PV solutions business by collaborating with local solar PV solution providers to offer rooftop solar PV system installation for both the residential and commercial buildings, and are in the midst of identifying suitable partner(s) for this purpose.

Further details of our business strategies and future plans are set out in Section 7.20 of this Prospectus.

3.5 RISK FACTORS

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

The following are the key risks and investment considerations that we are currently facing or that may develop in the future:

(i) We are highly dependent on 4 major customers

Our Group is highly dependent on 4 major customers, namely KLKB, KKB, TNB and Dynasynergy, which had contributed significantly to our total revenue derived from our generator rental services for the FYE Under Review and the FPE 2025. The revenue contributions from our said major customers to our Group's revenue generated from our generator rental services during the FYE Under Review and the FPE 2025 are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
KLKB	9,983	51.62	13,775	43.85	11,023	27.96	15,788	22.51	2,996	24.16
KKB	4,319	22.33	4,009	12.76	5,540	14.05	5,610	8.00	866	6.98
TNB	-(1)	-(1)	5,928	18.87	15,617	39.61	19,169	27.33	4,182	33.72
Dynasynergy	-	-	-	-	-	-	26,961	38.44	3,618	29.18
Total	**14,302**	**73.95**	**23,712**	**75.48**	**32,180**	**81.62**	**67,528**	**96.28**	**11,662**	**94.04**

3. PROSPECTUS SUMMARY *(Cont'd)*

Note:

(1) Prior to the FYE 2022, we did not provide generator rental services directly to TNB but indirectly through its approved vendors.

Our financial performance may be adversely affected if KLKB, KKB, TNB and/or Dynasynergy reduce or cease using our generator rental services. In the event we are not able to promptly secure or replace one or more of our major customers with new customers that can contribute to our revenue in a similar level, our financial performance would be adversely affected.

(ii) Our business operations are subject to fluctuation in the prices of industrial diesel

Industrial diesel is our major supply consumed for our operations. It is a commodity where its price fluctuates from time to time due to various factors, including but not limited to, fluctuation in the global crude oil prices, global supply and demand conditions, economic and political factors that are beyond our control. For the FYE Under Review and the FPE 2025, the consumption of industrial diesel accounted for 78.35%, 74.40%, 72.35%, 73.97% and 76.04% of our Group's total cost of supplies consumed and services procured by our Group for our provision of generator rental services, respectively.

An increase in the price of industrial diesel will increase our operating costs and in the event that we are unable to fully pass on these increased costs to our customers, it may have an adverse impact on our financial performance.

(iii) Our business and operations are dependent on our generators fleet of generators being in the state of operable and working condition at all times

Our business and operations are dependent on our fleet of generators being in the state of operable and working condition at all times. Hence, it is critical that our generators are well-maintained to enable it to operate efficiently and reliably over an extended period, regardless of its age. In the event that large number of our generators are unavailable due to major breakdown, malfunction or become obsolete, our business operations and financial performance may be adversely affected if the affected generators are not repaired or replaced in a timely manner. As at the LPD, we have 115 units of generators and none of them is obsolete or expected to become obsolete.

For the FYE Under Review and the FPE 2025, we have incurred capital expenditure of RM1.83 million, RM3.76 million, RM2.88 million, RM4.43 million and nil, respectively, for the purchase of generators as part of our fleet expansion or to replace our obsolete generators in order to stay competitive.

(iv) We rely on skilled and experienced workforce for our operations

We rely on skilled and experienced workforce to ensure smooth and uninterrupted operations. As at the LPD, our operational and technical team comprises 15 chargemen certified by Energy Commission Malaysia to manage low and high voltage systems, 15 engine drivers and 31 general workers who possess the relevant technical background and experience to address any technical issues faced by our customers. In the event of any shortage of skilled and experienced workforces, and we are not able to replace or hire new employees with the requisite technical skills, expertise and know-how in a timely manner, our operations may be adversely affected.

Please refer to Section 9 of this Prospectus for further details and the full list of risk factors which should be considered before investing in our Shares.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.6 INTERRUPTION TO BUSINESS AND OPERATIONS AND IMPLICATIONS ON OUR BUSINESS OPERATIONS

The COVID-19 was declared as a pandemic by the Director General of the World Health Organisation on 11 March 2020. To help counter the transmission of COVID-19, the Government initiated the MCO. The country officially transitioned to the "endemic" phase beginning 1 April 2022, during which movement restrictions were significantly eased. Our business remained in operation during the MCO period as we were a supplier of essential services.

During the FYE Under Review, the FPE 2025 and up to the LPD, there have been no material disruptions to our supply chain as we are able to source the necessary supplies for our generator rental services business.

For the FYE 2021 and FYE 2022, COVID-19 did not have any material adverse effect on our revenue. This is evidenced by our Group's revenue which increased by RM12.07 million or 62.41% to RM31.41 million for the FYE 2022 from RM19.34 million for the FYE 2021, as the country entered the "transition to endemic phase" of COVID-19 effective 1 April 2022. In the FYE 2023, FYE 2024 and the FPE 2025, we observed greater normalisation of social and economic life.

Please refer to Section 7.18 of this Prospectus for further details on interruptions to our business and operations due to the COVID-19 pandemic.

3.7 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Dato' Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman
Lim Cheng Ten	Managing Director
Rosli Bin Jonid	Non-Independent Executive Director
Abdul Rahman Bin Adam	Independent Non-Executive Director
Aun Siew Kuan	Independent Non-Executive Director
Farah Shireen Binti Mohamed Said	Independent Non-Executive Director
Key Senior Management	
Kong Choon Keong	Financial Controller
Foo Hon Wah	Maintenance Manager

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

The details of our Promoter and Substantial Shareholder, and his shareholding in our Company before and after our IPO are as follows:

		After the Acquisition but before our IPO				After our IPO			
		Direct		Indirect		Direct		Indirect	
Name	Nationality	No. of Shares	%[1]	No. of Shares	%[1]	No. of Shares	%[2]	No. of Shares	%[2]
Lim Cheng Ten	Malaysian	754,449,089	100.00	-	-	689,037,589	73.74	-	-

3. PROSPECTUS SUMMARY *(Cont'd)*

Notes:

(1) Based on our issued share capital of 754,449,089 Shares after the completion of the Acquisition but before our IPO.

(2) Based on our enlarged issued share capital of 934,449,089 Shares after our IPO.

Further details on our Promoter and Substantial Shareholder are disclosed in Section 5.1 of this Prospectus.

3.8 UTILISATION OF PROCEEDS

The total gross proceeds from our Public Issue amounting to RM36.00 million based on the IPO Price are intended to be used in the following manner:

Details of utilisation of proceeds	Estimated time frame for use of proceeds from date of Listing	RM'000	%
Purchase of generators	Within 36 months	20,500	56.94
Repayment of bank borrowings	Within 6 months	5,000	13.89
Purchase of medium and high voltage equipment	Within 36 months	4,058	11.27
General working capital	Within 24 months	2,242	6.23
Estimated listing expenses	Within 3 months	4,200	11.67
Total		**36,000**	**100.00**

There is no minimum subscription to be raised from our IPO. Our Company will not receive any proceeds from the Offer for Sale.

Further details on the utilisation of proceeds are set out in Section 4.9 of this Prospectus.

3.9 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The key financial highlights based on the historical combined financial statements of our Group for the FYE Under Review and the FPE 2025 are set out below:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	19,341	31,412	39,424	70,167	11,813	12,860
GP	11,593	15,479	22,276	37,394	6,759	8,021
PBT	7,507	9,810	12,972	22,997	3,602	3,987
PAT	5,658	7,494	9,887	16,596	2,487	2,911
GP margin (%)[(1)]	59.94	49.28	56.50	53.29	57.22	62.37
PBT margin (%)[(2)]	38.81	31.23	32.90	32.77	30.49	31.00
PAT margin (%)[(3)]	29.25	23.86	25.08	23.65	21.05	22.64
Basic and diluted EPS (sen)[(4)]	0.61	0.80	1.06	1.78	0.27	0.31

[The rest of this page is intentionally left blank]

3. PROSPECTUS SUMMARY *(Cont'd)*

The other key financial information based on the historical audited combined financial statements of our Group for the FYE Under Review and the FPE 2025 are set out below:

	Audited				
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Total assets	22,552	30,428	35,619	62,554	60,725
Total liabilities	5,263	7,631	6,934	25,273	20,533
Total borrowings[(5)]	999	831	772	7,157	10,258
Total equity / Net assets	17,289	22,797	28,685	37,281	40,192
Current ratio (times)	3.37	2.00	2.02	1.67	2.79
Gearing ratio (times)	0.06	0.04	0.03	0.19	0.26
Average trade receivable turnover period (days)	93	79	39	38	87
Average trade payables turnover (days)	50	40	35	28	59
Cash flows					
Net cash from operating activities	4,250	14,969	14,682	16,317	552
Net cash for investing activities	(2,695)	(10,919)	(10,217)	(12,161)	(3,817)
Net cash (for)/ from financing activities	(1,568)	(2,318)	(4,660)	4,982	(4,133)

Notes:

(1) GP margin is calculated based on GP divided by revenue.

(2) PBT margin is calculated based on PBT divided by revenue.

(3) PAT margin is calculated based on PAT divided by revenue.

(4) Calculated based on PAT attributable to owners of the Company divided by the enlarged share capital of 934,449,089 Shares after the IPO.

(5) Exclude lease liabilities.

There were no exceptional or extraordinary items during the FYE Under Review and the FPE 2025. Our audited financial statements for the FYE Under Review and the FPE 2025 were not subject to any audit qualifications.

Please refer to Section 12 of this Prospectus for further discussion on our historical audited combined financial information.

3.10 DIVIDEND POLICY

As our Company is an investment holding company, our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our Subsidiary, present and future. Our Group's ability to distribute dividends or make other distributions to our shareholders is subject to various factors, such as profits recorded and excess of funds not required to be retained for working capital of our business.

We target a payout ratio of approximately 30% to 50% of our PAT for each financial year on a consolidated basis after taking into account our Group's working capital requirements, subject to confirmation of our Board as well as any applicable law and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board.

3. PROSPECTUS SUMMARY *(Cont'd)*

The dividends declared and paid by our Group for the FYE Under Review, FPE 2025 and up to the LPD are as follows:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 April 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Dividend declared	989	2,736	4,000	8,000	-	5,000
Dividend paid	989	2,736	4,000	1,000	7,000	5,000
PAT	5,658	7,494	9,887	16,596	2,911	N/A[(2)]
Dividend payout rate (%)[(1)]	17.48	36.51	40.46	48.20	-	N/A

Notes:

(1) Computed based on dividend declared divided by PAT for each financial year/period.

(2) Not applicable as we did not prepare financial statements from 1 April 2025 up to the LPD.

The above dividends paid in the FYE Under Review, FPE 2025 and up to the LPD were funded via internally generated funds. As at the LPD, there is no outstanding dividend declared which remained unpaid. Subsequent to the LPD, no dividend was declared, made or paid by our Group. Our Group has no intention to declare further dividends prior to our Listing.

Further details on our dividend policy are disclosed in Section 12.15 of this Prospectus.

[The rest of this page is intentionally left blank]

4. PARTICULARS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 20 August 2025 and will remain open until 5.00 p.m. on 8 September 2025. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

Events	Tentative Time / Date
Issuance of the Prospectus/ Opening of Application	10.00 a.m./ 20 August 2025
Closing of Application	5.00 p.m./ 8 September 2025
Balloting of Applications	10 September 2025
Allotment/Transfer of our IPO Shares to successful applicants	22 September 2025
Listing on the ACE Market	24 September 2025

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

4.3 DETAILS OF OUR IPO

4.3.1 Public Issue

A total of 180,000,000 Issue Shares, representing approximately 19.26% of our enlarged issued Shares of 934,449,089 are offered at our IPO Price, subject to the terms and conditions of this Prospectus. Our Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

46,722,600 Issue Shares, representing approximately 5.00% of our enlarged issued Shares of 934,449,089, will be made available for application by the Malaysian Public, to be allocated via balloting process as follows:

(a) 23,361,300 Issue Shares, representing approximately 2.50% of our enlarged issued Shares of 934,449,089 will be made available for Bumiputera public investors; and

(b) 23,361,300 Issue Shares, representing approximately 2.50% of our enlarged issued Shares of 934,449,089 will be made available to the Malaysian Public.

(ii) Eligible Persons

18,688,800 Issue Shares, representing approximately 2.00% of our enlarged issued Shares of 934,449,089, will be made available for application by the Eligible Persons under the Pink Form Allocations as follows:

Eligible Persons	No. of Eligible Persons	Aggregate number of Issue Shares allocated
Directors of Express Powerr[1]	5	1,669,000
Employees[2]	66	4,295,000
Persons who have contributed to the success of our Group[3]	208	12,724,800
Total	**279**	**18,688,800**

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

Notes:

(1) The basis and criteria of allocation to our eligible Directors (as approved by our Board) are based on, among others, their respective roles, responsibilities and contribution to our Group. The higher allocation of Issue Shares to Rosli Bin Jonid, our Non-Independent Executive Director is mainly due to his contributions and length of service to our Group. Details of the allocation to our eligible Directors are as follows:

Name	***Designation***	***Number of Issue Shares allocated***
Dato' Mohd Redza Shah Bin Abdul Wahid	*Independent Non-Executive Chairman*	*324,000*
Rosli Bin Jonid	*Non-Independent Executive Director*	*373,000*
Abdul Rahman Bin Adam	*Independent Non-Executive Director*	*324,000*
Aun Siew Kuan	*Independent Non-Executive Director*	*324,000*
Farah Shireen Binti Mohamed Said	*Independent Non-Executive Director*	*324,000*
Total		***1,669,000***

Lim Cheng Ten, our Managing Director, has opted not to participate in the Pink Form Allocations as he will be undertaking the Offer for Sale.

(2) The basis and criteria of allocation to the eligible employees of our Group (as approved by our Board) are based on, among others, the following factors:

(i) the employee must be at least 18 years old;

(ii) the employee must be a full-time confirmed employee and on the payroll of our Group and who has not submitted his/her resignation as at the LPD; and

(iii) the number of Issue Shares allocated to the eligible employees is based on their position, their length of service and their past performance and contribution as well as other factors deemed relevant by our Board.

Details of the allocation to our eligible key senior management who are included as eligible persons are as follows:

Name	***Designation***	***Number of Issue Shares allocated***
Kong Choon Keong	*Financial Controller*	*373,000*
Foo Hon Wah	*Maintenance Manager*	*161,000*
Total		***534,000***

(3) The Issue Shares to be allocated to the persons who have contributed to the success of our Group (as approved by our Board), comprising our customers, suppliers and business associates shall be based on amongst others, the nature and terms of their business relationship with us, length of their relationship with us and the level of their contributions to our Group.

As at the LPD, save as disclosed above, none of our Substantial Shareholder, Directors or key senior management have indicated to us on their intention to subscribe for our IPO Shares and there are no persons who has indicated their intention to subscribe for more than 5.00% of our IPO Shares.

[The rest of this page is intentionally left blank]

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

(iii) Private placement to selected investors and Bumiputera investors approved by the MITI

114,588,600 Issue Shares, representing approximately 12.26% of our enlarged issued Shares of 934,449,089, have been reserved for application by way of private placement in the following manner:

(a) 63,193,900 Issue Shares, representing approximately 6.76% of our enlarged issued Shares of 934,449,089, made available for selected investors; and

(b) 51,394,700 Issue Shares, representing approximately 5.50% of our enlarged issued Shares of 934,449,089, made available to Bumiputera investors approved by the MITI.

[The rest of this page is intentionally left blank]

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

4.3.2 Offer for Sale

65,411,500 Offer Shares, representing approximately 7.00% of our enlarged issued Shares of 934,449,089, are offered by our Selling Shareholder by way of private placement to selected Bumiputera investors approved by the MITI at our IPO Price, subject to the terms and conditions of this Prospectus.

The details of our Selling Shareholder and his shareholdings in our Company before and after our IPO are as follows:

Name / address	Nature of relationship	As at the LPD		Offer for Sale		After our IPO	
		No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Lim Cheng Ten / No. 13, Jalan Setia Nusantara U13/22E, Setia Eco Park, 40170 Shah Alam, Selangor	Our Promoter, Substantial Shareholder and Managing Director	754,449,089	100.00	65,411,500	7.00	689,037,589	73.74

Notes:

(1) Based on our issued share capital of 754,449,089 Shares after the completion of the Acquisition but before our IPO.

(2) Based on our enlarged issued share capital of 934,449,089 Shares after our IPO.

Further details on the Selling Shareholder, who is also our Promoter and Substantial Shareholder, is disclosed in Section 5 of this Prospectus.

Based on our IPO Price, the Offer for Sale will raise gross proceeds of RM13.08 million, which will accrue entirely to the Selling Shareholder and we will not receive any of the proceeds. All expenses relating to the Offer for Sale will be fully borne by the Selling Shareholder which are estimated to be approximately RM0.29 million.

[The rest of this page is intentionally left blank]

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

In summary, subject to the clawback and reallocation provisions set out in Section 4.3.3 of this Prospectus, our IPO Shares will be allocated in the following manner:

	Public Issue		Offer for Sale		Total	
	No. of Shares	**%(1)**	**No. of Shares**	**%(1)**	**No. of Shares**	**%(1)**
Malaysian Public (via balloting)	46,722,600	5.00	-	-	46,722,600	5.00
Eligible Persons	18,688,800	2.00	-	-	18,688,800	2.00
Private placement to selected investors	63,193,900	6.76	-	-	63,193,900	6.76
Private placement to selected Bumiputera investors approved by MITI	51,394,700	5.50	65,411,500	7.00	116,806,200	12.50
Total	**180,000,000**	**19.26**	**65,411,500**	**7.00**	**245,411,500**	**26.26**

Note:

(1) Based on our enlarged issued Shares of 934,449,089 after our IPO.

[The rest of this page is intentionally left blank]

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

4.3.3 Clawback and reallocation

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

(i) if our IPO Shares allocated to Bumiputera investors approved by the MITI ("**MITI Tranche**") are not fully taken up by such Bumiputera investors, our IPO Shares will be clawed back from the remaining MITI Tranche and allocated firstly to Bumiputera public investors via balloting. Subsequently, if there are still IPO Shares not taken up, the said unsubscribed IPO Shares shall then be allocated to the Malaysian institutional investors.

If after the above reallocation, the MITI Tranche is still not fully taken up, the remaining MITI Tranche will be made available for application by the Malaysian Public (in the event of an oversubscription) or to selected investors via private placement;

(ii) subject to item (i) above, if there is an under-subscription in the private placement to selected investors and there is an over-subscription in the allocation to the Malaysian Public, our Issue Shares not taken up may be clawed back from the private placement to selected investors and reallocated to the Malaysian Public via balloting;

(iii) if there is an under-subscription in the allocation to Malaysian Public via balloting and there is an oversubscription in the private placement to selected investors, our Issue Shares not taken up may be clawed back from the allocation to Malaysian Public and reallocated to selected investors via private placement. However, if there is an under-subscription in the allocation to Malaysian Public via balloting but no over-subscription in the private placement to selected investors, such remaining Issue Shares will be underwritten by the Sole Underwriter;

(iv) any Issue Share not taken up by the respective Eligible Persons based on their pre-determined allocations shall be made available for application by the other Eligible Persons who have applied for excess Issue Shares in addition to their pre-determined allocation ("**Excess Pink Form Shares"**). Such Excess Pink Form Shares will be allocated to these other Eligible Persons on a fair and equitable basis in the following priority:

(a) firstly, allocation on a pro-rata basis to the Eligible Persons who have applied for the Excess Pink Form Shares based on the number of Excess Pink Form Shares applied for; and

(b) secondly, to minimise odd lots.

Any further Issue Shares which are not subscribed for under the Pink Form Allocations will be made available for application by the Malaysian Public. Any of our Issue Shares under the Pink Form Allocations which are not subscribed for by the Malaysian Public will be made available to selected investors via private placement. Any further Issue Shares not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by the Sole Underwriter.

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

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

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

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

4.3.4 Minimum subscription level

There is no minimum subscription in terms of proceeds to be raised from our IPO. However, to comply with the public spread requirement under the Listing Requirements, we are required to have at least 25.00% of our total number of issued Shares to be held by a minimum of 200 public shareholders holding not less than 100 Shares each. This is the minimum subscription level in terms of the number of Shares.

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

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

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

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

Details	No. of Shares	RM
As at the LPD	754,449,089	33,951,164
New Shares to be issued pursuant to the Public Issue	180,000,000	36,000,000
Enlarged issued share capital upon our Listing	**934,449,089**	**69,951,164**

As at the date of this Prospectus, we only have 1 class of shares, being ordinary shares in our Company, all of which rank equally with each other.

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

Our Offer Shares rank equally in all respects with our existing issued Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of transfer of our Offer Shares, subject to any applicable Rules of Bursa Depository.

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

At any general meeting of our Company, each shareholder shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. Each shareholder presents (either in person, or by proxy, or by attorney or by other duly authorised representative) shall have 1 vote for each Share held.

[The rest of this page is intentionally left blank]

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

4.5 BASIS OF ARRIVING AT OUR IPO PRICE

Our Directors and Mercury Securities, as the Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent, have determined and agreed on the IPO Price of RM0.20 per IPO Share after taking into consideration the following factors:

(i) the PE Multiple of approximately 11.26 times based on Express Powerr's EPS of approximately 1.78 sen for the FYE 2024 calculated based on the PAT of RM16.60 million for the FYE 2024 and Express Powerr' enlarged issued share capital of 934,449,089 upon Listing.

Based on our annualised PAT for the FPE 2025 of approximately RM11.64 million and our enlarged issued Shares of 934,449,089 upon our Listing, the annualised PE Multiple is approximately 16.05 times;

(ii) our Group's historical audited financial performance for the FYE Under Review and the FPE 2025 as summarised below:

	Audited				
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	19,341	31,412	39,424	70,167	12,860
GP	11,593	15,479	22,276	37,394	8,021
PAT	5,658	7,494	9,887	16,596	2,911

(iii) our pro forma combined NA per Share of RM0.07, calculated based on our proforma combined NA after our IPO and utilisation of IPO proceeds as at 31 March 2025 of approximately RM66,991,943 and our enlarged number of issued Shares of 934,449,089 Shares upon Listing;

(iv) our competitive strengths as set out in Section 7.3 of this Prospectus;

(v) our business strategies and future plans as set out in Section 7.20 of this Prospectus; and

(vi) the overview and prospects of our industry based on the IMR Report as set out in Section 8 of this Prospectus.

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

[The rest of this page is intentionally left blank]

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

4.6 DILUTION

4.6.1 NA per Share

Dilution is the amount computed as the difference between our IPO Price and the pro forma combined NA per Share immediately after our IPO.

The following table illustrates such dilution on a per Share basis:

Details		**RM**
IPO Price	(A)	0.20
Pro forma combined NA per Share as at 31 March 2025 after the Acquisition but before our IPO	(B)	0.05
Pro forma combined NA per Share after the Acquisition, our IPO and the intended utilisation of proceeds	(C)	0.07
Increase in the pro forma combined NA per Share to our existing shareholder	(C) – (B)	0.02
Dilution in the pro forma combined NA per Share to new investors	(A) – (C)	0.13
Dilution in the pro forma combined NA per Share to new investors as a percentage of our IPO Price	[(A) – (C)]/(A)	65.00%

Further details of our pro forma combined NA per Share as at 31 March 2025 is set out in Section 13 of this Prospectus.

4.6.2 Effective Cost per Share

Save as disclosed below and the Pink Form Allocations to our eligible Directors and key senior management, there has been no acquisition or subscription of any of our Shares by our Promoter, Substantial Shareholder, Directors and/or key senior management or persons connected to them, or any transaction entered into by them which grants them the right to acquire any of our Shares in the past 3 years up to the date of this Prospectus:

Name	**No. of Shares held after the Acquisition and before our IPO**	**Total Consideration (RM)**	**Average effective cost per Share (RM)**
Promoter, Director and Substantial Shareholder			
Lim Cheng Ten	754,449,089	33,951,164	0.045

4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and our enlarged number of issued Shares of 934,449,089 upon Listing, our total market capitalisation is estimated to be RM186,889,818.

[The rest of this page is intentionally left blank]

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

4.8 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

(i) to enable our Group to raise funds for the purposes set out in Section 4.9 of this Prospectus;

(ii) to enable our Group to tap into the equity capital market for future fundraising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise;

(iii) to provide an opportunity for the Eligible Persons, the Malaysian Public as well as selected investors and Bumiputera investors approved by the MITI to participate in the future performance of our Group by way of equity participation; and

(iv) to gain recognition through our listing status which will enhance our Group's reputation so as to assist us in expanding our customer base, and retaining and attracting new skilled employees in our industry.

4.9 UTILISATION OF PROCEEDS FROM OUR IPO

The estimated gross proceeds from the Public Issue of approximately RM36.00 million shall be accrued entirely to us and will be utilised in the following manner:

Section	Details of utilisation of proceeds	Estimated time frame for use of proceeds from date of our Listing	RM'000	%
4.9.1	Purchase of generators	Within 36 months	20,500	56.94
4.9.2	Repayment of bank borrowings	Within 6 months	5,000	13.89
4.9.3	Purchase of medium and high voltage equipment	Within 36 months	4,058	11.27
4.9.4	General working capital	Within 24 months	2,242	6.23
4.9.5	Estimated listing expenses	Within 3 months	4,200	11.67
		Total	**36,000**	**100.00**

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

Further details of the proposed utilisation of the gross proceeds from the Public Issue are set out below. Please refer to Section 7.20 of this Prospectus on our business strategies and future plans relating to the proposed utilisation of the gross proceeds from the Public Issue.

4.9.1 Purchase of generators

As part of our Group's business strategies of expanding our fleet of generators, customer base and market coverage, we intend to purchase a minimum of 36 units of generators. With the additional units of generators, our Group is able to take and allocate more units of generators to cater for new customers particularly located in the northern region of Peninsular Malaysia in the future, if any.

[The rest of this page is intentionally left blank]

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

For the FYE Under Review and the FPE 2025, the utilisation rates of our generators are 51.85%, 55.56%, 56.43%, 55.27% and 60.04%, respectively as set out in Section 7.7.5 of this Prospectus. As at the LPD, we have 115 units of generators as follows:

	No. of unit(s)
Small-sized generator	14
Medium-sized generator	16
Large-sized generator	85
Total	**115**

Our Group intends to allocate RM20.50 million, representing 56.94% of the gross proceeds from the Public Issue to purchase a minimum of 36 units of generators as follows:

	No. of unit(s)	**RM'000**
Small-sized generator	10	2,000
Medium-sized generator	10	6,000
Large-sized generator	16	12,500
Total	**36**	**20,500**

The above estimated purchase costs are calculated based on the historical price quotation obtained from our selected supplier for brand new generators. For avoidance of doubt, our Group intends to purchase generators that are either brand new or pre-owned which is subjected to the availability of generators at the relevant point in time. The actual purchase costs for the pre-owned generators cannot be determined at this juncture as it is dependent on several factors which includes, amongst others, age, condition, number of operating hours clocked and location. Therefore, the actual number of the units of generators to be purchased may be more than 36 units as pre-owned generators cost less to purchase. The decision to purchase generators that are either brand new or pre-owned will depend on the actual requirements of our Group and the condition of generators (i.e. brand new or pre-owned) at the relevant point in time.

In the event that our actual purchase costs are higher than estimated, the shortfall will be funded out of the portion of the proceeds allocated for our general working capital requirements and/or from our internally generated funds.

The expansion of our fleet of generators will take place progressively in the span of 3 years in tandem with the growth of the generator rental services business of our Group.

4.9.2 Repayment of bank borrowings

Our Group had entered into sales and purchase agreements to acquire Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, on 14 December 2022 which will serve as our new headquarter and operation yard, replacing the existing headquarter and rented operation yard located at Bandar Bukit Raja, Klang, Selangor. The construction of Building 1 and Building 2 have commenced in February 2023 and is expected to be completed by 3rd quarter of 2025. As at the LPD, the construction progress of the Building 1 and Building 2 is approximately 95.00% completed.

Our Group had secured bank borrowings of RM14.00 million to part finance for the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively. We intend to allocate RM5.00 million, representing 13.89% of the gross proceeds from the Public Issue for the repayment of the bank borrowings which are utilised to part finance the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively. The details of the bank borrowings are as follows:

[The rest of this page is intentionally left blank]

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

Financier/ Banking facility	Purpose	Interest rate per annum (%)	Maturity date	Principal amount (RM'000)	Amount outstanding as at the LPD (RM'000)	Amount to be repaid from IPO proceeds (RM'000)
Alliance Bank Malaysia Berhad/ Term loan	To part finance the purchase of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively	5.67	180 months commencing from the date of full drawdown	14,000	12,950	5,000

The remaining facility amount of RM1.05 million will be drawn down progressively for the payment of the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively in accordance to the progress payment schedule pursuant to the respective sales and purchase agreements.

In the event of prepayment of the above bank borrowings, our Group will be required to pay a prepayment fee of up to approximately RM0.12 million based on the prepayment fee of 1.00% and 3 months interest on amount prepaid.

Based on the above, the proposed repayment of RM5.00 million is expected to result in total interest saving of approximately RM0.28 million per annum. However, the actual interest savings may vary depending on the then applicable interest rate.

4.9.3 Purchase of medium and high voltage equipment

We intend to allocate RM4.06 million, representing 11.27% of the gross proceeds from the Public Issue to purchase additional medium and high voltage equipment to increase our inventories of ancillary items such as transformers, vacuum circuit breaker, ring main units, cables and load banks.

The breakdown of the medium and high voltage equipment units that we intend to purchase are as follows:

Medium and high voltage equipment	No. of unit(s)	RM'000
Transformer	4	1,878
Vacuum circuit breaker	5	260
Ring main unit	2	120
Cable	-(1)	1,000
Load bank	5	800
Total		**4,058**

Note:

(1) The length of cable to be purchased is estimated at approximately 10,000 meters.

The number of medium and high voltage equipment to be purchased above is based on current estimation and is subject to change based on various factors, including but not limited to price fluctuations and changes in market demand. In the event that our actual purchase costs of the medium and high voltage equipment are higher than estimated, the shortfall will be funded out of the portion allocated for our general working capital requirements and/or from our internally generated funds.

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

4.9.4 General working capital

Our Group intends to allocate RM2.24 million, representing 6.23% of the gross proceeds from the Public Issue to fund our general working capital which is expected to increase in tandem with the expected growth of our generator rental services business and purchase of additional generators. The allocated gross proceeds will be utilised for the following:

(i) purchase of industrial diesel for our generators;

(ii) purchase of spare parts, consumables, fuel and lubricants for our in-house maintenance works; and

(iii) repair and maintenance services procured for our generators and motor vehicles.

For the FYE Under Review and the FPE 2025, the cost relating to the supplies consumed as well as services procured for our provision of generator rental services are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Supplies:										
Industrial diesel	4,600	78.35	10,169	74.40	10,463	72.35	21,962	73.97	2,834	76.04
Spare parts and consumables	514	8.75	1,670	12.22	1,541	10.66	1,918	6.46	226	6.06
Fuel and lubricants	193	3.29	486	3.55	304	2.10	704	2.37	65	1.74
Subtotal	*5,307*	*90.39*	*12,325*	*90.17*	*12,308*	*85.11*	*24,584*	*82.80*	*3,125*	*83.84*
Services:										
Upkeep of motor vehicles	359	6.12	525	3.84	825	5.70	1,384	4.66	414	11.11
Outsourced services[(1)]	128	2.18	280	2.05	329	2.28	459	1.54	32	0.86
Upkeep of generators[(2)]	53	0.90	472	3.45	181	1.25	683	2.30	36	0.97
Cost for cross rental of generators	13	0.22	42	0.31	788	5.45	1,364	4.60	-	-
Rental of plant and equipment	11	0.19	24	0.18	30	0.21	1,217	4.10	120	3.22
Subtotal	*564*	*9.61*	*1,343*	*9.83*	*2,153*	*14.89*	*5,107*	*17.20*	*602*	*16.16*
Total	**5,871**	**100.00**	**13,668**	**100.00**	**14,461**	**100.00**	**29,691**	**100.00**	**3,727**	**100.00**

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

Notes:

(1) Outsource of repair and maintenance tasks to third parties for major repairs such as engine overhaul, alternator winding repair or replacement, and fuel and cooling systems repair.

(2) We engage third parties for various upkeep and servicing services for engine calibration, parts inspections, parts replacement and modification, and repainting.

The details of estimated breakdown of the gross proceeds from the Public Issue for our general working capital are as follows:

	RM'000	%
Purchase of industrial diesel	1,700	75.83
Purchase of supplies for in-house repair and maintenance works	300	13.38
Procurement of repair and maintenance services from third parties	242	10.79
Total	**2,242**	**100.00**

For the FYE Under Review, the FPE 2025 and up to the LPD, our Group had funded our general working capital via internally generated funds and/or bank borrowings. The gross proceeds from the Public Issue allocated for our general working capital is expected to enhance our Group's liquidity and cash flow position to support the expected growth in our daily operations. The estimated breakdown of the gross proceeds allocated for the above purposes may vary depending on the actual requirements of our Group at the relevant point in time.

4.9.5 Estimated listing expenses

We have allocated RM4.20 million, representing 11.67% of the gross proceeds from the Public Issue for our estimated listing expenses as follows:

Description	RM'000
Professional fees[(1)]	2,500
Fees payable to authorities	90
Estimated underwriting, placement and brokerage fees	850
Printing and advertising	500
Miscellaneous expenses and contingencies[(2)]	260
Total	**4,200**

Notes:

(1) Includes professional and advisory fees for, among others, Principal Adviser, Due Diligence Solicitors, Auditors and Reporting Accountants, IMR, Internal Control Review Consultant and Company Secretary, Share Registrar and Issuing House.

(2) Other incidental or related expenses in connection with our IPO, which include translators, media related expenses and IPO event expenses.

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

Pending receipt of the proceeds from the Public Issue, our Group may utilise our internally generated funds for the listing expenses. When the gross proceeds from the Public Issue which have been allocated for the listing expenses are received, Express Powerr Group will use the gross proceeds allocated to replenish our Group's internally generated funds.

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

4.10 BROKERAGE FEES, UNDERWRITING COMMISSION AND PLACEMENT FEES

4.10.1 Brokerage fees

Brokerage fees is payable in respect of the IPO Shares at the rate of up to 1.00% of our IPO Price in respect of successful applicants which bear the stamp of member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association in Malaysia or Issuing House.

Mercury Securities, being our Sole Placement Agent is entitled to charge brokerage commission to successful applicants for the IPO Shares made available to selected investors and Bumiputera investors approved by the MITI by way of private placement.

4.10.2 Underwriting commission

Mercury Securities, as our Sole Underwriter has agreed to underwrite 65,411,400 Issue Shares made available for application by the Malaysian Public and the Eligible Persons. We will pay our Sole Underwriter an underwriting commission at the rate of 2.25% of the total value of the underwritten Issue Shares at the IPO Price in accordance with the terms of the Underwriting Agreement.

4.10.3 Placement fees

Mercury Securities, as our Sole Placement Agent has agreed to place out a total of 180,000,100 IPO Shares, comprising 114,588,600 Issue Shares to selected investors and Bumiputera investors approved by the MITI and 65,411,500 Offer Shares to be placed to Bumiputera investors approved by the MITI at the rate of up to 2.25% of the IPO Price for each Issue Share / Offer Share to be placed out by our Sole Placement Agent.

The Selling Shareholder will bear the entire placement fees to be incurred for the 65,411,500 Offer Shares to be placed out to selected Bumiputera investors approved by the MITI by our Sole Placement Agent.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

On 22 July 2025, we have entered into the Underwriting Agreement with the Sole Underwriter to underwrite 65,411,400 Issue Shares ("**Underwritten Shares**"), upon the terms and subject to the conditions as set out in the Underwriting Agreement.

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

4.11.1 Obligations of our Sole Underwriter

The obligation of our Sole Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement is conditional on the performance of our Company of our obligations under the Underwriting Agreement as at the date of the Underwriting Agreement, date of opening of Applications, date of closing of Applications and/or prior to the date of our Listing, as the case may be and conditional on the following:

(a) our Sole Underwriter receiving the certificate in the form or substantially in the form contained in the Underwriting Agreement, one dated the date of registration of the Prospectus and the other dated on the date of closing of Applications, both of which are to be signed by at least one Director of our Company (on behalf of our Board) stating that, to the best of knowledge and belief, after having made all reasonable enquiries with our Directors and management of our Company, there has been no such change, development or occurrence as set out in the Underwriting Agreement and being provided with the reports or confirmation and being satisfied at the date of registration of the Prospectus and the closing date of the Applications respectively that, among others:

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

(i) there is no occurrence of any change or any development likely to result in a prospective change in the financial position, business operations, cash flows or conditions (financial, operational or otherwise) of our Group taken as a whole and from that set out in the Prospectus which would have or is likely to have a material adverse effect, amongst others, the conditions (financial, operational or otherwise), contractual commitments, general affairs, Board, management, business, assets, liquidity, liabilities, prospects, earnings, shareholders' equity, business undertakings, properties or results or cash flows of operations of our Company and/or our Group; or the ability of our Company to perform in any respect our obligations under or with respect to, or to consummate the transactions contemplated by the Prospectus or the Underwriting Agreement; or the ability of our Company and/or our Group to conduct our businesses and to own or lease our assets and properties as described in the Prospectus; or our IPO including but not limited to the success of our IPO or the distribution or the sale of our IPO Shares pursuant to our IPO ("**Material Adverse Effect**");

(ii) there is no occurrence of any event or the discovery of any facts or circumstances which would render any representations, warranties or undertakings as set out in the Underwriting Agreement to be untrue or inaccurate, misleading or incorrect, not complied with, failure to be performed in any respect or result in a breach of the Underwriting Agreement by our Company;

(iii) there is no occurrence of any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political, social or fiscal or economic and other conditions or exchange control or currency exchange rates which in the opinion of our Sole Underwriter would have or is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings securities including our Shares in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

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

(bb) prior to the closing date of the Applications,

lower than 90% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;

(iv) there is no breach by our Company of any of our obligations under the approvals granted for our IPO, Listing and the Underwriting Agreement;

(v) all undertakings, representations, warranties and covenants of our Company under the Underwriting Agreement has been complied with and not breached; and

(vi) our Sole Underwriter being satisfied that our Company has satisfied all the conditions as set out in the Underwriting Agreement on our part to be performed.

(b) the Underwriting Agreement being signed by the relevant authorised signatories (as approved by our Board to sign on behalf of our Company) to the Underwriting Agreement and stamped within the statutory time frame;

(c) the Prospectus being in the form and substance satisfactory to our Sole Underwriter;

(d) the issue of the Prospectus not later than 2 months from the Underwriting Agreement or such later date as our Sole Underwriter and our Company may mutually agree in writing;

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

(e) the registration of the Prospectus and such other documents as may be required in accordance with the CMSA, the Act and the Listing Requirements in relation to our IPO with Bursa Securities and the lodgement of the same with the Registrar of Companies of Malaysia ("**ROC**") by the date of opening of Applications;

(f) all necessary approvals including, but not limited to, the approvals referred to in the Underwriting Agreement remaining in full force and effect up to and including the date of our Listing and that all conditions to the approvals (except for any which can only be complied with after our Listing has been completed) have been complied with;

(g) the approval of Bursa Securities for our IPO, Listing and the admission of our Company to the Official List being obtained on terms acceptable to our Sole Underwriter and the approval of Bursa Securities and all such other approvals remaining in full force and effect and that all conditions (except for any which can only be complied with after our Listing has been completed) have been complied with to our Sole Underwriter's reasonable satisfaction;

(h) our Sole Underwriter being satisfied that our Company will, after the date of opening of Applications and following completion of the closing date of the Applications, be admitted to the Official List and our entire enlarged issued share capital listed and quoted on the ACE Market no later than 2 months from the date of the Underwriting Agreement unless mutually agreed to in writing by our Company and our Sole Underwriter;

(i) our Sole Underwriter receiving a copy duly certified by at least one Director or company secretary of our Company to be a true and accurate copy and in full force and effect, of a resolution of our Directors;

  (i) approving the Prospectus and the Application Forms (including a confirmation that our Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in the Prospectus), the Underwriting Agreement and the transactions contemplated by it;

  (ii) authorising the issuance of the Prospectus including the closing date of the Applications;

  (iii) authorising at least one Director to sign and deliver the Underwriting Agreement on behalf of our Company;

  (iv) approving our IPO and Listing and the transactions contemplated by each of the same;

  (v) approving the allotment and issuance of our Issue Shares and/or transfer of the Offer Shares to successful investors/applicants under our IPO.

(j) all the resolutions referred to in subsection (i) above remaining in full force and effect up to and including the date of our Listing and none having been rescinded or revoked or varied;

(k) our IPO and/or our Listing not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with our IPO and/or our Listing have been obtained and are in force up to and including the date of our Listing;

(l) our Company and/or our Subsidiary does not have any actual or contingent liability under applicable laws or regulations or generally accepted accounting standards including but not limited to issues concerning human health and safety, pollution or protection of the environment or in relation to any interest in land which would have a material adverse effect on our Group's conditions (financial, operational or otherwise) including our IPO and/or our Listing;

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

(m) our Sole Underwriter being satisfied that our Company has complied with and that our IPO and our Listing are in compliance with the policies, guidelines and requirements of Bursa Securities, the SC, the ROC, the MITI and all other applicable securities laws and regulations, including all revisions, amendments and/or supplements to it;

(n) there being no occurrence of any specified event (i.e. an event which occurs after the date of the Underwriting Agreement up to the date of our Listing, which if it had occurred before the date of the Underwriting Agreement would have rendered any of the representations, warranties and undertakings in the Underwriting Agreement to be untrue, inaccurate, misleading or incorrect) up to and including the date of our Listing;

(o) there not having occurred on or prior to the date of our Listing any breach of and/or failure to perform any of the undertakings by our Company contained in the Underwriting Agreement;

(p) there not being any investigation, directions or actions or orders by any judicial, governmental or relevant authorities in relation to our Listing and/or in connection with compliance with any Laws by our Group, Directors, Selling Shareholder and/or our Promoter which is still subsisting or unresolved to the satisfaction of our Sole Underwriter up to and including the date of our Listing;

(q) there having been, as at the closing date of the Applications, no registration or lodgment of any amendment, supplement, or replacement to the Prospectus with Bursa Securities or the ROC without the prior written approval of our Sole Underwriter;

(r) the obligations of our Sole Underwriter to subscribe for and/or procure subscriptions for the Underwritten Shares not being prohibited by any statute, order, external rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority in Malaysia at any time on or before the date of our Listing; and

(s) our Sole Underwriter being satisfied with the arrangements of our Company to pay the expenses as set out in the Underwriting Agreement.

4.11.2 Termination of the Underwriting Agreement

Notwithstanding anything contained in the Underwriting Agreement, our Sole Underwriter may at its sole and absolute discretion terminate the Underwriting Agreement and withdraw its Underwriting Commitment upon the occurrence of any of the following:

(a) there is any breach by our Company of any of the representations, warranties or undertakings as set out in the Underwriting Agreement or which is contained in any certificate, statement or notice under or in connection with the Underwriting Agreement; or

(b) there is failure on the part of our Company or our Selling Shareholder to perform any obligations contained in the Underwriting Agreement; or

(c) there is withholding of information from our Sole Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of our Sole Underwriter, would have or can reasonably be expected to have, a Material Adverse Effect on the financial performance, cash flows and financial condition, business or operations or prospects of our Group, the success of our IPO, or the distribution or sale of our IPO Shares; or

(d) there shall have occurred, or happened any material and adverse change in the business or financial condition or operations or prospects of our Group and/or occurrence of event(s) expected to have a Material Adverse Effect; or

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

(e) the closing date of the Applications and subscription of our IPO Shares does not occur within 1 month from the date of opening of Applications, subject to the extension of the closing date of the Applications which is approved by our Sole Underwriter in consultation with Bursa Securities and/or the SC; or

(f) the occurrence of any *force majeure* event or any event or series of events beyond the reasonable control of our Sole Underwriter including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), pandemic, epidemic, acts of terrorism, strikes, national disorder, declaration of a state of emergency, lockouts, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents which would have or can reasonably be expected to have a Material Adverse Effect or which has or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to our IPO or pursuant to the underwriting of the Underwritten Shares; or

(g) there shall have occurred any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political, social or fiscal or economic conditions or exchange control or currency exchange rates which in the opinion of our Sole Underwriter would have or is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings in securities including the Shares in the secondary market). For the avoidance of doubt, if the Index is, at the close of normal trading on Bursa Securities, on any Market Day:

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

(bb) prior to the closing date of the Applications,

lower than 90% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed a material adverse change in the stock market condition; or

(h) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court/authorities which has/likely to have a Material Adverse Effect on our Group and/or materially prejudice the financial performance and financial condition, business or prospects or operations of our Group, the success of our IPO, or our Listing or market conditions generally or which has or is likely to have the effect of making the Underwriting Agreement incapable of performance in accordance with its terms; or

(i) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities; or

(j) any government requisition or occurrence of any other nature which would have or is likely to have a Material Adverse Effect on the business, operations and/or financial performance and financial condition or business or prospects or operations of our Group or the success of our IPO or our Listing; or

(k) our IPO is stopped or delayed by our Company or Bursa Securities or the SC or any other relevant authorities for any reason whatsoever (unless such delay has been approved by our Sole Underwriter); or

(l) any commencement of legal proceedings or action against any member of our Group or any of our Directors, Selling Shareholder and Promoter which in the opinion of our Sole Underwriter, would have or is likely to have a Material Adverse Effect or make it impracticable to market our IPO or to enforce contracts to allot, issue and/or transfer our IPO Shares; or

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

(m) any one of the Prospectus and Application Forms (i) having been terminated or rescinded in accordance with its terms; (ii) ceased to have any effect whatsoever, or (iii) varied or supplemented upon terms and such variation or supplementation would have or likely to have a Material Adverse Effect; or

(n) any of the resolutions or approvals referred to in Section 4.11.1 of this Prospectus is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is likely to have a Material Adverse Effect; or

(o) if Bursa Securities, the SC (if applicable) or any other relevant authority issues an order pursuant to any Malaysian law such as to make it impracticable to market our IPO or to issue and allot and/or transfer the IPO Shares and/or the application and subscription of the IPO Shares by the Malaysian Public, Eligible Persons, selected Bumiputera investors approved by MITI and selected investors; or

(p) any other event in which a Material Adverse Effect has occurred or which in the opinion of our Sole Underwriter is likely to occur; or

(q) if the obligations of our Sole Underwriter to subscribe for and/or procure subscriptions for the Underwritten Shares is or becomes prohibited by any statute, order, rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority of any jurisdiction; or

(r) in the event that our Listing is withdrawn or not procured or procured but subject to conditions not acceptable to our Sole Underwriter or does not take place within 2 months from the date of the Underwriting Agreement or such other extended date as may be agreed in writing by our Sole Underwriter in consultation with Bursa Securities and/or the SC (if applicable).

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTER, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTER AND SUBSTANTIAL SHAREHOLDER

5.1.1 Promoter's and Substantial Shareholder's shareholdings

Our Promoter's and Substantial Shareholder's shareholdings in our Company before and after our IPO are as follows:

		After the Acquisition but before our IPO				After our IPO			
		Direct		Indirect		Direct		Indirect	
Name	Nationality	No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Lim Cheng Ten	Malaysian	754,449,089	100.00	-	-	689,037,589	73.74	-	-

Notes:

(1) Based on our issued share capital of 754,449,089 Shares after the completion of the Acquisition but before our IPO.

(2) Based on our enlarged issued share capital of 934,449,089 Shares after our IPO.

Our Promoter and Substantial Shareholder do not have different voting rights from other shareholders of our Company as all our Shares before and after our IPO are of the same class.

[The rest of this page is intentionally left blank]

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

5.1.2 Profile of our Promoter and Substantial Shareholder

(i) Lim Cheng Ten
Promoter, Substantial Shareholder and Managing Director

Lim Cheng Ten, a Malaysian male aged 64, is our Promoter, Substantial Shareholder and Managing Director. He was appointed to our Board on 10 October 2023. He is responsible for overseeing the overall strategic business directions, sales and marketing, business development and business operations of our Group.

Lim Cheng Ten graduated with Bachelor of Business Administration in December 1984 from Eastern New Mexico University, United States of America ("**USA**"). Subsequently in May 1986, he obtained a Master of Business Administration from California State University, Fresno, USA. He passed the American Institute of Certified Public Accountants examination in November 1988, and subsequently obtained the certificate to practice as a certified public accountant in 1992.

In September 1986, he commenced his career by joining American Home Furnishings, a furniture company located in Albuquerque, New Mexico, as an Accounts Payable Executive, where he was responsible for managing the accounts payable function. He was promoted to Financial Audit Manager in February 1987, and subsequently promoted to Financial Controller in August 1987, where he was responsible for overseeing the accounting department. In October 1989, he was promoted to Chief Financial Officer, where he was responsible for overseeing the accounting department.

Upon returning to Malaysia in December 1992, he joined his brother's businesses, Syarikat Letrik Port Klang Sdn Bhd (presently known as Letrik Port Klang (M) Sdn Bhd ("**Letrik Port Klang**")), a company principally involved in providing electrical installation service, as a trainee where his tasks encompass the costing and tendering of electrical contracts and subsequently, he was then involved in managing the execution of the projects secured.

From October 1994, he left Letrik Port Klang to become an entrepreneur and ventured into various businesses. He started an electrical contracting business with a partner and later they ventured into other businesses including recycling business, oil palm plantation, generator rental, property development as well as forest plantations. As an entrepreneur and owner of multiple businesses, he was involved in all aspects of running the businesses including business development and overall operations of the companies.

In April 2015, he invested in and became a passive shareholder of Express Mission. In December 2015, he disposed of his entire 20.00% equity interest to Ismail Bin Abdul Hassan and Che Izam Bin Abu Noh, and exited Express Mission to focus entirely on matters related to his other businesses. Subsequently in May 2018, he re-joined Express Mission as a director and acquired 5.00% equity interest in Express Mission to become a substantial shareholder. In September 2018, he further acquired 80.00% equity interest in Express Mission and assumed his position as an executive director of Express Mission, where he was mainly responsible for business development, including expanding our customer base as well as building and maintaining relationships with our customers. In December 2021, he acquired the remaining 15.00% equity interest in Express Mission and consequently became the sole shareholder of Express Mission. He was then redesignated as a Managing Director of Express Mission where he assumed his current position and responsibilities.

Further details of Lim Cheng Ten's principal business performed outside our Group and his principal directorships are set out in Section 5.2.3 of this Prospectus.

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

5.1.3 Changes in our Promoter's and Substantial Shareholder's shareholdings

The changes in our Promoter's and Substantial Shareholder's shareholdings in our Company since incorporation up to after our IPO are as follows:

	As at 17 July 2023 (Date of Incorporation)				As at 17 August 2023			
	Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%[2]**	**No. of Shares**	**%[2]**	**No. of Shares**	**%[3]**	**No. of Shares**	**%[3]**
Promoter and Substantial Shareholder								
Lim Cheng Ten	-	-	-	-	510	51.00	-	-
Substantial shareholder								
Rosli Bin Jonid[1]	100	100.00	-	-	490	49.00	-	-

	After the Acquisition but before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%[4]**	**No. of Shares**	**%[4]**	**No. of Shares**	**%[6]**	**No. of Shares**	**%[6]**
Promoter and Substantial Shareholder								
Lim Cheng Ten	754,449,089	100.00	-	-	689,037,589	73.74	-	-
Substantial shareholder								
Rosli Bin Jonid[1]	-[5]	-	-	-	373,000[7]	0.04	-	-

Notes:

(1) Being the subscriber shareholder of Express Powerr.

(2) Based on the total number of 100 Shares as at 17 July 2023, being the date of incorporation of our Company.

(3) Based on our total number of 1,000 Shares after allotment of 900 Shares at a cash consideration of RM900.00 on 17 August 2023.

(4) Based on our total number of 754,449,089 Shares after the Acquisition.

(5) Rosli Bin Jonid transferred his 490 Shares at a cash consideration of RM490.00 to Lim Cheng Ten, our Promoter, after the completion of the Acquisition on 16 July 2025. Notwithstanding of the transfer of Rosli Bin Jonid's Shares, he remains as the Executive Director of Express Powerr.

(6) Based on our enlarged total number of 934,449,089 Shares after our IPO.

(7) Assuming Rosli Bin Jonid will fully subscribe his entitlement under the Pink Form Allocations.

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

As at the LPD, our Promoter and Substantial Shareholder have the same voting rights with the other shareholders of our Company and there is no arrangement between our Company and its shareholders with any third parties, the operation of which may at a subsequent date result in a change in control of our Company.

Save for our Promoter and Substantial Shareholder, we are not aware of any persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

5.1.4 Promoter's and Substantial Shareholder's remuneration and benefits

Save as disclosed below, there are no other remuneration or benefits have been paid or intended to be paid or given to our Promoter and Substantial Shareholder within the 2 years preceding the date of this Prospectus:

(i) remuneration and benefits-in-kind arising from employment and directorship paid to our Promoter and Substantial Shareholder for services rendered to our Group in all capabilities as disclosed in Section 5.5.1 of this Prospectus;

(ii) dividend paid or to be paid to our Promoter and Substantial Shareholder as follows:

	Dividends paid				
	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**	**1 April 2024 up to the LPD**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Lim Cheng Ten	2,736	4,000	1,000	7,000	5,000

(iii) the issuance of 754,448,089 Shares as consideration for the Acquisition.

[The rest of this page is intentionally left blank]

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

5.2 BOARD OF DIRECTORS

5.2.1 Profile of Directors

Save for Lim Cheng Ten whose profile has been set out in Section 5.1.2 of this Prospectus, the profiles of our Directors are as follows:

(i) Dato' Mohd Redza Shah Bin Abdul Wahid
Independent Non-Executive Chairman

Dato' Mohd Redza Shah Bin Abdul Wahid, a Malaysian, aged 62, is our Independent Non-Executive Chairman. He was appointed to our Board on 30 June 2024.

Dato' Mohd Redza Shah Bin Abdul Wahid graduated with Bachelor of Science in Economics (Industry and Trade) from London School of Economics, University of London in August 1986. Subsequently in July 1988, he obtained a Master of Science of Economics (International Banking and Finance) from University of Wales. He is a member and an Associate Chartered Accountant of the Institute of Chartered Accountant in England and Wales since November 1991.

Dato' Mohd Redza Shah Bin Abdul Wahid started his career as Trainee Accountant in 1988 with an accounting firm, Touche Ross & Co. London (presently known as Deloitte & Touche), where he was responsible for performing audits of financial institutions. In 1991, he qualified as an Associate Chartered Accountant (ACA) and in the same year, was promoted to Audit Senior where he was involved in assisting the team of auditors in statutory audit works.

Upon returning to Malaysia, he joined Arab Malaysian Corporation Berhad ("**AMCORP**") in March 1992 as Internal Auditor and was responsible for conducting management and efficiency audits on AMCORP's subsidiaries. In November 1992, he was promoted to the role of Corporate Finance Manager at AMCORP, where he was involved in acquisition and the disposal of companies on behalf of AMCORP's group.

He left AMCORP in July 1994 to join Khazanah Nasional Berhad in August 1994, where he served as Finance Manager, and was responsible for establishing and managing accounting and money market operations. He was then promoted to Senior Manager (Monitoring Division) in July 1995 and was responsible for overseeing and managing the company's portfolio of investments.

In October 2000, he moved to Silterra Malaysia Sdn Bhd, a subsidiary of Khazanah Nasional Berhad, where he served as Chief Financial Officer and was responsible for establishing accounting and treasury operations as a startup, as well as establishing cost accounting functions and raising funds.

He left Silterra Malaysia Sdn Bhd in September 2002 to assume the role of Group Chief Executive Officer at Tradewinds Corporation Berhad. During his tenure from October 2002 to November 2005, he was responsible for restructuring the group. From May 2004 to November 2005, he also served as Acting Chief Executive Officer of Tradewinds (M) Berhad, a subsidiary of Tradewinds Corporation Berhad, where he was responsible for managing and opening of new planting areas as well as oversaw daily operations of the group.

He left Tradewinds Corporation Berhad in November 2005 and joined DRB-Hicom Berhad, a company listed on the Main Market of Bursa Securities, as Executive Director and Group Chief Operating Officer. During his tenure with DRB-Hicom Berhad from December 2005 to October 2008, where he was involved in restructuring of the group as well as undertaking the financial role to oversee the group's cash flow.

In November 2008, he moved to serve as Executive Director and Chief Executive Officer of Bank Muamalat Malaysia Berhad. During his tenure until his retirement in October 2019, he was responsible for the financial performance of the bank and charting the future path of the bank through the formulation a business plan to guide its long-term strategies.

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

He was appointed as the Independent Non-Executive Chairman of Avangaad Berhad (formerly known as E.A Technique (M) Berhad) since 14 February 2020 and Independent Non-Executive Director of KPJ Healthcare Berhad and Zelan Berhad since 7 May 2020 and 28 November 2024, respectively. He was then redesignated from an Independent Non-Executive Director to the Senior Independent Non-Executive Director of KPJ Healthcare Berhad since 1 April 2022. Avangaad Berhad (formerly known as E.A Technique (M) Berhad), KPJ Healthcare Berhad and Zelan Berhad are listed on the Main Market of Bursa Securities.

Further details of Dato' Mohd Redza Shah Bin Abdul Wahid's principal business performed outside our Group and his principal directorships are set out in Section 5.2.3 of this Prospectus.

(ii) Rosli Bin Jonid
Non-Independent Executive Director

Rosli Bin Jonid, a Malaysian male aged 54, is our Non-Independent Executive Director. He was appointed to our Board on 17 July 2023. He is responsible for developing and implementing the overall business strategies and development of our Group as well as overseeing the sales and marketing.

Rosli Bin Jonid obtained a Diploma in Electrical Engineering from Federal Institute Technology, Kuala Lumpur in December 1991. In June 1996, he obtained a Bachelor of Engineering in Electrical and Electronic Engineering from University of Hertfordshire, United Kingdom.

In February 1992, he began his career at Minolta Precision Engineering Sdn Bhd as a Purchasing Officer, where he was responsible for the inventory management function including forecasting, budgetary, material and parts ordering as well as stock controlling.

In April 1993, he left Minolta Precision Engineering Sdn Bhd and joined JVC (M) Sdn Bhd (presently known as JVCKENWOOD Malaysia Sdn Bhd) in May 1993 as a Production Supervisor, where he was involved in the day-to-day production activities including production planning to meet daily production target.

In July 1994, he left JVC (M) Sdn Bhd to pursue his studies in Bachelor of Engineering in Electrical and Electronic Engineering at the University of Hertfordshire, United Kingdom before joining Mitsubishi Electric (M) Sdn Bhd as a Process Engineer in October 1996, where he was responsible for monitoring daily production processes, as well as troubleshooting on all pre and post-production process issues.

In May 1998, he left Mitsubishi Electric (M) Sdn Bhd and joined Teras Control Systems Sdn Bhd as a Project Engineer, where he was responsible for monitoring the installation activity of Touch 'n Go systems on the expressway within the southern region, preparing reports for the overall installation activity, as well as providing technical and material supports to the installation team.

In June 2000, he left Teras Control Systems Sdn Bhd and joined Uniperkasa (Malaysia) Sdn Bhd as a Project Manager in July 2000 and was primarily responsible for the management and coordination of the overall M&E works as well as inventory management. From February 2003 to October 2003, he became a shareholder and director of Uniperkasa (Malaysia) Sdn Bhd. He remained his role as a Project Manager until his resignation in May 2004.

He joined KLKB in June 2004 as a Senior Project Manager where he was responsible for the management and coordination of the overall M&E works as well as inventory management. In July 2006, he left KLKB and joined HICE Engineering Services (M) Sdn Bhd as an Associate M&E Director in the same month, where he was responsible for M&E design calculation and to provide advisory to clients regarding authority, technical and safety requirements as well as liaising with authority for submission and approval.

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

In March 2009, he left HICE Engineering Services (M) Sdn Bhd and joined KKB in June 2009 as Project Director (from June 2009 to July 2011), where he oversaw the overall day-to-day operations and project management. In August 2011, he became the Managing Director and shareholder of KKB until July 2015. Between April 2011 to April 2015, he was also a non-executive director and shareholder of Express Mission.

In July 2015, he left KKB and took a career break between August 2015 to August 2016. In September 2016, he joined Zikay Construction Sdn Bhd, where he served as General Manager and was responsible for managing the operational performance of the operation unit.

In September 2022, he left Zikay Construction Sdn Bhd to join Express Mission in October 2022 and served as the Business Development Director, where he is responsible for business development as well as overseeing the sales and marketing, functions of Express Mission. He was then appointed as an Executive Director of Express Mission in December 2022 and assumed his current responsibilities.

Further details of Rosli Bin Jonid's principal business performed outside our Group and his principal directorships are set out in Section 5.2.3 of this Prospectus.

(iii) Abdul Rahman Bin Adam
Independent Non-Executive Director

Abdul Rahman Bin Adam, a Malaysian, aged 68, is our Independent Non-Executive Director. He was appointed to our Board on 30 June 2024.

Abdul Rahman Bin Adam obtained a Diploma in Mechanical Engineering from University Technology Malaysia in December 1978. In May 1984, he obtained a Bachelor of Engineering (Thermal and Environmental) from Southern Illinois University, USA. Subsequently in June 1996, he obtained a Master of Science of Engineering (Electrical) from Union College, USA. He is a registered Professional Engineer in Mechanical Engineering with Board of Engineer Malaysia since January 2012. He is also a member of Institute of Engineers Malaysia since December 2011.

In April 1978, he began his career with the National Electricity Board of the States of Malaya (presently known as TNB) as a Technical Assistant (Mechanical), where he was responsible for managing the power plant fuel requirement, which involved overseeing fuel stock and ensuring an uninterrupted supply of fuel for the boilers.

In June 1978, he was redesignated as an Assistant Shift Charge Engineer and was responsible for assisting the shift charge engineer in the daily operation of the power plant, ensuring safe, reliable, and high availability of the electrical energy generated. In August 1981, he left National Electricity Board of the States of Malaya to pursue his Bachelor of Engineering (Thermal and Environmental) studies. After his study leave, in July 1984, he resumed his role and responsibilities as an Assistant Shift Charge Engineer with the National Electricity Board of the States of Malaya.

From 1988 to 1989, he was promoted to a Boiler Maintenance Engineer, where he was responsible for planning as well as carrying out the repair and maintenance of the boiler proper and auxiliaries to ensure the plant was in good and safe operating conditions.

He served as a Shift Charge Engineer between 1989 and 1992 and was responsible for the safe and efficient generation of electrical power to meet load demands. Prior to his study leave for a Master of Science in Engineering (Electrical) from September 1994 to February 1996, he served as a Senior Engineer (Industrial Safety) from July 1992 to September 1994, where he was in charge of planning, implementing, and creating safety awareness to ensure safe operating conditions and environments for all tasks carried out at the power plant.

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

After his study leave in February 1996, he resumed to work and served as a Senior Engineer/Executive in the non-core business unit, where his responsibilities included conducting detailed studies and evaluations on the feasibility and viability of power plant projects, as well as carrying out due diligence on project development and implementation.

In September 1996, he assumed the role of Project Manager in the project development and implementation division at TNB Engineering Corporation Sdn Bhd, a subsidiary of TNB. During his service period, he was responsible for conducting due diligence on potential projects, negotiating with respective parties involved in the projects, preparing project development proposals and budgets, and executing and managing the secured projects.

In April 2007, he returned to TNB and was promoted to Senior Manager of the logistics department. In this role, he was responsible for planning, developing, and improving processes in the management of the fleet of vehicles, including managing mobile generator vehicles, mobile equipment such as crane augers, and sky lifts used in the maintenance works by the distribution division of TNB.

In January 2012, he was seconded to the role of Senior Manager of Mobile Generator Services and was responsible for managing, operating, and maintaining the fleet of mobile generators to sustain continuous and quality support services to the company's core business, especially to the distribution division of TNB.

Between June 2014 and December 2014, he was part of a special assignment to PEMANDU (the Performance Management and Delivery Unit) in Tanzania, East Africa. His involvement included assisting PEMANDU in advising and supporting the Government of Tanzania on contract negotiations in the context of public-private partnerships ("**PPP**") envisioned by the national leadership. He provided project management and problem-solving support, managed project appraisal and assignments, conducted and managed feasibility studies, due diligence, and evaluations (technical or financial assessments). He also liaised with industry players, governmental agencies, and authorities relevant to the sector and PPP, as well as reviewed and negotiated key project agreements and structured transaction documents. During the same period, he also served as Senior Manager, with responsibilities covering new business development focusing on the African region or as per new proposals or opportunities in any other parts of the world.

In April 2015, he was redesignated as the Senior Manager of the transformation department, where he was responsible for managing the overall implementation of the company's key result areas, particularly in the growing profitable business area.

In August 2015, he was redesignated as the Senior Manager (Division Operation) of the energy ventures division and was assigned to the Sabah's repowering project as the Project Manager for the Sandakan 2x30 megawatt project development.

In February 2016, he was redesignated as the Senior Manager (Business Development), where he assisted the General Manager in developing and implementing new renewable energy projects.

Before his retirement in August 2017, he served as the Senior Manager for Special Projects Development and Implementation, overseeing the bidding, development, and implementation of the 50-megawatt Large Scale Solar Power Plant in Peninsular Malaysia and the Lekir Bulk Terminal Expansion project from August 2016 to August 2017.
He currently serves as a freelance technical adviser, providing technical advice to his clients.

Further details of Abdul Rahman Bin Adam's principal business performed outside our Group and his principal directorships are set out in Section 5.2.3 of this Prospectus.

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

(iv) Aun Siew Kuan

Independent Non-Executive Director

Aun Siew Kuan, a Malaysian, aged 53, is our Independent Non-Executive Director. She was appointed to our Board on 30 June 2024.

Aun Siew Kuan obtained her London Chamber of Commerce and Industry Third Level Group Diploma in Accounting in 1991. She was admitted as member of the Malaysian Institute of Certified Public Accountants (formerly known as the Malaysian Association of Certified Public Accountants) since May 1996. She is a certified public accountant and chartered accountant of the Malaysian Institute of Accountants since January 1997 and June 2001, respectively.

Aun Siew Kuan began her career as an Audit Assistant in November 1991 with Ernst & Young. Her responsibilities included overseeing the execution of audit plan and assessing the implementation of alternative accounting policies. In August 1995, she was promoted to Senior, where she was responsible for preparing tax computations as well as finalising statutory accounts and group returns for overseas reporting purposes, assisted in due diligence audit, profit and cashflow forecast as well as financial modelling.

She left Ernst & Young to join Arab-Malaysian Merchant Bank Berhad (presently known as AmBank Group), as an Officer within the Corporate Finance Department. During her tenure from March 1996 to December 1998, she was involved in initial public offering, fund raising, mergers and acquisitions, and corporate restructuring. In January 1999, she was promoted to the position of the Manager.

In June 2000, she joined the investment banking department of United Overseas Bank (Malaysia) Bhd, a division involved in the provision of investment banking. She served as an Assistant Manager and was subsequently promoted to Senior Manager in January 2003, where she was responsible for structuring various financial instruments for the purpose of raising fund. From January 2005 to December 2005, she served as an Associate Director of the investment banking department, where she was involved in bonds issuance and facilitated bond rating procurement. In January 2006, she was promoted to the role of Director of the same department.

In October 2007, she joined HwangDBS Investment Bank Berhad as a Senior Vice President, where she was involved in bonds issuance as well as oversaw the execution of syndicated term loans.

In September 2009, she left HwangDBS Investment Bank Berhad to join Hong Leong Investment Bank Berhad as a Senior Vice President, where she led a team in Client Coverage, primarily focussing on bonds issuance and provision of syndicated term loans. She left Hong Leong Investment Bank Berhad in September 2017.

From October 2017 to September 2019, she served as the Chief Executive Officer at ZICO Capital Sdn Bhd, which was awarded the capital markets services license to offer capital market advisory services from the SC. At ZICO Capital Sdn Bhd, she provided advisory services to companies for purposes of fundraising, negotiating potential mergers and restructuring of banking facilities.

In September 2019, she joined TAEL Partners Ltd, a private equity firm licensed by the Monetary Authority of Singapore, as an executive director up to the present day. In this role, she is responsible for overseeing the private credit and education platforms of TAEL Partners Ltd. Additionally, she collaborates with global private credit fund managers and is responsible for origination, underwriting, execution, and portfolio management for ASEAN. She achieved significant career milestones when she was appointed to the Board of Governors and designated as the Chair of the Finance Sub-Committee of Stonyhurst International School Penang.

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

She was appointed as an Independent Non-Executive Director of WMG Holdings Berhad since December 2024. WMG Holdings Berhad is listed on the Main Market of Bursa Securities.

Further details of Aun Siew Kuan's principal business performed outside our Group and her principal directorships are set out in Section 5.2.3 of this Prospectus.

(v) Farah Shireen Binti Mohamed Said
Independent Non-Executive Director

Farah Shireen Binti Mohamed Said, a Malaysian, aged 52, is our Independent Non-Executive Director. She was appointed to our Board on 30 June 2024.

Farah Shireen Binti Mohamed Said graduated with a Bachelor of Laws (Honours) degree from University College London in August 1996. She was called to the Honourable Society of Gray's Inn and admitted as a Barrister-at-Law in July 1997. Subsequently, in November 1998, she was called to the Malaysian Bar and admitted as an Advocate and Solicitor of the High Court of Malaya.

In November 1998, she commenced her legal career as a Legal Assistant at Albar Zulkifly & Yap, a law firm, where she practiced in general and banking litigation.

In December 1999, she joined Zul Rafique & Partners as a Legal Assistant, where she practiced in general and banking litigation. She left Zul Rafique & Partners in January 2001 and took a career break from February 2001 to August 2001.

In September 2001, she joined the Malaysia Derivatives Exchange (now known as Bursa Malaysia Derivatives Berhad), a wholly-owned subsidiary of Bursa Securities that provides, operates, and maintains a futures and options exchange. As Manager in the legal department, she was mainly responsible for overseeing legal compliance matters.

In July 2004, she rejoined Zul Rafique & Partners and assumed the role of Legal Assistant, where she was practicing in the corporate and commercial advisory, as well as the infrastructure and construction law practice areas. In January 2008, she became a Partner, continuing in these areas of practice. She then took a career break between July 2017 and September 2018.

In October 2018, she resumed her role as a Partner at Zul Rafique & Partners, a position she holds to date, specialising in the areas of corporate and commercial advisory and corporate liability and risk management.

Further details of Farah Shireen Binti Mohamed Said's principal business performed outside our Group and her principal directorships are set out in Section 5.2.3 of this Prospectus.

[The rest of this page is intentionally left blank]

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

5.2.2 Directors' shareholdings

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

Directors	Designation / Nationality	After the Acquisition but before our IPO				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Dato' Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman / Malaysian	-	-	-	-	324,000(3)	0.03	-	-
Lim Cheng Ten	Managing Director / Malaysian	754,449,089	100.00	-	-	689,037,589	73.74	-	-
Rosli Bin Jonid	Non-Independent Executive Director / Malaysian	-	-	-	-	373,000(3)	0.04	-	-
Abdul Rahman Bin Adam	Independent Non-Executive Director / Malaysian	-	-	-	-	324,000(3)	0.03	-	-
Aun Siew Kuan	Independent Non-Executive Director / Malaysian	-	-	-	-	324,000(3)	0.03	-	-
Farah Shireen Binti Mohamed Said	Independent Non-Executive Director / Malaysian	-	-	-	-	324,000(3)	0.03	-	-

Notes:

(1) Based on our issued share capital of 754,449,089 Shares after the Acquisition but before our IPO.

(2) Based on our enlarged issued share capital of 934,449,089 Shares after our IPO.

(3) Assuming our Directors will fully subscribe for their respective allocation under the Pink Form Allocations.

[The rest of this page is intentionally left blank]

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

5.2.3 Principal business activities and directorships of our Directors outside our Group

Save as disclosed below, none of our Directors have any principal business activities and directorships in any other corporations outside of our Group in the past 5 years up to the LPD:

(i) Dato' Mohd Redza Shah Bin Abdul Wahid

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Waqaf An-Nur Corporation Berhad	To undertake on a voluntary basis and as a non-governmental organization (NGO), the business of managing agents for hospitals, clinics maternity and nursing homes	Director	27 April 2021	-	-	-
Nufri Holdings Sdn Bhd	Investment properties and rental income	Director/ Shareholder	20 November 2002	-	23.75	-
A.Abdul Majid & Company (Sendirian) Berhad	Selling of groceries; general merchant; café	Director/ Shareholder	1 June 2022	-	31.87	-
KPJ Healthcare University Sdn Bhd	Operating a private university college of nursing and allied health	Director	19 September 2022	-	-	-
Avangaad Berhad (formerly known as E.A Technique (M) Berhad) (listed on Main Market of Bursa Securities)	Ship owing, operator of marine vessel, provider of port marine services	Independent Non-Executive Chairman	14 February 2020	-	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
KPJ Healthcare Berhad (listed on Main Market of Bursa Securities)	Investment holding company and provision of management services, with subsidiaries involved in the operation of specialist hospitals	Senior Independent Non-Executive Director	7 May 2020[(1)]	-	-	-
Johore Central Store Sdn Bhd	Wholesalers and retailers of books, magazine, periodical and other related items; general merchants	Director/ Shareholder	4 January 2021	-	10.30	-
Kenari Avl Sdn Bhd	Wholesale of lighting equipment; retail sale of audio and video equipment in specialized store	Director/ Shareholder	8 March 2022	-	40.00	-
Program Pertukaran Fellowship Perdana Menteri Malaysia	Foundation backed by the Government of Malaysia for the purposes of mentoring and nurturing the youth of Malaysia	Director	4 December 2023	-	-	-
Zelan Berhad (listed on Main Market of Bursa Securities)	Investment holding and is principally involved in engineering and construction, asset facilities management and property development through its subsidiaries	Independent Non-Executive Director	28 November 2024	-	-	-
Past involvement						
JLG REIT Managers Sdn Bhd (formerly known as Damansara REIT Managers Sdn Bhd)	Management company for real estate investment trust (Al-Aqar Healthcare REIT and Al-Salām REIT)	Director	14 February 2020	31 December 2024	-	-

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

Note:

(1) He was appointed as an Independent Non-Executive Director on 7 May 2020. Subsequently, he was redesignated to Senior Independent Non-Executive Director on.1 April 2022.

(ii) Lim Cheng Ten

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Nilaai Sejagak Sdn Bhd	Property investment holding	Director/ Shareholder	15 June 2022	-	45.00	-
Semarak Infiniti Sdn Bhd	Project management services	Director/ Shareholder	15 June 2022	-	1.00	74.00(1)
Wisdom Ventures Sdn Bhd	Dormant with no intended business activity	Director/ Indirect Shareholder	16 April 2021	-	-	80.00(7)
IEZ Agro Plantation Resources Sdn Bhd	Forest plantation	Director/ Shareholder	11 March 2021	-	25.00	-
JL Returns Sdn Bhd	Property investment holding	Director/ Shareholder	25 August 2020	-	42.66	-
JL Ventures Sdn Bhd	Property investment holding	Director/ Shareholder	1 July 2020	-	100.00	-
TLC Rubber Wood Plantation Sdn Bhd	Forest plantation	Director/ Shareholder	1 June 2020	-	50.00	-
TLC Maju Plantation Sdn Bhd	Forest plantation	Director/ Shareholder	1 June 2020	-	50.00	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Sustainable Oasis Sdn Bhd	Investment holding company in shares of companies involved in forest plantation	Director/ Shareholder	28 May 2020	-	100.00	-
Wisdom Management Services Sdn Bhd	Provision of general insurance and other management consultancy activities	Director/ Shareholder	23 January 2020	1 August 2024	59.50	-
Paragon Delight Sdn Bhd	Property investment holding	Director/ Shareholder	3 September 2019	1 August 2024	76.50	-
Aries Plantation Sdn Bhd	Oil palm plantation	Director/ Shareholder	14 May 2014	-	85.00	-
Impian Dupleks Sdn Bhd	Property investment	Director/ Indirect Shareholder	1 August 2018	-	-	100.00[4]
Kuasa Segera Sdn Bhd	Trading of scrap metal materials	Director/ Shareholder	15 November 2017	23 January 2025	25.00	-
Perladangan Alam Rimba Sdn Bhd	Agricultural activities for crops production on a fee or contract basis	Director/ Shareholder	13 July 2022	-	90.00	-
Wisdom Infinity Sdn Bhd	Property developer	Director/ Shareholder	18 August 2009	-	84.98	0.02[2]
Ultimate Bright Sdn Bhd	Investment holding in shares of companies involved in oil palm plantations	Director/ Shareholder	28 January 2008	-	85.00	-
Daya Hikmat Sdn Bhd	Forest plantation	Director/ Indirect Shareholder	17 February 2015	-	-	76.77[3]

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

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Kibar Hasil Sdn Bhd	Forest plantation	Director/ Indirect Shareholder	17 February 2015	-	-	76.77[3]
OCH Development Sdn Bhd	Property investment holding	Director/ Indirect Shareholder	11 March 2016	-	-	100.00[4]
NSB Plantations Sdn Bhd	Oil palm plantation	Director/ Shareholder	8 December 2015	-	80.00	-
Waja Ikhtisas Sdn Bhd	Oil palm plantation	Director/ Shareholder	19 July 2012	-	43.02	-
Kuasa Wibawa Sdn Bhd	Oil palm plantation	Director/ Indirect Shareholder	11 January 2012	-	-	100.00[5]
Pantas Penchala Sdn Bhd	Property investment holding	Director/ Shareholder	22 November 2011	-	70.20	-
First Portfolio Sdn Bhd	Provision of money lending services	Director/ Shareholder	6 September 2011	-	44.00	56.00[2]
Wisdom Gallery Sdn Bhd	Property investment holding	Director/ Shareholder	21 September 2011	-	85.00	-
Strong Entity Sdn Bhd	Property investment holding	Director/ Shareholder	26 July 2011	-	85.00	-
Delpro Construction Sdn Bhd	Property investment holding	Director/ Shareholder	3 June 2010	-	33.00	-
Energy Wisdom Sdn Bhd	Engineering and construction contractors	Director/ Shareholder	12 November 2009	-	100.00	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Reward Plantation (M) Sdn Bhd	Oil palm plantation	Director/ Shareholder	1 October 2009	-	16.21	-
New Age Property Management Sdn Bhd	Property investment holding	Director/ Shareholder	25 June 2008	9 December 2024	16.67	-
Niche Hitech Sdn Bhd	Oil palm plantation	Director/ Indirect Shareholder	16 November 2007	4 February 2025	-	100.00[5]
Tamadun Murni Sdn Bhd	Oil palm plantation	Director/ Indirect Shareholder	25 June 2007	4 February 2025	-	100.00[5]
Adat Bersatu Sdn Bhd	Oil palm plantation	Director/ Indirect Shareholder	9 January 2006	-	-	100.00[5]
Antik Permata Sdn Bhd	Oil palm plantation	Director/ Indirect Shareholder	1 June 2005	-	-	30.00[6]
Merit Agenda Sdn Bhd	Oil palm plantation	Director/ Shareholder	14 June 1999	-	32.00	-
Tils Auto Sdn Bhd	Investment holding company in shares of a company involved in palm oil plantation	Director/ Shareholder	27 April 2004	-	15.30	-
Amazing Onwards Sdn Bhd	Oil palm plantation	Director/ Indirect Shareholder	26 April 2004	-	-	100.00[5]
Gaharu Ratna Sdn Bhd	Property investment holding	Director/ Shareholder	21 June 2004	-	85.00	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Merit Performancez Sdn Bhd (formerly known as Merit Energy Sdn Bhd)	Property investment holding Electrical wiring contractor, supply of electrical appliances and equipment and labour, property developer	Director/ Shareholder	18 July 1996	-	85.00	-
KLS Metal Sdn Bhd	Trading of scrap metal	Shareholder	-	-	31.54	-
The Original Beverage (International) Sdn Bhd	Wholesale of foodstuffs; advertising; wholesale of coffee, tea, cocoa and other beverages	Shareholder(9)	-	-	0.64	-
Advanced Digital Venture Berhad	Investment holding company in shares of companies involved in management of convenience and retail stores	Shareholder	-	-	98,125 preference shares	-
Trillion Cove Holdings Berhad(10)	Investment holding company in shares of company involved in provision of microcredit services	Shareholder	-	-	600,000 preference shares	-
QA Smart Partnership PLT	Provision of business brokerage and computer programming services	Partner	22 May 2020	-	-	-
Roce Capital Venture PLT	Provision of computer programming services	Partner	4 March 2021	-	-	-
Impian Asset Sdn Bhd	Property investment holding	Director / Shareholder	28 January 2025	-	49.00	-
Xinyue Sdn Bhd	Dormant, intended to be involved in property investment holding	Director / Shareholder	25 February 2025	-	49.00	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Past involvement						
Perunding Li Sdn Bhd	Property investment holding (Struck off on 4 December 2020)	Director/ Indirect Shareholder	23 May 2002	-	-	33.00[4]
Majestica Sdn Bhd	Dormant	Director	21 September 2011	12 May 2022	-	-
Dynamic Designed Sdn Bhd	General contracting in construction services	Director	3 April 2015	24 February 2022	-	-
Regal Grand Sdn Bhd	Investment holding in shares of a company involved in provision of project management services	Director	4 March 1997	16 October 2023	-	-
Mutual Dynamite Sdn Bhd	Provision of consultancy services on fire related matters	Director	19 July 2012	14 September 2023	-	-
Green City Disposal & Recycle Sdn Bhd	Provision of treatment and disposal of hazardous waste, collection of recyclable materials, remediation activities and other waste management services	Director	8 January 2020	14 September 2023	-	-
Apps Square Sdn Bhd	Provision of information communication technology system security services	Director	30 December 2021	22 September 2023	-	-
Fire Ace Sdn Bhd	Contractor and sub-contractor for firefighting systems and equipment	Director / Shareholder	29 June 2021	23 December 2024	5.00[8]	46.00[2][8]
The Original Beverage Sdn Bhd	Investment holdings in shares of companies involved in the manufacturing and wholesale of beverages, food, confectionary and health supplements	Shareholder[9]	-	-	-	-

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

Notes:

(1) Deemed interested by virtue of his shareholdings in Wisdom Infinity Sdn Bhd pursuant to Section 8(4) of the Act.

(2) Deemed interested by virtue of his son's shareholdings pursuant to Section 59(11) of the Act.

(3) Deemed interested by virtue of his shareholdings in Sustainable Oasis Sdn Bhd pursuant to Section 8(4) of the Act.

(4) Deemed interested by virtue of his shareholdings in Merit Performancez Sdn Bhd (formerly known as Merit Energy Sdn Bhd) pursuant to Section 8(4) of the Act.

(5) Deemed interested by virtue of his shareholdings in Ultimate Bright Sdn Bhd pursuant to Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholdings in Merit Agenda Sdn Bhd and Tils Auto Sdn Bhd pursuant to Section 8(4) of the Act.

(7) Deemed interested by virtue of his shareholdings in Wisdom Infinity Sdn Bhd pursuant to Section 8(4) of the Act and his son's shareholdings pursuant to Section 59(11) of the Act.

(8) Lim Cheng Ten and his son, Miguel Lim Yu-Jin disposed their entire shareholdings in Fire Ace Sdn Bhd to a non-related third party on 8 January 2025.

(9) Lim Cheng Ten ceased to be a shareholder of The Original Beverage Sdn Bhd following the redemption of his entire 1,500 preference shares by the company on 28 April 2025. As at the LPD, The Original Beverage Sdn Bhd is a wholly-owned subsidiary of The Original Beverage (International) Sdn Bhd, in which Lim Cheng Ten has been a shareholder since 28 April 2025.

(10) As at the LPD, Trillion Cove Holdings Berhad is in the midst of winding-up.

(iii) Rosli Bin Jonid

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Nil						
Past involvement						
Nahs Electrical Construction	Provision of electrical wiring services for buildings	Partner	30 December 2019	30 December 2024	-	-

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

(iv) Abdul Rahman Bin Adam

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Jana Segera Sdn Bhd	Dormant with no intended activity	Director/ Shareholder	23 November 2017	-	30.00	-
QA Premium Partnership PLT	Provision of business brokerage and computer programming services, software applications	Partner	22 May 2020	-	-	-
Past involvement						
Rahman Adam Consultant & Services	Engineering consultant and supply of services, sale and rental of assets and equipment, supply of mechanical and electrical products & appliances, project management consultant and services, quality audit and inspection services (Sole proprietorship expired on 17 October 2022)	Sole proprietor	3 February 2020	-	-	-

(v) Aun Siew Kuan

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
WMG Holdings Bhd (listed on Main Market of Bursa Securities)	Investment holding and is principally involved in property development, property letting and trading of building materials through its subsidiaries	Independent Non-Executive Director	2 December 2024	-	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Past involvement						
ZICO Evolve Capital Sdn. Bhd. (formerly known as ZICO Capital Sdn. Bhd.)	Provision of advisory in relation to corporate finance and capital markets related activities	Director	13 June 2017	17 February 2021	-	-
Stonyhurst Enrichment Centre Sdn. Bhd.	Provision of education and enrichment services	Director	7 August 2020	28 September 2021	-	-

(vi) Farah Shireen Binti Mohamed Said

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Zul Rafique & Partners	Law firm	Partner	1 January 2008	-	-	-
Past involvement						
Makmur Muhibah Sdn. Bhd.	Dormant (Struck off on 13 November 2020)	Director	26 June 2000	-	-	-
Onecs Resources Sdn. Bhd.	Dormant (Struck off on 13 November 2020)	Director	30 May 2000	-	-	-

[The rest of this page is intentionally left blank]

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

The involvement of Lim Cheng Ten, our Managing Director in other corporations is not expected to affect his ability to perform his executive role and responsibilities to our Group as he is no longer involved in the management and day-to-day operations of his other corporations outside our Group other than attending meetings of the board of directors and shareholders' meeting which he serves on. The management and day-to-day operations of his other corporations outside our Group are managed by their respective management teams. Furthermore, the abovementioned other corporations that he is involved in does not carry on a similar trade as our Group's business. He is of the view that he is able to devote sufficient time and attention to the affairs of our Group to discharge his responsibilities and duties. Premised on the above, our Board is of the view that the involvement of Lim Cheng Ten in other corporations will not affect his ability to perform his executive role and responsibilities as our Managing Director.

The involvement of our Independent Non-Executive Directors in other businesses or corporations outside our Group will not affect their contribution to our Group as they are not involved in the day-to-day operations of our Group.

5.3 KEY SENIOR MANAGEMENT

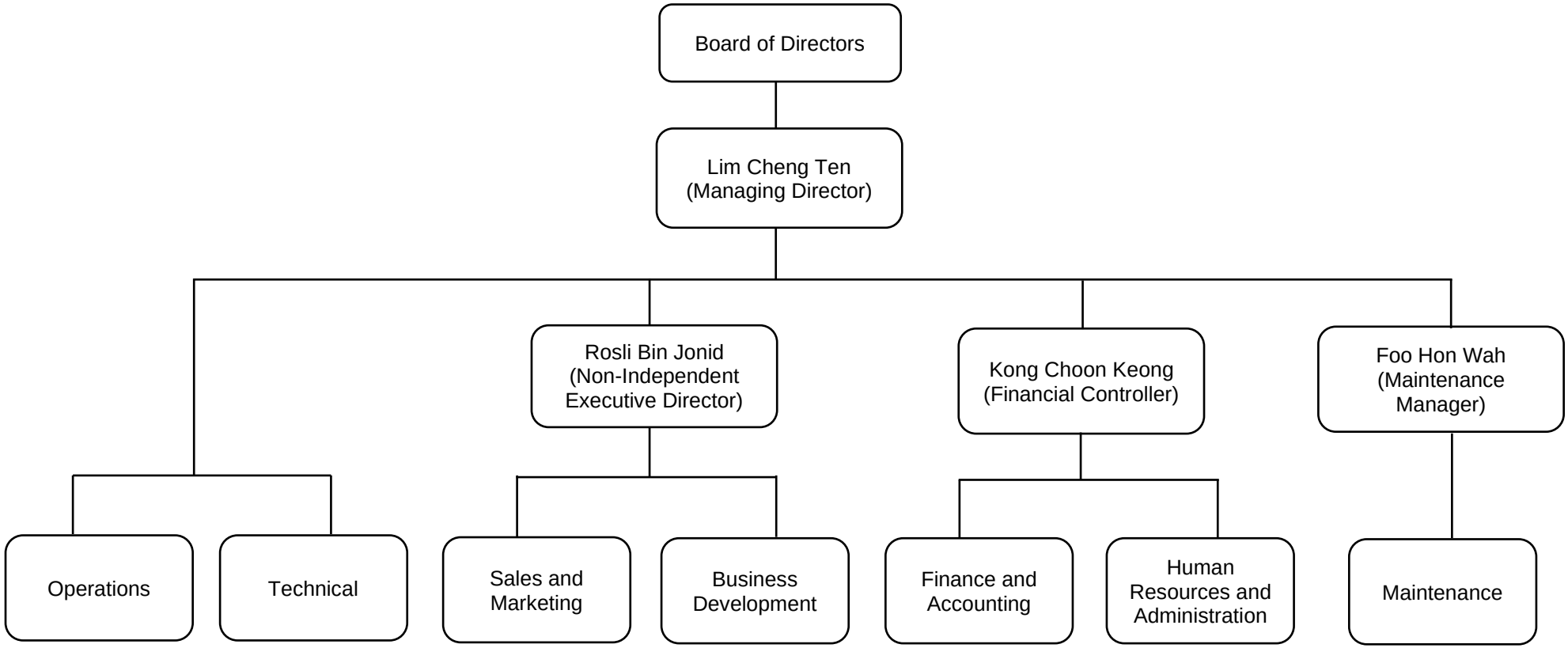
5.3.1 Management structure

As at the LPD, our Group has 7 departments, and their functions are as below:

Department	Function
Finance and accounting	Financial and accounting records keeping and reporting, treasury management, tax management, account receivables and payables management, formulating and enforcing internal controls and policies
Business development	Identifying business opportunities and market development, key account management
Human resources and administration	Human resources Payroll management, employee acquisition and retention, employee training and development, industrial relations management Administration Office general administrative support
Sales and marketing	Sales order coordination, billings and collection management, prospective customers management
Operations	Generator deployment management, generator usage monitoring, generator personnel management, formulating and enforcing safety checks and procedures
Technical	Attending to customers' technical enquiries, provide technical know-how on equipment and parts, formulate policies and procedures for effective generator maintenance, sourcing suitable parts and services providers
Maintenance	Perform preventive maintenance works on generators and equipment, manage outsourced maintenance and refurbishment services, perform on-site maintenance and repair works

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

As at the LPD, the management reporting structure of our Group is as follows:



Further details of the workforce for each department are set out in Section 7.21 of this Prospectus.

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

5.3.2 Key senior management's shareholdings

Save for the shareholdings of Lim Cheng Ten and Rosli Bin Jonid (whom are also our key senior management) which are set out in Section 5.2.2 of this Prospectus, the shareholdings of our key senior management in our Company before and after our IPO are as follows:

Name	Designation / Nationality	After the Acquisition but before our IPO				After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Kong Choon Keong	Financial Controller / Malaysian	-	-	-	-	373,000(3)	0.04	-	-
Foo Hon Wah	Maintenance Manager / Malaysian	-	-	-	-	161,000(3)	0.02	-	-

Notes:

(1) Based on our issued Shares of 754,449,089 Shares after the completion of the Acquisition but before our IPO.

(2) Based on our enlarged issued share capital of 934,449,089 Shares after our IPO.

(3) Assuming our key senior management will fully subscribe for their respective entitlements under the Pink Form Allocations.

[The rest of this page is intentionally left blank]

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

5.3.3 Profiles of key senior management

Save for the profiles of Lim Cheng Ten and Rosli Bin Jonid (whom are also our key senior management) which has been set out in Sections 5.1.2 and 5.2.1 of this Prospectus, the profiles of our key senior management are as follows:

(i) Kong Choon Keong
Financial Controller

Kong Choon Keong, a Malaysian male aged 57, is our Financial Controller. He is responsible for overseeing accounting, finance, tax and treasury matters as well as human resources and administrative functions of our Group.

Kong Choon Keong graduated with Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College in July 1991. He is a member and a registered chartered accountant with Malaysian Institute of Accountants since December 1999.

In December 1991, he began his career as an Audit Assistant at Monteiro & Heng (presently known as Baker Tilly Monteiro Heng), where he assisted the team leader in completing various audit assignments for different clients from the manufacturing industry.

In July 1992, he joined Kamal Skelchy Su Lim & Associates (presently known as PKF Malaysia) as an Audit Assistant, where he assisted the team leader in completing various audit assignments. He was then promoted to Audit Senior in July 1994, where he was responsible for planning, executing and leading audit assignments of the firm's clients.

In September 1994, he joined TF Lee & Associates (presently known as TF Lee Lum Associates) as Audit Senior and was later promoted to Audit Supervisor in January 1999, where he was responsible for planning, executing and leading the firm's clients in various audit and non-audit assignments.

In October 1999, he left TF Lee & Associates and joined Dalmuir (Malaysia) Sdn Bhd in November 1999 as an Accountant, where he was involved in managing the accounting, payroll and administrative functions until July 2001.

In August 2001, he set up his own AFO Consulting firm, a sole-proprietorship business that was involved in providing accounting and finance outsourcing services. He exited the business by transferring to a third-party in June 2002.

In July 2002, he joined LQS Group Management Sdn Bhd as Senior Accountant, where he was responsible for managing the finance and accounting functions of property investment, call centre and voice-over-IP business units. In February 2006, he was transferred to Persistence of Vision Sdn Bhd, a business unit specialising in animation productions, where he was responsible for managing the finance and accounting functions of the company. Later in November 2006, he was transferred to Double Vision Sdn Bhd, a business unit involved in television programme and film production, and promoted to Financial Controller, where he was responsible for managing the finance and accounting functions of its group of companies before leaving in July 2007.

From August 2007 to February 2010, he served as Senior Finance Manager of Hexagon Holdings Berhad, a company previously listed on the Main Market of Bursa Securities, where he was responsible for the quarterly consolidation reporting and board papers preparation, liaising with his counterparts within Malaysia as well as overseas.

[The rest of this page is intentionally left blank]

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

In February 2010, he left Hexagon Holdings Berhad to join TC Management Services Corporation Sdn Bhd in the same month, a unit under Tan Chong Motor Holdings Berhad, that is involved in the provision of management services, as their Senior Manager (Finance), where he was involved in the quarterly consolidation reporting for the group of companies as well as management/statutory reporting of the holding company and property investment company portfolio. He was later transferred to the treasury division as Senior Manager (Group Treasury) in November 2010 and was responsible for bank facilities related matters of Tan Chong Motor Holdings Berhad group of companies before leaving in October 2012.

In November 2012, he joined Brother International (Malaysia) Sdn Bhd, where he served as Deputy General Manager (Finance and Administration) and was responsible for leading the team in managing the finance, accounting, human resources, administration, information technology as well as inventory and logistics functions.

In November 2013, he left Brother International (Malaysia) Sdn Bhd and took a career break before he joined Semua Properties Sdn Bhd as Senior Manager (Finance) in January 2015, where he was responsible for managing the finance, accounting and tax matter of its group of companies before leaving in July 2015.

In October 2015, he joined mTouche Technology Berhad, a company listed on the ACE Market of Bursa Securities as Group Chief Financial Officer where he was overseeing the finance, accounting, tax, human resource and administrative functions of the group, as well as to ensure compliances with authorities' regulatory requirements.

In April 2016, he left mTouche Technology Berhad to join PUC Berhad, a company listed on the ACE Market of Bursa as a Financial Controller, where he was responsible for leading finance team in handling finance, accounting and tax matters of the group's local and overseas subsidiary companies.

In March 2020, he left PUC Berhad and took a short career break at the start of the Covid-19 pandemic before joining Smart Gloves Holdings Sdn Bhd in November 2020, as Financial Controller, where he was responsible for leading finance team in handling matters pertaining to finance, accounting, treasury and tax matters.

In May 2021, he left Smart Gloves Holdings Sdn Bhd and took a career break before he joined our Group in April 2022, as our Financial Controller, where he assumed his current position and responsibilities.

(ii) Foo Hon Wah
Maintenance Manager

Foo Hon Wah, a Malaysian male aged 64, is our Maintenance Manager. He is responsible for overseeing our Group's overall repair and maintenance activities including supervising the repair and maintenance team.

Foo Hon Wah completed his Sijil Pelajaran Malaysia studies from Sekolah Menengah Kebangsaan Hua Lian, Taiping in September 1979.

Upon completing his secondary studies in September 1979, he began his career as a Factory Operator in a chemical factory located in Seberang Perai, Penang, where he worked for approximately 2 years. Between 1982 to November 2001, he ran a street vending business that was involved in the sale of garments at night markets in Taiping, Perak. He then ceased his street vending business in November 2001 and took a career break.

In September 2002, he joined Regal Grand Sdn Bhd as Supervisor, where he was responsible for sourcing and procurement of automotive parts.

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

In June 2018, he left Regal Grand Sdn Bhd and joined Merit Performancez Sdn Bhd (formerly known as Merit Energy Sdn Bhd) ("**Merit Performancez**") in July 2018 as a Site Worker where he reported to the project manager and was responsible for performing on-site maintenance tasks on generators. In October 2018, he left Merit Performancez and joined Express Mission in November 2018 as a Maintenance Supervisor, where he was responsible for maintenance and repair works of generators. He was promoted to Maintenance Manager in May 2022, a position which he had held until present.

5.3.4 Principal business activities and directorships of our key senior management outside our Group

Save for the involvement of Lim Cheng Ten and Rosli Bin Jonid which are detailed in Section 5.2.3 of this Prospectus, none of our key senior management have any principal business activities and directorships in any other corporation outside of our Group in the past 5 years up to the LPD.

5.4 BOARD PRACTICES

5.4.1 Directorship

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

Name	Designation	Date of appointment as Director	Date of expiration of the current term in office	Approximate no. of years in office as at the LPD
Dato' Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman	30 June 2024	Subject to retirement by rotation at our third AGM	Less than 2 years
Lim Cheng Ten	Managing Director	10 October 2023	Subject to retirement by rotation at our fifth AGM	Less than 2 years
Rosli Bin Jonid	Non-Independent Executive Director	17 July 2023	Subject to retirement by rotation at our fifth AGM	Less than 3 years
Abdul Rahman Bin Adam	Independent Non-Executive Director	30 June 2024	Subject to retirement by rotation at our third AGM	Less than 2 years
Aun Siew Kuan	Independent Non-Executive Director	30 June 2024	Subject to retirement by rotation at our fourth AGM	Less than 2 years
Farah Shireen Binti Mohamed Said	Independent Non-Executive Director	30 June 2024	Subject to retirement by rotation at our fourth AGM	Less than 2 years

In accordance with the Company's Constitution, at every AGM, 1/3 of the Directors for the time being or if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office and be eligible for re-election, provided that all Directors shall retire from office once at least in every 3 years. A Director retiring at a meeting shall retain office until the conclusion of the meeting.

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

Our Board acknowledges and takes cognisance of the Malaysian Code on Corporate Governance 2021 issued by the SC ("**MCCG**") which contains best practices and guidance for listed companies to improve upon or to enhance our corporate governance practices as it forms an integral part of our business operations and culture. Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively.

Our Company has adopted the recommendations under the MCCG as follows:

(i) to have at least half of the Board comprising Independent Non-Executive Directors;

(ii) that our chairperson of the Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee;

(iii) the positions of the chairperson of the Board and the managing director/ executive director should be held by different individuals; and

(iv) to have at least 30.00% women directors on our Board.

5.4.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established on 30 June 2024 and its members are appointed by our Board. Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Aun Siew Kuan	Chairperson	Independent Non-Executive Director
Abdul Rahman Bin Adam	Member	Independent Non-Executive Director
Farah Shireen Binti Mohamed Said	Member	Independent Non-Executive Director

The main functions of our Audit and Risk Management Committee include among others:

(i) to review our Group's quarterly results and year-end financial statements before submission to our Board, focusing particularly on:

  (a) changes in or implementation of major accounting policy changes;

  (b) significant and unusual events or transactions, and how these matters are addressed;

  (c) significant adjustments arising from the management;

  (d) compliance with accounting standards and other legal requirements; and

  (e) the going concern assumption;

(ii) to conduct the following in respect of external audit:

  (a) to consider the nomination and appointment of external auditors and to consider the adequacy of experience and resources of the external auditors and determine the audit fee;

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

(b) to review any letter of resignation from the external auditors and any questions of resignation or dismissal, and report the same to our Board;

(c) to discuss with the external auditors, prior to the commencement of audit, the audit plan which states the nature and scope of audit;

(d) to review major audit findings arising from the interim and final external audits, the audit report and the assistance given by our Group's employees to the external auditors;

(e) to review with the external auditors, their evaluation of the system of internal controls, their management letter and management's responses;

(f) to review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment, and report the same to our Board;

(g) discuss and review the contracts for the provision of non-audit services which can be entered into and procedures that must be followed by the external auditors. The contracts that cannot be entered into should include management consulting, policy and standard operating procedures documentation, strategic decision and internal audit; and

(i) to conduct an annual assessment on the suitability, objectivity and independence of the external audit firm to safeguard the quality and reliability of audited financial statements;

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

(a) audit plan;

(b) audit report;

(c) evaluations of the system of internal controls;

(d) the assistance given by the employees to the external auditor;

(e) external auditors' management letter and management's response thereto; and

(f) any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external auditor;

(iv) to review the following in respect of internal audit:

(a) mandate the internal audit function to report directly to our Audit and Risk Management Committee;

(b) the adequacy of scope, functions and resources of the firm of internal auditors (that was engaged to undertake the internal audit function) and that it has the necessary authority to carry out its work;

(c) the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and ensure that appropriate actions are taken on the recommendations of the internal audit function; and

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

(d) review and approve any appointment, termination or resignation of the firm of internal auditors;

(v) to review with the internal auditors on the following and report the same to our Board:

(a) the annual audit plan which is risk-based and focused on significant risk areas to ensure adequate scope and comprehensive coverage over the activities of the Group and that it has the necessary authority to carry out its work;

(b) effectiveness of the internal audit processes as well as the adequacy of the resource requirements, competency and the budget of the internal audit function;

(c) the internal audit report containing the internal audit findings, commentaries and recommendations and to follow-up on remedial actions;

(d) effectiveness of the internal control systems and risk management systems and have them considered if necessary; and

(e) internal auditors' report of deficiencies in internal control and management's response thereto;

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

(a) the Annual Statement of Risk Management and Internal Control including sustainability reporting to be published in the Annual Report and report the same to our Board;

(b) any related party transactions and conflict of interest situations that may arose, persist or may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity, as well as the measures taken to resolve, eliminate, or mitigate such conflicts, and report the same to our Board;

(c) assess processes and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies;

(d) to oversee the sustainability management and reporting of our Group;

(e) to oversee the anti-bribery management of our Group;

(f) to appoint a compliance officer or our Audit and Risk Management Committee Chairman to serve as a reporting channel role for whistleblowers who are concerned about speaking or by email of his/her concern. This includes reviewing policy our Group has implemented to address made by whistleblower allegation and ensure proportionate and independent investigation of such allegations and that appropriate follow-up action is taken, where necessary; and

(g) to carry out any other function that may be mutually agreed upon by our Audit and Risk Management Committee and our Board;

(vii) to carry out the following in relation to risk management:

(a) review the adequacy of our Group's risk management framework and assess the resources and knowledge of the management and employee involved in the risk management process;

(b) review the effectiveness of internal control systems deployed by the management of our Group to address those risks;

(c) review and recommend corrective measures undertaken to remedy failings and/or weaknesses;

(d) review and further monitor principal risks that may affect our Group directly or indirectly that if deemed necessary, recommend additional course of action to mitigate such risks;

(e) communicate and monitor the risk assessment results to our Board; and

(f) highlight actual and potential impact of any failing or weakness, particularly those related to financial performance or conditions affecting our Group.

The recommendations of our Audit and Risk Management Committee are subject to the approval of our Board. Our Nomination Committee and Board will review the composition, performance and effectiveness of our Audit and Risk Management Committee annually.

5.4.3 Nomination Committee

Our Nomination Committee was established on 30 June 2024 and its members are appointed by our Board. Our Nomination Committee comprises the following members:

Name	Designation	Directorship
Abdul Rahman Bin Adam	Chairperson	Independent Non-Executive Director
Aun Siew Kuan	Member	Independent Non-Executive Director
Farah Shireen Binti Mohamed Said	Member	Independent Non-Executive Director

The main functions of our Nomination Committee include among others:

(i) to develop, maintain and review the criteria to be used in the recruitment of Directors and key senior management;

(ii) to formulate, maintain and review the re-appointment and re-election process of Directors having due regard to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required;

(iii) to formulate a "Fit and Proper Policy" and to ensure that all Directors fulfil the fit and proper criteria and for conducting assessments of the fitness and properness of candidates to be appointed onto our Board, including Directors who are seeking for re-election;

(iv) to assess and recommend to our Board, candidates for all directorships proposed to be filled by the shareholders of our Company, our Board or other external appointed professionals. In making the recommendations, our Nomination Committee will also consider candidates proposed by our Managing Director, and within the bounds of practicability, by any other key senior management, Director or shareholder of our Company;

(v) in making its recommendations, our Nomination Committee should consider the following attributes of the candidates or factors:

(a) technical competency, skills, knowledge, expertise and experience;

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

(b) strong sense of professionalism;

(c) background, character, integrity and competence;

(d) contribution and performance;

(e) other commitments and time available to contribute inputs to our Board;

(f) in the case of candidates for the position of independent non-executive Directors, our Nomination Committee should evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive Directors; and

(g) boardroom diversity including gender (at least 30.00% women directors), age and ethnicity diversity.

In identifying candidates for appointment of Directors, our Board will not solely rely on recommendations from existing Directors, senior management or major shareholders. Our Board will utilise independent sources to identify suitable and qualified candidates. If the selection of candidates was solely based on recommendations made by existing Board members, key senior management or major shareholders, our Nomination Committee should explain why other sources were not used;

(vi) to recommend to our Board the nominees to fill the seats on the committees of our Board;

(vii) to review Board and management succession plans and make recommendations to our Board on succession planning policy for management;

(viii) to lead the succession planning and appointment of board members, including the future Chairman of the Board and Managing Director;

(ix) to review the training needs/training programs for our Board and facilitate Board induction and training programs;

(x) to review annually, the term of office and performance of our Board committees and each of its members to determine whether our Board committees members have carried out their duties in accordance with the respective terms of references of our Board committees;

(xi) to implement annual assessments on the effectiveness and performance of our Board as a whole, the committees of the Board, as well as the contribution/performance, character, experience, integrity, competence and time to effectively discharge his/her role as a Director, including non-executive Directors and executive Directors. All assessments and evaluations carried out by our Nomination Committee in the discharge of all its functions should be properly documented together with the criteria used for such assessment;

(xii) to ensure each individual Directors has the character, experience, integrity, competence and time to effectively discharge his/her role as a Director, including non-executive Directors and executive Directors;

(xiii) to examine the size of our Board with a view to determining the impact of the number upon its effectiveness;

(xiv) to review the required mix of skills and experience and other qualities of our Board including core competencies which non-executive Directors should bring to our Board;

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

(xv) to develop the criteria to assess independence and to assess on an annual basis, the independence of the independent non-executive Directors and recommend the same to our Board;

(xvi) to recommend the retention of its independent non-executive Directors whose terms have exceeded 9 years' tenure for continuance in the office;

(xvii) to recommend the re-election of Directors who retired by rotation pursuant to our Company's Constitution;

(xviii) to establish time commitment expectations/protocol for the members of our Board;

(xix) to review the attendance of our Directors at Board and/or Board committee(s) meetings;

(xx) to establish a policy formalising its approach to boardroom diversity;

(xxi) to act in line with the directions of our Board;

(xxii) to review with our Managing Director and executive Directors, their goals and objectives and to assess their performance against these objectives as well as their contribution to the corporate strategy;

(xxiii) to ensure that the composition of our Board is refreshed periodically. The tenure of each Director should be reviewed by our Nomination Committee and annual re-election of a Director should be contingent on satisfactory evaluation of our Director's performance and contribution to our Board; and

(xxiv) To consider and examine such other matters as our Nomination Committee considers appropriate including the activities of our Nomination Committee in the discharge of its duties for the financial year.

The recommendations of our Nomination Committee are subject to the approval of our Board.

5.4.4 Remuneration Committee

Our Remuneration Committee was established on 30 June 2024 and its members are appointed by our Board. Our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Farah Shireen Binti Mohamed Said	Chairperson	Independent Non-Executive Director
Abdul Rahman Bin Adam	Member	Independent Non-Executive Director
Aun Siew Kuan	Member	Independent Non-Executive Director

The main functions of our Remuneration Committee include among others:

(i) our Remuneration Committee shall review and consider the scope of service agreements and remuneration policies and packages of executive Directors, Managing Director and key senior management of our Group and make such recommendations to the respective Boards of Directors of our Group as our Remuneration Committee thinks fit;

(ii) our Remuneration Committee shall, on an annual basis and after taking due consideration of the assessment by our Nomination Committee of the effectiveness and contribution of every Director, Managing Director and key senior management concerned, review the remuneration packages of Directors, Managing Director and key senior management of our Group and recommend to our Board specific adjustments in remuneration packages, if any;

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

(iii) our Remuneration Committee shall review and make recommendations to the respective Board of Directors of our Group on Director's fees and other remuneration of non-executive Directors and independent Directors linking the level of remuneration to their level of responsibilities and contribution to their respective Board of Directors;

(iv) our Remuneration Committee shall oversee any major changes in employee remuneration and benefit structures throughout our Group;

(v) our Remuneration Committee shall review the policies governing the remuneration of Directors as well as policies governing the remuneration and promotion of key senior management of our Group annually;

(vi) our Remuneration Committee may recommend to our Board the appointment of the services of such advisers or consultants, as it deems necessary to fulfill its responsibilities;

(vii) to provide a report summarising its activities for the year in compliance with the MCCG, Listing Requirements and any relevant regulations; and

(viii) other functions include, amongst others, the following:

(a) our Remuneration Committee may obtain such information as it may require on the remuneration of any executive director, executive officer or employee of our Group;

(b) our Remuneration Committee shall be entitled to secure the attendance of any person with the relevant experience and expertise at our Remuneration Committee's meetings if our Remuneration Committee considers this appropriate;

(c) in considering its recommendations to the respective board of directors of our Group, our Remuneration Committee shall be entitled to ensure that performance related elements of remuneration should form a significant proportion of the total remuneration package of executive directors, Managing Director as well as key senior management of our Group should be designed to align their interests with those of shareholders and to give such executive directors, Managing Director and key senior management such incentives to perform at the highest levels;

(d) our Remuneration Committee may recommend to our Board, reasonable remuneration packages needed to attract, retain and motivate our Group's executive directors and key senior management of the quality required;

(e) our Remuneration Committee may consider and recommend to our Board, the remuneration of the executive directors or executive officers relative to other companies and to be aware what comparable companies are paying, taking account of relative performance and using such comparisons with caution; and

(f) our Remuneration Committee shall consider other matters as referred to our Remuneration Committee by our Board or the board of directors of our Subsidiary.

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

[The rest of this page is intentionally left blank]

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

5.5 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

5.5.1 Directors' Remuneration and material benefits in-kind

The details of the remuneration and material benefits in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our Directors for services rendered to our Group in all capacities for the FYE 2024 and FYE 2025 are as follows:

FYE 2024 (Actual)	Fees	Salary	Bonus	Allowances	Other emolument[(1)]	Benefits in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Directors							
Lim Cheng Ten	-	188	-	20	9[(3)]	-	217
Rosli Bin Jonid	-	144	13	-	20	-	177
Independent Non-Executive Chairman							
Dato' Mohd Redza Shah Bin Abdul Wahid	36[(2)]	-	-	1	-	-	37
Independent Non-Executive Directors							
Abdul Rahman Bin Adam	30[(2)]	-	-	1	-	-	31
Aun Siew Kuan	30[(2)]	-	-	1	-	-	31
Farah Shireen Binti Mohamed Said	30[(2)]	-	-	1	-	-	31

Notes:

(1) Includes employer's contribution to EPF, SOCSO and EIS (where applicable).

(2) Monthly director's fee of RM6,000 and RM5,000 for our Independent Non-Executive Chairman and Independent Non-Executive Directors, respectively, commencing July 2024 after the formation of our Board on 30 June 2024.

(3) The lower other emolument of Lim Cheng Ten compared to Rosli Bin Jonid was mainly due to the lower EPF contribution by employer based on the minimum statutory contribution rate of 4% for employees above age of 60.

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

FYE 2025 (Proposed)	Fees	Salary	Bonus[(1)]	Allowances	Other emolument[(2)]	Benefits in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Directors							
Lim Cheng Ten	-	360	-	60	55[(3)]	-	475
Rosli Bin Jonid	-	144	-	-	19	-	163
Independent Non-Executive Chairman							
Dato' Mohd Redza Shah Bin Abdul Wahid	72	-	-	2	-	-	74
Independent Non-Executive Directors							
Abdul Rahman Bin Adam	60	-	-	2	-	-	62
Aun Siew Kuan	60	-	-	2	-	-	62
Farah Shireen Binti Mohamed Said	60	-	-	2	-	-	62

Notes:

(1) Bonuses, if any, will be determined later based on the individual's performance as well as our Group's performance at the time of assessment.

(2) Includes employer's contribution to EPF, SOCSO and EIS (where applicable).

(3) For information, our Group has adjusted the employer's EPF contribution for Lim Cheng Ten to 12% in the FYE 2025 from the minimum statutory contribution rate of 4% in the FYE 2024.

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

[The rest of this page is intentionally left blank]

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

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

Save for the remuneration and material benefits-in-kind of Lim Cheng Ten and Rosli Bin Jonid which are detailed in Section 5.5.1 of this Prospectus, the aggregate remuneration and material benefits in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our key senior management for services rendered to our Group in all capacities for the FYE 2024 and proposed for the FYE 2025 are as follows:

Key senior management	Remuneration band (in bands of RM50,000)	
	FYE 2024 (RM'000)	Proposed for the FYE 2025[(1)] (RM'000)
Kong Choon Keong	200 – 250	200 – 250
Foo Hon Wah	50 – 100	50 – 100

Note:

(1) Bonuses for the FYE 2025 are not included as it will be determined later depending on the performance of the individuals and our Group, subject to the recommendation of our Remuneration Committee and approval by our Board.

5.6 DECLARATION BY OUR PROMOTER, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoter, Directors and key senior management is or was involved in any of the following events, whether within or outside Malaysia:

(i) a petition under any bankruptcy or insolvency law was filed (and not struck out) against such person or any partnership in which he was a partner, or any corporation of which he was a director or member of key senior management in the last 10 years;

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

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

(iv) any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market in the last 10 years;

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

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

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

(viii) any unsatisfied judgment against such person.

[The rest of this page is intentionally left blank]

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

5.7 FAMILY RELATIONSHIPS AND ASSOCIATIONS

There are no family relationships and associations among our Promoter, Substantial Shareholder, Directors and key senior management as at the LPD.

5.8 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at the LPD, there are no existing or proposed service agreements (contracts for services) entered into or to be entered into by our Directors or key senior management with our Group which provide for benefits upon termination of employment.

5.9 MANAGEMENT SUCCESSION PLAN

Our Group has put in place formalised succession planning policy and succession plan for key senior management positions. We have identified the successors to groom gradually to assume the responsibilities of these key senior management positions.

Besides identifying the critical duties to be discharged by the successors in the succession plan, the following skill requirements must also be developed by the successors, amongst others:

(i) managing financial activities;

(ii) being able to make strategic decisions;

(iii) sales management;

(iv) knowledge of our Group's business and processes; and

(v) purchasing and cost management.

Our Nomination Committee will review and update the succession plan annually or more regularly as our Nomination Committee deem necessary to ensure our Group has reassessed the development progress of the identified successors and whether any recruitment is required.

[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 17 July 2023 as a private limited company under the name of Express Powerr Solutions Sdn Bhd and subsequently changed its name to Express Powerr Solutions (M) Sdn Bhd on 25 August 2023. On 23 October 2023, our Company was converted into a public limited company and we assumed our present name as Express Powerr Solutions (M) Bhd.

Our Company is principally an investment holding company. Through our Subsidiary, we are principally involved in the provision of generator rental services and other related services which include the supply of ancillary items such as distribution boards, generator synchronisation panels, transformers, switchgears, load banks and cables to meet the varied requirements of our customers. As part of our business strategy and future plans, we have expanded into offering solar PV solutions though this segment is still in the early stages of development.

6.2 DETAILS OF THE ACQUISITION

To facilitate our Listing, we undertook the Acquisition. Our Company had entered into the SSA with the Vendor to acquire the entire equity interest of Express Mission for a total purchase consideration of RM33,950,164 which is to be satisfied wholly by the issuance of 754,448,089 new Shares at an issue price of RM0.045 per Share to the Vendor as follows:

Vendor	Shareholdings in Express Mission		Purchase consideration (RM)	No of new Shares issued
	No. of shares acquired	% of share capital		
Lim Cheng Ten	1,000,000	100.00	33,950,164	754,448,089
Total	**1,000,000**	**100.00**	**33,950,164**	**754,448,089**

The purchase consideration for the Acquisition of RM33,950,164 was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of Express Mission as at 30 September 2024 of RM40,950,164 less dividend declared after 30 September 2024 of RM7,000,000.

The Acquisition was completed on 20 June 2025. Thereafter, Express Mission became our wholly-owned Subsidiary.

6.3 SHARE CAPITAL

As at the date of the Prospectus, our share capital is RM33,951,164 comprising 754,449,089 Shares.

Save as disclosed below, there has been no changes in our issued share capital since incorporation up to the LPD:

Date of allotment	No. of Shares allotted	Consideration/ Nature of transaction	Cumulative issued share capital	
			No. of shares	RM
17 July 2023	100	Cash / Allotment of shares	100	100
17 August 2023	900	Cash / Allotment of shares	1,000	1,000
20 June 2025	754,448,089	Otherwise than cash / Allotment of Shares pursuant to the Acquisition	754,449,089	33,951,164

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

As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there were no discounts, special terms or installment payment terms given in consideration of the allotment.

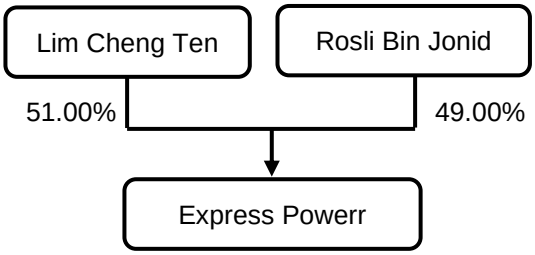
Upon completion of our Listing, our enlarged issued share capital will increase to RM69,951,164 comprising 934,449,089 Shares.

6.4 OUR SHAREHOLDERS AND GROUP STRUCTURE

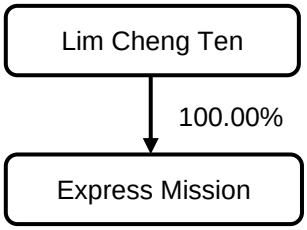
Our Group structure before and after our IPO are set out below:

Before the Acquisition

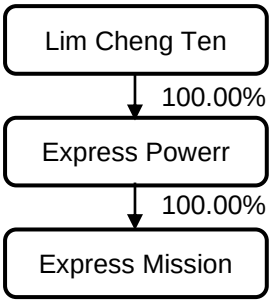
Express Powerr



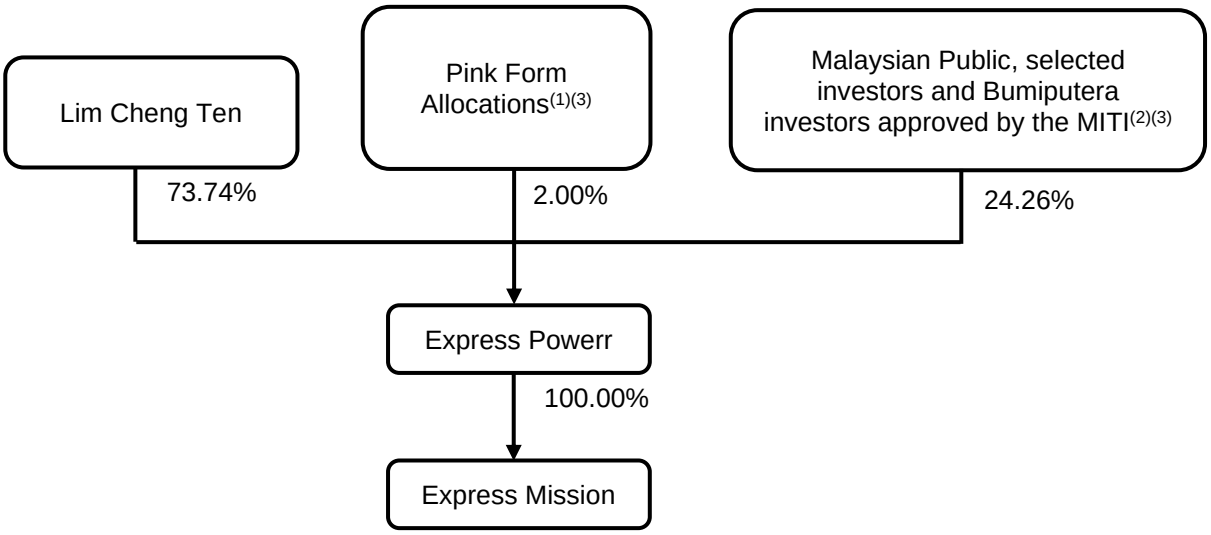
Express Mission



After the Acquisition but before our IPO



After our IPO



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

Notes:

(1) Assuming the 18,688,800 Issue Shares allocated to the Eligible Persons under the Pink Form Allocations are fully subscribed.

(2) Assuming the 226,722,700 IPO Shares allocated to the Malaysian Public via balloting and private placement to the selected investors and Bumiputera investors approved by the MITI are fully subscribed.

(3) Collectively, the public shareholding spread is 26.08% after IPO which consists of Malaysian Public, selected investors and Bumiputera investors approved by the MITI (24.26%) and Pink Form Allocations (1.82%) after excluding the Directors and persons connected to Promoter and Directors.

6.5 INFORMATION ON OUR SUBSIDIARY

The details of our Subsidiary as at the LPD is as follows:

Name / registration no.	Date / Country of incorporation	Principal place of business	Issued share capital (RM)	Effective equity interest (%)	Principal activities
Express Mission / 200501025328 (707461-W)	24 August 2005 / Malaysia	Malaysia	1,000,000	100.00	Provision of generator rental services and other related services

As at the LPD, we do not have any joint venture or associated company.

6.5.1 Express Mission

(i) Background, history and principal activities

Express Mission was incorporated on 24 August 2005 in Malaysia under the Companies Act 1965 as a private limited company under its present name and is deemed incorporated under the Act.

Express Mission is principally involved in the provision of generator rental services and other related services which include the supply of ancillary items such as distribution boards, generator synchronisation panels, transformers, switchgears, load banks and cables to meet the varied requirements of our customers. As part of our business strategy and future plan, we have expanded into offering solar PV solutions though this segment is still in the early stages of development.

(ii) Share Capital

As at the LPD, Express Mission's issued share capital is RM1,000,000 comprising 1,000,000 ordinary shares. The detail of changes in the issued share capital of Express Mission during the FYE Under Review, the FPE 2025 and up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Consideration/ Nature of transaction	Cumulative issued share capital	
			No. of shares	RM
8 June 2022	750,000	Cash / Allotment of shares	1,000,000	1,000,000

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

As at the LPD, Express Mission does not have any outstanding warrants, options, convertible securities and uncalled capital.

(iii) Shareholder and directors

Express Mission is our wholly-owned subsidiary.

As at the LPD, the directors of Express Mission are Lim Cheng Ten and Rosli Bin Jonid.

(iv) Subsidiary, joint venture and associate company

As at the LPD, Express Mission does not have any subsidiary, joint venture or associate company.

[The rest of this page is intentionally left blank]

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

6.6 CAPITAL INVESTMENTS AND DIVESTITURES

Our Group's capital investments and divestitures for the FYE Under Review, the FPE 2025 and up to the LPD are as follows:

	FYE 2021[(1)]	FYE 2022[(2)]	FYE 2023[(3)]	FYE 2024[(4)]	FPE 2025[(5)]	From 1 April 2025 up to the LPD[(6)]
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Capital investments						
Furniture and fittings	-	-	-	10	-	-
Motor vehicles	457	1,374	1,042	985	244	650
Office equipment	-	34	135	94	2	26
Plant and machinery	1,826	3,760	2,882	4,433	109	863
Renovation and signboard	-	274	98	109	3	4
Tools and equipment	235	1,264	844	2,226	489	389
Capital work-in-progress	-	4,200	5,250	4,200	3,150	3,150
Total	**2,518**	**10,906**	**10,251**	**12,057**	**3,997**	**5,082**
Capital divestitures						
Plant and machinery	-	135	-	368	-	-
Motor vehicles	-	-	-	-	-	210
Total	**-**	**135**	**-**	**368**	**-**	**210**

Notes:

(1) For the FYE 2021, our capital investments of RM2.52 million comprised the following:

(a) purchase of motor vehicles amounted to RM0.46 million, which comprised 5 units of used trucks and pick-ups for transportation;

(b) purchase of plant and machinery of RM1.83 million, which comprised 8 units of Large-sized generators; and

(c) tools and equipment of RM0.24 million in relation to the purchase of ancillary items comprising cables and AMF panel.

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

(2) For the FYE 2022, our capital investments of RM10.91 million mainly comprised the following:

(a) purchase of motor vehicles amounted to RM1.37 million, which comprised 16 units of used trucks, pick-ups and sedans for transportation;

(b) purchase of plant and machinery of RM3.76 million, which comprised 1 unit of Small-sized generator, 3 units of Medium-sized generators and 11 units of Large-sized generators;

(c) tools and equipment of RM1.26 million in relation to the purchase of ancillary items comprising cables, AMF panel, radiators, alternators, generator synchronisation panel and copper busbar; and

(d) capital work-in-progress of RM4.20 million in relation to the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively. Please refer to Section 7.7.3 of this Prospectus for further details of Building 1 and Building 2.

For the FYE 2022, our capital divestitures of RM0.14 million comprised of disposal of 1 unit of mobile crane.

(3) For the FYE 2023, our capital investments of RM10.25 million mainly comprised the following:

(a) purchase of motor vehicles amounted to RM1.04 million, which comprised 9 units of used trucks and pick-ups for transportation;

(b) purchase of plant and machinery of RM2.88 million, which comprised 5 units of Small-sized generators and 8 units of Large-sized generators;

(c) tools and equipment of RM0.84 million in relation to the purchase of ancillary items comprising cables, AMF panel, generator synchronisation panel, copper busbar and isolator board; and

(d) capital work-in-progress of RM5.25 million in relation to the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively.

(4) For the FYE 2024, our capital investments of RM12.06 million mainly comprised the following:

(a) purchase of motor vehicles amounted to RM0.99 million, which comprised 9 units of used trucks and pick-ups for transportation;

(b) purchase of plant and machinery of RM4.43 million, which comprised 1 unit of Small-sized generator, 2 units of Medium-sized generators and 15 units of Large-sized generators;

(c) tools and equipment of RM2.23 million in relation to the purchase of ancillary items comprising cables, AMF panel, radiators, alternators, copper busbar, isolation board, DIN connectors, load banks and transformers; and

(d) capital work-in-progress of RM4.20 million in relation to the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively.

For the FYE 2024, our capital divestitures of RM0.37 million comprised of disposal of 8 units of mini crawler dump truck and 8 units of obsolete Small-sized generators.

(5) For the FPE 2025, our capital investments of RM4.00 million mainly comprised the following:

(a) tools and equipment of RM0.49 million in relation to the purchase of ancillary items comprising cables, AMF panel and generator synchronisation panel; and

(b) capital work-in-progress of RM3.15 million in relation to the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively.

(6) From 1 April 2025 up to the LPD, our capital investments of RM5.08 million mainly comprised the following:

(a) purchase of motor vehicles amounted to RM0.65 million, which comprised 6 units of used trucks, pick-ups and sedans for transportation;

(b) purchase of plant and machinery of RM0.86 million, which comprised purchase of 3 units of Medium-sized generator, 1 unit of Large-sized generator and spare parts for our generators as well as fabrication of 3 units of canopies for our Large-sized generators;

(c) tools and equipment of RM0.39 million in relation to the purchase of ancillary items comprising cables, AMF panel and generator synchronisation panel; and

(d) capital work-in-progress of RM3.15 million in relation to the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively

From 1 April 2025 up to the LPD, our capital divestitures of RM0.21 million comprised of disposal of 1 unit of multi-purpose vehicle.

Our Group's capital investments were financed by our Group's internally generated funds and banking facilities. As at the LPD, save for the proposed utilisation of proceeds from our Public Issue for our capital expenditure as disclosed in Sections 4.9.1 and 4.9.2 of this Prospectus as well as the material capital commitment as set out in Section 12.6 of this Prospectus, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

6.7 PUBLIC TAKE-OVERS

During the last financial year and up to the LPD, there were no:

(i) public take-over offers by third parties in respect of our Shares; and

(ii) public take-over offers by our Company in respect of other companies' shares.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW

7.1 HISTORY AND BACKGROUND

Ownership and group structure

Our Company was incorporated in Malaysia on 17 July 2023 under the Act as a private limited company under the name of Express Powerr Solutions Sdn Bhd and subsequently changed its name to Express Powerr Solutions (M) Sdn Bhd on 25 August 2023. On 23 October 2023, our Company was converted into a public limited company and adopted our present name.

Our history dates back to September 2005 when our founder, Ismail Bin Abdul Hassan, along with shareholder, namely Lau Kar Hoe, acquired a shelf company named Express Mission for RM2.00 with each holding 50.00% equity interests.

In November 2005, Express Mission increased its paid-up share capital resulting in Ismail Bin Abdul Hassan and Lau Kar Hoe holding 70.00% and 30.00% equity interest, respectively.

In January 2007, Lau Kar Hoe disposed his entire 30.00% equity interest in Express Mission to Ismail Bin Abdul Hassan (25.00% equity interest) and the late Sarajuddin Bin Abol Hassan, who is the brother of Ismail Bin Abdul Hassan (5.00% of equity interest).

In September 2011, Rosli Bin Jonid, our Non-Independent Executive Director, acquired 5.00% equity interest in Express Mission from the late Sarajuddin Bin Abol Hassan with the intention to be a passive investor. He later joined Express Mission in October 2022 as the Business Development Director and was appointed as a director of Express Mission in December 2022.

In April 2015, Lim Cheng Ten, our current Managing Director became a shareholder after acquiring 20.00% equity interest in Express Mission from Ismail Bin Abdul Hassan (15.00% equity interest) and Rosli Bin Jonid (5.00% equity interest) respectively. In December 2015, to concentrate on his other business interests, he disposed his entire 20.00% equity interest to Ismail Bin Abdul Hassan and Che Izam Bin Abu Noh resulting in them holding 95.00% and 5.00% equity interest, respectively.

In May 2018, Lim Cheng Ten rejoined Express Mission as a Director and acquired 5.00% equity interest in Express Mission from Che Izam Bin Abu Noh. Subsequently in September 2018, Lim Cheng Ten further acquired 80.00% equity interest from Ismail Bin Abdul Hassan, resulting in him holding 85.00% equity interest in Express Mission, and was designated as an executive director of Express Mission where he was mainly responsible for business development, including expanding our customer base as well as building and maintaining relationships with our customers. Since then, Ismail Bin Abdul Hassan had ceased his role and responsibilities within Express Mission and transitioned his leadership role to Lim Cheng Ten.

In May 2021, Ismail Bin Abdul Hassan resigned as the director of Express Mission and Mohammad Diah Bin Abd Majid was appointed as a director of Express Mission. Mohammad Diah Bin Abd Majid was assisting Lim Cheng Ten for the coordination of generator rental services operations. Subsequently in June 2021, Mohammad Diah Bin Abd Majid acquired Ismail Bin Abdul Hassan's remaining 15.00% equity interest in Express Mission and Ismail Bin Abdul Hassan ceased to be a shareholder of Express Mission.

In December 2021, Lim Cheng Ten acquired 15.00% equity interest in Express Mission from Mohammad Diah Bin Abd Majid which resulted in him becoming the sole shareholder of Express Mission. In December 2022, Mohammad Diah Bin Abd Majid resigned as the director of Express Mission.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

Business

The table below summarises our Group's major achievements and milestones since our commencement of operations:

Year	Description
2005	• Acquired Express Mission and commenced business operation at an operation yard located at Bukit Kuda, Klang, Selangor, with 1 unit of Large-sized generator
2008	• Expanded our customer base to include customers from the construction and manufacturing industries. In previous years, we purely cater to M&E contractors
2010	• Relocated our operation yard to Setia Alam, Selangor • Increased our fleet of generators to a total of 13 units comprising of 3 units of Small-sized generators, 3 units of Medium-sized generators and 7 units of Large-sized generators
2018	• Entered into a service agreement with KLKB, an approved vendor of TNB, to provide generator rental services to KLKB
2020	• Increased our fleet of generators to a total of 57 units comprising of 7 units of Small-sized generators, 8 units of Medium-sized generators and 42 units of Large-sized generators • Entered into a service agreement with KKB, an approved vendor of TNB, to provide generator rental services to KKB
2021	• Became an approved vendor of TNB • Registered as an electrical contractor under Class C with Energy Commission Malaysia
2022	• Relocated our operation yard to Bandar Bukit Raja, Klang, Selangor • Entered into the Service Contracts with TNB • Set up additional 4 operation yards located in Puchong, Kuala Lumpur, Kulai and Pasir Gudang • Entered into sales and purchase agreements to acquire Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, which are to be used as our new headquarter and operation yard
2023	• Obtained a diesel storage permit from the Ministry of Domestic Trade and Costs of Living Malaysia. For information, our Group does not store industrial diesel on-site but procure industrial diesel on-demand basis. The diesel storage permit obtained is intended for future use to reduce delivery lead time.
2024	• Increased our fleet of generators to a total of 111 units comprising of 14 units of Small-sized generators, 13 units of Medium-sized generators and 84 units of Large-sized generators • Expanded into the Sabah market by providing generator rental services indirectly to SESB via purchase orders from Dynasynergy which secured its project from SESB, where we deployed a total of 21 units of generators for the said project • Registered as a solar PV investor under NEM programme and PV service provider by SEDA • Registered as an electrical contractor under Class A with Energy Commission Malaysia

7. BUSINESS OVERVIEW *(Cont'd)*

Year	Description
2025	• Accepted the Letter of Award from Dynasynergy • Received a proposal letter from TNB to renew the Service Contracts with TNB for a further 3 years, which was accepted by our Group • Received 2 letters of award from Customer A to provide generator rental services to Customer A in the states of Penang and Kelantan • Set up additional 2 operation yards located in Penang and Kelantan

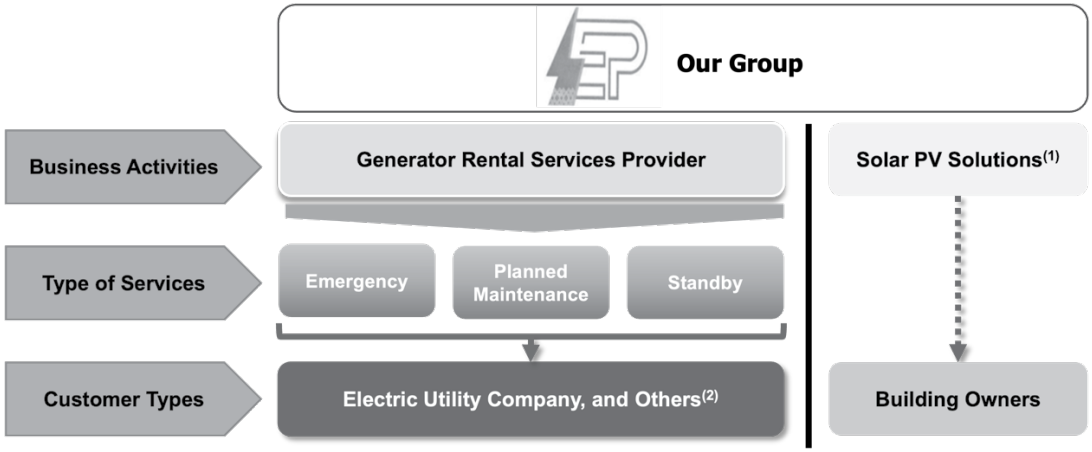
As at the LPD, our operation yards are located as follows:

Region	Location
Central region	PT 69404, Jalan Astana 2, Bandar Bukit Raja, 41000 Klang, Selangor
	No. 43, Jalan Utama 2/25, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor
	Lot 50071, Jalan Satu, Chan Sow Lin, 55200 Kuala Lumpur
Southern region	No. 28, Jalan Senangin 6, Taman Pasir Putih, 81700 Pasir Gudang, Johor
	Lot 58787, Jalan Tanjung 27/7, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor
Eastern region	Lot 3677, Kawasan Perusahaan Tanah Merah, 17500 Tanah Merah, Kelantan
Northern region	No. 875, Maklom, Jalan Pekan Darat, 13800 Butterworth, Penang

Please refer to Section 7.7 of this Prospectus for further details on our operation yards.

7.2 PRINCIPAL ACTIVITIES AND BUSINESS MODEL OF OUR GROUP

Our business model is as illustrated below:



7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) Our Group ventured into solar PV solutions business in April 2024.

(2) Comprise M&E companies, manufacturing companies, construction companies, event organisers, and government agencies.

Our Group is principally involved in the provision of generator rental services and other related services which include the supply of ancillary items such as distribution boards, generator synchronisation panels, transformers, switchgears, load banks and cables to meet the varied requirements of our customers. As part of our business strategy and future plans, we have expanded into offering solar PV solutions though this segment is still in the early stages of development. Since our venture into the solar PV solutions business, our Group has recorded revenue of approximately RM0.03 million and RM0.46 million in the FYE 2024 and FPE 2025, respectively.

Generator Rental Services Segment

Our Group's core business revolves around providing generator rental services. These services can be categorised into the following service categories, each designed to meet the specific needs of our diverse customer base:

(i) **emergency -** this includes providing immediate generator rental services for critical emergency situations such as power outages and emergency/disaster scenarios;

(ii) **planned maintenance -** this involves providing generator rental services tailored to ensure seamless power continuity during planned maintenance shutdowns or pre-planned requests; and

(iii) **standby -** this comprises providing standby generator rental services for events, special occasions, or situations where a reliable backup power source is required.

Our provision of generator rental services includes installation and disassembly, along with technical support and on-site operation personnel such as engine drivers, chargemen, technicians and general workers, as well as maintenance services. In addition, as part of our generator rental services, we also provide rental services of ancillary items such as distribution boards, generator synchronisation panels, transformers, switchgears, load banks and cables to fulfil the diverse needs of our customers.

Additionally, our generator rental services are provided either directly to customers, or indirectly through intermediaries such as project contractors/consultants. Our clientele primarily consists of TNB and other entities, including M&E companies, manufacturing companies, construction companies, event organisers and government agencies.

We generate revenue from providing generator rental services through the rental of our generators under hourly, daily, weekly or monthly rental arrangements. The rental terms generally vary according to the requirements of our customers. Therefore, we offer flexible rental arrangement and terms, with no minimum requirement for the length of rental period under our generator rental services. Accordingly, the length of generator rental period can range from hours to days, weeks or months.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

We place great importance on the quality of our generator rental services. All our generators will be provided with a periodic maintenance arrangement (i.e. a maximum of 300 hours of operational hours), and/ or in the event of a breakdown or malfunction during the rental period, repair and maintenance services will be provided at our own cost. These repair and maintenance arrangements are aimed to ensure that our generators are fully operable, and that downtime can be avoided or minimised. Repair and maintenance services are provided through our in-house maintenance team and in the event that the generators cannot be repaired in a timely manner, we will provide a replacement unit to our customers. For major repairs that require specialised skills or tools, such as engine overhaul, alternator winding repair or replacement, fuel and cooling systems repair, we will outsource the such repair works to third-parties. The costs of such repairs will be borne by us without any additional charges to our customers.

If our customers require a specific generator that is not available in our fleet of generators at the material point of time, we will cross-rent the specific generator from a third party to satisfy our customers' demands. Such arrangements occur primarily when all our generators are already rented out, and allow us to meet the specific customers' requirements and enable us to achieve greater flexibility. The revenue contribution from this cross-rent arrangements, amounted to RM0.02 million, RM0.06 million, RM0.88 million and RM8.54 million for the FYE Under Review, respectively and nil for the FPE 2025. The increase in cross-renting from third-party generator rental service providers in the FYE 2024 was mainly due to our expansion in Sabah in 2024, where generators of certain capacities were not readily available from our fleet of generators.

The table below set out the number of canopy generators and mobile generators owned by our Group for the FYE Under Review, the FPE 2025 and as at the LPD:

	No. of units					
Type of generator	**FYE 2021**	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**	**As at the LPD**
Canopy generator	13	16	21	32	31	33
Mobile generator	52	64	72	79	80	82
Total	**65**	**80**	**93**	**111**	**111**	**115**

As at the LPD, we own 33 units of canopy generators and 82 units of mobile generators readily mounted on trucks to serve our customers, depending on their varying needs. In July 2025, we have purchased 3 units of Medium-sized generators and 1 unit of Large-sized generator of which 1 unit of Medium-sized generator and 1 unit of Large-sized generator are currently undergoing refurbishment and are expected to be available for rental in the 4th quarter of 2025. Our canopy generators and mobile generators that are available for rental can be further classified as follows:

	No. of units					
Size of generator	**FYE 2021**	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**	**As at the LPD**
Small-sized generator	7	8	13	14	14	14
Medium-sized generator	8	11	11	13	13	16
Large-sized generator	50	61	69	84	84	85
Total	**65**	**80**	**93**	**111**	**111**	**115**

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

Example of mobile generator for our generator rental services can be illustrated as follows:

Example of canopy generator for our generator rental services can be illustrated as follows:

Solar PV Solutions Segment

Apart from our core business of generator rental services, our Group, driven by the need to enhance sustainable growth, has identified the solar PV solutions business as a new segment to venture into. The venture into the solar PV solutions business is part of our Group's intention to capitalise on the strong growth in demand anticipated for solar PV solutions.

Our Group's venture into solar PV solutions business presents several synergistic benefits to our Group as follows:

(i) we can leverage on our existing customers' base and relationship to cross sell and expand our service offerings to include solar PV installations to meet the energy needs of customers;

(ii) we can leverage existing logistical expertise in equipment delivery, installation, and maintenance thereby optimising resource allocation and reducing overhead costs;

(iii) shared knowledge in electrical systems and power management ensures reliable and efficient service delivery across both our current business of generator rental services and solar PV solutions; and

(iv) the offering of solar PV solutions promotes environmental sustainability and helps in meeting increasing customers' demand for green solutions to cushion our Group's reliance on fossil fuel generated electricity against shifts in energy regulations and market dynamics towards clean energy generation.

[The rest of this page is intentionally left blank]

However, we are currently in the early stages of development for the solar PV business. Express Mission had applied for and successfully registered as a solar PV investor under the NEM programme, and PV service provider by SEDA. As a registered solar PV investor under the NEM programme, Express Mission can become an investor under the solar PV project including providing power purchase agreement and solar leasing services. At the same time, being a registered PV service provider, Express Mission can also offer services such as consultations, designing, supplying, installation, testing and commissioning of a complete solar PV system.

7.3 COMPETITIVE STRENGTHS

7.3.1 We have a fleet of generators with varying capacities and are able to provide a range of generator rental services

We have a fleet of generators with varying capacities and ancillary items such as distribution boards, generator synchronisation panels, transformers, switchgears, load banks and cables, which enables us to cater for a variety of customers and their customised needs. In addition, we provide flexible rental terms with no minimum rental period, together with other support services including generator installation and disassembly, technical support and on-site operation personnel such as engine driver, chargeman, technician and general worker, as well as repair and maintenance services during rental period for our customers.

We place great importance on delivering reliable generator rental services. In the event of a breakdown or malfunction during rental period, repair and maintenance services will be provided through our in-house maintenance team and such costs will be borne by us. If the rented generators cannot be repaired in a timely manner, we will provide replacement unit(s) to our customers without any additional charges to our customers.

Our team of sales and marketing personnel and operation personnels are attentive and proactive in providing value-added services to our potential, new and existing customers. This includes offering advice and assistance in selecting generators with the appropriate power output, along with the necessary ancillary items for optimal performance, taking into consideration the customer's specific requirements. Additionally, we provide recommendations for rental arrangements that offer the best value for the customer.

In the event that all our generators are rented out or not available, we may source generators from third-party generator rental service providers and cross-rent them to our customers to meet their needs. Our flexibility and ability to customise our generator rental services enable us to meet the specific needs of our customers.

7.3.2 We have a fleet of generators which are regularly maintained

Our generators are scheduled for maintenance services every 300 operational hours to ensure that all our generators are available in good and operable conditions at all times to prevent or minimise disruptions to our customers. In addition, a well-maintained generator can operate efficiently and reliably over an extended period, regardless of its age.

We perform the routine maintenance of our generators in-house which includes tasks such as checking and replacing worn parts, cleaning and lubricating, and testing for optimal efficiency. For major repairs of our generators that require specialised skills or tools, such as engine overhaul, alternator winding repair or replacement, and fuel and cooling system repair, we will outsource them to third-party services providers. In addition to the routine maintenance, we place equal emphasis on quality control and have quality control measures in placed which include testing the generators before it is put into service, along with regular inspection and evaluation of the conditions of the generators.

7. BUSINESS OVERVIEW *(Cont'd)*

As a best practice, we have set aside a certain number of generators as reserve and/or replacement units that can be readily deployed to ensure that our customers' operations are not disrupted in the event any of our generators fails to function effectively. In addition, our generators can also be readily deployed for emergency tasks and/or unexpected special circumstances such as flash flood, power blackout or any other urgent requests. As at the LPD, save for the 2 additional units of canopy generators purchased in July 2025 which are currently undergoing refurbishment and are expected to be available for rental in the 4th quarter of 2025, we have 31 units of canopy generators and 82 units of mobile generators which are well-maintained and can be readily deployed upon our customers' order.

7.3.3 Our track record and reputation

Our Group has been providing generator rental services since 2005, and we have 20 years of proven track record in delivering timely and reliable generator rental services to our customers. Our track record and ability to provide reliable and satisfactory generator rental services to our customers have helped nurture a good market reputation for us within the industry. We have established stable business relationships with our customers, particularly our top 5 customers, who have been dealing with our Group for periods between 2 years and 12 years. By maintaining good working relationships with our customers, we are able to retain our customers over the past years. For the FYE Under Review and the FPE 2025, we have 84, 90, 96, 86 and 39 customers, respectively, who have been engaging our generator rental services.

As a testament to our growing reputation as a generator rental services provider of quality generator rental services, we became an approved vendor of TNB in 2021 and subsequently secured the Service Contracts in 2022 after indirectly providing our generators to TNB since 2005 via our customers, namely KLKB, KKB and Pakarcom Sdn Bhd. In 2021, we were also a registered electrical contractor under Class C with Energy Commission Malaysia. We had also successfully registered as an electrical contractor under Class A, the highest classification, with Energy Commission Malaysia in 2024. This further enhances our standing in the market and enables us to attract more potential business opportunities going forward.

7.3.4 Competent operational and technical support team for our generator rental services

An important element that sets us apart from our competitors is the provision of operational and technical support to all customers, whether existing or potential. Therefore, we have built and nurtured a knowledgeable and responsive operational and technical support team to provide quality services from pre-rental stage up to rental period to our customers.

Our pre-rental stage consultation services comprise of advice and assistance by our operational and technical support team in selecting rental generators with the appropriate power output, which includes the necessary ancillary items for optimal generator performance while considering the customer's specific requirements. Safety and efficiency in operating the rented generators are prioritised under all circumstances and environments. Our sale and marketing personnel complements our generator rental services by recommending generator rental arrangements that is the most suitable for our customers' needs.

As at the LPD, we have an operational and technical support team comprising 15 chargemen certified by Energy Commission Malaysia to manage low and high voltage systems, 15 engine drivers and 31 general workers. Our operational and technical support team is always on hand to address any technical issues that our customers may encounter. Additionally, our general workers, with extensive on-job training and exposure, possess the relevant skillset and experience to provide general repair and maintenance services in a timely manner to minimise generators operating downtime.

We ensure that our operational and technical support team is properly trained to attain the necessary knowledge, skills and required level of competence to provide reliable and efficient support services to our customers. We also strive to recruit technical personnel who possess the appropriate certifications and qualifications to meet the requirements of our generator rental services business operations. Our ability to provide reliable operational and technical support is essential to ensuring customers' satisfaction.

7. BUSINESS OVERVIEW *(Cont'd)*

7.4 REVENUE CONTRIBUTION BY PRINCIPAL MARKETS

The table below set out our revenue breakdown by business segments for the FYE Under Review and the FPE 2025:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Generator rental services	19,341	100.00	31,412	100.00	39,424	100.00	70,138	99.96	11,813	100.00	12,401	96.43
Solar PV solutions[1]	-	-	-	-	-	-	29	0.04	-	-	459	3.57
Total	**19,341**	**100.00**	**31,412**	**100.00**	**39,424**	**100.00**	**70,167**	**100.00**	**11,813**	**100.00**	**12,860**	**100.00**

The table below set out our revenue breakdown for our generator rental services by service categories for the FYE Under Review and the FPE 2025:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Emergency	11,853	61.28	17,683	56.29	22,521	57.12	24,966	35.60	6,167	52.21	4,228	34.09
Planned maintenance	7,434	38.44	13,363	42.54	15,689	39.80	43,320	61.76	5,583	47.26	7,763	62.60
Standby	54	0.28	366	1.17	1,214	3.08	1,852	2.64	63	0.53	410	3.31
Total	**19,341**	**100.00**	**31,412**	**100.00**	**39,424**	**100.00**	**70,138**	**100.00**	**11,813**	**100.00**	**12,401**	**100.00**

The table below set out our revenue breakdown for our generator rental services by customer types by service categories for the FYE Under Review and the FPE 2025:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Electric utility[2]												
Emergency	11,853	61.28	17,683	56.29	22,521	57.12	24,966	35.60	6,167	52.21	4,228	34.09
Planned maintenance	3,849	19.90	6,556	20.87	8,445	21.42	40,710[3]	58.04	5,017[3]	42.47	5,703[3]	45.99
Standby	54	0.28	366	1.17	1,214	3.08	1,852	2.64	63	0.53	410	3.30
Subtotal	15,756	81.46	24,605	78.33	32,180	81.62	67,528	96.28	11,247	95.21	10,341	83.38
Others[4]	3,585	18.54	6,807	21.67	7,244	18.38	2,610	3.72	566	4.79	2,060	16.62
Total	**19,341**	**100.00**	**31,412**	**100.00**	**39,424**	**100.00**	**70,138**	**100.00**	**11,813**	**100.00**	**12,401**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

We provide generator rental services to TNB, directly and indirectly via its approved vendors (namely KLKB, KKB and Pakarcom Sdn Bhd) and SESB, indirectly via Dynasynergy. The total direct and indirect revenue contribution from TNB and SESB to our Group's total revenue derived from our generator rental services for the FYE Under Review and the FPE 2025 are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
TNB												
- Direct	-	-	5,928	18.87	15,617	39.61	19,169	27.33	3,580	30.31	4,182	33.72
- Indirect	15,756	81.46	18,677	59.46	16,563	42.01	21,398	30.51	4,779	40.46	3,862	31.14
Subtotal	**15,756**	**81.46**	**24,605**	**78.33**	**32,180**	**81.62**	**40,567**	**57.84**	**8,359**	**70.77**	**8,044**	**64.86**
SESB												
- Indirect	**-**	**-**	**-**	**-**	**-**	**-**	26,961	38.44	2,888	24.44	2,297[(5)]	18.52
Total	**15,756**	**81.46**	**24,605**	**78.33**	**32,180**	**81.62**	**67,528**	**96.28**	**11,247**	**95.21**	**10,341**	**83.38**

Notes:

(1) Our Group ventured into the solar PV solutions in April 2024 and commenced the operations towards the end of FYE 2024.

(2) Our electric utility customers include TNB, approved vendors of TNB and supplier of SESB. Revenue derived from electric utility customers comprises of generator rental services provided to TNB (direct and indirect) and SESB (indirect). The requirements for generator rental services of our electric utility customers are more varied and encompass rental services for emergency, planned maintenance and standby service category.

(3) Includes revenue from the generator rental services provided indirectly to SESB via Dynasynergy which secured its project from SESB.

(4) Our other customers (i.e. non-electric utility customers) comprise of M&E companies, manufacturing companies, construction companies, event organisers, and government agencies. For information, the generator rental services provided to our other customers are all planned maintenance service category.

(5) Lower revenue contribution from SESB (indirect) mainly due to lower contract rates for the new project undertaken in January 2025 for a duration of 24 months, via Dynasynergy. The lower contract rates were due to highly competitive bidding process for SESB's project in which Dynasynergy took part.

In July 2021, we became an approved vendor of TNB. We provide our generator rental services to TNB directly upon securing the Service Contracts in July 2022. We also provide generator rental services indirectly to TNB via its approved vendors. Therefore, TNB has been our major revenue contributor, accounting for 81.46%, 78.33%, 81.62%, 57.84% and 64.86% of our Group's total revenue derived from our generator rental services (both direct and indirect) for the FYE Under Review and the FPE 2025, respectively. For the FYE 2021, FYE 2022 and FYE 2023, SESB contributed nil revenue to our Group while for the FYE 2024 and FPE 2025, SESB contributed 38.44% and 18.52%, respectively, of our Group's total revenue derived from our generator rental services indirectly via Dynasynergy.

7. BUSINESS OVERVIEW *(Cont'd)*

In terms of geographical coverage, 100.00% of our Group's revenue for the FYE Under Review and the FPE 2025 was generated from our business operations in Malaysia.

The geographical regions where our customers are based in Malaysia from which our Group derives revenue for the FYE Under Review and the FPE 2025 are set out as below:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Peninsular Malaysia												
• Northern region[(1)]	625	3.23	(7)[(6)]	(0.02)	68	0.17	-	-	-	-	39[(7)]	0.30
• Central region[(2)]	18,459	95.44	29,975	95.42	37,674	95.56	69,964[(8)]	99.71	11,603	98.22	12,784[(8)]	99.41
• Eastern region[(3)]	-	-	25	0.08	29	0.07	4	0.01	-	-	13	0.10
• Southern region[(4)]	257	1.33	1,419	4.52	1,653	4.20	199	0.28	210	1.78	24	0.19
East Malaysia[(5)]	-	-	-	-	-	-	-	-	-	-	-	-
Total	**19,341**	**100.00**	**31,412**	**100.00**	**39,424**	**100.00**	**70,167**	**100.00**	**11,813**	**100.00**	**12,860**	**100.00**

Notes:

(1) Northern region encompasses Penang, Perak, Perlis and Kedah.

(2) Central region encompasses Selangor, Kuala Lumpur and Negeri Sembilan.

(3) Eastern region encompasses Pahang, Kelantan and Terengganu.

(4) Southern region encompasses Johor and Malacca.

(5) East Malaysia encompasses Sabah and Sarawak. For information, the revenue generated from our major customer, Dynasynergy (where the services are rendered in Sabah), is recognised under Central Region which is where Dynasynergy is based in.

(6) Credit note issued for a discount to a customer invoiced in the FYE 2021.

(7) The revenue generated are from our Group's solar PV solutions segment.

(8) Including the revenue generated from our Group's solar PV solutions segment of RM0.03 million in the FYE 2024 and RM0.42 million in the FPE 2025.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.5 SEASONALITY

Our Group's business is not subject to any cyclical or seasonal effects as our customers generally operate throughout the year.

7.6 BUSINESS AND OPERATION PROCESS

7.6.1 Process flow for generator rental services

The following diagrams illustrate the operational processes of our generator rental services to TNB and other customers (Non-TNB):

(i) TNB

Receive service request from TNB's generator call centre

In principle, our provision of generator rental services to TNB is governed by the Service Contracts entered into between our Group and TNB. TNB will call and communicate with our designated personnel in our sales and marketing team based on the following 3 service categories:

(a) in the event of emergency, we will deploy the generators immediately;

(b) in the case of planned maintenance, TNB will typically inform us a day or 2 days in advance; or

(c) in the case of standby, TNB will typically inform us a day or 2 days in advance.

In all cases, TNB will provide us the details of its generator rental requirement including power capacity, site location, contact number of the person in charge from TNB. As we have set aside certain number of our generators that are specifically meant for TNB use, TNB will also provide us the details to specify the generators to be deployed. Our sales and marketing team will either accept and confirm the service request, or reject the service request if that particular generator is not available for reasons such as generators are currently under repair/maintenance.

Assign service team for accepted service request

Our sales and marketing team will coordinate with our operation department to assign our service team (which normally comprise of 1 driver, 1 engine driver, 1 chargeman (with A4 certification by Energy Commission Malaysia) and 1 general worker) for the accepted service request. The service team is required to fill in the required details in the Intergrated Genset Management System ("**IGMS**") form via TNB's IGMS Digital Applications ("**TNB Apps**").

7. BUSINESS OVERVIEW *(Cont'd)*

The IGMS form records job details, including the type of services category (i.e. emergency, planned maintenance or standby), job location, truck details, power capacity of the required generator and assigned workers from both our Group and TNB. It also captures usage details, such as the start and completion date of the job, and the amount of industrial diesel used which allow our Group to monitor the usage of generator.

Execute generator rental operation

All assigned service team members need to ensure that they are equiped with all the relevant personal protective equipment (PPE), such as, safety helmet, safety shoe, and safety vest, gloves, ear muff and archflash suit (for the chargeman). Safety tools such as sign boards, hazardous lights, warning tapes, fire extinguisher must also be prepared. In addition, other tools and meters such as ampere meters, voltage meters, and other light tools are also required to ensure proper and safe operations.

Upon arriving at the designated site, the generator truck is parked at a safe and stable location near to the substation. Our service team will take instructions from the person in charge from TNB who will oversee and supervise the entire process, including giving permission to begin and dismantling upon completion.

Monitor and analyse

Once the generator is switched on and running, our service team are required to monitor and analyse the generator's performance and fill up the parameter form via the TNB Apps on an hourly basis. In the event any abnormality is observed, the competent personnel (chargeman) will update his superior on the abnormality observed for further action.

Completion of service request

Once TNB is ready to normalise its electricity supply, TNB will instruct our chargeman on standby to switch off our generator. Our service is deemed completed upon our generator being switch off.

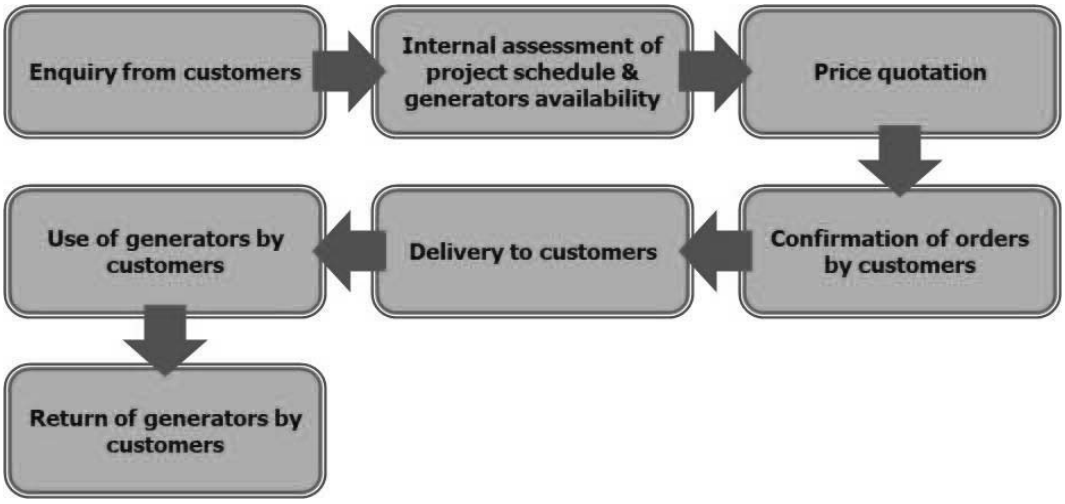
All the ancillary items will be dismantled after our generator(s) is switched off, and thereafter our service team will prepare to demobilise the generator(s) from the substation and return to the operation yard(s). Before leaving the designated site, our service team will complete the IGMS form and the person in charge from TNB will acknowledge the completion of the service order. Upon the completion of the service order, the usage details of the generator will be extracted from the IGMS form to be used for determining the amount to be billed to TNB.

In the event there are any maintenance that needs to be done on our returned generators and/or trucks subsequent to the completion of service request, our service team will furnish a report for our maintenance team to attend to, and thereafter the necessary repair and maintenance works will be performed before the returned generators are made available for rental again.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

(ii) Other customers (Non-TNB)



Enquiry from customers

Enquiries for generator rental services may be in the form of calls or emails. When an enquiry for generator rental services is received, our sales and marketing team will gather information on the rental requirements of the potential customer, including running loads, running hours, power output, specifications, conditions of operations, unit(s) to be rented and rental duration. A quotation based on the information gathered will then be prepared.

For enquiries from new customers, our sales and marketing team will provide pre-rental consultation services to the new customers.

Internal assessment of project schedule and generators availability

Where necessary, in addition to the information gathered from the potential customers, we will visit their project location to better understand their site requirements. We will then conduct an internal assessment and check on the availability of the required generators. If the potential customers require generators of a type that is not available from our fleet, we would rent the required generators from a third-party generator rental service provider and cross-rent them to the potential customers.

Price quotation

Upon completion of the internal assessment, our sales and marketing team will then provide a rental quotation specifying the details of the rental arrangement, including the rental price as well as other terms and conditions, for our potential customers' consideration. We set our rental price according to factors including:

(i) the power capacity of the generators,

(ii) rental duration,

(iii) usage and working site conditions,

(iv) foreseeable wear and tear, and maintenance cost, with due consideration of the conditions and the manner in which the customer will operate the rented generators, and

(v) labour services requirement.

7. BUSINESS OVERVIEW *(Cont'd)*

For cross-renting arrangements, we will take into account the cost associated with entering into the respective cross-renting arrangement when determining the ultimate rental price for our potential customers.

Confirmation of orders by customers

Our sales and marketing team will follow up with the potential customers regarding their decisions. If our customers agree with the generator rental quotation and arrangement provided by us, we will then enter into a formal generator rental arrangement by issuing a sales order specifying the required generator rental services and rental price.

The details of some general terms in our generator rental arrangement are as follows:

Term	Description
Rental periods	Flexible rental period; ranging from hourly, daily, weekly, monthly, etc., and are subject to extension depending on the customer's project schedule.
Optimal performance	Maintenance service will be provided on generator rented after a maximum of 300 operation hours.
Repair, maintenance and continuity of rented generator services	Our rental arrangement covers all general repair and maintenance services, excluding damage caused by the negligence of customers, such as mishandling and misuse, or damage caused by factors beyond normal wear and tear, such as improper usage by customers. A replacement unit will be provided if the rented generator requires major repairs, such as engine overhaul, alternator winding repair or replacement, and fuel and cooling system repair.
Payments	A credit period ranging from 30 to 120 days is provided to our customers. For new customers, we typically require a down payment of at least 30.00% of the sales order value.
Labour	Engine drivers, chargemen (with A4 certification by Energy Commission Malaysia), drivers and general workers will be provided by us or can be arranged by our customers.
Termination	Early termination due to reason not attributed to any parties by mutual consent.

Delivery to customers

Upon confirmation of our sales order, the Operations Manager will determine the composition of the service team, which normally comprises 1 engine driver, 1 chargeman (with A4 certification by Energy Commission Malaysia), 1 driver, and 1 general worker. Work instructions will be issued to the assigned personnel, and the service team will perform preparatory works for generator deployment for the scheduled job execution.

For sales order that does not require the provision of our service team, we will only arrange for the delivery of generators to our customers' designated site. The installation of the generators shall be the responsibility of the customers.

7. BUSINESS OVERVIEW *(Cont'd)*

Before delivering generators to our customers' designated site, our in-house maintenance team will conduct pre-rental inspections on the generators to ensure that the generators are in good working condition.

For deliveries to our jobs located in East Malaysia (i.e., Sabah and Sarawak), generators will be shipped from Peninsular Malaysia via sea freight. We will coordinate with the shipping company and logistics company to ensure timely shipment to the designated port and subsequent transport to the project sites.

Use of generators by customers

Typically, the customers will be responsible for the operation and setting up of the generators, and our service team will not be required. Throughout the rental period, we will respond to the customers' requests for repair and maintenance services within 24 hours to ensure that our rented generators are fully operable.

Return of generators by customers

At the end of the rental period, the returned generators will be inspected by our in-house maintenance team prior to acceptance. Both parties will acknowledge and confirm that the rented generators have been returned in acceptable condition. If the rented generators are found to have sustained damages of a type that is not covered under the sales order, such as damages caused by the customer, the cost of repair will be charged to the customer.

We accept early termination of the rental arrangement due to reason not attributed to any parties by mutual consent. In this case, rental arrangement is deemed terminated once the rented generators are returned to our operation yard(s).

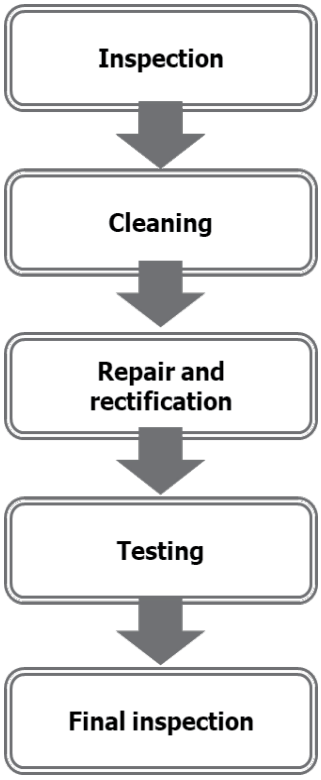
After acceptance of the returned generators from our customers, our in-house maintenance team will conduct a thorough check on the generators. The necessary repair and maintenance works will be performed before the generators are made available for rental again.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.6.2 Pre-rental and post-rental preventive maintenance operation flow

The entire pre-rental and post-rental preventive maintenance process generally takes a day to a month to complete of which the duration will be dependent on the extent of repair and rectification works required to be conducted on the generator. The following diagram illustrates our pre-rental and post-rental preventive maintenance operation flow:



Inspection

When a rented generator is returned from our customers to any of our operation yards, a thorough inspection will be carried out by our in-house maintenance team to examine and ascertain the conditions of the returned generator and to determine the necessary remedial works and required spare parts.

Cleaning

After the inspection, our in-house maintenance team will carry out normal washing on the returned generator to remove dirt and residues as well as high-pressure washing to remove other water-soluble contaminations.

Repair and rectification

Our in-house maintenance team will then proceed with the necessary repair and rectification works, including mechanical and electrical works. Repair and rectification work on the returned generators generally takes a day (for general repair and maintenance) to a month (for major repair and maintenance). The repair and maintenance duration are subject to factors such as the extent of repair required, availability of the required replacement parts, and the complexity of the repair and rectification works, which may require external third party's repair services.

7. BUSINESS OVERVIEW *(Cont'd)*

Testing

Testing will be carried out by the same team to ensure that the repair and rectification works were performed satisfactorily, and that the returned generator is in good working condition.

Final inspection

Final inspection will be performed by senior maintenance technician. Upon completion of the final inspection, the returned generator will be available for rental again.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.7 MATERIAL PROPERTIES, PLANT AND EQUIPMENT

7.7.1 Properties owned

As at the LPD, save as disclosed in Section 7.7.3 of this Prospectus, there are no material land or buildings owned by our Group.

7.7.2 Properties rented

As at the LPD, there are no other material land or buildings rented by our Group for our business operations, other than as follows:

Landlord	Tenant	Postal Address	Description / Existing Use	Land Area/ Built-up Area (sq ft)	Tenure	Monthly Rental (RM)	Date of CF / CCC
Revolution Glory Property Sdn Bhd	Express Mission	Lot 50071, Jalan Satu, Chan Sow Lin, 55200 Kuala Lumpur	Vacant land / Parking of generators	8,000/ N/A(1)	1 September 2023 to 31 October 2026 (3 years)	8,000.00	N/A(1)
Vinatech Engineering Sdn Bhd	Express Mission	No. 28, Jalan Senangin 6, Taman Pasir Putih, 81700 Pasir Gudang, Johor	Single storey cluster factory with double storey office / Parking of generators	9,257/ 6,142	24 June 2024 to 23 June 2026 (2 years)	7,000.00	9 November 2017
Merit Performancez Sdn Bhd (Formerly known as Merit Energy Sdn Bhd)	Express Mission	PT 69404, Jalan Astana 2, Bandar Bukit Raja, 41000 Klang, Selangor	Stall attached with truck depot / Parking of generators	46,156/ 8,798	1 July 2025 to 30 June 2026 (1 year)	27,500.00	23 August 2018
Exclusive Merit Holdings Sdn Bhd	Express Mission	No. 6 (Ground Floor), Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor	Ground floor of a double storey shop lot/ Office	2,379/ 2,379	1 January 2023 to 31 December 2025 (2 years)	3,600.00	15 October 1998

7. BUSINESS OVERVIEW *(Cont'd)*

Landlord	Tenant	Postal Address	Description / Existing Use	Land Area/ Built-up Area (sq ft)	Tenure	Monthly Rental (RM)	Date of CF / CCC
Merit Performancez Sdn Bhd (Formerly known as Merit Energy Sdn Bhd)(3)	Express Mission	Lot 58787, Jalan Tanjung 27/7, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor	A portion of the vacant land with 2 units of temporary container offices / Parking of generators and office	30,000/ 160	1 July 2024 to 30 June 2026 (2 years)	6,000.00	23 December 2024(2)
Lim Khin Peng	Express Mission	No. 43, Jalan Utama 2/25, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	Single storey industrial shop lot/ Office and parking of generators(4)	1,600/ 1,200	1 October 2024 to 30 September 2026 (2 years)	3,000.00	3 April 1997(5)
Raymond Saw Wee Nam	Express Mission	D-3A-10, Block D, Southgate Commercial Centre, No. 2, Jalan Dua off, Jalan Chan Sow Lin, 55200 Kuala Lumpur	4th floor of a 7-storey office building/ Office	N/A(6)/ 581	1 December 2024 to 30 November 2025 (1 year)	1,600.00	15 July 2011
Pantas Penchala Sdn Bhd	Express Mission	Lot 3677, Kawasan Perusahaan Tanah Merah, 17500 Tanah Merah, Kelantan	Vacant land/ Intended for parking of generators	10,000/ N/A(1)	1 May 2025 to 30 April 2026 (1 year)	2,700.00	N/A(1)
United Woodwork & Construction (M) Sdn Bhd	Express Mission	No. 875, Maklom, Jalan Pekan Darat, 13800 Butterworth, Penang	A portion of the vacant land/ Intended for parking of generators	19,000/ N/A(1)	1 May 2025 to 30 April 2026 (1 year)	4,000.00	N/A(1)

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) The property is a vacant land and does not have any existing structure.

(2) The date of issuance of a temporary permit for the temporary container offices which is valid until 31 December 2025.

*(3) Express Mission entered into a tenancy agreement with Michigan Pastries Sdn Bhd on 13 June 2024 for the rental of this premise for the period commencing from 1 July 2024 to 30 June 2026. Subsequently, this premise was acquired by Merit Performancez Sdn Bhd (formerly known as Merit Energy Sdn Bhd) ("**Merit Performancez**") on 15 February 2025. Merit Performancez's solicitors had, vide its letter dated 6 March 2025, informed our Group that Michigan Pastries Sdn Bhd had assigned the existing tenancy to Merit Performancez as the new landlord effective from 15 February 2025.*

(4) Our Group parks the generators at the public spaces surrounding the property.

*(5) The landlord has erected an extension in the back portion of the property without the necessary permit from Subang Jaya City Council ("**Extension**"). Notwithstanding that, our Group does not utilise the space in the Extension hence it does not have any material adverse impact on our operations or the utilisation of our assets on the property. Our Group is unable to remove the Extension as we are bound to maintain the physical state of the property pursuant to the tenancy agreement entered into with the landlord for this property. The landlord will be liable for any potential penalty as the Extension was erected by the landlord. Further details of the relevant laws and regulations in respect of the Extension is set out in Section 7.17(v) of this Prospectus.*

(6) The land area is not available as this property is a unit of a building.

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

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.7.3 Acquisition of properties

Save for the properties below, we have not entered into any agreements to acquire any properties during the FYE under Review, the FPE 2025 and up to the LPD:

Vendor/ Purchaser	Title details	Description/ existing use	Category of land use/ Tenure	Land area/ Built-up area (sq ft)	Date of purchase/ Date of CF / CCC	Restriction in interest/ Encumbrance/ Express condition	Audited NBV as at 31 March 2025 (RM'000)	Purchase Value (RM'000)
Wisdom Infinity Sdn Bhd and Gaharu Ratna Sdn Bhd[1]/ Express Mission	HS(M) 206971, PT 88023, Mukim Kapar, Tempat of 5th Mile Sg Binjai Road, Klang, Selangor	Building 1 / Under construction[2]	Industrial/ Freehold	49,503/ 26,339	14 December 2022/ N/A[3]	**Restriction in interest** Nil **Encumbrances** (i) Private caveat lodged by Alliance Bank Malaysia Berhad on 13 June 2024 (ii) Charged to Alliance Bank Malaysia Berhad (charge registered on 28 January 2025) **Express condition** Medium industry	9,600	12,000

7. BUSINESS OVERVIEW *(Cont'd)*

Vendor/ Purchaser	Title details	Description/ existing use	Category of land use/ Tenure	Land area/ Built-up area (sq ft)	Date of purchase/ Date of CF / CCC	Restriction in interest/ Encumbrance/ Express condition	Audited NBV as at 31 March 2025 (RM'000)	Purchase Value (RM'000)
Wisdom Infinity Sdn Bhd and Gaharu Ratna Sdn Bhd[(1)]/ Express Mission	HS(M) 206970, PT 88022, Mukim Kapar, Tempat of 5th Mile Sg Binjai Road, Klang, Selangor	Building 2 / Under construction[(2)]	Industrial/ Freehold	22,270/ 26,339	14 December 2022/ N/A[(3)]	**Restriction in interest** Nil **Encumbrances** (i) Private caveat lodged by Alliance Bank Malaysia Berhad on 13 June 2024 (ii) Charged to Alliance Bank Malaysia Berhad (charge registered on 28 January 2025) **Express condition** Medium industry	7,200	9,000

Notes:

(1) Express Mission entered into 2 sales and purchase agreements with Gaharu Ratna Sdn Bhd (as the registered proprietor of the Lot 1 and Lot 2) and Wisdom Infinity Sdn Bhd (as the developer) dated 14 December 2022 for the purchase of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, with the purchase considerations being RM12.00 million and RM9.00 million, respectively. As at the LPD, Express Mission is the registered owner of Lot 1 and Lot 2.

(2) As at the LPD, the construction work on Building 1 and Building 2 is approximately 95.00% completed. The construction work is expected to be completed by 3rd quarter of 2025.

(3) Not applicable as the Building 1 and Building 2 are still under construction.

7. BUSINESS OVERVIEW *(Cont'd)*

7.7.4 Material machinery and equipment

As at 31 March 2025, the material machinery and equipment that our Group owned and used for our operations are as follows:

	Function	No. of unit(s)	Average age[(1)] (Years)	NBV as at 31 March 2025 RM'000
Small-sized generators	Generators with power capacities less than 250kVA for our generator rental services	14	7	157
Medium-sized generators	Generators with power capacities range from 250kVA to 500kVA for our generator rental services	13	9	231
Large-sized generators	Generators with power capacities above 500kVA for our generator rental services	84	5	9,886
Truck	Vehicle for mobilising our generators	71	8	3,547
Motor vehicles	Vehicle for mobilising our workers between sites	22	6	478

Note:

(1) The age of machinery and equipment is calculated based on date of purchase. For information, the actual age of pre-owned machinery and equipment cannot be determined as our Group does not keep track on the age of the pre-owned machinery and equipment due to these machinery and equipment under well maintained condition can operate efficiently and reliably over an extended period, regardless of its age.

Our Group purchase machinery and equipment that are either brand new or pre-owned subject to the availability of the machinery and equipment as well as the Group's operation requirements at the relevant point in time. We perform routine maintenance on our machinery and equipment and undertake repair works when necessary, as a well-maintained machinery and equipment can operate efficiently and reliably over an extended period, regardless of its age. As at the LPD, apart from normal wear and tear parts, none of our material machinery and equipment are due for replacement or expected to become not feasible for repairs and maintenances to be undertaken or being obsolete.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.7.5 Operating capacities and output

The utilisation rates of our generators for the FYE Under Review and the FPE 2025 are as follows:

	Capacity[(1)] (hours)	Actual usage[(2)] (hours)	Utilisation rate[(3)] (%)
FYE 2021			
Small-sized generators	19,250	10,753	55.86
Medium-sized generators	22,000	13,304	60.47
Large-sized generators	125,528	62,419	49.73
Total	**166,778**	**86,476**	**51.85**
FYE 2022			
Small-sized generators	21,103	13,764	65.22
Medium-sized generators	28,517	17,192	60.29
Large-sized generators	152,990	81,613	53.34
Total	**202,611**	**112,569**	**55.56**
FYE 2023			
Small-sized generators	25,722	21,306	82.83[(4)]
Medium-sized generators	30,250	14,887	49.21
Large-sized generators	182,788	98,538	53.91
Total	**238,760**	**134,731**	**56.43**
FYE 2024[(5)]			
Small-sized generators	38,500	16,052	41.69
Medium-sized generators	33,957	19,846	58.44
Large-sized generators	213,385	122,094	57.22
Total	**285,842**	**157,992**	**55.27**
FPE 2025			
Small-sized generators	9,388	6,040	64.34
Medium-sized generators	8,717	5,574	63.94
Large-sized generators	56,326	33,077	58.72
Total	**74,431**	**44,691**	**60.04**

Notes:

(1) Capacity is calculated based on the number of hours available for renting of 2,750 hours annually for each generator. For the newly purchased generators in the respective financial year/period the number of hours available for renting are prorated from the date of purchase for each of the generator.*

Note:

** The estimated number of hours available for renting annually of 2,750 hours for each generator is computed based on the following:*

(aa) our generator operates 10 hours per day for 6 days a week;

(bb) less public holidays of 10 days per year; and

(cc) less 27 working days per year for repair and maintenance.

(2) Actual usage is calculated based on the actual number of hours of each generator being switched on.

(3) Utilisation rate is calculated based on the actual usage divide by the capacity.

(4) Higher actual usage and utilisation rate for Small-sized generators in the FYE 2023 as our Group had multiple longer term jobs from other customers throughout the year, which was an exception.

7. BUSINESS OVERVIEW *(Cont'd)*

(5) Our utilisation rates for Small-sized generators decreased significantly from 82.83% in the FYE 2023 to 41.69% in the FYE 2024 mainly due to absence of the multiple longer term jobs from our other customers and lower demand on the Small-sized generators in general during the FYE 2024, Our utilisation rates for Medium-sized generators and Large-sized generators stood at 58.44% and 57.22%, respectively, for the FYE 2024 (FYE 2023: 49.21% and 53.91%, respectively) mainly due to the higher demand on the Medium-sized generators and Large-sized generators from our electric utility customers during the FYE 2024.

Notwithstanding that our revenue increased 78.01% to RM70.17 million in the FYE 2024 (FYE 2023: RM39.42 million), the overall utilisation rates of our generators decreased marginally to 55.27% in the FYE 2024 (FYE 2023: 56.43%) mainly due to the following:

(i) our Group purchased 18 units of generators during the FYE 2024 representing 19.35% increase in our fleet size which in turn increase the total capacity of our Group's generator; and

(ii) the relatively substantial revenue contribution from the cross-renting arrangement in the FYE 2024 representing 12.18% of the total revenue in the FYE 2024 (FYE 2023: 2.22%).

The utilisation rates of our generators are generally average mainly due to the nature of the industry whereby our generators are on demand basis for the purpose of amongst others, a planned power shutdown, unplanned power shortage or emergency. In addition, the utilisation rate may vary depending on the demand patterns from KLKB, KKB and TNB as the generators are allocated solely for their usage under the service agreements and Service Contracts. These generators cannot be deployed to other customers which may result in lower utilisation rate during periods of low demand from KLKB, KKB and TNB.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.8 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES AND SERVICES

The breakdown of the supplies consumed and services procured by our Group for our provision of generator rental services for the FYE Under Review and the FPE 2025 are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Supplies:										
Industrial diesel	4,600	78.35	10,169	74.40	10,463	72.35	21,962	73.97	2,834	76.04
Spare parts and consumables	514	8.75	1,670	12.22	1,541	10.66	1,918	6.46	226	6.06
Fuel and lubricants	193	3.29	486	3.55	304	2.10	704	2.37	65	1.74
Subtotal	*5,307*	*90.39*	*12,325*	*90.17*	*12,308*	*85.11*	*24,584*	*82.80*	*3,125*	*83.84*
Services:										
Upkeep of motor vehicles	359	6.12	525	3.84	825	5.70	1,384	4.66	414	11.11
Outsourced services[(1)]	128	2.18	280	2.05	329	2.28	459	1.54	32	0.86
Upkeep of generators[(2)]	53	0.90	472	3.45	181	1.25	683	2.30	36	0.97
Cost for cross rental of generators	13	0.22	42	0.31	788	5.45	1,364	4.60	-	-
Rental of plant and equipment	11	0.19	24	0.18	30	0.21	1,217	4.10	120	3.22
Subtotal	*564*	*9.61*	*1,343*	*9.83*	*2,153*	*14.89*	*5,107*	*17.20*	*602*	*16.16*
Total	**5,871**	**100.00**	**13,668**	**100.00**	**14,461**	**100.00**	**29,691**	**100.00**	**3,727**	**100.00**

Notes:

(1) Outsource of repair and maintenance tasks to third parties for major repairs such as engine overhaul, alternator winding repair or replacement, and fuel and cooling systems repair.

(2) We engage third parties for various upkeep and servicing services engine for calibration, parts inspections, parts replacement and modification, and repainting.

All our supplies and services for our provision of generator rental services are sourced locally. Save for certain spare parts which are no longer being produced, our supplies are generally readily available as we are able to source these supplies from multiple local suppliers. During the FYE Under Review and the FPE 2025, we did not experience any difficulty in sourcing for required supplies and services for our operations.

7. BUSINESS OVERVIEW *(Cont'd)*

Industrial diesel is our major supply for our generator rental services operations and its price is subjected to fluctuation from time to time due to various factors that are beyond our control. An increase in the price of industrial diesel will increase our operating costs if we are not able to fully pass on the price increase to our customers which will have an adverse impact on our financial performance. In the FYE 2022, our GP margin for our generator rental services was materially impacted due to the industrial diesel price fluctuated significantly and we were not able to fully pass on the increased cost to our customers. Save for the FYE 2022, for the FYE Under Review, the FPE 2025 and up to the LPD, the fluctuations in industrial diesel prices have not significantly impacted our financial performance.

Please refer to Section 9.1.2 of this Prospectus for the historical highest and lowest market price of industrial diesel for each year, for the past 10 years.

7.9 SALES AND MARKETING

We engage in the following sales and marketing strategies:

(i) Direct sales

For direct sales, we primarily provide our generator rental services directly to our customers as and when we receive generator rental services enquiries. This approach allows us to establish long-term relationships with our customers and generate stable and predictable revenue.

In addition, as part of our direct sales strategy, we also leverage on the established business networks and contacts of our Managing Director, Executive Director and sales and marketing team to promote our generator rental services to a wider customer base. We will also offer referral fees to third-parties who refer sales to our Group, further enhancing our customer outreach efforts.

(ii) Corporate website

In terms of our online presence, we maintain our corporate website, www.expressmission.com, which serves as a platform to provide basic information about our Group along with our service offerings. Our corporate website also provides contact information to facilitate enquiries from prospective customers.

(iii) Digital marketing and advertising activities

In terms of our digital marketing and advertising, we promote our generator rental services through the placement of Google Ads, which enable us to reach our target audience and achieve our marketing objectives. In addition, we also promote our services through the placement of our name and contact information on our fleet of trucks.

7.10 DEPENDENCY ON CONTRACTS, PRODUCTION OR BUSINESS PROCESS

Save for the contracts entered into between our Group and our major customers (namely, KKB, KLKB, TNB and Dynasynergy) as well as Customer A as disclosed below, our Group is not dependent on any material contracts or agreements including commercial and financial contracts within the ordinary course of our business, which are material to our business or profitability.

As at the LPD, our Group has not breached any terms of the contracts on which our Group is materially dependent on, nor has there been any claims, disputes or legal suits raised by any of the aforementioned major customers in relation to a breach of contract.

7. BUSINESS OVERVIEW *(Cont'd)*

7.10.1 Service agreement with KKB

The salient terms and conditions of the service agreement entered into between our Group and KKB are set out below:

Date	20 May 2020
Tenure	20 May 2020 until terminated
Description	The service agreement sets out the scope of service for our Group to rent mobile generators to KKB with capacities of up to 1250kVA and such other related services in accordance with terms and conditions in the service agreement.
Rental Charges	The rental charges are set out in a separate letter from our Group to KKB and such rental charges shall be reviewed from time to time by both parties.(1)
Scope of Services	Our Group shall: (i) ensure that the mobile generators to KKB are solely provided to KKB for the purposes of providing such services pursuant to the service agreement ("**Identified Generator(s) to KKB**"); (ii) ensure that all Identified Generator(s) to KKB are in good working order, including to do all things necessary to facilitate the load test of each Identified Generator(s) to KKB once every six (6) months at TNB's premises (or at any other premises subject to the prior approval of TNB) and to bear all costs or reimburse KKB any costs in relation thereto; (iii) ensure that the capacities of each Identified Generator(s) to KKB is not below 80.00% of the actual capacity(2); (iv) ensure that all the necessary equipment, cables or accessories which are compatible with the Identified Generator(s) to KKB are provided to KKB as and when requested; (v) ensure that all Identified Generator(s) to KKB are in good working condition and have sufficient diesel fuel at all times; (vi) ensure that all Identified Generator(s) to KKB registered with TNB by KKB are installed with global positioning system (GPS) at the cost of our Group; and (vii) as soon as practicable notify KKB of any malfunction or required rectification/ modification works on any Identified Generator(s) to KKB.
Right of First Refusal	KKB shall grant our Group the right of first refusal in respect of the provision of services pursuant to the service agreement. In the event our Group fails to accept the request of KKB to provide such services within 7 business days after the date of such request is made, KKB shall be entitled to appoint any other third party service provider in its sole discretion to provide such services.
Insurance	Our Group shall bear the costs of all the insurance policies in respect of the Identified Generator(s) to KKB.
Indemnity	Our Group shall indemnify KKB against any penalty imposed on KKB as a result of the late delivery of Identified Generator(s) to KKB by our Group, or any of our failure to perform any of our obligations pursuant to the terms of this service agreement to KKB.

7. BUSINESS OVERVIEW *(Cont'd)*

Termination	Either our Group or KKB has the right to immediately terminate this service agreement by way of written notice to the other party in the event that: (i) the other party commits a material breach of any provision of this service agreement and fails to remedy such breach (if capable of remedy) within 14 days of receiving written notice from the other party so to do; (ii) the other party ceases or threatens to cease to carry on the whole or any substantial part of its business other than in the course of restructuring or amalgamation; (iii) the other party ceases to carry on business or goes into voluntary or involuntary insolvency; and/or (iv) a receiver or administrator or similar third party is appointed in any jurisdiction to administer or control all or part of the other party's assets or business.

Notes:

(1) Our Group's rental charges will be reviewed whenever there is a revision in the charges imposed by TNB. In that regard, our Group will assess the impact of TNB's revision on our current rental charges to KKB and, if necessary, discuss potential adjustments with KKB.

(2) Our Group shall ensure that the generator efficiency of the Identified Generators to KKB is above 80.00%. For information, the generator efficiency is a metric to measure how efficient a generator converts the diesel fuel into usable electricity.

As at the LPD, our Group has been able to meet our material obligations in respect of the service agreement with KKB since the commencement of the service agreement.

7.10.2 Service agreement with KLKB

The salient terms and conditions of the service agreement entered into between our Group and KLKB are set out below:

Date	1 June 2018
Tenure	1 June 2018 until terminated
Description	The service agreement sets out the scope of services for our Group to rent mobile generators to KLKB with capacities of up to 1250kVA and such other related services in accordance with terms and conditions in the service agreement.
Rental Charges	The rental charges are set out in a separate letter from our Group to KLKB and such rental charges shall be reviewed from time to time by both parties.(1)
Scope of Services	Our Group shall: (i) ensure that the mobile generators rented to KLKB are solely provided to KLKB for the purposes of providing such services pursuant to the service agreement ("**Identified Generator(s) to KLKB**"); (ii) ensure that all Identified Generator(s) to KLKB are in good working order, including to do all things necessary to facilitate the load test of each Identified Generator(s) to KLKB once every six (6) months at TNB's premises (or at any other premises subject to the prior approval of TNB) and to bear all costs or reimburse KLKB any costs in relation thereto;

7. BUSINESS OVERVIEW *(Cont'd)*

	(iii) ensure that the capacities of each Identified Generator(s) to KLKB are not below 80.00% of the actual capacity[(2)]; (iv) ensure that all the necessary equipment, cables or accessories which are compatible with the Identified Generator(s) to KLKB are provided to KLKB as and when requested; (v) ensure that all Identified Generator(s) to KLKB are in good working condition and have sufficient diesel fuel at all times; (vi) ensure that all Identified Generator(s) to KLKB registered with TNB by KLKB are installed with global positioning system (GPS) at the cost of our Group; and (vii) as soon as practicable notify KLKB of any malfunction or required rectification/ modification works on any Identified Generator(s) to KLKB.
Right of First Refusal	KLKB shall grant our Group the right of first refusal in respect of the provision of services pursuant to the service agreement. In the event our Group fails to accept the request of KLKB to provide such services within 7 business days after the date of such request is made, KLKB shall be entitled to appoint any other third-party service provider in its sole discretion to provide such services.
Insurance	Our Group shall bear the costs of all the insurance policies in respect of the Identified Generator(s) to KLKB.
Indemnity	Our Group shall indemnify KLKB against any penalty imposed on KLKB as a result of the late delivery of Identified Generator(s) to KLKB by our Group, or any of our failure to perform any of our obligations pursuant to the terms of this service agreement.
Termination	Either our Group or KLKB has the right to immediately terminate this service agreement by way of written notice to the other party in the event that: (i) the other party commits a material breach of any provision of this service agreement and fails to remedy such breach (if capable of remedy) within 14 days of receiving written notice from the other one party so to do; (ii) the other party ceases or threatens to cease to carry on the whole or any substantial part of its business other than in the course of restructuring or amalgamation; (iii) the other party ceases to carry on business or goes into voluntary or involuntary insolvency; and/or (iv) a receiver or administrator or similar third party is appointed in any jurisdiction to administer or control all or part of the other party's assets or business.

Notes:

(1) Our Group's rental charges will be reviewed whenever there is a revision in the charges imposed by TNB. In that regard, our Group will assess the impact of TNB's revision on our current rental charges to KLKB and, if necessary, discuss potential adjustments with KLKB.

(2) Our Group shall ensure that the generator efficiency of the Identified Generators to KLKB is above 80.00%. For information, the generator efficiency is a metric to measure how efficient a generator converts the diesel fuel into usable electricity.

As at the LPD, our Group has been able to meet our material obligations in respect of the service agreement with KLKB since the commencement of the service agreement.

7. BUSINESS OVERVIEW *(Cont'd)*

7.10.3 Service Contracts with TNB

The salient terms and conditions of the Service Contracts entered into between our Group and TNB are set out below:

Description	The contracts entered into between our Group and TNB (hereinafter referred to as "**TNB Contracts**" set out the general terms and conditions governing our Group as a member of the TNB generators panel for the provision of generators and generators-related services to TNB in Kuala Lumpur, Selangor/Putrajaya and Johor respectively ("**TNB Services**"). Following the expiry of the TNB Contracts, our Group had entered into 3 supplemental contracts on 24 July 2025 with TNB for the continued provision of TNB Services in the respective states ("**Supplemental TNB Contracts**").
Term	The Supplemental TNB Contracts are effective for a period of 3 years from 1 July 2025.
Material Obligations	(i) to supply generators with capacities ranging from 100kVA to 1250kVA as required by TNB. (ii) to ensure that all generators are registered with TNB based on the minimum requirements for each state. Our Group must apply to the Fleet Management Department of TNB to register any additional unregistered generators. (iii) to ensure that the number of generators, at all times, must be abide to the minimum requirement as set out by TNB. (iv) to ensure that the number of generators as set out by TNB are exclusively for TNB's use only and cannot be used for other purposes(1). (v) all generators that are registered with TNB are required to undergo a load test every 6 months and such load test must be witnessed and certified by an appointed TNB officer.
Material Scope of Services	(i) our Group must provide its TNB Services in the state as approved by TNB in the TNB Contracts with the price rate as set out by TNB. The value of the work to be provided to our Group is based on the requirement of TNB and thus there is no guarantee of minimum quantum awarded to our Group under the TNB Contracts. (ii) our Group may be required to provide TNB Services to locations beyond its allocated state. (iii) the TNB Services are to be further categorised into the following: (a) Breakdown: Our Group must ensure that the generators arrive at the location within the agreed timeframe. In the event if the generators are not arrived at the location within the agreed timeframe, a penalty will be imposed on our Group. The cost is calculated based on the arrival of the generators at the requested location until the completion of the work. (b) Maintenance: The generators are required to arrive at the site 60 minutes before the start of the maintenance. In the event of late arrival, a penalty will be imposed on our Group. (c) Standby: The generators are required to arrive at the site 60 minutes before the requested standby time. In the event of late arrival, a penalty will be imposed on our Group.

7. BUSINESS OVERVIEW *(Cont'd)*

	(iv) our Group shall not subcontract any TNB Services to any party without prior written consent of TNB. If TNB agrees for our Group to subcontract any Services, our Group shall ensure that: (a) the subcontractor and its personnel shall be aware of, understand and comply with the Supplemental TNB Contracts. Our Group shall be responsible for all Services performed by the subcontractor under the Supplemental TNB Contracts; and (b) in the event of any dispute or claim arising out of or in connection with the Services performed by the subcontractor, our Group shall be solely responsible for resolving all disputes or claims and ensuring that TNB is protected from any liability, loss, cost or expense arising out of such dispute or claim.
Damages	Our Group is responsible for bearing and paying for damages and losses to TNB or any third parties (including the employees or authorised representatives of TNB) for acts, errors, omission or negligence caused by our Group or its employees in carrying out their obligations under the TNB Contracts.
Termination	TNB has the right to immediately terminate the TNB Contracts in the event if our Group: (i) and/or our subcontractors breaches any terms of the TNB Contracts and has failed to rectify such breach within 30 days of receiving such written notice from TNB notifying our Group and/or our subcontractors of the breach; (ii) neglects or fails to carry out its obligations and responsibilities as set out in the TNB Contracts; (iii) fails to provide or maintain insurance coverage as required under the TNB Contracts; (iv) assigns or subcontracts all or part of its services under the TNB Contracts; (v) fails to abide to any policies and/or safety rules set out by TNB; (vi) falsify or conspire to falsify any official documents of TNB; (vii) commits fraud or conspire to defraud TNB; (viii) provides false information to TNB; (ix) is found guilty by the courts of law for any criminal offences or illegal activities; (x) becomes bankrupt or insolvent, enters into liquidation proceedings, has a receiving or administration order made against it, is compounded by its creditors or carries on business under a receiver, trustee or manager for the benefit of its creditors, or if any act is done or any event occurs which under the law has a similar effect to any of these acts or events; (xi) through the discovery, notification or receipt of any information by TNB (whether oral or written), directly or indirectly has breached any of its representations and warranties as set out in the Supplemental TNB Contracts or representations and warranties under any other contract between our Group and TNB (if any); and (xii) and/or our subcontractors breaches TNB's Guidelines on Health, Safety and Environment Requirements and/or Life Saving Rules provided under the Supplemental TNB Contracts, or any other contract that may exist between our Group and TNB. The parties further agree that TNB has the right to terminate the TNB Contracts without any reasons by serving the Group a written notice of termination. The termination will become effective 30 days after the date of such notice.

7. BUSINESS OVERVIEW *(Cont'd)*

Note:

(1) While the total number of required generators is fixed for the duration of the TNB Contracts, the specific units of generators may be replaced from time to time, provided that TNB's prior consent is obtained, the minimum number of generators is maintained by our Group and the replacement generators are registered with TNB. In addition, each generator registered with TNB must be equipped with global positioning system (GPS) to enable real-time monitoring by TNB. In the event of a malfunction, the generator cannot be replaced without prior instruction from TNB, ensuring TNB's full control over all registered units.

As at the LPD, our Group has been able to meet our material obligations in respect of the Service Contracts with TNB since the commencement of the Service Contracts.

7.10.4 Letter of Award from Dynasynergy

The salient terms and conditions of the Letter of Award are set out below:

Date	26 May 2025
Description	This Letter of Award issued by Dynasynergy to our Group sets out the scope of work of our Group in respect of the supply, delivery and commissioning of generators on rental basis ("**Services**") to Dynasynergy at PPU Mowtas (11kV), Sandakan, Sabah.
Term	This Letter of Award is effective for a period of 2 years from 1 January 2025 to 31 December 2026. Any extensions of term shall be carried out by way of negotiations with our Group. If the extension is agreed, our Group shall be notified 1 month in advance.
Rental Charges	The pricing for the Services based on estimated output is as indicated in the Letter of Award. The final amount would depend on the actual output achieved.
Scope of Services	(i) Our Group shall perform the Services in accordance with the instructions, requirements, specifications and/or quality standard, or such other details as furnished by Dynasynergy to our Group from time to time. (ii) Our Group shall perform the Services at PPU Mowtas (11kV), Sandakan, Sabah. (iii) All equipment and materials to be used for the performance of the Services shall be suitable for the intended purposes, unless otherwise specified, and all workmanship shall be of good quality. (iv) The equipment deployed shall be capable of generating electricity 10MW daily throughout the contract period.
Our Group's undertaking	Our Group shall: (i) ensure that the diesel generating sets are able to achieve the guaranteed fuel efficiency not less than 3.7 kWh/litre. Should there be any shortfall in the said fuel efficiency, our Group shall pay penalty for the excessive fuel consumption based on the prevailing diesel market price; (ii) give full co-operation in any improvement activity required by Dynasynergy in relation to the performance of the Services, which shall include but not be limited to manpower, equipment and cost reduction activity; and (iii) comply with all applicable legislations and regulations, including but not limited to safety and health requirements.

7. BUSINESS OVERVIEW *(Cont'd)*

Dynasynergy's undertaking	Dynasynergy shall: (i) procure all the regulatory approvals, licenses and permits necessary for the proper operations of the generator sets and performance of the Services; and (ii) give full co-operation and facilitate communication with SESB and/or any regulators.
Termination	Dynasynergy has the right to terminate the Services in the event that: (i) Our Group violates any terms and undertaking specified in this Letter of Award and our Group was given written notification of the violation but failed to rectify the violations within 30 days from the date of notification; (ii) Our Group fails to adhere to any policies and/or safety regulations of SESB; (iii) Our Group enters into liquidation, whether voluntary or otherwise; or (iv) Our Group enters into any scheme of arrangements with its creditors.
Indemnity	Our Group shall indemnify and keep indemnified Dynasynergy from and against any and all loss, damage or liability suffered and legal fees and costs incurred by Dynasynergy resulting from a breach of the terms and conditions of this Letter of Award, including any act, neglect or default of our Group's employees or agents or breaches in respect of any matter arising from the provision of the Services resulting in any successful claim by any third party.

As at the LPD, our Group has been able to meet our material obligations in respect of the Letter of Award from Dynasynergy since the commencement of the Letter of Award.

7.10.5 Letters of intent from Customer A

The salient terms and conditions of the letters of intent dated 2 July 2025 issued by Customer A to our Group are set out below:

Description	2 letters of intent dated 2 July 2025 issued by Customer A to our Group for the provision of generator panel services to Customer A in Penang and Kelantan, respectively.
Term	The contracts are effective for a period of 3 years from 1 July 2025 to 30 June 2028.
Material Obligations	(i) Express Mission shall fully abide by Customer A's Sustainable Procurement Code of Conduct; (ii) Express Mission shall perform all contractual obligations professionally and ethically; (iii) Express Mission shall not give, offer or promise any gift or gratuity or reward of any kind to an employee of Customer A in consideration of or in return for the award of the above tender/quotation; (iv) Express Mission shall expeditiously report to the Malaysian Anti-Corruption Commission or to the senior officer of Customer A if an employee of Customer A requests for any gift, gratuity or reward of any kind in exchange for the award of the above tender/quotation; and (v) Express Mission shall not conspire or collude with other tenderers who participated in the same tender/quotation.

7. BUSINESS OVERVIEW *(Cont'd)*

Material Scope of Services	(i) The services offered shall be for the states of Penang and Kelantan. (ii) The services shall be provided based on the price rate set out by Customer A.
Termination	If any employee of Express Mission is found guilty or in breach of the Customer A's Integrity Declaration Form, the parties agree that Customer A has the right to immediately terminate the contract without any cost to Customer A.

Following receipt of the said letters of intent, our Group subsequently received 2 letters of award dated 8 July 2025 from Customer A for the provision of generator panel services in Penang and Kelantan, respectively. Pending execution of the formal contracts, which will set out the full terms and conditions, the salient terms of the letters of award include, among others, the following:

(i) a contract period of 3 years, commencing from 1 July 2025 to 30 June 2028;

(ii) the price rates for the provision of the said services; and

(iii) the types of insurance policies required to be purchased by our Group.

As the LPD, our Group has been able to meet our material obligations in respect of the letters of intent and letters of award from Customer A since the commencement of the said letters.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.11 MAJOR APPROVALS, LICENCES AND PERMITS

Save as disclosed below, there are no other major approvals, licences and permits which our Group is materially dependent on for our business or profitability as at the LPD:

<table>
<tr><th>No.</th><th>Name of licensee</th><th>Approving authority / issuer</th><th>Description of licence / permit / approval</th><th>Validity Period</th><th>Major conditions imposed</th><th>Status of compliance</th></tr>
<tr><td>1.</td><td>Express Mission</td><td>Energy Commission Malaysia</td><td>Electrical Contractor Registration Certificate
(Class A)(1)

Licensed premise:
No. 6 (Ground Floor), Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor, Malaysia</td><td>30 July 2024 – 29 July 2029</td><td>Nil</td><td>N/A</td></tr>
<tr><td>2.</td><td>Express Mission</td><td>CIDB</td><td>Certificate of Registration of Contractor

Licensed scope:<table><tr><th>Grade</th><th>Category</th><th>Specialisation</th></tr><tr><td>G7</td><td>B</td><td>B04</td></tr><tr><td>G7</td><td>CE</td><td>CE21</td></tr><tr><td>G7</td><td>ME</td><td>E01, E02, E03, E04, E05, E06, E07, E08, E10, E11, E15, E16, E17, E18, E19, E20, E21, E22, E23, E24, E25, E32, E33, E34,</td></tr></table></td><td>19 November 2024 – 28 December 2026</td><td>(i) The licensee shall comply with the CIDB Act and all regulations made pursuant to the CIDB Act, and all other terms and condition as may be imposed by CIDB at all times;

(ii) The licensee shall not participate in any tenders or perform any construction works after the expiry of the certificate and until the renewal of the said certificate;

(iii) The licensee shall not enter into any agreements for any construction projects which exceed the value stipulated in</td><td>Noted

Noted

Complied</td></tr>
</table>

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Name of licensee	Approving authority / issuer	Description of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
			E35, M02, M15, M21		the grade of the certificate and shall not perform any construction project outside its scope of specialisation; (iv) The licensee shall disclose any information as may be requested by CIDB at all times; (v) The licensee shall display the Certificate of Registration at its business premise; (vi) The licensee shall apply for the renewal of the Certificate of Registration within 60 days prior to its date of expiry; (vii) The licensee shall only appoint skilled workers and site supervisors that are accredited and certified by CIDB. (viii) All workers on the construction site must have a valid Construction Personnel Card.	Noted Complied Noted Complied Complied
3.	Express Mission	Ministry of Finance Malaysia ("**MOF**")	Certificate of registration for the tender of contracts from government agencies Licensed scope: Provision of electrical and electronic engineering equipment, electrical	26 July 2024 – 25 July 2027	(i) Any changes to the information of the company must be updated online at www.eperolehan.gov.my within 21 days of such change in information. The MOF may suspend or cancel the	Complied

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Name of licensee	Approving authority / issuer	Description of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
			generator, spare parts, battery and power generator		registration of Company in the event of failure to comply with this condition, and the directors of Company may be subject to disciplinary action including being blacklisted without notice if the information provided by Company is incorrect;	
					(ii) The company must submit all information as may be requested by the MOF within such prescribed period. The MOF may suspend or cancel the registration of the company in the event of failure to comply with this condition, and the directors of the company may be subject to disciplinary action including being blacklisted without notice if the information provided by the company is incorrect;	Noted
					(iii) The company 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 the company or that operate on the same premises;	Complied

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Name of licensee	Approving authority / issuer	Description of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
					(iv) The MOF reserves the right to conduct an audit or inspection at any time without prior notice at the business premise of the company. The MOF may suspend or cancel the registration of the company in the event of failure to comply with the registration requirements imposed by the MOF, and the directors of the company may be subject to disciplinary action including being blacklisted without notice if the information provided by the company is incorrect;	Noted
					(v) The company shall not change its owner(s) or board of directors for a period of 6 months from the date of registration of this certificate;	Complied
					(vi) Failure to renew this certificate after a period of 1 year after the expiry date may result in the cancellation and automatic removal of the company's registration with the MOF, thereafter the company shall be required to submit a new application accordingly.	Noted

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Name of licensee	Approving authority / issuer	Description of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
4.	Express Mission	TNB	Licenced supplier and service contractor Category: Non-Bumiputera category	30 July 2024 – 25 July 2027	The validity of this licence is subject to the validity of the other licences issued by the MOF, CIDB and other professional licences to the Company	Noted
5.	Express Mission	SEDA	Certificate of Registration as PV Service Provider	2 January 2025 – 31 December 2025	The licence holder shall apply for renewal 30 days prior to the expiry date specified in the Certificate.	Noted
6.	Express Mission	SEDA	Certificate of Registration as PV Investor under NEM Programme	2 January 2025 – 31 December 2025	The licence holder shall apply for renewal 30 days prior to the expiry date specified in the Certificate.	Noted
7.	Express Mission	Klang Royal City Council	Business premise and signboard licence for office (industrial) Licensed premise: No. 6, (Ground Floor), Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor	3 December 2024 – 31 December 2025	Nil	-

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Name of licensee	Approving authority / issuer	Description of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
8.	Express Mission	Klang Royal City Council	Business premise and signboard licence for parking of vehicle Licensed premise: PT 69404, Jalan Astana 2, Bandar Bukit Raja, 41000 Klang, Selangor	13 December 2024 – 31 December 2025	(i) To display the supporting documents from the Fire and Rescue Department of Malaysia; (ii) To display the printout of the registration docket on workplace information issued by the Department of Occupational Safety and Health Selangor; (iii) To display the supporting documents from the Department of Environment Selangor; and (iv) To abide to other conditions as imposed by all relevant governmental authorities.	Complied Complied Complied Noted
9.	Express Mission	Subang Jaya City Council	Business premise and signboard licence for office (industrial) Licensed premise: No. 43, Jalan Utama 2/25, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	30 August 2024 – 26 September 2025	Nil	-

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Name of licensee	Approving authority / issuer	Description of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
10.	Express Mission	Kulai Municipal Council	Business premise and signboard licence for parking of generators and office Licensed premise: Lot 58787, Jalan Tanjung 27/7, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor	1 January 2025 – 31 December 2025	Nil	-
11.	Express Mission	Pasir Gudang Municipal Council	Business premise and signboard licence for office and parking of generators Licensed premise: No. 28 Jalan Senangin 6, Taman Pasir Putih 81700 Pasir Gudang, Johor	1 January 2025 – 31 December 2025	Nil	-
12.	Express Mission	Kuala Lumpur City Hall ("**DBKL**")	Business premise and signboard licence for office Licensed premise: D-3A-10, Block D, Southgate Commercial Centre, No. 2, Jalan Dua off, Jalan Chan Sow Lin, 55200 Kuala Lumpur	26 November 2024 – 25 November 2025	(i) Renewal of licence every year 60 days before expiry. (ii) Employees at the premises should be 50% citizens of Malaysia and 50% non-citizens with valid work permits.[(2)]	Noted Complied

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) This licence allows our Group to be involved in the connecting and disconnecting of the electrical cables from our mobile generators to the plant. Our Group registered as an electrical contractor under Class C with Energy Commission Malaysia for the period from 30 July 2021 to 29 July 2024. Prior to being registered as an electrical contractor under Class C with Energy Commission Malaysia, our Group only supplied the mobile generators, equipment and general labour (i.e. loading and unloading work, laying down of cables, monitoring of mobile generators) to our customers, while our customers connected our mobile generators to the relevant plant. Express Mission had on 30 July 2024, converted its classification from a "Class C" electrical contractor to a "Class A" electrical contractor. The main difference between a "Class A" licence and a "Class C" licence is the capability of carrying out electrical work of certain value (i.e. participating in tender). Class A, being the highest classification, allows our Group to partake in electrical work above RM1.00 million in value whereas Class C only allow our Group to partake in electrical work of up to RM0.50 million in value.

(2) For information purposes, the said condition was translated verbatim from the licences issued by the DBKL. Our legal adviser had sought confirmation from the DBKL officer that the condition is deemed complied on the basis that only less than 50.00% 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 no foreign workers as at the LPD.

For information, pursuant to our Group's application to DBKL for a business premise licence in respect of the parking of generators on the land at Lot 50071, Jalan Satu, Chan Sow Lin, 55200 Kuala Lumpur, DBKL had, vide its letter dated 11 December 2023 stated that DBKL will not be issuing a business licence for the parking of generators as DBKL does not have such relevant business activity code in their system. In addition, a signboard licence is not required for the said land as there is no signboard being displayed at the land.

7.12 INTELLECTUAL PROPERTY

Save as disclosed below, as at the LPD, our Group does not own and has not applied for the registration of any brand names, patents, trademarks or other intellectual property rights:

Trademark No.	Trademark	Registered Owner	Authority	Class/ Description	Status	Validity Period
TM2023026733		Express Powerr	MyIPO	39/ Distribution of energy	Registered	6 September 2023 to 6 September 2033

7. BUSINESS OVERVIEW *(Cont'd)*

7.13 TECHNOLOGY USED

Save for our dependency on our fleet of generators and related equipment for our generator rental services business, our Group does not employ any technology to carry out our generator rental services business and solar PV solutions business.

7.14 MAJOR CUSTOMERS OF OUR GROUP

We generated our revenue from all of our top 5 customers by providing our generator rental services in the FYE Under Review and the FPE 2025. The table below sets out our Group's top 5 customers for each of the FYE Under Review and the FPE 2025 as follows:

FYE 2021

No.	Customer Name	Country	Types of services rendered	Revenue contribution (RM'000)	Percentage of total revenue (%)	Length of relationship[(1)] (Years)
1	KLKB	Malaysia	Emergency, Planned Maintenance & Standby	9,983	51.62	8
2	KKB	Malaysia	Emergency, Planned Maintenance & Standby	4,319	22.33	3
3	Pakarcom Sdn Bhd	Malaysia	Emergency, Planned Maintenance & Standby	1,454	7.52	2
4	Malaysia Steel Works (KL) Bhd	Malaysia	Planned Maintenance	748	3.87	3
5	Goodhope Healthcare Sdn Bhd	Malaysia	Planned Maintenance	552	2.85	2
			Total	**17,056**	**88.19**	

FYE 2022

No.	Customer Name	Country	Types of services rendered	Revenue contribution (RM'000)	Percentage of total revenue (%)	Length of relationship[(1)] (Years)
1	KLKB	Malaysia	Emergency, Planned Maintenance & Standby	13,775	43.85	9
2	TNB	Malaysia	Emergency, Planned Maintenance & Standby	5,928	18.87	1
3	KKB	Malaysia	Emergency, Planned Maintenance & Standby	4,009	12.76	4

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Customer Name	Country	Types of services rendered	Revenue contribution (RM'000)	Percentage of total revenue (%)	Length of relationship(1) (Years)
4	Scott & English Technology (Malaysia) Sdn Bhd	Malaysia	Planned Maintenance	2,280	7.26	4
5	Malaysia Steel Works (KL) Bhd	Malaysia	Planned Maintenance	939	2.99	4
			Total	**26,931**	**85.73**	

FYE 2023

No.	Customer Name	Country	Types of Services rendered	Revenue contribution (RM'000)	Percentage of total revenue (%)	Length of relationship(1) (Years)
1	TNB	Malaysia	Emergency, Planned Maintenance & Standby	15,617	39.61	2
2	KLKB	Malaysia	Emergency, Planned Maintenance & Standby	11,023	27.96	10
3	KKB	Malaysia	Emergency, Planned Maintenance & Standby	5,540	14.05	5
4	Electrica Technology Sdn Bhd	Malaysia	Planned Maintenance	2,787	7.07	2
5	KIM Star Engineering & Supplies Sdn Bhd	Malaysia	Planned Maintenance	470	1.19	3
			Total	**35,437**	**89.88**	

FYE 2024

No.	Customer Name	Country	Types of Services rendered	Revenue contribution (RM'000)	Percentage of total revenue (%)	Length of relationship(1) (Years)
1	Dynasynergy	Malaysia	Planned Maintenance	26,961	38.42	1
2	TNB	Malaysia	Emergency, Planned Maintenance & Standby	19,169	27.32	3
3	KLKB	Malaysia	Emergency, Planned Maintenance & Standby	15,788	22.50	11

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Customer Name	Country	Types of Services rendered	Revenue contribution (RM'000)	Percentage of total revenue (%)	Length of relationship[(1)] (Years)
4	KKB	Malaysia	Emergency, Planned Maintenance & Standby	5,610	8.00	6
5	Mega Auto & Electrical Engineering Sdn Bhd	Malaysia	Planned Maintenance	235	0.33	1
			Total	**67,763**	**96.57**	

FPE 2025

No.	Customer Name	Country	Types of Services rendered	Revenue contribution (RM'000)	Percentage of total revenue (%)	Length of relationship[(1)] (Years)
1	TNB	Malaysia	Emergency, Planned Maintenance & Standby	4,182	32.52	4
2	Dynasynergy	Malaysia	Planned Maintenance	3,618	28.13	2
3	KLKB	Malaysia	Emergency, Planned Maintenance & Standby	2,996	23.30	12
4	KKB	Malaysia	Emergency, Planned Maintenance & Standby	866	6.73	7
5	Besi Tech Engineering Sdn Bhd	Malaysia	Solar PV solutions	212	1.65	1
			Total	**11,874**	**92.33**	

Note:

(1) The approximate length of relationships is calculated at each of the respective FYEs and FPE.

During the FYE Under Review and the FPE 2025, the total revenue contributions from our top 5 customers amounted to 88.19%, 85.73%, 89.88%, 96.57% and 92.33% of our Group's total revenue, respectively.

Our recurring major customers for the FYE Under Review and the FPE 2025 were mainly KLKB, KKB, TNB and Dynasynergy. The total revenue generated from KLKB, KKB, TNB (save for the FYE 2021) and Dynasynergy (for the FYE 2024 and FPE 2025) accounted for 73.95%, 75.48%, 81.62%, 96.24% and 90.68% of our Group's total revenue in the FYE Under Review and the FPE 2025, respectively. Consequently, our financial performance is highly dependent on KLKB, KKB, TNB and Dynasynergy. Save for KLKB, KKB, TNB and Dynasynergy, we are not dependent on other customers.

7. BUSINESS OVERVIEW *(Cont'd)*

KLKB and KKB are both principally involved in electrical wiring contracting services, including supplying and installation of electrical appliances and equipment, and they are the approved vendors of TNB and other government agencies for the provision of generator rental services. KLKB and KKB are also our direct competitors as both these companies also provide generator rental services and are approved vendors of TNB. However, TNB has the prerogative to assign the regions to be covered by its approved vendors. Dynasynergy is principally involved in providing engineering services and solutions for power systems. We provide generator rental services indirectly to SESB via Dynasynergy which secured its project from SESB.

We have entered into service agreements with KLKB and KKB on 1 June 2018 and 20 May 2020, respectively. Pursuant to the service agreements with KLKB and KKB, our Group shall ensure that the generators rented to them have sufficient industrial diesel to operate. As such, we sourced the industrial diesel from KLKB and KKB solely for the generators rented to them and consequently KLKB and KKB are also our suppliers. In the FYE 2024, all sales to Dynasynergy were carried out on purchase order basis, our Group also sourced industrial diesel from Dynasynergy solely for the generators rented to them and consequently Dynasynergy is also our supplier. This arrangement was to improve operational efficiency for our said major customers.

Despite being highly dependent on KLKB and KKB during the FYE Under Review and the FPE 2025, we have reduced our dependency on them by becoming an approved vendor of TNB in July 2021 and subsequently entered into the Service Contracts in July 2022 to directly provide our generator rental services to TNB. This reduction in dependency is evident in our financial performance for the FYE 2022, FYE 2023, FYE2024 and FPE 2025. The collective contribution from KLKB and KKB decreased from 73.95% in FYE 2021 to 30.03% in the FPE 2025. For the FYE 2024, arising from our strategic expansion into Sabah in 2024, Dynasynergy became our largest customer with revenue contribution of 38.42%. Our Group had on 27 May 2025 accepted the Letter of Award from Dynasynergy to provide the generator rental services for its project secured from SESB in Sabah. Our Group expects Dynasynergy will continue to contribute significantly to our Group's revenue in the immediate future and hence, we are dependent on Dynasynergy.

The Service Contracts we entered into with TNB do not breach any terms and conditions of the service agreements that Express Mission previously entered with KLKB and KKB and vice versa. KLKB and KKB continue to utilise our generator rental services to meet their specific needs and serve their end-customers and our Group is able to service TNB concurrently without any disruptions or constraints. Our Group has adequate equipment and resources to fulfil our obligations as agreed in the Service Contracts and the respective service agreements entered by our Group.

Save for KLKB, KKB, TNB and Dynasynergy, we have not entered into any other service agreement / contract or arrangement for the provision of generator rental with our other customers.

We work closely with all our customers to ensure customer satisfaction. During the FYE Under Review, the FPE 2025 and up to the LPD, we do not have any material dispute with our top 5 customers and have maintained good working relationships with them.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.15 MAJOR SUPPLIERS OF OUR GROUP

All of our Group's suppliers are based in Malaysia. Our Group's top 5 suppliers for each of the FYE Under Review and the FPE 2025 are as follows:

FYE 2021

No.	Supplier Name	Country	Types of products/ services purchased	Purchase value (RM'000)	Percentage of total purchase (%)	Length of relationship[1] (Years)
1	KLKB	Malaysia	Industrial diesel	3,310	56.40	7
2	KKB	Malaysia	Industrial diesel	1,225	20.87	2
3	CBT Engineering	Malaysia	Spare parts and consumables	224	3.82	2
4	SV Truck Servicing	Malaysia	Upkeep of motor vehicles	180	3.07	8
5	Petronas Dagangan Bhd	Malaysia	Commercial diesel used for motor vehicles	123	2.10	7
			Total	**5,062**	**86.26**	

FYE 2022

No.	Supplier Name	Country	Types of products/ services purchased	Purchase value (RM'000)	Percentage of total purchase (%)	Length of relationship[1] (Years)
1	KLKB	Malaysia	Industrial diesel	8,173	59.80	8
2	KKB	Malaysia	Industrial diesel	1,678	12.28	3
3	CBT Engineering	Malaysia	Spare parts and consumables	450	3.29	3
4	Hong Seng Power Sdn Bhd	Malaysia	Spare parts and consumables	323	2.36	9
5	Scott & English Technology (Malaysia) Sdn Bhd	Malaysia	Spare parts & upkeep of generators	289	2.11	5
			Total	**10,913**	**79.84**	

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2023

No.	Supplier Name	Country	Types of products/ services purchased	Purchase value (RM'000)	Percentage of total purchase (%)	Length of relationship[1] (Years)
1	Sempurna Petroleum (M) Sdn Bhd	Malaysia	Industrial diesel	2,240	15.50	1
2	New KC Trading Sdn Bhd	Malaysia	Industrial diesel	1,501	10.38	1
3	MCM Petroleum Sdn Bhd	Malaysia	Industrial diesel	1,422	9.84	1
4	Sunmax Petroleum Sdn Bhd	Malaysia	Industrial diesel	1,203	8.32	1
5	Mun Hing-Lee Petroleum Products Sdn Bhd	Malaysia	Industrial diesel	982	6.79	1
			Total	**7,348**	**50.83**	

FYE 2024

No.	Supplier Name	Country	Types of products/ services purchased	Purchase value (RM'000)	Percentage of total purchase (%)	Length of relationship[1] (Years)
1	Dynasynergy	Malaysia	Industrial diesel	8,113	27.34	1
2	Sunmax Petroleum Sdn Bhd	Malaysia	Industrial diesel	3,840	12.94	2
3	Mega Auto & Electrical Engineering Sdn Bhd	Malaysia	Rental/ purchase of generators and other equipment	1,863	6.28	1
4	Mun Hing-Lee Petroleum Products Sdn Bhd	Malaysia	Industrial diesel	1,788	6.03	2
5	Sempurna Petroleum (M) Sdn Bhd	Malaysia	Industrial diesel	1,773	5.94	2
			Total	**17,377**	**58.56**	

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

FPE 2025

No.	Supplier Name	Country	Types of products/ services purchased	Purchase value (RM'000)	Percentage of total purchase (%)	Length of relationship(1) (Years)
1	Pandamaran Synergy Petroleum Sdn Bhd	Malaysia	Industrial diesel	799	19.66	5
2	Mun Hing-Lee Petroleum Products Sdn Bhd	Malaysia	Industrial diesel	508	12.50	3
3	An Marketing Trading Sdn Bhd	Malaysia	Industrial diesel	498	12.25	1
4	Sunmax Petroleum Sdn Bhd	Malaysia	Industrial diesel	398	9.79	3
5	Dynasynergy	Malaysia	Industrial diesel	239	5.88	2
			Total	**2,442**	**60.08**	

Note:

(1) The approximate length of relationship is calculated at each of the respective FYEs and FPE.

Our top 5 suppliers accounted for 86.26%, 79.84%, 50.83%, 58.56% and 60.08% of our Group's purchases for the FYE Under Review and the FPE 2025, respectively. Our purchases from the top 5 suppliers mainly comprise of industrial diesel, spare parts and consumables. We identify and select our suppliers based on factors such as pricing, availability of supplies, reliability as well as lead time for delivery.

For the FYE 2021, FYE 2022, FYE 2024 and FPE 2025, our major customers namely KLKB, KKB and Dynasynergy were also our major suppliers, collectively accounted for 77.27%, 72.08%, 27.34% and 5.88% of our Group's total purchases for FYE 2021, FYE 2022, FYE 2024 and FPE 2025, respectively. For the FYE Under Review, the FPE 2025 and up to the LPD, KLKB, KKB and Dynasynergy had sourced industrial diesel from their industrial diesel suppliers for our generators rented to them as and when the said generators required refilling and subsequently charged back the cost of industrial diesel to our Group. The industrial diesel suppliers of KLKB, KKB and Dynasynergy delivered industrial diesel based on the quantity ordered to the designated operation yards or sites of KLKB, KKB and Dynasynergy and the responsibility for refuelling our generators during the rental period rest on KLKB, KKB and Dynasynergy. Our Group performed checks on the quantity ordered by KLKB, KKB and Dynasynergy against their suppliers' delivery order to ensure the costs debited to our account were valid and accurate.

Our purchases from KLKB and KKB, collectively, reduced from 72.08% of our Group's total purchases in FYE 2022 to 4.30% in FYE 2023. We ceased purchasing industrial diesel from KLKB and KKB since the 2nd quarter of 2023. Instead, our Group procures industrial diesel directly from the preferred suppliers of KLKB and KKB for the refilling of our generators rented to them to enable our Group to cease reliance on KLKB and KKB as the intermediaries and the need to perform additional checks and verifications on the quantity ordered by KLKB and KKB to achieve a more simplified procurement process without affecting the operational efficiency. In addition, we expect to reduce our purchase of industrial diesel from Dynasynergy moving forward as we are not responsible for supplying industrial diesel for our generators rented to Dynasynergy pursuant to the Letter of Award.

7. BUSINESS OVERVIEW *(Cont'd)*

Notwithstanding the above, we are not dependent on any single supplier for industrial diesel as suppliers for industrial diesel are widely available. We are able to procure industrial diesel from other suppliers when such a need arises.

For the FYE Under Review and the FPE 2025, we have not experienced any difficulty in obtaining supplies from our suppliers. We maintain good working relationship with our major suppliers and there have been no material disputes with our major suppliers or disruption in supplies for the FYE Under Review, the FPE 2025 and up to the LPD.

7.16 RESEARCH AND DEVELOPMENT

We do not carry out any research and development activities as it is not relevant to the nature of our business.

7.17 GOVERNING LAWS AND REGULATIONS

The following is an overview of the regulatory requirements governing our Group which are material to our business:

(i) Electricity Supply Act 1990 ("ESA 1990")

The ESA 1990 regulates the electricity supply industry including the licensing of any electrical installation, the control of any electrical installation, plant and equipment with respect to matters relating to the safety of individuals.
Pursuant to Section 9 of ESA 1990, no person, other than any statutory authority established by an act of parliament or any other law to generate and/or supply electricity, shall:

(i) use, work or operate or permit to be used, worked or operated any installation; or

(ii) supply to or for the use of any other person electricity from any installation,

unless he is issued a licence in respect of the licenced activity and in accordance with the terms and conditions of the licence.

Any person who contravenes Section 9 of the ESA 1990 shall, on conviction, be liable to a fine not exceeding RM50,000 and in the case of a continuing offence to a fine not exceeding RM1,000 for each day during which such offence is continued after conviction.

As at the LPD, Express Mission holds a valid licence issued under ESA 1990.

(ii) Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 ("CIDB Act")

The CIDB Act and the regulations made thereunder, govern the establishment of the CIDB and provide for its function in relation to the construction industry and all matters in connection therewith.

The CIDB Act prescribes that a contractor must register with the CIDB and hold a valid certificate of registration issued by the CIDB under the CIDB Act in order to carry out or complete, undertake to carry out or complete any construction works or hold himself as a contractor. Failure to comply with the above shall render a person liable to a fine of not less than RM10,000 but not more than RM100,000.

As at the LPD, Express Mission holds a valid Grade G7 certificate of registration as a contractor with CIDB.

7. BUSINESS OVERVIEW *(Cont'd)*

(iii) Local Government Act 1976 ("LGA 1976")

The LGA 1976 empowers every local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor. As we operate in various jurisdiction in Malaysia, we are subject to the by-laws of the respective states.

As our office is located in Klang, Selangor, we fall under the jurisdiction of the Klang Municipal Council ("**MPK**"). The relevant by-laws governing the conduct of our business would be the Licensing of Trade, Businesses and Industries (MPK) By-laws 2007 ("**Licensing By-Laws 2007**") and Advertisement (MPK) By-Laws 2007 ("**Advertisement By-Laws 2007**"):

(a) Licensing By-Laws 2007 provides that it is an offence for a person to operate any activity of trade, business and industry or use any place or premise in the local area of the MPK for any activity of trade, business and industry without a licence issued by the MPK. Any person who contravenes any provision of the Licensing By-Laws 2007 commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or both and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

(b) Advertisement By-Laws 2007 provides that no person shall exhibit any advertisement without a license issued by the MPK. Any person who contravenes any of the provision of the Advertisement By-Laws 2007 shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

Our Group had, in the past, operated in operation yards without obtaining the necessary business premise licence from the relevant local authority as our Group was not aware that the operation yards as disclosed below would require a business premise licence. The operating yards that our Group operated without business licences and the rectification measures undertaken are as follows:

Location of operation yard	Rectification measures
Lot 69404, Jalan Astana 2, Bandar Bukit Raja, 41000 Klang, Selangor	Our Group commenced our tenancy for this operation yard since 1 July 2022. The business licence was obtained on 28 May 2024.
No. 43, Jalan Utama 2/25, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	Our Group commenced our tenancy for this operation yard since 1 October 2022. The business licence was obtained on 27 September 2023.
Lot 58787, Jalan Tanjung 27/7, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor	Our Group commenced our tenancy for this operation yard since 1 July 2022. The business licence was obtained on 23 May 2024.
GM 755, Lot 62886, Kampung Pasir Putih, 81700 Pasir Gudang, Johor	Our Group commenced our tenancy for this operation yard since 16 April 2022. The tenancy was mutually terminated on 31 July 2024.

7. BUSINESS OVERVIEW *(Cont'd)*

We are of the view that the past non-compliance above does not have any material impact to our Group's business operations and financial condition based on the following:

(a) our Group has fully rectified the non-compliance matters by either obtaining the necessary business licence or terminating the tenancy of the operation yard;

(b) the relevant tenancy was mutually terminated with no penalties incurred by our Group; and

(c) as at the LPD, our Group has not received any notices, penalties, or compounds from the relevant authorities in respect of such non-compliance under the LGA 1976.

Our Group has implemented procedures and master checklist for monitoring licences, permits, agreements and registrations (collectively referred to as "**Approvals**") of our Group to ensure that the Approvals are closely monitored by our management to ensure the Approvals are renewed in a timely manner, valid and comply with its applicable terms and conditions. In addition, our Group has implemented a Non-Conformance Policy to ensure any misstep or non-conformance is recorded. Such non-conformance record will be reviewed by our management to assess the root causes and to revise and implement preventive and corrective measures to prevent similar reoccurrences in the future. Furthermore, our Group has implemented training plan to provide training to supplement and upskill the relevant knowledge for our employees and management.

As at the LPD, our Group holds and maintains a valid licence for our office, and business premise licence for all our operating yards, where required save for the operation yards located in Penang and Kelantan where operations have yet to commence. For information, we are in the midst of preparing the business licence applications for the said yards in Penang and Kelantan as at the LPD and the business licences for the said operation yards are expected to be obtained by 3rd quarter of 2025. Our Group also maintains valid advertising licences in respect of all premises with external signboards.

(iv) National Land Code ("NLC")

The NLC is the primary land law legislation in Malaysia which applies to land located in Peninsular Malaysia and the Federal Territory of Labuan. Under the NLC, there are 3 categories of land use, being "building", "industry" and "agriculture". The category of land use, if any, is endorsed on the documents of title issued by the state authority. All alienated lands in Peninsular Malaysia and the Federal Territory of Labuan are also subject to implied conditions as more particularly described in the NLC and express conditions imposed by the state authority.

Upon any breach arising of any condition to which any alienated land is for the time being subjected to, (i) the land shall become liable to forfeiture to the state authority and (ii) except in a case where a fine is imposed or where action for the purpose of causing the breach to be remedied is first required to be taken, the land administrator shall proceed with the enforcement of the forfeiture in accordance to the provisions of the NLC.

Save as disclosed below, as at the LPD, our Group is in compliance with the NLC and there is no breach and/or non-compliance of any property or land use conditions in relation to the premises occupied by our Group to carry out our business operations. For the FYE Under Review, the FPE 2025 and up to the LPD, our Group has not been issued with any penalties pursuant to the NLC.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Group had, in the past, operated in an operation yard located at Lot 1401 & Lot 1402, Jalan Puchong, 58200 Kuala Lumpur, where the category of land use for the premise is for agriculture use (instead of industrial use) as our Group was not made aware of the category of land use of the aforementioned land. Upon being cognisant of this non-compliance pursuant to the due diligence conducted on our Group for the Listing, our Group has promptly rectified this non-compliance by relocating to Lot 50071, Jalan Satu, Chan Sow Lin, 55200 Kuala Lumpur which are gazetted for industrial use.

We are of the view that there is no material impact to our Group's business operations and financial condition based on the following:

(a) the relevant tenancy was mutually terminated with no penalties incurred by our Group;

(b) as at the LPD, our Group has not received any notices, penalties, or compounds from the relevant authorities in respect of such non-compliance under the NLC.

Our Group has implemented a Non-Conformance Policy to ensure any misstep or non-conformance is recorded. Such non-conformance record will be reviewed by our management to assess the root causes and to revise the implement preventive and corrective measures to prevent similar reoccurrences in the future.

(v) Street, Drainage and Building Act, 1974 ("SDBA 1974")

The SDBA 1974 regulates laws relating to street, drainage and buildings in local authority areas in Peninsular Malaysia. It provides for the requirement to have a CF or CCC to ensure that a building is safe and fit for occupation.

Pursuant to Section 70(1) of the SDBA 1974, no person shall erect any building without the prior written permission of the local authority. Section 70(11) of the SDBA 1974 further provides that any person who makes any alteration to any building otherwise than is provided for under the SDBA 1974 or any by-laws made thereunder or without prior written permission of the local authority shall be liable on conviction to a fine not exceeding RM25,000 and a magistrate's court shall on the application of the local authority, issue a mandatory order to alter the building in any way or to demolish it.

Upon conviction, a fine not exceeding RM250,000 or imprisonment for a term not exceeding 10 years or both may be imposed pursuant to Section 70(27)(f) of the SDBA 1974. The local authority may also obtain an order from the Magistrate's Court to demolish any unauthorised building under Section 70(15) of the SDBA 1974.

Pursuant to Section 79(1) of the SDBA 1974, no person shall erect or cause or permit to be erected in any building any partition, compartment, gallery, loft, roof, ceiling, or other structure without having the prior written permission of the local authority.

Upon conviction, a fine not exceeding RM500 and a further fine not exceeding RM100 for every day during which the offence is continued after conviction may be imposed pursuant to Section 79(4) of the SDBA 1974. The local authority, its agents or servants can also enter any such building and remove any partition, compartment, gallery, loft, ceiling or other structure which has been erected without the prior written permission of the local authority under Section 79(3) of the SDBA 1974.

The SDBA 1974 provides for the requirement to have a CF or CCC to ensure that the building is safe and fit for occupation.

Any person who occupies or permits to be occupied any building or any part thereof without a CF or 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.

7. BUSINESS OVERVIEW *(Cont'd)*

Save as disclosed below, as at the LPD, all our Group's rented properties have been issued with a CF or CCC (as the case may be).

Our Group had, in the past, operated in the following operation yards without valid CCC to the structure as our Group is not made aware that such operation yards would require CCCs. The operating yards that our Group operated without a valid CCC and the rectification measures undertaken are as follows:

Location of operation yard	Rectification measures
GM 755, Lot 62886, Kampung Pasir Putih, 81700 Pasir Gudang, Johor	Our Group commenced our tenancy for this operation yard since 16 April 2022. The tenancy was mutually terminated on 31 July 2024.
Lot 5067, Jalan Setia Murni U13/51, 40170 Shah Alam, Selangor	Our Group commenced our tenancy for this operation yard since 1 January 2022. The tenancy was mutually terminated on 30 September 2023.
Lot 1401 & Lot 1402, Jalan Puchong, Mukim Petaling, Kuala Lumpur	Our Group commenced our tenancy for this operation yard since 27 July 2021. The tenancy was not renewed upon its expiry on 26 July 2023.

Our office located at No. 43, Jalan Utama 2/25, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor has an extension erected in the back portion of the property by the landlord without the necessary permit from relevant local authority ("**Extension**") as confirmed by the landlord vide his letter dated 18 July 2024. Our Group is unable to remove the Extension erected by the landlord as the Extension was erected prior to the commencement of the tenancy and we are bound to maintain the physical state of the property pursuant to the tenancy agreement entered into with the landlord for this property.

We are of the view that there is no material impact to our Group's business operations and financial condition based on the following:

(a) the liability of the non-compliance is not borne by our Group as the Extension is erected by the landlord;

(b) our Group does not utilise the space in the Extension for our operations; and

(c) as at the LPD, our Group has not received any notices, penalties, or compounds from the relevant authorities in respect of such non-compliance under the SDBA 1974.

(vi) Environmental Quality Act 1974 ("EQA"), Environmental Quality (Clean Air) Regulations 2014 ("EQCAR") and Environmental Quality (Scheduled Wastes) Regulations 2005 ("EQSWR")

The EQA regulates, among others, the levels of pollution of the atmosphere, noise pollution, pollution of the soil, pollution of inland waters without licence, prohibits the discharge of oil and wastes into Malaysian waters.

The EQCAR is a subsidiary legislation pursuant to the EQA which regulates the emission of air pollutants to the atmosphere and specifies the requirements for an air pollution control system for every premises to which the EQCAR applies to, including any premises used for any industrial or trade purposes, or on which matter is burnt in connection with any industrial or trade purposes and any other premises or process that discharges or is capable of discharging air pollutants into the open air, any industrial plant or any fuel burning equipment. Any person who contravenes or fails to comply with any provisions of the EQCAR will be guilty of an offence and shall be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding two years or to both.

7. BUSINESS OVERVIEW *(Cont'd)*

The EQSWR is a subsidiary legislation pursuant to the EQA which imposes on the waste generator of the premises an obligation to records, store, label, treat and dispose scheduled waste in accordance with the EQSWR. Any person who contravenes the EQSWR commits an offence and may be subject to a compound not exceeding RM2,000.

As at the LPD, our Group has not been issued with any fines or compounds in relation to any contravention of the EQA, EQCAR and EQSWR.

(vii) Occupational Safety and Health Act 1994 ("OSHA 1994")

The OSHA 1994 regulates the safety, health and welfare of persons at work, protecting others against the risks of safety or health in connection with the activities of persons at work. Pursuant to Section 29 of the OSHA 1994, an occupier of a place of work to which this section applies shall employ a competent person to act as a safety and health officer at the place of work. An occupier who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to a term of imprisonment not exceeding 6 months or to both. The employer of the class or description of industries that shall employ a safety and health officer can be found under Order 3 of the Occupational Safety and Health (Safety and Health Officer) Order 1997, which includes any work of engineering construction where the total contract price of the project exceeds RM20.0 million.

Pursuant to Section 30 of the OSHA 1994, every employer shall establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work or the Director General of the Department of Occupational Safety and Health directs the establishment of such a committee at the place of work. A person who contravenes the provisions of this section shall be guilty of an offence 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.

As at the LPD, our Group is in compliance with the relevant provisions under the OSHA 1994. For the FYE Under Review, the FPE 2025 and up to the LPD, our Group has not been issued with any penalties pursuant to the OSHA 1994.

(viii) Employment Act 1955 ("EA 1955")

The EA 1955 regulates all labour related matters including contracts of service, payment of wages, employment of women, maternity protection, rest days, hours of work, holidays, termination, lay-off and retirement benefits, employment of foreign employees and keeping of registers of employees.

Any person who commits any offence under, or contravenes any provision of the EA 1955, or any regulations, order or other subsidiary legislation whatsoever made thereunder, in respect of which no penalty is provided, shall be liable, on conviction, to a fine not exceeding RM50,000.

As at the LPD, our Group complies with the relevant requirements under the EA 1955.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.18 INTERRUPTIONS TO BUSINESS AND OPERATIONS AND IMPLICATIONS ON OUR BUSINESS OPERATIONS

Our Group did not experience any interruptions which had a significant effect on our business and operations during the past 12 months preceding to the LPD.

7.18.1 Impact of COVID-19 on our Group

The COVID-19 was declared as a pandemic by the Director General of the World Health Organisation on 11 March 2020. To help counter the transmission of COVID-19, the Government initiated the MCO. The country officially transitioned to the "endemic" phase beginning 1 April 2022, during which movement restrictions were significantly eased. Our business remained in operation during the MCO period as we were a supplier of essential services.

7.18.2 Impact of COVID-19 on our supply chain

During the FYE Under Review, the FPE 2025 and up to the LPD, there have been no material disruptions to our supply chain as we are able to source the necessary supplies for our generator rental services business.

7.18.3 Impact of COVID-19 on our sales and earnings prospects

For the FYE 2021 and FYE 2022, COVID-19 did not have any material adverse effect on our revenue. This is evidenced by our Group's revenue which increased by RM12.07 million or 62.41% to RM31.41 million for the FYE 2022 from RM19.34 million for the FYE 2021, as the country entered the "transition to endemic phase" of COVID-19 effective 1 April 2022. In the FYE 2023, FYE 2024 and the FPE 2025, we observed greater normalisation of social and economic life.

7.19 QUALITY CONTROL PROCEDURES

We recognised that we need to maintain a high level of quality in our services delivery to enable us to gain customers' confidence and loyalty which is vital for our business growth. Towards this end, we impose and maintain stringent quality control measures in our services delivery. Our Group adopts the following approaches to achieve our quality objectives:

(a) establish a set of quality objectives that are updated regularly to ensure smooth business operations and to meet business objectives and goals;

(b) obtain annual feedback from our customers with regards to the quality of our generator rental services; and

(c) perform internal reviews to identify areas for improvement to further enhance the effectiveness of our generator rental services.

In terms of our supplies, as we purchase related consumables and spare parts from our suppliers, we will conduct incoming quality checks on the supplies delivered by our suppliers to ensure that the products received matches the purchase orders and its specifications. Any products that do not meet our specifications are returned to our suppliers. Our suppliers are selected based on a variety of factors, including the product and service quality, pricing and lead time for delivery as well as their reliability.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.20 BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans are as detailed below:

7.20.1 Expansion of our fleet of generators, and medium and high voltage equipment

Our Group recognises that expanding our fleet of generators is essential to support our business strategies including expanding to other regions in Malaysia to gain new customers, meet the growing demand for our services, enhance our operational capacity, and ensure we can effectively cater for the needs of our existing and potential customers. As such, we intend to expand our fleet of generators and medium and high voltage equipment to stay competitive and effectively meet the said purposes.

Medium and high voltage equipment is required to ensure efficient transmission of electricity, grid stability and overall system reliability. To complement the expansion of our fleet of generators, we will require additional medium and high voltage equipment as part of the provision of generator rental services to support our business operations. As such, we intend to purchase additional medium and high voltage equipment such as transformers, vacuum circuit breakers, ring main unit, cables and load banks to support the additional generators.
We have allocated the gross proceeds to be raised from the Public Issue of approximately RM20.50 million for the purchase of generators and RM4.06 million for the purchase of medium and high voltage equipment.

Notwithstanding our utilisation rate of our fleet of generators ranged between 51.85% and 60.04% for the FYE Under Review and the FPE 2025, our Group intends to purchase a minimum of 36 units of generators as our Group anticipates the demand for our generators will continue to grow as evident in the increase in actual number of hours of usage by our fleet of generator from 86,476 hours (65 units of generators) in the FYE 2021 to 157,992 hours (111 units of generators) in the FYE 2024 representing a CAGR of 22.25%. In addition, as a best practice, our Group sets aside a certain number of generators as reserve and/or replacement units that can be readily deployed to ensure that our customers' operations are not disrupted in the event any of our deployed generators fails to function effectively.

The breakdown of the generators we intend to purchase are as follows:

	No. of unit(s)	**RM'000**
Small-sized generator	10	2,000
Medium-sized generator	10	6,000
Large-sized generator	16	12,500
Total	**36**	**20,500**

The acquisition of a minimum of 36 generators is essential for enhancing fleet availability, strengthening our market position, and capitalising on emerging opportunities, as well as having taken into consideration the required specifications for the potential end-user markets as mentioned in Section 7.20.2 of this Prospectus, ensuring that we remain well-equipped to meet evolving market demands, particularly for our non-electric utility customer segment.
The above estimated purchase costs are calculated based on the historical price quotation obtained from our selected supplier for brand new generators. For avoidance of doubt, our Group intends to purchase generators that are either brand new or pre-owned which is subjected to the availability of generators at the relevant point in time. The actual purchase costs for the pre-owned generators cannot be determined at this juncture as it is dependent on several factors which includes, amongst others, age, condition, number of operating hours clocked and location. Therefore, the actual number of the units of generators to be purchased may be more than 36 units as pre-owned generators cost less to purchase. The decision to purchase generators that are either brand new or pre-owned will depend on the actual requirements of our Group and the condition of generators (i.e. brand new or pre-owned) at the relevant point in time.

7. BUSINESS OVERVIEW *(Cont'd)*

The breakdown of the medium and high voltage equipment units that we intend to purchase are as follows:

Medium and high voltage equipment	No. of unit(s)	RM'000
Transformer	4	1,878
Vacuum circuit breaker	5	260
Ring main unit	2	120
Cable	-(1)	1,000
Load bank	5	800
Total		**4,058**

Note:

(1) The length of cable to be purchased is estimated at approximately 10,000 meters.

The purchase costs of the generators and medium and high voltage equipment to be purchased above is based on current estimation and is subject to change based on various factors, including but not limited to price fluctuations and changes in market demand. In the event that our actual purchase costs are higher than estimated, the shortfall will be funded out of the portion allocated for our general working capital requirements and/or from our internally generated funds.

7.20.2 Expanding of our customer base and geographical coverage

Our Group intends to increase sales and better diversify our customer base through a two-pronged approach:

Expanding our customer base

Electric utility customers currently form the core of our customer base, while a portion of our business is generated from non-electric utility customers including M&E companies, manufacturing companies, construction companies, event organisers and government agencies. To mitigate the risk associated with overreliance on any single end-user market or customer, and to achieve a better customer mix, we intend to expand our services to cater for the needs of other potential end-user markets such as the oil and gas industry. As at the LPD, our Group does not have any customers in these potential end-user markets.

These potential end-user markets have a constant need for dependable power solutions to ensure their operations run smoothly. By tailoring our services to meet the specific requirements of these potential end-user markets such as, amongst others, power capacity, portability, mobility and safety compliance, we can provide essential support and seize new business opportunities. The requirements of these potential end-user markets may vary, but they generally revolve around dependable, cost-effective generator rental services with the flexibility to accommodate their operational demands. As compared to our existing customers, these potential end-user markets may require generators with different specifications from our existing generators such as, amongst others, higher-capacity generators, specialised voltage output to match industry-specific machinery or usage, and enhanced mobility for deployment in certain environments or project sites. As such, we may need to purchase generators with the required specifications as well as hiring competent personnel with relevant technical capabilities for such generators to cater for these potential end-user markets. By understanding and addressing these needs, we can strengthen our market position and expand our customer base.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

To effectively penetrate these potential end-user markets, we plan to leverage on digital marketing channels to enhance our Group's visibility and accessibility to potential end-user markets. This will enable us to reach potential clients more effectively and provide positive contribution to our Group's earnings from these new potential end-user markets. Our Group currently uses Google Ads as the digital marketing channel to promote our generator rental services in general and we have and will continue to allocate more resources toward marketing our services to these potential end-user groups. The costs relating to the digital marketing and hiring of additional sales personnel will be funded via our internally generated funds.

Expanding our geographical coverage

To further diversify and grow our customer base, we intend to increase our presence in different regions in Malaysia. In 2024, we have successfully expanded our geographical presence to Sabah, through the provision of our generator rental services in Sandakan, where we deployed a total of 21 units of generators for our project secured from Dynasynergy. We have subscribed a virtual office(1) in Kota Kinabalu to serve as a local hub for our sales and marketing activities to facilitate better customer engagement and support in Sabah. We continue to actively participate in tenders for generator rental services in Sabah. In 2025, our geographical expansion include Penang and Kelantan where our Group had received 2 letters of award from Customer A to provide generator rental services in the said states. As at the LPD, we have rented operation yards in the said states and we are in the midst of preparing the business licence applications for the said yards. The business licences for the operation yards in Penang and Kelantan are expected to be obtained by 3rd quarter of 2025 and the operations of the said operation yards are expected to commence upon obtaining the said business licences. The costs relating to the expansion of geographical coverage will be funded via our internally generated funds.

Note:

(1) A virtual office is a service that allows businesses to maintain a professional presence without renting physical office space. The subscription of virtual office provides our Group with, amongst others, a business address which can be used on official company documents and marketing materials. In addition, all incoming mail and packages are received at the virtual office location, and the service provider can either forward it to us, or allow us to collect it. Lastly, we also get a dedicated phone number as well as a trained receptionist who can handle and forward messages and inquiries.

7.20.3 Increasing manpower

To support the continuous growth of our generator rental services business, we intend to hire additional sales personnel and qualified technical personnel who possess the necessary knowledge, skills and required level of competence for our business operations over the next 2 to 3 years. More sales personnel are required to support a wider customer base as well as a more expansive geographical market. The increase in qualified technical personnel will improve our ability to provide greater technical and maintenance support to our customers thereby enhancing the quality of our services to meet the customers' requirements. The cost in relation to the expansion of our manpower will be funded via our internally generated funds.

7.20.4 Setting up a new headquarter

To further streamline our operations, we intend to set up a new headquarter. In December 2022, we entered into 2 sales and purchase agreements to acquire Building 1 and Building 2 together with Lot 1 and Lot 2, respectively. The purchase of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively for a total purchase consideration of RM21.00 million is financed through the combination of internally generated funds and bank borrowings. Our Group had secured bank borrowings of RM14.00 million to part finance the said acquisition and our Group intend to allocate RM5.00 million of the IPO proceeds for the repayment of the said bank borrowings. As at the LPD, RM19.95 million has already been paid in accordance to the progress payment schedule pursuant to the respective sales and purchase agreements via our internally generated funds and bank borrowings.

7. BUSINESS OVERVIEW *(Cont'd)*

The construction on these buildings commenced in February 2023 after the receipt of all the necessary approvals. As at the LPD, the construction work on Building 1 and Building 2 is approximately 95.00% completed. The construction work is expected to be completed by 3rd quarter of 2025. Upon completion, the Building 1 and Building 2 will serve as our new headquarter and new operation yard which will replace the existing rented headquarter and operation yard located at Bandar Bukit Raja, Klang, Selangor. Upon the completion of relocation to Building 1 and Building 2, our Group will cease the tenancy agreements of the existing headquarter and Bandar Bukit Raja operation yard. Our relocation to the Building 1 and Building 2 will enable us to better accommodate our office employees and provide improved storage for our fleet of generators, supporting the potential expansion of our fleet in the future.

The new headquarter with bigger space will house our main operational and administrative functions under one roof to enhance collaboration, facilitate efficient movement, and streamline communication among our employees, particularly between our main operational and administrative functions which are currently housed in 2 different locations, to improve coordination, productivity and overall business operation efficiency. The new office space will provide a comfortable and conducive work environment to promote employees' well-being, promote collaboration and nurture a positive work environment. Training and development programs to enhance the skills and knowledge of our employees, will also be conducted at our new headquarter.

Please refer to Section 7.7.3 of this Prospectus for further details of the Building 1 and Building 2.

7.20.5 Expanding our solar PV solutions business

Driven by the need to achieve sustainable growth, our Group has identified the solar PV solutions business as a new business segment to venture into to capitalise on the strong growth in demand anticipated for solar PV solutions in Malaysia. We had, through Express Mission, applied for and successfully registered as a solar PV investor under the NEM programme and PV service provider by SEDA in January 2024 and February 2024, respectively.

As at the LPD, we have established our solar PV solutions business division, which includes 2 business development managers responsible for strategic planning, sales management, and prospecting for new customers to support and grow our solar PV solutions business segment. Additionally, we have 1 project engineer who brings specialised knowledge from his academic qualifications and experience gained from his previous employment, dedicated to developing and creating installation plans, including energy efficiency analysis for solar PV system projects as well as responsible for designing, installing, and maintaining solar PV systems. We will continue to undertake recruitment efforts in search of suitable personnel to strengthen our solar PV team and support the expansion of our solar PV solutions business. Since our venture into the solar PV solutions business, our Group has recorded revenue of approximately RM0.03 million and RM0.46 million in the FYE 2024 and FPE 2025, respectively.

We intend to expand our solar PV solutions business by collaborating with local solar PV solution providers to offer rooftop solar PV system installation for both the residential and commercial buildings. Through this approach, we aim to leverage the technical expertise of our potential collaboration partners while strengthening our operational capabilities in project consultation, design, and installation, as well as expanding our market reach and network. Our Group is in the midst of identifying suitable partner(s) for these purposes. The costs relating to the expansion of our solar PV solutions business was funded via our internally generated funds.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.21 EMPLOYEES

As at the LPD, our Group has a total workforce of 119 employees, all of whom are Malaysians employed on a permanent basis. We do not have any foreign workers employed within our Group. A summary of our Group's workforce as at 31 March 2025 and as at the LPD is as follows:

Category	No. of employees	
	As at 31 March 2025	As at the LPD
Executive directors	2	2
Finance and accounting	5	6
Business development	3	4
Human resources and administration	5	5
Sales and marketing	2	4
Operations(1)	73	70
Technical(2)	21	20
Maintenance	7	8
Total	**118**	**119**

Notes:

(1) The breakdown of our employees in the Operations department is as follows:

	No. of employees	
	As at 31 March 2025	*As at the LPD*
Operations Manager	*1*	*1*
Assistant Operations Manager	*1*	*1*
Security Manager	*2*	*1*
Truck driver	*18*	*16*
Engine driver	*7*	*7*
*Engine driver/ truck driver**	*8*	*8*
Yard supervisor	*2*	*2*
Health & safety officer	*1*	*1*
Security guard	*2*	*2*
General worker	*31*	*31*
Total	***73***	***70***

Note:

* *Employees who have dual roles as they are registered with the Department of Occupational Safety & Health as an engine driver and possess truck driving licence.*

(2) The breakdown of our employees in the Technical Department is as follows:

	No. of employees	
	As at 31 March 2025	*As at the LPD*
Technical Manager	*-*	*-*
Chargeman	*13*	*12*
*Chargeman/ engine driver**	*3*	*3*
Engineer (Solar PV division)	*2*	*1*
Engineer (Generator rental division)	*2*	*3*
Technical executive	*1*	*1*
Technician	*-*	*-*
Total	***21***	***20***

7. BUSINESS OVERVIEW *(Cont'd)*

Note:

* *Employees who have dual roles as they are certified by Energy Commission Malaysia as a chargeman and registered with the Department of Occupational Safety & Health as an engine driver.*

The breakdown of our Group's workforce based on work locations is as follows:

Location	No. of employees	
	As at 31 March 2025	As at the LPD
Klang Valley	87	88
Johor	20	19
Sabah[(1)]	11	12
Total	**118**	**119**

Note:

(1) For information, all the employees in Sabah are not based in the virtual office, they are based at the project sites.

As at the LPD, none of our Group's employees is a member of any union. For the FYE Under Review, the FPE 2025 and up to the LPD, there has not been any major industrial dispute pertaining to our employees.

7.22 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES

Our Board takes cognizance of the sustainability governance as set out in the Listing Requirements in Relation to Sustainability Reporting Framework, Bursa Securities' Sustainability Reporting Guide and Toolkit (3rd Edition) and Malaysian Code on Corporate Governance 2021 issued by the SC. Our Group has adopted some environmental, social and governance practices in ensuring environmentally responsible operations, conducting business responsibly and providing conducive workplaces for employees. As such, we will focus on the following sustainability matters:-

(a) Economy

Operation Sustainability: The management together with employees at our operation yards endeavour to adopt and adhere to carrying out activities that are acceptable to the norm and practice of our society in which no stealing, no damage to the public properties and harmful practices arises. All good conduct and good practices of contributing back to society are encouraged where our Group sometimes supplying electricity supplies at certain rural areas during calamity.

Streamlined Communications: Employees are encouraged to share ideas and suggestions to help minimise redundant work or embrace new methods introduced by our Group. Employees are encouraged to provide information to assist management in receiving timely information, enabling prompt-decision making for the next phase of the project, if necessary. As at the LPD, updates on the use of industrial diesel, movement of generator sets as well as worker activities can be tracked effectively.

(b) Environmental

Energy Efficiency: Our Group believes in preserving and caring for the environment. We are in the process of adopting sustainable practices in response to environmental issues such as climate change, energy efficiency, waste and pollution. Three years ago, we switched to Euro5 B7 Diesel, which is more environmentally friendly, to power both our generators and trucks. Our generators and trucks are maintained regularly to ensure optimal performance and efficiency.

7. BUSINESS OVERVIEW *(Cont'd)*

Greenhouse gas emissions: Our Group is considered a high emission entity because of our significant consumption of industrial diesel for our generators which produce considerable greenhouse gas ("**GHG**") emissions during power generation. As the GHG emissions are directly from our generators, such emissions are categorised as Scope 1 GHG emissions. The Scope 1 GHG emissions from our generators contribute to climate change and the deterioration of air quality. Given the nature of our Group's business, this environmental impact cannot be fully mitigated and/or eliminated. Nevertheless, our Group places strong emphasis on regular maintenance and servicing of our generators such as filter and oil replacement to ensure the generators are operating efficiently thereby optimising industrial diesel consumption and minimising unnecessary emissions.

Waste Reduction: We have also adopted sustainable practices in relation to waste handling. All scheduled wastes generated are properly stored, packaged, labelled and collected for treatment and disposal in a timely manner by a licensed service provider. Besides this, we had purchased Building 1 and Building 2 together with Lot 1 and Lot 2, respectively. Upon completion, these buildings will serve as our new headquarter and our new operation yard, replacing the existing operation yard located at Bandar Bukit Raja, Klang, Selangor. Building 1 and Building 2 are designed and built based on the GreenRE Silver Standard for industrial facilities, and are equipped with solar panels. The buildings will conform strictly to the GreenRE Silver Standard in all areas including energy efficiency, water efficiency, environmental protection and quality. The construction of these buildings are expected to be completed by the 3rd quarter of 2025.

(c) Social

Employee Safety and Health: Our Group is committed to acting responsibly to all our stakeholders in our business operations as well as to the community in which we operate. The safety, health and welfare of our employees in our workplace is one of our top priorities. Our Group is and will ensure compliance with Occupational Safety and Health Act 1994 (amendment) 2022 by protecting the health and safety of our employees against the risks arising from our work processes.

Labour Practices: We believe in Fair Labor Practices where all employees are treated equally and fairly. Any form of discrimination is strictly prohibited.

Diversity and Inclusion: We practice and promote gender and cultural diversity in our workplace. We embrace diverse cultures and genders among the Board members and employees.

(d) Governance

Ethical Business Practices: Our Group is committed to conducting our business ethically and in compliance with all relevant laws and regulations. In maintaining good corporate governance, our Board has progressively adopted all the applicable principles and practices as promulgated in the Malaysian Code on Corporate Governance. In addition, our Group has adopted a zero-tolerance policy towards bribery. As such, we have established various policies and procedures to promote and maintain compliance with the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

Board Diversity: We also embraced a diverse Board to bring varied perspectives and promote a range of experience, knowledge and skills.

Stakeholder Engagement: Engaging with stakeholders (e.g. customers, employees) to address concerns and incorporate feedback.

8. IMR REPORT

PROTEGE ASSOCIATES SDN BHD
SUITE C-11-12, PLAZA MONT' KIARA
2 JALAN KIARA, MONT' KIARA
50480 KUALA LUMPUR, MALAYSIA
GEN +603 6201 9301 FAX +603 6201 7302
www.protege.com.my

Protégé ASSOCIATES
BRAND | FINANCE | MARKET

The information in this Section 8 is based on market research conducted by Protégé Associates commissioned by Express Powerr Solutions (M) Bhd for the purpose of the IPO.

1 August 2025

The Board of Directors
Express Powerr Solutions (M) Bhd
No. 6, Jalan Tiara 5,
Bandar Baru Klang,
41150 Klang,
Selangor.

Dear Sirs/Madams,

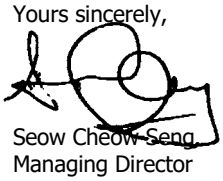
Independent Market Research Report on the Light Machinery and Equipment Rental Industry in Malaysia ("IMR Report")

Protégé Associates Sdn Bhd ("**Protégé Associates**") has prepared this IMR Report for inclusion in the Prospectus of Express Powerr Solutions (M) Bhd ("**Express Powerr**" or the "**Company**") in relation to its listing on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

We have been engaged to provide an independent market research of the abovementioned industry in which Express Powerr and its subsidiary ("**Express Power Group**", or the "**Group**") operate in. The market research process undertaken involved secondary research as well as detailed primary research when required, which involves interviews with the relevant stakeholders of the industry to discuss the state of the industry. Quantitative market information could be sourced from such interviews and therefore, the information is subject to fluctuations due to changes in business, industry and economic conditions.

We have prepared this IMR Report in an independent and objective manner and have taken adequate care to ensure the accuracy and completeness of the report. We believe that this IMR Report presents a balanced view of the industry within the boundaries and limitations of secondary statistics, primary research and continued industry movements. Our research has been conducted to present an overall view of the industry and may not necessarily reflect the performance of individual companies in this industry. Protégé Associates is not responsible for the decisions and/ or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this report.

Thank you.
Yours sincerely,



Seow Cheow Seng
Managing Director

About Protégé Associates Sdn Bhd

Protégé Associates is an independent market research and business consulting company. Our market research reports provide an in-depth industry and business assessment for companies raising capital and funding in the financial markets; covering their respective market dynamics such as market size, key competitive landscape, demand and supply conditions, government regulations, industry trends and the outlook of the industry.

Profile of signing partner, Seow Cheow Seng

Seow Cheow Seng is the Managing Director of Protégé Associates. He has 25 years of experience in market research, having started his career at Frost & Sullivan where he spent 7 years. He has a Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia.

COPYRIGHT NOTICE

No part of this IMR Report may be given, lent, resold, or disclosed to non-customers or any other parties, in any format, either for commercial or non-commercial reasons, without express consent from Protégé Associates. Furthermore, no part of this IMR Report may be extracted, reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, for purposes other than the listing of Express Powerr on the ACE Market of Bursa Securities, without the express consent from Protégé Associates.

Any part of this IMR Report used in third party publications, where the publication is based on the content, in whole or in part, of this IMR Report, or where the content of this IMR Report is combined with any other material, must be cited and sourced to Protégé Associates.

The research for this IMR Report was completed in July 2025.

For further information, please contact:

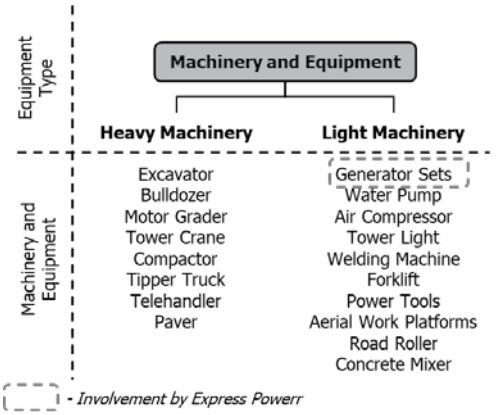
Protégé Associates Sdn Bhd
Suite C-11-12, Plaza Mont' Kiara,
2 Jalan Kiara, Mont' Kiara,
50480 Kuala Lumpur, Malaysia.
Tel: 603 6201 9201

© 2025, All rights reserved. **Protégé Associates Sdn Bhd**

1.0 Introduction to the Machinery and Equipment Rental Industry

Machinery and equipment play a crucial role in modern-day economic activities, especially more so in important industries such as the construction, manufacturing, oil and gas, and power generation. Machinery and equipment are used extensively across construction activities including earthmoving operations, aggregate production, concrete production and its placement, as well as road pavement operations. They are also utilised by the oil and gas as well as utility companies for power generation and extraction of fossil fuel.

Figure 1: Types of Machinery and Equipment



Note: the list of machinery and equipment above are not exhaustive and only serves as an example of the machinery in each category

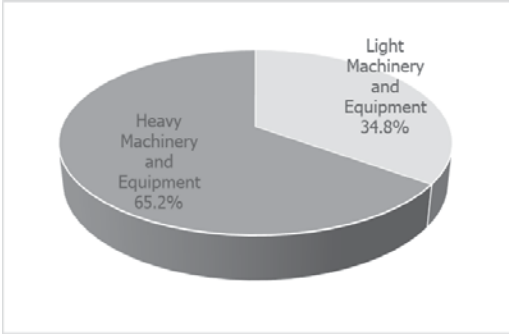
Source: Protégé Associates

In general, machinery and equipment can be segmented into heavy machinery and light machinery. Heavy machinery is specially designed for executing heavyweight tasks, such as those involving earthwork operations or other large lifting tasks. Heavy machinery typically functions through mechanical advantage, whereby the input force is amplified using hydraulic drives to achieve a much greater output force. This serves to make tasks which require substantial labour without the use of heavy equipment far less intensive and much more efficient.

On the other hand, light machinery generally refers to machinery and equipment or tools used to support operations at a worksite and can range from handheld tools such as wheelbarrow and plate compactors to medium-sized equipment such as backhoes and forklifts. **This segment also includes generator sets that are used to power other machinery and equipment or other electrical devices.**

In 2024, the machinery and equipment rental industry in Malaysia stood at RM2.58 billion, which was an increase of 8.8% as compared to RM2.37 billion in the previous year. The Malaysian economy demonstrated resilient growth in 2024, with gross domestic product ("**GDP**") expanding by 5.1% during the year. Growth was primarily driven by strong domestic demand, increased investment activities, resilient household consumption, and a rebound in exports. In particular, the construction sector registered double digit growths, contributing positively to overall economic expansions. In 2024, the heavy machinery and equipment segment dominated the industry with a 65.2%, with the remaining contributed by the light machinery and equipment segment. In 2025, the industry is forecast to further expand to RM2.76 billion.

Figure 2: Breakdown of the Machinery and Equipment Rental Industry in Malaysia, 2024



Source: Protégé Associates

The benefits of renting machinery and equipment comes not only from saving cost of buying new equipment, but also enables end-users to reduce the incurrence of other expenses such as labour cost, maintenance cost, and operational costs. In addition, end-users can also avoid the hefty cost of timely maintenance and repair of the machinery and equipment, thus further increasing the appeal of renting machinery and equipment rather than purchasing them. The procurement of new machinery and equipment often requires high down payments and may affect the cash flow of the purchaser. Furthermore, there are other overhead costs in acquiring new machinery and equipment, which include

interest on loans, insurance cost, licensing cost and storage; all of which needs to be borne by the purchaser. Equipment owners are also required to transport the equipment between worksites. On the other hand, if a company decides to rent the machinery and equipment, the machinery and equipment rental companies would be the party responsible for delivering the equipment to the new worksite. Additionally, machinery and equipment rental companies generally upgrade their fleet of equipment and machinery on a regular basis, thus providing customers with upgraded and most advanced equipment.

2.0 Overview of the Generator Sets Market in Malaysia

A generator set can be described as a piece of equipment, consisting of an engine and an alternator/electric generator, and is mainly used for electricity generating purposes. The engine converts the chemical energy of a fuel (such as diesel, gasoline or natural gas) into mechanical energy. The mechanical energy is used to spin the alternator rotor, which then converts mechanical energy into electrical energy.

Generator sets are often used in areas that are not connected to the power grid, or in places where power outages are frequent. Generator sets can serve as the main source of energy or as a supplementary power, to be utilised during peak usage hours.

There are three basic types of generator sets, namely whole house generator sets, portable (mobile) generator sets and inverter generator sets. Whole house generator sets (home standby generator sets) are generally used to power a whole house and are designed to provide ample power for most electrical appliances and heating, ventilation and air conditioning ("**HVAC**") systems. Inverter generator sets are usually used for camping, boating and other recreational activities. They are generally lightweight, easy to transport and used to power small items such as lights, portable fans, radios and smartphones.

Portable generator sets are often used on worksites or event sites to provide limited power for air compressors, air conditioning units, band saws, drills and other small-sized equipment. Portable generator sets also include vehicle mounted generator sets, which are generator units applied to industrial trucks, vans, trailers or other mobile vehicles. To protect the generator set from elements such as sun and rain, they are generally mounted inside a cargo trailer for protection. Vehicle mounted generator sets sometimes get utilised in stationery operations due to their size, durability and wide range of applications.

Generator sets can also be differentiated based on the type of generator fuel used. Some of the common types of generator fuel include gasoline (petrol), diesel, natural gas, propane and bi-fuel (can burn gasoline or diesel and has a natural gas hookup). Other types of generator sets include solar generator sets and battery generator sets. Solar generator sets are usually portable generator sets. More solar panels are often installed to increase its power output. Battery generator sets mainly refer to battery-powered inverter generator sets. They often take time to charge. Solar generator sets and battery generator sets tend to have lower power output as compared to fuel-based generator sets.

In Malaysia, generator sets are used across various end-user industries including the construction, mining, oil and gas, telecommunications, power generation, healthcare, event management, data centres and IT services, as well as emergency services and disaster relief industries. In particular, generator sets are used in the construction industry to power tools, lighting, and temporary facilities in temporary locations where grid power may not be available. In the mining and oil and gas industries, generator sets are used for powering lighting, ventilation systems, drilling rigs, pumps, compressors and other equipment in remote and offshore locations where grid power is not available. Within the power generation industry, generator sets are used as backup power sources for substations, grid control centres, and critical infrastructure to ensure grid stability and reliability during emergencies or power failures.

Protégé ASSOCIATES
BRAND | FINANCE | MARKET

3.0 Historical Market Performance and Growth Forecast

The light machinery and equipment rental industry encompasses the rental of a wide range of machinery and equipment including generator sets, tower lights, welding machines, power tools, forklifts and aerial work platforms. As such, the light machinery and equipment rental industry has been used to represent the industry Express Powerr operates in.

For industry players that are involved in the rental of light machinery and equipment, a key part of their operations includes providing repair and maintenance of light machinery and equipment to keep them in good working condition to support the continual rental to customers. Customers often opt to rent these light machinery and equipment before deciding to purchase. This is to ensure that the machinery and equipment are suitable for the required scope of work. As some customers have multiple projects, it is also more cost effective for them to purchase and use it across different projects. As such, the local light machinery and equipment rental industry encompasses both rental and sales of reconditioned light machinery and equipment. While some industry players may also sell new light machinery and equipment if the customers require them.

In Malaysia, the performance of the light machinery and equipment rental industry is dependent on end user industries such as construction, power generation and oil and gas industries, as well as other industries including telecommunications, event management, mining, emergency services and disaster relief industries. Reflecting the performance of its end-user industries, the light machinery and equipment rental industry stood at RM899.7 million in 2024, which was an increase of 9.5% from RM821.7 million recorded in 2023.

Figure 3: Historical Size (Revenue) and Growth Forecast for the Light Machinery and Equipment Rental Industry in Malaysia, 2022-2029

Year	Size (Revenue) (RM million)	Growth Rate (%)
2022	778.8	-
2023	821.7	5.5
2024	899.7	9.5
2025[f]	953.7	6.0
2026[f]	1,025.2	7.5
2027[f]	1,107.2	8.0
2028[f]	1,195.8	8.0
2029[f]	1,297.5	8.5

CAGR (2025-2029) (base year of 2024): 7.6%
Note: [f] denotes forecast

Source: Protégé Associates

The Malaysian economy expanded by 5.1% in 2024, up from 3.6% recorded in 2023. Growth in country was supported primarily by continued expansion in domestic demand and a rebound in exports. From the domestic front, growth was mainly driven by stronger household spending arising from favourable labour market conditions, policy measures to support households as well as healthy household balance sheets. Additionally, robust investment approvals and the continued advancement of multi-year projects from both the private and public sectors, including those under national master plans, had helped fuel investment growth. In particular, the construction sector expanded by 17.5% in 2024 following a growth of 6.1% in the previous year. Externally, exports continued to rebound on the back of stable global growth and an ongoing tech upcycle. Growth was also supported by higher tourist arrivals and spending.

Going forward, growth within the industry is expected to be supported by recovery and expansion in end-user industries. The industry is projected to reach RM953.7 million in 2025 and expand at a CAGR of 7.6% to reach RM1,297.5 million in 2029.

3.1 Competitive Analysis

The light machinery and equipment rental industry in Malaysia is considered mature and fragmented with the presence of a significant number of industry players mostly comprising small and medium-sized enterprises. The industry is characterised by competition based on factors such as quality and availability of equipment, service offerings, pricing as well as customer support. While some industry players tend to focus on the rental of a specific type of machinery or equipment, there are industry players that also provide rental of a range of light machinery and equipment such as forklifts, tower lights, air compressors, welding machines and water pumps. Some industry players may also venture into the provision of heavy machinery and equipment rental.

In addition to provision of machinery and equipment rental services, many of the industry players may also provide other related services such as sales of reconditioned machinery and equipment. As at end of 2024, it is estimated that there are around 700 industry players operating in the light machinery and equipment rental industry in Malaysia.

3.1.1 Comparable Market Players

Express Powerr through its wholly-owned subsidiary, Express Mission Sdn Bhd is principally involved in the provision of generator rental services. For its financial year ended 31 December ("**FYE**") 2024, Express Powerr recorded an annual revenue of RM70.2 million from its operations. For the purpose of comparison, Protégé Associates has selected the following industry players that are comparable to Express Powerr, based on the following criteria:

- Principally involved in the light machinery and equipment rental industry in Malaysia, and focuses on the rental of generator sets;
- Recorded an annual turnover of above RM5 million based on latest publicly available financial information.

The list of industry players is not exhaustive, and each industry player may have more than one business activity other than rental of light machinery and equipment.

Figure 4: Comparison between Express Powerr and Selected Market Players

Company	Principal Activities	Financial Year Ended	Revenue (RM)	Gross Profit (RM)	Profit/ Loss After Tax (RM)	Gross Profit Margin (%)	Profit/ Loss After Tax Margin (%)
Express Powerr Group	The company is principally involved in the provision of generator rental services.	31-12-2024	70,167,000	37,394,000	16,596,000	53.3	23.7
Anjur Ekar Sdn Bhd	The company is principally involved in design, supply and installation of generator sets and also rental of Habitat System and generator sets; establishment, maintenance and provision of communication services, telecommunication infrastructure	31-12-2023	8,156,551	1,685,001	165,589	20.7	2.0

8. IMR REPORT *(Cont'd)*

Company	Principal Activities	Financial Year Ended	Revenue (RM)	Gross Profit (RM)	Profit/ Loss After Tax (RM)	Gross Profit Margin (%)	Profit/ Loss After Tax Margin (%)
	services, telecommunications equipment and related services.						
Anzeco Powertech Sdn Bhd	The company is principally involved as a distributor and supplier of removable power genset, business of plantations, agriculture and cultivations, and business of natural products, agricultural and silvicultural cash crops.	30-06-2024	18,235,821	5,505,599	477,213	30.2	2.6
Dynasynergy Technology Sdn Bhd	The company is principally involved in the design, engineering, installation, testing and commissioning of power systems and solar photovoltaic systems as well as provision of technical support and supply of diesel.	31-12-2023	48,950,125	8,321,232	2,302,965	17.0	4.7
FG Generator Sdn Bhd	The company is principally involved in engineering, manufacturing, trading, service and rental of power generation equipment, related systems and other industrial equipment.	30-06-2024	12,024,905	5,649,609	2,972,625	47.0	24.7
Gelombang Prestij Sdn Bhd	The company is principally involved in the renting and leasing of other machinery, equipment and tangible good not elsewhere categorised.	30-06-2024	15,566,844	9,014,799	901,752	57.9	5.8
HN Citra Cahaya Sdn Bhd	The company is principally involved in the sales and lease of generator sets, provision of related technical services and wholesale distribution of petrol, diesel and lubricants.	30-09-2024	13,516,187	419,790	-314,876	3.1	-2.3
Kejuruteraan Kuasa Bumi Sdn Bhd	The company is principally involved in the business of electrical wiring works, labour supplies and hire of generator sets.	30-09-2024	15,392,242	4,828,373	312,980	31.4	2.0
Kejuruteraan Letrik KB Sdn Bhd	The company is principally involved as an electrical wiring contractor and supply of electrical appliances and equipment.	31-03-2024	67,832,332	11,504,628	839,310	17.0	1.2

8. IMR REPORT *(Cont'd)*

Company	Principal Activities	Financial Year Ended	Revenue (RM)	Gross Profit (RM)	Profit/ Loss After Tax (RM)	Gross Profit Margin (%)	Profit/ Loss After Tax Margin (%)
L & T Machinery Enterprise Sdn Bhd	The company is principally involved as suppliers and hires of equipment and machinery particularly that of power generator sets, for industrial and commercial use.	31-12-2023	14,777,306	8,100,327	489,264	54.8	3.3
TTL Sales & Rental Sdn Bhd	The company is principally involved in the sales and rental of light machinery and equipment.	31-12-2023	40,272,087	24,784,058	11,922,283	61.5	29.6

Notes:

1. *The list of market players is alphabetically arranged and does not constitute as a ranking;*
2. *The companies above are considered comparable with Express Powerr as they are involved in the light machinery and equipment rental industry in Malaysia and also focuses on the rental of generator sets. Each company may also be involved in the rental of other types of light and heavy machinery and equipment or may be involved in other business activities.*
3. *Financial information of comparable market players and Express Powerr such as revenue, gross profit and profit/ loss after tax were based on information from Companies Commission of Malaysia and Express Powerr, respectively while the financial ratios in the table were computed by Protégé Associates.*

Source: Companies Commission of Malaysia, Express Powerr and Protégé Associates

3.2 Market Share Analysis

The revenue generated by Express Powerr in FYE 2024 was RM70.2 million, which is equivalent to 7.8% of the market size (revenue) of the light machinery and equipment rental industry in Malaysia in 2024. The market share is derived from dividing the revenue of Express Powerr Group in FYE 2024 of RM70.2 million by the revenue figure of RM899.7 million in Section 3.0, the market size (revenue) of the light machinery and equipment rental industry in Malaysia in 2024.

4.0 Demand and Supply Conditions

4.1 Demand Conditions

Figure 5: Demand Conditions Affecting the Light Machinery and Equipment Rental Industry in Malaysia, 2025-2029

Impact	Demand Conditions	Short-Term	Medium-Term	Long-Term
		2025-2026	2027-2028	2029
+	Demand from End-user Industries	High	High	High
+	Preparation for Emergencies	Medium	Medium	Medium
+	Power Outages Occurrences	Low	Low	Low

Source: Protégé Associates

Demand from End-user Industries

The performance of the light machinery and equipment rental industry is closely related to demand from its various end-user industries. Of note are industries such as power generation, construction, oil and gas, and event management industries which require temporary light machineries and equipment such as water pumps, tower lights, power tools, aerial work platforms to perform business operations and activities, as well as generator sets that can provide reliable power solutions. These industries are some of the main drivers of growth for the local light machinery and equipment rental industry.

Power Generation Industry

While there is an abundance of renewable and non-renewable energy sources in Malaysia, coal, as well as oil and gas, which are non-renewable sources of energy, remains the largest energy contributor in the country and continues to be actively exploited. However, amid growing environmental concerns throughout the world and calls for the reduction in greenhouse gas emission, the Malaysian Government has identified renewable energy as a fifth energy source to supplement the four main existing ones, namely oil, natural gas, coal and hydroelectricity.

Tenaga Nasional Berhad ("**TNB**") plays a pivotal role in driving Malaysia's progress and development by ensuring stable electricity. At the same time TNB has also been investing in new technologies to promote energy efficiency and in new energy sources as part of the National Energy Transition Roadmap. Malaysia remains committed to achieve a 31.0% renewable energy target by 2025. As such, TNB had invested RM21 billion in its Grid of the Future programme from 2022 to 2024 to enhance its transmission and distribution network readiness and reliability. Furthermore, to support Malaysia's net-zero emission agenda by 2050, TNB had in August 2022 announced its intention to invest RM20 billion worth of capital expenditure annually over the next 28 years to achieve this target. Furthermore, under Budget 2025, the Malaysian Government had provided an allocation of over RM300 million under the National Energy Transition Facilitation fund with several projects entering the implementation phase including the Hybrid Hydro Floating Solar Farms Phase 1 in Chenderoh and Kenyir, Pahang that is envisaged to generate up to 1,000 megawatts, and the development of a utility-scale solar power plant with a quota of 2,000 megawatts.

The power generation industry is a major end-user market of the light machinery and equipment rental industry, whereby light machinery and equipment including generator sets are used in the engineering, procurement and construction of power grids as well as other generation and transmission projects. As such, TNB's continued investment into the local power generation industry is expected to spur demand for light machinery and equipment rental services.

Construction Industry

Due to the high economic multiplier effect the local construction industry has on the country's economy, the Malaysian Government is committed to support the local infrastructure market. Sizeable road network and public transportation related projects had been announced under Budget 2024, including the commencement of the Sarawak-Sabah Link Road Phase 2 project, spanning over 320 kilometres, involving a cost of nearly RM7.4 billion as well as the continuation of the North-South Expressway lane expansion project (from 4 to 6 lanes) involving the expansion of lanes from Sedenak to Simpang Renggam at a cost of RM931 million. The Malaysian Government had also agreed to the resumption of the previous proposal to construct 5 Light Rail Transit Line 3 ("**LRT 3**") stations that were previously cancelled, with a cost of RM4.7 billion. It was also announced that the construction of the Penang light rail transit to Seberang Perai will amount to RM10 billion through the public-private partnership approach based on the initial estimates by the Penang State Government.

The Malaysian Government's focus on home ownership remains evident in Budget 2024 with a total of RM2.47 billion allocated to implement housing projects for the rakyat in 2024. These include a special guarantee fund of RM1 billion to encourage reputable developers to revive identified abandoned projects, RM546 million to continue the implementation of 36 Program Perumahan Rakyat ("**PPR**"), including a new project in Kluang, Johor, RM358 million to continue 14 Program Rumah Mesra Rakyat involving the construction of 3,500 housing units, RM460 million to aid approximately 65,000 impoverished rural residents for the construction of new homes or the renovation of their existing dilapidated houses, and RM100 million for the maintenance of low- and medium-cost public and private strata housing projects nationwide. Affordable housing remained a priority for the Malaysian

Government under Budget 2025, whereby nearly RM900 million is allocated for the development of 48 PPR projects and 14 Rumah Mesra Rakyat projects. In addition, the Malaysian Government will continue to guarantee housing financing up to RM10 billion for the benefit of 20,000 home buyers.

As light machinery and equipment including generator sets are largely used in the construction industry, increased infrastructure and real estate construction in Malaysia is expected to lead to higher demand from contractors undertaking the construction projects. In particular, projects such as building construction and road development require generator set rental services to provide temporary power solutions during construction phases for power tools, machinery, lighting and other equipment on construction sites.

Oil and Gas Industry

The oil & gas industry typically operates in remote and challenging environments where generator sets are required to provide temporary power solutions during exploration, drilling and production operations. In Malaysia, the oil and gas industry forms part of the broader mining and quarrying sector, and has been pivotal for the country's economy. In 2024, crude oil, condensate, and natural gas related activities accounted for 5.4% (RM88.80 billion) of the Malaysia's GDP.

PETRONAS who is the custodian of Malaysia's petroleum resources, plays an important role in driving the growth of the local oil and gas industry. PETRONAS fosters collaborations and partnerships throughout the value chain and asset life by working with operators involved in petroleum activities. At the same time, the Malaysian Investment Development Authority ("**MIDA**") remains focused on the continued strategic integration in the country's downstream oil and gas operations to meet demands and capture value across the oil and gas value chain. MIDA also encourages more joint ventures or collaborations between local and foreign players with expertise to enhance local capabilities via knowledge transfer. There has also been continued investments into the local oil and gas industry. Following 26 approved mining projects worth RM24.00 billion in 2022, another 47 projects worth RM8.77 billion was approved for the mining sector in 2023. According to MIDA, as at September 2024, there were a total of 27 projects worth RM4.46 billion approved. This is expected to bode well for the development of the Malaysian oil and gas industry. As generator sets are also utilised in the oil and gas industry as a source of power, particularly to assist with drilling and exploration activities, the expansion of the oil and gas industry is expected to drive demand for generator sets rental.

Event Management Industry

The event management industry in Malaysia plays an important role in the country's business and tourism sectors, attracting both domestic and international visitors. Over the years, Malaysia has been proactively developing and positioning itself as a highly attractive and conducive location for hosting events.

The event management industry is one of the important drivers of demand for light machinery and equipment in particular generator sets in Malaysia. Events of various types and sizes require reliable and temporary power solutions to operate smoothly. Generator sets rental services are typically engaged for outdoor events such as concerts, sporting events, music festivals, weddings, and fairs to provide power to run stages, sound systems, lighting, food stalls, and other event related infrastructure and equipment. Generator set rental service providers can provide cost-effective and flexible power solutions that are customisable to the needs of the event in terms of engagement period, generator sizes and capacities, and even serving as emergency backup power solutions.

According to Malaysia Convention and Exhibition Bureau, an agency under the Ministry of Tourism, Arts and Culture, the Malaysia's meetings, incentives, conventions and exhibitions ("**MICE**") industry have secured a total of 123 events have been secured from the period 2022 to 2030 which would see a total number of 177,000 delegates attending. These developments augur well for the light machinery and equipment rental industry in Malaysia going forward. In particular, demand for generator set rental services for reliable and temporary power solution is also expected to rise in tandem with the expected increase in number of events.

Preparation for Emergencies

Light machinery and equipment in particular generator sets are often used during emergencies. Generator set rental services are critical for Malaysia's emergency preparedness by providing reliable backup power solutions rapidly during crises. During emergencies, temporary infrastructure may need to be established and generator set rentals can power these facilities, enabling them to function effectively until normal power supply is restored. This is particularly important for critical facilities such as hospitals, emergency response centres, communication networks and relief shelters where any disruption in the main power supply needs to be remedied immediately through backup power.

In Malaysia, climate change effects have been varied although flooding, droughts, and heat waves occurrences have all worsened. Specifically, in 2021, 208,622 people were affected by disasters that struck several states in Malaysia with 1,776 temporary evacuation centres set up to cater for displaced victims. Similarly, 192,582 people were affected by disasters with 1,469 temporary evacuation centres set up in 2022, while there were 201,712 people affected by disaster and were evacuated to 1,218 centres in 2023. Going forward, the demand for generator set rental services to provide reliable backup power solutions will rise in tandem with disaster occurrences as Malaysia gears up to mitigate against and adapt to climate change.

Power Outages Occurrences

Power outages refer to the sudden loss of electrical power in a particular area or across an entire region. In Malaysia, occasional power outages may occur due to various factors including equipment failure, maintenance work, severe weather conditions, natural disasters or grid failures leading to electricity supply disruptions. Despite preventive measures, unforeseen equipment failures can still occur from time to time, and can lead to disruptions in the supply of electricity. Meanwhile, maintenance power outages are planned and communicated in advance, and its frequency can vary subject to maintenance schedule and infrastructure requirements. Severe weather and natural disasters depending on their intensity and occurrence, can cause damage to power lines, transformers, and other infrastructures, resulting in temporary power disruptions. Lastly, grid failures could come about as a result of failures of power grid components including voltage regulators, capacitors, and control systems which impact the stability and reliability of the grid, thereby leading to power disruptions. Power outages can have significant impact on individuals, businesses and infrastructures thereby driving the demand for light machinery and equipment such as generator sets.

Generator set rental service providers help businesses particularly those in industries such as manufacturing, healthcare, data centres, and retail, which rely heavily on uninterrupted power supply, in mitigating the negative impacts of power outages by providing temporary power solutions during outages. This also extends to the demand for generator sets by factories and plants during routine maintenance or shutdowns to ensure the optimal operating condition of the factory and plant as well as the machineries and equipment within.

Also, generator set rental service providers play a critical role in powering essential infrastructure such as transportation system, water treatment plants, or sewage systems during outages, thereby ensuring public safety and minimal disruption to services. Accordingly, as Malaysia continues to develop and more manufacturing factories and healthcare facilities, data centres as well as retail outlets are being constructed, the potential need for generator set rental services to ensure uninterrupted power supply even during power outages is also expected to rise.

4.2 Supply Conditions

Figure 6: Supply Conditions Affecting the Light Machinery and Equipment Rental Industry in Malaysia, 2025-2029

Impact	Supply Conditions	Short-Term	Medium-Term	Long-Term
		2025-2026	2027-2028	2029
+	Higher Demand Sees Entry of More New Players	High	High	High

8. IMR REPORT *(Cont'd)*

Impact	Supply Conditions	Short-Term	Medium-Term	Long-Term
		2025-2026	2027-2028	2029
-	Labour Shortage and High Dependency on Foreign Workers	High	High	High

Source: Protégé Associates

Higher Demand Sees Entry of More New Players

As an industry that is dependent on the performance of its end-user industries, the higher demand from end-user industries as they expand is expected to attract new industries players to enter the light machinery and equipment rental market. Infrastructure development and construction activities as well as businesses set up new manufacturing factories, healthcare facilities, data centres, and shopping malls as a result of the continuous economic development in Malaysia is expected to increase demand for light machinery and equipment including for generator sets. With higher demand coming from end-user industries, existing industry players within the local light machinery and equipment rental industry are required to expand their existing fleet to cater to the increased demand. The expansion of the industry is also expected to lead to new players entering the industry to have a share of the industry. The number of industry players within the local light machinery and equipment rental industry has been estimated to have expanded from more than 550 players in 2015 to around 700 players in 2024.

Labour Shortage and High Dependency on Foreign Workers

The local construction industry continues to face labour shortage issues. As most locals avoid construction jobs, the local construction industry has been relying heavily on foreign workers. This challenge has been made more difficult with policies on foreign workers being constantly under close scrutiny and is subject to frequent changes particularly on levy rates and number of foreign workers allowed to work in Malaysia. The lack of foreign labour may also affect the growth of the local construction industry with delay in new construction projects or existing construction projects taking longer periods to complete, or in some cases temporary abandoned. The lack or slowdown of construction activity in turn affect the generator set rental industry.

5.0 Prospects and Outlook of the Light Machinery and Equipment Rental Industry in Malaysia

The prospect and outlook of the light machinery and equipment rental industry in Malaysia remains positive and is expected to expand further going forward.

In terms of demand, growth will mainly be driven by expansion from the various end-user industries including power generation, construction, oil and gas, and event management industries. The need for temporary machineries and equipment to perform business operations and activities as well as reliable and temporary power solutions to ensure smooth operations and prevent downtime will spur demand for light machinery and equipment rental services going forward. These also extends to some factories and plants requiring generator sets during routine maintenance or shutdowns to ensure the optimal condition of the factory or plant as well as the machinery and equipment within. Other factors include the need to prepare for emergencies as Malaysia gears up to mitigate against and adapt to climate change. At the same time, with new manufacturing factories, healthcare facilities, data centres as well as retail outlets being constructed as the Malaysian economy grows, there is a need for generator set rental services to ensure uninterrupted power supply even during power outages.

On the supply side, the expansion of end-user industries is expected to spur existing industry players to expand their fleet and will also attract new participants into the industry. However, as many of the end-user industries are reliant on foreign workers, the current labour shortage issue may pose a challenge for these end-user industries, and may in turn dampen growth of the local light machinery and equipment rental industry.

The light machinery and equipment rental industry in Malaysia was valued at RM899.7 million in 2024. Protégé Associates projects the size (revenue) of the light machinery and equipment rental industry in Malaysia to expand at a CAGR of 7.6% from RM953.7 million in 2025 to RM1,297.5 million in 2029.

9. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER, IN ADDITION TO THE OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, THE FOLLOWING RISK FACTORS (WHICH MAY OCCUR EITHER SEPARATELY OR IN COMBINATION) THAT MAY HAVE ADVERSE IMPACT ON THE FUTURE PERFORMANCE OF OUR GROUP BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 We are highly dependent on 4 major customers

Our Group provides generator rental services to TNB, directly and indirectly via its approved vendors and SESB, indirectly via Dynasynergy. The total direct and indirect revenue contribution from TNB and SESB to our Group's revenue generated from our generator rental services for the FYE Under Review and the FPE 2025 are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
TNB										
- Direct	-	-	5,928	18.87	15,617	39.61	19,169	27.33	4,182	33.72
- Indirect	15,756	81.46	18,677	59.46	16,563	42.01	21,398	30.51	3,862	31.14
Subtotal	**15,756**	**81.46**	**24,605**	**78.33**	**32,180**	**81.62**	**40,567**	**57.84**	**8,044**	**64.86**
SESB										
- Indirect	**-**	**-**	**-**	**-**	**-**	**-**	26,961	38.44	2,297	18.52
Total	**15,756**	**81.46**	**24,605**	**78.33**	**32,180**	**81.62**	**67,528**	**96.28**	**10,341**	**83.38**

Hence, our Group is highly dependent on TNB and other 3 major customers, namely KLKB, KKB, and Dynasynergy to provide generator rental services to TNB and SESB indirectly. The revenue contributions breakdown from our said major customers to our Group's revenue generated from our generator rental services during the FYE Under Review and the FPE 2025 are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
KLKB	9,983	51.62	13,775	43.85	11,023	27.96	15,788	22.51	2,996	24.16
KKB	4,319	22.33	4,009	12.76	5,540	14.05	5,610	8.00	866	6.98
TNB	-(1)	-(1)	5,928	18.87	15,617	39.61	19,169	27.33	4,182	33.72
Dynasynergy	-	-	-	-	-	-	26,961	38.44	3,618(2)	29.18
Total	**14,302**	**73.95**	**23,712**	**75.48**	**32,180**	**81.62**	**67,528**	**96.28**	**11,662**	**94.04**

9. RISK FACTORS *(Cont'd)*

Notes:

(1) Prior to the FYE 2022, we did not provide generator rental services directly to TNB but indirectly through its approved vendors

(2) Including the revenue generated from Dynasynergy of RM1.32 million which is not related to SESB.

The revenue generated from KLKB, KKB, TNB (save for the FYE 2021) and Dynasynergy (for the FYE 2024 and FPE 2025) collectively accounted for 73.95%, 75.48%, 81.62%, 96.28% and 94.04% of our Group's revenue generated from our generator rental services for the FYE Under Review and the FPE 2025, respectively.

Our financial performance may be adversely affected if KLKB, KKB, TNB and/or Dynasynergy reduce or cease using our generator rental services. In the event we are not able to promptly secure or replace one or more of our major customers with new customers that can contribute to our revenue in a similar level, our financial performance would be adversely affected.

As at the LPD, our Group has service agreements, Service Contracts and Letter of Award with our said major customers. During the FYE Under Review, FPE 2025 and up to the LPD, we have not experienced any business disruptions (such as non-fulfilment or termination of service agreements/Service Contracts/Letter of Award) with KLKB, KKB, TNB and/or Dynasynergy and encountered any penalties which had material adverse impact on our financial performance. Notwithstanding, there is no assurance that KLKB, KKB, TNB and/or Dynasynergy will continue to procure our services or the demand from them will be sustained at current levels in the future. In the event our Group is in breach with the terms or does not fulfil the obligations as set out in the service agreements/Service Contracts/Letter of Award, our said major customers may impose penalties on us and/or terminate the service agreements/Services Contracts/Letter of Award with us which will adversely affect our financial performance.

For further information:

(i) either our Group and KKB or KLKB has the right to terminate the service agreements by written notice if, among others, the other party breaches any of the material terms of the service agreements and fails to remedy such breach within a prescribed period;

(ii) TNB has the right to terminate the Service Contacts in the event of, among others, a breach by our Group of any of the terms therein and our Group's failure to remedy such breach within a prescribed period. In addition, TNB may terminate the Service Contracts without cause by providing written notice to our Group, with such termination taking effect 30 days from the date of the notice; and

(iii) Dynasynergy has the right to terminate the Letter of Award in the event of, among others, a breach by our Group of any terms and undertakings therein and our Group's failure to remedy such breach within a prescribed period.

Please refer to Section 7.10 of this Prospectus for the salient terms and conditions of the said service agreements, Service Contracts and Letter of Award.

9.1.2 Our business operations are subject to fluctuation in the prices of industrial diesel

Industrial diesel is our major supply consumed for our operations. It is a commodity where its price fluctuates from time to time due to various factors, including but not limited to, fluctuation in the global crude oil prices, global supply and demand conditions, economic and political factors that are beyond our control. For the FYE Under Review and FPE 2025, the consumption of industrial diesel accounted for 78.35%, 74.40%, 72.35%, 73.97% and 76.04% of our Group's total cost of supplies consumed and services procured by our Group for our provision of generator rental services, respectively. Further details of our supplies consumed and services procured by our Group for our provision of generator rental services are set out in Section 7.8 of this Prospectus.

9. RISK FACTORS *(Cont'd)*

The historical highest and lowest market price of industrial diesel for each year of the past 10 years are as follow:

	Market price (RM/ litre)	
	Lowest	**Highest**
FYE 2015	1.29	1.89
FYE 2016	1.12	1.94
FYE 2017	1.60	2.12
FYE 2018	1.99	2.56
FYE 2019	2.01	2.24
FYE 2020	1.01	2.00
FYE 2021	1.68	2.77
FYE 2022	2.90	5.39
FYE 2023	2.81	4.11
FYE 2024	2.29	3.70

An increase in the price of industrial diesel will increase our operating costs and in the event that we are unable to fully pass on these increased costs to our customers, it may have an adverse impact on our financial performance. In FYE 2022, our GP margin was materially impacted due to the industrial diesel price fluctuated significantly (as illustrated in the table above) and we were not able to fully pass on the increased cost to our customers. Save for FYE 2022, for the FYE Under Review, FPE 2025 and up to the LPD, the fluctuations in industrial diesel prices have not significantly impacted our financial performance. However, there is no assurance that fluctuations in diesel price will not adversely affect our financial performance in the future.

9.1.3 Our business and operations are dependent on our fleet of generators being in the state of operable and working condition at all times

Our business and operations are dependent on our fleet of generators being in the state of operable and working condition at all times. Hence, it is critical that our generators are well-maintained to enable it to operate efficiently and reliably over an extended period, regardless of its age. In the event that large number of our generators are unavailable due to major breakdown, malfunction or become obsolete, our business operations and financial performance may be adversely affected if the affected generators are not repaired or replaced in a timely manner. Generators become obsolete when the costs to repair and maintain them become not economically feasible, or the required replacement parts are no longer available.

We perform routine maintenance on our generators in-house to ensure that all our generators are available in good and operable conditions at all time. If major repairs which require specialised skills or tools, we may outsource them to third-party services providers. In the event our generators become obsolete, we will purchase generators to replace the obsolete generators. As at the LPD, we have 115 units of generators and none of them is obsolete or expected to become obsolete.

For the FYE Under Review and FPE 2025, we have incurred capital expenditure of RM1.83 million, RM3.76 million, RM2.88 million, RM4.43 million and nil, respectively, for the purchase of generators as part of our fleet expansion or to replace our obsolete generators in order to stay competitive. For information, the lead time for sourcing of used or new generators is generally up to 90 days which the duration is mainly depending on the availability of suitable generators in the market.

For the FYE Under Review, FPE 2025 and up to the LPD, we have not experienced any material impact on our business operations and financial performance due to large number of generators not available for rental and any difficulties nor experienced longer lead-time in sourcing generators from our suppliers. Nevertheless, there is no assurance that all of our fleet of generators are always in the state of operable and working condition and will be available for rental at all times, which in turn will have an adverse impact to our business operations and financial performance.

9. RISK FACTORS *(Cont'd)*

9.1.4 We rely on skilled and experienced workforce for our operations

We rely on skilled and experienced workforce to ensure smooth and uninterrupted operations. As at the LPD, our operational and technical team comprises 15 chargemen certified by Energy Commission Malaysia to manage low and high voltage systems, 15 engine drivers and 31 general workers who possess the relevant technical background and experience to address any technical issues faced by our customers. In the event of any shortage of skilled and experienced workforces, and we are not able to replace or hire new employees with the requisite technical skills, expertise and know-how in a timely manner, our operations may be adversely affected.

During the FYE Under Review, the FPE 2025 and up to the LPD, we have not experienced any material disruption on our operations due to shortage of skilled and experienced workforce. Nevertheless, there is no assurance that such shortages of skilled and experienced workforce will not have an adverse impact to our operations.

9.1.5 We are dependent on our Executive Directors and key senior management for continued success and growth of our business

The continued growth and success of our Group is dependent on the experience, industry knowledge and business network of our Executive Directors and key senior management. Our Executive Directors and key senior management play a crucial role in their respective areas of responsibility to ensure our day-to-day operation run smoothly. In addition, our Executive Directors are directly responsible for the leadership, business development and sales and marketing operations of our Group which play a key role to drive the future growth of our Group.

Notwithstanding the above, the loss of any of our Executive Directors and key senior management without suitable replacements in a timely manner may adversely impact our Group's operations and financial performance.

9.1.6 We are exposed to credit risks and default payment by our customers

The credit terms granted to our customers range from 30 to 120 days. However, we may grant extensions to our standard credit terms for certain customers with long-standing relationships, or those requiring extended payment schedules. As such, we are exposed to delay and/or default in payment by our customers. Our trade receivables turnover period for the FYE Under Review and FPE 2025 were 93 days, 79 days, 39 days, 38 days and 87 days, respectively.

Our operations and financial performance are dependent, to a certain extent, on the creditworthiness of our customers. As part of our credit control, our new customers are required to place an upfront payment of at least 30.00% of the sales order value upon confirmation of sales order prior to implementation. In addition, we monitor and assess the creditworthiness of our recurring customers on the regular basis mainly by examining their historical payment trend.

If circumstances arise that affect our customers' ability or willingness to pay us, we may experience delay or default in payment from our customers. Accordingly, we would have to make provisions for doubtful debts, or may even write-off the amount due from defaulting customers, which may have an adverse impact on our profitability and other financial conditions. In the FYE Under Review and the FPE 2025, allowance for impairment loss and bad debts written-off are as follows:

	Allowance for impairment loss		Bad debts written-off (RM'000)
	Provision (RM'000)	Reversal (RM'000)	
FYE 2021	971	353	224
FYE 2022	-	534	110
FYE 2023	-	224	-
FYE 2024	136	7	-
FPE 2025	87	-	-

9. RISK FACTORS *(Cont'd)*

Although we did not experience any material delay or default in payment by our customers, particularly our major customers, there is no assurance that our customers will be able to fulfil their payment obligations within our credit terms and that our Group will not encounter any default in payment in the future.

9.1.7 We are exposed to workplace hazards and risks

Our business operations in generator rental services involve handling electrical equipment, which exposes our operational employees to various workplace hazards that could affect their health and safety. These hazards include, but are not limited to, electrical risks such as electric shock or electrocution, noise exposure, and the risk of bodily injuries during equipment handling and other operations. Workplace incidents or accidents may disrupt our operations and result in significant liabilities, legal action by employees, reputational damage, and penalties imposed by regulators. Additionally, we may incur additional operational expenses to uphold our commitment to employee health and occupational safety through regular training and industrial accident prevention programs.

For the FYE Under Review, FPE 2025 and up to the LPD, we have not encountered any significant workplace incidents.

9.1.8 We are exposed to risk arising from material environmental issues

We are exposed to risk arising from material environmental issues which may affect our business operations as our Group consume significant industrial diesel for our generators which produce considerable greenhouse gas ("**GHG**") emissions during power generation. Such GHG emissions contribute to climate change and the deterioration of air quality. Given the nature of our Group's business, this environmental impact cannot be fully mitigated and/or eliminated. Nevertheless, our Group places strong emphasis on regular maintenance and servicing of our generators such as filter and oil replacement to ensure the generators are operating efficiently thereby optimising industrial diesel consumption and minimising unnecessary emissions.

The Environmental Quality (Clean Air) Regulations 2014 ("**EQCAR**") is a subsidiary legislation pursuant to the Environmental Quality Act 1974 which regulates the emission of air pollutants to the atmosphere and specifies the requirements for an air pollution control system for every premises to which the EQCAR applies to, including any premises used for any industrial or trade purposes, or on which matter is burnt in connection with any industrial or trade purposes and any other premises or process that discharges or is capable of discharging air pollutants into the open air, any industrial plant or any fuel burning equipment. Any person who contravenes or fails to comply with any provisions of the EQCAR will be guilty of an offence and shall be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding two years or to both. As at the LPD, our Group has not been issued with any fines or compounds in relation to any contravention of the EQCAR.

Notwithstanding the above, there is no assurance that our Group's business operations, financial performance and reputation will not be adversely affected by any material environmental-related incidents in the future, including penalties or fines imposed for non-compliance resulting from changes in environmental laws or stricter regulatory enforcement.

9.1.9 There is no assurance that our insurance coverage would be adequate

We have secured insurances policies to protect against various losses and liabilities in our business operations and properties. We have procured and maintained relevant insurance policies to protect our business, property and equipment against unexpected losses.

We cannot assure that our existing insurance coverage are able to cover all losses that we may sustain during the course of our business operations as it is not possible to accurately predict and quantify the potential losses. Our insurance policies may contain deductibles, limitations and exclusions which may increase our costs in the event of a claim. In the case of uninsured loss or a loss in excess of sum insured or legal claims from parties that may not be adequately covered by our insurance policies, we may be required to pay for losses, damage and liabilities out of our internal funds which will adversely impact our business operation and financial condition.

9. RISK FACTORS *(Cont'd)*

During the FYE Under Review, FPE 2025 and up to the LPD, we have not made any insurance claims against any losses resulting from our operations.

9.1.10 We cannot assure that our business strategies and future plans will be executed successfully

Our business strategies and future plans are as follows:

(i) to expand our fleet of generators, and medium and high voltage equipment;

(ii) to expand our customer base and geographical coverage;

(iii) to increase our manpower;

(iv) to set up our new headquarter; and

(v) to expand our solar PV business.

Please refer to Section 7.20 of this Prospectus for further details on our business strategies and future plans.

There can be no assurance that we will be able to successfully execute our business strategies and future plans. In particular, our venture into the solar PV industry presents several new risks, including the challenge of hiring skilled personnel, potential discrepancies between projected and actual financial performance and profitability, and securing adequate financing when needed. Consequently, as a new entrant to the solar PV industry, we cannot guarantee or accurately forecast our financial performance, as the number and value of future projects remain uncertain.

The prospects and future growth of our business is subject to our ability to implement and execute our strategies and plans effectively and promptly. There is a risk that we may not be able to successfully implement our business strategies and plans according to the expected schedule nor can we assure that our business strategies will be commercially successful or that we will be able to anticipate as well as mitigate all the business and operational risks associated with our strategies and plans due to factors including, amongst others, the inability to secure sufficient funding for additional expenditures including staff costs and other working capital requirements. Any delays or failure in executing our business strategies and future plans effectively may lead to adverse effects on our future business growth and expected financial performance.

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We face competition from other market players and new market entrants

The competitors of our business include existing players as well as new entrants operating within the generator rental market. The number of industry players within the local light machinery and equipment rental industry has been estimated to have expanded from more than 550 players in 2015 to around 700 players in 2024 (Source: IMR Report). Accordingly, we expect greater competition from the increased number of new market entrants. The barriers of entry for the generator rental services market are primarily driven by the capital-intensive nature of the industry due to the costs of generators and related equipment. The principal competitive factors within the generator rental market include fleet size, service quality, pricing, market reputation, the features of the generators such as synchronisation capability and the availability of related ancillary components to support their operation, and the experience and capabilities of the management team.

9. RISK FACTORS *(Cont'd)*

Our continued success depends on our ability to compete effectively with competitors and adapt quickly to changing market conditions and demands. We may adjust our business operations and investment on our fleet of generators based on market conditions or our expectations of changes in market conditions. If market conditions drastically change, our operations and financial performance may be adversely affected.

Notwithstanding that we had been able to compete effectively so far, there is no assurance that we will continue to be able to compete effectively in the future in the event that we are unable to adapt to changing market conditions.

9.2.2 We are exposed to political, economic and regulatory risks in Malaysia and the occurrence of force majeure events

Any changes and developments in political, economic and regulatory conditions in Malaysia as well as the occurrence of force majeure events, such as the COVID-19 pandemic, could adversely affect our business and financial prospects. Further, uncertainties including, but not limited to, changes in the political leadership leading to unstable political situation, risks of war or civil unrest, deterioration of international bilateral relationship, changes in interest rates, changes in accounting and tax policies, as well as changes in government policies and regulatory structures such as introduction of new regulations, import duties and tariffs may also adversely affect our business and financial prospects. As such, there can be no assurance that any adverse political, economic and regulatory changes and/or the occurrence of force majeure events, which are beyond our control, will not materially affect our operations and financial performance.

9.3 RISKS RELATING TO INVESTMENT IN OUR SHARES

9.3.1 The offering of our Shares may not result in an active liquid market for our Shares

Prior to our Listing, there has been no public market for our Shares. Hence our Listing does not guarantee that it will develop an active market for the trading of our Shares, or if developed, such market can be sustained.

The IPO Price has been determined after taking into consideration a number of factors, including but not limited to, our Group's financial performance, operating history and condition, the prospects of our Group and the industry in which our Group operates, and the prevailing market conditions.

Further, as we are seeking listing on the ACE Market, investment in our Shares may be of a higher investment risk as compared to companies listed on the Main Market of Bursa Securities and there is no assurance that there will be a liquid market for our Shares traded on the ACE Market. Please refer to the cautionary statement disclosed on the cover page of our Prospectus.

As such, the price at which our Shares will trade on the ACE Market is dependent on market forces which are beyond our control.

There is also no assurance that our Shares will be actively traded after our Listing to enable investors to buy or sell our Shares at their expected prices.

9.3.2 The trading price and trading volume of our Shares may be volatile

The trading price and volume of our Shares may fluctuate due to various factors which are not within our control and may be unrelated or disproportionate to our financial results. These factors may include variations in the results of our operations, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations.

9. RISK FACTORS *(Cont'd)*

The performance of Bursa Securities is also affected by external factors such as the performance of regional and world bourses, inflow or outflow of foreign funds, economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our Shares.

9.3.3 We may not be able to declare dividends to our shareholders

Our Group's ability to pay dividends to our shareholders is dependent on, amongst others, our future financial performance, cash flow positions, capital requirements as well as the implementation of our business plans. Our ability to pay dividends to our shareholders may be affected should these factors deteriorate and as such, there can be no assurance that we will be able to pay dividends to our shareholders. In addition, dividends are not guaranteed and our Board, at its discretion, may decide not to pay dividends or to pay smaller dividends that we currently propose at any time and for any reasons. If we do not pay our shareholders dividends, or if the dividends paid are lower compared to levels anticipated by our investors, the market price of our Shares may be negatively affected, reducing the value of any investment in our Shares.

Please refer to Section 12.15 of this Prospectus for further details on our Group's dividend policy.

9.3.4 There may be a delay in or abortion of our Listing

Our Listing may be delayed or aborted should any of the following event occurs:

(i) we are unable to meet the public shareholding spread requirements under the Listing Requirements, where at least 25.00% of our total number of issued Shares for which listing is sought must be held by a minimum number of 200 public shareholders, with each holding not less than 100 Shares at the point of our Listing;

(ii) our Sole Underwriter exercising its rights under the Underwriting Agreement to discharge itself from its obligation therein; and

(iii) revocation of approvals from relevant authorities for our Listing.

Should any of the events occur, investors will not receive any IPO Shares, and all monies paid in respect of the Application will be returned in full without interest within 14 days, failing which the provisions of Section 243(2) of the CMSA will apply.

If our Listing is aborted and our IPO Shares have been allotted/transferred to the investors, the return of monies to investors could only be achieved by way of cancellation of share capital. Such cancellations are provided under Section 116 or Section 117 of the Act and its related rules. Such cancellation requires the approval of our shareholders by special resolution in a general meeting, with the sanction of the High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and the Registrar of Companies within 7 days of the date of the special resolution and our Company meeting the solvency requirements under Section 117(3) of the Act. There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

9.3.5 Significant influence by our Promoter

Upon Listing, our Promoter will hold 689,037,589 Shares, representing 73.74% of our enlarged issued share capital. As a result, our Promoter will likely influence the outcome of certain matters which require the vote of our shareholders, unless he and persons connected with him are abstained from voting, either by law, relevant guidelines or regulations. As such, there exists a risk of non-alignment of interests by our Promoter with those of our other shareholders.

10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

10.1.1 Material related party transactions entered into by our Group

Save as disclosed below, there are no material related party transaction entered or to be entered into by our Group which involves the interest, direct or indirect, of our Directors, Substantial Shareholder and/or persons connected with them for the FYE Under Review, the FPE 2025 and up to the LPD:

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
1.	• Express Mission • Lim Cheng Ten and Ismail Bin Abdul Hassan	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021)	Rental payment from Express Mission to Lim Cheng Ten and Ismail Bin Abdul Hassan[9]	12	0.42[1]	12	0.22[1]	12	0.14[1]	8	0.08[1]	-	-	-	-
2.	• Express Mission • Gaharu Ratna Sdn Bhd	**Interested substantial shareholders** • Lim Cheng Ten	Rental payment from Express Mission to	408	14.38[1]	408	7.42[1]	340	3.85[1]	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
	("**Gaharu Ratna**")	• Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021) **Interested person connected with director and substantial shareholder** • Lim Yu-Jin Miguel Lim Cheng Ten and Lim Yu-Jin Miguel are the directors and substantial shareholders of Gaharu Ratna. Lim Yu-Jin	Gaharu Ratna[10]												

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Miguel, is the son of Lim Cheng Ten, the director and substantial shareholder of Express Mission. Ismail Bin Abdul Hassan was the director (resigned on 30 October 2023) and substantial shareholder (ceased on 26 December 2023) of Gaharu Ratna.(6)													
3.	• Express Mission • Merit Performancez	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors**	Rental payment from Express Mission to Merit Performancez (11)	-	-	180	3.28(1)	360	4.08(1)	350	2.64(1)	89	2.49(1)	134	N/A(5)
4.			Provision of administrative services by Merit Performancez	24	0.85(1)	6	0.11(1)	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		• Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021) **Interested person connected with director and substantial shareholder** • Lim Yu-Jin Miguel Lim Cheng Ten and Lim Yu-Jin Miguel are the directors and substantial shareholders of Merit Performancez. Lim Yu-Jin Miguel, is the son of Lim Cheng Ten, the director and substantial shareholder of Express Mission.	to Express Mission(12)												

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Ismail Bin Abdul Hassan was the director (resigned on 30 October 2023) and substantial shareholder (ceased on 19 February 2024) of Merit Performancez.[7]													
5.	• Express Mission • Wisdom Management Services Sdn Bhd ("**Wisdom Management**")	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021)	Provision of insurance broker services by Wisdom Management to Express Mission[13]	55	1.94[1]	111	2.02[1]	177	2.01[1]	345	2.60[1]	27	0.75[1]	12	N/A[5]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Lim Cheng Ten was the director (resigned on 1 August 2024) and is substantial shareholder of Wisdom Management. Ismail Bin Abdul Hassan is a substantial shareholder of Wisdom Management.													
6.	• Express Mission • Adat Bersatu Sdn Bhd ("**Adat Bersatu**")	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan	Rental of generators by Express Mission to Adat Bersatu	-	-	-	-	19	0.05[2]	-	-	-	-	-	-
7.			Provision of security services by Adat Bersatu to Express Mission[14]	-	-	-	-	151	1.71[1]	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		(resigned on 31 May 2021) **Interested person connected with director and substantial shareholder** • Lim Yu-Jin Miguel Lim Cheng Ten is the director and indirect substantial shareholder of Adat Bersatu.(8) Lim Yu-Jin Miguel is the director of Adat Bersatu. He is the son of Lim Cheng Ten, the director and substantial shareholder of Express Mission. Ismail Bin Abdul Hassan was the director of Adat Bersatu													

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		(resigned on 30 October 2023).													
8.	• Express Mission • Wisdom Infinity Sdn Bhd ("**Wisdom Infinity**") • Gaharu Ratna	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021) **Interested person connected with director and substantial shareholder** • Lim Yu-Jin Miguel	Purchase of Building 1 together with Lot 1 by Express Mission(15)	-	-	2,400	10.53(4)	3,000	10.46(4)	2,400	6.44(4)	1,800	4.48(4)	1,800	N/A(5)
9.			Purchase of Building 2 together with Lot 2 by Express Mission(15)	-	-	1,800	7.90(4)	2,250	7.84(4)	1,800	4.83(4)	1,350	3.36(4)	1,350	N/A(5)

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Lim Cheng Ten and Ismail Bin Abdul Hassan are the directors and substantial shareholders of Wisdom Infinity. Lim Yu-Jin Miguel is the shareholder of Wisdom Infinity. He is the son of Lim Cheng Ten, the director and substantial shareholder of Express Mission. Lim Cheng Ten and Lim Yu-Jin Miguel are the directors and substantial shareholders of Gaharu Ratna. Ismail Bin Abdul Hassan was the director (resigned on 30 October 2023) and substantial shareholder (ceased on 26													

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		December 2023) of Gaharu Ratna.[6]													

[The rest of this page is intentionally left blank]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
10.	• Express Mission • Wisdom Infinity	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021) **Interested person connected with director and substantial shareholder** • Lim Yu-Jin Miguel Lim Cheng Ten and Ismail Bin Abdul Hassan are the directors	Sale of a motor vehicle by Wisdom Infinity to Express Mission[16]	-	-	30	0.13[4]	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		and substantial shareholders of Wisdom Infinity. Lim Yu-Jin Miguel is the shareholder of Wisdom Infinity. He is the son of Lim Cheng Ten, the director and substantial shareholder of Express Mission.													
11.	• Express Mission • Fire Ace Sdn Bhd ("**Fire Ace**")	**Interested substantial shareholder** • Lim Cheng Ten	Rental of generators by Express Mission to Fire Ace	-	-	22	0.07[(2)]	38	0.10[(2)]	6	0.01[(2)]	-	-	-	-
12.		**Interested director** • Lim Cheng Ten **Interested person connected with director and substantial shareholder** • Lim Yu-Jin Miguel	Servicing of fire extinguishers by Fire Ace to Express Mission[(17)]	2	0.03[(3)]	1	0.01[(3)]	1	0.01[(3)]	2	0.01[(3)]	-	-	-	-
13.			Supply of fire extinguishers by Fire Ace to Express Mission[(17)]	-	-	6	0.04[(3)]	2	0.01[(3)]	2	0.01[(3)]	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Lim Cheng Ten was the director (resigned on 23 December 2024) and substantial shareholder of Fire Ace (ceased on 8 January 2025). Lim Yu-Jin Miguel was the substantial shareholder of Fire Ace (ceased on 8 January 2025). He is the son of Lim Cheng Ten, the director and substantial shareholder of Express Mission.													
14.	• Express Mission • Kuasa Wibawa Sdn Bhd ("**Kuasa Wibawa**")	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on	Rental of generators by Express Mission to Kuasa Wibawa	55	0.28[(2)]	70	0.22[(2)]	35	0.09[(2)]	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021) Lim Cheng Ten is the director and indirect substantial shareholder of Kuasa Wibawa.(8) Ismail Bin Abdul Hassan was the director of Kuasa Wibawa (resigned on 30 October 2023).													
15.	• Express Mission • Niche Hitech Sdn Bhd ("**Niche Hitech**")	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan	Rental of generators by Express Mission to Niche Hitech	10	0.05(2)	36	0.11(2)	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		(ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021) Lim Cheng Ten was the director (resigned on 4 February 2025) and is an indirect substantial shareholder of Niche Hitech.(8) Ismail Bin Abdul Hassan was the director of Niche Hitech (resigned on 30 October 2023).													

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
16.	• Express Mission • Amazing Onwards Sdn Bhd ("**Amazing Onwards**")	**Interested substantial shareholder** • Lim Cheng Ten **Interested director** • Lim Cheng Ten Lim Cheng Ten is the director and indirect substantial shareholder of Amazing Onwards.[8]	Rental of generators by Express Mission to Amazing Onwards	-	-	95	0.30[2]	13	0.03[2]	-	-	-	-	-	-

[The rest of this page is intentionally left blank]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
17.	• Express Mission • Tamadun Murni Sdn Bhd ("**Tamadun Murni**")	**Interested substantial shareholders** • Lim Cheng Ten • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested directors** • Lim Cheng Ten • Ismail Bin Abdul Hassan (resigned on 31 May 2021) Lim Cheng Ten was the director (resigned on 4 February 2025) and is an indirect substantial shareholder of Tamadun Murni.[8]	Rental of generators by Express Mission to Tamadun Murni	-	-	11	0.04[2]	10	0.03[2]	-	-	-	-	-	-
18.			Rental of motor vehicle by Tamadun Murni to Express Mission[19]	-	-	-	-	-	-	9	0.03[3]	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Ismail Bin Abdul Hassan is the director of Tamadun Murni.													
19.	• Express Mission • Letrik Port Klang	**Interested substantial shareholder** • Lim Cheng Ten **Interested director** • Lim Cheng Ten **Interested person connected with director and substantial shareholder** • Lim Cheng Lai Lim Cheng Lai is the director and substantial shareholder of Letrik Port Klang. He is the brother of Lim Cheng Ten, the director and substantial shareholder of Express Mission.	Rental of generators by Express Mission to Letrik Port Klang	153	0.79[(2)]	7	0.02[(2)]	29	0.07[(2)]	-	-	-	-	-	-
20.			Purchase of generator by Express Mission from Letrik Port Klang[(20)]	-	-	37	0.16[(4)]	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
21.	• Express Mission • Kejuruteraan Letrik Seri (M) Sdn Bhd ("**Letrik Seri**")	**Interested substantial shareholder** • Lim Cheng Ten	Rental of generators by Express Mission to Letrik Seri	16	0.08[(2)]	-	-	40	0.10[(2)]	69	0.10[(2)]	-	-	-	-
22.		**Interested director** • Lim Cheng Ten	Rental of cables by Express Mission to Letrik Seri	12	0.06[(2)]	-	-	-	-	-	-	-	-	-	-
23.		**Interested person connected with director and substantial shareholder** • Lim Cheng Lai Lim Cheng Lai is the director and substantial shareholder of Letrik Seri. He is the brother of Lim Cheng Ten, the director and substantial shareholder of Express Mission.	Rental of load banks by Express Mission to Letrik Seri	-	-	14	0.04[(2)]	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
24.	• Express Mission • Kelang Baru Letrik Sdn Bhd ("**Kelang Baru Letrik**")	**Interested substantial shareholder** • Lim Cheng Ten **Interested director** • Lim Cheng Ten **Interested person connected with director and substantial shareholder** • Lim Cheng Huat Lim Cheng Huat is the director and substantial shareholder of Kelang Baru Letrik. He is the brother of Lim Cheng Ten, the director and substantial shareholder of Express Mission.	Rental of generators by Express Mission to Kelang Baru Letrik	15	0.08[(2)]	5	0.02[(2)]	4	0.01[(2)]	-	-	13	0.10[(2)]	53	N/A[(5)]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value											
				FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025		1 April 2025 and up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
25.	• Express Mission • KLKB	**Interested substantial shareholder** • Ismail Bin Abdul Hassan (ceased on 29 June 2021) **Interested director** • Ismail Bin Abdul Hassan (resigned on 31 May 2021) Ismail Bin Abdul Hassan is the director and substantial shareholder of KLKB.	Rental of generators by Express Mission to KLKB	3,927[21]	20.30[2]	-	-	-	-	-	-	-	-	-	-
26.			Purchase of consumable tools by Express Mission from KLKB[22]	13[21]	0.17[3]	-	-	-	-	-	-	-	-	-	-
27.			Purchase of industrial diesel by Express Mission from KLKB[23]	745[21]	9.62[3]	-	-	-	-	-	-	-	-	-	-
28.	• Express Mission • Pantas Penchala Sdn Bhd ("**Pantas Penchala**")	**Interested substantial shareholder** • Lim Cheng Ten **Interested director** • Lim Cheng Ten Lim Cheng Ten is the director and substantial shareholder of Pantas Penchala.	Rental payment from Express Mission to Pantas Penchala[24]	-	-	-	-	-	-	-	-	-	-	5	N/A[5]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Notes:

 # Negligible

(1) Calculated based on our Group's total administrative expenses for each of the respective financial years/ period.

(2) Calculated based on our Group's total revenue for each of the respective financial years/ period.

(3) Calculated based on our Group's total cost of sales for each of the respective financial years/ period.

(4) Calculated based on our Group's NA as at the respective financial years/ period.

(5) Not applicable as our Group did not prepare any financial statements from 1 April 2025 to the LPD.

(6) Ismail Bin Abdul Hassan disposed his entire 15.00% equity interest in Gaharu Ratna to Lim Yu-Jin Miguel on 26 December 2023 for a total cash consideration of RM75,000.

(7) Ismail Bin Abdul Hassan disposed his entire 15.00% equity interest in Merit Performancez to Lim Yu-Jin Miguel on 19 February 2024 for a total cash consideration of RM150,000.

(8) Deemed interest by virtue of his direct shareholding in Ultimate Bright Sdn Bhd pursuant to Section 8(4) of the Act.

(9) During the FYE Under Review, Express Mission rented a premise with the postal address of No. 8 (First Floor), Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor from Lim Cheng Ten and Ismail Bin Abdul Hassan. Utility charges for the premise were not borne by Express Mission, and the company was permitted to use the office equipment in the premise. The tenancy agreement was mutually terminated on 31 August 2024 without any penalties. The said premise was used as our headquarter prior to the relocation of our Headquarter to No. 6 (Ground Floor), Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor.

The transactions were not conducted at arms' length basis as our Group is unable to procure comparative information to ascertain whether the aforementioned transaction was carried out based on prevailing market rate. Typically, monthly rental rates for properties do not include utility charges or the use of office equipment.

(10) During the FYE 2021, FYE 2022 and FYE 2023, Express Mission rented a premise with the postal address of Lot 5067, Jalan Setia Murni U13/51, 40170 Shah Alam, Selangor from Gaharu Ratna. The tenancy agreement was terminated on 30 September 2023 without any penalties. The said premise was previously used as operation yard.

The transaction was not conducted at arms' length basis as the monthly rental rate paid by Express Mission was below the prevailing market rates of comparable properties, which was more favourable to Express Mission.

[The rest of this page is intentionally left blank]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(11) Our Group rented 2 premises from Merit Performancez as follows:

(i) During the FYE 2022, FYE 2023, FYE 2024 and up to the LPD, Express Mission rented a premise with the postal address of Lot PT 69404, Jalan Astana 2, Bandar Bukit Raja, 41000 Klang, Selangor from Merit Performancez. Express Mission entered into a tenancy agreement with Merit Performancez for the rental of the said premise for the period commencing from 30 June 2022 to 30 June 2025. On 29 August 2024, Express Mission entered into a supplemental tenancy agreement with Merit Performancez to revise the monthly rental rate from RM30,000 to RM27,500 effective from 1 September 2024 while all other terms and conditions remained the same. The said premise is used as the operation yard for Express Mission.

Since FYE 2022 and up to 31 August 2024, the transaction was not conducted at arms' length basis as the monthly rental rate paid by Express Mission to Merit Performancez was above the prevailing market rate of comparable properties, which was unfavourable to Express Mission. Since 1 September 2024 and up to the LPD, the transaction was conducted at arms' length basis as the revised monthly rental rate is at the prevailing market prices of comparable properties.

(ii) Express Mission entered into a tenancy agreement with Michigan Pastries Sdn Bhd on 13 June 2024 for the rental of a premise with the postal address of Lot 58787, Jalan Tanjung 27/7, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor for the period commencing from 1 July 2024 to 30 June 2026. Subsequently, the said premise was acquired by Merit Performancez on 15 February 2025. Merit Performancez's solicitors had, vide its letter dated 6 March 2025, informed our Group that Michigan Pastries Sdn Bhd had assigned the existing tenancy to Merit Performancez as the new landlord effective from 15 February 2025. In that regard, the monthly rental for the said premise is to be paid to Merit Performancez commencing from March 2025. The said premise is used as the operation yard for Express Mission.

The transaction was conducted at arm's length basis as the monthly rental rate paid by Express Mission to Merit Performancez was at the prevailing market rate.

(12) Express Mission engaged Merit Performancez for the provision of administrative services (i.e book-keeping services) with a monthly fee of RM2,000. Our Group has since ceased such transactions since 1 January 2023. Moving forward, such transactions will not continue.

The transaction was not conducted at arms' length basis as our Group is unable to procure comparative information to ascertain whether the aforementioned transaction was carried out based on normal commercial terms and at market rate.

(13) During the FYE Under Review, FPE 2025 and up to the LPD, Express Mission engaged Wisdom Management as an insurance broker for the provision of insurance services to insure the generators and motor vehicles owned by Express Mission. The rationale to engage Wisdom Management for this service is for their service quality and responsiveness.

The transactions were conducted at arms' length basis as the insurance charges charged to Express Mission by Wisdom Management was at cost price charged by third party insurance provider to Wisdom Management.

(14) Express Mission engaged Adat Bersatu for the provision of security services during FYE 2023. Our Group has since ceased such transaction since 1 January 2024. Moving forward, such transactions will not continue.

The transaction was not conducted at arms' length basis as the rates charged to Express Mission by Adat Bersatu was lower than the market rates obtained from other service provider, which was favourable to Express Mission.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(15) Express Mission entered into 2 sales and purchase agreements with Gaharu Ratna (as the registered proprietor of Lot 1 and Lot 2) and Wisdom Infinity (as the developer of Building 1 and Building 2) on 14 December 2022 for the purchase of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, at a purchase consideration of RM12,000,000 and RM9,000,000, respectively. The payments made by Express Mission were based on milestones as agreed in the terms of the respective sales and purchase agreements. As at the LPD, the said transactions are still ongoing and Express Mission has paid 95.00% of the total purchase consideration in accordance to the terms of the respective sales and purchase agreements.

The transaction was not conducted at arms' length basis as the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, were purchased at a lower adjusted price per sq ft compared to neighbouring properties within the same development project after applying the necessary adjustments,

(16) Express Mission purchased a motor vehicle from Wisdom Infinity for office use in FYE 2022. This was a one-off transaction. The transaction was not conducted at arm's length basis as the purchase consideration of the motor vehicle is above the market price which is unfavourable to Express Mission.

(17) During the FYE Under Review, FPE 2025 and up to the LPD, Express Mission engaged Fire Ace for the supply and servicing of fire extinguishers. The transactions were conducted at arms' length basis as the service fee for the supply and servicing of fire extinguishers charged to Express Mission by Fire Ace was based on prevailing market rate.

(18) The value of the transaction was only taken into account up to 8 January 2025, upon which Lim Cheng Ten and Lim Yu-Jin Miguel ceased to be shareholders of Fire Ace.

(19) Express Mission entered into a rental agreement with Tamadun Murni on 20 March 2024 for the rental of a lorry for a period commencing from 1 April 2024 to 30 September 2024 with a rental rate of RM1,500 per month. Our Group did not renew the rental agreement with Tamadun Murni. Moving forward, such transaction will not continue.

The transaction was not conducted at arms' length basis as the monthly rental rate paid by Express Mission to Tamadun Murni was below the market rate, which was more favourable to Express Mission.

(20) Express Mission purchased a Large-sized generator from Letrik Port Klang for business use. The transaction was not conducted at arm's length basis as our Group is unable to procure comparative information to ascertain whether the purchase consideration for the generator was based on market rate. This was a one-off transaction.

(21) The value of the transaction was only taken into account up to 29 June 2021, upon which Ismail Bin Abdul Hassan ceased to be a shareholder of Express Mission.

(22) KLKB made a purchase of consumable tools on behalf of Express Mission and subsequently charged Express Mission at the price KLKB purchased from third party. This was a one-off transaction. The transaction was conducted at arms' length basis as it was a pass-through transaction.

(23) Express Mission purchased industrial diesel from KLKB for the operations of generators rented to them. The industrial diesel was charged to Express Mission by KLKB at the price KLKB purchased from third party. The transaction was conducted at arms' length basis as it was a pass-through transaction.

(24) Express Mission entered into a tenancy agreement with Pantas Penchala for the rental of a portion of the vacant land with postal address Lot 3677, Kawasan Perusahaan Tanah Merah, 17500 Tanah Merah, Kelantan for the period commencing from 1 May 2025 to 30 April 2026. The said land is intended to be used as an operation yard for Express Mission.

The transaction was conducted at arms' length basis as the monthly rental rate was based on the prevailing market rates.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Our Board is of the view that:

(i) the transactions in Notes (10), (14), (15) and (19) were not conducted on an arm's length basis and were not detrimental to the interest of our Group in view that the terms and conditions were more favourable to our Group;

(ii) the transactions in Notes (9), (12) and (20) were not conducted on an arm's length basis in view that we were unable to procure comparative information to ascertain whether the said transactions are conducted based on normal commercial terms and at the market rate. Nonetheless, transactions in Notes (9) and (12) are not expected to recur in the future. The transaction in Note (20) is expected to recur in the future and our Board is of the view that such transaction will provide our Group the opportunity to procure pre-owned generators which cost less to purchase as compared to brand new generators; and

(iii) the transactions in Notes (11)(i) and (16) were not conducted on an arm's length basis and were not in the interest of our Group in view that the terms and conditions were unfavourable to our Group. Notwithstanding, the transaction in Note (11)(i) has since 1 September 2024 been conducted at an arm's length basis after the revision of the monthly rental rate while transaction in Note (16) was a one-off transaction and is not expected to recur in the future.

Save as disclosed above, our Board is of the view that all other related party transactions were conducted at arm's length basis and competitive commercial terms not more favourable to the related parties and were not detrimental to our minority shareholders and our Group. This was determined based on the following:

(i) the insurance charges paid by Express Mission to Wisdom Management were based on the prevailing market rates;

(ii) the rates of the generator rental unit charged to the related parties were at similar rates charged to the third-party customers;

(iii) the service fee charged by Fire Ace for the supply and servicing of fire extinguishers to Express Mission were based on the prevailing market rates;

(iv) the rental charged by Merit Performancez to Express Mission for the premise located in Kulai was based on the prevailing market rates;

(v) the rental fee charged by Express Mission to Letrik Seri for the rental of cables and load bank was based on the prevailing market rates;

(vi) the rate charged by KLKB to Express Mission for the industrial diesel for the operations of generators rented to them and the purchase of consumable tools was based on the prevailing market rates; and

(vii) the rental charged by Pantas Penchala to Express Mission for a portion of the vacant land located in Kelantan was based on the prevailing market rates.

Save for the transactions 3, 5, 8, 9, 11, 12, 13, 19, 20, 21, 22, 23, 24, 25 and 28, our Directors confirm that all the related party transactions as stated above will not continue after our Listing. Our Directors also confirm that there are no other material related party transactions that has been entered into by our Group which has not been effected as at the date of this Prospectus.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

For the avoidance of doubt, the following transactions are no longer related party transactions:

(i) transactions 11, 12 and 13 following Lim Cheng Ten ceasing as a director and shareholder of Fire Ace on 23 December 2024 and 8 January 2025, respectively, and Lim Yu-Jin Miguel ceased as a shareholder of Fire Ace on 8 January 2025; and

(ii) transaction 25 following Ismail Bin Abdul Hassan ceased as a shareholder and director of Express Mission in the FYE 2021.

Following our Listing, the Audit and Risk Management Committee of our Group will review the terms of any related party transactions and ensure that any related party transactions (including any recurrent related party transactions) are carried out on terms not more favourable to the related party than those generally available to the third-parties dealing at arm's length basis with our Group and are not detrimental to our minority shareholders.

In the event that there are any proposed related party transactions that involve the interest, direct or indirect, of our Directors, the interested Director(s) shall disclose his interest to our Board, of the nature and extent of his interest including all matters in relation to the proposed related party transaction that he is aware or should reasonably be aware of, which is not in our best interest. The interested Director(s) shall also abstain from any Board deliberation and voting on the relevant resolution(s) in respect of such proposed related party transaction.

In the event that there is any proposed related party transaction that requires the prior approval of our Company's shareholders, the Directors, substantial shareholders and / or persons connected with them, which have any interest, direct or indirect, in the transaction, will abstain from voting in respect of his direct and / or indirect shareholdings. Such interested Directors and / or substantial shareholders will also undertake to ensure that the person connected with them will abstain from voting on the resolution approving the proposed related party transaction at a general meeting.

If the related party transactions are deemed as recurrent related party transactions, our Company may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate. Related party transactions can be deemed as recurrent, if they are entered into at least once every three years, in the ordinary course of business and are of a revenue or trading nature necessary for the day-to-day operations of our Group.

10.2 TRANSACTIONS THAT ARE UNUSUAL IN NATURE OR CONDITION

There are no transactions that were unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party for the FYE Under Review, the FPE 2025 and up to the LPD.

10.3 LOANS AND / OR FINANCIAL ASSISTANCE MADE TO OR FOR THE BENEFIT OF THE RELATED PARTIES

There are no loans and / or financial assistance (including guarantees of any kind) made by our Group to or for the benefit of the related parties for the FYE Under Review, the FPE 2025 and up to the LPD.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.4 PROVISION OF GUARANTEES BY OUR PROMOTER AND/OR DIRECTORS FOR THE BANKING FACILITIES GRANTED TO OUR GROUP

As at the LPD, our Promoter and/or Directors, namely Lim Cheng Ten and Rosli Bin Jonid have jointly and severally provided personal guarantees in favour of the banking facilities extended by Maybank Islamic Berhad and Alliance Bank Malaysia Berhad (collectively, "**Financier(s)**") to our Group.
The breakdown of the facilities as at the LPD is set out below:

No.	Financier	Type of facilities	Guarantor(s)	Purpose	Facility limit and amount guaranteed (RM'000)	Outstanding balance as at the LPD (RM'000)
1.	Maybank Islamic Berhad	Term Loan	Lim Cheng Ten	For working capital	1,000	187
		Bank Overdraft	Lim Cheng Ten	For working capital	2,800	-
2.	Alliance Bank Malaysia Berhad	Term Loan	• Lim Cheng Ten • Rosli Bin Jonid	To part finance the purchase of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively	14,000	12,950
				Total	**17,800**	**13,137**

In respect of the existing personal guarantees as set out above granted in favour of the respective Financiers, we have obtained the relevant conditional approvals subject to amongst others, the successful listing of our Company on the ACE Market, from the respective Financiers to discharge the guarantees by substituting the same with a corporate guarantee from our Company upon completion of our Listing.

[The rest of this page is intentionally left blank]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.5 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

10.5.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee is responsible for the review of all related party transactions to ensure that there is no conflict of interest. Our Audit and Risk Management Committee shall deliberate and determine if the related party transactions (if any) are undertaken on arm's length basis and on normal commercial terms, we have established the following procedures:

(i) Recurrent related party transactions

(a) At least 2 other contemporaneous transactions with third-parties for similar products and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered by all related parties are fair and reasonable and comparable to those offered by third-parties; or

(b) In the event that quotation or comparative pricing from third-parties cannot be obtained, the transaction price will be determined by our Group based on those offered by third-parties for substantially similar type of transaction to ensure that the recurrent related party transactions are not detrimental to us.

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at general meetings of our Company. Due to its time-sensitive nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

(ii) Other related party transactions

(a) Whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;

(b) The rationale for our Group to enter into the related party transaction and the nature of alternative transactions, if any; and

(c) Whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

For related party transaction that requires prior approval of shareholders, the Directors, major shareholders and/or persons connected to them, which have any interest, direct or indirect, in the proposed related party transaction will abstain from deliberating and voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has interest, direct or indirect, in any proposed related party transaction, the Director or major shareholder concerned will also abstain from deliberating and voting in respect of his direct and/or indirect shareholdings.

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. Where necessary, our Board would make appropriate disclosures in our annual report with regards to any related party transaction entered into by us.

11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESS OF OUR CUSTOMERS AND OUR SUPPLIERS

Save as disclosed below, as at the LPD, none of our Directors and Substantial Shareholder have any interest, whether direct or indirect, in any entities which are carrying on a similar or related trade as that of our Group or which are the customers and/or suppliers of our Group:

Company	Principal activity	Nature of interest in the entity
Adat Bersatu Sdn Bhd	Palm oil plantation	Lim Cheng Ten, our Promoter, Managing Director and Substantial Shareholder, is a director and indirect substantial shareholder (100.00% indirect shareholding) of Adat Bersatu Sdn Bhd. Adat Bersatu Sdn Bhd was a customer and supplier of our Group.
Kuasa Wibawa Sdn Bhd	Palm oil plantation	Lim Cheng Ten, our Promoter, Managing Director and Substantial Shareholder, is a director and indirect substantial shareholder (100.00% indirect shareholding) of Kuasa Wibawa Sdn Bhd. Kuasa Wibawa Sdn Bhd was a customer of our Group.
Niche Hitech Sdn Bhd	Palm oil plantation	Lim Cheng Ten, our Promoter, Managing Director and Substantial Shareholder, was a director and is an indirect substantial shareholder (100.00% indirect shareholding) of Niche Hitech Sdn Bhd. Niche Hitech Sdn Bhd was a customer of our Group.
Amazing Onwards Sdn Bhd	Palm oil plantation	Lim Cheng Ten, our Promoter, Managing Director and Substantial Shareholder, is a director and indirect substantial shareholder (100.00% indirect shareholding) of Amazing Onwards Sdn Bhd. Amazing Onwards Sdn Bhd was a customer of our Group.
Tamadun Murni Sdn Bhd	Palm oil plantation	Lim Cheng Ten, our Promoter, Managing Director and Substantial Shareholder, was a director and is an indirect substantial shareholder (100.00% indirect shareholding) of Tamadun Murni Sdn Bhd. Tamadun Murni Sdn Bhd was a customer and supplier of our Group.

Adat Bersatu Sdn Bhd, Kuasa Wibawa Sdn Bhd, Niche Hitech Sdn Bhd, Amazing Onwards Sdn Bhd and Tamadun Murni Sdn Bhd shall be collectively referred to as "**Interested Companies**".

Our Board (save for Lim Cheng Ten) is of the view that the all existing and potential conflict of interest situation which may arise through the interests of Lim Cheng Ten in the Interested Companies is mitigated due to the following:

(i) the Interested Companies are principally involved in business activities that are distinct from our Group's principal activities in the provision of generator rental services;

11. CONFLICT OF INTEREST *(Cont'd)*

(ii) our Group is not dependent on the Interested Companies for its business operations and profitability as the total purchases from the Interested Companies does not, in aggregate, exceed 1.00% of our Group's total revenue in the FYE Under Review and FPE 2025;

(iii) Lim Cheng Ten is not involved in the day-to-day operations of the Interested Companies and the Interested Companies have its own independent and standalone management team to undertake its day-to-day management and operations; and

(iv) save for the provision of security services provided by Adat Bersatu Sdn Bhd and the rental of lorry from Tamadun Murni Sdn Bhd, the transactions between our Group and the Interested Companies were carried out on arm's length basis and normal commercial term which are not detrimental to the non-interested shareholders. The said transactions which were not conducted at arms' length basis have ceased and will not continue moving forward.

11.2 MONITORING AND OVERSIGHT OF CONFLICT OF INTEREST

It is our Director's fiduciary duty to avoid conflict, and they are required to attend courses which provide them guidelines on their fiduciary duties. In order to mitigate any possible conflict of interest situation in the future, our Directors will declare to our Nomination Committee, Audit and Risk Management Committee and our Board their interests in other companies at the onset and as and when there are changes in their respective interests in companies outside our Group. Our Nomination Committee and Audit and Risk Management Committee will then evaluate if such Director's involvement gives rise to a potential conflict of interest situation with our Group's business. When a determination has been made that there is a conflict of interests of a Director, our Nomination Committee and Audit and Risk Management Committee will:

(i) immediately inform our Board of the conflict of interests situation;

(ii) make recommendations to our Board to direct the conflicted Director to:

(a) withdraw from all his executive involvement in our Group in relation to the matter that has given rise to the conflict of interests (in the case where the conflicted Director is an Executive Director); and

(b) abstain from all Board deliberation and voting in the matter that has given rise to conflict of interests.

In relation to (b) above, the conflicted Director shall abstain from any Board discussion relating to the recommendation of our Nomination Committee, Audit and Risk Management Committee and the conflicted Director shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director, may however at the request of the Chairman of the Board, be present at the Board meeting for the purposes of answering any questions.

Where there are related party transactions between our Group with our Directors (or person connected to them) or companies in which our Directors (or person connected to them) have an interest, our Audit and Risk Management Committee will, amongst others, supervise and monitor such related party transaction and the terms thereof and report to our Board for further action. Please refer to Section 10.5 of this Prospectus for further information on the procedures to be taken to ensure that related party transactions are undertaken on arm's length basis, if any.

[The rest of this page is intentionally left blank]

11. CONFLICT OF INTEREST *(Cont'd)*

11.3 DECLARATION BY THE ADVISERS ON CONFLICT OF INTEREST

11.3.1 Declaration by Mercury Securities

Mercury Securities has confirmed that there is no existing or potential conflict of interest in its capacity as our Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent for our Group in relation to the Listing.

11.3.2 Declaration by Ong Eu Jin Partnership

Ong Eu Jin Partnership has confirmed that there is no existing or potential conflict of interest in its capacity as Due Diligence Solicitors to our Group in relation to the Listing.

11.3.3 Declaration by Crowe Malaysia PLT

Crowe Malaysia PLT has confirmed that there is no existing or potential conflict of interest in its capacity as the Auditors and the Reporting Accountants to our Group in relation to the Listing.

11.3.4 Declaration by Protégé

Protégé has confirmed that there is no existing or potential conflict of interest in its capacity as the IMR to our Group in relation to the Listing.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

The following historical audited combined financial information throughout the FYE Under Review and the FPE 2025 have been extracted from the Accountants' Report as set out in Section 14 of this Prospectus.

The historical audited combined financial information below should be read in conjunction with the "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in Section 12.2 of this Prospectus and the accompanying notes as set out in the Accountants' Report included in Section 14 of this Prospectus. Our historical audited combined financial statements have been prepared in accordance with MFRS and IFRS.

12.1.1 Historical combined statements of comprehensive income

The following table sets out a summary of our combined statements of comprehensive income of our Group for the FYE Under Review, FPE 2024 and the FPE 2025:

	Audited				Unaudited	Audited
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	19,341	31,412	39,424	70,167	11,813	12,860
Cost of sales	(7,748)	(15,933)	(17,148)	(32,773)	(5,054)	(4,839)
GP	**11,593**	**15,479**	**22,276**	**37,394**	**6,759**	**8,021**
Other income	52	14	41	146	2	50
Administrative expenses	(2,838)	(5,495)	(8,824)	(13,269)	(2,751)	(3,580)
Other operating expenses	(595)	(658)	(691)	(1,000)	(230)	(283)
Finance costs	(87)	(64)	(54)	(145)	(15)	(134)
Net (impairment losses)/reversal of impairment losses on financial assets[1]	(618)	534	224	(129)	(163)	(87)
PBT	**7,507**	**9,810**	**12,972**	**22,997**	**3,602**	**3,987**
Income tax expense	(1,849)	(2,316)	(3,085)	(6,401)	(1,115)	(1,076)
PAT	**5,658**	**7,494**	**9,887**	**16,596**	**2,487**	**2,911**
EBIT[2]	7,592	9,867	12,999	23,061	3,615	4,090
EBITDA[2]	9,802	12,510	16,130	26,733	4,455	5,051
GP margin (%)[3]	59.94	49.28	56.50	53.29	57.22	62.37
PBT margin (%)[4]	38.81	31.23	32.90	32.77	30.49	31.00
PAT margin (%)[4]	29.25	23.86	25.08	23.65	21.05	22.64
Effective tax rate (%)[5]	24.63	23.61	23.78	27.83	30.96	26.99
Basic and diluted EPS (sen)[6]	0.61	0.80	1.06	1.78	0.27	0.31

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

Notes:

(1) *Comprised of the recognition of net loss allowance on trade receivables and amount owing by related parties based on expected credit losses.*

(2) *EBIT and EBITDA are calculated as follows:*

	Audited				***Unaudited***	***Audited***
	FYE 2021	***FYE 2022***	***FYE 2023***	***FYE 2024***	***FPE 2024***	***FPE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***	***RM'000***	***RM'000***
PAT	*5,658*	*7,494*	*9,887*	*16,596*	*2,487*	*2,911*
Less:						
Interest income	*(2)*	*(7)*	*(27)*	*(81)*	*(2)*	*(31)*
Add:						
Finance costs	*87*	*64*	*54*	*145*	*15*	*134*
Income tax expense	*1,849*	*2,316*	*3,085*	*6,401*	*1,115*	*1,076*
EBIT	***7,592***	***9,867***	***12,999***	***23,061***	***3,615***	***4,090***
Add:						
Depreciation of plant and equipment	*2,175*	*2,564*	*2,969*	*3,397*	*775*	*894*
Depreciation of right-of-use assets	*35*	*79*	*162*	*275*	*65*	*67*
EBITDA	***9,802***	***12,510***	***16,130***	***26,733***	***4,455***	***5,051***

(3) *GP margin is computed based on GP divided by revenue.*

(4) *PBT margin and PAT margin is computed based on PBT and PAT divided by revenue, respectively.*

(5) *Effective tax rate is computed based on income tax expense divided by PBT.*

(6) *Calculated based on PAT attributable to owners of the Company divided by the enlarged share capital of 934,449,089 Shares after the IPO.*

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.1.2 Historical combined statements of financial position

The following table sets out the combined statements of financial position of our Group as at the end of the respective FYE Under Review and the FPE 2025:

	Audited				
	As at 31 December				As at 31 March
	2021	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12,760	20,968	28,250	36,759	39,862
Right-of-use assets	105	95	563	503	363
Total non-current assets	**12,865**	**21,063**	**28,813**	**37,262**	**40,225**
Current assets[1]					
Trade receivables	8,098	5,534	2,881	11,713[4]	13,150[6]
Other receivables, deposits and prepayments	484	762	877	1,013	2,251[7]
Contract assets[2]	-	-	-	-	67
Amount owing by related parties[3]	16	54	27	1	13
Short-term investment	627	-	-	-	-
Fixed deposits with a licensed bank	311	505	706	1,112	964
Cash and bank balances	151	2,510	2,315	11,453	4,055[8]
Total current assets	**9,687**	**9,365**	**6,806**	**25,292**	**20,500**
Total assets	**22,552**	**30,428**	**35,619**	**62,554**	**60,725**
EQUITY AND LIABILITIES					
Equity					
Share capital	-	-	1	1	1
Invested capital	250	1,000	1,000	1,000	1,000
Retained profits	17,039	21,797	27,684	36,280	39,191
Total equity/ Net assets	**17,289**	**22,797**	**28,685**	**37,281**	**40,192**
Non-current liabilities					
Lease liabilities	36	27	332	212	103
Long-term borrowings	705	604	488	6,838[9]	9,911[9]
Deferred tax liabilities	1,650	2,312	2,742	3,104	3,166
Total non-current liabilities	**2,391**	**2,943**	**3,562**	**10,154**	**13,180**
Current liabilities					
Trade payables	1,210	2,240	1,092	3,887	2,491
Other payables and accruals	391	875	860	1,634[10]	2,983[10]
Contract liabilities[4]	-	-	-	150	73
Amount owing to a director[5]	-	-	12	-	-
Amount owing to related parties[3]	137	245	28	56	23
Lease liabilities	70	70	254	312	277
Short-term borrowings	294	227	284	319	347
Dividend payable	-	-	-	7,000	-
Current tax liabilities	770	1,031	842	1,761	1,159
Total current liabilities	**2,872**	**4,688**	**3,372**	**15,119**	**7,353**
Total liabilities	**5,263**	**7,631**	**6,934**	**25,273**	**20,533**
Total equity and liabilities	**22,552**	**30,428**	**35,619**	**62,554**	**60,725**

12. FINANCIAL INFORMATION *(Cont'd)*

Notes:

(1) Notwithstanding our Group purchases industrial diesel, spare parts, consumables, fuel and lubricants, our Group does not have inventories in the balance sheet as (i) we do not store industrial diesel; and (ii) the spare parts, consumables, fuel and lubricants are expensed off in the cost of sales, reflecting their immediate use in maintaining the generators and supporting our operational activities. As at each of the financial year/period ended, the amount of unutilised spare parts, consumables, fuel and lubricants, if any, are not significant.

(2) The contract assets relate to our Group's right to consideration in relation to the work performed for solar PV solutions that has been completed but not yet billed. The contract assets will be transferred to trade receivables once billing is issued in accordance with the terms stipulated in the contracts with our customers. The increase in contract assets in the FPE 2025 was attributable to the installation work for solar PV solutions performed near the end of the FPE 2025, for which billings had not yet been issued as at 31 March 2025.

(3) Related parties refer to companies in which certain directors have substantial financial interests. Amount owing to and owing by related parties, comprised of trade and non-trade balances. As at the LPD, the amount owing to and owing by related parties as at 31 March 2025 have been fully settled.

(4) The contract liabilities relate to advance payments received from our customers for solar PV solutions for which work has not yet been performed. The contract liabilities will be recognised as revenue progressively as our Group satisfies our performance obligations. The decrease in contract liabilities in the FPE 2025 was mainly attributable to the recognition of revenue as installation work for the solar PV solutions progressed, thereby reducing the outstanding balance of advances previously received from customers.

(5) The amount owing to a director is non-trade in nature and represents unsecured payments made on behalf.

(6) Higher trade receivables:

- *(a) in the FYE 2024 was mainly attributable to Dynasynergy which was in line with the revenue contributions by Dynasynergy during the financial year; and*
- *(b) in the FPE 2025 was mainly due to slower collections from our customers in particular Dynasynergy as Dynasynergy can only collect payment from SESB after the finalisation of the project billings prior to making payments to us.*

(7) Higher other receivables, deposits and prepayments in the FPE 2025 mainly due to prepayments to suppliers for 1 unit of Large-sized generator as well as supplies for both our generator rental services and solar PV solutions businesses.

(8) Lower cash and bank balances in the FPE 2025 mainly due to the payment for the dividend payable of RM7.00 million as at 31 December 2024.

(9) Higher long-term borrowings in the FYE 2024 and FPE 2025 due to the progressive drawdown of the term loan to part finance the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, during the respective financial year/ period.

(10) Higher other payables and accruals:

- *(a) in the FYE 2024 mainly due to the accruals of salaries and other related expenses such as bonus payment to employees; and*
- *(b) in the FPE 2025 mainly due to deposit received from a customer for our generator rental services.*

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.1.3 Historical combined statements of cash flows

The following table sets out the combined statements of cash flows of our Group for the FYE Under Review and the FPE 2025:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
PBT	7,507	9,810	12,972	22,997	3,987
Adjustments for:					
Bad debt written off	223	110	-	-	-
Depreciation of plant and equipment	2,175	2,564	2,969	3,397	894
Depreciation of right-of-use assets	35	79	162	275	67
Gain on lease modification	-	-	-	(2)	(3)
Fair value gain on short-term investment	(*)	-	-	-	-
Impairment loss on trade receivables	971	-	-	136	87
Interest expense	87	64	54	145	134
Loss/ (Gain) on disposal of property, plant and equipment	-	75	-	(57)	-
Dividend income	(11)	(*)	-	-	-
Interest income	(2)	(7)	(27)	(81)	(31)
Reversal of impairment loss:					
- trade receivables	-	(532)	(222)	-	-
- related parties	(353)	(2)	(3)	(7)	-
Operating profit before working capital changes	**10,632**	**12,161**	**15,905**	**26,803**	**5,135**
Changes in working capital:					
Increase in contract assets	-	-	-	-	(67)
(Increase)/Decrease in trade and other receivables	(7,910)	2,706	2,761	(9,105)	(2,762)
Increase/(Decrease) in trade and other payables	483	1,515	(1,163)	3,569	(47)
Increase/(Decrease) in contract liabilities	-	-	-	150	(77)
Decrease/(Increase) in amount owing by related parties	2,012	(20)	23	20	(13)
Decrease in amount owing to related parties	(21)	-	-	-	-
Cash flow from operations	**5,196**	**16,362**	**17,526**	**21,437**	**2,169**
Income tax paid	(946)	(1,393)	(2,844)	(5,120)	(1,617)
Net cash from operating activities	**4,250**	**14,969**	**14,682**	**16,317**	**552**

12. FINANCIAL INFORMATION *(Cont'd)*

	Audited				
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Cash flows for investing activities					
(Advances to)/ Repayment from related parties	(*)	(15)	7	14	1
Dividend received	11	*	-	-	-
(Increase)/Decrease in pledged fixed deposits with licensed banks	(190)	(193)	(202)	(406)	148
Interest income received	2	7	27	81	31
Purchase of property, plant and equipment	(2,518)	(10,778)	(10,049)	(12,057)	(3,997)
Proceeds from disposal of property, plant and equipment	-	60	-	207	-
Net cash for investing activities	**(2,695)**	**(10,919)**	**(10,217)**	**(12,161)**	**(3,817)**
Cash flows (for)/ from financing activities					
Advances from/ (Repayment to) a director	-	-	12	(12)	**-**
Dividend paid	(989)	(2,736)	(4,000)	(1,000)	(7,000)
Drawdown of term loans	-	-	-	6,650	3,150
Interest paid	(87)	(64)	(54)	(123)	(109)
Advances from/(Repayment to) related parties	72	108	(217)	29	(33)
Proceeds from issuance of ordinary shares:					
- the Company	-	-	1	-	-
- the combining entity	-	750	-	-	-
Repayment of lease liabilities	(34)	(78)	(140)	(275)	(67)
Repayment of hire purchase	(416)	(104)	(61)	(79)	(21)
Repayment of term loans	(114)	(194)	(201)	(208)	(53)
Net cash (for)/ from financing activities	**(1,568)**	**(2,318)**	**(4,660)**	**4,982**	**(4,133)**
Net (decrease)/ increase in cash and cash equivalents	**(13)**	**1,732**	**(195)**	**9,138**	**(7,398)**
Cash and cash equivalents at beginning of financial year/period	791	778	2,510	2,315	11,453
Cash and cash equivalents at end of financial year/period(1)	**778**	**2,510**	**2,315**	**11,453**	**4,055**

Notes:

* *Less than RM1,000.*

12. FINANCIAL INFORMATION *(Cont'd)*

(1) The cash and cash equivalents comprise of the following:

	FYE 2021	***FYE 2022***	***FYE 2023***	***FYE 2024***	***FPE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***	***RM'000***
Cash and bank balance	*151*	*2,510*	*2,315*	*11,453*	*4,055*
Money market funds	*627*	*-*	*-*	*-*	*-*
Total	***778***	***2,510***	***2,315***	***11,453***	***4,055***

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following management discussion and analysis of our financial statements for the FYE Under Review and the FPE 2025 should be read in conjunction with the Accountants' Report together with the accompanying notes as set out in Section 14 of this Prospectus.

12.2.1 Overview of our operations

(i) Principal activities

Our Group is principally involved in the provision of generator rental services. As part of our business diversification strategy, we have expanded into offering solar PV solutions though this segment is still in the early stages of development.

Please refer to Section 7 of this Prospectus for further information on our Group's business overview.

(ii) Revenue

Our Group's revenue for the FYE Under Review and the FPE 2025 was derived from our generator rental services, which can be categorised into the following service categories:

(a) **Emergency -** where our services are required immediately whether earlier contracted by our customers or otherwise. This includes providing immediate generator rental services for critical emergency situations such as power outages and emergency/disaster scenarios;

(b) **Planned maintenance -** our customers normally enter into service agreements/ orders with us for generator rental services for their planned maintenance shutdowns to avoid business disruptions; and

(c) **Standby -** this comprises providing standby generator rental services for events, special occasions, or situations where a reliable backup power source is required. This category of revenue can either be earlier contracted or otherwise.

Revenue is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided as and when the customer receives and uses the benefits simultaneously.

(iii) Cost of sales

Our cost of sales mainly comprises of:

(a) costs for the provision of generator rental services, which consists of consumption of industrial diesel, spare parts and consumables, fuel and lubricants; upkeep expenses for generators and motor vehicles;

12. FINANCIAL INFORMATION *(Cont'd)*

(b) depreciation of generators.

For information, our Group applies straight-line depreciation method over a useful life of 10 years with zero residual value for both our brand new and preowned generators which is supported by industry practice and Inland Revenue Board Malaysia's guidelines with a 10-year capital allowance, and internal assessments of generator usage, maintenance, and technical lifespan. Our Group ensures the preowned generators are acquired only in working conditions after necessary refurbishment and as a result, their expected operational capacity is comparable to that of brand new generators;

(c) rental of plant and equipment including operation yards and cross renting of generators from third-parties; and

(d) repair and maintenance work on generators and motor vehicles, outsourced services cost, for the repair and maintenance works for major repairs that require specialised skills or tools, such as engine overhaul, alternator winding repair or replacement, and fuel and cooling systems repair.

(iv) Other income

Other income mainly comprises of government grant, short-term investment interests, investment gains and forfeiture of customer's deposits.

(v) Administrative expenses

Administrative expenses mainly comprise of overheads incurred to maintain our operations such as staff costs, rental expenses, insurance, directors' remuneration, legal and professional fees, utilities and other administrative expenses.

(vi) Other operating expenses

Other operating expenses mainly comprise of depreciation expenses on equipment, and right-of-use assets as well as loss on disposal of property, plant and equipment.

(vii) Finance costs

Finance costs comprise of interest expenses on term loan, bank overdraft, hire purchase and lease liabilities.

(viii) Recent developments

Express Mission had:

(a) on 22 April 2025 declared a single tier interim dividend of RM1.00 per ordinary share amounting to RM1,000,000 in respect of the FYE 31 December 2025 and was fully paid on 29 April 2025; and

(b) on 9 June 2025 declared a single tier interim dividend of RM4.00 per ordinary share amounting to RM4,000,000 in respect of the FYE 31 December 2025 and was fully paid on 19 June 2025.

Save for the above, there were no significant events subsequent to our audited combined financial statements during the FYE Under Review and the FPE 2025, that has occurred, which may have a material effect on the results, financial position and cash flows of our Group.

12. FINANCIAL INFORMATION *(Cont'd)*

(ix) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items during the FYE Under Review and the FPE 2025. In addition, our audited combined financial statements for the FYE Under Review and the FPE 2025 were not subject to any audit qualifications.

12.2.2 Significant changes on the financial position

There were no significant changes that have occurred, which may have a material effect on the financial position, results and cash flows of our Group subsequent to the FPE 2025 and up to the LPD.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.2.3 Review of our results of operations

(i) Revenue

(a) Analysis of revenue by business segments

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Generator rental services	19,341	100.00	31,412	100.00	39,424	100.00	70,138	99.96	11,813	100.00	12,401	96.43
Solar PV solutions(1)	-	-	-	-	-	-	29	0.04	-	-	459	3.57
Total	**19,341**	**100.00**	**31,412**	**100.00**	**39,424**	**100.00**	**70,167**	**100.00**	**11,813**	**100.00**	**12,860**	**100.00**

Note:

(1) Our Group ventured into the solar PV solutions in April 2024 and commenced the operations towards the end of FYE 2024.

(b) Analysis of generator rental services' revenue by service category

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Emergency	11,853	61.28	17,683	56.29	22,521	57.12	24,966	35.60	6,167	52.21	4,228	34.09
Planned maintenance	7,434	38.44	13,363	42.54	15,689	39.80	43,320	61.76	5,583	47.26	7,763	62.60
Standby	54	0.28	366	1.17	1,214	3.08	1,852	2.64	63	0.53	410	3.31
Total(1)	**19,341**	**100.00**	**31,412**	**100.00**	**39,424**	**100.00**	**70,138**	**100.00**	**11,813**	**100.00**	**12,401**	**100.00**

Note:

(1) The analysis of the revenue contribution of the generator rental services is as follows:

	FYE 2021	***FYE 2022***	***FYE 2023***	***FYE 2024***	***FPE 2024***	***FPE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***	***RM'000***	***RM'000***
Rental of generators owned by us	*19,317*	*31,348*	*38,549*	*61,594*	*11,351*	*12,401*
*Rental of generators cross-rented from third-parties**	*24*	*64*	*875*	*8,544*	*462*	*-*
Total	***19,341***	***31,412***	***39,424***	***70,138***	***11,813***	***12,401***

12. FINANCIAL INFORMATION *(Cont'd)*

Note:

** The number of units of generators cross-rented from third-parties for the FYE Under Review and the FPE 2025 are as follows:*

	FYE 2021	*FYE 2022*	*FYE 2023*	*FYE 2024*	*FPE 2024*	*FPE 2025*
Number of units of generators cross-rented from third-parties	*4*	*3*	*10*	*6*	*2*	*-*

For the FYE Under Review and the FPE 2025, revenue derived from emergency and planned maintenance service categories collectively accounted for more than 95.00% of our total revenue derived from our generator rental services. Our generator's rental rate is charged based on rental period as per the hourly service meter reading and the size (i.e. power capacity) of our/third party's generators.

(c) Analysis of generator rental services' revenue by customer type and by service category

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Electric utility(1)												
Emergency	11,853	61.28	17,683	56.29	22,521	57.12	24,966	35.60	6,167	52.21	4,228	34.09
Planned maintenance	3,849	19.90	6,556	20.87	8,445	21.42	40,710(3)	58.04	5,017(3)	42.47	5,703(3)	45.99
Standby	54	0.28	366	1.17	1,214	3.08	1,852	2.64	63	0.53	410	3.30
Subtotal	15,756	81.46	24,605	78.33	32,180	81.62	67,528	96.28	11,247	95.21	10,341	83.38
Others(3)	3,585	18.54	6,807	21.67	7,244	18.38	2,610	3.72	566	4.79	2,060	16.62
Total	**19,341**	**100.00**	**31,412**	**100.00**	**39,424**	**100.00**	**70,138**	**100.00**	**11,813**	**100.00**	**12,401**	**100.00**

Notes:

(1) Our electric utility customers include TNB, approved vendors of TNB and supplier of SESB. Revenue derived from electric utility customers comprises of generator rental services provided to TNB (direct and indirect) and SESB (indirect). The requirements for generator rental services of our electric utility customers are more varied and encompass rental services for emergency, planned maintenance and standby service category.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

The analysis of the revenue contribution from TNB (direct and indirect) and SESB (indirect) are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
TNB												
- Direct	-	-	5,928	18.87	15,617	39.61	19,169	27.33	3,580	30.31	4,182	33.72
- Indirect	15,756	81.46	18,677	59.46	16,563	42.01	21,398	30.51	4,779	40.46	3,862	31.14
Subtotal	**15,756**	**81.46**	**24,605**	**78.33**	**32,180**	**81.62**	**40,567**	**57.84**	**8,359**	**70.77**	**8,044**	**64.86**
SESB												
- Indirect	-	-	-	-	-	-	26,961	38.44	2,888	24.44	2,297[(a)]	18.52
Total	**15,756**	**81.46**	**24,605**	**78.33**	**32,180**	**81.62**	**67,528**	**96.28**	**11,247**	**95.21**	**10,341**	**83.38**

Note:

(a) Lower revenue contribution from SESB (indirect) mainly due to lower contract rates for the new project undertaken in January 2025 for a duration of 24 months, via Dynasynergy. The lower contract rates were due to highly competitive bidding process for SESB's project in which Dynasynergy took part.

(2) Includes revenue from the generator rental services provided indirectly to SESB via Dynasynergy which secured its project from SESB.

(3) Our other customers (i.e. non-electric utility customers) comprise of M&E companies, manufacturing companies, construction companies, event organisers, and government agencies. For information, the generator rental services provided to our other customers are all planned maintenance service category.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

Commentaries on revenue

Comparison between FYE 2021 and FYE 2022

Our Group's revenue increased by approximately RM12.07 million or 62.41% from RM19.34 million in the FYE 2021 to approximately RM31.41 million in the FYE 2022 driven by:

(i) the higher revenue contributions from electric utility customers by approximately RM8.85 million or 56.15% from RM15.76 million in the FYE 2021 to RM24.61 million in the FYE 2022 mainly attributed to the revenue generated directly from TNB of RM5.93 million arising from the Service Contracts secured from TNB in July 2022. The increase in revenue by service categories is as follows:

  (a) higher revenue contribution from emergency service category by approximately RM5.83 million from RM11.85 million in the FYE 2021 to approximately RM17.68 million in the FYE 2022;

  (b) higher revenue contribution from planned maintenance service category by approximately RM2.71 million from RM3.85 million in the FYE 2021 to approximately RM6.56 million in the FYE 2022; and

  (c) higher revenue contribution from standby service category by approximately RM0.32 million from RM0.05 million in the FYE 2021 to approximately RM0.37 million in the FYE 2022.

(ii) the increase in revenue generated from other customers (i.e. non-electric utility customers) by approximately RM3.22 million or 89.69% from RM3.59 million in the FYE 2021 to approximately RM6.81 million in the FYE 2022, as we secured higher recurring generator rental services from both existing customers as well as 38 new non-electric utility customers mainly from M&E and manufacturing industries, who collectively contributed RM2.28 million to our total revenue in the FYE 2022.

Comparison between FYE 2022 and FYE 2023

Our Group's revenue increased by approximately RM8.01 million or 25.50% from RM31.41 million in the FYE 2022 to approximately RM39.42 million in the FYE 2023 mainly driven by:

(i) the higher contributions from electric utility customers by approximately RM7.57 million or 30.76% from RM24.61 million in the FYE 2022 to approximately RM32.18 million in the FYE 2023 mainly attributed to the increase in revenue generated directly from TNB of approximately RM9.69 million in line with the full year duration of the Service Contracts in the FYE 2023 (FYE 2022: 6 months). The increase in revenue by service categories is as follow:

  (a) higher revenue contribution from emergency service category by approximately RM4.84 million from RM17.68 million in FYE 2022 to approximately RM22.52 million in the FYE 2023;

  (b) higher revenue contribution from planned maintenance service category by approximately RM1.89 million from RM6.56 million in the FYE 2022 to approximately RM8.45 million in the FYE 2023; and

(c) higher revenue contribution from standby service category by approximately RM0.84 million from RM0.37 million in the FYE 2022 to approximately RM1.21 million in the FYE 2023; and

(ii) the increase in revenue from other customers (i.e. non-electric utility customers) of approximately RM0.43 million or 6.31% from RM6.81 million in the FYE 2022 to approximately RM7.24 million in the FYE 2023 mainly due to job secured from our customer, namely Electrica Technology Sdn Bhd, to provide generator rental services for its hospital project during the FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our Group's revenue increased by approximately RM30.75 million or 78.01% from RM39.42 million in the FYE 2023 to approximately RM70.17 million in the FYE 2024, mainly driven by the higher revenue contributions from electric utility customers by approximately RM35.35 million or 109.85% from RM32.18 million in FYE 2023 to RM67.53 million in the FYE 2024. The increase in revenue by service categories is as follow:

(i) higher revenue contribution from emergency service category by approximately RM2.45 million from RM22.52 million in the FYE 2023 to RM24.97 million in the FYE 2024;

(ii) higher revenue contribution from planned maintenance service category by approximately RM32.26 million from RM8.45 million in the FYE 2023 to approximately RM40.71 million in the FYE 2024 primarily attributable to our business expansion in Sabah in 2024, where we provided generator rental services indirectly to SESB via Dynasynergy; and

(iii) higher revenue contribution from standby service category by approximately RM0.64 million from RM1.21 million in the FYE 2023 to RM1.85 million for the FYE 2024.

The increase in revenue from electric utility customers was partially offset by lower revenue generated from non-electric utility customers by approximately RM4.63 million or 63.95% from RM7.24 million in the FYE 2023 to approximately RM2.61 million in the FYE 2024. The decrease in the revenue generated from non-electric utility customers was mainly due to the diversion of more generators towards servicing our electric utility customers.

Comparison between FPE 2024 and FPE 2025

Our Group's revenue increased by approximately RM1.05 million or 8.89% from RM11.81 million in the FPE 2024 to approximately RM12.86 million in the FPE 2025, mainly driven by the higher revenue contributions from the following:

(i) others customers by approximately RM1.49 million or 261.40% from RM0.57 million in FPE 2024 to RM2.06 million in the FPE 2025, mainly due to the job secured from our major customer, namely Dynasynergy, to provide generator services for its project in the FPE 2025 which is not related to SESB; and

(ii) electric utility customers from the following service categories:

(a) planned maintenance service category by approximately RM0.68 million from RM5.02 million to RM5.70 million mainly due to the higher mainly due to the higher revenue contribution from TNB related job; and

12. FINANCIAL INFORMATION *(Cont'd)*

(b) standby service category by approximately RM0.35 million from RM0.06 million in FPE 2024 to RM0.41 million in FPE 2025.

The increase in revenue was partially offset by lower revenue generated from the electric utility customers for the emergency service category by approximately RM1.94 million from RM6.17 million in the FPE 2024 to RM4.23 million in the FPE 2025.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(ii) Cost of sales, GP and GP margin

(a) Analysis of cost of sales by business segments

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Generator rental services	7,748	100.00	15,933	100.00	17,148	100.00	32,744	99.91	5,054	100.00	4,490	92.79
Solar PV solutions[(1)]	-	-	-	-	-	-	29	0.09	-	-	349	7.21
Total	**7,748**	**100.00**	**15,933**	**100.00**	**17,148**	**100.00**	**32,773**	**100.00**	**5,054**	**100.00**	**4,839**	**100.00**

Note:

(1) Our Group ventured into the solar PV solutions in April 2024 and commenced the operations towards the end of FYE 2024.

(b) Analysis of cost of sales by components

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Depreciation of generators	1,849	23.86	2,170	13.62	2,440	14.23	2,672	8.15	609	12.05	682	14.09
Industrial diesel consumed	4,600	59.37	10,169	63.82	10,463	61.01	21,962[(6)]	67.01	2,602	51.48	2,834	58.57
Spare parts and consumables consumed	514	6.63	1,670	10.48	1,541	8.99	1,918	5.85	726	14.36	226	4.67
Upkeep of motor vehicles	359	4.63	525	3.30	825	4.81	1,384	4.22	223	4.41	414	8.56
Upkeep of generators[(1)]	53	0.69	472	2.96	181	1.06	683	2.09	107	2.12	36	0.75
Cost for cross rental of generators	13	0.17	42	0.26	788	4.60	1,364	4.16	209	4.14	-	-
Rental of plant and equipment	11	0.14	24	0.16	30	0.17	1,217	3.71	150	2.97	120	2.48

12. FINANCIAL INFORMATION *(Cont'd)*

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Outsourced services[2]	128	1.65	280	1.76	329	1.92	459	1.40	182	3.60	32	0.66
Fuel and lubricants consumed	193	2.49	486	3.05	304	1.77	704	2.15	159	3.15	65	1.34
Solar division[3]	-	-	-	-	-	-	29	0.09	-	-	349	7.21
Others[4]	30	0.39	96	0.60	252	1.47	425	1.30	93	1.84	92	1.90
Less: Discount received[5]	(2)	(0.02)	(1)	(0.01)	(5)	(0.03)	(44)	(0.13)	(6)	(0.12)	(11)	(0.23)
Total	**7,748**	**100.00**	**15,933**	**100.00**	**17,148**	**100.00**	**32,773**	**100.00**	**5,054**	**100.00**	**4,839**	**100.00**

Notes:

(1) We engage third parties for various upkeep and servicing services such as, engine calibration, parts inspections, parts replacement and modification, and repainting.

(2) Outsource of repair and maintenance tasks to third parties for major repairs such as, engine overhaul, alternator winding repair or replacement, and fuel and cooling systems repair.

(3) Our Group ventured into the solar PV solutions business in April 2024 and commenced the operations towards the end of FYE 2024. Expenses in relation to the solar PV solutions comprise of, amongst others, material costs, third party installation costs and design fees.

(4) Comprises of insurance premium, all ancillary costs in relation to the purchase of generators that do not qualify as capital expenditure, and penalty for late delivery and/or mechanical issues of the generators.

(5) This refers to discount received on purchases from suppliers.

(6) Higher industrial diesel consumed in the FYE 2024 is in line with our business expansion in Sabah during the financial year.

The main components of our cost of sales are depreciation of generators, industrial diesel consumed, spare parts and consumables consumed as well as upkeep expenses. The said components collectively accounted for 95.18%, 94.18%, 90.10%, 87.32% and 86.64% of our cost of sales for the respective FYE Under Review and the FPE 2025.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(c) Analysis of generator rental services' cost of sales by customer type

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Electric utility[(1)]												
• Emergency	4,197	54.17	8,118	50.95	8,563	49.94	8,179	24.98	1,947	38.52	1,283	28.57
• Planned maintenance	1,411	18.21	3,236	20.31	3,579	20.87	21,358[(2)]	65.23	2,745[(2)]	54.31	2,008[(2)]	44.72
• Standby	34	0.44	305	1.92	767	4.47	1,353	4.13	52	1.03	253	5.64
Subtotal	5,642	72.82	11,659	73.18	12,909	75.28	30,890	94.34	4,744	93.86	3,544	78.93
Others[(3)]	2,106	27.18	4,274	26.82	4,239	24.72	1,854	5.66	310	6.14	946	21.07
Total	**7,748**	**100.00**	**15,933**	**100.00**	**17,148**	**100.00**	**32,744**	**100.00**	**5,054**	**100.00**	**4,490**	**100.00**

Notes:

(1) Our electric utility customers include TNB, approved vendors of TNB and supplier of SESB. Revenue derived from electric utility customers comprises of generator rental services provided to TNB (direct and indirect) and SESB (indirect). The requirements for generator rental services of our electric utility customers are more varied and encompass generator rental services for emergency, planned maintenance and standby service category.

(2) Includes cost of sales from the generator rental services provided indirectly to SESB via Dynasynergy which secured its project from SESB.

(3) Our other customers (i.e. non-electric utility customers) comprise of M&E companies, manufacturing companies, construction companies, event organisers, and government agencies.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(d) Analysis of GP and GP margin by customer type

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Generator rental services	11,593	59.94	15,479	49.28	22,276	56.50	37,394	53.31	6,759	57.22	7,911	63.79
Solar PV solutions[(1)]	-	-	-	-	-	-	*	*	-	-	110	23.97
Total	**11,593**	**59.94**	**15,479**	**49.28**	**22,276**	**56.50**	**37,394**	**53.29**	**6,759**	**57.22**	**8,021**	**62.37**

Notes:

* *Less than RM1,000 or 0.01%.*

(1) Our Group ventured into the solar PV solutions in April 2024 and commenced the operations towards the end of FYE 2024.

(e) Analysis of generator rental services' GP and GP margin by customer type

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Electric utility[(1)]												
• Emergency	7,656	64.59	9,565	54.09	13,958	61.98	16,787	67.24	4,220	68.43	2,945	69.65
• Planned maintenance	2,438	63.34	3,320	50.64	4,866	57.62	19,352[(2)]	47.54	2,272[(2)]	45.29	3,695[(2)]	64.79
• Standby	20	37.04	61	16.67	447	36.82	499	26.94	11	17.46	157	38.29
Subtotal	10,114	64.19	12,946	52.62	19,271	59.89	36,638	54.26	6,503	57.82	6,797	65.73
Others[(3)]	1,479	41.26	2,533	37.21	3,005	41.48	756	28.97	256	45.23	1,114	54.08
Total	**11,593**	**59.94**	**15,479**	**49.28**	**22,276**	**56.50**	**37,394**	**53.31**	**6,759**	**57.22**	**7,911**	**63.79**

12. FINANCIAL INFORMATION *(Cont'd)*

Notes:

(1) Our electric utility customers include TNB, approved vendors of TNB and supplier of SESB. Revenue derived from electric utility customers comprises of generator rental services provided to TNB (direct and indirect) and SESB (indirect). The requirements for generator rental services of our electric utility customers are more varied and encompass generator rental services for emergency, planned maintenance and standby service category.

(2) Includes GP from the generator rental services provided indirectly to SESB via Dynasynergy which secured its project from SESB.

(3) Our other customers (i.e. non-electric utility customers) comprise of M&E companies, manufacturing companies, construction companies, event organisers, and government agencies.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

Commentaries on cost of sales, GP and GP margin

Comparison between FYE 2021 and FYE 2022

Cost of sales

Our Group's cost of sales increased by approximately RM8.18 million or 105.55% from RM7.75 million in the FYE 2021 to approximately RM15.93 million in the FYE 2022, which corresponded with our Group's higher revenue in the FYE 2022. The increase in cost of sales was mainly attributable to the following:

(i) industrial diesel consumed increased by approximately RM5.57 million or 121.09% from RM4.60 million in the FYE 2021 to approximately RM10.17 million in the FYE 2022, which was in line with the increase in our Group's revenue as disclosed in Section 12.2.3(i) of this Prospectus; and

(ii) spare parts and consumables consumed increased by approximately RM1.16 million or 227.45% from RM0.51 million in the FYE 2021 to approximately RM1.67 million in the FYE 2022 due to the increase in our in-house repair and maintenance activities for our generators and increase in the replacement of spare parts of some of our generators that were damaged during the rental period.

GP and GP margin

Our Group's GP increased by approximately RM3.89 million or 33.56% from RM11.59 million in the FYE 2021 to approximately RM15.48 million in the FYE 2022 in line with the increase in our Group's total revenue as disclosed in Section 12.2.3(i) of this Prospectus.

However, our Group's GP margin of 49.28% for the FYE 2022 was lower than the GP margin of 59.94% for the FYE 2021 mainly due to the lower GP margin from our electric utility customers as a result of the increase in the industrial diesel price, which ranged from RM2.90 to RM5.39 per litre in the FYE 2022 (FYE 2021: RM1.68 to RM2.77 per litre) and we were not able to fully pass on the increased cost to our customers as a result of significant fluctuation in industrial diesel price. Consequently, GP margin from our:

(i) electric utility customers decreased from 64.19% in the FYE 2021 to 52.62% in the FYE 2022; and

(ii) other customers (i.e. non-electric utility customers) decreased by 4.05%, from 41.26% in the FYE 2021 to 37.21% in the FYE 2022.

Comparison between FYE 2022 and FYE 2023

Cost of sales

Our Group's cost of sales increased by approximately RM1.22 million or 7.66% from RM15.93 million in the FYE 2022 to approximately RM17.15 million in the FYE 2023, which corresponded with our Group's higher revenue in the FYE 2023. The higher cost of sales was mainly attributable to the following:

(i) increase in cost for cross rental of generators from third-party generator rental service providers by approximately RM0.75 million to support additional jobs due to unavailability of generators of certain capacity as our Group has committed such generators with the required capacity to other jobs;

(ii) increase in the industrial diesel consumed by approximately RM0.29 million in line with the increase in our Group's total revenue; and

(iii) increase in the depreciation of generators by approximately RM0.27 million as 13 units of generators comprising of 5 units of Small-sized generators and 8 units of Large-sized generators were purchased by our Group in the FYE 2023.

GP and GP margin

Our Group's GP increased by approximately RM6.80 million or 43.93% from RM15.48 million in the FYE 2022 to approximately RM22.28 million in FYE 2023 in line with the increase in our Group's total revenue as disclosed in Section 12.2.3(i) of this Prospectus.

Our Group's GP margin of 56.50% for the FYE 2023 was higher than the GP margin of 49.28% in the FYE 2022 mainly due to the higher GP margin from our electric utility customers as a result of the decrease in the industrial diesel price, which ranged from RM2.81 to RM4.11 per litre in the FYE 2023 (FYE 2022: RM2.90 to RM5.39 per litre). Our GP margin from our non-electric utility customers increased by 4.27% from 37.21% in FYE 2022 to 41.48% in the FYE 2023 mainly attributable to lower industrial diesel price.

Comparison between FYE 2023 and FYE 2024

Cost of sales

Our Group's cost of sales increased by approximately RM15.62 million or 91.08% from RM17.15 million in the FYE 2023 to approximately RM32.77 million in the FYE 2024, which corresponded with our Group's higher revenue in the FYE 2024. The increase in cost of sales was mainly attributable to the following:

(i) increase in industrial diesel consumed by approximately RM11.50 million in the FYE 2024 in line with the increase in our Group's total revenue as disclosed in Section 12.2.3(i) of this Prospectus;

(ii) increase in spare parts and consumables consumed, and fuel and lubricants consumed by approximately RM0.38 million and RM0.40 million, respectively, mainly due to the increase in our in-house repair and maintenance activities of our generators;

(iii) increase in upkeep expenses by approximately RM1.06 million, mainly due to repair and maintenance activities on our generators deployed in Sabah; and

(iv) increase in cost for cross-renting from third-party generator rental service providers by approximately RM0.58 million due to our expansion in Sabah in the FYE 2024, which require a bigger fleet, as well as the unavailability of generators of certain capacity as we have committed such generators to other jobs.

GP and GP margin

Our Group's GP increased by approximately RM15.11 million or 67.82% from RM22.28 million in the FYE 2023 to approximately RM37.39 million in the FYE 2024 in line with the increase in our Group's total revenue as disclosed in Section 12.2.3(i) of this Prospectus.

However, our Group's GP margin decreased by approximately 3.19% from 56.50% in the FYE 2023 to 53.31% in the FYE 2024 mainly due to the decrease in GP margin of planned maintenance service category as a result of higher direct operating costs in Sabah arising from the cross-renting of generators and equipment as well as upkeep expenses for our generators deployed in Sabah. In addition, our GP margin for standby service category and other customers decreased in FYE 2024 as follows:

(i) GP margin of standby service category decreased to 26.94% in the FYE 2024 (FYE 2023: 36.82%) as we had relatively less proportion of jobs whereby our generators are switched on during standby in the FYE 2024 and hence, some of our generators were idle (i.e. not switched on) more frequently throughout the standby mode in the FYE 2024. Under standby service category, additional rental will be charged when our generators are required to be switched on from standby mode and hence command higher rental rates; and

(ii) GP margin of other customers decreased to 28.97% in the FYE 2024 (FYE 2023: 41.48%) as we had relatively more purchase orders for rental of generators only which command lower rental rates as compared to rental of generator with diesel supply in the FYE 2024.

Notwithstanding on the above, our GP margin for emergency service category increased to 67.24% (FYE 2023: 61.98%) mainly due to the decrease in the industrial diesel price in the FYE 2024, which ranged from RM2.29 to RM3.70 per litre (FYE 2023: RM2.61 to RM4.32 per litre).

Comparison between FPE 2024 and FPE 2025

Cost of sales

Notwithstanding the higher revenue recorded in the FPE 2025, our Group's cost of sales decreased by approximately RM0.21 million or 4.16% from RM5.05 million in the FPE 2024 to approximately RM4.84 million in the FPE 2025. The decrease in cost of sales was mainly attributable to the following:

(i) decrease in spare parts and consumables consumed, and fuel and lubricants consumed by approximately RM0.50 million and RM0.09 million, respectively, in the FPE 2025 mainly due to the decrease in our in-house repair and maintenance activities of our generators;

(ii) absence of the costs of cross renting in the FPE 2025 (FPE 2024: RM0.21 million) as our Group had sufficient available generators to fulfil our customers' demand; and

(iii) decrease in outsourced services by approximately RM0.15 million mainly due to decrease in outsource of repair and maintenance tasks for major repairs for our generators and motor vehicles.

However, such decrease was partially offset by the following:

(i) increase in industrial diesel consumed by approximately RM0.23 million in the FPE 2025 in line with the increase in our Group's revenue from generator rental services as disclosed in Section 12.2.3(i) of this Prospectus;

(ii) increase in upkeep expenses of our motor vehicles by approximately RM0.19 million in the FPE 2025 due to mainly due to repair maintenance activities on our motor vehicles deployed in Sabah; and

(ii) incurred cost of sales from the solar PV solutions business of RM0.35 million which commenced operations towards the end of FYE 2024.

12. FINANCIAL INFORMATION *(Cont'd)*

GP and GP margin

Our Group's GP increased by approximately RM1.26 million or 18.64% from RM6.76 million in the FPE 2024 to approximately RM8.02 million in the FPE 2025 in line with the increase in our Group's total revenue as disclosed in Section 12.2.3(i) of this Prospectus.

Our Group's GP margin increased by approximately 5.15% from 57.22% in the FPE 2024 to 62.37% in the FPE 2025 due to the higher GP margin from our electric utility customers as well as our other customers as a result of the following:

(i) decrease in the industrial diesel price, which ranged from RM2.53 to RM3.18 per litre in the FPE 2025 (FPE 2024: RM3.10 to RM3.70 per litre); and

(ii) decrease in the cost of sales in FPE 2025 as explained above.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(iii) Other income

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Government grant[(1)]	39	75.00	-	-	-	-			-	-	-	-
Interest income	2	3.85	7	50.00	27	65.85	80	54.80	2	100.00	31	62.00
Interest receivable (market placement)	11	21.15	*	*	-	-			-	-	-	-
Realised gain on other investment	-	-	7	50.00	-	-	-	-	-	-	-	-
Gain on lease modification	-	-	-	-	-	-	2	1.37	-	-	3	6.00
Gain on disposal of plant and equipment	-	-	-	-	-	-	57	39.04	-	-	-	-
Forfeiture of customer's deposits	-	-	-	-	14	34.15	-	-	-	-	-	-
Others[(2)]	-	-	-	-	-	-	7	4.79	-	-	16	32.00
Total	**52**	**100.00**	**14**	**100.00**	**41**	**100.00**	**146**	**100.00**	**2**	**100.00**	**50**	**100.00**

Notes:

* *Less than RM1,000 or 0.01%.*

(1) Subsidy received under the PERKESO Wage Subsidy Program, which provided financial assistance to small and medium sized enterprises during the COVID-19 pandemic period.

(2) Comprises cash rebate received from bank on a bank facility.

Comparison between FYE 2021 and FYE 2022

Our Group's other income decreased by approximately RM0.04 million or 80.00% from RM0.05 million in the FYE 2021 to approximately RM0.01 in the FYE 2022, mainly due to the absence of the government grant in the FYE 2022 (FYE 2021: RM0.04 million).

Comparison between FYE 2022 and FYE 2023

Our Group's other income increased by approximately RM0.03 million or 300.00% from RM0.01 million in the FYE 2022 to approximately RM0.04 million in the FYE 2023, mainly due to increase in interest income and forfeiture of deposits from 2 customers. The forfeiture of deposits occurred because the customers failed to confirm on the deployment date for our generator rental services after bookings were made.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2023 and FYE 2024

Our Group's other income increased by approximately RM0.11 million or 275.00% from RM0.04 million in FYE 2023 to approximately RM0.15 million in the FYE 2024, mainly due to the increase in interest income of RM0.05 million and a gain on disposal of plant and equipment of RM0.06 million comprised of disposal of 8 units of mini crawler dump truck and 8 units of obsolete Small-sized generators.

Comparison between FPE 2024 and FPE 2025

Our Group's other income increased by approximately RM0.05 million mainly due to the increase in interest income of RM0.03 million and others which comprises cash rebate received from bank on a bank facility of RM0.02 million.

(iv) Administrative expenses

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Directors' remuneration	54	1.90	184	3.35	274	3.11	542	4.08	82	2.98	219	6.12
Insurance	138	4.86	498	9.06	59	0.67	30	0.23	4	0.15	11	0.30
Legal and professional fees	173	6.10	222	4.04	1,062	12.04	892	6.72	84	3.05	92	2.57
Rental expenses	446	15.72	732	13.32	864	9.79	509	3.84	135	4.91	127	3.55
Sales and marketing expenses	5	0.18	93	1.69	26	0.29	149	1.12	31	1.13	75	2.09
Staff costs	1,514	53.35	2,891	52.61	5,040	57.12	7,278	54.85	1,618	58.81	2,053	57.35
Travelling and accommodation	216	7.61	428	7.79	429	4.86	1,356	10.22	464	16.87	605	16.90
Upkeep expenses	30	1.06	42	0.76	101	1.14	326	2.46	13	0.47	45	1.26
Utility expenses	102	3.59	114	2.08	154	1.74	169	1.27	46	1.67	38	1.06
Security expenses	30	1.05	107	1.95	396	4.49	296	2.23	74	2.69	101	2.82
Others[(1)]	130	4.58	184	3.35	419	4.75	1,722	12.98	200	7.27	214	5.98
Total	**2,838**	**100.00**	**5,495**	**100.00**	**8,824**	**100.00**	**13,269**	**100.00**	**2,751**	**100.00**	**3,580**	**100.00**

Note:

(1) Mainly consists of stamp duties, bank charges, processing expenses, inspection fees, and service taxes.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2021 and FYE 2022

Our Group's administrative expenses increased by approximately RM2.66 million or 93.66% from RM2.84 million in the FYE 2021 to approximately RM5.50 million in the FYE 2022, mainly due to the following:

(i) increase in directors' remuneration by approximately RM0.13 million from RM0.05 million in the FYE 2021 to approximately RM0.18 million in the FYE 2022 in respect of remuneration which includes employer's contribution to EPF, SOCSO and EIS (where applicable) paid to our Director, namely Lim Cheng Ten;

(ii) increase in insurance expenses by approximately RM0.36 million from RM0.14 million in the FYE 2021 to approximately RM0.50 million in the FYE 2022 due to increase in insurance coverage for increased in operational personnel and our fleet of generators;

(iii) increase in rental expenses by approximately RM0.28 million from RM0.45 million in the FYE 2021 to RM0.73 million in the FYE 2022 due to the rental of 4 additional operation yards located in Puchong, Kuala Lumpur, Kulai and Pasir Gudang, as required under the Service Contracts;

(iv) increase in staff costs by approximately RM1.38 million from RM1.51 million in FYE 2021 to approximately RM2.89 million in the FYE 2022 due to the recruitment of 74 new employees to fill positions for various departments such as, finance and accounting, human resources and administration, operations and technical. This increase was driven by our Group's efforts to build up our manpower; and

(v) increase in travelling and accommodation by approximately RM0.21 million from RM0.22 million in the FYE 2021 to approximately RM0.43 million in the FYE 2022 as more trips were made for site inspections as our business activities increased in line with the growth in our Group's total revenue.

Comparison between FYE 2022 and FYE 2023

Our Group's administrative expenses increased by approximately RM3.32 million or 60.36% from RM5.50 million in the FYE 2022 to approximately RM8.82 million in the FYE 2023, mainly due to the following:

(i) increase in legal and professional fees by approximately RM0.84 million from RM0.22 million in the FYE 2022 to approximately RM1.06 million in the FYE 2023, mainly due to the appointment of professionals for our Listing; and

(ii) increase in staff costs by approximately RM2.15 million from RM2.89 million in the FYE 2022 to approximately RM5.04 million in the FYE 2023 mainly due to the full year staff costs incurred in the FYE 2023 for our 60 new employees recruited in the second half of the FYE 2022.

However, such increase in administrative expenses was partially offset by the decrease in insurance expenses by approximately RM0.44 million from RM0.50 million in the FYE 2022 to approximately RM0.06 million in the FYE 2023, attributed to the absence of the insurance expenses incurred in FYE 2023. In FYE 2022, our Group has incurred insurance expenses relating to the comprehensive insurance coverage for a period of 3 years as required by TNB.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2023 and FYE 2024

Our Group's administrative expenses increased by approximately RM4.45 million or 50.45% from RM8.82 million in the FYE 2023 to approximately RM13.27 million in the FYE 2024, mainly due to the following:

(i) increase in staff costs by approximately RM2.24 million from RM5.04 million in the FYE 2023 to RM7.28 million in the FYE 2024 mainly due to basic salary increment in the FYE 2024, increase in overtime payment, as well as recruitment of new employees which was in line with our business expansion in Sabah;

(ii) increase in travelling and accommodation expenses by approximately RM0.93 million from RM0.43 million in the FYE 2023 to RM1.36 million in the FYE 2024 mainly due to mobilisation of staff to provide generator rental services in Sabah; and

(iii) increase in other administrative expenses by RM1.30 million from RM0.42 million in the FYE 2023 to RM1.72 million in the FYE 2024 mainly due to stamp duty incurred on the memorandum of transfer in relation to the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, as well as inspection fees, processing fees and licensing fees in connection with the purchase of 18 units of generators and 9 units of used trucks and pick-ups.

However, such increase in administrative expenses was partially offset by the decrease in rental expenses by approximately RM0.35 million from RM0.86 million in the FYE 2023 to RM0.51 million from the FYE 2024 due to the termination of the operation yard in Shah Alam in September 2023.

Comparison between FPE 2024 and FPE 2025

Our Group's administrative expenses increased by approximately RM0.83 million or 30.18% from RM2.75 million in the FPE 2024 to approximately RM3.58 million in the FPE 2025, mainly due to the following:

(i) increase in staff costs by approximately RM0.43 million from RM1.62 million in the FPE 2024 to RM2.05 million in the FPE 2025 mainly due to basic salary increment in the FPE 2025 as well as minimum wage adjustment which was effected on 1 February 2025;

(ii) increase in travelling and accommodation expenses by approximately RM0.15 million from RM0.46 million in the FPE 2024 to RM0.61 million in the FPE 2025 mainly due to mobilisation and demobilisation of our generators for the jobs in Sabah; and

(iii) increase in director remuneration by approximately RM0.14 million from RM0.08 million in the FPE 2024 to RM0.22 million in the FPE 2025 in respect of remuneration which includes employer's contribution to EPF, SOCSO and EIS (where applicable) paid to our Directors, namely Lim Cheng Ten and Rosli Bin Jonid.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(v) Other operating expenses

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Depreciation of equipment	326	54.79	394	59.88	529	76.56	725	72.50	165	71.74	212	74.91
Depreciation of right-of-use assets	35	5.88	79	12.00	162	23.44	275	27.50	65	28.26	67	23.68
Loss on disposal of plant and equipment	-	-	75	11.40	-	-	-	-	-	-	-	-
Bad debts written off	234	39.33	110	16.72	-	-	-	-	-	-	-	-
Realised loss on foreign exchange	-	-	-	-	-	-	-	-	-	-	4	1.41
Total	**595**	**100.00**	**658**	**100.00**	**691**	**100.00**	**1,000**	**100.00**	**230**	**100.00**	**283**	**100.00**

Comparison between FYE 2021 and FYE 2022

Our Group's other operating expenses increased by approximately RM0.06 million or 10.00% from RM0.60 million in the FYE 2021 to RM0.66 million in the FYE 2022, mainly due to the following:

(i) increase in depreciation of equipment by approximately RM0.06 million due to the addition of new tools and equipment in the FYE 2022;

(ii) increase in right-of-use assets by approximately RM0.04 million, mainly due to the 4 additional operation yards rented by our Group in the FYE 2022; and

(iii) incurred a loss on disposal of a unit of mobile crane by approximately RM0.08 million in the FYE 2022.

However, the increase in other operating expenses was partially offset by the decrease in bad debts written off by RM0.12 million.

Comparison between FYE 2022 and FYE 2023

Our Group's other operating expenses increased by approximately RM0.03 million or 4.55% from approximately RM0.66 million in the FYE 2022 to approximately RM0.69 million in the FYE 2023, mainly due to the following:

(i) increase in depreciation of equipment in the FYE 2023 by approximately RM0.14 million in line with the addition of new tools and equipment and office equipment; and

12. FINANCIAL INFORMATION *(Cont'd)*

(ii) increase in depreciation of right-of-use assets by approximately RM0.08 million due to 1 additional office and 2 additional operation yards rented by our Group in the FYE 2023.

However, the increase in other operating expenses was partially offset by:

(i) the absence of loss on disposal of plant and equipment in the FYE 2023 (FYE 2022: RM0.08 million); and

(ii) the absence of bad debts written off in the FYE 2023 (FYE 2022: RM0.12 million).

Comparison between FYE 2023 and FYE 2024

Other operating expenses increased by approximately RM0.31 million or 44.93% from RM0.69 million in the FYE 2023 to RM1.00 million in the FYE 2024, mainly due to the following:

(i) increase in depreciation of equipment by approximately RM0.20 million mainly due to the addition of new tools and equipment and office equipment; and

(ii) increase in depreciation of right-of-use assets by approximately RM0.12 million, resulting from the higher carrying value of right-of-use asset mainly due to the renewal of tenancy agreement for the Kulai operation yard in the FYE 2024.

Comparison between FPE 2024 and FPE 2025

Other operating expenses increased by approximately RM0.05 million or 21.74% from RM0.23 million in the FPE 2024 to RM0.28 million in the FPE 2025, mainly due to the increase in depreciation of equipment by approximately RM0.05 million attributable to the addition of new tools and equipment.

(vi) Finance costs

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest expenses on:												
Term loan	34	39.08	28	43.74	21	38.89	97	66.90	4	26.67	127	94.78
Lease liabilities	2	2.30	2	3.13	13	24.07	22	15.17	6	40.00	4	2.98
Bank overdraft	32	36.78	32	50.00	4	7.41	11	7.59	1	6.66	-	-
Hire purchase	19	21.84	2	3.13	16	29.63	15	10.34	4	26.67	3	2.24
Total	**87**	**100.00**	**64**	**100.00**	**54**	**100.00**	**145**	**100.00**	**15**	**100.00**	**134**	**100.00**

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2021 and FYE 2022

Our Group's finance costs decreased by approximately RM0.03 million or 33.33% from RM0.09 million in the FYE 2021 to approximately RM0.06 million in the FYE 2022 mainly due to the decrease in interest on hire purchase by RM0.02 million which corresponded with the lower outstanding hire purchase balance in the FYE 2022.

Comparison between FYE 2022 and FYE 2023

Our Group's finance costs decreased by approximately RM0.01 million or 16.67% from RM0.06 million in the FYE 2022 to approximately RM0.05 million in the FYE 2023 attributed to the decrease in interest on bank overdraft by RM0.03 million due to lower utilisation of this facility.

The decrease was offset by the following:

(i) increase in interest on lease liabilities by approximately RM0.01 million due to the full year interest expenses incurred for the 4 additional operation yards in the FYE 2023 (FYE 2022: 6 months); and

(ii) increase in interest on hire purchase by approximately RM0.01 million due to the purchase of 3 units of truck financed under hire purchase arrangement.

Comparison between FYE 2023 and FYE 2024

Our Group's financial costs increased by RM0.10 million or 200.00% from RM0.05 million in the FYE 2023 to RM0.15 million in the FYE 2024, attributed to:

(i) increase in interest on term loans by RM0.08 million as our Group has commenced progressive loan drawdown to finance the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively;

(ii) increase in interest on lease liabilities by RM0.01 million due to the increase in right-of-use assets; and

(iii) increase in interest on bank overdraft by RM0.01 million due to higher utilisation of this facility.

Comparison between FPE 2024 and FPE 2025

Our Group's financial costs increased by RM0.11 million from RM0.02 million in the FPE 2024 to RM0.13 million in the FPE 2025 mainly attributed to the increase in interest on term loan by RM0.13 million as our Group has commenced progressive loan drawdown to finance the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(vii) Net (impairment losses)/ reversal of impairment losses on financial assets

For the application of MFRS 9 – Financial Instruments, our Group estimates a lifetime expected credit loss ("**ECL**") allowance for all financial assets. Collective impairment was based on the credit risk and the days past due. We derived the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses which is then adjusted based on reasonable and supportable qualitative and quantitative forward-looking information. Reversals of impairment losses are made when there are subsequent collections.

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivable:						
Impairment losses	(971)	-	-	(136)	(170)	(87)
Reversal of impairment losses	353	534	224	7	7	-
Total	**(618)**	**534**	**224**	**(129)**	**(163)**	**(87)**

Comparison between FYE 2021 and FYE 2022

In the FYE 2021, our Group had net impairment losses on financial assets of RM0.62 million mainly due to the impairment losses on the trade receivables of RM0.97 million as the trade receivables were long outstanding net off reversal of impairment losses on the trade receivables of RM0.35 million from subsequent collections received in the FYE 2021 for those trade receivables which were impaired in previous financial years.

In the FYE 2022, our Group had net impairment reversal on financial assets of RM0.53 million due to reversal of impairment loss on trade receivables of RM0.53 million from subsequent collections received in the FYE 2022 for those trade receivables which were impaired in previous financial years.

Comparison between FYE 2022 and FYE 2023

In the FYE 2023, our Group had net impairment reversal on financial assets of RM0.22 million due to reversal of impairment loss on trade receivables of RM0.22 million from subsequent collections received in the FYE 2023 for those trade receivables which were impaired in previous financial years.

Comparison between FYE 2023 and FYE 2024

In the FYE 2024, our Group had net impairment losses on financial assets of RM0.13 million due to impairment loss on trade receivables of RM0.14 million as the trade receivables were long outstanding and reversal of impairment losses on the trade receivables of RM0.01 million from subsequent collections received in the FYE 2024 for those trade receivables which were impaired in previous financial years.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FPE 2024 and FPE 2025

In the FPE 2024, our Group had net impairment losses on financial assets of RM0.16 million due to impairment loss on trade receivables of RM0.17 million as the trade receivables were long outstanding and reversal of impairment losses on the trade receivables of RM0.01 million from subsequent collections received in the FPE 2024 for those trade receivables which were impaired in previous financial years.

In the FPE 2025, our Group had net impairment losses on financial assets of RM0.09 million due to impairment loss on trade receivables of RM0.09 million as the trade receivables were long outstanding.

(viii) PBT and PAT

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
PBT (RM'000)	7,507	9,810	12,972	22,997	3,602	3,987
PAT (RM'000)	5,658	7,494	9,887	16,596	2,487	2,911
PBT margin (%)	38.81	31.23	32.90	32.77	30.49	31.00
PAT margin (%)	29.25	23.86	25.08	23.65	21.05	22.64

Comparison between FYE 2021 and FYE 2022

Our Group's PBT increased from RM7.51 million in the FYE 2021 to approximately RM9.81 million in the FYE 2022, mainly due to the higher GP in the FYE 2022 as explained in Section 12.2.3(ii) of this Prospectus and net impairment reversal on financial assets of approximately RM0.53 million in the FYE 2022 (FYE 2021: net impairment losses on financial assets of RM0.62 million). However, our Group's PBT margin decreased from 38.81% in the FYE 2021 to 31.23% in the FYE 2022, mainly due to the decrease in GP margin in the FYE 2022 as explained in Section 12.2.3(ii) of this Prospectus.

Our Group's PAT increased from RM5.66 million in the FYE 2021 to approximately RM7.49 million in the FYE 2022 in line with the higher PBT in the FYE 2022 as explained above. However, our Group's PAT margin decreased from 29.25% in the FYE 2021 to 23.86% due to the lower PBT margin in the FYE 2022 as explained above.

Comparison between FYE 2022 and FYE 2023

Our Group's PBT increased from RM9.81 million in the FYE 2022 to approximately RM12.97 million in the FYE 2023 and our PBT margin increased from 31.23% in the FYE 2022 to 32.90% in the FYE 2023. The increases in the PBT and PBT margin were due to the higher GP and GP margin as explained in Section 12.2.3(ii) of this Prospectus but were partially offset by the lower net impairment reversal on financial assets of RM0.22 million in the FYE 2023 (FYE 2022: RM0.53 million).

Our Group's PAT increased from RM7.49 million in the FYE 2022 to approximately RM9.89 million in the FYE 2023 with our Group's PAT margin increased from 23.86% in FYE 2022 to 25.08% in FYE 2023. The increases in the PAT and PAT margin were due to the higher PBT and PBT margin as explained above.

Comparison between FYE 2023 and FYE 2024

Our Group's PBT increased from approximately RM12.97 million in the FYE 2023 to approximately RM23.00 million in the FYE 2024, mainly due to the higher GP in the FYE 2024 as explained in Section 12.2.3(ii) of this Prospectus. The increase in PBT was partially offset by the increase in administrative expenses as explained in Section 12.2.3(iv) of this Prospectus. However, our Group's PBT margin slightly decreased from 32.90% in the FYE 2023 to 32.77% in the FYE 2024 mainly due to the decrease in GP margin in the FYE 2024 as explained in Section 12.2.3(ii) of this Prospectus.

Our Group's PAT increased from approximately RM9.89 million in the FYE 2023 to approximately RM16.60 million in the FYE 2024 in line with the higher PBT in the FYE 2024 as explained above. However, our Group's PAT margin decreased from 25.08% in the FYE 2023 to 23.65% in the FYE 2024 as a result of higher effective tax rate in the FYE 2024 of 27.83% (FYE 2023: 23.78%) due to higher non-tax deductible expenses incurred and under provision of current tax for the FYE 2023.

Comparison between FPE 2024 and FPE 2025

Our Group's PBT increased from approximately RM3.60 million in the FPE 2024 to approximately RM3.99 million in the FPE 2025 with our PBT margin increased from 30.49% in the FPE 2024 to 31.00% in the FPE 2025. The increases in the PBT and PBT margin were due to the higher GP and GP margin in the FPE 2025 as explained in Section 12.2.3(ii) of this Prospectus but were partially offset by the increase in administrative expenses as explained in Section 12.2.3(iv) of this Prospectus.

Our Group's PAT increased from approximately RM2.49 million in the FPE 2024 to approximately RM2.91 million in the FPE 2025 with our Group's PAT margin increased from 21.05% in the FPE 2024 to 22.64% in the FPE 2025 The increases in the PAT and PAT margin were due to the higher PBT and PBT margin in the FPE 2025 as explained above.

(ix) Taxation

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
Taxation (RM'000)	1,849	2,316	3,085	6,401	1,115	1,076
Statutory tax rate (%)	24.00	24.00	24.00	24.00	24.00	24.00
Effective tax rate (%)[(1)]	24.63	23.61	23.78	27.83	30.96	26.99

12. FINANCIAL INFORMATION *(Cont'd)*

Note:

(1) Our Group's effective tax rate is calculated based on the income tax expense over PBT for each financial year/ period.

Our effective tax rate approximated the statutory tax rate of 24.00% and ranged between 23.61% to 30.96% for the FYE Under Review, the FPE 2024 and the FPE 2025.

Our effective tax rate is approximately 27.83% for the FYE 2024 due to non-tax deductible expenses incurred and under provision of current tax for the FYE 2023.

Our effective tax rate is approximately 30.96% for the FPE 2024 due to non-tax deductible expenses incurred and under provision of current tax in the FYE 2023.

Our effective tax rate is approximately 26.99% for the FPE 2025 due to non-tax deductible expenses incurred and under provision of current tax in the FYE 2024.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.2.4 Review of cash flows

	Audited				
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Net cash from operating activities	4,250	14,969	14,682	16,317	552
Net cash for investing activities	(2,695)	(10,919)	(10,217)	(12,161)	(3,817)
Net cash (for)/ from financing activities	(1,568)	(2,318)	(4,660)	4,982	(4,133)
Net (decrease)/ increase in cash and cash equivalents	**(13)**	**1,732**	**(195)**	**9,138**	**(7,398)**
Cash and cash equivalents at beginning of the financial year/ period	791	778	2,510	2,315	11,453
Cash and cash equivalents at end of the financial year/ period	**778**	**2,510**	**2,315**	**11,453**	**4,055**
Cash and cash equivalents at end of the financial year/ period comprise:					
- Cash and bank balances	151	2,510	2,315	11,453	4,055
- Money market fund	627	-	-	-	-
	778	**2,510**	**2,315**	**11,453**	**4,055**

FYE 2021

Net cash from operating activities

In the FYE 2021, we generated operating profits before working capital changes of approximately RM10.63 million. Our net cash generated from operating activities was approximately RM4.25 million after accounting for the following key items:

(i) increase in trade and other receivables of RM7.90 million as a direct result of increase in our Group's total revenue;

(ii) increase in trade and other payables of RM0.48 million due to higher purchases of industrial diesel for our operations;

(iii) net decrease in amount owing by related parties of RM1.99 million due to payments made or share of expenses or expenses incurred on our Group's behalf by and/or to related parties; and

(iv) income tax paid of RM0.95 million.

Net cash for investing activities

In the FYE 2021, our net cash used in investing activities amounted to approximately RM2.70 million, mainly attributable to:

(i) purchases of plant and equipment of RM2.52 million mainly comprised the purchase of 8 units of Large-sized generators and 5 units of trucks and pick-ups; and

12. FINANCIAL INFORMATION *(Cont'd)*

(ii) increase in pledged fixed deposits with licensed banks of RM0.19 million.

Net cash for financing activities

In the FYE 2021, our net cash used in financing activities amounted to approximately RM1.57 million, mainly attributable to:

(i) dividend paid to shareholder of RM0.99 million;

(ii) interest paid on bank borrowings and lease liabilities of RM0.09 million;

(iii) repayment of hire purchase of RM0.42 million; and

(iv) repayment of term loans of RM0.11 million.

FYE 2022

Net cash from operating activities

In the FYE 2022, we generated operating profits before working capital changes of approximately RM12.16 million. Our net cash generated from operating activities was approximately RM14.97 million after accounting for the following key items:

(i) decrease in trade and other receivables of RM2.71 million, arising from improvement in our credit collections;

(ii) increase in trade and other payables of RM1.52 million due to higher purchases of industrial diesel for our operations;

(iii) increase in amount owing by related parties of RM0.02 million mainly due to payments made or share of expenses or expenses incurred on our Group's behalf by and/or to related parties; and

(iv) income tax paid of RM1.39 million.

Net cash for investing activities

In FYE 2022, our net cash used in investing activities amounted to approximately RM10.92 million, mainly attributable to:

(i) increase in plant and equipment of RM10.78 million mainly comprised:

(a) the purchase of 15 units of generators amounted to RM3.76 million comprised of 1 unit of Small-sized generator, 3 units of Medium-sized generators and 11 units of Large-sized generators;

(b) the purchase of tools and equipment of RM1.26 million for our business operations;

(c) the purchase of 16 units of used trucks, pick-ups and sedans amounted to RM1.37 million; and

(d) capital work-in-progress of RM4.20 million in relation to the acquisition of Building 1 and Building 2 together with Lot 1 and Lot 2, respectively; and

(ii) increase in pledged fixed deposits with licensed banks of RM0.19 million.

12. FINANCIAL INFORMATION *(Cont'd)*

Net cash for financing activities

In the FYE 2022, our net cash used in financing activities amounted to approximately RM2.32 million, mainly attributable to:

(i) dividend paid to shareholder of RM2.74 million;

(ii) interest paid on bank borrowings and lease liabilities of RM0.06 million;

(iii) repayment of lease liabilities of RM0.08 million;

(iv) repayment of hire purchase of RM0.10 million; and

(v) repayment on term loans of RM0.19 million.

The net cash used in financing activities was partially offset by advances from related parties of RM0.11 million and proceeds of RM0.75 million from issuance of 750,000 new ordinary shares in our Subsidiary at an issue price of RM1.00 per share.

FYE 2023

Net cash from operating activities

In the FYE 2023, we generated operating profits before working capital changes of approximately RM15.91 million. Our net cash generated from operating activities was approximately RM14.68 million after accounting for the following key items:

(i) decrease in trade and other receivables of RM2.76 million, arising from improvement in our credit collections;

(ii) decrease in trade and other payables of RM1.16 million due to higher payment made to our suppliers; and

(iii) income tax paid of RM2.84 million.

Net cash for investing activities

In the FYE 2023, our net cash used in investing activities amounted to approximately RM10.22 million, mainly attributable to:

(i) increase in plant and equipment of RM10.05 million mainly from the :

  (a) purchase of 13 units of generators amounted to RM2.88 million comprised of 5 units of Small-sized generators, and 8 units of Large-sized generators;

  (b) purchase of tools and equipment of RM0.84 million for our business operations

  (c) purchase of 9 units of used trucks and pick-ups amounted to RM1.04 million; and

  (d) capital work-in-progress of RM5.25 million incurred for the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively; and

(ii) increase in pledged fixed deposits with licensed banks of RM0.20 million.

12. FINANCIAL INFORMATION *(Cont'd)*

Net cash for financing activities

In the FYE 2023, our net cash used in financing activities amounted to approximately RM4.66 million, mainly attributable to:

(i) dividend paid to shareholder of RM4.00 million;

(ii) interest paid on bank borrowings and lease liabilities of RM0.05 million;

(iii) repayment of advances to related parties of RM0.22 million;

(iv) repayment of lease liabilities of RM0.14 million;

(v) repayment of hire purchase of RM0.06 million; and

(vi) repayment of term loans of RM0.20 million.

FYE 2024

Net cash from operating activities

In the FYE 2024, we generated operating profits before working capital changes of approximately RM26.80 million. Our net cash generated from operating activities was approximately RM16.32 million after accounting for the following key items:

(i) increase in trade and other receivables by RM9.11 million due to increase in our Group's total revenue as a result of our business expansion in Sabah in 2024;

(ii) increase in trade and other payables by RM3.57 million due to higher cost incurred as we expanded our operations to Sabah;

(iii) income tax paid of RM5.12 million; and

(iv) contract liabilities of RM0.15 million.

Net cash for investing activities

In the FYE 2024, our net cash used in investing activities amounted to approximately RM12.16 million, mainly attributable to:

(i) increase in plant and equipment of RM12.06 million mainly from the:

  (a) purchase of 18 units of generators amounted to approximately RM4.43 million comprised of 1 unit of Small-sized generator, 2 units of Medium-sized generators and 15 units of Large-sized generators;

  (b) purchase of 9 units of used trucks and pick-ups amounted to approximately RM0.99 million;

  (c) tools and equipment amounted to approximately RM2.23 million for our business operations; and

  (d) capital work-in-progress of RM4.20 million incurred for the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively; and

(ii) increase in pledged fixed deposits with licensed banks of RM0.41 million.

12. FINANCIAL INFORMATION *(Cont'd)*

The net cash for investing activities were partially offset by the proceeds from disposal of plant and equipment of RM0.21 million comprised of disposal of 8 units of mini crawler dump truck and 8 units of obsolete Small-sized generators.

Net cash from financing activities

In the FYE 2024, our net cash from financing activities amounted to approximately RM4.98 million, mainly attributable to:

(i) the drawdown of term loans of RM6.65 million to part finance the purchase of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, and

(ii) advances from related parties of RM0.29 million.

The net cash from financing activities were partially offset by:

(i) dividend paid to shareholder of RM1.00 million.

(ii) interest paid on bank borrowings and lease liabilities of RM0.12 million;

(iii) repayment of lease liabilities of RM0.28 million;

(iv) repayment of hire purchase of RM0.08 million; and

(v) repayment of term loans of RM0.21 million.

FPE 2025

Net cash from operating activities

In the FPE 2025, we generated operating profits before working capital changes of approximately RM5.14 million. Our net cash generated from operating activities was approximately RM0.55 million after accounting for the following key items:

(i) increase in trade and other receivables by RM2.76 million due to slower collection from our customers in particular Dynasynergy;

(ii) increase in contract assets of RM0.07 million;

(iii) decrease in trade and other payables of RM0.05 million due to higher purchases of industrial diesel for our operations;

(iv) decrease in contract liabilities of RM0.08 million; and

(v) income tax paid of RM1.62 million.

Net cash for investing activities

In the FPE 2025, our net cash used in investing activities amounted to approximately RM3.82 million, mainly attributable to the increase in plant and equipment of RM4.00 million mainly from the:

(i) purchase of 2 units of used trucks and pick-ups amounted to approximately RM0.24 million;

(ii) tools and equipment amounted to approximately RM0.49 million for our business operations; and

(iii) capital work-in-progress of RM3.15 million incurred for the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively.

The net cash used in investing activities was partially offset by the decrease in pledged fixed deposits with licensed bank of RM0.15 million.

Net cash for financing activities

In the FPE 2025, our net cash for financing activities amounted to approximately RM4.13 million, mainly attributable to:

(i) dividend paid to shareholder of RM7.00 million; and

(ii) interest paid on bank borrowings and lease liabilities of RM0.11 million.

The net cash for financing activities were partially offset by the drawdown of term loans of RM3.15 million to part finance the purchase of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively.

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working capital

We finance our operations with cash generated from business operations, credit extended by suppliers and/or financial institutions as well as cash and bank balances. The facilities from financial institutions comprise of term loans, overdrafts and finance leases.

Our Directors are of the opinion that we have sufficient working capital for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus after taking into account of the following:

(i) expected cash flows to be generated from the operations of our Group;

(ii) cash and bank balances of approximately RM4.06 million as at 31 March 2025;

(iii) unutilised bank overdraft of RM2.80 million available for utilisation as at 31 March 2025; and

(iv) proceeds from our Public Issue of approximately RM2.24 million allocated for our general working capital requirements.

Based on the Pro Forma Combined Statements of Financial Position of our Group as at 31 March 2025, our gearing level is 0.08 times after the IPO and utilisation of proceeds raised from our Public Issue.

As at the LPD, we do not foresee any circumstances which will materially affect our liquidity.

Our Group has not encountered any material disputes with our customers and suppliers.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.4 BORROWINGS

All of our borrowings (excluding lease liabilities arising from rented premises) are interest bearing and denominated in RM. Details of the outstanding borrowings as at the LPD are set out below:

	Purpose	Tenure of facility	Effective interest rate (%)	As at the LPD (RM'000)
Interest bearing short-term borrowings, payable within 1 year:				
Term loans	• Working capital	60 months	3.50	187
	• To part finance the purchase of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively	180 months	5.67	-
Bank Overdraft	• Working capital	60 months	7.90	-
Total current borrowings				**187**
Interest bearing long-term borrowings, payable after 1 year:				
Term loans	• Working capital	60 months	3.50	-
	• To part finance the purchase of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively	180 months	5.67	12,950
Total non-current borrowings				**12,950**
Total borrowings				**13,137**
Pro forma gearing (times)[(1)]				**0.08**

Note:

(1) Computed based on our Pro Forma Combined Statements of Financial Position after our Public Issue and utilisation of proceeds raised from our Public Issue.

All our borrowings are interest bearing and denominated in RM.

As at the LPD, we do not have any borrowings which are non-interest bearing and/or in foreign currency. Our Group has not defaulted on any payment of either principal sums and/or interest in relation to our borrowings for the FYE Under Review, the FPE 2025 and up to the LPD.

As at the LPD, our Group is not in breach of any terms and conditions or covenants associated with the credit arrangements or bank loans, which can materially affect the financial position and results of business operations or investment holders of our securities.

For the FYE Under Review and the FPE 2025, we have not experienced any clawback or reduction in the facilities limit granted to us by our lenders.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

As at the LPD, save as disclosed in Section 12.4 of this Prospectus, our Group does not have or use any other financial instruments or have any treasury policies.

The financial instruments of our Group (mainly in the form of trade receivables and trade payables) are used for working capital to finance our operations and meet our anticipated commitments arising from business operation and financial liabilities.

Our treasury objective is to maintain sufficient working capital to finance our operations and meet our anticipated commitments arising from business operation and financial liabilities, if any, by maintaining adequate liquidity and credit facilities. We manage our liquidity to ensure access to sufficient funding at acceptable costs to meet our business needs and financial obligations.

As at the LPD, all our other banking facilities with licenced financial institutions are based on variable rates subject to the lender's base financing rate plus or minus a rate which varies depending on the type of facility.

12.6 MATERIAL CAPITAL COMMITMENTS

As at the LPD, save as disclosed below, we do not have any other material capital commitments:

	To be funded via bank borrowings	To be funded from proceeds of our IPO
	RM'000	RM'000
Approved and contracted for:		
- acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively	1,050	-
Approved and not contracted for:		
- purchase of generators	-	20,500
- purchase of medium and high voltage equipment	-	4,058

12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES

(i) Material litigation

Neither we, nor our subsidiaries have engaged in any government, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on the financial position or profitability of our Group, in the 12 months immediately preceding the date of this Prospectus.

(ii) Contingent liabilities

As at the LPD, there are no contingent liabilities incurred by us, which upon becoming enforceable, may have a material effect on our financial position or our Subsidiary's financial position.

12. FINANCIAL INFORMATION *(Cont'd)*

12.8 KEY FINANCIAL RATIOS

The key financial ratios of our Group for the FYE Under Review and the FPE 2025 are as follows:

	Audited				
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**
Average trade receivables turnover period (days)[(1)]	93	79	39	38	87
Average trade payables turnover period (days)[(2)]	50	40	35	28	59
Current ratio (times)[(3)]	3.37	2.00	2.02	1.67	2.79
Gearing ratio (times)[(4)]	0.06	0.04	0.03	0.19	0.26

Notes:

(1) Computed based on average net trade receivables multiplied by 365 days and 90 days for the FYE Under Review and the FPE 2025, respectively, and divided by total revenue of the respective financial years/ period.

(2) Computed based on average trade payables multiplied by 365 days and 90 days for the FYE Under Review and the FPE 2025, respectively, and divided by cost of sales of the respective financial years/ period.

(3) Computed based on current assets over current liabilities as at the end of each financial year/ period.

(4) Computed based on total borrowings over total equity as at the end of each financial year/ period.

12.8.1 Trade receivables turnover

Our average trade receivables turnover period (in days) for the FYE Under Review and the FPE 2025 are as follows:

	Audited				
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Opening net trade receivables as at 1 January	1,742	8,098	5,534	2,881	11,713
Closing net trade receivables as at 31 December/ 31 March	8,098	5,534	2,881	11,713	13,150
Average net trade receivables	4,920	6,816	4,208	7,297	12,432
Revenue	19,341	31,412	39,424	70,167	12,860
Average trade receivables turnover period (days)	93	79	39	38	87

The normal credit period granted by our Group to our customers is between 30 days and 120 days from the date of invoice.

Our trade receivables turnover period for the FYE Under Review and the FPE 2025 ranges from 38 days to 93 days, which were within the normal credit terms granted to our customers.

In the FYE 2021, our trade receivables turnover period was 93 days due to slower collection resulted from the COVID-19 pandemic, where our customers experienced disruption in their payment cycles and operational downtime as a result of temporary closure and/or reduced

12. FINANCIAL INFORMATION *(Cont'd)*

operation hours.

In the FYE 2022, our trade receivables turnover period decreased from 93 days to 79 days mainly due to better collection of receivables during the year.

In the FYE 2023, our trade receivables turnover period decreased from 79 days to 39 days mainly due to our Group's efforts on following up closely with collections.

In the FYE 2024, our trade receivables turnover period was relatively consistent at 38 days.

In the FPE 2025, our trade receivables turnover period was 87 days mainly due to slower collections from our customers in particular Dynasynergy as Dynasynergy can only collect payment from SESB after the finalisation of the project billings prior to making payments to us. For information, the credit term granted by our Group to Dynasynergy is 30 days. As at 31 March 2025, Dynasynergy has an outstanding trade receivables of RM5.01 million of which RM3.02 million are past due. Since 1 April 2025 up to the LPD, we have collected RM3.67 million of Dynasynergy's outstanding trade receivables of RM5.01 million as at 31 March 2025. As at the LPD, the remaining outstanding trade receivables of RM1.34 million of Dynasynergy as at 31 March 2025 are past due and our Group will continue to closely follow up on the collections with Dynasynergy.

The ageing analysis of our trade receivables as at 31 March 2025 is as follows:

	Trade receivables as at 31 March 2025		**Impairment loss**		**Amount collected from 1 April 2025 up to the LPD**		**Balance of trade receivables as at the LPD**	
	RM'000	**(%)**	**RM'000**	**(%)**	**RM'000**	**(%)**	**RM'000**	**(%)**
	(a)	**(a) / total of (a)**	**(b)**	**(b) / total of (a)**	**(c)**	**(c) / total of (a)**	**(d) = (a)-(b)-(c)**	**(d) / total of (d)**
Neither past due nor impaired:	**8,716**	**63.50**	**17**	**0.12**	**7,332**	**53.42**	**1,367**	**119.39**
Past due:	**5,010**	**36.50**	**559**	**4.07**	**4,673**	**34.04**	**(222)**	**(19.39)**
1 to 30 days	1,289	9.39	54	0.39	1,273	9.27	(38)	(3.32)
31 to 60 days	1,703	12.41	66	0.48	1,502	10.94	135	11.79
61 to 90 days	1,617	11.78	78	0.57	1,581	11.52	(42)	(3.67)
More than 90 days	401	2.92	361	2.63	317	2.31	(277)	(24.19)
Total	**13,726**	**100.00**	**576**	**4.19**	**12,005**	**87.46**	**1,145**	**100.00**

Our Group has not encountered any major disputes in relation to payment collection with our customers. With respect to overdue debts, generally, we are able to collect payment eventually as evidenced by our subsequent collections after 31 March 2025.

As at the LPD, we have collected RM12.01 million representing 87.46% of our total outstanding trade receivables of RM13.73 million as at 31 March 2025.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.8.2 Trade payables turnover

Our average trade payables turnover period (in days) for the FYE Under Review and the FPE 2025 are as follows:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Opening trade payables as at 1 January	899	1,210	2,240	1,092	3,887
Closing trade payables as at 31 December/ 31 March	1,210	2,240	1,092	3,887	2,491
Average trade payables	1,055	1,725	1,666	2,490	3,189
Cost of sales	7,748	15,933	17,148	32,773	4,839
Average trade payable turnover period (days)	50	40	35	28	59

The normal credit terms granted to us by our suppliers ranges from 7 days to 90 days.

Our trade payables turnover period for the FYE Under Review and the FPE 2025 ranges from 28 days to 59 days, which were within the normal credit terms granted by our suppliers to our Group.

During the FYE Under Review, our trade payables turnover period decreased gradually from 50 days in FYE 2021 to 28 days in the FYE 2024. This improvement was mainly due to our practice of making prompt payments to our suppliers.

In the FPE 2025, our trade payables turnover period was 59 days due to the slower repayment to our suppliers as our Group optimised the credit terms granted by our supplier to improve our working capital management.

The ageing analysis of our trade payables as at 31 March 2025 and as at the LPD is as follows:

	Trade payables as at 31 March 2025		Amount paid from 1 April 2025 up to the LPD		Balance of trade payables as at the LPD	
	RM'000	(%)	RM'000	(%)	RM'000	(%)
	(a)	(a)/total of (a)	(b)	(b) /total of (a)	(c) = (a)-(b)	(c)/ total of (c)
Not past due:	**1,029**	**41.31**	**995**	**39.94**	**34**	**12.10**
Past due:	**1,462**	**58.69**	**1,215**	**48.78**	**247**	**87.90**
1 to 30 days	850	34.12	603	24.21	247	87.90
31 to 60 days	574	23.04	574	23.04	-	-
61 to 90 days	38	1.53	38	1.53	-	-
More than 90 days	-	-	-	-	-	-
Total	**2,491**	**100.00**	**2,210**	**88.72**	**281**	**100.00**

As at the LPD, we have settled RM2.21 million, representing 88.72% of our total outstanding trade payables of RM2.49 million as at 31 March 2025. As at the LPD, we do not have any material disputes in respect of our trade payables and no material legal proceedings to demand for payment have been initiated by our suppliers against us.

12. FINANCIAL INFORMATION *(Cont'd)*

12.8.3 Current ratio

Our current ratio as at the end of the financial year/period of the FYE Under Review and the FPE 2025 is as follows:

	As at 31 December				As at 31 March
	2021	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Current assets	9,687	9,365	6,806	25,292	20,500
Current liabilities	(2,872)	(4,688)	(3,372)	(15,119)	(7,353)
Net current assets	**6,815**	**4,677**	**3,434**	**10,173**	**13,147**
Current ratio (times)	3.37	2.00	2.02	1.67	2.79

Our current ratio ranged from 1.67 times to 3.37 times as at the end of the respective financial year/ period for the FYE Under Review and the FPE 2025. This indicates that our Group is able to meet our current obligations as our current assets, such as trade receivables and other receivables, deposits and prepayments, which can be readily converted into cash, together with our cash and bank balances is sufficient to meet our immediate current liabilities.

Our current ratio decreased from 3.37 times as at 31 December 2021 to 2.00 times as at 31 December 2022 due to higher trade payables of RM1.03 million which was in line with higher consumption of industrial diesel and spare parts and consumables in the FYE 2022.

Our current ratio remained relatively stable with a slight increase from 2.00 times as at 31 December 2022 to 2.02 times as at 31 December 2023.

Our current ratio decreased from 2.02 times as at 31 December 2023 to 1.67 times as at 31 December 2024 due to the higher trade payables of RM2.80 million which was in line with higher consumption of industrial diesel in the FYE 2024 and dividend payable of RM7.00 million in respect to the dividends declared for the FYE 2024.

Our current ratio increased from 1.67 times as at 31 December 2024 to 2.79 times as at 31 March 2025 mainly due to a greater percentage decrease in current liabilities as compared to the current assets arising from the settlement of dividend payable of RM7.00 million as at 31 December 2024 via cash and bank balances.

12.8.4 Gearing ratio

Our gearing ratio as at the end of the financial year/period of the FYE Under Review and the FPE 2025 is as follows:

	As at 31 December				As at 31 March
	2021	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Total borrowings[(1)]	999	831	772	7,157	10,258
Total equity	17,289	22,797	28,685	37,281	40,192
Gearing ratio (times)	0.06	0.04	0.03	0.19	0.26

Note:

(1) Based on total borrowings excluding lease liabilities.

Our gearing ratio ranged from 0.03 times to 0.26 times as at the end of the respective financial year/ period for the FYE Under Review and the FPE 2025.

Our gearing ratio has remained relatively low throughout the FYE 2021, FYE 2022 and FYE 2023 mainly due to the increase in total equity as a result of the retained earnings recorded for the FYE 2021, FYE 2022 and FYE 2023.

Our gearing ratio increased from 0.03 times as at 31 December 2023 to 0.19 times as at 31 December 2024 mainly attributable to the increase in our Group's borrowings by RM6.39 million mainly due to the progressive drawdown of the term loan to part finance the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, during the FYE 2024.

Our gearing ratio further increased from 0.19 times as at 31 December 2024 to 0.26 times as at 31 March 2025, mainly due to the increase in our Group's borrowings by RM3.10 million mainly due to the progressive drawdown of the term loan to part finance the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively, during the FPE 2025.

12.9 SIGNIFICANT FACTORS AFFECTING OUR REVENUE

Section 9 of this Prospectus details a number of risk factors relating to our business and the industry in which we operate in. Some of these risk factors have an impact on our Group's revenue and financial performance. The main factors which affect our revenue and financial performance include but not limited to the following:

(i) We are highly dependent on 4 major customers

Our Group is highly dependent on 4 major customers, namely KLKB, KKB, TNB and Dynasynergy, which had contributed significantly to our total revenue for the FYE Under Review and the FPE 2025.

Our financial performance may be adversely affected if KLKB, KKB, TNB and/or Dynasynergy reduce or cease using our generator rental services. In the event we are not able to promptly secure or replace one or more of our major customers with new customers that can contribute to our revenue in a similar level, our financial performance would be adversely affected.

As at the LPD, our Group has service agreements, Service Contracts and Letter of Award with our said major customers. During the FYE Under Review, FPE 2025 and up to the LPD, we have not experienced any business disruptions (such as non-fulfilment or termination of service agreements/Service Contracts/Letter of Award) with KLKB, KKB, TNB and/or Dynasynergy and encountered any penalties which had material adverse impact on our financial performance. Notwithstanding, there is no assurance that KLKB, KKB, TNB and/or Dynasynergy will continue to procure our services or the demand from them will be sustained at current levels in the future.

Please refer to Section 9.1.1 of this Prospectus for the further details on this risk.

(ii) Our business operations are subject to fluctuation in prices of industrial diesel

Industrial diesel is our major purchase for our operations. It is a commodity where its price fluctuates from time to time due to various factors, including but not limited to, fluctuation in the global crude oil prices, global supply and demand conditions, economic and political factors that are beyond our control.

An increase in the price of industrial diesel will increase our operating costs and in the event that we are unable to fully pass on these increased costs to our customers, it may have an adverse impact on our financial performance. In FYE 2022, our GP margin was materially impacted due to the industrial diesel price fluctuated significantly and we were not able to fully pass on the increased cost to our customers. Save for FYE 2022, for the FYE Under Review, FPE 2025 and up to the LPD, the fluctuations in industrial diesel prices have not significantly impacted our financial performance. However, there is no assurance that fluctuations in diesel price will not adversely affect our financial performance in the future.

Please refer to Section 9.1.2 of this Prospectus for further details on this risk.

(iii) Our business and operations are dependent on our fleet of generators being in the state of operable and working condition at all times

Our business and operations are dependent on our fleet of generators being in the state of operable and working condition at all times. Hence, it is critical that our generators are well-maintained to enable it to operate efficiently and reliably over an extended period, regardless of its age. In the event that large number of our generators are unavailable due to major breakdown, malfunction or become obsolete, our business operations and financial performance may be adversely affected if the affected generators are not repaired or replaced in a timely manner.

For the FYE Under Review, FPE 2025 and up to the LPD, we have not experienced any material impact on our business operations and financial performance due to large number of generators not available for rental and any difficulties nor experienced longer lead-time in sourcing generators from our suppliers. Nevertheless, there is no assurance that all of our fleet of generators are always in the state of operable and working condition and will be available for rental at all times, which in turn will have an adverse impact to our business operations and financial performance.

Please refer to Section 9.1.3 of this Prospectus for further details on this risk.

(iv) We face competition from other market players and new market entrants

The competitors of our business include existing players as well as new entrants operating within the generator rental market. The barriers of entry for the generator rental services market are primarily driven by the capital-intensive nature of the industry due to the costs of generators and related equipment. The principal competitive factors within the generator rental market include fleet size, service quality, pricing, market reputation, the features of the generators such as synchronisation capability and the availability of related ancillary components to support their operation, and the experience and capabilities of the management team.

Our continued success depends on our ability to compete effectively with competitors and adapt quickly to changing market conditions and demands. We may adjust our business operations and investment on our fleet of generators based on market conditions or our expectations of changes in market conditions. If market conditions drastically change, our operations and financial performance may be adversely affected.

Notwithstanding that we had been able to compete effectively so far, there is no assurance that we will continue to be able to compete effectively in the future in the event that we are unable to adapt to changing market conditions.

Please refer to Section 9.2.1 of this Prospectus for further details on this risk.

12. FINANCIAL INFORMATION *(Cont'd)*

12.10 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES

There were no government, economic, fiscal or monetary policies or factors which have materially affected our financial performance during the FYE Under Review and the FPE 2025. However, there is no assurance that our financial performance will not be adversely affected by the impact of further changes in government, economic, fiscal or monetary policies or factors moving forward.

Risks relating to government, economic, fiscal or monetary policies or factors which may adversely and materially affect our operations are set out in Section 9 of this Prospectus.

12.11 IMPACT OF INFLATION

Our financial performance during the FYE Under Review and the FPE 2025 was not significantly affected by the impact of inflation. However, there is no assurance that our financial performance will not be adversely affected by the impact of inflation in the future.

12.12 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS

(i) Impact of foreign exchange rates

Save for the purchase of solar panels for our solar PV solutions business in the FPE 2025 denominated in United States Dollar ("**USD**") amounting to RM0.17 million, our transactions are solely denominated in RM during the FYE Under Review and FPE 2025. As our transactions are predominantly denominated in RM, we do not expect the foreign currency exchange rate fluctuations would have a material impact on our business operations and financial performance.

(ii) Impact of interest rates

Interest coverage ratio measures the number of times a company can service its interest payments obligations with its EBIT. The interest coverage ratios for the FYE Under Review and the FPE 2025 are as follows:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
EBIT	7,592	9,867	12,999	23,061	4,090
Interest expenses	87	64	54	145	134
Interest coverage ratio (times)[(1)]	87.26	154.17	240.72	159.04	30.52

Note:

(1) Computed based on EBIT divided by interest expenses of the respective financial years/ period.

Our interest coverage ratio of between 30.52 times and 240.72 times for the FYE Under Review and the FPE 2025 indicates that our Group has been able to generate sufficient EBIT to meet our interest servicing obligations.

Our interest coverage ratios decreased from 240.72 in the FYE 2023 to 30.52 in the FPE 2025 mainly due to the increase in interest expenses as a result of the increase in our Group's borrowings arising from the progressive drawdown of the term loan to part finance the acquisition of the Building 1 and Building 2 together with Lot 1 and Lot 2, respectively.

Our financial results for the FYE Under Review and the FPE 2025 were not materially affected by fluctuations in interest rates. However, any major increase in interest rates would increase our cost of borrowings and finance costs, which may have an adverse impact on our financial performance.

(iii) Impact of commodity prices

Industrial diesel is our major purchase for our operations. The price of industrial diesel is subject to fluctuations in the prices based on market conditions. Therefore, the industrial diesel purchase price may fluctuate resulting from the fluctuations in global crude oil prices. Any major increase in the price of industrial diesel will increase our operating costs which may have an adverse impact on our financial performance in the event we are unable to pass on the increase in cost to our customers. In FYE 2022, our GP margin was materially impacted due to the industrial diesel price fluctuated significantly and we were not able to fully pass on the increased cost to our customers. Save for the FYE 2022, the fluctuations in industrial diesel prices have not significantly impacted our financial performance in the FYE Under Review, the FPE 2025 and up to the LPD. However, there is no assurance that fluctuations in diesel price will not adversely affect our financial performance in the future.

12.13 ORDER BOOK

There is no order book for our generator rental services segment. Notwithstanding the service agreements, Service Contracts and Letter of Award entered into with our major customers (namely, KKB, KLKB, TNB and Dynasynergy respectively), our sales are based on service orders received from our customers.

Our Group ventured into the solar PV solutions in April 2024 and commenced the operations towards the end of FYE 2024. As at the LPD, our order book for solar PV solutions stood at RM0.27 million and the works are expected to be completed in the FYE 2025, based on the expected progress of each project. The said order book relates to the contract value of projects secured which our Group has yet to complete our works as at the LPD.

12.14 TREND INFORMATION

Based on our track record for the past FYE Under Review and the FPE 2025, including our analysis of revenue and profitability, we wish to highlight the following:

(i) more than 75.00% of our revenue was derived from electric utility customers. We expect that electric utility customers continue to contribute significantly to our revenue in the future;

(ii) all our revenue is derived from Malaysia. We expect this trend to continue;

(iii) the main components of our cost of sales are depreciation of generators, industrial diesel consumed as well as spare parts and consumables consumed collectively accounted for more than 80.00% of our total cost of sales during the FYE Under Review and the FPE 2025. We expect this trend to continue; and

(iv) we achieved a GP margin between 49.28% and 62.37% for the FYE Under Review and the FPE 2025. Moving forward, our GP margin will depend on amongst others, our continued ability to manage our cost of sales efficiently.

As at the LPD, save as disclosed in this Prospectus and to the best of our Board's knowledge, our Board confirms that our operations have not been and are not expected to be affected by any of the following:

(i) known trends, uncertainties, demands, commitments or events that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's financial performance, position, operations liquidity and capital resources, save as disclosed in Sections 7, 8, 9, and 12.2 of this Prospectus;

(ii) material commitments for capital expenditure, save as disclosed in Section 12.6 of this Prospectus;

(iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save as discussed in Sections 9 and 12.2 of this Prospectus;

(iv) known trends, demands, commitments, events or uncertainties that have resulted in a substantial impact on our Group's revenue, save as disclosed in Sections 7, 8, and 12.2 of this Prospectus; and

(v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not indicative of the future financial performance and position, save as disclosed in Sections 9 and 12 of this Prospectus.

Based on the above, our Board is optimistic about the future prospects of our Group given the positive outlook of the light machinery and equipment rental industry in Malaysia as set out in the IMR Report in Section 8 of this Prospectus, our Group's competitive position as set out in Section 7.3 of this Prospectus and our Group's intention to implement the business strategies and future plans as set out in Section 7.20 of this Prospectus.

12.15 DIVIDEND POLICY

As our Company is an investment holding company, our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our Subsidiary, present and future. Our Group's ability to distribute dividends or make other distributions to our shareholders is subject to various factors, such as profits recorded and excess of funds not required to be retained for working capital of our business. Our Directors will take into the consideration, amongst others, the following factors when recommending dividends for approval by our shareholders or when declaring and dividends:

(i) the availability of adequate reserves and cash flows;

(ii) our operating cash flow requirements and financial commitments;

(iii) our anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans;

(iv) any material impact of tax laws and other regulatory requirements;

(v) the prior consent from our banking institutions, if any; and

(vi) compliance with the solvency requirement under the Act, which is applicable to all Malaysian companies.

12. FINANCIAL INFORMATION *(Cont'd)*

As at the LPD, save for any applicable financial covenants and the Act, and subject to the availability of distributable profits and reserves, there are no dividend restrictions imposed on us or our Subsidiary. The existing financial covenants would not affect the future dividend payments of our Company.

We target a payout ratio of approximately 30% to 50% of our PAT for each financial year on a consolidated basis after taking into account our Group's working capital requirements, subject to confirmation of our Board as well as any applicable law and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board.

The dividends declared and paid by our Subsidiary for the FYE Under Review, the FPE 2025 and up to the LPD are as follows:

	FYE 2021[(1)]	FYE 2022[(2)]	FYE 2023[(3)]	FYE 2024[(4)]	FPE 2025	1 April 2025 up to the LPD[(5)]
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Dividends declared	989	2,736	4,000	8,000	-	5,000
Dividends paid	989	2,736	4,000	1,000	7,000	5,000
PAT	5,658	7,494	9,887	16,596	2,911	N/A[(7)]
Dividend payout rate (%)[(6)]	17.48	36.51	40.46	48.20	-	N/A

Notes:

(1) Dividend of RM0.99 million declared in respect of the FYE 2021 was paid in the FYE 2021.

(2) Dividend of RM2.74 million declared in respect of the FYE 2022 was paid in the FYE 2022.

(3) Dividend of RM4.00 million declared in respect of the FYE 2023 was paid in the FYE 2023.

(4) Dividend of RM8.00 million declared in respect of the FYE 2024 of which RM1.00 million was paid in the FYE 2024 and RM7.00 million was paid in the FPE 2025.

(5) Dividend of RM5.00 million declared in respect of the FYE 2025 of which RM1.00 million was paid on 29 April 2025 and RM4.00 million was paid on 19 June 2025.

(6) Computed based on dividend declared divided by PAT for each financial year/period.

(7) Not applicable as we did not prepare financial statements from 1 April 2025 up to the LPD.

The above dividends paid in the FYE Under Review, FPE 2025 and up to the LPD were funded via internally generated funds. As at the LPD, there is no outstanding dividend declared which remained unpaid. Subsequent to the LPD, no dividend was declared, made or paid by our Group. Our Group has no intention to declare further dividends prior to our Listing.

12. FINANCIAL INFORMATION *(Cont'd)*

12.16 CAPITALISATION AND INDEBTEDNESS

The table below summarises our capitalisation and indebtedness as at 30 June 2025 and after adjusting for the effects of the Acquisition and our Public Issue including the utilisation of proceeds:

	Unaudited As at 30 June 2025[(1)]	After Public Issue and use of proceeds
	RM'000	RM'000
Indebtedness		
Current		
Secured and guaranteed		
- Term loans	247	-
- Lease liabilities	280	280
	527	280
Non-current		
Secured and guaranteed		
- Term loans	12,950	8,197
- Lease liabilities	32	32
	12,982	8,229
Total indebtedness	**13,509**	**8,509**
Capitalisation		
Shareholders' equity	38,304	70,104
Total capitalisation	38,304	70,104
Total capitalisation and indebtedness	**51,813**	**78,613**
Gearing ratio (times)[(2)]	0.35	0.12

Notes:

(1) After adjusting for the Acquisition.

(2) Computed based on total indebtedness divided by total capitalisation.

[The rest of this page is intentionally left blank]

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Level 16, Tower C, Megan Avenue 2
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia
Main +6 03 2788 9999

www.crowe.my

1 August 2025

The Board of Directors
Express Powerr Solutions (M) Bhd
6 Jalan Tiara 5
Bandar Baru Klang
41150 Klang
Selangor Darul Ehsan

Dear Sirs/Madams

EXPRESS POWERR SOLUTIONS (M) BHD ("Express Powerr" OR "The Company")
REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025

We have completed our assurance engagement to report on the compilation of Pro Forma Statements of Financial Position of Express Powerr and its combined entity (hereinafter referred to as "the Group") as at 31 March 2025 together with the accompanying notes thereon (as set out in Appendix A, for which we have stamped for the purpose of identification), prepared by the Board of Directors of the Company.

The Pro Forma Statements of Financial Position have been prepared for inclusion in the prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued share capital of Express Powerr on the ACE Market of Bursa Malaysia Securities Bhd ("the Listing").

The application criteria on the basis of which the Board of Directors of the Company have compiled the Pro Forma Statements of Financial Position are described in the notes. The Pro Forma Statements of Financial Position are prepared in accordance with the requirements of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The Pro Forma Statements of Financial Position have been compiled by the Board of Directors to illustrate the impact of the transactions as set out in the notes of the Pro Forma Statements of Financial Position as at 31 March 2025 as if the events have occurred or the transactions have been undertaken throughout the financial year. As part of this process, information about the Group's financial position as at 31 March 2025 has been extracted by the Board of Directors from the combining entities' audited financial statements for the financial year ended 31 March 2025.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Crowe

THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the Pro Forma Statements of Financial Position on the basis as described in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Statements of Financial Position have been compiled, in all material respects, by the Board of Directors of the Company on the basis as set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards as adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors of the Company has compiled, in all material respects, the Pro Forma Statements of Financial Position on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinion on any historical financial information used in compiling the Pro Forma Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Statements of Financial Position.

The purpose of Pro Forma Statements of Financial Position included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Crowe

REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

A reasonable assurance engagement to report on whether the Pro Forma Statements of Financial Position has been compiled, in all material respects, on the basis set out in notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines, involves performing procedures to assess whether the applicable criteria used by the Board of Directors of the Company in the compilation of the Pro Forma Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Statements of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Pro Forma Statements of Financial Position of the Group has been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

OTHER MATTER

This letter has been prepared solely for the purpose stated above, in connection with Listing. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully,

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Ung Voon Huay
03233/09/2026 J
Chartered Accountant

Kuala Lumpur

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

EXPRESS POWERR SOLUTIONS (M) BHD

PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	Audited As at 31 March 2025 RM	Subsequent Event RM	Pro Forma 1 After Subsequent Event RM	Acquisition RM	Pro Forma 2 After Pro Forma 1 and Acquisition RM	Public Issue RM	Pro Forma 3 After Pro Forma 2 and Public Issue RM	Utilisation of Proceeds RM	Pro Forma 4 After Pro Forma 3 and Utilisation of Proceeds RM
ASSETS										
NON-CURRENT ASSETS										
Property, plant and equipment		39,861,639	-	39,861,639	-	39,861,639	-	39,861,639	-	39,861,639
Right-of-use assets		362,984	-	362,984	-	362,984	-	362,984	-	362,984
		40,224,623		40,224,623		40,224,623		40,224,623		40,224,623
CURRENT ASSETS										
Trade receivables		13,149,996	-	13,149,996	-	13,149,996	-	13,149,996	-	13,149,996
Other receivables, deposits and prepayments		2,251,389	-	2,251,389	-	2,251,389	-	2,251,389	-	2,251,389
Amount owing by related parties		12,828	-	12,828	-	12,828	-	12,828	-	12,828
Contract assets		67,337	-	67,337	-	67,337	-	67,337	-	67,337
Fixed deposits with licensed banks		964,240	-	964,240	-	964,240	-	964,240	-	964,240
Cash and bank balances	7.1	4,054,865	-	4,054,865	-	4,054,865	36,000,000	40,054,865	(9,200,000)	30,854,865
		20,500,655		20,500,655		20,500,655		56,500,655		47,300,655
TOTAL ASSETS		60,725,278		60,725,278		60,725,278		96,725,278		87,525,278

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

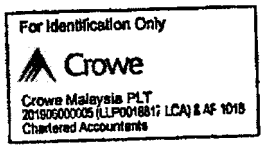
EXPRESS POWERR SOLUTIONS (M) BHD

PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

		Audited		Pro Forma 1		Pro Forma 2		Pro Forma 3		Pro Forma 4
	Note	As at 31 March 2025 RM	Subsequent Event RM	After Subsequent Event RM	Acquisition RM	After Pro Forma 1 and Acquisition RM	Public Issue RM	After Pro Forma 2 and Public Issue RM	Utilisation of Proceeds RM	After Pro Forma 3 and Utilisation of Proceeds RM
EQUITY AND LIABILITIES										
EQUITY										
Share capital and Invested capital	7.2	1,001,000	-	1,001,000	32,950,164	33,951,164	36,000,000	69,951,164	(1,255,739)	68,695,425
Merger deficit	7.3	-	-	-	(32,950,164)	(32,950,164)	-	(32,950,164)	-	(32,950,164)
Retained profits	7.4	39,190,943	(5,000,000)	34,190,943	-	34,190,943	-	34,190,943	(2,944,261)	31,246,682
		40,191,943		35,191,943		35,191,943		71,191,943		66,991,943
LIABILITIES										
NON-CURRENT LIABILITIES										
Lease liabilities		103,009	-	103,009	-	103,009	-	103,009	-	103,009
Borrowings	7.5	9,910,946	-	9,910,946	-	9,910,946	-	9,910,946	(4,739,212)	5,171,734
Deferred tax liabilities		3,165,826	-	3,165,826	-	3,165,826	-	3,165,826	-	3,165,826
		13,179,781		13,179,781		13,179,781		13,179,781		8,440,569

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A



EXPRESS POWERR SOLUTIONS (M) BHD

PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

	Note	Audited As at 31 March 2025 RM	Subsequent Event RM	Pro Forma 1 After Subsequent Event RM	Acquisition RM	Pro Forma 2 After Pro Forma 1 and Acquisition RM	Public Issue RM	Pro Forma 3 After Pro Forma 2 and Public Issue RM	Utilisation of Proceeds RM	Pro Forma 4 After Pro Forma 3 and Utilisation of Proceeds RM
CURRENT LIABILITIES										
Trade payables		2,490,556	-	2,490,556	-	2,490,556	-	2,490,556	-	2,490,556
Other payables and accruals		2,983,527	-	2,983,527	-	2,983,527	-	2,983,527	-	2,983,527
Contract liabilities		73,323	-	73,323	-	73,323	-	73,323	-	73,323
Amount owing to related parties		23,544	-	23,544	-	23,544	-	23,544	-	23,544
Lease liabilities		277,449	-	277,449	-	277,449	-	277,449	-	277,449
Borrowings	7.5	346,638	-	346,638	-	346,638	-	346,638	(260,788)	85,850
Dividend payable	7.6	-	5,000,000	5,000,000	-	5,000,000	-	5,000,000	-	5,000,000
Current tax liabilities		1,158,517	-	1,158,517	-	1,158,517	-	1,158,517	-	1,158,517
		7,353,554		12,353,554		12,353,554		12,353,554		12,092,766
TOTAL LIABILITIES		20,533,335		25,533,335		25,533,335		25,533,335		20,533,335
TOTAL EQUITY AND LIABILITIES		60,725,278		60,725,278		60,725,278		96,725,278		87,525,278
Number of ordinary shares		1,001,000	-	1,001,000	753,448,089	754,449,089	180,000,000	934,449,089	-	934,449,089
Net assets ("NA") (RM)		40,191,943		35,191,943		35,191,943		71,191,943		66,991,943
NA per ordinary share (RM)^		40.15		35.16		0.05		0.08		0.07
Total borrowings		10,257,584		10,257,584		10,257,584		10,257,584		5,257,584
Gearing ratio (times)*		0.26		0.29		0.29		0.14		0.08

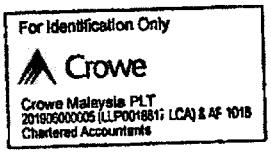
Notes:-

^Net assets per ordinary share is defined as total equity attributable to owners of the Company over the number of ordinary shares in issue.

**Gearing ratio is calculated based on total borrowings divided by total equity attributable to owners of the Company.*

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A



EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025

1. ABBREVIATIONS

Unless the context otherwise requires, the following abbreviations shall apply throughout this report:

Abbreviations

Acquisition of Express Mission	:	Acquisition by the Company for the entire issued share capital of Express Mission from the shareholder of Express Mission, namely Lim Cheng Ten, for a total purchase consideration of RM33,950,164, which will be entirely satisfied by the issuance of 754,448,089 new Shares at an issue price of RM0.045 per Share
Express Mission	:	Express Mission Sdn. Bhd. Registration No.: 200501025328 (707461-W)
Express Powerr Group or The Group	:	Express Powerr Solutions (M) Bhd and its subsidiary, Express Mission Sdn. Bhd.
Express Powerr Shares or Shares	:	Ordinary Shares in Express Powerr
IPO	:	Initial public offering of the Shares in conjunction with the Listing, comprising the Public Issue
IPO Price	:	RM0.20 per IPO Share
Listing	:	Admission to the Official List and the listing of and quotation for the entire enlarged issued share capital of Express Powerr on the Ace Market of Bursa Malaysia Securities Berhad
LPD	:	21 July 2025, being the latest practicable date
Offer for Sale	:	Offer for sale by the Selling Shareholder of 65,411,500 existing Shares at the IPO Price by the Selling Shareholder, representing approximately 7.00% of the enlarged issued share capital, made available by way of private placement to selected Bumiputera investors approved by the MITI
Public Issue	:	The public issue of 180,000,000 new Shares at the IPO price
RM and Sen	:	Ringgit Malaysia and sen, respectively
SSA(s)	:	Conditional share sale agreement dated 8 September 2023 and supplemental share sale agreement dated 30 December 2024 entered into between the Vendor and our Company for the Acquisition of Express Mission
Vendor or Selling Shareholder	:	Lim Cheng Ten

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

2. INTRODUCTION

The Pro Forma Statements of Financial Position as at 31 March 2025 together with the notes thereon, for which the Board of Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the Prospectus in connection with the Listing and should not be relied upon for any other purposes.

3. BASIS OF PREPARATION

Pro Forma Statements of Financial Position

The Pro Forma Statements of Financial Position of the Group as at 31 March 2025 is prepared based on the audited combined statements of financial position as at 31 March 2025 which, was prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs"), and in a manner consistent with the format of the financial statements and accounting policies of the Group.

The combined financial statements used in the preparation of these Pro Forma Statements of Financial Position were not subject to any audit qualification, disclaimer of opinion or emphasis of matter.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same parties before and after the business combination, and that control is not transitory. Subsidiaries acquired which have met the criteria for pooling-of-interests are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to merger reserve or merger deficit.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs.

The Pro Forma Statements of Financial Position together with the related notes thereon, have been prepared solely to illustrate the impact of the events and transactions set out in Notes 5 and 6 respectively to the Pro Forma Statements of Financial Position had the events occurred or transactions been undertaken on 31 March 2025. The Pro Forma Statements of Financial Position are not necessarily indicative of the financial positions that would have been attained had the Listing actually occurred at the respective dates.

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

For Identification Only
Crowe
Crowe Malaysia PLT
201906000005 (LLP0018817 LCA) & AF 1018
Chartered Accountants

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

4. MATERIAL SUBSEQUENT EVENT OCCURING AFTER 31 MARCH 2025

Dividend Declared

The Board of Directors declared a single-tier interim of RM1.00 and RM4.00 per ordinary share amounting to RM1,000,000 and RM4,000,000 for the financial year ending 31 December 2025 on 22 April 2025 and 9 June 2025, respectively. The dividends are illustrated in the Pro Forma in accordance with Paragraph 9.20 of Chapter 9, Part II Division I: Equity of the Prospectus Guidelines. For information, the said dividends have been paid on 29 April 2025 and 19 June 2025, respectively.

5. LISTING SCHEME

In conjunction with, as an integral part of the IPO, the Company undertook Acquisition of Express Mission:-

5.1 Acquisition of Express Mission

In conjunction with the Listing, the Company had entered into the SSA with the Vendor in respect of the Acquisition of Express Mission.

The Vendor and the Company had entered into the SSA for the acquisition of 1,000,000 ordinary shares in Express Mission for a total consideration of RM33,950,164, which will be satisfied by the issuance of 754,448,089 new Shares at an issue price of RM0.045 each.

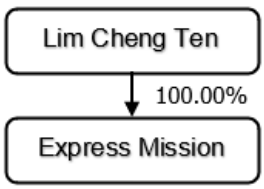
The purchase consideration for the Acquisition of Express Mission was arrived at after taking into consideration the audited net assets of the Express Mission as at 30 September 2024 of RM40,950,164 less dividend declared after 30 September 2024 amounting to RM7,000,000.

The purchase consideration will be satisfied via the issuance of 754,448,089 new Shares at an issue price of RM0.045 per Share to the Vendor as follows:

Vendors	No. of shares acquired	% of share capital	Purchase consideration (RM)	No. of new Shares issued
Lim Cheng Ten	1,000,000	100.00	33,950,164	754,448,089
Total	**1,000,000**	**100.00**	**33,950,164**	**754,448,089**

The Group structure before and after the IPO are illustrated as follows:

(i) Before the Acquisition of Express Mission and Listing



13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

For Identification Only
Crowe
Crowe Malaysia PLT
201906000005 (LLP0018817 LCA) & AF 1018
Chartered Accountants

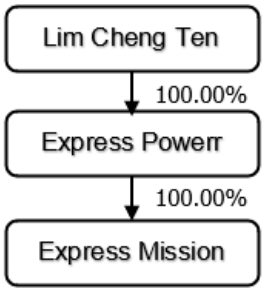
EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

5. LISTING SCHEME (CONT'D)

5.1 Acquisition of Express Mission (Cont'd)

(ii) After the Acquisition of Express Mission and before the Listing



The Acquisition of Express Mission was completed on 20 June 2025. Thereafter, Express Mission became the Company's wholly-owned subsidiary. As at the LPD, the Group does not have any other subsidiary company, joint-venture or associated company.

5.2 Public Issue and Offer for Sale

The Company will undertake the IPO comprising a public issue of 180,000,000 new Shares, representing approximately 19.26% of the enlarged issued share capital upon Listing and offer for sale of 65,411,500 existing Shares, representing approximately 7.00% of the Company's enlarged issued share capital.

5.3 Listing

The Listing entails the admission of Express Powerr to the Official List of Bursa Malaysia Securities Berhad and listing of and quotation for the entire enlarged issued share capital of Express Powerr of RM69,951,164 comprising 934,449,089 Shares on the ACE Market of Bursa Malaysia Securities Berhad.

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

6. PRO FORMA ADJUSTMENTS TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION

6.1 Pro Forma 1

Pro Forma 1 incorporates the effects of the Material Subsequent Event as set out in Note 4 above.

6.2 Pro Forma 2

Pro Forma 2 incorporates the effects of the Acquisition of Express Mission as set out in Note 5.1 to the pro forma statements of financial position.

6.3 Pro Forma 3

Pro Forma 3 incorporates the effects of Pro Forma 1, Pro Forma 2, and Public Issue and Offer for Sale as set out in Note 5.2 to the pro forma statements of financial position.

6.4 Pro Forma 4

Pro Forma 4 incorporates the effects of Pro Forma 1, Pro Forma 2, Pro Forma 3 and the utilisation of proceeds from Public Issue. The proceeds from the Public Issue will be utilised as follows:-

Utilisation of proceeds	RM'000	%	Expected timeframe for utilisation from the date of Listing
Purchase of generators [1]	20,500	56.94	Within 36 months
Purchase of medium and high voltage equipment [1]	4,058	11.27	Within 36 months
General working capital [2]	2,242	6.23	Within 24 months
Repayment of bank borrowings [3]	5,000	13.89	Within 6 months
Estimated listing expenses [4][5]	4,200	11.67	Within 1 month
Total	36,000	**100.00**	

Notes:-

(1) As at the LPD, these utilisation of proceeds are not adjusted in the Pro Forma 4 to the statements of financial position as they are not supported by any purchase order, sales and purchase agreement or any other contractual binding agreement, and hence, they remained in the cash and bank balances.

(2) The Group has allocated RM2,242,000 of the proceeds from the Public Issue to supplement the working capital requirements in tandem with the expected growth in the Group's business. Accordingly, the utilisation is not reflected in the Pro Forma Statements of Financial Position and they remained in the cash and bank balances.

(3) The Group intends to utilise its IPO proceeds as settlement for term loans. The settlement amounting to RM5,000,000 pursuant to the utilisation of proceeds is reflected in the Pro Forma Statements of Financial Position.

(4) If the actual listing expenses are higher than budgeted, the deficit will be funded by internally generated funds. Conversely, if the actual listing expenses are lower than the amount budgeted, the excess will be used for general working capital purposes.

(5) The estimated listing expenses of RM1,255,739 directly attributable to the Public Issue will be set off against share capital and the remaining estimated listing expenses of RM2,944,261 will be charged to the Statements of Profit or Loss and Other Comprehensive Income.

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

For Identification Only
Crowe
Crowe Malaysia PLT
201906000005 (LLP0018817 LCA) & AF 1018
Chartered Accountants

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

7. EFFECTS ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION

7.1 Movement in cash and bank balances

	RM
At 31 March 2025/As per Pro Forma 1 and 2:	4,054,865
Pursuant to Adjustment for Pro Forma 3:	
Proceeds from Public Issue	36,000,000
As per Pro Forma 3	40,054,865
Pursuant to Adjustment for Pro Forma 4:	
Estimated listing expenses	(4,200,000)
Repayment of bank borrowings	(5,000,000)
As per Pro Forma 4	30,854,865

7.2 Movement in share capital and invested capital

	RM
At 31 March 2025/As per Pro Forma 1:	1,001,000
Pursuant to Adjustment for Pro Forma 2:	
Ordinary shares issued pursuant to the acquisition of subsidiary	33,950,164
Acquisition of subsidiary	(1,000,000)
As per Pro Forma 2	33,951,164
Pursuant to Adjustment for Pro Forma 3:	
Proceeds from Public Issue	36,000,000
As per Pro Forma 3	69,951,164
Pursuant to Adjustment for Pro Forma 4:	
Estimated listing expenses	(1,255,739)
As per Pro Forma 4	68,695,425

7.3 Movement in merger deficit

	RM
At 31 March 2025/As per Pro Forma 1:	-
Pursuant to Adjustment for Pro Forma 2:	
Pursuant to Acquisition	(32,950,164)
As per Pro Forma 2, 3, and 4	(32,950,164)

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

7. EFFECTS ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION (CONT'D)

7.4 Movement in retained profits

	RM
At 31 March 2025:	39,190,943
Pursuant to Adjustment for Pro Forma 1:	
Dividend declared	(5,000,000)
As per Pro Forma 1, 2, and 3	34,190,943
Pursuant to Adjustment for Pro Forma 4:	
Estimated listing expenses	(2,944,261)
As per Pro Forma 4	31,246,682

7.5 Movement in borrowings

	RM
At 31 March 2025/As per Pro Forma 1, 2, and 3:	10,257,584
Pursuant to Adjustment for Pro Forma 4:	
Repayment of bank borrowings	(5,000,000)
As per Pro Forma 4	5,257,584

7.6 Movement in dividend payable

	RM
At 31 March 2025:	-
Pursuant to Adjustment for Pro Forma 1:	
Dividend declared	5,000,000
As per Pro Forma 1, 2, 3, and 4	5,000,000

13. REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Appendix A

EXPRESS POWERR SOLUTIONS (M) BHD

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 31 AUG 2025

On behalf of the Board of Directors,

Lim Cheng Ten **Rosli Bin Jonid**

14. ACCOUNTANTS' REPORT

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Level 16, Tower C, Megan Avenue 2
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia
Main +6 03 2788 9999
www.crowe.my

1 August 2025

The Board of Directors
Express Powerr Solutions (M) Bhd
(Formerly known as Express Powerr Solutions (M) Sdn. Bhd.)
No. 6, Jalan Tiara 5,
Bandar Baru Klang,
41150 Klang, Selangor

Dear Sirs/Madam,

REPORTING ACCOUNTANTS' OPINION ON THE FINANCIAL INFORMATION CONTAINED IN THE ACCOUNTANTS' REPORT OF EXPRESS POWERR SOLUTIONS (M) BHD ("Express Powerr")

OPINION

We have audited the financial information contained in the Accountants' Report of Express Powerr Solutions (M) Bhd and its combined entity (collectively known as the "Group"), which comprises the combined statements of financial position as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 March 2025, and the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for each of the financial years ended ("FYE") 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and for the financial period ended ("FPE") 31 March 2025, and notes to the combined financial statements, including a summary of material accounting policy information, as set out on pages 4 to 91.

The historical financial information has been prepared for inclusion in the prospectus of Express Powerr Solutions (M) Bhd in connection with the listing of and quotation for the entire issued share capital of Express Powerr Solutions (M) Bhd on the ACE Market of Bursa Malaysia Securities Berhad ("the Prospectus"). This report is required by the Prospectus Guidelines issued by the Securities Commission Malaysia ("the Guidelines") and is given for the purpose of complying with Chapter 10.02, 10.03, and 10.04, Part II Division 1, Equity of the Prospectus Guidelines and for no other purpose.

In our opinion, the combined financial information gives a true and fair view of the financial position of the Group as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 March 2025, and of their financial performance and their cash flows for each of the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and for the financial period ended 31 March 2025 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

Crowe

BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Financial Information* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL INFORMATION

The Directors of the Group are responsible for the preparation of the combined financial information of the Group that gives a true and fair view in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial information that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial information of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the financial information of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial information.

As a part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial information of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

Crowe

REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL INFORMATION (CONT'D)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:- (Cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the combined financial information of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial information of the Group, including the disclosures, and whether the combined financial information of the Group represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements of the Group. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

The comparative information in respect of the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity, combined statements of cash flows and related notes to the combined financial statements of the Group for the 3-month financial period ended 31 March 2024 have not been audited.

RESTRICTION ON DISTRIBUTION AND USE

This report is made solely to the Group for inclusion in the prospectus to be issued in relation to the listing of and quotation for the entire enlarged issued shares of Express Powerr Solutions (M) Bhd on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be used for any other purpose without our prior written consent. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Ung Voon Huay
03233/09/2026 J
Chartered Accountant

Kuala Lumpur

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF FINANCIAL POSITION

	Note	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	5	12,760,281	20,967,870	28,250,337	36,759,252	39,861,639
Right-of-use assets	6	105,172	95,506	562,760	502,604	362,984
		12,865,453	21,063,376	28,813,097	37,261,856	40,224,623
CURRENT ASSETS						
Trade receivables	7	8,097,681	5,534,066	2,880,765	11,712,546	13,149,996
Other receivables, deposits and prepayments	8	483,755	762,453	876,948	1,013,410	2,251,389
Contract assets	9	-	-	-	-	67,337
Amount owing by related parties	10	16,187	53,743	26,773	515	12,828
Short-term investment	11	627,228	-	-	-	-
Fixed deposits with licensed banks	12	311,337	504,786	706,165	1,112,256	964,240
Cash and bank balances		150,751	2,510,029	2,315,014	11,453,295	4,054,865
		9,686,939	9,365,077	6,805,665	25,292,022	20,500,655
TOTAL ASSETS		22,552,392	30,428,453	35,618,762	62,553,878	60,725,278

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
EQUITY AND LIABILITIES						
EQUITY						
Share capital	13(a)	-	-	1,000	1,000	1,000
Invested capital	13(b)	250,000	1,000,000	1,000,000	1,000,000	1,000,000
Retained profits		17,039,113	21,797,323	27,684,169	36,279,926	39,190,943
TOTAL EQUITY		17,289,113	22,797,323	28,685,169	37,280,926	40,191,943
NON-CURRENT LIABILITIES						
Lease liabilities	14	35,733	26,555	332,490	212,176	103,009
Long-term borrowings	15	705,480	604,531	487,687	6,837,923	9,910,946
Deferred tax liabilities	16	1,650,239	2,312,081	2,741,877	3,104,431	3,165,826
		2,391,452	2,943,167	3,562,054	10,154,530	13,179,781
CURRENT LIABILITIES						
Trade payables	17	1,209,521	2,240,379	1,092,549	3,886,762	2,490,556
Other payables and accruals	18	390,928	875,224	859,707	1,634,134	2,983,527
Contract liabilities	9	-	-	-	149,600	73,323
Amount owing to a director	19	-	-	12,000	-	-
Amount owing to related parties	10	136,611	244,601	27,581	56,356	23,544
Lease liabilities	14	70,109	69,926	253,621	311,743	277,449
Short-term borrowings	15	294,368	226,630	283,733	318,771	346,638
Dividend payable	20	-	-	-	7,000,000	-
Current tax liabilities		770,290	1,031,203	842,348	1,761,056	1,158,517
		2,871,827	4,687,963	3,371,539	15,118,422	7,353,554
TOTAL LIABILTIES		5,263,279	7,631,130	6,933,593	25,272,952	20,533,335
TOTAL EQUITY AND LIABILITIES		22,552,392	30,428,453	35,618,762	62,553,878	60,725,278

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
REVENUE	21	19,340,833	31,411,811	39,424,621	70,167,027	11,813,143	12,859,532
COST OF SALES		(7,748,235)	(15,933,017)	(17,148,382)	(32,772,583)	(5,054,207)	(4,839,135)
GROSS PROFIT		11,592,598	15,478,794	22,276,239	37,394,444	6,758,936	8,020,397
OTHER INCOME		52,144	14,387	40,522	145,806	2,123	49,876
		11,644,742	15,493,181	22,316,761	37,540,250	6,761,059	8,070,273
ADMINISTRATIVE EXPENSES		(2,838,010)	(5,494,961)	(8,824,071)	(13,268,413)	(2,750,874)	(3,579,962)
OTHER OPERATING EXPENSES		(594,536)	(657,671)	(691,000)	(1,000,326)	(230,340)	(283,113)
FINANCE COSTS		(86,969)	(64,235)	(54,095)	(145,315)	(14,962)	(133,680)
NET (IMPAIRMENT LOSSES)/REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	22	(618,421)	533,647	224,393	(129,317)	(163,279)	(86,979)
PROFIT BEFORE TAXATION	23	7,506,806	9,809,961	12,971,988	22,996,879	3,601,604	3,986,539
INCOME TAX EXPENSE	24	(1,848,703)	(2,316,126)	(3,085,142)	(6,401,122)	(1,115,143)	(1,075,522)
PROFIT AFTER TAXATION		5,658,103	7,493,835	9,886,846	16,595,757	2,486,461	2,911,017
OTHER COMPREHENSIVE INCOME		-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR/PERIOD		5,658,103	7,493,835	9,886,846	16,595,757	2,486,461	2,911,017

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

		Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-							
Owners of the Company		5,658,103	7,493,835	9,886,846	16,595,757	2,486,461	2,911,017
EARNINGS PER SHARE (SEN)							
- Basic	25	565.81	749.38	987.70	1,657.92	248.40	290.81
- Diluted	25	565.81	749.38	987.70	1,657.92	248.40	290.81

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF CHANGES IN EQUITY

Audited	Note	Share Capital RM	Invested Capital RM	Retained Profits RM	Total Equity RM
Balance at 1.1.2021		-	250,000	12,369,537	12,619,537
Profit after taxation/Total comprehensive income for the financial year		-	-	5,658,103	5,658,103
Distribution to owners of the Company:					
- Dividend	26	-	-	(988,527)	(988,527)
Balance at 31.12.2021/1.1.2022		-	250,000	17,039,113	17,289,113
Profit after taxation/Total comprehensive income for the financial year		-	-	7,493,835	7,493,835
Contributions by and distribution to owners of the Company:					
- Issuance of shares	13(b)	-	750,000	-	750,000
- Dividend	26	-	-	(2,735,625)	(2,735,625)
Balance at 31.12.2022/1.1.2023		-	1,000,000	21,797,323	22,797,323
Profit after taxation/Total comprehensive income for the financial year		-	-	9,886,846	9,886,846
Contributions by and distribution to owners of the Company:					
- Incorporation of the Company	13(a)	100	-	-	100
- Issuance of shares	13(a)	900	-	-	900
- Dividend	26	-	-	(4,000,000)	(4,000,000)
Balance at 31.12.2023/1.1.2024		1,000	1,000,000	27,684,169	28,685,169
Profit after taxation/Total comprehensive income for the financial year		-	-	16,595,757	16,595,757
Contributions by and distribution to owners of the Company:					
- Dividend	26	-	-	(8,000,000)	(8,000,000)
Balance at 31.12.2024		1,000	1,000,000	36,279,926	37,280,926

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

	Share Capital RM	Invested Capital RM	Retained Profits RM	Total Equity RM
Audited				
Balance at 1.1.2025	1,000	1,000,000	36,279,926	37,280,926
Profit after taxation/Total comprehensive income for the financial period	-	-	2,911,017	2,911,017
Balance at 31.3.2025	1,000	1,000,000	39,190,943	40,191,943
Unaudited				
Balance at 1.1.2024	1,000	1,000,000	27,684,169	28,685,169
Profit after taxation/Total comprehensive income for the financial period	-	-	2,486,461	2,486,461
Balance at 31.3.2024	1,000	1,000,000	30,170,630	31,171,630

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF CASH FLOWS

	Note	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES							
Profit before taxation		7,506,806	9,809,961	12,971,988	22,996,879	3,601,604	3,986,539
Adjustments for:-							
Bad debt written off		223,662	110,405	-	-	-	-
Depreciation of plant and equipment	5	2,175,070	2,563,825	2,969,004	3,397,167	774,850	894,313
Depreciation of right-of-use assets	6	35,058	78,751	162,062	274,925	64,942	66,760
Fair value gain on short-term investment		(12)	-	-	-	-	-
Gain on lease modification		-	-	-	(1,602)	-	(3,017)
Impairment loss:							
- trade receivables	22	971,356	-	-	136,468	169,347	86,979
Interest expense		86,969	64,235	54,095	145,315	14,962	133,680
Loss/(Gain) on disposal of plant and equipment		-	74,583	-	(56,754)	-	-
Dividend income		(11,168)	(494)	-	-	-	-
Interest income		(2,337)	(7,129)	(27,242)	(80,896)	(2,102)	(31,335)
Reversal of impairment losses:							
- trade receivables	22	-	(531,700)	(221,893)	-	-	-
- related parties	22	(352,935)	(1,947)	(2,500)	(7,151)	(6,068)	-
Operating profit before working capital changes		10,632,469	12,160,490	15,905,514	26,804,351	4,617,535	5,133,919
Increase in contract assets		-	-	-	-	-	(67,337)
(Increase)/Decrease in trade and other receivables		(7,910,909)	2,706,212	2,760,699	(9,104,711)	(5,830,081)	(2,762,408)
Increase/(Decrease) in trade and other payables		483,305	1,515,154	(1,163,347)	3,568,640	3,464,606	(46,813)
Decrease/(Increase) in amount owing by related parties		2,011,505	(20,186)	22,890	19,800	11,800	(12,828)
Decrease in amount owing to related parties		(20,689)	-	-	-	-	-
Increase in contract liabilities		-	-	-	149,600	-	(76,277)
CASH FLOWS FROM OPERATIONS		5,195,681	16,361,670	17,525,756	21,437,680	2,263,860	2,168,256
Income tax paid		(946,167)	(1,393,371)	(2,844,201)	(5,119,860)	(780,838)	(1,616,666)
NET CASH FROM OPERATING ACTIVITIES		4,249,514	14,968,299	14,681,555	16,317,820	1,483,022	551,590

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

	Note	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
CASH FLOWS FOR INVESTING ACTIVITIES							
(Advances to)/Repayment from related parties		(315)	(15,423)	6,580	13,609	(78,876)	515
Dividend received		11,180	494	-	-	-	-
Increase in pledged fixed deposits with licensed banks		(189,537)	(193,449)	(201,379)	(406,091)	(46,800)	148,016
Interest income received		2,337	7,129	27,242	80,896	2,102	31,335
Purchase of property, plant and equipment	27(a)	(2,518,487)	(10,776,997)	(10,049,071)	(12,056,602)	(3,533,663)	(3,996,700)
Proceeds from disposal of property, plant and equipment		-	60,000	-	207,274	-	-
NET CASH FOR INVESTING ACTIVITIES		(2,694,822)	(10,918,246)	(10,216,628)	(12,160,914)	(3,657,237)	(3,816,834)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES							
Advances from/(Repayment to) a director		-	-	12,000	(12,000)	-	-
Dividend paid		(988,527)	(2,735,625)	(4,000,000)	(1,000,000)	-	(7,000,000)
Drawdown of term loans	27(b)	-	-	-	6,650,000	-	3,150,000
Interest paid		(86,969)	(64,235)	(54,095)	(122,813)	(14,962)	(108,989)
Advances from/(Repayment to) related parties		72,250	107,990	(217,020)	28,775	52,783	(32,812)
Proceeds from issuance of ordinary shares:							
- the Company		-	-	1,000	-	-	-
- the combining entity		-	750,000	-	-	-	-
Repayment of lease liabilities	27(b)	(34,388)	(78,446)	(139,686)	(275,359)	(64,650)	(67,584)
Repayment of hire purchase	27(b)	(416,453)	(103,706)	(61,302)	(79,272)	(19,323)	(20,640)
Repayment of term loans	27(b)	(113,995)	(193,981)	(200,839)	(207,956)	(51,331)	(53,161)
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(1,568,082)	(2,318,003)	(4,659,942)	4,981,375	(97,483)	(4,133,186)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(13,390)	1,732,050	(195,015)	9,138,281	(2,271,698)	(7,398,430)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD		791,369	777,979	2,510,029	2,315,014	2,315,014	11,453,295
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/PERIOD	27(c)	777,979	2,510,029	2,315,014	11,453,295	43,316	4,054,865

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Express Powerr Solutions Sdn. Bhd. was incorporated in Malaysia on 17 July 2023, as a private limited liability company and is principally engaged in investment holding. On 25 August 2023, the Company changed its name from Express Powerr Solutions Sdn. Bhd. to Express Powerr Solutions (M) Sdn. Bhd. The Company was subsequently converted to a public company limited by shares on 23 October 2023 and assumed the name Express Powerr Solutions (M) Bhd ("Express Powerr"), to embark on the listing and quotation of its entire enlarged share capital on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The issued share capital of Express Powerr was RM1,000 comprising of 1,000 ordinary shares.

Express Powerr was incorporated for the purpose of acquiring the existing operating entity pursuant to the exercise as disclosed in Note 2(a) to the combined financial statements.

The information of the entities within the combined financial statements is as follows:-

(a) Express Mission Sdn. Bhd, ("Express Mission") was incorporated on 24 August 2005 in Malaysia, as a private limited liability company and is principally engaged in the business of generator rental services.

(b) The registered office and principal place of business of Express Powerr and Express Mission are as follows:

Registered office	:	Unit No. 11.07, Amcorp Tower Amcorp Trade Centre No.18, Persiaran Barat, 46050 Petaling Jaya Selangor.
Principal place of business	:	No. 6 (Ground Floor), Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

2. LISTING SCHEME

In conjunction with, and as an integral part of the Listing, Express Powerr carried out the following:-

(a) Acquisition of Express Mission by Express Powerr ("the Acquisition")

The Company had entered into a conditional share sale agreement dated 8 September 2023 and supplemental share sale agreement dated 30 December 2024 to acquire the entire issued share capital of Express Mission of RM1,000,000 comprising 1,000,000 ordinary shares ("Express Mission Shares") from Lim Cheng Ten ("Vendor") for a total consideration of RM33,950,164.

The said consideration will be satisfied by the issuance of 754,448,089 new ordinary shares in the Company ("Shares") at an issue price of RM0.045 per Share to Vendor as follows:

Vendor	No. of Express MissionShares	Shareholdings in Express Mission %	Purchase Consideration RM	No. of Shares to be issued
Lim Cheng Ten	1,000,000	100.00	33,950,164	754,448,089

The purchase consideration for the Proposed Acquisition of Express Mission was arrived at after taking into consideration the audited net assets of the Express Mission as at 30 September 2024 of RM40,950,164 less dividend declared after 30 September 2024 amounting to RM7,000,000.

The Acquisition was completed on 20 June 2025. Thereafter, Express Mission became a wholly-subsidiary of Express Powerr.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

2. LISTING SCHEME (CONT'D)

(b) Initial Public Offering ("IPO")

In conjunction with and as an integral part of the listing of and quotation for the entire issued share capital of Express Powerr on the ACE Market of Bursa Securities ("Listing"), Express Powerr will implement the following:-

(i) Public Issue

The Public Issue of 180,000,000 new Shares ("Public Issue Shares"), representing approximately 19.26% of the enlarged total number of Shares of Express Powerr at an issue price of RM0.20 per Share allocated in the following manner:-

- 46,722,600 Public Issue Shares will be made available for application by the Malaysian Public by way of balloting;
- 18,688,800 Public Issue Shares will be made available for application by the eligible directors, employees and persons who have contributed to the success of the Group (as defined herein);
- 51,394,700 Public Issue Shares will be made available for application by way of private placement to selected Bumiputera investors approved by Ministry of Investment, Trade and Industry ("MITI"); and
- 63,193,900 Public Issue Shares will be made available for application by way of private placement to selected investors.

(ii) Offer for Sale

Concurrent with the Listing, the offer for sale of 65,411,500 Shares at the offer price of RM0.20 per Share, payable in full on application, will be made available by way of private placement to selected Bumiputera investors approved by MITI.

(iii) Listing

The admission of the listing of and quotation for the entire enlarged issued share capital of Express Powerr of RM69,951,164 comprising 934,449,089 Shares on the ACE Market of Bursa Securities.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. BASIS OF PREPARATION

The combined entities are Express Powerr and Express Mission (collectively the "Group"). The combined financial statements of the Group have been prepared as if the Group has been operating as a single economic entity throughout the FYE 31 December 2021, 31 December 2022, 31 December 2023, and 31 December 2024 and FPE 31 March 2025, since the combining entities were under common control throughout the financial years under review and FPE 31 March 2025 by virtue of common controlling shareholders.

FYE 31 DECEMBER 2021, 2022, 2023, 2024 AND FPE 31 MARCH 2025

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of common controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The combined financial statements of the Group for the relevant financial period were prepared in a manner similar to the "pooling-of-interest" method, as if the entities within the Group were operating as a single economic enterprise from the beginning of the earliest comparative period covered by the relevant period or the dates of incorporation of entities within the Group, if later. Such manner of presentation reflects the economic substance of the companies, which were under common control throughout the relevant period.

The identifiable assets and liabilities of all common controlled entities are accounted for at their historical costs. The accounting policies of common controlled entities have been changed where necessary to align them with the policies adopted by the Group.

All material intra-group transactions and balances have been eliminated on combination.

The combined financial statements of the Group are prepared under the historical cost convention and modified to include other basis of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards.

The separate statutory audited financial statements of Express Mission were not subject to any modified audit opinions.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. BASIS OF PREPARATION (CONT'D)

These combined financial statements of the Group are prepared under the historical cost convention and modified to include other basis of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards.

3.1 During the current financial period, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	**Effective Date**
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 5 to the financial statements.

(b) Impairment of Property, Plant and Equipment and Right-of-use Assets

The Group determines whether an item of its property, plant and equipment and right-of-use assets is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Notes 5 and 6 to the financial statements respectively.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(c) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts.. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables, contract assets, and amount owing by related parties as at the reporting date are disclosed in Notes 7, 9 and 10 to the financial statements respectively.

(d) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by related parties as at the reporting date are disclosed in Notes 8 and 10 to the financial statements respectively.

(e) Revenue Recognition for Contract Revenue

- Installation of Solar PV System

  The contract revenue represents income from installation of solar PV system and related services. The Group recognises contract revenue by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 9 to the financial statements.

- Maintenance of Solar PV System

  For the contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. The Group allocates the transaction price by estimating its standalone selling price applying the expected cost plus a margin approach.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

(g) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Lease Term

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(b) Contingent Liabilities

The recognition and measurement for contingent liabilities are based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business. Furthermore, management is of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Group are remote.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 BASIS OF COMBINATION

The Group resulting from the listing scheme, are disclosed in Note 2 above, comprises entities under common control. Accordingly, the combined financial statements have been accounted for using principles of merger accounting.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Intragroup transactions, balances, income and expenses are eliminated on combination. Intragroup losses may indicate an impairment that requires recognition in the combined financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 BASIS OF COMBINATION (CONT'D)

(b) Merger Accounting for Common Control Business Combinations

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination and that control is not transitory.

Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current financial year.

The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. No amount is recognised in respect of goodwill and excess of the acquirer's interest in the new fair value of the acquiree's identifiable assets and liabilities and contingent liabilities over cost at the time of the common control business combination to the extent of the continuation of the controlling party and parties' interests.

When the merger method is used, the cost of investment in the Company's books is recorded at the nominal value of shares issued. The difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries is treated as merger deficit or merger reserve as applicable. The results of the subsidiaries being merged are included for the full financial year.

(c) Non-controlling Interests

Non-controlling interests are presented within equity in the combined statements of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 BASIS OF COMBINATION (CONT'D)

(d) Changes in Ownership Interests in Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in the equity of the Group.

(e) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value of the initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 FUNCTIONAL AND PRESENTATION CURRENCIES

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The combined financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.4 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

4.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Furniture and fittings	10%
Motor vehicles	10% - 20%
Office equipment	10%
Plant and machinery	10%
Renovation and signboard	10%
Tools and equipment	10%

Capital work-in-progress represents factory building under construction. They are not depreciated until such time when the asset is available for use.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.7 PROVISIONS

Provisions are recognised when the Group have a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation.

A provision for warranties is recognised based on the best estimated liabilities to repair or replace products when the underlying products or services are sold. The estimated liabilities are based on the historical warranty data and a weighting of all possible outcome against their associated probabilities.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(a) Hiring of Generator Sets

Revenue is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

(b) Installation of Solar PV System

Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of contract costs incurred for work performed to date over the estimated total costs to be incurred.

(c) Maintenance Services

The Group accounts for their maintenance services ("MS") as a separate performance obligation to which the Company allocates a portion of the transaction price. The portion of the consideration allocated to the MS is initially recorded as a contract liability and recognised as revenue over the period the MS are provided. The obligation to repair or replace equipment and parts is the standard warranty provided by the equipment and parts manufacturer for a period between 10 to 25 years.

4.9 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

(a) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(b) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT

Audited	At 1.1.2021 RM	Additions (Note 27(a)) RM	Depreciation Charges (Note 23) RM	At 31.12.2021 RM
31.12.2021				
Carrying Amount				
Furniture and fittings	3,475	-	(632)	2,843
Motor vehicles	3,199,722	457,250	(551,004)	3,105,968
Office equipment	50,810	-	(10,353)	40,457
Plant and machinery	6,944,522	1,826,452	(1,298,264)	7,472,710
Renovation and signboard	328,045	-	(57,072)	270,973
Tools and equipment	1,890,290	234,785	(257,745)	1,867,330
	12,416,864	2,518,487	(2,175,070)	12,760,281

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	At 1.1.2022 RM	Additions (Note 27(a)) RM	Disposal RM	Depreciation Charges (Note 23) RM	At 31.12.2022 RM
31.12.2022					
Carrying Amount					
Furniture and fittings	2,843	-	-	(632)	2,211
Motor vehicles	3,105,968	1,374,309	-	(618,421)	3,861,856
Office equipment	40,457	34,114	-	(9,304)	65,267
Plant and machinery	7,472,710	3,759,504	(134,583)	(1,551,472)	9,546,159
Renovation and signboard	270,973	274,010	-	(69,280)	475,703
Tools and equipment	1,867,330	1,264,060	-	(314,716)	2,816,674
Capital work-in-progress	-	4,200,000	-	-	4,200,000
	12,760,281	10,905,997	(134,583)	(2,563,825)	20,967,870

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	At 1.1.2023 RM	Additions (Note 27(a)) RM	Depreciation Charges (Note 23) RM	At 31.12.2023 RM
31.12.2023				
Carrying Amount				
Furniture and fittings	2,211	-	(632)	1,579
Motor vehicles	3,861,856	1,042,414	(752,142)	4,152,128
Office equipment	65,267	134,497	(14,952)	184,812
Plant and machinery	9,546,159	2,882,233	(1,687,924)	10,740,468
Renovation and signboard	475,703	97,836	(89,668)	483,871
Tools and equipment	2,816,674	844,491	(423,686)	3,237,479
Capital work-in-progress	4,200,000	5,250,000	-	9,450,000
	20,967,870	10,251,471	(2,969,004)	28,250,337

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	At 1.1.2024 RM	Additions (Note 27(a)) RM	Disposal RM	Depreciation Charges (Note 23) RM	At 31.12.2024 RM
31.12.2024					
Carrying Amount					
Furniture and fittings	1,579	10,227	-	(1,334)	10,472
Motor vehicles	4,152,128	984,900	-	(783,448)	4,353,580
Office equipment	184,812	93,690	-	(28,660)	249,842
Plant and machinery	10,740,468	4,432,850	(150,520)	(1,888,318)	13,134,480
Renovation and signboard	483,871	108,968	-	(100,880)	491,959
Tools and equipment	3,237,479	2,225,967	-	(594,527)	4,868,919
Capital work-in-progress	9,450,000	4,200,000	-	-	13,650,000
	28,250,337	12,056,602	(150,520)	(3,397,167)	36,759,252

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	At 1.1.2025 RM	Additions (Note 27(a)) RM	Depreciation Charges (Note 23) RM	At 31.3.2025 RM
31.3.2025				
Carrying Amount				
Furniture and fittings	10,472	-	(414)	10,058
Motor vehicles	4,353,580	243,780	(213,823)	4,383,537
Office equipment	249,842	1,830	(8,145)	243,527
Plant and machinery	13,134,480	109,440	(468,294)	12,775,626
Renovation and signboard	491,959	2,634	(26,318)	468,275
Tools and equipment	4,868,919	489,016	(177,319)	5,180,616
Capital work-in-progress	13,650,000	3,150,000	-	16,800,000
	36,759,252	3,996,700	(894,313)	39,861,639

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
31.12.2021			
Furniture and fittings	6,319	(3,476)	2,843
Motor vehicles	6,293,360	(3,187,392)	3,105,968
Office equipment	147,987	(107,530)	40,457
Plant and machinery	17,853,791	(10,381,081)	7,472,710
Renovation and signboard	617,724	(346,751)	270,973
Tools and equipment	2,795,073	(927,743)	1,867,330
	27,714,254	(14,953,973)	12,760,281
31.12.2022			
Furniture and fittings	6,319	(4,108)	2,211
Motor vehicles	7,667,669	(3,805,813)	3,861,856
Office equipment	182,101	(116,834)	65,267
Plant and machinery	21,423,295	(11,877,136)	9,546,159
Renovation and signboard	891,734	(416,031)	475,703
Tools and equipment	4,059,133	(1,242,459)	2,816,674
Capital work-in-progress	4,200,000	-	4,200,000
	38,430,251	(17,462,381)	20,967,870
31.12.2023			
Furniture and fittings	6,319	(4,740)	1,579
Motor vehicles	8,710,083	(4,557,955)	4,152,128
Office equipment	316,598	(131,786)	184,812
Plant and machinery	24,305,528	(13,565,060)	10,740,468
Renovation and signboard	989,570	(505,699)	483,871
Tools and equipment	4,903,624	(1,666,145)	3,237,479
Capital work-in-progress	9,450,000	-	9,450,000
	48,681,722	(20,431,385)	28,250,337
31.12.2024			
Furniture and fittings	16,546	(6,074)	10,472
Motor vehicles	9,694,983	(5,341,403)	4,353,580
Office equipment	410,288	(160,446)	249,842
Plant and machinery	28,370,370	(15,235,890)	13,134,480
Renovation and signboard	1,098,538	(606,579)	491,959
Tools and equipment	7,129,591	(2,260,672)	4,868,919
Capital work-in-progress	13,650,000	-	13,650,000
	60,370,316	(23,611,064)	36,759,252

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
31.3.2025			
Furniture and fittings	16,546	(6,488)	10,058
Motor vehicles	9,938,763	(5,555,226)	4,383,537
Office equipment	412,118	(168,591)	243,527
Plant and machinery	28,479,810	(15,704,184)	12,775,626
Renovation and signboard	1,101,172	(632,897)	468,275
Tools and equipment	7,618,607	(2,437,991)	5,180,616
Capital work-in-progress	16,800,000	-	16,800,000
	64,367,016	(24,505,377)	39,861,639

Included in the capital work-in-progress at the end of the reporting period were freehold land and buildings with a total carrying amount of RM16,800,000 (31.12.2024 - RM13,650,000; 31.12.2023 - RM9,450,000; 31.12.2022 - RM4,200,000) which have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 15(a) to the financial statements.

6. RIGHT-OF-USE ASSETS

Audited	At 1.1.2021 RM	Additions RM	Depreciation Charges (Note 23) RM	At 31.12.2021 RM
31.12.2021				
Carrying Amount				
Yards	-	140,230	(35,058)	105,172

Audited	At 1.1.2022 RM	Additions RM	Depreciation Charges (Note 23) RM	At 31.12.2022 RM
31.12.2022				
Carrying Amount				
Yards	105,172	69,085	(78,751)	95,506

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

6. RIGHT-OF-USE ASSETS (CONT'D)

Audited	At 1.1.2023 RM	Additions RM	Depreciation Charges (Note 23) RM	At 31.12.2023 RM
31.12.2023				
Carrying Amount				
Yards	95,506	483,596	(125,632)	453,470
Office	-	145,720	(36,430)	109,290
	95,506	629,316	(162,062)	562,760

Audited	At 1.1.2024 RM	Additions RM	Depreciation Charges (Note 23) RM	Modification of Lease Liabilities (Note 14) RM	Derecognition due to Lease Modification RM	At 31.12.2024 RM
31.12.2024						
Carrying Amount						
Yards	453,470	298,907	(238,495)	19,330	(103,468)	429,744
Office	109,290	-	(36,430)	-	-	72,860
	562,760	298,907	(274,925)	19,330	(103,468)	502,604

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

6. RIGHT-OF-USE ASSETS (CONT'D)

Audited	At 1.1.2025 RM	Depreciation Charges (Note 23) RM	Derecognition due to Lease Modification RM	At 31.3.2025 RM
31.3.2025				
Carrying Amount				
Yards	429,744	(66,760)	-	362,984
Office	72,860	-	(72,860)	-
	502,604	(66,760)	(72,860)	362,984

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Analysed by:-					
Cost	140,230	209,315	838,631	782,004	636,284
Accumulated depreciation	(35,058)	(113,809)	(275,871)	(279,400)	(273,300)
At 31 December/31 March	105,172	95,506	562,760	502,604	362,984

The Group leases 4 yards and an office of which the leasing activities are summarised below:-

Yards The Group leased 4 yards to park the mobile generator sets. The leases run for a period range from 2 -3 years, with an option to renew the lease after that date.

Office The Group leased an office premise for administration and operation. The lease runs for a period of 2 years, with an option to renew the lease for another 2 years.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

7. TRADE RECEIVABLES

	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
Trade receivables	9,203,799	6,108,484	3,233,290	12,201,539	13,725,968
Allowance for impairment losses	(1,106,118)	(574,418)	(352,525)	(488,993)	(575,972)
	8,097,681	5,534,066	2,880,765	11,712,546	13,149,996
Allowance for impairment losses:-					
At 1 January	(134,762)	(1,106,118)	(574,418)	(352,525)	(488,993)
Addition during the financial year/period (Note 22)	(971,356)	-	-	(136,468)	(86,979)
Reversal during the financial year/period (Note 22)	-	531,700	221,893	-	-
At 31 December/31 March	(1,106,118)	(574,418)	(352,525)	(488,993)	(575,972)

The Group's normal trade credit terms range from 30 to 120 (31.12.2024 - 30 to 120; 31.12.2023 - 30 to 120; 31.12.2022 - 30 to 120; 31.12.2021 - 30 to 120) days. Other credit terms are assessed and approved on a case-by-case basis.

8. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
Other receivables	93,087	117,472	125,050	11,272	9,922
Deposits	240,824	629,181	522,155	526,866	349,166
Prepayments	149,844	15,800	229,743	475,272	1,892,301
	483,755	762,453	876,948	1,013,410	2,251,389

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

9. CONTRACT ASSETS/(LIABILITIES)

Contract Assets

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
At 1 January	-	-	-	-	-
Performance obligations performed	-	-	-	-	266,580
Transfer to trade receivables	-	-	-	-	(199,243)
At 31 December/31 March	-	-	-	-	67,337
Represented by:-					
Installation of solar PV system	-	-	-	-	67,337

The contract assets primarily relate to the group's right to consideration for work completed but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

9. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

Contract Liabilities

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
At 1 January	-	-	-	-	(149,600)
Performance obligations performed	-	-	-	-	191,727
Amount billed for unfulfilled performance obligations	-	-	-	(149,600)	(115,450)
At 31 December/31 March	-	-	-	(149,600)	(73,323)
Represented by:-					
Installation of solar PV system	-	-	-	(149,600)	(73,323)

(a) The contract liabilities primarily relate to advances received from customers to install solar PV system services. The amount will be recognised as revenue when the performance obligations are satisfied.

(b) The transaction price allocated to unsatisfied performance obligations as at the reporting date are as below:-

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Installation of solar PV system					
Within 1 year	-	-	-	149,600	73,323

The amount disclosed above does not have variable consideration.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

10. AMOUNTS OWING BY/(TO) RELATED PARTIES

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Amount Owing by Related Parties					
Current					
Trade balance	27,470	47,656	19,800	-	12,828
Non-trade balance	315	15,738	14,124	515	-
	27,785	63,394	33,924	515	12,828
Allowance for impairment losses	(11,598)	(9,651)	(7,151)	-	-
	16,187	53,743	26,773	515	12,828
Allowance for impairment losses:-					
At 1 January	(364,533)	(11,598)	(9,651)	(7,151)	-
Reversal during the financial year/period (Note 22)	352,935	1,947	2,500	7,151	-
At 31 December/31 March	(11,598)	(9,651)	(7,151)	-	-
Amount Owing to Related Parties					
Current					
Non-trade balance	(136,611)	(244,601)	(27,581)	(56,356)	(23,544)

(a) Related parties refer to companies in which certain directors have substantial financial interests.

(b) The trade balance is subject to the normal credit terms ranging from 30 to 90 (31.12.2024 - 30 to 90; 31.12.2023 - 30 to 90; 31.12.2022 - 30 to 90; 31.12.2021 - 30 to 90) days.

(c) The non-trade balances represent unsecured payments made on behalf. The amounts owing are repayable on demand and are to be settled in cash.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

11. SHORT-TERM INVESTMENT

	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
Money market funds, at fair value (Note 27(c))	627,228	-	-	-	-

12. FIXED DEPOSITS WITH LICENSED BANKS

(a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates of between 2.35% to 2.45% (31.12.2024 - 2.45% to 2.55%; 31.12.2023 - 2.25%; 31.12.2022 - 1.45%; 31.12.2021 - 1%).

(b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was amount of RM964,240 (31.12.2024 - RM1,112,256; 31.12.2023 - RM706,165; 31.12.2022 - RM504,786; 31.12.2021 - RM311,337) which has been pledged to a licensed bank as security for banking facilities granted to the Group.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

13. SHARE CAPITAL AND INVESTED CAPITAL

(a) Share capital

	Audited 31.12.2021	**Audited 31.12.2022**	**Audited 31.12.2023**	**Audited 31.12.2024**	**Audited 31.3.2025**
	<---------- Number of Shares ---------->				
Issued and Fully Paid-Up					
Ordinary Shares					
At date of incorporation/1 January	-	-	100	1,000	1,000
Issuance of new shares by the Company	-	-	900	-	-
At 31 December/31 March	-	-	1,000	1,000	1,000

	31.12.2021 RM	**31.12.2022** RM	**31.12.2023** RM	**31.12.2024** RM	**31.3.2025** RM
Issued and Fully Paid-Up					
Ordinary Shares					
At date of incorporation/1 January	-	-	100	1,000	1,000
Issuance of new shares by the Company	-	-	900	-	-
At 31 December/31 March	-	-	1,000	1,000	1,000

(i) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

(ii) On 17 July 2023, the Company was incorporated with a total paid-up share capital of RM100 comprising 100 ordinary shares. During FYE 31 December 2023, the Company increased its issued and paid-up share capital from RM100 to RM1,000 by way of issuance of 900 new ordinary shares for a cash consideration of RM1.00 each.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

14. ACCOUNTANTS' REPORT *(Cont'd)*

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

13. SHARE CAPITAL AND INVESTED CAPITAL (CONT'D)

(b) Invested capital

	Audited 31.12.2021	**Audited 31.12.2022**	**Audited 31.12.2023**	**Audited 31.12.2024**	**Audited 31.3.2025**
	<---------- Number of Shares ---------->				
Issued and Fully Paid-Up					
Ordinary Shares					
At 1 January	250,000	250,000	1,000,000	1,000,000	1,000,000
Issuance of new shares by Express Mission	-	750,000	-	-	-
At 31 December/31 March	250,000	1,000,000	1,000,000	1,000,000	1,000,000

	31.12.2021 RM	**31.12.2022** RM	**31.12.2023** RM	**31.12.2024** RM	**31.3.2025** RM
Issued and Fully Paid-Up					
Ordinary Shares					
At 1 January	250,000	250,000	1,000,000	1,000,000	1,000,000
Issuance of new shares by Express Mission	-	750,000	-	-	-
At 31 December/31 March	250,000	1,000,000	1,000,000	1,000,000	1,000,000

(i) For the purpose of this report, the total number of ordinary shares as at 31 December 2021, 2022, 2023, 2024, and 31 March 2025 represent the number of issued and fully paid-up ordinary shares of Express Mission.

(ii) During FYE 31 December 2022, Express Mission increased its issued and paid-up share capital from RM250,000 to RM1,000,000 by way of issuance of 750,000 new ordinary shares for a cash consideration of RM750,000.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of Express Mission.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

14. LEASE LIABILITIES

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
At 1 January	-	105,842	96,481	586,111	523,919
Additions	140,230	69,085	629,316	298,907	-
Changes due to lease modification (Notes 6 and 27(b))	-	-	-	19,330	-
Derecognition due to lease modification (Note 27(b))	-	-	-	(105,070)	(75,877)
Interest expense recognised in profit or loss (Note 23)	1,612	2,554	13,514	22,441	4,416
Repayment of principal	(34,388)	(78,446)	(139,686)	(275,359)	(67,584)
Repayment of interest expense	(1,612)	(2,554)	(13,514)	(22,441)	(4,416)
At 31 December/31 March	105,842	96,481	586,111	523,919	380,458
Analysed by:-					
Current liabilities	70,109	69,926	253,621	311,743	277,449
Non-current liabilities	35,733	26,555	332,490	212,176	103,009
	105,842	96,481	586,111	523,919	380,458

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

15. BORROWINGS

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Non-current liabilities					
Term loans (secured)	705,480	504,718	296,857	6,731,629	9,826,610
Hire purchase payables	-	99,813	190,830	106,294	84,336
	705,480	604,531	487,687	6,837,923	9,910,946
Current liabilities					
Term loans (secured)	190,662	197,443	204,465	234,239	260,788
Hire purchase payables	103,706	29,187	79,268	84,532	85,850
	294,368	226,630	283,733	318,771	346,638

(a) The term loans are secured by:-

(i) a single-storey semi-detached factory with a store, 3 storey offices and basement known as Building 1 located at PT 88023, Kawasan Perindustrian Meru Timur, Mukim Kapar, Klang, Selangor;

(ii) a single-storey semi-detached factory with a store, 3 storey offices and basement known as Building 2 located at PT 88022, Kawasan Perindustrian Meru Timur, Mukim Kapar, Klang, Selangor;

(iii) a guarantee by Credit Guarantee Corporation Malaysia Bhd under BizJamin Special Relief Facility-I; and

(iv) a joint and several guarantee by the directors of the Group.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

15. BORROWINGS (CONT'D)

(b) The interest rate profiles of the borrowings are summarised below:-

	Audited 31.12.2021 %	Audited 31.12.2022 %	Audited 31.12.2023 %	Audited 31.12.2024 %	Audited 31.3.2025 %
Floating/Fixed rate term loans	3.50	3.50	3.50	3.50 - 5.67	3.50 - 5.67
Fixed rate hire purchase payable	3.30	3.45	2.59 - 3.63	2.59 - 3.63	2.59 - 3.63

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

16. DEFERRED TAX LIABILITIES

Audited	At 1.1.2021 RM	Recognised in Profit or Loss (Note 24) RM	At 31.12.2021 RM
31.12.2021			
Deferred Tax Liabilities			
Plant and equipment	(1,616,386)	(302,265)	(1,918,651)
Right-of-use assets	-	160	160
	(1,616,386)	(302,105)	(1,918,491)
Deferred Tax Asset			
Provisions	119,831	148,421	268,252
	(1,496,555)	(153,684)	(1,650,239)

Audited	At 1.1.2022 RM	Recognised in Profit or Loss (Note 24) RM	At 31.12.2022 RM
31.12.2022			
Deferred Tax Liabilities			
Plant and equipment	(1,918,651)	(533,840)	(2,452,491)
Right-of-use assets	160	74	234
	(1,918,491)	(533,766)	(2,452,257)
Deferred Tax Asset			
Provisions	268,252	(128,076)	140,176
	(1,650,239)	(661,842)	(2,312,081)

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

16. DEFERRED TAX LIABILITIES (CONT'D)

Audited	At 1.1.2023 RM	Recognised in Profit or Loss (Note 24) RM	At 31.12.2023 RM
31.12.2023			
Deferred Tax Liabilities			
Plant and equipment	(2,452,491)	(381,312)	(2,833,803)
Right-of-use assets	234	5,370	5,604
	(2,452,257)	(375,942)	(2,828,199)
Deferred Tax Asset			
Provisions	140,176	(53,854)	86,322
	(2,312,081)	(429,796)	(2,741,877)

Audited	At 1.1.2024 RM	Recognised in Profit or Loss (Note 24) RM	At 31.12.2024 RM
31.12.2024			
Deferred Tax Liabilities			
Plant and equipment	(2,833,803)	(355,404)	(3,189,207)
Right-of-use assets	5,604	(488)	5,116
	(2,828,199)	(355,892)	(3,184,091)
Deferred Tax Asset			
Provisions	86,322	(6,662)	79,660
	(2,741,877)	(362,554)	(3,104,431)

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

16. DEFERRED TAX LIABILITIES (CONT'D)

Audited	At 1.1.2025 RM	Recognised in Profit or Loss (Note 24) RM	At 31.3.2025 RM
31.3.2025			
Deferred Tax Liabilities			
Plant and equipment	(3,189,207)	(119,046)	(3,308,253)
Right-of-use assets	5,116	(922)	4,194
	(3,184,091)	(119,968)	(3,304,059)
Deferred Tax Asset			
Provisions	79,660	58,573	138,233
	(3,104,431)	(61,395)	(3,165,826)

17. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 7 to 90 (31.12.2024 - 7 to 90; 31.12.2023 - 7 to 90; 31.12.2022 - 30 to 90; 31.12.2021 - 30 to 90) days.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

18. OTHER PAYABLES AND ACCRUALS

	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
Other payables	159,164	470,780	345,566	262,145	375,800
Accruals	231,764	404,444	514,141	1,371,989	719,127
Advances from customer	-	-	-	-	1,888,600
	390,928	875,224	859,707	1,634,134	2,983,527

19. AMOUNT OWING TO A DIRECTOR

The amount owing is non-trade in nature and represents unsecured payments made on behalf. The amount owing is repayable on demand and is to be settled in cash.

20. DIVIDEND PAYABLE

	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
Second interim dividend of RM7.00 per ordinary share in respect of the financial year ended 31 December 2024	-	-	-	7,000,000	-

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

21. REVENUE

	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
Revenue from Contracts with Customers						
Revenue recognised over time						
Hiring of generator sets	19,340,833	31,411,811	39,424,621	70,138,027	11,813,143	12,401,225
Installation of solar PV system	-	-	-	29,000	-	458,307
	19,340,833	31,411,811	39,424,621	70,167,027	11,813,143	12,859,532
Represented by geographical market:-						
Malaysia	19,340,833	31,411,811	39,424,621	70,167,027	11,813,143	12,859,532

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

22. NET (IMPAIRMENT LOSSES)/REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Audited 1.1.2021 to 31.12.2021 RM	**Audited 1.1.2022 to 31.12.2022** RM	**Audited 1.1.2023 to 31.12.2023** RM	**Audited 1.1.2024 to 31.12.2024** RM	**Unaudited 1.1.2024 to 31.3.2024** RM	**Audited 1.1.2025 to 31.3.2025** RM
Impairment losses:						
- trade receivables (Note 7)	(971,356)	-	-	(136,468)	(169,347)	(86,979)
- amount owing by related parties (Note 10)	-	-	-	-	-	-
Reversal of impairment losses:						
- trade receivables (Note 7)	-	531,700	221,893	-	-	-
- amount owing by related parties (Note 10)	352,935	1,947	2,500	7,151	6,068	-
	(618,421)	533,647	224,393	(129,317)	(163,279)	(86,979)

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

23. PROFIT BEFORE TAXATION

	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
Profit before taxation is arrived at after charging/(crediting):-						
Auditors' remuneration						
- audit fees	38,000	45,000	49,000	40,800	-	-
- special audit fees	-	-	36,000	39,200	-	20,000
Bad debt written off	223,662	110,405	-	-	-	-
Depreciation:						
- property, plant and equipment (Note 5)	2,175,070	2,563,825	2,969,004	3,397,167	774,850	894,313
- right-of-use assets (Note 6)	35,058	78,751	162,062	274,925	64,942	66,760
Directors' remuneration (Note 28(a)):						
- short-term employee benefits	51,000	174,500	250,000	513,000	74,500	207,000
- defined contribution benefits	2,520	7,940	21,840	27,160	6,900	11,440
- others	441	1,197	1,902	1,998	476	572
Interest expense on financial liabilities that are not at fair value through profit or loss:						
- bank overdrafts	31,772	31,732	3,753	11,333	828	-
- term loans (Note 27(b))	34,093	28,151	21,293	97,189	4,201	126,498
- hire purchase (Note 27(b))	19,492	1,798	15,535	14,352	4,083	2,766
Interest expense on lease liabilities (Note 27(b))	1,612	2,554	13,514	22,441	5,850	4,416
Lease expense:						
- short-term leases	446,400	732,100	863,835	509,254	134,782	127,218
Loss/(Gain) on disposal of plant and equipment	-	74,583	-	(56,754)	-	-
Listing expenses	-	-	-	-	-	50,159
Realised loss on foreign exchange	-	-	-	-	-	4,157

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

23. PROFIT BEFORE TAXATION (CONT'D)

	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
Profit before taxation is arrived at after charging/(crediting):- (Cont'd)						
Staff costs (including key management personnel as disclosed in Note 28(b)):						
- short term employee benefits	745,138	2,164,955	4,488,760	6,468,822	1,403,693	1,797,273
- defined contribution benefits	64,419	185,130	355,436	472,510	127,190	184,894
- others	12,849	35,589	74,770	94,353	19,742	28,333
Gain on lease modification	-	-	-	(1,602)	-	(3,017)
Dividend income:						
- short-term investment	(11,168)	(494)	-	-	-	-
Fair value gain on financial assets measured at fair value through profit or loss mandatorily:						
- short-term investment	(12)	-	-	-	-	-
Interest income on financial assets measured at amortised cost:						
- current account	-	-	-	(61,372)	(1,469)	(26,151)
- fixed deposits with licensed banks	(2,337)	(6,249)	(14,179)	(18,891)	-	(5,184)
- others	-	(880)	(13,063)	(633)	(633)	-
Fair value gain on financial assets measured at fair value through profit or loss mandatorily:						
- short-term investment	-	(6,745)	-	-	-	-

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

24. INCOME TAX EXPENSE

	Audited 1.1.2021 to 31.12.2021 RM	**Audited 1.1.2022 to 31.12.2022** RM	**Audited 1.1.2023 to 31.12.2023** RM	**Audited 1.1.2024 to 31.12.2024** RM	**Unaudited 1.1.2024 to 31.3.2024** RM	**Audited 1.1.2025 to 31.3.2025** RM
Current tax:	1,601,919	1,621,287	2,615,187	5,533,895	725,639	1,014,127
- underprovision in the previous financial year/period	93,100	32,997	40,159	504,673	230,838	-
	1,695,019	1,654,284	2,655,346	6,038,568	956,477	1,014,127
Deferred tax (Note 16):						
- origination and reversal of temporary differences	150,893	711,858	472,104	284,688	167,506	4,695
- under/(over)provision in the previous financial year/period	2,791	(50,016)	(42,308)	77,866	(8,840)	56,700
	153,684	661,842	429,796	362,554	158,666	61,395
	1,848,703	2,316,126	3,085,142	6,401,122	1,115,143	1,075,522

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

24. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group is as follows:

	Audited 1.1.2021 to 31.12.2021 RM	**Audited 1.1.2022 to 31.12.2022** RM	**Audited 1.1.2023 to 31.12.2023** RM	**Audited 1.1.2024 to 31.12.2024** RM	**Unaudited 1.1.2024 to 31.3.2024** RM	**Audited 1.1.2025 to 31.3.2025** RM
Profit before taxation	7,506,806	9,809,961	12,971,988	22,996,879	3,601,604	3,986,539
Tax at the statutory tax rate of 24%	1,801,633	2,354,391	3,113,277	5,519,251	864,385	956,770
Tax effects of:						
Non-deductible expenses	2,395	20,754	19,014	299,716	28,760	62,776
Non-taxable income	(9,216)	-	-	(384)	-	(724)
Differential in tax rate	(42,000)	(42,000)	(45,000)	-	-	-
Underprovision in the previous financial year/period						
- current tax	93,100	32,997	40,159	504,673	230,838	-
- deferred tax	2,791	(50,016)	(42,308)	77,866	(8,840)	56,700
	1,848,703	2,316,126	3,085,142	6,401,122	1,115,143	1,075,522

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (31.3.2024 - 24%; 31.12.2024 - 24%) of the estimated assessable profit for the financial period. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction

For financial year end 31 December 2023, the Company is subject to the Malaysian income tax rates of 15% (31.12.2022 - 17%; 31.12.2021 - 17%) for the first RM150,000 (31.12.2022 - RM600,000; 31.12.2021 - RM600,000) of chargeable income, 17% (31.12.2022 - n/a; 31.12.2021 - n/a) for the first chargeable income ranging between RM150,001 up to RM600,000 and 24% (31.12.2022 - 24%; 31.12.2021 - 24%) on the remaining chargeable income.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

25. EARNINGS PER SHARE

	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
Profit after taxation attributable to owners of the Company	5,658,103	7,493,835	9,886,846	16,595,757	2,486,461	2,911,017
Weighted average number of ordinary shares in issue[#]	1,000,000	1,000,000	1,001,000	1,001,000	1,001,000	1,001,000
Basic earnings per share (sen)	565.81	749.38	987.70	1,657.92	248.40	290.81

[#] - Assumed to the number of ordinary shares. Such number of ordinary shares is before the completion of the acquisition of Express Mission and public issue.

The Group has not issued any potentially dilutive ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

26. DIVIDEND

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Unaudited 31.3.2024** RM	**Audited 31.3.2025** RM
Ordinary Shares						
A final dividend of RM3.95 per ordinary share in respect of the financial year ended 31 December 2021	988,527	-	-	-	-	-
A final dividend of RM2.735 per ordinary share in respect of the financial year ended 31 December 2022	-	2,735,625	-	-	-	-
A final dividend of RM4.00 per ordinary share in respect of the financial year ended 31 December 2023	-	-	4,000,000	-	-	-
A final dividend of RM8.00 per ordinary share in respect of the financial year ended 31 December 2024	-	-	-	8,000,000	-	-
	988,527	2,735,625	4,000,000	8,000,000	-	-

(a) On 22 April 2025, the Company declared a single tier interim dividend of RM1.00 per ordinary share amounting to RM1,000,000 in respect of the financial year ending 31 December 2025. The said dividend was paid on 29 April 2025 to shareholders whose names appeared in the record of depositors on 22 April 2025. The financial statements for the current financial period do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.

(b) On 9 June 2025, the Company further declared a single tier interim dividend of RM4.00 per ordinary share amounting to RM4,000,000 in respect of the financial year ending 31 December 2025. The said dividend was paid on 19 June 2025 to shareholders whose names appeared in the record of depositors on 9 June 2025. The financial statements for the current financial period do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:-

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Unaudited 31.3.2024** RM	**Audited 31.3.2025** RM
Property, Plant and Equipment						
Cost of property, plant and equipment purchased (Note 5)	2,518,487	10,905,997	10,251,471	12,056,602	3,533,663	3,996,700
Less: Acquired through hire purchase agreement	-	(129,000)	(202,400)	-	-	-
	2,518,487	10,776,997	10,049,071	12,056,602	3,533,663	3,996,700

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

Audited	Term Loans RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
31.12.2021				
At 1 January	1,010,137	520,159	-	1,530,296
Changes in Financing Cash Flows				
Repayment of principal	(113,995)	(416,453)	(34,388)	(564,836)
Repayment of interests	(34,093)	(19,492)	(1,612)	(55,197)
	(148,088)	(435,945)	(36,000)	(620,033)
Other Changes				
Acquisition of new lease	-	-	140,230	140,230
Interest expense recognised in profit or loss (Note 23)	34,093	19,492	1,612	55,197
	34,093	19,492	141,842	195,427
At 31 December	896,142	103,706	105,842	1,105,690

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

Audited	Term Loans RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
31.12.2022				
At 1 January	896,142	103,706	105,842	1,105,690
Changes in Financing Cash Flows				
Proceeds from drawdown	-	129,000	-	129,000
Repayment of principal	(193,981)	(103,706)	(78,446)	(376,133)
Repayment of interests	(28,151)	(1,798)	(2,554)	(32,503)
	(222,132)	23,496	(81,000)	(279,636)
Other Changes				
Acquisition of new lease	-	-	69,085	69,085
Interest expense recognised in profit or loss (Note 23)	28,151	1,798	2,554	32,503
	28,151	1,798	71,639	101,588
At 31 December	702,161	129,000	96,481	927,642

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

Audited	Term Loans RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
31.12.2023				
At 1 January	702,161	129,000	96,481	927,642
Changes in Financing Cash Flows				
Proceeds from drawdown	-	202,400	-	202,400
Repayment of principal	(200,839)	(61,302)	(139,686)	(401,827)
Repayment of interests	(21,293)	(15,535)	(13,514)	(50,342)
	(222,132)	125,563	(153,200)	(249,769)
Other Changes				
Acquisition of new lease	-	-	629,316	629,316
Interest expense recognised in profit or loss (Note 23)	21,293	15,535	13,514	50,342
	21,293	15,535	642,830	679,658
At 31 December	501,322	270,098	586,111	1,357,531

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

Audited	Term Loans RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
31.12.2024				
At 1 January	501,322	270,098	586,111	1,357,531
Changes in Financing Cash Flows				
Proceeds from drawdown	6,650,000	-	-	6,650,000
Repayment of principal	(207,956)	(79,272)	(275,359)	(562,587)
Repayment of interests	(74,687)	(14,352)	(22,441)	(111,480)
	6,367,357	(93,624)	(297,800)	5,975,933
Other Changes				
Acquisition of new lease	-	-	298,907	298,907
Interest expense recognised in profit or loss (Note 23)	97,189	14,352	22,441	133,982
Changes due to lease modification (Note 14)	-	-	19,330	19,330
Derecognition due to lease modification	-	-	(105,070)	(105,070)
	97,189	14,352	235,608	347,149
At 31 December	6,965,868	190,826	523,919	7,680,613

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

Audited	Term Loans RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
31.3.2025				
At 1 January	6,965,868	190,826	523,919	7,680,613
Changes in Financing Cash Flows				
Proceeds from drawdown	3,150,000	-	-	3,150,000
Repayment of principal	(53,161)	(20,640)	(67,584)	(141,385)
Repayment of interests	(101,807)	(2,766)	(4,416)	(108,989)
	2,995,032	(23,406)	(72,000)	2,899,626
Other Changes				
Acquisition of new lease	-	-	-	-
Interest expense recognised in profit or loss (Note 23)	126,498	2,766	4,416	133,680
Derecognition due to lease modification	-	-	(75,877)	(75,877)
	126,498	2,766	(71,461)	57,803
At 31 March	10,087,398	170,186	380,458	10,638,042

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

Unaudited	Term Loans RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
31.3.2024				
At 1 January	501,322	270,098	586,111	1,357,531
Changes in Financing Cash Flows				
Proceeds from drawdown	-	-	-	-
Repayment of principal	(51,331)	(19,323)	(64,650)	(135,304)
Repayment of interests	(4,201)	(4,083)	(5,850)	(14,134)
	(55,532)	(23,406)	(70,500)	(149,438)
Other Changes				
Acquisition of new lease	-	-	-	-
Interest expense recognised in profit or loss (Note 23)	4,201	4,083	5,850	14,134
	4,201	4,083	5,850	14,134
At 31 March	449,991	250,775	521,461	1,222,227

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. CASH FLOW INFORMATION (CONT'D)

(c) The cash and cash equivalents comprise the following:-

	Audited 1.1.2021 to 31.12.2021 RM	**Audited 1.1.2022 to 31.12.2022** RM	**Audited 1.1.2023 to 31.12.2023** RM	**Audited 1.1.2024 to 31.12.2024** RM	**Unaudited 1.1.2024 to 31.3.2024** RM	**Audited 1.1.2025 to 31.3.2025** RM
Fixed deposits with licensed banks (Note 12)	311,337	504,786	706,165	1,112,256	752,965	964,240
Cash and bank balances	150,751	2,510,029	2,315,014	11,453,295	331,783	4,054,865
Money market funds (Note 11)	627,228	-	-	-	-	-
Bank overdraft	-	-	-	-	(288,467)	-
	1,089,316	3,014,815	3,021,179	12,565,551	796,281	5,019,105
Less: Fixed deposits pledged to licensed banks (Note 12)	(311,337)	(504,786)	(706,165)	(1,112,256)	(752,965)	(964,240)
	777,979	2,510,029	2,315,014	11,453,295	43,316	4,054,865

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

28. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group include executive directors of the Group.

The key management personnel compensation during the financial year/period are as follows:-

	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
(a) Directors						
Salaries and bonus	51,000	174,500	250,000	513,000	74,500	207,000
Defined contribution benefits	2,520	7,940	21,840	27,160	6,900	11,440
Others	441	1,197	1,902	1,998	476	572
Total	53,961	183,637	273,742	542,158	81,876	219,012

	Audited 1.1.2021 to 31.12.2021 RM	Audited 1.1.2022 to 31.12.2022 RM	Audited 1.1.2023 to 31.12.2023 RM	Audited 1.1.2024 to 31.12.2024 RM	Unaudited 1.1.2024 to 31.3.2024 RM	Audited 1.1.2025 to 31.3.2025 RM
(b) Key Management Personnel						
Salaries and bonus	99,845	368,909	506,598	633,355	150,968	156,725
Defined contribution benefits	8,218	34,092	50,972	53,520	16,947	20,453
Others	1,089	3,159	4,691	4,991	1,028	1,437
Total	109,152	406,160	562,261	691,866	168,943	178,165

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

29. RELATED PARTY DISCLOSURES

(a) Holding company and subsidiary

The combined entities are disclosed in Note 1 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group carried out the following transactions with the related parties during the financial year/period:-

	Audited 1.1.2021 to 31.12.2021 RM	**Audited 1.1.2022 to 31.12.2022** RM	**Audited 1.1.2023 to 31.12.2023** RM	**Audited 1.1.2024 to 31.12.2024** RM	**Unaudited 1.1.2024 to 31.3.2024** RM	**Audited 1.1.2025 to 31.3.2025** RM
Insurance brokerage fees paid or payable to a related party	(54,892)	(110,849)	(177,395)	(345,161)	(23,044)	(27,086)
Purchase of property from a related party	(745,283)	(4,200,000)	(5,250,000)	(4,200,000)	-	(3,150,000)
Renting of generator sets to related parties	-	246,611	186,785	74,880	6,000	12,828
Rental of motor vehicle paid or payable to a related party	4,175,515	-	-	9,000	-	-
Short-term leases paid or payable to related parties	(408,000)	(588,000)	(700,000)	(350,000)	(90,000)	(88,500)
Security fees paid or payable to a related party	-	-	(151,000)	-	-	-

The outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the combined financial statements.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

30. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal provided to the Board of Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a half-year basis. For management purposes, the Group is organised into business units based on services provided.

The Group is organised into 2 main reportable segments as follows:-

(i) Generator rental services - involve providing power solutions for emergency, planned maintenance, standby service, construction sites, outdoor events, and other temporary power needs.

(ii) Solar PV system - involve installation of solar PV systems and related services to customer including residential and commercial.

The Board of Directors assess the performance of the reportable segments based on their operating income before finance cost.

Segment assets and liabilities information are not provided to the Board of Directors. Hence, no disclosure is made on segment assets and liabilities.

30.1 BUSINESS SEGMENT

For financial year end 31 December 2021, 31 December 2022 and 31 December 2023, the Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business is not presented.

Audited	Generator Rental Services RM	Solar PV System RM	The Group RM
31.12.2024			
Revenue			
External revenue	70,138,027	29,000	70,167,027
Result			
Segment profit/(loss)	23,677,893	(299,930)	23,377,963
Finance cost	(145,315)	-	(145,315)
Profit before taxation			23,232,648
Other information			
Depreciation			
- property, plant and equipment			3,397,167
- right-of-use assets			274,925
Gain on disposal of plant and equipment			(56,754)
Impairment losses on trade receivables			136,468
Reversal of impairment of related parties			(7,151)
Interest income			(80,896)
Interest expenses			145,315

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

30. OPERATING SEGMENTS (CONT'D)

30.1 BUSINESS SEGMENT (CONT'D)

Audited	Generator Rental Services RM	Solar PV System RM	The Group RM
31.03.2025			
Revenue			
External revenue	12,401,225	458,307	12,859,532
Result			
Segment profit	4,217,183	22,521	4,239,704
Finance cost	(133,680)	-	(133,680)
Profit before taxation			4,106,024
Other information			
Depreciation			
- property, plant and equipment			894,313
- right-of-use assets			66,760
Impairment losses on trade receivables			86,979
Interest income			(31,335)
Interest expenses			133,680
Unaudited			
31.03.2024			
Revenue			
External revenue	11,813,144	-	11,813,144
Result			
Segment profit	3,617,992	-	3,617,992
Finance cost	(14,962)	-	(14,962)
Profit before taxation			3,603,030
Other information			
Depreciation			
- property, plant and equipment			774,850
- right-of-use assets			64,942
Impairment losses on trade receivables			169,347
Reversal of impairment of related parties			(6,068)
Interest income			(2,102)
Interest expenses			14,962

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

30. OPERATING SEGMENTS (CONT'D)

30.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which customers are located.

The Group operates in Malaysia. Accordingly, the information by geographical segment is not presented.

30.3 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:-

	Audited 1.1.2021 to 31.12.2021 RM	**Audited 1.1.2022 to 31.12.2022** RM	**Audited 1.1.2023 to 31.12.2023** RM	**Audited 1.1.2024 to 31.12.2024** RM	**Unaudited 1.1.2024 to 31.3.2024** RM	**Audited 1.1.2025 to 31.3.2025** RM	**Segment**
Customer A	-	5,927,947	15,617,172	19,169,494	3,579,972	4,181,908	Malaysia
Customer B	9,983,324	13,774,773	11,023,470	15,788,236	3,232,197	2,996,303	Malaysia
Customer C	4,319,026	4,009,368	5,539,122	*	1,547,125	*	Malaysia
Customer D	-	-	-	26,960,763	2,888,333	3,618,108	Malaysia

*Not being a major customer by definition herein for the respective reporting periods.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

31. CAPITAL COMMITMENTS

	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
Purchase of property, plant and equipment	100,887	17,261,668	11,791,071	7,350,000	4,200,000

32. CONTINGENT LIABILITIES

No provision is recognised on the following matter as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	Audited 31.12.2021 RM	Audited 31.12.2022 RM	Audited 31.12.2023 RM	Audited 31.12.2024 RM	Audited 31.3.2025 RM
Bank guaranteed extended to a third party	75,000	75,000	75,000	275,000	75,000

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

33.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group does not have any balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed rate borrowings and fixed deposits with licensed banks are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 14 to the financial statements.

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and hence, no sensitivity analysis is presented.

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by five (5) (2024 - four (4); 2023 - four (4); 2022 - four (4); 2021 - two (2)) customers which constituted approximately 91% (2024 - 93%; 2023 - 84%; 2022 - 86%; 2021 - 94%) of its trade receivables and contract assets (including related parties) at the end of the reporting period.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group assesses whether any of financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of those financial assets are written off when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; and
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 180 days past due unless the Group have reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets related to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (31.12.2024 - 12 months; 31.12.2023 - 12 months; 31.12.2022 - 12 months; 31.12.2021 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year/period.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

Audited	Gross Amount RM	Collective Impairment Allowance RM	Carrying Amount RM
31.12.2021			
Current (not past due)	4,694,704	(454,002)	4,240,702
1 to 30 days past due	1,874,589	(205,463)	1,669,126
31 to 60 days past due	1,528,427	(178,637)	1,349,790
61 to 90 days past due	800,246	(106,618)	693,628
91 to 120 days past due	62,715	(12,813)	49,902
More than 120 days past due	270,588	(160,183)	110,405
Trade receivables	9,231,269	(1,117,716)	8,113,553
Audited			
31.12.2022			
Current (not past due)	3,514,126	(104,388)	3,409,738
1 to 30 days past due	738,131	(57,974)	680,157
31 to 60 days past due	670,475	(52,560)	617,915
61 to 90 days past due	546,329	(34,368)	511,961
91 to 120 days past due	269,060	(60,862)	208,198
121 to 180 days past due	263,140	(119,038)	144,102
More than 180 days past due	154,879	(154,879)	-
Trade receivables	6,156,140	(584,069)	5,572,071

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

	Gross Amount RM	Collective Impairment Allowance RM	Carrying Amount RM
Audited			
31.12.2023			
Current (not past due)	2,123,729	(16,870)	2,106,859
1 to 30 days past due	490,759	(22,172)	468,587
31 to 60 days past due	329,489	(84,228)	245,261
61 to 90 days past due	32,600	(14,784)	17,816
91 to 120 days past due	116,000	(66,525)	49,475
121 to 180 days past due	13,700	(8,284)	5,416
More than 180 days past due	146,813	(146,813)	-
Trade receivables	3,253,090	(359,676)	2,893,414
Audited			
31.12.2024			
Current (not past due)	6,732,168	(33,685)	6,698,483
1 to 30 days past due	2,139,920	(41,589)	2,098,331
31 to 60 days past due	2,658,457	(70,725)	2,587,732
61 to 90 days past due	428,903	(113,755)	315,148
91 to 120 days past due	14,040	(6,252)	7,788
121 to 180 days past due	14,200	(9,136)	5,064
More than 180 days past due	213,851	(213,851)	-
Trade receivables	12,201,539	(488,993)	11,712,546

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

Audited	Gross Amount RM	Lifetime Individual Allowance RM	Collective Impairment Allowance RM	Carrying Amount RM
31.3.2025				
Current (not past due)	8,725,975	-	(16,741)	8,709,234
1 to 30 days past due	1,288,658	-	(54,252)	1,234,406
31 to 60 days past due	1,705,753	-	(65,554)	1,640,199
61 to 90 days past due	1,617,080	-	(78,022)	1,539,058
91 to 120 days past due	59,811	-	(23,456)	36,355
121 to 180 days past due	179,918	-	(176,346)	3,572
More than 180 days past due	161,601	(66,979)	(94,622)	-
Trade receivables	13,738,796	(66,979)	(508,993)	13,162,824
Contract assets	67,337	-	-	67,337
	13,806,133	(66,979)	(508,993)	13,230,161

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables and Amount Owing by Related Parties (Non-trade Balances)

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by related parties.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as the reporting date. The PD is adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the receivables to settle its debts.

Allowance for Impairment Losses

At the end of the reporting period, there was no indication that the amounts owing are not recoverable.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

Audited	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
31.12.2021					
Non-derivative Financial Liabilities					
Trade payables	-	1,209,521	1,209,521	1,209,521	-
Other payables and accruals	-	390,928	390,928	390,928	-
Amount owing to related parties	-	136,611	136,611	136,611	-
Lease liabilities	2.56	105,842	108,000	72,000	36,000
Term loans	3.50	896,142	965,568	218,301	747,267
Hire purchase payable	3.30	103,706	105,504	105,504	-
		2,842,750	2,916,132	2,132,865	783,267

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Audited	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
31.12.2022					
Non-derivative Financial Liabilities					
Trade payables	-	2,240,379	2,240,379	2,240,379	-
Other payables and accruals	-	875,224	875,224	875,224	-
Amount owing to related parties	-	244,601	244,601	244,601	-
Lease liabilities	2.56 - 4.00	96,481	99,000	72,000	27,000
Term loans	3.50	702,161	743,947	218,301	525,646
Hire purchase payable	3.45	129,000	146,802	36,708	110,094
		4,287,846	4,349,953	3,687,213	662,740

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Audited	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
31.12.2023					
Non-derivative Financial Liabilities					
Trade payables	-	1,092,549	1,092,549	1,092,549	-
Other payables and accruals	-	859,707	859,707	859,707	-
Amount owing to a director	-	12,000	12,000	12,000	-
Amount owing to related parties	-	27,581	27,581	27,581	-
Lease liabilities	2.56 - 4.15	586,111	617,000	273,000	344,000
Term loans	3.50	501,322	522,249	218,301	303,948
Hire purchase payable	2.59 - 3.63	270,098	297,577	93,624	203,953
		3,349,368	3,428,663	2,576,762	851,901

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Audited	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
31.12.2024					
Non-derivative Financial Liabilities					
Trade payables	-	3,886,762	3,886,762	3,886,762	-
Other payables and accruals	-	1,634,134	1,634,134	1,634,134	-
Amount owing to related parties	-	56,356	56,356	56,356	-
Lease liabilities	4.15	523,919	543,200	327,600	215,600
Term loans	3.50 - 5.67	6,965,868	6,977,748	244,634	6,733,114
Hire purchase payable	2.59 - 3.63	190,826	203,953	93,624	110,329
Dividend payable	-	7,000,000	7,000,000	7,000,000	-
		20,257,865	20,302,153	13,243,110	7,059,043

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Audited	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
31.3.2025					
Non-derivative Financial Liabilities					
Trade payables	-	2,490,556	2,490,556	2,490,556	-
Other payables and accruals	-	1,094,927	1,094,927	1,094,927	-
Amount owing to related parties	-	23,544	23,544	23,544	-
Lease liabilities	4.15	380,458	392,000	288,000	104,000
Term loans	3.50 - 5.67	10,087,398	10,095,987	269,325	9,826,662
Hire purchase payable	2.59 - 3.63	170,186	180,547	93,624	86,923
		14,247,069	14,277,561	4,259,976	10,017,585

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.2 CAPITAL RISK MANAGEMENT

The Group manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Lease liabilities	-	-	586,111	523,919	380,458
Term loans	896,142	702,161	501,322	6,965,868	10,087,398
Hire purchase payables	103,706	129,000	270,098	190,826	170,186
	999,848	831,161	1,357,531	7,680,613	10,638,042
Less: Cash and cash equivalent (Note 27(c))	(777,979)	(2,510,029)	(2,315,014)	(11,453,295)	(4,054,865)
Net debt/(Net cash)	221,869	(1,678,868)	(957,483)	(3,772,682)	6,583,177
Total equity	17,289,113	22,797,323	28,685,169	37,280,926	40,191,943
Debt-to-equity ratio	0.01	*	*	*	0.16

* Not applicable as the Group's cash and cash equivalents exceeded its external borrowings.

There was no change in the Group's approach to capital management during the financial year/period.

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Financial Assets					
Fair Value Through Profit or Loss					
Short-term investment	627,228	-	-	-	-
Amortised Cost					
Trade receivables (Note 7)	8,097,681	5,534,066	2,880,765	11,712,546	13,149,996
Other receivables (Note 8)	93,087	117,472	125,050	11,272	9,922
Amount owing by related parties (Note 10)	16,187	53,743	26,773	515	12,828
Fixed deposits with licensed banks (Note 12)	311,337	504,786	706,165	1,112,256	964,240
Cash and bank balances	150,751	2,510,029	2,315,014	11,453,295	4,054,865
	8,669,043	8,720,096	6,053,767	24,289,884	18,191,851

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Financial Liability					
Amortised Cost					
Trade payables (Note 17)	1,209,521	2,240,379	1,092,549	3,886,762	2,490,556
Other payables and accruals (Note 18)	390,928	875,224	859,707	1,634,134	1,094,927
Amount owing to a director (Note 19)	-	-	12,000	-	-
Amount owing to related parties (Note 10)	136,611	244,601	27,581	56,356	23,544
Term loans (Note 15)	896,142	702,161	501,322	6,965,868	10,087,398
Hire purchase payables (Note 15)	103,706	129,000	270,098	190,826	170,186
Dividend payable (Note 20)	-	-	-	7,000,000	-
	2,736,908	4,191,365	2,763,257	19,733,946	13,866,611

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	Audited 31.12.2021 RM	**Audited 31.12.2022** RM	**Audited 31.12.2023** RM	**Audited 31.12.2024** RM	**Audited 31.3.2025** RM
Financial Assets					
Fair Value Through Profit or Loss					
Net gain recognised in profit or loss					
- mandatorily required by MFRS 9	11,180	7,239	-	-	-
Amortised Cost					
Net (loss)/gain recognised in profit or loss	(616,084)	540,776	251,635	48,421	(55,644)
Financial Liability					
Amortised Cost					
Net loss recognised in profit or loss	(85,357)	(61,681)	(40,581)	(122,874)	(133,680)

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			**Total Fair Value**	**Carrying Amount**
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
Audited	RM	RM	RM	RM	RM	RM	RM	RM
31.12.2021								
Financial Asset								
Short-term investment	-	627,228	-	-	-	-	627,228	627,228
Financial Liability								
Term loans	-	-	-	-	896,142	-	896,142	896,142
Audited								
31.12.2022								
Financial Liability								
Term loans	-	-	-	-	702,161	-	702,161	702,161

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION (CONT'D)

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			**Total Fair Value**	**Carrying Amount**
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
Audited	RM	RM	RM	RM	RM	RM	RM	RM
31.12.2023								
Financial Liability								
Term loans	-	-	-	-	501,322	-	501,322	501,322
Audited								
31.12.2024								
Financial Liability								
Term loans	-	-	-	-	6,965,868	-	6,965,868	6,965,868
Audited								
31.3.2025								
Financial Liability								
Term loans	-	-	-	-	10,087,398	-	10,087,398	10,087,398

EXPRESS POWERR SOLUTIONS (M) BHD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION (CONT'D)

(a) Fair Value of Financial Instruments Carried at Fair Value

(i) The fair value of money market fund was determined by reference to statements provided by the financial institution, with which the investment was entered into.

(ii) There were no transfers between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

(i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

(ii) The fair value of the Group's term loans that carried fixed interest rate is determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rate used to discount the estimated cash flows are as follows:-

	Audited 31.12.2021	**Audited 31.12.2022**	**Audited 31.12.2023**	**Audited 31.12.2024**	**Audited 31.3.2025**
	%	%	%	%	%
Fixed rate term loans	3.50	3.50	3.50	3.50	3.50

EXPRESS POWERR SOLUTIONS (M) BHD

STATEMENT BY DIRECTORS

We, Lim Cheng Ten and Rosli Bin Jonid, being the two directors of Express Powerr Solutions (M) Bhd, state that, in our opinion, the combined financial statements set out on pages 4 to 91 are drawn up in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and Prospectus Guidelines so as to give a true and fair view of the financial position of the Group as of 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and 31 March 2025 and of their financial performance and cash flows for the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and for the financial period ended 31 March 2025.

Signed in accordance with a resolution of the directors dated 01 AUG 2025

Lim Cheng Ten **Rosli Bin Jonid**

15. ADDITIONAL INFORMATION

15.1 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Constitution which complies with the Listing Requirements, the Act and the Rules of Bursa Depository.

The words and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless they are otherwise defined or the context otherwise requires:

15.1.1 Remuneration, voting and borrowing powers of Directors

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

Clause 103 - Remuneration

The fees and any benefits payable to the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office 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;

(c) fees of directors, and any benefits 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.

Clause 123 - Declaration of interest and restriction of voting

A Director who is in any way, whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company, shall declare the nature of his interest in accordance with the provisions of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he should do so, his vote should not be counted, but this prohibition shall not apply to:-

(a) any arrangement for giving any Director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or any of its subsidiaries; 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 or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of a security.

Clause 124 - Directors retained from voting in interested transactions

Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.

15. ADDITIONAL INFORMATION *(Cont'd)*

Clause 108 - Directors' borrowing powers

Clause 108.1

The Directors 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 Directors 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.

Clause 108.2

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 the Act in regard to the registration of mortgages and charges therein specified or otherwise.

Clause 108.3

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.

15.1.2 Changes to Share Capital

The provisions in our Constitution dealing with changes in share capital are as follows:

Clause 7 - Authority of Directors to allot shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of this Constitution, Listing Requirements and the Act and the Central Depositories Act and to the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot or otherwise dispose of such shares to such persons on such terms and conditions with such (whether in regard to dividend, voting or return of capital) preferred, deferred or other special rights and either at a premium or otherwise, and subject to such restrictions and at such time or times as the Directors may think fit but the Directors in making any issue of shares shall comply with the following conditions:-

Clause 7.1

No issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the Members in a general meeting;

Clause 7.2

In the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution or in the resolution creating the same;

Clause 7.3

Except in the case of an issue of shares or option on a pro-rata basis to all Members, every issue of shares or options to employees and/or Directors shall be approved by the Members in a general meeting and:-

a) Such approval shall specifically detail the amount of shares or options to be issued to such employees and/or Directors; and

15. ADDITIONAL INFORMATION *(Cont'd)*

b) A Director not holding office in an executive capacity may so participate in an issue of shares pursuant to a share option scheme;

Clause 7.4

In the case of shares offered to the public for subscription, the amount payable on application on each share shall not be less than five per centum (5%) of the issue price;

Clause 7.5

The Company must ensure that all new issue of shares for which listing is sought shall be made by way of crediting the Securities Accounts of the allottees or entitled persons in the Depository with such securities save and except where the Company is specifically exempted from doing so. The Company shall notify the Depository of the names of the allottees or the entitled persons together with all such particulars as may be required by the Depository to enable it to make the appropriate entries in the Securities Accounts of such allottees or entitled persons; and

Clause 7.6

The Company must allot and issue Securities, dispatch notices of allotment to the allottees and make an application for the listing of and quotation for such securities within such periods as may be prescribed by the Exchange.

Clause 51 - Increase of share capital

The Company may from time to time, whether all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution passed at the general meeting increase its share capital, such new capital to be of such amount and to be divided into shares of such rights to or be subject to such conditions or restriction in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs, and if no direction to be given, as the Directors shall determine and in particular, but without prejudice to the rights attached to any preference shares that may have been issued, such new shares may be issued with a preferential or qualified right to dividends, and in the distribution of the assets of the Company and with a special or restricted or without any right of voting.

Clause 52 - Issue of new shares to existing Members

In accordance with Rule 7.08 of the Listing Requirements, subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the directors may dispose of those shares or securities in such manner as they think most beneficial to the company. The directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the directors, be conveniently offered under this Constitution. For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above waived. In any case and in respect of any issuance of shares or convertible securities, the application of pre-emptive rights of Members are strictly as contained in the Constitution and accordingly, the provisions of Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply.

15. ADDITIONAL INFORMATION *(Cont'd)*

15.1.3 Transfer of securities

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

Clause 42 - Transfer of securities

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

15.1.4 Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

Clause 18 - Alteration of class rights

Whenever the capital of the Company is divided into different classes of shares or groups, the special rights attached to any class or group may subject to the provisions of this Constitution (unless otherwise provided by the terms of issue of the shares of the class), either with the consent in writing of the holders of three-quarters (3/4) of the issued shares capital of the class or group, or with the sanction of any special resolution passed at a separate general meeting of such holders (but not otherwise), be modified or abrogated, and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, and such writing or resolution shall be binding upon all the holders of shares of the class. To every such separate general meeting all the provisions of this Constitution relating to general meetings or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy (but so that if an adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum), that any holder of shares in the class present in person or by proxy may demand a poll and that the holders of shares of the class or group shall, on a poll, have one (1) vote in respect of every share of the class or group held by them respectively. To every such special resolution, the provisions of Section 292 of the Act shall, with such adaptations as are necessary, apply.

[The rest of this page is intentionally left blank]

15. ADDITIONAL INFORMATION *(Cont'd)*

15.2 SHARE CAPITAL

(i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus after 6 months from the issuance date of this Prospectus.

(ii) As at the date of this Prospectus, we only have one class of shares, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.

(iii) None of our Group's share capital is under any option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.

(iv) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocations as disclosed in Section 4.3.1(ii) of this Prospectus.

(v) There is no scheme involving our employees in the capital of our Group, except for the Pink Form Allocations as disclosed in Section 4.3.1(ii) of this Prospectus.

(vi) Save as disclosed in Sections 4.3.1, 6.3 and 6.5.1 of this Prospectus, no shares, outstanding warrants, options, convertible securities or uncalled capital of our Group have been or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the past 3 years immediately preceding the date of this Prospectus.

(vii) As at the date of this Prospectus, our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

15.3 LIMITATION ON THE RIGHT TO OWN SECURITIES

As at the LPD, 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.

15.4 EXCHANGE CONTROLS

All corporations in Malaysia are required to adopt a single-tier system. As such, all dividends distributed by Malaysia corporations under this system are not taxable other than the 2% dividend tax which has taken effect in the year of assessment 2025 on annual dividend income exceeding RM100,000 received by individual who is a shareholder of a company, either through direct shareholding or a nominee, which consists of dividend paid, credited or distributed, whether in monetary form or otherwise. Further, the Malaysia Government does not levy withholding tax on dividend payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian corporations. There is no Malaysian capital gains tax arising from the disposal of listed shares and other securities. However, in the event the capital gain earned by non-individual (e.g. company) arising from the disposal of listed shares and other securities, is revenue in nature (in accordance with the relevant income tax rules and guidelines), such gain can be subjected to income tax.

As at the date of this Prospectus, we do not have any foreign subsidiary or associated company. As such, our Group is not subject to any governmental laws, decrees, regulations or other legislations which may affect the repatriation of capital and remittance of profits by or to our Group.

15.5 MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, we are not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and our Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business.

15. ADDITIONAL INFORMATION *(Cont'd)*

15.6 MATERIAL CONTRACTS

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the period covered by the historical financial information as disclosed in this Prospectus up to the date of this Prospectus:

(i) Sales and purchase agreement entered into between Wisdom Infinity Sdn Bhd (as developer), Gaharu Ratna Sdn Bhd (as vendor) and Express Mission (as purchaser) dated 14 December 2022 for Building 1 together with Lot 1 for a purchase consideration of RM12.00 million which is to be satisfied in cash instalments as per the progress billing according to the stage of works completed;

(ii) Sales and purchase agreement entered into between Wisdom Infinity Sdn Bhd (as developer), Gaharu Ratna Sdn Bhd (as vendor) and Express Mission (as purchaser) dated 14 December 2022 for Building 2 together with Lot 2 for a purchase consideration of RM9.00 million which is to be satisfied in cash instalments as per the progress billing according to the stage of works completed;

(iii) SSA for the Acquisition. The Acquisition was completed on 20 June 2025. Please refer to Section 6.2 of this Prospectus for further details; and

(iv) Underwriting Agreement.

15.7 CONSENTS

(i) The respective written consents of the Principal Adviser, Sponsor, Sole Underwriter, Sole Placement Agent, Due Diligence Solicitors, Share Registrar, Issuing House and Company Secretary for the inclusion in this Prospectus of their names in the form and context in which their names appear in this Prospectus have been given before the issue of this Prospectus, and have not subsequently been withdrawn.

(ii) The written consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position as at 31 March 2025 in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

(iii) The written consent of the IMR for the inclusion in this Prospectus of its name and IMR Report in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

15.8 RESPONSIBILITY STATEMENTS

(i) Mercury Securities, being the Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts relating to our IPO.

(ii) This Prospectus has been seen and approved by our Directors, Promoter and Selling Shareholder, and they collectively and individually accept full responsibility for the accuracy of the information in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

15. ADDITIONAL INFORMATION *(Cont'd)*

15.9 DOCUMENTS FOR INSPECTION

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

(i) our Constitution;

(ii) the IMR Report as set out in Section 8 of this Prospectus;

(iii) the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position of our Group as at 31 March 2025 as set out to in Section 13 of this Prospectus;

(iv) the Accountants' Report as set out in Section 14 of this Prospectus;

(v) the material contracts as set out in Section 15.6 of this Prospectus;

(vi) the letters of consent as set out in Section 15.7 of this Prospectus; and

(vii) the audited financial statements of our Group for the FYE Under Review and FPE 2025.

[The rest of this page is intentionally left blank]

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE "DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE" ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT OUR ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus. Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., ON 20 AUGUST 2025

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., ON 8 SEPTEMBER 2025

Applications for the IPO Shares will open and close at the dates stated above.

In the event there is any change to the dates stated above, we will advertise the notice of the change in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia.

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Application for our IPO Shares by the Malaysian Public and our eligible Directors, employees and persons who have contributed to the success of our Group

Types of Application and category of investors		Application method
Applications by eligible Directors and employees and persons who have contributed to the success of our Group		Pink Application Form only
Applications by the Malaysian Public:		
(a)	Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b)	Non-Individuals	White Application Form only

16.2.2 Application by selected investors via Placement

Types of Application		Application Method
Applications by:		
(a)	Applications by selected investors	Our Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
(b)	Bumiputera investors approved by the MITI	The MITI will contact the Bumiputera investors directly. They should follow the MITI's instructions.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMIZES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

16.3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

(i) You must be one of the following:

  (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

  (b) a corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

  (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

(ii) You must not be a director or employee of our Issuing House or an immediate family member of a director or employee of our Issuing House; and

(iii) You must submit Applications by using only one of the following methods:

  (a) White Application Form;

  (b) Electronic Share Application; or

  (c) Internet Share Application.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.3.3 Application by eligible Directors, employees and persons who have contributed to the success of our Group

The eligible Directors, employees and persons (including any entities, wherever established) who have contributed to the success of our Group will be provided with Pink Application Forms and letters from us detailing their respective allocation. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources and Administrative or Finance Department.

Eligible Directors, employees and persons who have contributed to the success of our Group may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, our Issuing House, Participating Organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

16.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.20 for each IPO Share.

Payment must be made out in favour of "**MIH SHARE ISSUE ACCOUNT NO 675**" and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(i) despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsa**n**

or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

(ii) **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan,

so as to arrive not later than 5.00 p.m. on 8 September 2025 or by such other time and date specified in any change to the date or time for closing.

We, together with our Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to our Issuing House.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

The abovementioned methods are not applicable to the submission of Pink Application Forms. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources and Administrative or Finance Department.

16.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.
The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd (*formerly known as CGS-CIMB Securities Sdn Bhd*), Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

Our Issuing House, on the authority of our Board reserves the right to:

(i) reject Applications which:

  (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

  (b) are illegible, incomplete or inaccurate; or

  (c) are accompanied by an improperly drawn up, or improper form of, remittance; or

(ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(iii) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 16.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of our Issuing House at anytime within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.8 OVER / UNDER-SUBSCRIPTION

In the event of over-subscription, our Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by our Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website www.mih.com.my within 1 business day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25.00% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and / or eligible Directors, employees and persons who have contributed to the success of our Group, subject to the underwriting arrangements and reallocation as set out in Section 4.3.3 of our Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by our Sole Underwriter based on the terms of the Underwriting Agreement.

16.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application Monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

(i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

(ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House as per items (i) and (ii) above (as the case may be).

(iv) Our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

(i) Our Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from our Issuing House.

(ii) You may check your account on the 5th Market Day from the balloting date.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by our Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from our Issuing House.

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

(i) Our IPO Shares allotted to you will be credited into your CDS account.

(ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

(iv) In accordance with Section 29 of the SICDA, all dealings in our IPO Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

[The rest of this page is intentionally left blank]

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at telephone no. +603-7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available after 3:00 p.m. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

[The rest of this page is intentionally left blank]