

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF ISF GROUP BERHAD (“ISF” OR “COMPANY”) DATED 8 JANUARY 2026 (“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, Alliance Islamic Bank Berhad (“**AIS**”) or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

Jurisdictional Disclaimer

The IPO and the distribution of the Electronic Prospectus are subject to the laws of Malaysia. Bursa Securities, AIS and ISF have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic 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, any of our IPO Shares in any 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. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves and to observe such restrictions.

Close of Application

Applications for the IPO Shares will be accepted from **10:00 a.m. on 8 January 2026** and will close at **5:00 p.m. on 14 January 2026**. Any change to the timetable will be advertised by ISF in a widely circulated Bahasa Malaysia and English daily newspapers within Malaysia, and will make the relevant announcement(s) through Bursa Securities.

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 as provided by the Company to Bursa Securities 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.



ISF GROUP BERHAD

(Registration No. 202501012740 (1614154-H))
(Incorporated in Malaysia under the Companies Act 2016)

ISF GROUP BERHAD

PROSPECTUS

INITIAL PUBLIC OFFERING (“IPO”) IN CONJUNCTION WITH THE LISTING OF ISF GROUP BERHAD (“ISF” OR “COMPANY”) ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) COMPRISING:

- (I) THE PUBLIC ISSUE OF 185,299,000 NEW ORDINARY SHARES IN ISF (“ISF SHARES” OR “SHARES”) IN THE FOLLOWING MANNER:
- (A) 50,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
 - (B) 15,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF ISF;
 - (C) 85,299,000 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND
 - (D) 35,000,000 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO THE SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY OF MALAYSIA (“MITI”);

AND

- (II) OFFER FOR SALE OF 90,000,000 EXISTING SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MITI,

AT AN IPO PRICE OF RM0.33 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Sole Underwriter and Placement Agent



ALLIANCE ISLAMIC BANK

Alliance Islamic Bank Berhad 200701018870 (776882-V)

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER SIX (6) MONTHS FROM THE DATE OF THIS PROSPECTUS.

BURSA SECURITIES HAS APPROVED OUR IPO AND 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 LISTING AND QUOTATION OF OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET 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 OUR 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.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING THE RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” SET OUT COMMENCING ON PAGE 194.

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

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS 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.



ISF GROUP BERHAD

(Registration No. 202501012740 (1614154-H))
(Incorporated in Malaysia under the Companies Act 2016)



763, Taman Anggerik, Jalan Parit Mesjid
82000 Pontian, Johor



(07) 687 3041



info@isf.com.my

www.isf.com.my

PROSPECTUS

THIS PROSPECTUS IS DATED 8 JANUARY 2026

RESPONSIBILITY STATEMENTS

This Prospectus has been seen and approved by our Directors, Promoters and Offerors (as defined herein) and 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.

Alliance Islamic Bank Berhad (“**AIS**”), being the Principal Adviser, Sponsor, Sole Underwriter and 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 granted by Bursa Securities for the listing and quotation of the securities being offered. Admission to the Official List of ACE Market of Bursa Securities is not to be taken as an indication of the merits of the offering, our Company or our 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 (as defined in this Prospectus), has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

OTHER STATEMENTS

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

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

Our Shares are classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia (“**SAC**”). This classification remains valid from the date of issuance of this 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 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 with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

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

This Prospectus is prepared and published solely for our IPO in Malaysia under the laws of Malaysia. Our IPO Shares are issued/offered in Malaysia solely based on the contents of this Prospectus. Our Company, Directors, Promoters, Offerors, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Company, Directors, Promoters, Offerors, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus.

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 would result in the contravention of any laws of such countries or jurisdictions. Neither we nor our Principal Adviser, Sponsor, Sole Underwriter and 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 be illegal, unenforceable, voidable or void in any such country or jurisdiction.

Further, it shall be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO 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 in Malaysia and will be subject only to the laws of Malaysia in connection therewith.

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

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus (as defined in this Prospectus) are as per the contents of this Prospectus registered by Bursa Securities.

You are advised that the internet is not a fully secured medium. Your Internet Share Application (as defined in this Prospectus) may be subject to risks or problems occurring during 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 (as defined in this Prospectus). These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms.

If you are in doubt as to the validity or integrity of the Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House (as defined in this Prospectus), 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 is identical to this Prospectus registered with Bursa Securities, shall prevail.

In relation to any reference in this Prospectus to third party internet sites ("**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, or 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 cost 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 on 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 liable in respect of the integrity of the contents of the 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 your web browser or other relevant software;
- (ii) the Internet Participating Financial 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 otherwise 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 the Electronic Prospectus, the accuracy and reliability of the 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 cost, 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 the 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.

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INDICATIVE TIMETABLE

The following events are intended to take place on the following tentative dates:

Event(s)	Tentative Date(s)
Opening of the application period for our IPO	8 January 2026
Closing of the application period for our IPO	14 January 2026
Balloting of applications	20 January 2026
Allotment of Issue Shares/Transfer of Offer Shares to successful applicants	27 January 2026
Listing on the ACE Market of Bursa Securities	28 January 2026

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

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PRESENTATION OF INFORMATION

All references to “our Company” or “ISF” in this Prospectus are to ISF Group Berhad, while references to “our Group” are to our Company and our Subsidiary(ies). References to “we”, “us”, “our” and “ourselves” are to our Company or our Group or any member of our Group, as the context requires. All references to the “Promoters” are to Ai Boon Chen, Ai Sew Fuat, Lim Ay Yum and ASF Eternity Sdn Bhd. Unless the context otherwise requires, references to “Management” are to our Managing Director, Executive Directors 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 references 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 companies and corporations.

In this Prospectus, references to the “Government” are to the Government of Malaysia; and references to “RM” and “sen” are to the lawful currency of Malaysia. 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 thousands or millions or two (2) decimal places. 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 statutes, rules, regulations, enactments or rules of stock exchange in this Prospectus shall (where the context admits) be construed as a reference to provisions of such 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 is 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. 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 Vital Factor (as defined in this Prospectus), the independent business and market research consultants. We have appointed Vital Factor to provide an independent market and industry review. In compiling their data for the review, Vital Factor had relied on 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 the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate. Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot assure you that the projections will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

If there are any discrepancies or inconsistencies between the English and Bahasa Malaysia versions of this document, the English version shall prevail.

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.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements, which include all statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Management for future operations. Some of these statements can be identified by words that have a bias towards or are forward-looking such as “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “estimate”, “aim”, “plan”, “forecast”, “project” or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond our Group’s control that could cause our actual results, performances or achievements to be materially different from future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements include, without limitation, statements relating to:

- (i) our business strategies, trends and competitive position;
- (ii) our plans and objectives for future operations;
- (iii) our future potential growth opportunities;
- (iv) our future financial position, earnings, cash flows and liquidity;
- (v) our ability to pay dividends; and
- (vi) the regulatory environment and the effects of future regulation.

Such forward-looking statements are based on numerous assumptions regarding our Group’s present and future business strategies and the environment in which we operate. Our actual results may differ materially from information contained in the 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 and regulation;
- (iii) interest rates, tax rates and exchange rates;
- (iv) the competitive environment in the industry in which we operate;
- (v) reliance on approvals, licences and permits;
- (vi) availability and fluctuations in prices of raw materials;
- (vii) fixed and contingent obligations and commitments; and
- (viii) any other factors beyond our control.

Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to those discussed in Section 8 – Risk Factors and Section 11 – Management’s Discussion and Analysis of Financial Conditions and Results of Operations of this Prospectus. We cannot assure you that the forward-looking statements in this Prospectus will be realised.

These forward-looking statements are based on information available to us as at the LPD and are made available only as at the LPD. Should we become aware of any subsequent material change or development affecting a matter 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 provision of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

DEFINITIONS

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

COMPANIES WITHIN OUR GROUP

- ISF or Company : ISF Group Berhad (Registration No. 202501012740 (1614154-H))
- ISF Group or Group : ISF and its Subsidiary, collectively
- YPSB or Subsidiary : Yeo Plumber Sdn Bhd (Registration No. 200001031791 (534398-D))

GENERAL

- ACE Market : ACE Market of Bursa Securities
- Acquisition of YPSB : Acquisitions of the entire issued share capital of YPSB by ISF for an aggregate purchase consideration of RM14.66 million, which will be entirely satisfied by the issuance of 814,700,000 new Shares in aggregate at an issue price of RM0.018 per Share to the respective shareholders of YPSB, namely Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum
- Act : Companies Act 2016
- ADA : Authorised Depository Agent
- AGM : Annual General Meeting
- AIS or Principal Adviser or Sponsor or Sole Underwriter or Placement Agent : Alliance Islamic Bank Berhad (Registration No. 200701018870 (776882-V))
- Application(s) : The application(s) for our Issue Shares by way of Application Form, Electronic Share Application and/or Internet Share Application
- Application Form(s) : The printed application form(s) for the Application of our Issue Shares
- ARMC : Audit and Risk Management Committee
- ASF : ASF Eternity Sdn Bhd (Registration No. 202501016530 (1617944-H))
- ATM : Automated Teller Machine
- Authorised Financial Institution : Authorised financial institution participating in the Internet Share Application with respects to payments for our IPO Shares
- Board : The Board of Directors ISF

DEFINITIONS (Cont'd)

Bumiputera	: In the context of:
	(i) individuals – Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia;
	(ii) companies – a company which fulfils, among others, the following criteria or such other criteria as may be imposed by the MITI:
	(a) registered under the Act as a private company;
	(b) its shareholders are 100.00% Bumiputera; and
	(c) its board of directors (including its staff) are at least 51.00% Bumiputera; and
	(iii) cooperatives – a cooperative whose shareholders or cooperative members are at least 95.00% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CAGR	: Compound annual growth rate
CCC or CF	: Certificate of completion and compliance or certificate of fitness for occupation or occupancy permit or such certificate by any other name or permit issued by the relevant authority in Malaysia under the relevant legislation applicable at the material time
CDS	: Central Depository System
CDS Account(s)	: Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
CIDB	: Construction Industry Development Board Malaysia (Lembaga Pembangunan Industri Pembinaan Malaysia)
CMSA	: Capital Markets and Services Act 2007
Constitution	: The constitution of ISF
COVID-19	: An infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
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
DLP	: Defects liability period
Electronic Prospectus	: A 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)

DEFINITIONS (Cont'd)

Electronic Share Application	: An application for the Issue Shares through Participating Financial Institutions' ATM
Eligible Person(s)	: Eligible Director(s), employee(s), and person(s) who have contributed to the success of our Group, as further detailed in Section 4.1 of this Prospectus
EOT	: Extension-of-time
EPF	: Employees Provident Fund
EPS	: Earnings per share
Executive Director(s)	: Non-independent executive director(s) of ISF, namely Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum
Financial Years and Period Under Review	: FYE 2022, FYE 2023, FYE 2024 and FPE 2025, collectively
FPE	: 7-month financial period ended 31 July
FYE	: Financial year ended/ending 31 December, as the case may be
GP	: Gross profit
IMR or Vital Factor	: Vital Factor Consulting Sdn Bhd (Registration No. 199301012059 (266797-T)), an independent business and market research consultants
IMR Report	: Independent Assessment of the Potable Water and Sewer Piping Industry focusing on end-user premises prepared by Vital Factor as set out in Section 7 of this Prospectus
Internet Participating Financial Institution(s) or Participating Securities Firm(s)	: Participating financial institution(s) or participating securities firm(s) for the Internet Share Application, as listed in Section 14 of this Prospectus
Internet Share Application	: Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institutions or Participating Securities Firms
IPO	: Initial public offering of the IPO Shares in conjunction with the listing and quotation of our entire enlarged issued share capital on the ACE Market
IPO Price	: The price of RM0.33 per IPO Share
IPO Share(s)	: The Issue Share(s) and Offer Share(s), collectively
IRB	: Inland Revenue Board of Malaysia
ISF Share(s) or Share(s)	: Ordinary share(s) in ISF
ISO	: International Organisation for Standardisation
Issue Share(s)	: 185,299,000 new Shares, representing 18.53% of our enlarged number of issued Shares, which are to be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
Issuing House and Share Registrar	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))

DEFINITIONS (Cont'd)

Key Senior Management	: Key senior management of our Group comprising Siti Hajar Binti Ismail, Norliana Binti Noor Ezat, Jenylex Kumil, Heng Eik Woei and Muhammad Amirul bin Muhammad Amri
LAD	: Liquidated ascertained damages, damages due to a customer calculated at a rate as stated in the contract agreement when a contractor fails to deliver the completed work within a period stipulated in the said contract agreement
Listing	: The admission of ISF to the Official List and the listing and quotation of our entire enlarged issued share capital on the ACE Market
Listing Requirements	: ACE Market Listing Requirements of Bursa Securities
LPD	: 9 December 2025, being the latest practicable date prior to the issuance of this Prospectus
M&E	: Mechanical and engineering
Malaysian Public	: Citizens of Malaysia and 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 Surprise Holiday
MCCG	: Malaysian Code on Corporate Governance issued by the SC
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
MFRS	: Malaysian Financial Reporting Standards
MITI	: Ministry of Investment, Trade and Industry of Malaysia
MOF	: Ministry of Finance, Malaysia
N/A	: Not applicable or not available
NA	: Net assets
NBV	: Net book value
NIL	: None
Offer for Sale	: Offer for Sale of the Offer Shares at the IPO Price by the Offerors by way of private placement to the selected Bumiputera investors approved by the MITI
Offer Shares	: 90,000,000 existing Shares, representing 9.00% of our enlarged number of issued Shares which are to be offered pursuant to the Offer for Sale and subject to the terms and conditions of this Prospectus
Offerors	: Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum, collectively
Official List	: A list specifying all securities which have been admitted for listing on the ACE Market and not removed
Participating Financial Institution(s)	: Participating financial institution(s) for Electronic Share Application, as listed in Section 14 of this Prospectus
PAT	: Profit after taxation

DEFINITIONS (Cont'd)

PBT	: Profit before taxation
PE Multiple	: Price earnings multiple
Pink Form Allocation	: The allocation of 15,000,000 Issue Shares to the Eligible Persons pursuant to the Public Issue
Placement Agreement	: The placement agreement dated 10 December 2025 entered into between our Company, Offerors and our Placement Agent pursuant to our IPO
PPE	: Property, plant and equipment
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
Promoter(s)	: Ai Boon Chen, Ai Sew Fuat, Lim Ay Yum and ASF, collectively
Prospectus	: This Prospectus dated 8 January 2026 in relation to the IPO
Prospectus Guidelines	: Prospectus Guidelines issued by the SC
Public Issue	: Public issue of 185,299,000 Issue Shares at the IPO Price comprising: <ul style="list-style-type: none"> (a) 50,000,000 Issue Shares, representing 5.00% of our enlarged number of issued shares, made available for application by the Malaysian Public; (b) 15,000,000 Issue Shares, representing 1.50% of our enlarged number of issued shares, made available for application by the Eligible Persons; (c) 85,299,000 Issue Shares, representing 8.53% of our enlarged number of issued shares, made available by way of private placement to selected investors; and (d) 35,000,000 Issue Shares, representing 3.50% of our enlarged number of issued shares, made available by way of private placement to selected Bumiputera investors approved by MITI
Q1	: First quarter of the year
Q2	: Second quarter of the year
Q3	: Third quarter of the year
Q4	: Fourth quarter of the year
Record of Depositors	: A record provided by Bursa Depository to the Company under the Rules
ROC	: Registrar of Companies
ROU	: Right-of-use
Rules	: Rules of Bursa Depository
SC	: Securities Commission Malaysia
Share Transfer	: Transfer by Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum of an aggregate 600,000,000 Shares (representing 60.00% equity interests in ISF) to ASF, an investment holding company held by Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum during the prescription period

DEFINITIONS (Cont'd)

SICDA	: Securities Industry (Central Depositories) Act, 1991
Specified Shareholders	: The shareholders whose Shares are subject to moratorium, namely Ai Boon Chen, Ai Sew Fuat, Lim Ay Yum and ASF
SOCOSO	: Social Security Organisation, also known as PERKESO (Pertubuhan Keselamatan Sosial)
SPAN	: National Water Services Commission (Suruhanjaya Perkhidmatan Air Negara)
SSA	: Conditional share sale agreement dated 28 May 2025 entered into between our Company and the respective shareholders of YPSB for the Acquisition of YPSB
Surprise Holiday	: A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
Underwriting Agreement	: The underwriting agreement dated 10 December 2025 entered into between our Company and our Sole Underwriter pursuant to our IPO

OPERATIONAL FACILITIES

Central Region Office	: A new office that we plan to set up in rented premises in Selangor or Negeri Sembilan
Head Office	: A head office comprising 3 adjacent rented shophouses located at Property 762, Property 763 and Property 764
Property 762	: The Ground Floor of a double storey rented shophouse bearing postal address of 762, Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor
Property 763	: The Ground and 1 st Floor of a double storey rented shophouse bearing postal address of 763, Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor
Property 764	: The 1 st Floor of a double storey rented shophouse bearing postal address of 764, Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor
Property 768	: A storage area situated on the 1 st Floor of a double storey rented shophouse bearing postal address of 768, Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor
SILC Office	: The Ground Floor of a 3 storey shophouse owned by the Subsidiary bearing postal address of 45, Jalan SILC 2/10, Kawasan Perindustrian SILC, 79200 Iskandar Puteri, Johor
New Head Office and Storage Facility	: A new office and storage facility that our Group plans to build on a piece of land that it owns held under HS(M) 3225, PTD 13797, Mukim Rimba Terjun, Daerah Pontian, Negeri Johor
Northern Region Office	: A new office that we plan to set up in rented premises in Penang

CURRENCY AND UNITS

RM and sen	: Ringgit Malaysia and sen, respectively
kW	: Kilowatt
sq. ft.	: Square feet
sq. m.	: Square metre

DEFINITIONS (Cont'd)

CUSTOMERS OF OUR GROUP

The following information relates to our customers whose names have been redacted throughout this Prospectus:

- Customer A : Customer A is a private company incorporated in Malaysia whose principal activity includes the provision of construction, installation of facilities, and building services. The name is not disclosed as consent was not provided.
- Customer B : Customer B is a private company incorporated in Malaysia whose principal activities include providing building construction services and property development. Customer B is a subsidiary of a company listed on the Main Market of Bursa Securities. The name is not disclosed as consent was not provided.
- Customer C : Customer C is a private company incorporated in Malaysia whose principal activities include providing engineering and construction services. The ultimate parent company of Customer C is a company listed on the Madrid Stock Exchange in Spain. The name is not disclosed as consent was not provided.
- Customer D : Customer D is a private company incorporated in Malaysia whose principal activities include providing general contracting services. The name is not disclosed as consent was not provided.
- Customer E : Customer E is a private company incorporated in Malaysia whose principal activities include the supply, installation, testing and commissioning of mechanical and electrical engineering systems. The name is not disclosed as consent was not provided.
- Customer F : Customer F is a private company incorporated in Malaysia whose principal activities include the installation of mechanical and electrical systems. The name is not disclosed as consent was not provided.
- Customer G : Customer G is a private company incorporated in Malaysia whose principal activities include the provision of contract services for mechanical, electrical systems, cleanroom, and other activities related to construction. Customer G is an associate of a company listed on the Tokyo Stock Exchange in Japan. The name is not disclosed as consent was not provided.
- Customer H : Customer H is a private company incorporated in Malaysia whose principal activities include providing building construction services. The name is not disclosed as consent was not provided.
- Customer I : Customer I is a private company incorporated in Malaysia whose principal activities include providing general contracting and building services. Customer I is a subsidiary of a company listed on the Shanghai Stock Exchange in China and the Hong Kong Stock Exchange in Hong Kong. The name is not disclosed as consent was not provided.
- Customer J : Customer J is a private company incorporated in Malaysia whose principal activities include building construction, engineering services, and property development. Customer J is a subsidiary of a company listed on the Tokyo Stock Exchange in Japan. The name is not disclosed as consent was not provided.
- Customer K : Customer K is a private company incorporated in Malaysia whose principal activities include providing general construction and building services. Customer K is a subsidiary of a company listed on the Hong Kong Stock Exchange in Hong Kong. The name is not disclosed as consent was not provided.

DEFINITIONS (Cont'd)

- Customer L1 : Customer L1 is a private company incorporated in Malaysia whose principal activities include property investment and development, and hotel operations. Customer L1 is a subsidiary of Group L, which is listed on the Main Market of Bursa Securities in Malaysia. The name is not disclosed as consent was not provided.
- Customer L2 : Customer L2 is a private company incorporated in Malaysia whose principal activities include property development and investment. Customer L2 is a subsidiary of Group L, which is listed on the Main Market of Bursa Securities in Malaysia. The name is not disclosed as consent was not provided.
- Customer L3 : Customer L3 is a private company incorporated in Malaysia whose principal activities include property development. Customer L3 is a subsidiary of Group L, which is listed on the Main Market of Bursa Securities in Malaysia. The name is not disclosed as consent was not provided.
- Customer M : Customer M is a private company incorporated in Malaysia whose principal activities include providing construction services. The name is not disclosed as consent was not provided.
- Customer N : Customer N is a private company incorporated in Malaysia whose principal activities include providing building and infrastructure construction services. Customer N is a subsidiary of a company listed on the Main Market of Bursa Securities in Malaysia. The name is not disclosed as consent was not provided.
- Customer O : Customer O is a private company incorporated in Malaysia whose principal activities include providing building and renovation services. The name is not disclosed as consent was not provided.
- Customer P : Customer P is a private company incorporated in Malaysia whose principal activities include providing building construction services. Customer P is a subsidiary of a company listed on the Main Market of Bursa Securities in Malaysia. The name is not disclosed as consent was not provided.
- Customer Q : Customer Q is a private company incorporated in Malaysia whose principal activities include civil engineering, design and build and general construction activities, management services, investment holding, and operation of electricity generation facilities. Customer Q is a subsidiary of a company listed on the Main Market of Bursa Securities in Malaysia. The name is not disclosed as consent was not provided.
- Customer R : Customer R is a private company incorporated in Malaysia whose principal activities include general building construction and project management for construction services. The name is not disclosed as consent was not provided.
- Customer S : Customer S is a private company incorporated in Malaysia whose principal activities include building and civil engineering works. Customer S is a subsidiary of a company listed on the Main Market of Bursa Securities in Malaysia. The name is not disclosed as consent was not provided.

GLOSSARY OF TECHNICAL TERMS

Technical terms used in this Prospectus shall have the same meanings as set out below unless the term is defined otherwise or the context requires otherwise.

Cold water	:	In the context of this Prospectus, it refers to non-heated potable water which is distributed throughout the end-user premises for general use.
Cold water system	:	Refers to the water distribution system within a building or facility that supplies its water without heating. A facility's cold water system is separate from its hot water system, if one is present. In some cases, the water undergoes filtration before being distributed to various parts of the building or facility.
Data centre	:	Refers to a facility that is designed to house a large number of computer systems, networking equipment, storage devices, and other equipment to store, process, manage and communicate data.
End-user premises	:	Refers to a designated area comprising built environments that may incorporate buildings, landscaping, structures, amenities and facilities. End-user premises include, among others, industrial, data centre, residential, commercial, institutional, healthcare, and infrastructure such as power plants and mass transit facilities.
Facility	:	Refers to a building or a group of buildings that collectively perform the same functions. Among others, it may include shopping complexes, offices, hotels, manufacturing and processing plants, and low-rise and high-rise residential buildings.
High density polyethylene (HDPE)	:	A type of plastic that is corrosion resistant, flexible, and has good strength and durability. HDPE pipes are used in cold-water systems, general process piping, mains water supply, and sewerage systems.
Hot water	:	In the context of this Prospectus, it refers to water from or a facility's hot water supply system.
Hot-water system	:	Refers to the system in some facilities where hot water is generated by one or more heaters, stored, and then distributed to end-use points through a piping network that is separate from the facility's cold-water system.
LOA	:	Letter of award
Non-potable water	:	Refers to water that is not safe for human consumption.
Pipe fittings or fittings	:	Refers to a component that is installed to pipes to extend their length, change the direction or flow of its content, or modify the pressure or volume of flow. Examples of pipe fittings include, among many others, elbows, tees, wyes, connectors, couplings, joints, adapters, and plugs.
Piping system	:	In the context of this Prospectus, it refers to the network of pipes, fittings, and equipment used to transport liquids and slurries, such as potable water, sewage, wastewater, and rainwater.
Potable water	:	Refers to water that is safe for human consumption. Mainly refers to water from water mains.
Process piping	:	Refers to the piping system within facilities that are used to move water, chemicals, fuel, industrial gasses, or steam or provide essential services (such as compressed air) to support manufacturing or processing activities.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Polypropylene random co-polymer (PPR)	:	A type of plastic that is corrosion resistant, heat resistant, flexible, and has good strength and durability. PPR pipes are used in cold-water systems, hot-water systems, sanitary drainage, and general process piping
Polyvinyl chloride (PVC)	:	A type of plastic that is corrosion resistant, cost effective, and available in rigid or flexible forms. PVC pipes are used in cold-water systems, sanitary drainage, and general process piping.
Sanitary system	:	Refers to the system that handles wastewater and sewage within homes or buildings, including plumbing, drainage, and waste management systems.
Sewage	:	Refers to the actual waste materials that are carried through the sewer system. It includes a mixture of water, human waste, household waste, and other substances from sources such as toilets and kitchens.
Sewer or sewer pipes	:	Refers to the pipes that transports sewage.
Trenching	:	Refers to the installation method whereby pipes are installed in excavated trenches based on the layout plan. The pipes are aligned, secured, and tested to ensure that they will carry the fluids without leaks.
Water mains	:	Refers to the network of pipes in the water mains system that are located outside the boundary of end-user premises which transport water to the facilities. In general, the water mains network comprises transmission mains that transport water to or from storage reservoirs, and trunk mains that transport water to key distribution points, and distribution mains that supply water to the facilities in a local area.
Water supply infrastructure	:	Refers to the system that provides treated water to a community by treating, storing, transmitting, and distributing it to users. The system includes reservoirs, water treatment plants, storage tanks, and water mains pipes.

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LIST OF PROJECTS

PROJECT NAME	BRIEF DESCRIPTIONS
Food Manufacturing Facility Project	: Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems for a food manufacturing facility in Labu, Negeri Sembilan.
Industrial Dairy Factory Project	: Refers to the supply, installation, testing and commissioning of piping systems and rainwater harvesting systems for an industrial dairy factory in Labu, Negeri Sembilan.
Industrial Warehouse Project	: Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems, water mains interconnection, and sewer piping works for an industrial warehouse in Kulai, Johor.
Johor Apartment Project	: Refers to the supply, installation, commissioning, and maintenance of internal cold water and sanitary piping systems, sanitary wares, rainwater downpipe, sewer piping, water mains interconnection, and sewage treatment plant for an apartment in Senai, Johor.
Johor Data Centre 1 Project	: Refers to the fabricate, supply, deliver, installation and testing and commissioning of cold water and sanitary piping systems and rainwater downpipes for building A, B and C, as well as supply, installation, testing and commissioning of cold water and sanitary piping systems for Building D and E for Data Centre 1 in Iskandar Puteri, Johor.
Johor Data Centre 1 Water Supply Project	: Refers to the design, supply, installation, testing and commissioning of water supply infrastructure piping and connection to the existing mains water supply network for Data Centre 1 in Iskandar Puteri, Johor.
Johor Data Centre 2 Project	: Refers to the supply, installation, completion, testing, commissioning and maintenance of cold water and sanitary piping systems for Data Centre 2 in Kulai, Johor.
Johor Data Centre 3 Water Reclamation Project	: Refers to the supply and installation of water supply infrastructure piping from a water reclamation plant to Data Centre 3 in Ulu Tiram, Johor.
Johor Data Centre 4 Water Reclamation Project	: Refers to the supply and installation of water supply infrastructure piping from a water reclamation plant to Data Centre 4 in Tebrau, Johor
Johor Factory Project	: Refers to the supply, installation, testing, and commissioning of cold water and sanitary piping systems, water mains interconnection and sewer piping systems for a factory in Tebrau, Johor.
Johor Industrial Park Project	: Refers to the supply and installation of water mains piping and connecting the existing mains water supply network for an industrial park in Tebrau, Johor.
Johor Mixed Development Project	: Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems for a serviced apartment and an office building in Johor Bahru, Johor
Johor Office Tower Project	: Refers to the supply, installation, testing, commissioning and completion of cold water, hot water, and sanitary piping systems, as well as rainwater drainage and sanitary fittings for an office tower in Johor Bahru, Johor.
Johor Serviced Apartment 1 Project	: Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems for Serviced Apartment 1 in Plentong, Johor.

LIST OF PROJECTS (Cont'd)

Johor Serviced Apartment 2 Project	:	Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems for phase 1 and all podium, and phase 2 (Block C1 and C2) of Serviced Apartment 2 in Tebrau, Johor.
Johor Serviced Apartment 3 Project	:	Refers to the supply, installation, testing, and commissioning of internal water and sanitary piping systems for Serviced Apartment 3 in Senai, Johor.
Johor Serviced Apartment 4 Project	:	Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems works for Serviced Apartment 4 in Tebrau, Johor.
Johor Serviced Apartment 5 Project	:	Refers to the supply, installation, testing, and commissioning of cold water and sanitary piping systems (phase 1 and 2), and road drainage works and sanitary wares and fittings installation services (phase 1) for Serviced Apartment 5 in Johor Bahru, Johor.
Johor Serviced Apartment 6 Project	:	Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems for Serviced Apartment 6 in Pulai, Johor.
Johor Serviced Apartment 7 Project	:	Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems for Serviced Apartment 7 in Plentong, Johor.
Johor Serviced Apartment 8 Project	:	Refers to the supply, installation, testing, and commissioning of cold water and sanitary piping systems for Serviced Apartment 8 in Johor Bahru, Johor
Johor Serviced Apartment 9 Project	:	Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems, rainwater downpipe and sanitary wares for Serviced Apartment 9 in Johor Bahru, Johor
Johor Shopping Centre Project	:	Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems for a shopping centre in Johor Bahru, Johor
Johor Water Supply Project	:	Refers to the supply and installation of water mains piping and connecting the existing mains water supply network to a data centre in Tanjung Kupang, Johor.
Kedah Factory Project	:	Refers to the execution, completion and warranty of the cold water and sanitary drainage piping systems and underground drain works package, as well as water mains interconnection and above-ground piping works for a factory in Kulim, Kedah.
Kuala Lumpur Data Centre Project	:	Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems and main water interconnection for a data centre in Kuala Lumpur
Melaka Electronics Manufacturing Facility Project	:	Refers to the design, supply, installation, testing and commissioning of water mains interconnection and sewer piping system, cold water and sanitary piping systems and sanitary wares and fittings for an electronics manufacturing facility in Bukit Katil, Melaka.
Melaka Office Tower Project	:	Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems for an office tower in Peringgiti, Melaka.
Penang Factory Project	:	Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems, as well as sanitary drainage, and fire hydrant and sprinkler piping systems for a semiconductor factory in Bayan Lepas, Penang.

LIST OF PROJECTS (Cont'd)

- Penang Hotel Project : Refers to the supply, installation, testing, commissioning and maintenance of cold water, hot water and sanitary piping systems for a hotel in Teluk Bahang, Penang.
- Port Dickson Waste Management Project : Refers to the supply and installation of sewer piping and connection to existing sewer network for an integrated waste management centre in Port Dickson, Negeri Sembilan.
- Precinct 7 Putrajaya Project : Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems, rainwater downpipe and installation of sanitary fittings for a commercial building in Precinct 7, Putrajaya.
- RTS Link Project : Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems for the Rapid Transit System Link station and terminus in Johor Bahru, Johor.
- Selangor Data Centre Project : Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems, and rainwater downpipe, as well as installation of sanitary fittings works for a data centre in Petaling Jaya, Selangor.
- Selangor Food Manufacturing Facility Project : Refers to the supply, installation, testing and commissioning of cold water and sanitary piping systems, and water mains and sewer pipes to connect the premises to the water mains and sewer infrastructure respectively for an industrial food and beverage manufacturing plant in Kota Damansara, Selangor.
- Selangor Townhouse Project : Refers to the supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems for a townhouse in Sungai Buloh, Selangor.
- Water Mains Rerouting Project : Refers to the project to reroute an existing water mains pipe in Johor, including the supply and installation of piping and reconnection to the existing mains water supply network in Pulai, Johor.

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name/(Designation)	Address	Nationality
Yap Chui Fan (F) <i>(Independent Non-Executive Chairperson)</i>	No. 81, Jalan SS 18/1C SS 18 47500 Subang Jaya Selangor	Malaysian
Ai Boon Chen (M) <i>(Managing Director)</i>	2138, Taman Mawar Jalan Parit Mesjid 82000 Pontian Johor	Malaysian
Ai Sew Fuat (M) <i>(Executive Director)</i>	2138, Taman Mawar Jalan Parit Mesjid 82000 Pontian Johor	Malaysian
Lim Ay Yum (F) <i>(Executive Director)</i>	2138, Taman Mawar Jalan Parit Mesjid 82000 Pontian Johor	Malaysian
Christine Toh Hung Mei (F) <i>(Independent Non-Executive Director)</i>	171-11 Sri Wangsaria Condominium Jalan Ara 59100 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Malaysian
Sim Seng Loong @ Tai Seng (M) <i>(Independent Non-Executive Director)</i>	A68, Jalan 24/42 Taman Kok Doh 51200 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Malaysian
Ir. Chow Kai Hoon (M) <i>(Independent Non-Executive Director)</i>	No. 37, Jalan Setia Eco Cascadia 1/13 Taman Setia Eco Cascadia 81100 Johor Bahru Johor	Malaysian

Notes:

(M) Male.

(F) Female.

1. CORPORATE DIRECTORY (Cont'd)

ARMC

Name	Designation	Directorship
Sim Seng Loong @ Tai Seng (M)	Chairperson	Independent Non-Executive Director
Ir. Chow Kai Hoon (M)	Member	Independent Non-Executive Director
Christine Toh Hung Mei (F)	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Christine Toh Hung Mei (F)	Chairperson	Independent Non-Executive Director
Sim Seng Loong @ Tai Seng (M)	Member	Independent Non-Executive Director
Ir. Chow Kai Hoon (M)	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Ir. Chow Kai Hoon (M)	Chairperson	Independent Non-Executive Director
Sim Seng Loong @ Tai Seng (M)	Member	Independent Non-Executive Director
Christine Toh Hung Mei (F)	Member	Independent Non-Executive Director

Notes:

(M) Male.

(F) Female.

1. CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARIES** : Cospec Management Services Sdn. Bhd.
(Registration No. 199301023725 (278463-H))
Third Floor, No. 73, 75, 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor
- Telephone No. : (03) 7725 1777
- Tea Sor Hua**
SSM Practicing : 201908001272
Certificate No.
Professional : Malaysian Association of Company Secretaries
Qualification ("MACS")
(Membership No.: MACS 01324)
- Lim Kee San**
SSM Practicing : 202308000295
Certificate No.
Professional : Malaysian Institute of Chartered Secretaries and
Qualification Administrators ("MAICSA")
(Membership No.: MAICSA 7067348)
- REGISTERED OFFICE** : Third Floor, No. 77, 79 & 81
Jalan SS21/60
Damansara Utama
47400 Petaling Jaya
Selangor
- Telephone No. : (03) 7725 1777
Email : info@cospec.com.my
- HEAD OFFICE** : 763, Taman Anggerik
Jalan Parit Mesjid
82000 Pontian
Johor
- Telephone No. : (07) 687 3041
- Website : www.isf.com.my
Email : info@isf.com.my
- PRINCIPAL ADVISER,
SPONSOR, SOLE
UNDERWRITER AND
PLACEMENT AGENT** : Alliance Islamic Bank Berhad
(Registration No. 200701018870 (776882-V))
Level 23, Menara Alliance Bank
No. 159, Jalan Ampang
50450 Kuala Lumpur
- Telephone No. : (03) 2604 3333

1. CORPORATE DIRECTORY (Cont'd)

- AUDITORS AND REPORTING ACCOUNTANTS** : Grant Thornton Malaysia PLT
(201906003682 (LLP0022494-LCA) & AF0737)
Suite 28.01, 28th Floor
Menara Zurich
No. 15, Jalan Dato' Abdullah Tahir
80300 Johor Bahru
Johor
- Telephone No. : (07) 332 8335
Partner-in-charge : Wong Wen Tak
Approval No. : 03043/04/2027J
Professional Qualification : Member of Malaysian Institute of Accountants
(Membership No. 27513)
- SOLICITORS FOR THE LISTING** : David Lai & Tan
Level 9, Wisma Miramas
No. 1, Jalan 2/109E
Taman Desa, Jalan Klang Lama
58100 Kuala Lumpur
- Telephone No. : (03) 7972 7968
- ISSUING HOUSE** : Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
- Telephone No. : (03) 2783 9299
- SHARE REGISTRAR** : Securities Services (Holdings) Sdn Bhd
(Registration No. 197701005827 (36869-T))
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
- Telephone No. : (03) 2084 9000

1. CORPORATE DIRECTORY (Cont'd)

**INDEPENDENT
BUSINESS AND MARKET
RESEARCH
CONSULTANTS** : Vital Factor Consulting Sdn Bhd
(Registration No. 199301012059 (266797-T))
V Square @ PJ City Centre (VSQ)
Block 6, Level 6
Jalan Utara
46200 Petaling Jaya
Selangor

Telephone No. : (03) 7931 3188

Person-in-charge : Wooi Tan

Qualification : Master of Business Administration from The New South Wales Institute of Technology (now known as University of Technology, Sydney), Australia, Bachelor of Science from The University of New South Wales, Australia and a Fellow of the Australian Marketing Institute, and Institute of Managers and Leaders, Australia (formerly known as the Australian Institute of Management)

(Please refer to Section 7 of this Prospectus for the profile of the firm and signing partner)

LISTING SOUGHT : ACE Market

SHARIAH STATUS : Approved by the SAC

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2. APPROVALS AND CONDITIONS

2.1 APPROVALS FROM RELEVANT AUTHORITIES

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 25 September 2025, approved our admission to the Official List of the ACE Market and the listing and quotation of our entire enlarged issued share capital on the ACE Market (“**Approval Letter**”). The approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	Submission of the following information with respect to the moratorium on the shareholdings of the specified shareholders to Bursa Depository: (a) Name of shareholders; (b) Number of shares; and (c) Date of expiry of the moratorium for each block of shares	To be complied prior to Listing
2.	Approvals from other relevant authorities have been obtained for implementation of the listing proposal	Complied
3.	The Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon;	Complied
4.	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	To be complied prior to Listing
5.	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire enlarged issued share capital of the Company on the first day of Listing;	To be complied prior to Listing
6.	In relation to the public offering to be undertaken by the Company, to announce at least two (2) Market Days prior to the Listing Date, the result of the offering including the following: (a) Level of subscription of public balloting and placement; (b) Basis of allotment / allocation; (c) A table showing the distribution for placement tranche as per the format in Appendix I of the Approval Letter; and (d) Disclosure of placees who become substantial shareholders of the Company arising from the public offering, if any. AIS must ensure that the overall distribution of the Company's securities is properly carried out to mitigate any disorderly trading in the secondary market; and	To be complied prior to Listing
7.	ISF / AIS to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of the Company to the Official List of the ACE Market.	To be complied prior to Listing

2. APPROVALS AND CONDITIONS (Cont'd)

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 2 October 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 shares upon Listing to Bumiputera investors to be approved by 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 12 August 2025, taken note of and has no objection to our Listing.

2.1.4 SAC

The SAC had, on 7 October 2025, classified our Shares as Shariah-compliant based on the latest audited combined financial statements of ISF for the FYE 2024.

2.2 MORATORIUM ON OUR SHARES

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

- (i) the moratorium applies to our Specified Shareholders' 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, we must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) will remain under moratorium for a further 6-months ("**Second 6-Month Moratorium**"); and
- (iii) upon the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of one-third ($\frac{1}{3}$) per annum (on a straight line basis) of their Shares held under moratorium ("**Subsequent Moratorium Period**").

2. APPROVALS AND CONDITIONS (Cont'd)

Details of our Shares which will be subject to moratorium are as follows:

Name	Year 1 after Listing				Year 2 after Listing		Year 3 after Listing	
	Shares under the First 6-Month Moratorium		Shares under the Second 6-Month Moratorium		Shares under the Subsequent Moratorium Period		Shares under the Subsequent Moratorium Period	
	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(1) %
Ai Boon Chen	124,701,000	12.47	-	-	-	-	-	-
Ai Sew Fuat	-	-	-	-	-	-	-	-
Lim Ay Yum	-	-	-	-	-	-	-	-
ASF ⁽²⁾	600,000,000	60.00	450,000,000	45.00	300,000,000	30.00	150,000,000	15.00
Total	724,701,000	72.47	450,000,000	45.00	300,000,000	30.00	150,000,000	15.00

Notes:

- (1) Based on our enlarged number of issued shares of 1,000,000,000 Shares after our IPO.
- (2) ASF is an investment holding company held by Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum with equity interest of 68.93%, 22.32% and 8.75%, respectively. Please refer to Section 5.1.2(iv) for further details on the shareholders of ASF.

Our Specified Shareholders have provided written undertakings that they will not sell, transfer or assign any part of their Shares during the abovementioned moratorium period.

In accordance with Rule 3.19(2) of the Listing Requirements, where the specified shareholder is an unlisted corporation, all shareholders of the unlisted corporation must give undertakings to Bursa Securities that they will not sell, transfer or assign their shares in the unlisted corporation for the moratorium period. Pursuant thereto, the shareholders of ASF, namely Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum have also provided written undertakings that they will not sell, transfer or assign their shareholdings in ASF during the moratorium period in accordance with Rule 3.19(2) of the Listing Requirements.

The above moratorium, which is fully acknowledged and accepted by our Specified Shareholders and their respective shareholders, where applicable, will be specifically endorsed on the share certificates representing the entire shareholdings of our Specified Shareholders to ensure that our Share Registrar does not register any sale, transfer or assign of their shareholdings that contravenes the above moratorium restrictions.

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:

Number of Shares to be issued under the Public Issue	185,299,000
- <i>Malaysian Public</i>	50,000,000
- <i>Eligible Persons</i>	15,000,000
- <i>Private placement to selected investors</i>	85,299,000
- <i>Private placement to selected Bumiputera investors approved by the MITI</i>	35,000,000
Number of Shares to be offered under the Offer for Sale	90,000,000
- <i>Private placement to selected Bumiputera investors approved by the MITI</i>	90,000,000
Enlarged issued share capital upon Listing	RM75,814,270 comprising 1,000,000,000 Shares
IPO Price	RM0.33
Market capitalisation upon Listing (<i>based on the IPO Price and our enlarged issued share capital after the IPO</i>)	RM330,000,000

Our Specified Shareholders' entire shareholdings after IPO will be held under moratorium for six (6) months from the date of our Listing. Thereafter, our Specified Shareholders' shareholdings amounting to 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) will remain under moratorium for another six (6) months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight line basis) of their Shares held under moratorium upon expiry of the second 6-month period. Further details on moratorium on our Shares and details of our IPO are set out in Sections 2.2 and 4.1 of this Prospectus, respectively.

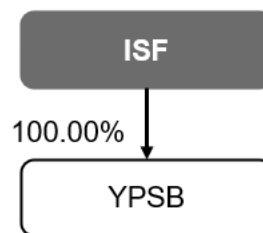
3.2 BACKGROUND INFORMATION OF OUR GROUP AND BUSINESS OPERATIONS

Our Company was incorporated in Malaysia under the Act on 25 March 2025 as a private limited company under the name ISF Group Sdn Bhd and was subsequently converted to a public limited company on 4 June 2025 under our present name ISF Group Berhad.

Our Company is an investment holding company. Through our Subsidiary, we are primarily involved in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping. We also provide maintenance and repair services for piping systems.

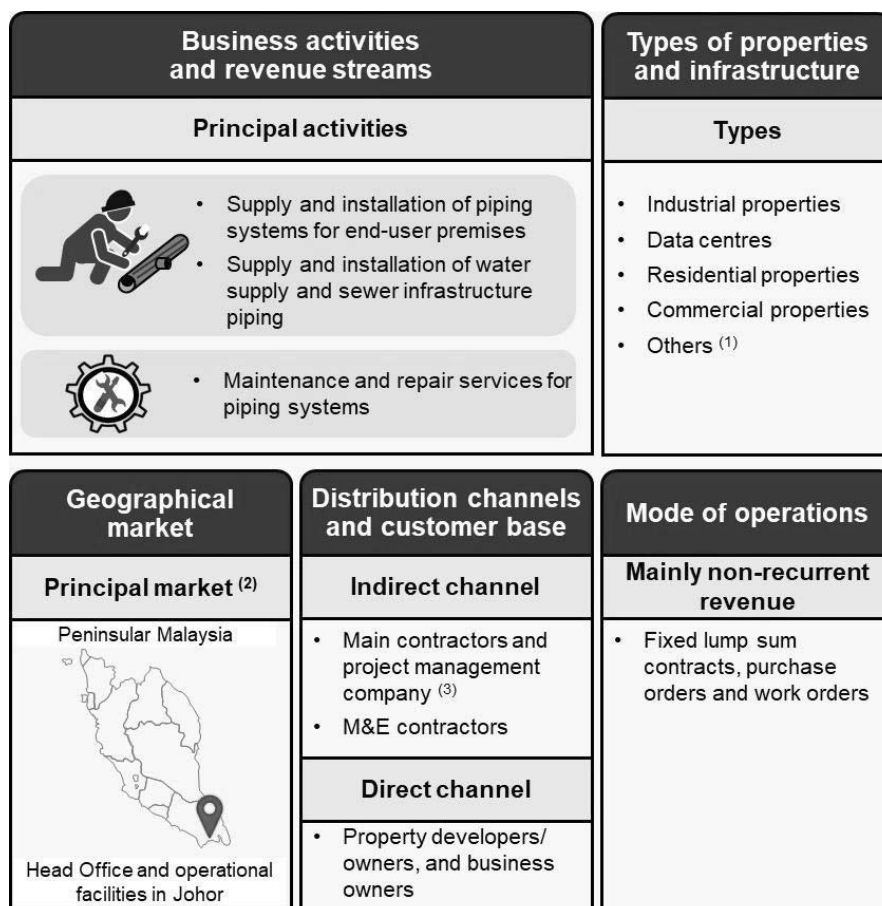
3. PROSPECTUS SUMMARY (Cont'd)

Our Group structure as at the LPD is set out below:



Further details of our Subsidiary are set out in Section 6.2 of this Prospectus.

Our Group's business model is depicted in the following diagram:



Notes:

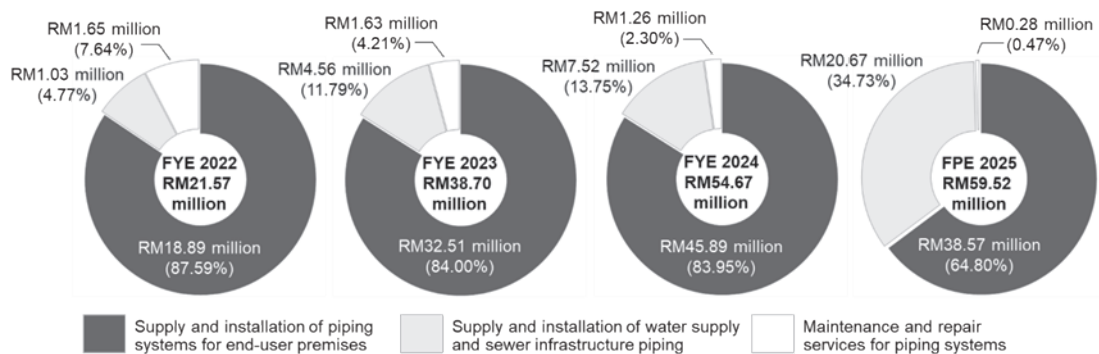
- (1) Others include water supply and sewer infrastructure, institutional, healthcare, and infrastructure such as power plants and mass transit facilities.
- (2) During the Financial Years and Period Under Review, we had derived revenue from projects located in Johor, Kedah, Kuala Lumpur, Melaka, Negeri Sembilan, Penang, and Selangor.
- (3) A main contractor is responsible for delivering the entire project and usually carries out certain portions of the physical construction works. The main contractor will usually engage subcontractors to carry out specific portions of the project. Meanwhile, a project management company focuses mainly on planning, coordination and project management of a construction project including overseeing, among others, consultants, engineers, contractors and suppliers to ensure that project is delivered on time and on budget. They do not carry out any physical construction works.

3. PROSPECTUS SUMMARY (Cont'd)

Operational Highlights

For the Financial Years and Period Under Review, our revenue segmentation by business activities are as follows:

Revenue segmentation by business activities



In addition to the above, our revenue which is segmented by types of properties and infrastructure is summarised in the following table:

Types of properties and infrastructure	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Industrial properties ⁽¹⁾	13,769	63.83	24,348	62.91	23,335	42.68	11,316	19.01
Data centres ⁽²⁾	1,031	4.78	4,305	11.12	11,655	21.32	28,250	47.47
Residential properties ⁽³⁾	1,207	5.59	2,195	5.67	11,068	20.25	8,652	14.54
Commercial properties ⁽⁴⁾	4,167	19.32	4,416	11.41	5,315	9.72	7,712	12.96
Others ^{(5) (6)}	1,399	6.48	3,441	8.89	3,296	6.03	3,586	6.02
TOTAL	21,573	100.00	38,705	100.00	54,669	100.00	59,516	100.00

Notes:

- (1) We mainly used the indirect distribution channel comprising main contractors and project management company, and M&E contractors.
- (2) We mainly used the indirect distribution channel comprising mostly of main contractors.
- (3) We mainly used the direct distribution channel comprising property developers/owners, and business owners, as well as the indirect distribution channel comprising main contractors.
- (4) We mainly used the indirect distribution channel comprising main contractors.
- (5) Others include water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities.
- (6) We mainly used the indirect distribution channel comprising main contractors and M&E contractors, as well as the direct distribution channel comprising property developers/owners, and business owners.

3. PROSPECTUS SUMMARY (Cont'd)

3.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our competitive advantages and key strengths which provide us with the platform to sustain and grow our business are summarised as follows:

(i) We have a proven track record in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping

We have a proven track record of 10 years in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping. Our extensive track record will provide prospective customers with the assurance of our capabilities. It also serves as a strong reference to help us to secure new projects and creating a platform for the continuing growth of our business.

(ii) We offer comprehensive end-to-end services for piping systems as well as water supply and sewer infrastructure piping

Our expertise spans various types of piping systems commonly found in end-user premises such as water mains interconnections, cold and hot water systems, sanitary drainage, rainwater downpipes, rainwater harvesting, process piping as well as piping for fire hydrants. In addition, our services also cover water supply and sewer infrastructure piping. We offer our customers the convenience of a single point of contact for our scopes of work of an end-user premises piping system or water supply and sewer infrastructure piping project.

(iii) Our experience covers a range of end-user premises which provides us with growth opportunities

Since the commencement of our business, we have completed the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping to different types of properties and infrastructure. The wide applicability of our services provides us with a platform to diversify our customer base and addressable markets, while sustaining and driving the growth of our business.

(iv) We utilise both indirect and direct distribution channels to address business opportunities

Our indirect distribution channel allows us to access markets and customers that might otherwise be out of reach. By cultivating strong, long-term partnerships with key channel partners including main contractors, project management company and M&E contractors, we can tap into their established sales and business networks. Our direct distribution channel enables us to engage closely with business owners, property owners and property developers. This direct interaction helps us better understand their needs and challenges.

(v) We have experienced Directors and Key Senior Management teams to drive our business growth

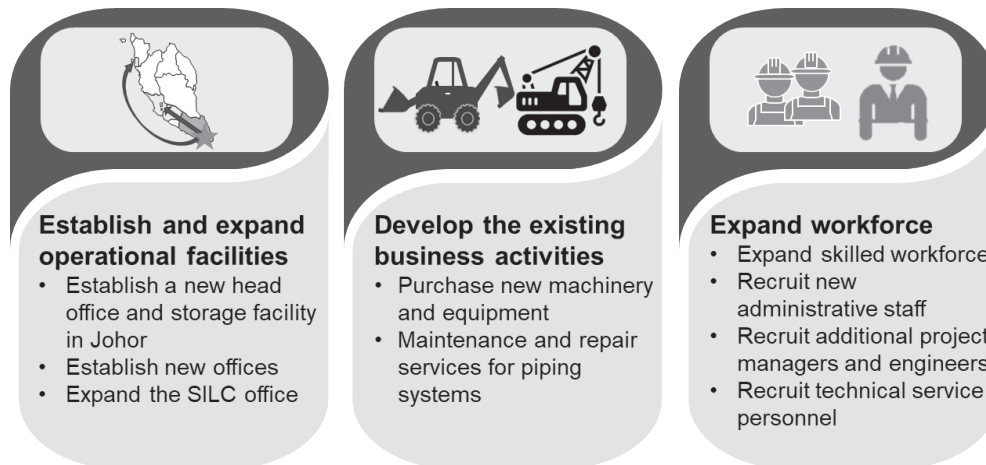
We have an experienced management team headed by the Managing Director, Ai Boon Chen, and the Executive Directors, Ai Sew Fuat and Lim Ay Yum. They bring with them approximately 13, 46, and 44 years of experience, respectively in the piping industry. They are instrumental in driving our business growth and leading our business operations and development. The Executive Directors are supported by the Key Senior Management, who each have between approximately 8 years to 15 years of relevant experience.

Further details of our competitive advantages and key strengths are set out in Section 6.1.3 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.4 BUSINESS STRATEGIES AND PLANS

Our business strategies and growth plans are centred on leveraging our core competencies and strengths in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping, as well as enhancing and expanding our operational capabilities. The following diagram summarises our business strategies and plans:



Further details of our business strategies and plans are set out in Section 6.19 of this Prospectus.

3.5 RISK FACTORS

Our business is subject to a number of risk factors, many of which may have a material adverse impact on our business operations, financial position and performance. A summary of the key risk factors is set out below:

- (i) We have to continuously secure new and sizeable projects to sustain our business and financial performance;
- (ii) The early termination, suspension or material reduction in our scope of work of our projects may adversely affect our financial performance;
- (iii) Our business and financial performance may be affected if there are delays in implementing and completing our projects;
- (iv) We may not be able to sustain the same level of growth rate and financial performance of our business in the future;
- (v) We may be subject to the risk of penalties for any shortcomings in the work that are carried out by our subcontractors;
- (vi) Our financial performance may be affected by project implementation costs increases;
- (vii) We may be subject to defect liability and warranty claims from our customers;

3. PROSPECTUS SUMMARY (Cont'd)

- (viii) A slowdown in the development of new data centres may affect our financial performance and growth;
- (ix) We are dependent on our Directors and Key Senior Management;
- (x) We may not be able to invoice our customers for the full amount with respect to our contract assets;
- (xi) We are exposed to credit risk from customers to whom we have extended credit;
- (xii) We are required to comply with the relevant laws and regulations;
- (xiii) Our growth prospects may be limited if we are unable to effectively implement our business strategies and plans; and
- (xiv) Our insurance coverage may not fully cover the losses and liabilities that may arise from our business operations and are subject to renewal.

Further details on our risk factors are set out in Section 8 of this Prospectus which should be considered before investing in our Shares.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT OF OUR GROUP

As at the LPD, our Directors and Key Senior Management are as follows:

Name	Designation
<u>Directors</u>	
Yap Chui Fan	Independent Non-Executive Chairperson
Ai Boon Chen	Managing Director
Ai Sew Fuat	Executive Director
Lim Ay Yum	Executive Director
Christine Toh Hung Mei	Independent Non-Executive Director
Sim Seng Loong @ Tai Seng	Independent Non-Executive Director
Ir. Chow Kai Hoon	Independent Non-Executive Director
<u>Key Senior Management</u>	
Norliana Binti Noor Ezat	Finance Manager
Siti Hajar Binti Ismail	Human Resources Manager
Heng Eik Woei	Technical Manager
Jenylex Kumil	Project Director
Muhammad Amirul bin Muhammad Amri	Operations Manager

Further details of our Directors and Key Senior Management are set out in Section 5.2 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS OF OUR GROUP

The details of our Promoters and Substantial Shareholders and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Place of Incorporation	⁽¹⁾ Before our IPO/As at the LPD				⁽²⁾ After our IPO			
		Direct interest		Indirect interest		Direct interest		Indirect interest	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ai Boon Chen	Malaysian	570,290,700	70.00	-	-	124,701,000	12.47	600,000,000	⁽⁴⁾ 60.00
Ai Sew Fuat	Malaysian	162,940,200	20.00	651,760,800	⁽³⁾ 80.00	-	-	724,701,000	⁽⁵⁾ 72.47
Lim Ay Yum	Malaysian	81,470,100	10.00	733,230,900	⁽³⁾ 90.00	-	-	724,701,000	⁽⁶⁾ 72.47
ASF ⁽⁷⁾	Malaysia	-	-	-	-	600,000,000	60.00	-	-

Notes:

- (1) Based on our number of issued Shares of 814,701,000 Shares after the Acquisition of YPSB and before our IPO.
- (2) Based on the enlarged number of issued Shares of 1,000,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his/her spouse's and son's shareholdings in ISF.
- (4) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act as well as his son's shareholdings in ISF.
- (6) Deemed interested by virtue of her spouse's and son's shareholdings in ASF pursuant to Section 8 of the Act as well as her son's shareholdings in ISF.
- (7) ASF is an investment holding company held by Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum with equity interest of 68.93%, 22.32% and 8.75%, respectively. Please refer to Section 5.1.2(iv) for further details on the shareholders of ASF.

Further details of our Promoters and Substantial Shareholders and their shareholdings in our Company as well as moratorium imposed on their Shares are set out in Sections 5.1 and 2.2 of this Prospectus, respectively.

3. PROSPECTUS SUMMARY (Cont'd)

3.8 USE OF PROCEEDS

The total gross proceeds raised from the Public Issue will amount to approximately RM61.15 million based on the IPO Price. We expect the proceeds to be used in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the Listing date)
Establish and expand operational facilities	11,350	18.56	Within 36 months
Develop the existing business activities	2,050	3.35	Within 24 months
Expand workforce	1,850	3.03	Within 24 months
Loan repayments	1,200	1.96	Within 6 months
Working capital	39,899	65.25	Within 24 months
Estimated listing expenses	4,800	7.85	Within 3 months
Total	61,149	100.00	

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

Further details on the use of proceeds from our IPO are set out in Section 4.4 of this Prospectus. The financial impact of the use of proceeds from our Public Issue is illustrated in our Pro Forma Combined Statements of Financial Position as at 31 July 2025 as set out in Section 11.9 of this Prospectus.

3.9 FINANCIAL HIGHLIGHTS

The following table sets out a summary of our Group's audited combined financial statements for the Financial Years and Period Under Review:

	Audited			
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
Revenue	21,573	38,705	54,669	59,516
Cost of sales	(15,687)	(26,882)	(34,483)	(33,229)
GP	5,886	11,823	20,186	26,287
Other operating income	518	703	1,527	467
PBT	1,385	5,743	12,701	20,213
PAT	933	4,381	9,636	15,178
Total assets	32,494	39,988	50,774	79,771
Total equity	10,647	15,028	14,665	29,844
Total liabilities	21,847	24,960	36,109	49,927

3. PROSPECTUS SUMMARY (Cont'd)

The key financial ratios of our Group are as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
GP margin ⁽¹⁾ (%)	27.28	30.55	36.92	44.17
PBT margin ⁽²⁾ (%)	6.42	14.84	23.23	33.96
PAT margin ⁽³⁾ (%)	4.32	11.32	17.63	25.50
Effective tax rate (%)	32.64	23.72	24.13	24.91
Trade receivables turnover period ⁽⁴⁾ (days)	70	39	51	31
Trade payables turnover period ⁽⁵⁾ (days)	81	81	93	72
Current ratio ⁽⁶⁾ (times)	1.14	1.24	1.30	1.53
Gearing ratio ⁽⁷⁾ (times)	0.63	0.30	0.32	0.22

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) Computed based on average trade receivables for the respective financial years/period (excluding retention sums) over the revenue for the respective financial years/period, multiplied by 365/212 days for each financial years/period.
- (5) Computed based on average trade payables for the respective financial years/period (excluding retention sums) over the cost of sales for the respective financial years/period, multiplied by 365/212 days for each financial years/period.
- (6) Computed based on current assets over current liabilities as at the end of each financial year/period.
- (7) Computed based on total loans and borrowings (excluding lease liabilities) over total equity as at the end of each financial years/period.

Further details of our Group's financial information are set out in Section 11 of this Prospectus.

3.10 DIVIDEND POLICY

Our Group presently does not have a fixed dividend policy. 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.

Further details of our dividend policy are set out in Section 11.8 of this Prospectus.

4. PARTICULARS OF OUR IPO

4.1 DETAILS OF OUR IPO

Our IPO consists of the Public Issue and the Offer for Sale, totalling up to 275,299,000 IPO Shares, representing approximately 27.53% of our enlarged total number of 1,000,000,000 Shares after our IPO.

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.1.5 of this Prospectus.

4.1.1 Acquisition of YPSB

In conjunction with our Listing, our Group has undertaken the Acquisition of YPSB.

On 28 May 2025, our Company entered into a SSA to acquire the entire issued share capital of YPSB of RM1,000,000 comprising 1,000,000 ordinary shares from the vendors set out below for a total purchase consideration of approximately RM14.66 million. The purchase consideration was entirely satisfied by the issuance and allotment of 814,700,000 new Shares in aggregate at an issue price of RM0.018 per Share to the vendors of YPSB in the following manner:

Vendors of YPSB	Total interests acquired	Purchase consideration	
	(%)	(RM'000)	No. of Shares issued ('000)
Ai Boon Chen	70.00	10,265	570,290
Ai Sew Fuat	20.00	2,933	162,940
Lim Ay Yum	10.00	1,466	81,470
Total	100.00	14,664	814,700

The purchase consideration of RM14.66 million was arrived at on a willing buyer-willing seller basis after taking into account the audited NA of YPSB as at 31 December 2024 of approximately RM14.66 million. The Acquisition of YPSB was completed on 13 November 2025 and YPSB subsequently became a wholly-owned subsidiary of our Company.

Upon completion of the Acquisition of YPSB, the issued share capital of our Company increased to RM14,665,600 comprising 814,701,000 Shares.

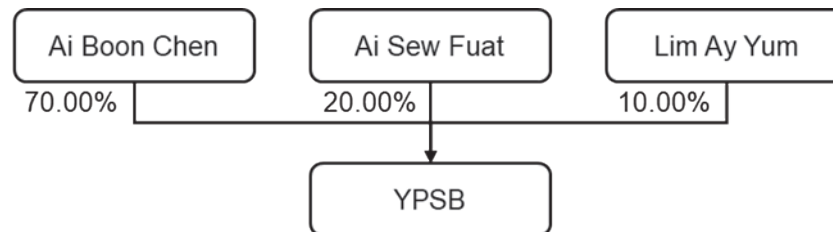
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4. PARTICULARS OF OUR IPO (Cont'd)

The changes on YPSB and the shareholding structure before and after the Acquisition of YPSB are illustrated below:

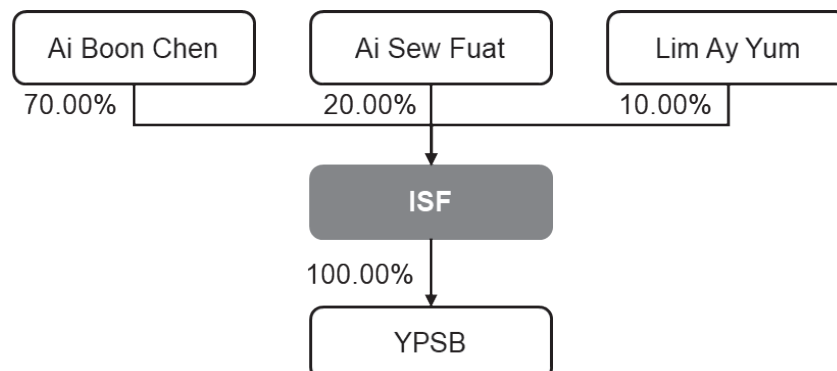
Before the Acquisition of YPSB

Our Group's structure before the Acquisition of YPSB is as follows:



After the Acquisition of YPSB ⁽¹⁾

Our Group's structure after the Acquisition of YPSB is as follows:



Note:

(1) Based on the issued share capital of 814,701,000 Shares after the Acquisition of YPSB.

4. PARTICULARS OF OUR IPO (Cont'd)

4.1.2 Public Issue

The Public Issue of 185,299,000 Issue Shares, representing approximately 18.53% of our enlarged number of issued Shares, at the IPO Price, is payable in full on Application upon such terms and conditions as set out in this Prospectus and will be allocated in the following manner:

(i) Malaysian Public

50,000,000 Issue Shares, representing approximately 5.00% of our enlarged number of issued Shares, will be made available for application by the Malaysian Public via balloting, of which at least 50.00% is to be set aside strictly for Bumiputera investors.

(ii) Eligible Persons

15,000,000 Issue Shares, representing approximately 1.50% of our enlarged number of issued Shares, will be made available for application by the Eligible Persons.

We will allocate the Issue Shares to the Eligible Persons in the following manner:

Eligibility	No. of persons	Aggregate number of Issue Shares allocated
Directors of our Group ⁽¹⁾	4	1,200,000
Employees ⁽²⁾	Up to 50	2,100,000
Persons who have contributed to the success of our Group ⁽³⁾	Up to 20	11,700,000
Total	Up to 74	15,000,000

Notes:

- (1) *The criteria of allocation to our eligible Directors are based on, among others, their respective roles and responsibilities in our Group.*

Save for our Managing Director and Executive Directors who have no intention to participate in the Pink Form Allocation, the number of Issue Shares to be allocated to our Directors are as follows:

Name	Designation	Number of Issue Shares allocated
Yap Chui Fan	Independent Non-Executive Chairperson	300,000
Christine Toh Hung Mei	Independent Non-Executive Director	300,000
Sim Seng Loong @ Tai Seng	Independent Non-Executive Director	300,000
Ir. Chow Kai Hoon	Independent Non-Executive Director	300,000
Total		1,200,000

4. PARTICULARS OF OUR IPO (Cont'd)

(2) *The 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 a full-time employee and on the payroll of our Group; and*
- (ii) *the number of Issue Shares allocated to the eligible employees is based on their position, their length of service and their past performance/contribution as well as other factors deemed relevant by our Board.*

The number of Issue Shares to be allocated to our Key Senior Management are as follows:

Name	Designation	Number of Issue Shares allocated
<i>Norliana Binti Noor Ezat</i>	<i>Finance Manager</i>	<i>300,000</i>
<i>Siti Hajar Binti Ismail</i>	<i>Human Resources Manager</i>	<i>300,000</i>
<i>Heng Eik Woei</i>	<i>Technical Manager</i>	<i>300,000</i>
<i>Jenylex Kumil</i>	<i>Project Director</i>	<i>300,000</i>
<i>Muhammad Amirul Bin Muhammad Amri</i>	<i>Operations Manager</i>	<i>300,000</i>
Total		1,500,000

(3) *The Issue Shares to be allocated to the persons who have contributed to the success of our Group, comprising our business contacts, suppliers and customers, shall be based on their contribution to our Group and as approved by our Board.*

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

35,000,000 Issue Shares, representing approximately 3.50% of our enlarged number of issued Shares, will be made available by way of private placement to selected Bumiputera investors approved by the MITI.

(iv) Private placement to selected investors

85,299,000 Issue Shares, representing approximately 8.53% of our enlarged number of issued Shares, will be made available by way of private placement to selected investors.

4.1.3 Offer for Sale

The Offerors will offer up to 90,000,000 Offer Shares, representing up to approximately 9.00% of our enlarged number of issued Shares, at the IPO Price, will be made available by way of private placement to selected Bumiputera investors approved by the MITI.

4. PARTICULARS OF OUR IPO (Cont'd)

The details of our Offerors and their relationship with our Group are as follows:

Name and Address	Nature of relationship with our Group	After the Acquisition of YPSB		Offer for Sale			After the Offer for Sale but before the Share Transfer	
		No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	⁽²⁾ %	No. of Shares	⁽²⁾ %
Ai Boon Chen 2138, Taman Mawar Jalan Parit Mesjid 82000 Pontian Johor	Promoter, Specified Shareholder, substantial shareholder and Managing Director	570,290,700	70.00	32,000,000	3.93	3.20	538,290,700	53.83
Ai Sew Fuat 2138, Taman Mawar Jalan Parit Mesjid 82000 Pontian Johor	Promoter, Specified Shareholder, substantial shareholder and Executive Director	162,940,200	20.00	29,000,000	3.56	2.90	133,940,200	13.39
Lim Ay Yum 2138, Taman Mawar Jalan Parit Mesjid 82000 Pontian Johor	Promoter, Specified Shareholder, substantial shareholder and Executive Director	81,470,100	10.00	29,000,000	3.56	2.90	52,470,100	5.25

Notes:

(1) Based on our issued share capital of 814,701,000 Shares after the Acquisition of YPSB but before our IPO.

(2) Based on our enlarged number of issued Shares of 1,000,000,000 Shares after our IPO.

4. PARTICULARS OF OUR IPO (Cont'd)

4.1.4 Share Transfer

ASF is an investment holding company held by Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum with equity interest of 68.93%, 22.32% and 8.75%, respectively. Further details of ASF are set out in Section 5.1.2(iv) of this Prospectus. The Share Transfer will enable 60.00% of the shareholdings in our Company held by the individual Promoters to be held collectively via ASF for family succession planning purposes. Ai Sew Fuat and Lim Ay Yum are spouse while Ai Boon Chen is their son.

During the prescription period (one (1) day after the launching date of the Prospectus up to a period of 30 days), Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum will transfer their respective shareholdings amounting to 600,000,000 Shares in aggregate to ASF in conjunction with the IPO.

Upon our Listing, ASF will hold 60.00% of our enlarged issued share capital. Further details of the Share Transfer are set out below:

Shareholders	No. of Shares in ISF before Share Transfer	(1) %	No. of Shares to be transferred	(1) %	No. of Shares in ISF after Share Transfer	(1) %
Ai Boon Chen	538,290,700	53.83	413,589,700	41.36	124,701,000	12.47
Ai Sew Fuat	133,940,200	13.39	133,940,200	13.39	-	-
Lim Ay Yum	52,470,100	5.25	52,470,100	5.25	-	-
Total	724,701,000	72.47	600,000,000	60.00	124,701,000	12.47

Note:

(1) Based on our enlarged number of issued Shares of 1,000,000,000 Shares after our Listing.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.1.5 Clawback and reallocation

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

(i) Malaysian Public via balloting

Any Issue Shares reserved under the Malaysian Public balloting portion which are not fully subscribed for by the Malaysian Public will be allocated in the following manner:

- (a) firstly, to the Eligible Persons under the Pink Form Allocation; and
- (b) secondly, to the selected investors by way of private placement.

Any further IPO Shares which are not subscribed for after being allocated and offered to the selected investors, shall be underwritten by our Sole Underwriter in accordance with the terms of the Underwriting Agreement.

(ii) Eligible Persons

Any Issue Shares under the Pink Form Allocation which are not subscribed by any of the Eligible Persons shall be allocated in the following manner:

- (a) firstly, to our Group's other Eligible Persons under the Pink Form Allocation;
- (b) secondly, to the Malaysian Public under the Public Issue; and
- (c) thirdly, to the selected investors by way of private placement.

Thereafter, any remaining IPO Shares under the Pink Form Allocation which are not subscribed for shall be underwritten by our Sole Underwriter in accordance with the terms of the Underwriting Agreement.

(iii) Private placement to selected investors

In the event of under-subscription of the IPO Shares reserved under the private placement to selected investors and subject to a corresponding over-subscription by the Malaysian Public, the remaining unsubscribed portion will be clawed back and reallocated to the Malaysian Public and/or offered to Eligible Persons.

(iv) IPO Shares to selected Bumiputera investors approved by the MITI ("MITI Tranche")

If our IPO Shares allocated under the MITI Tranche are under-subscribed, such IPO Shares which are not taken up will be made available for subscription in the following manner:

- (a) firstly, to the Bumiputera investors under the Public Issue via balloting; and
- (b) secondly, to the Malaysian institutional investors under private placement.

Thereafter, the remaining portion will be made available for:

- (1) other Malaysian Public, if there is an over-subscription for our IPO Shares by the Malaysian Public under the Public Issue; and/or
- (2) application by way of private placement to selected investors to be identified.

4. PARTICULARS OF OUR IPO (Cont'd)

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 basis of allocation of our IPO Shares shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening the shareholding base of our Company to meet the public spread requirements and to establish a liquid and adequate market for our Shares. Applicants will be selected on a fair and equitable manner. Our Board will ensure that the IPO Shares will be allocated on a fair and equitable manner.

There is no over-allotment or “greenshoe” option that will result in an increase in the amount of our Issue Shares.

As at the LPD, save for the Pink Form Allocation for application by the Eligible Persons, to the extent known to our Company:

- (aa) there are no substantial shareholders, Directors or Key Senior Management who has indicated to us that they intend to subscribe for our IPO Shares; and
- (bb) there are no persons who have indicated to us that they intend to subscribe for more than 5.00% of our IPO Shares.

4.1.6 Minimum subscription level

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

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares held by at least 200 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the above requirement is not met, we may not be able to proceed with our Listing. Please refer to Section 8.3.4 of this Prospectus for further details in the event there is a delay in or cancellation of our Listing.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.1.7 Listing

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

	No. of Shares	Share capital (RM)
Issued share capital as at the date of this Prospectus	814,701,000	14,665,600
Issue Shares to be offered pursuant to the Public Issue	185,299,000	61,148,670
Enlarged issued share capital upon Listing	1,000,000,000	75,814,270
Offer for Sale ⁽¹⁾	90,000,000	-
IPO Price		0.33
Pro forma combined NA per Share as at 31 July 2025 <i>(based on our enlarged number of issued Shares after our IPO and after the use of proceeds raised from our Public Issue)</i>		0.07
Market capitalisation upon Listing <i>(based on the IPO Price and our enlarged number of issued Shares after our IPO)</i>		330,000,000

Note:

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

4.1.8 Classes of shares and ranking

We only have one (1) class of shares, being ordinary shares, 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 share capital, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our Issue Shares.

Our Offer Shares rank equally in all respects with our existing issued share capital, 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 special rights attaching to any Share which may be issued by us in the future, our shareholders shall, in proportion to the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions, and the whole of any surplus in the event of our liquidation, such surplus to be distributed among the members in proportion to the issued share capital at the commencement of the liquidation, in accordance with our Constitution and provisions of the Act.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, by proxy or by attorney or by a duly authorised representative under the instrument of proxy or certificate of appointment of corporate representative or power of attorney (“**Authorised Representative**”). On a show of hands, each present shareholder either in person, by proxy, by attorney or Authorised Representative shall have one (1) vote. On a poll, each present shareholder either in person, by proxy, by attorney or Authorised Representative shall have one (1) vote for each Share held. A proxy may, but need not be, a shareholder of our Company.

4. PARTICULARS OF OUR IPO (Cont'd)

4.2 BASIS OF ARRIVING AT THE IPO PRICE

Our IPO Price was determined and agreed by our Directors and Promoters and together with AIS, being our Principal Adviser, Sponsor, Sole Underwriter and Placement Agent after taking into consideration the following factors:

(1) Financial and operating history

Based on the historical audited combined statements of profit or loss and other comprehensive income of our Group for the FYE 2024, we recorded a PAT of approximately RM9.64 million representing an EPS of approximately 1.18 sen (based on the existing number of issued shares of 814,701,000 Shares) and approximately 0.96 sen (based on the enlarged number of issued Shares of 1,000,000,000 Shares upon Listing) resulting in PE Multiple of 27.97 times and 34.38 times, respectively.

Our Group has recorded a PAT of RM15.18 million for the FPE 2025. For illustration purposes, the annualised PAT for the FYE 2025 would be approximately RM26.02 million representing an annualised EPS of approximately 2.60 sen (based on the enlarged number of issued Shares of 1,000,000,000 Shares upon Listing) resulting in PE Multiple of 12.69 times.

Our detailed operating and financial history are outlined in Sections 6 and 11 of this Prospectus, respectively.

(2) Business strategies

Our business strategies and plans as outlined in Section 6.19 of this Prospectus.

(3) Competitive advantages, key strengths, and industry overview

Our competitive advantages and key strengths as outlined in Section 6.1.3 of this Prospectus, and the industry overview and prospects as set out in the IMR Report in Section 7 of this Prospectus.

(4) Pro forma combined NA

The pro forma combined NA per Share as at 31 July 2025 of RM0.07 based on the enlarged number of issued Shares of 1,000,000,000 Shares in our Company upon Listing and after the use of proceeds from our Public Issue as set out in Section 4.4 of this Prospectus.

You should note that the market price of our Shares upon and subsequent to our Listing is subject to the vagaries of market forces and other uncertainties, which may affect the market price of our Shares. You should form your own views on the valuation of our IPO Shares and reasonableness of the bases used before deciding to invest in our IPO Shares. You are also reminded to consider carefully the risk factors set out in Section 8 of this Prospectus.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.3 DILUTION

Dilution is computed as the difference between our IPO Price paid by investors for our IPO Shares and the pro forma combined NA per Share of our Group immediately after our IPO. The following table illustrates the effect in our Group's pro forma combined NA per Share to our shareholders:

	RM
IPO Price	0.33
Pro forma combined NA per Share as at 31 July 2025 before the Public Issue	0.02
Pro forma combined NA per Share as at 31 July 2025 after the Public Issue and use of proceeds	0.07
Increase in NA per Share attributable to existing shareholders	0.05
Dilution in NA per Share to new investors	0.26
Dilution in NA per Share as a percentage of the IPO Price	78.79%

Further details of our Group's pro forma combined NA per Share as at 31 July 2025 are set out in Section 11.9 of this Prospectus.

Save as disclosed below, there has been no substantial disparity between our IPO Price and the effective cash cost to our Promoters, Directors, substantial shareholders, Key Senior Management, or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares since our incorporation up to the LPD:

Promoters, Directors and substantial shareholders	⁽¹⁾ No. of Shares held before our IPO	Total consideration (RM)	Effective cost per Share (RM)
Ai Boon Chen	570,290,700	10,265,920	0.02
Ai Sew Fuat	162,940,200	2,933,120	0.02
Lim Ay Yum	81,470,100	1,466,560	0.02

Note:

(1) After the completion of the Acquisition of YPSB but before our IPO.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.4 USE OF PROCEEDS

The total gross proceeds raised from the Public Issue will amount to approximately RM61.15 million based on the IPO Price. We expect the proceeds to be used in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the Listing date)
Establish and expand operational facilities	11,350	18.56	Within 36 months
Develop the existing business activities	2,050	3.35	Within 24 months
Expand workforce	1,850	3.03	Within 24 months
Loan repayments	1,200	1.96	Within 6 months
Working capital	39,899	65.25	Within 24 months
Estimated listing expenses	4,800	7.85	Within 3 months
Total	61,149	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.

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

4.4.1 Establish and expand operational facilities

(i) Establish a new head office and storage facility in Johor

Our Group plans to build a new head office and storage facility in Pontian, Johor on a piece of land of approximately 118,413 sq. ft. that we currently own ("**Head Office Land**"). This Head Office Land was acquired in 2017 and our Group did not have a plan to develop the new head office at the point of time. Subsequently, the COVID-19 pandemic further delayed our Group's plan due to economic uncertainties and operational disruptions. With our Group's business having grown in recent years and in conjunction with our Listing, our Group now consider it commercially viable to establish the new head office and to cater for our future expansions.

We will construct the New Head Office and Storage Facility on approximately half of the land with the remainder reserved for future development. The building will have built up area of around 40,000 sq. ft. and it will include office space for the engineering department and in-house administrative functions, as well as storage space to store our machinery, equipment and tools, and a small quantity of commonly used materials and consumables. We will also set up a workshop to carry out maintenance and repairs on our machinery and equipment.

Our New Head Office and Storage Facility will cater for our Group's business growth and development as well as to enhance our corporate image. Upon establishing our New Head Office and Storage Facility, we intend to shut down our existing Head Office and its functions, including our engineering and administrative departments which will then be relocated to our New Head Office and Storage Facility. Following the relocation to the New Head Office and Storage Facility, our Group does not intend to maintain the tenancy of the existing Head Office and storage area premises.

4. PARTICULARS OF OUR IPO (Cont'd)

We plan to finance the costs of establishing the New Head Office and Storage Facility solely through our IPO Proceeds, the breakdown of which is as follows:

Establishing New Head Office and Storage Facility	⁽¹⁾ Estimated cost RM'000
Professional and local authority fees	200
Building construction costs	7,500
Interior design and fit-out work	2,000
Office equipment and hardware	200
Solar photovoltaic system ⁽²⁾	350
TOTAL	10,250

Notes:

- (1) Estimated cost based on preliminary quotations.
- (2) Solar photovoltaic system with installed capacity of around 96.72 kW that we plan to install on the rooftop of the New Head Office and Storage Facility.

As at the LPD, our indicative timeline for setting-up our New Head Office and Storage Facility is as follows:

Indicative timeline	Milestones for establishing the New Head Office and Storage Facility
Q1 2026	<ul style="list-style-type: none"> ▪ Commence the submission of applications for planning approval to the relevant authorities.
Q4 2026	<ul style="list-style-type: none"> ▪ Obtain building plan approvals from the authorities. ▪ Engage a main contractor to construct the New Head Office and Storage Facility. ▪ Commence construction works on the new facility.
Q2 2028	<ul style="list-style-type: none"> ▪ Complete construction works on the New Head Office and Storage Facility.
Q3 2028	<ul style="list-style-type: none"> ▪ Obtain the relevant approvals, licences and/or certifications. ▪ Commence operations at the New Head Office and Storage Facility.

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4. PARTICULARS OF OUR IPO (Cont'd)

(ii) Establish new offices to expand geographically

Our Group plans to expand its geographical market coverage by setting up two (2) new offices at rented premises, namely Central Region Office in Selangor or Negeri Sembilan and Northern Region Office in Penang.

Our Group plans to use the Central Region Office and Northern Region Office to support the implementation of its projects in the central and northern regions of Peninsular Malaysia respectively, as well as to serve as service centres to support maintenance and repair services. These premises will also be used to store project implementation and piping systems repair and maintenance materials such as tools, small hardware, and piping materials and consumables.

These offices will also demonstrate our Group's commitment to serve its customers and provide quick maintenance and repair services, support sales and marketing, as well as enable our Group to address opportunities for new projects.

The total costs of establishing the new offices is estimated at RM0.35 million based on our Group's management's past experience in establishing branch office. We plan to finance these costs solely through our IPO proceeds, the breakdown of which is as follows:

Establish new offices	Estimated cost RM'000
Central Region Office	175
▪ Setting up the new office ⁽¹⁾	100
▪ Rental ⁽²⁾	75
Northern Region Office	175
▪ Setting up the new office ⁽¹⁾	100
▪ Rental ⁽²⁾	75
TOTAL	350

Notes:

- (1) The estimated cost of setting up the office includes the purchase of computer equipment and office furniture.
- (2) Comprising rental of premises with built-up area of approximately 1,200 sq. ft. to 2,000 sq. ft. for 24 months.

Our indicative timeline for setting up the new office is as follows:

Indicative timeline	Milestones for establishing new offices
Q3 2026	▪ Enter into a tenancy agreement for the Central Region Office and commence setting up the office.
Q4 2026	▪ Begin operating at the Central Region Office.
Q1 2027	▪ Enter into a tenancy agreement for the Northern Region Office and commence setting up the office.
Q2 2027	▪ Begin operating at the Northern Region Office.

4. PARTICULARS OF OUR IPO (Cont'd)

(iii) Expand the SILC Office

Our Subsidiary currently owns the building at 45, Jalan SILC 2/10, Kawasan Perindustrian SILC, 79200, Iskandar Puteri, Johor, of which the ground floor is currently used as the SILC Office. Our Group currently uses the 1st and 2nd floors of this building as accommodation for our workers.

As part of our business strategy, our Group plans to convert the 1st and 2nd floors of the building into office and workspaces to enhance our operational facilities in the area. Our SILC Office is in a strategic location which enable us to support our on-going projects as well as to serve our customers better. It will also help to cater to the growth and development of our business.

The total costs of the conversion is estimated at RM0.75 million which will be financed solely through our IPO proceeds. The estimated costs of conversion include renovation works and purchasing furniture and office equipment, which are all based on preliminary quotations obtained.

Our indicative timeline for expanding the SILC Office is as follows:

Indicative timeline	Milestones for expanding our SILC Office
Q2 2026	<ul style="list-style-type: none"> ▪ Submit applications to the relevant authorities for approval.
Q1 2027	<ul style="list-style-type: none"> ▪ Obtain approvals from the relevant authorities. ▪ Engage contractor and commence renovation works.
Q4 2027	<ul style="list-style-type: none"> ▪ Complete renovation works and submit applications to the relevant authorities for approval.
Q2 2028	<ul style="list-style-type: none"> ▪ Begin operating at renovated 1st and 2nd floors.

If the actual cost for establishing and expanding the operational facilities is higher than budgeted, the deficit will be funded by the amount allocated for working capital purposes. Conversely, if the actual cost for establishing and expanding the operational facilities is lower than budgeted, the excess will be used for working capital purposes.

Further details are set out in Section 6.19.1 of this Prospectus.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.4.2 Develop existing business activities

Purchase new machinery and equipment for the supply and installation of water supply and sewer infrastructure piping operations

As part of our business strategy, our Group plans to further develop its supply and installation of water supply and sewer infrastructure piping business, which accounted for 4.77% (RM1.03 million), 11.79% (RM4.56 million), 13.75% (RM7.52 million) and 34.73% (RM20.67 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively.

Our Group plans to acquire the following new machinery and equipment within 24 months of our IPO:

- **Vibro-hammer and sheet piles:** Construction equipment used to install sheet piling, which is mainly used to support supply and installation of water supply and sewer infrastructure piping projects. We currently engage subcontractors to install sheet piling, which are required to temporarily shore-up some of the trenching works that we carry out for some projects. After we purchase our own vibro-hammer and sheet piles, we can carry out sheet piling works in-house and reduce our usage of subcontractors for this work.
- **Backhoes:** Construction equipment used to dig and excavate soil for trenching, earthworks, civil and structural works.
- **Crane lorry:** Lorry with cargo bed as well as crane mounted on the chassis. This vehicle can transport cargo, as well as load and unload cargo without relying on external material handling equipment.
- **Passenger van:** Vehicle to transport our employees to and from project sites.
- **Pickup trucks:** Vehicle to transport our employees and material to and from project sites.

We plan to finance the costs of purchase of new machinery and equipment solely through our IPO proceeds, the breakdown of which is as follows:

Type of machinery and equipment	Intended number of units to be purchased	⁽¹⁾ Total estimated cost RM'000
Vibro-hammer and sheet piles	1	470
Backhoes	4	700
Crane lorry	1	450
Passenger van	1	170
Pickup trucks	2	260
TOTAL	9	2,050

Note:

(1) Based on preliminary quotations.

These machinery and equipment will mainly be used for our supply and installation of water supply and sewer infrastructure piping projects, and they can also be used for supply and installation of piping systems for end-user premises projects. Having these machinery and equipment in-house will enable our Group to carry out more of the work in-house, which will reduce our use of and expenditure on third-party subcontractors as well as give us more control over project scheduling and work quality. As at the LPD, the new machinery and equipment have not been ordered.

Purchasing new machinery and equipment and hiring additional project implementation employees will enable our Group to carry out larger and more complicated projects, and also implement more projects concurrently.

4. PARTICULARS OF OUR IPO (Cont'd)

If the amount required for the development of existing business activities is higher than budgeted, the deficit will be funded by the amount allocated for working capital purposes. Conversely, if the actual cost for the development of existing business activities is lower than budgeted, the excess will be used for working capital purposes. Please refer to Section 6.19.2 of this Prospectus.

4.4.3 Expand workforce

Our Group plans to expand our workforce by hiring new employees and the estimated costs of such are as follows:

Hiring additional employees	Note	(1) Estimated cost RM'000
Expand skilled workforce at head office level	(i)	
▪ 2 building information modelling ("BIM") modellers		220
▪ 2 quantity surveyors		200
▪ 2 account executives		240
Administrative staff at the new offices	(ii)	
▪ 2 administrative staff		160
Additional project manager and project engineers	(iii)	
▪ 1 project manager		250
▪ 6 project engineers		580
Technical service personnel for the new offices	(iv)	
▪ 2 technical service personnel		200
TOTAL		1,850

Note:

(1) *The estimated costs of hiring the additional employees are based on the salaries and benefits of the respective employees for 24 months. The costs are estimated based on our Group's management's past experience and will be financed solely through our IPO proceeds.*

(i) Expand skilled workforce at head office level

Our Group plans to expand its skilled workforce by hiring the following additional employees at the head office level:

- 2 BIM modellers. BIM is the process of developing a 3-dimensional representation of a facility's physical and functional characteristics to model its life-cycle, including its planning, design, construction, and operations.
- 2 quantity surveyors; and
- 2 account executives.

They will be based at our head office in Johor, notwithstanding that some of these individual employees may be deployed to other locations as required to implement projects. Hiring these additional employees will enable us to implement more projects concurrently.

4. PARTICULARS OF OUR IPO (Cont'd)**(ii) Recruit new administrative staff at the new Central Region Office and Northern Region Office**

We plan to hire 1 additional administrative staff for the Central Region Office and 1 additional administrative staff for the Northern Region Office. The new administrative staff will support the project implementation teams when they are stationed at the respective offices, as well as the technical service teams serving the respective regions.

We plan to hire the new administrative staff for the Central Region Office and Northern Region Office when the respective offices commence business operations.

(iii) Recruit additional project manager and engineers focusing on providing supply and installation of water supply and sewer infrastructure piping projects

We plan to hire 1 additional project manager and 6 additional project engineers who will be focused on implementing supply and installation of water supply and sewer infrastructure piping projects. They can also work on supply and installation of piping systems for end-user premises projects when required. Hiring these additional employees will enable us to implement more projects concurrently.

(iv) Recruit technical service personnel focused on providing maintenance and repair services for piping systems at the new Central Region Office and Northern Region Office

We intend to implement our plan to expand our maintenance and repair services for piping systems business by employing 1 additional technical service personnel for the Central Region Office and 1 additional technical service personnel for the Northern Region Office. These technical service personnel will be based at the respective offices to provide maintenance and repair services to customers in those areas. They can also work on supply and installation of piping systems for end-user premises projects as well as water supply and sewer infrastructure piping projects when required.

We plan to hire the new technical service personnel for the Central Region Office and Northern Region Office when the respective offices commence business operations.

If the amount required for the hiring of additional employees is higher than budgeted, the deficit will be funded by the amount allocated for working capital purposes. Conversely, if the actual cost for the hiring of additional employees is lower than budgeted, the excess will be used for working capital purposes. Please refer to Section 6.19.3 of this Prospectus.

4.4.4 Loan repayments

The details of the loan repayments of our Group is as follows:

Financial institution	Types of facility	Purpose	Interest rate (%)	Maturity date	Balance as at the LPD (RM'000)	Proposed Repayment (RM'000)
CIMB Islamic Bank Berhad	Term Loan	Loan for Head Office Land	6.60	November 2037	1,249	1,200
				Total	1,249	1,200

The repayment of the above-mentioned borrowing is expected to have a positive financial impact on our Group with interest savings of approximately RM0.08 million per annum based on existing prevailing interest rates. However, the actual interest savings may vary depending on the applicable interest rate.

In the event the actual principal balance of the borrowings at the point of repayment is less than the amount allocated for the repayment, we will re-allocate the excess amount to working capital.

4. PARTICULARS OF OUR IPO (Cont'd)

4.4.5 Working capital

Our Group's working capital requirement is expected to increase in conjunction with the expansion of our business. After taking into consideration our liquidity and capital resources as set out in Section 11.3.4 of this Prospectus, we intend to allocate RM39.90 million, representing 65.25% of the proceeds from our Public Issue as working capital to finance our Group's future operations. The breakdown of the allocation of the proceeds is set out below:

Working capital	RM'000
Purchases of materials for operations ⁽¹⁾	30,299
Payment to subcontractors	9,600
Total	39,899

Note:

- (1) *Materials for operations include pipe fittings, pipes of various sizes and materials, equipment, building materials such as sand and cement, sanitary wares and tanks.*

Our Group envisage that such working capital requirements will be mainly utilised for our on-going project such as Kuala Lumpur Data Centre Project, Johor Shopping Centre Project and Johor Serviced Apartment 6 Project. If our Group is unable to utilise the proceeds for any of the abovementioned projects which are dependent on the status of the work progress, the proceeds earmarked for these projects would be allocated to other on-going and/or future projects to be identified by our Group.

Our Group had in the past and currently been funding our working capital from internally generated funds and/or bank borrowings. The above working capital allocation from our Public Issue is expected to enhance our Group's liquidity and cash flow position to support the expected growth in our business operations.

4.4.6 Estimated listing expenses

Our listing expenses are estimated to be RM4.80 million, details of which are as follows:

	RM'000
Professional fees ⁽¹⁾	2,750
Fees to authorities	86
Estimated underwriting, placement and brokerage fees	1,574
Printing and advertising	150
Contingencies ⁽²⁾	240
Total	4,800

Notes:

- (1) Includes professional and advisory fees for, among others, Principal Adviser, Solicitors, Reporting Accountants, IMR and independent internal control consultant.
- (2) Other incidental or related expenses in connection with our IPO, which include fee to translators, media related expenses and IPO event expenses.

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

Our Company will not receive any proceeds from the Offer for Sale. Based on the IPO Price, the gross proceeds from the Offer for Sale of approximately RM29.70 million will accrue entirely to the Offerors. The Offerors shall bear the entire incidental expenses and fees in relation to the Offer for Sale, amounting to approximately RM0.67 million.

4. PARTICULARS OF OUR IPO (Cont'd)

The financial impact of the use of proceeds from our Public Issue is illustrated in the Pro Forma Combined Statements of Financial Position as at 31 July 2025 set out in Section 11.9 of this Prospectus. Where applicable and required under Rule 8.24 of the Listing Requirements, we will seek shareholders' approval for any material variation to the intended utilisation of proceeds.

4.5 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.5.1 Brokerage fee

We will bear the brokerage fee in respect of the Issue Shares pursuant to our IPO under Sections 4.1.2(i) and 4.1.2(ii) of this Prospectus at the rate of 1.00% of the IPO Price in respect of successful Applications which bear the stamp of AIS, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

4.5.2 Underwriting commission

AIS, as our Sole Underwriter has agreed to underwrite 65,000,000 Issue Shares as set out in Sections 4.1.2(i) and 4.1.2(ii) of this Prospectus. We will pay our Sole Underwriter an underwriting commission of 2.50% of the total value of the Shares underwritten at the IPO Price.

4.5.3 Placement fee

AIS, as our Placement Agent has agreed to place out 120,299,000 Issue Shares and 90,000,000 Offer Shares available under the placement to Bumiputera Investors approved by the MITI as well as selected investors as set out in Sections 4.1.2(iii), 4.1.2(iv) and 4.1.3 of this Prospectus, at the rate of up to 2.25% of the IPO Price for each Issue Share/Offer Share to be placed out by the Placement Agent.

On 10 December 2025, our Company and the Offerors had entered into the Placement Agreement with the Placement Agent in connection with the IPO for the placement to MITI Tranche and selected investors. Under the Placement Agreement, we will be required to provide various representations, warranties, and undertakings, as well as indemnify the Placement Agent against specific liabilities in relation to the IPO.

The placement fee to be incurred on the sale of 90,000,000 Offer Shares will be fully borne by the Offerors.

4.6 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

On 10 December 2025, we had entered into the Underwriting Agreement with the Sole Underwriter to underwrite 65,000,000 Issue Shares ("**Underwritten Shares**"), upon the terms and subject to the conditions as set out in the Underwriting Agreement.

The salient terms of the Underwriting Agreement are as follows:

- 4.6.1** The obligations of the Sole Underwriter under the Underwriting Agreement are conditional on, amongst others, the following:
- (a) the approvals referred to in Section 2.1 of this Prospectus remaining valid and have not been revoked or amended and all the conditions imposed therein which have to be complied by our Company prior to the Listing, have been complied by our Company;
 - (b) the receipt by the Sole Underwriter of all relevant documentation and placement monies in respect of the Public Issue and Offer for Sale;

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

- (c) all other necessary approvals and consents required in relation to the IPO and the IPO Shares including but not limited to governmental approvals having been obtained and are in full force and effect;
- (d) the issue of the Issue Shares having been approved by the shareholders of our Company in an extraordinary general meeting;
- (e) the issue and subscription of the IPO Shares in accordance with the provisions of the Underwriting Agreement is not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
- (f) the Prospectus having been lodged with the Registrar of Companies and registered with Bursa Securities together with all the required documents in accordance with the CMSA, the Act and the relevant laws and regulations;
- (g) there having been, on or prior to the last date and time for the receipt of applications and payment for the Issue Shares in accordance with the Prospectus or such later date as our Company and the Sole Underwriter may mutually agree upon consultation with Bursa Securities ("**Closing Date**") or the extended Closing Date which will be notified in a widely circulated Bahasa Malaysia and English daily newspaper in Malaysia ("**Extended Closing Date**"), as the case may be, no material breach of any representation, warranty, covenant, undertaking or obligation of our Company in the Underwriting Agreement or which is contained in any certificate, statement, or notice provided under or in connection with the Underwriting Agreement or which proves to be incorrect in any material respect;
- (h) there having been, on or prior to the Closing Date or the Extended Closing Date, as the case may be, no material adverse change, or any development involving a prospective material adverse change, in the financial condition or business or operations of our Group or in the prospects or future financial condition or business or operations of our Group (which in the reasonable opinion of the Sole Underwriter, is or will be material in the context of the IPO and the sale of any Underwritten Shares) from that set forth in the Prospectus, nor the occurrence of any event nor the discovery of any fact rendering materially inaccurate, untrue or incorrect to such extent which is or will be material in any of the representations, warranties, covenants and undertakings and obligations of our Company contained in the Underwriting Agreement;
- (i) the Sole Underwriter receiving a copy certified by a Director or secretary of our Company to be a true resolution of the Board approving the Listing, the Prospectus and the Underwriting Agreement, the issue and offer of the IPO Shares and authorising a person or persons to sign the Underwriting Agreement on behalf of our Company; and
- (j) the Sole Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement.

4.6.2 The Sole Underwriter may terminate, cancel and withdraw its commitment before the Closing Date or the Extended Closing Date, if:

- (a) the approval of Bursa Securities and other relevant authorities in relation to the IPO and/or for the Listing is revoked, withdrawn or procured but subject to the conditions not acceptable to the Sole Underwriter;
- (b) there is any material breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice given to our Company;

4. PARTICULARS OF OUR IPO (Cont'd)

- (c) there is a material failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement;
- (d) there is withholding of information of a material nature from the Sole Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the IPO and/or Listing, or the distribution or sale of the IPO Shares;
- (e) there shall have occurred, or happened, in the reasonable opinion of the Sole Underwriter, any material and adverse change in the business or financial condition of our Group;
- (f) the Listing does not take place within three (3) months from the date of the Underwriting Agreement or such other extended date as may be agreed by the Sole Underwriter;
- (g) the imposition of any moratorium, suspension or material restriction on trading in securities generally on ACE Market of Bursa Securities due to exceptional financial circumstances which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the IPO and/or the Listing, or the distribution or sale of the IPO Shares;
- (h) a material adverse change in the stock market condition occurs, and for the purposes of this clause, a material adverse change in the stock market condition shall be deemed to have occurred if the FTSE Bursa Malaysia Kuala Lumpur Composite Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

- (i) on or after the date of the Underwriting Agreement; and
- (ii) prior to the close of the offering of the IPO,

lower than eighty-five per centum (85%) 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 three (3) consecutive Market Days or any other adverse change in the market conditions which the parties mutually agree to be sufficiently material and adverse to render it to be a terminating event; or

- (i) there shall have occurred, or happened any of the following circumstances:
 - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
 - (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Sole Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, pandemic, civil commotion, sabotage, acts of war or accidents);

which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of our Group as a whole or the success of the IPO or Listing which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

4. PARTICULARS OF OUR IPO (Cont'd)

4.6.3 In the event that the Underwriting Agreement is terminated pursuant to Section 4.6.2 of this Prospectus, the Sole Underwriter and our Company may confer with a view to deferring the IPO by amending the terms of the Underwriting Agreement and entering into a new underwriting agreement accordingly, but neither the Sole Underwriter nor our Company shall be under any obligation to enter into a fresh agreement.

4.6.4 Upon any such notice(s) being given pursuant to Section 4.6.2 of this Prospectus, the Sole Underwriter shall be released and discharged from their obligations under the Underwriting Agreement whereupon the following shall take place within three (3) Market Days of the receipt of such notice:

- (a) our Company shall make payment of Underwriting Commission to the Sole Underwriter in accordance with the Underwriting Agreement;
- (b) our Company shall pay or reimburse to the Sole Underwriter the costs and expenses referred to in the Underwriting Agreement; and
- (c) each party shall return all other monies (in the case of the Sole Underwriter, after deducting the Underwriting Commission due and owing to the Sole Underwriter under the Underwriting Agreement) including but not limited to the subscription monies paid to the other under the Underwriting Agreement (except for monies paid by our Company for the payment of the expenses as provided under the Underwriting Agreement);

and thereafter, the Underwriting Agreement shall be terminated and of no further force and effect and none of the parties shall have a claim against the other save and except in respect of any antecedent breaches.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

The details of our Promoters and substantial shareholders and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Country of incorporation	⁽¹⁾ Before our IPO/As at the LPD				⁽²⁾ After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ai Boon Chen	Malaysian	570,290,700	70.00	-	-	124,701,000	12.47	600,000,000	⁽⁴⁾ 60.00
Ai Sew Fuat	Malaysian	162,940,200	20.00	651,760,800	⁽³⁾ 80.00	-	-	724,701,000	⁽⁵⁾ 72.47
Lim Ay Yum	Malaysian	81,470,100	10.00	733,230,900	⁽³⁾ 90.00	-	-	724,701,000	⁽⁶⁾ 72.47
ASF ⁽⁷⁾	Malaysia	-	-	-	-	600,000,000	60.00	-	-

Notes:

- (1) Based on our number of issued Shares of 814,701,000 Shares after the Acquisition of YPSB but before our IPO.
- (2) Based on our enlarged number of issued Shares of 1,000,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his/her spouse's and son's shareholdings in ISF.
- (4) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act as well as his son's shareholdings in ISF.
- (6) Deemed interested by virtue of her spouse's and son's shareholdings in ASF pursuant to Section 8 of the Act as well as her son's shareholdings in ISF.
- (7) ASF is an investment holding company held by Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum with equity interest of 68.93%, 22.32% and 8.75%, respectively. Please refer to Section 5.1.2(iv) for further details on the shareholders of ASF.

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

5.1.2 Profile of Promoters and substantial shareholders**(i) Ai Boon Chen**

Promoter, Specified Shareholder, substantial shareholder and Managing Director

Ai Boon Chen, a Malaysian male aged 37, is our Promoter, substantial shareholder, Specified Shareholder and Managing Director. He was appointed to our Board on 25 March 2025.

He graduated with a Bachelor of Engineering (Mechanical) from University Technology Malaysia in 2012 and a Master of Business Administration from the University of Gloucestershire, United Kingdom in 2020. He gained early exposure to the piping industry by assisting his family business during his undergraduate studies which helped build foundational understanding of business functions.

He began his career in 2012 at YPSB, where he played a key role in preparing the company to commence construction activities, particularly in the supply and installation of piping systems. Over time, he progressed from Project Engineer to Project Manager. During this period, his work focused on setting up the foundational aspects necessary for project implementation including sourcing materials and suppliers, identifying and recruiting skilled workers, developing internal processes, and coordinating with potential vendors and clients. His efforts were critical in establishing YPSB's operational readiness for construction projects.

In 2014, he was appointed as the Executive Director of YPSB, where he was responsible for overseeing YPSB's corporate development, business development, strategic functions, as well as managing its day-to-day operations. He was instrumental in growing YPSB's business operations by expanding YPSB's projects in the piping industry throughout the years.

In 2025, he was redesignated as Managing Director of our Group, a position he holds to date, where he continues overseeing our Group's corporate development, business development, and strategic planning functions. We will continue to leverage on his 13 years of experience in the piping industry to chart our Group's business direction.

He is the son of our Executive Directors, Ai Sew Fuat and Lim Ay Yum.

In the past, he was also involved in several businesses, such as, as a director and shareholder in Plumb Perfect Sdn Bhd (formerly known as ASF M&E Sdn Bhd) from 2017 to 2024 and 2025, respectively, which is involved principally in service, maintenance and construction works, engineering consulting and contract plumber. He was also a partner of Yeo Plumber from 2019 to 2020, which engaged in plumbing and accessories, maintenance and construction of sewer systems. At present, he is also involved in Harmony Meadows Sdn Bhd since 2010 as a director and shareholder which is an investment holding company as well as providing property management and related real estate services. Further details of his principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.4(ii) of this Prospectus.

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

Promoter, Specified Shareholder, substantial shareholder and Executive Director

Ai Sew Fuat, a Malaysian male aged 64, is our Promoter, substantial shareholder, Specified Shareholder and Executive Director. He was appointed to our Board on 25 March 2025.

He completed his secondary education at Sekolah Menengah Kebangsaan Dato' Penggawa Barat, Pontian, Johor in 1978.

He began his career in Loh Siam Bu Plumber and Contractor in 1979 as an apprentice where he was responsible for installing, maintaining, and repairing plumbing systems in residential, commercial, as well as industrial building which he left in 1981.

In 1981, he established Yeo Plumber, a sole proprietorship engaged in plumbing and accessories, maintenance and construction of sewer systems, where he was mainly involved in the day-to-day operations and its overall development until its cessation of business in 2025.

In December 2000, he co-founded YPSB together with his wife, Lim Ay Yum and his brother, Yeo Chak Nge, initially focusing on general trading as its core business. Overtime, YPSB expanded into supply and installation of piping systems. He was mainly involved in the day-to-day operations and overall development of YPSB as a director and shareholder. He continued to hold the position of director of YPSB until he resigned in 2020. Following his resignation as YPSB's director, he continued to contribute to YPSB's growth in a different capacity, as Project Director, where he applied his extensive industry experience and deep familiarity with YPSB's operations to drive YPSB's ongoing development during that period.

Subsequently, in 2025, he was re-appointed as a director of YPSB in conjunction with the Listing and was appointed as the Executive Director of our Group. He is responsible for overseeing the overall project execution of our Group, including, among others, monitoring project progress and cost management as well as the main liaison with the relevant authorities. He has over 46 years of experience in the piping industry.

He is the father of our Managing Director, Ai Boon Chen, and the husband of our Executive Director, Lim Ay Yum.

At present, he is also involved in Harmony Meadows Sdn Bhd since 1997 as a director and shareholder which is an investment holding company as well as providing property management and related real estate services. Further details of his principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.4(iii) of this Prospectus.

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

(iii) Lim Ay Yum

Promoter, Specified Shareholder, substantial shareholder and Executive Director

Lim Ay Yum, a Malaysian female aged 63, is our Promoter, substantial shareholder, Specified Shareholder and Executive Director. She was appointed to our Board on 25 March 2025.

She completed her secondary education at Sekolah Menengah Kebangsaan Dato' Penggawa Barat, Pontian, Johor in 1980.

In 1981, she began her career by assisting her husband, Ai Sew Fuat, in Yeo Plumber, a sole proprietorship established by him. The business was engaged in plumbing and accessories, maintenance and construction of sewer systems. She was mainly responsible for managing purchasing activities, overseeing financial matters, and handling administrative functions until its cessation of business in 2025.

In 2000, she co-founded YPSB together with her husband, Ai Sew Fuat and her brother-in law, Yeo Chak Nge whereby YPSB was initially focusing on general trading as its core business. Overtime, YPSB expanded into supply and installation of piping systems. She was mainly involved in the day-to-day operations and overall development of YPSB as a director and shareholder.

In 2025, she was appointed as the Executive Director of our Group. She is responsible for overseeing our Group's human resources, finance, and administrative functions. She has over 44 years of experience in the piping industry.

She is the mother of our Managing Director, Ai Boon Chen and the wife of our Executive Director, Ai Sew Fuat.

In the past, she was also involved in other business, namely Plumb Perfect Sdn Bhd (formerly known as ASF M&E Sdn Bhd), as a director and shareholder from 2017 to 2024 and 2025, respectively, which is involved principally in service, maintenance and construction works, engineering consulting and contract plumber. Further details of her principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.4 (iv) of this Prospectus.

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

(iv) ASF
Promoter, Specified Shareholder and substantial shareholder

ASF was incorporated on 17 April 2025 in Malaysia under the Act as a private limited company. As at the LPD, the issued share capital of the company is RM11,000 comprising 20,000 ordinary shares. ASF is principally an investment holding company and was incorporated with the objective to hold 60.00% shareholdings in the Company held by the individual Promoters pursuant to the Share Transfer for family succession planning purpose. Please refer to Section 4.1.4 of this Prospectus for further details of the Share Transfer.

As at the LPD, the directors and shareholders of ASF are Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum and their respective shareholdings in ASF are as follows:-

Name	No of shares	%
Ai Boon Chen	13,786	68.93
Ai Sew Fuat	4,464	22.32
Lim Ay Yum	1,750	8.75

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

5.1.3 Changes in our Promoters' and substantial shareholders' shareholdings

The changes in our Promoters' and substantial shareholders' shareholdings in our Company since incorporation up to the LPD are as follows:

Name	⁽¹⁾ As at 25 March 2025 (Date of incorporation)				⁽²⁾ As at the LPD			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ai Boon Chen	700	70.00	-	-	570,290,700	70.00	-	-
Ai Sew Fuat	200	20.00	800	⁽³⁾ 80.00	162,940,200	20.00	651,760,800	⁽³⁾ 80.00
Lim Ay Yum	100	10.00	900	⁽³⁾ 90.00	81,470,100	10.00	733,230,900	⁽³⁾ 90.00

Notes:

(1) Based on our number of issued Shares of 1,000 Shares as at the date of incorporation.

(2) Based on our number of issued Shares of 814,701,000 Shares after the Acquisition of YPSB but before our IPO.

(3) Deemed interested by virtue of his/her spouse's and son's shareholdings in ISF.

As at the LPD, our Promoters and substantial shareholders have the same voting rights with the other shareholders of our Group 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 as disclosed above, we are not aware of any persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

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

5.1.4 Promoters and substantial shareholders' remuneration and benefits

Save for the dividends to be paid or proposed to be paid, if any, to our Promoters and substantial shareholders and the aggregate remuneration and benefits paid or proposed to be paid to our Promoters and substantial shareholders for services rendered to our Group in all capacities for the FYE 2024, FYE 2025 and proposed to be paid for FYE 2026 as set out in Section 5.4 of this Prospectus, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within two (2) years preceding the date of this Prospectus.

5.2 DIRECTORS AND KEY SENIOR MANAGEMENT

5.2.1 Directors

Our Board comprises the following members:

Name	Age	Nationality	Date of appointment	Designation
Yap Chui Fan (F)	62	Malaysian	6 June 2025	Independent Non-Executive Chairperson
Ai Boon Chen (M)	37	Malaysian	25 March 2025	Managing Director
Ai Sew Fuat (M)	64	Malaysian	25 March 2025	Executive Director
Lim Ay Yum (F)	63	Malaysian	25 March 2025	Executive Director
Christine Toh Hung Mei (F)	44	Malaysian	6 June 2025	Independent Non-Executive Director
Sim Seng Loong @ Tai Seng (M)	58	Malaysian	6 June 2025	Independent Non-Executive Director
Ir. Chow Kai Hoon (M)	55	Malaysian	6 June 2025	Independent Non-Executive Director

Notes:

(M) Male.

(F) Female.

None of our Directors represents any corporate shareholder on our Board. For details on the association of family relationship between our Promoters, substantial shareholders, Directors and Key Senior Management, please refer to Section 5.7 of this Prospectus.

Our Board acknowledges and takes cognisance of the MCCG which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their 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 all the recommendations under the MCCG, save for the recommendations which are only applicable upon/after the Listing, including the step-up practices recommended under the MCCG, of which our Company intends to adopt upon/after the Listing, where applicable. Some of the recommendations under the MCCG adopted by our Company include but not limited to the following:

- (a) at least half of our Board comprises Independent Non-Executive Directors;
- (b) the chairperson of our Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee; and
- (c) at least 30% women directors on our Board.

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

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

Our Directors shall have power at any time and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the conclusion of the next AGM, and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors to retire by rotation at such meeting.

Within the limits set by our Constitution, our Board is responsible for the governance and management of our Group. To ensure the effective discharge of its functions, our Board have set out the following key responsibilities in our Board charter:

- (a) overseeing and evaluating the conduct and sustainability of the businesses of our Group;
- (b) reviewing and adopting the overall strategic direction, business plans, and annual budgets of our Group, including major capital commitments;
- (c) ensuring that the strategic plan of our Company supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability;
- (d) establishing key performance indicators and succession plans;
- (e) reviewing and approving new ventures, major acquisitions and disposal of undertakings and properties;
- (f) reviewing, challenging, and deciding on management's proposals for our Company and monitoring their implementation by management;
- (g) supervising and assessing management performance to determine whether the business is being properly managed.
- (h) identifying and understanding the principal risks of our Company's business and ensuring the implementation of appropriate internal control systems and mitigation measures to manage these risks;
- (i) reviewing the adequacy and integrity of our Group's internal control systems and management information systems;
- (j) setting the risk appetite within which our Board expects management to operate and ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- (k) ensuring the key senior management has the necessary skills and experience and there are measures in place to provide for the orderly succession of our Board and key senior management.
- (l) ensuring that our Company has in place procedures to enable effective communication with stakeholders.
- (m) supervising the creation and execution of the investor relations program or shareholders' communication policy for our Company to facilitate productive communication

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

- (n) ensuring our Group's core values, vision and mission and shareholders' interests are met;
- (o) ensuring all significant systems and procedures are in place for our Group to run effectively, efficiently, and meet all legal and contractual requirements;
- (p) collaborating with key senior management to establish and maintain effective corporate governance practices, which include ethical, prudent, and professional conduct standards, and fostering a corporate responsibility culture throughout our Group.
- (q) ensuring the integrity of our Company's financial and non-financial reporting.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**5.2.2 Profile of Directors**

The profiles of our Directors, Ai Boon Chen, Ai Sew Fuat, and Lim Ay Yum who are also our Promoters and substantial shareholders are disclosed in Section 5.1.2 of this Prospectus.

The profiles of our other Directors are as follows:

(i) Yap Chui Fan
Independent Non-Executive Chairperson

Yap Chui Fan, Malaysian, aged 62, is our Independent Non-Executive Chairperson of our Group. She was appointed to our Board on 6 June 2025.

She obtained her Diploma in Accounting from the London Chamber of Commerce and Industry in 1984. In 1999, she was certified as a registered accountant of the Malaysian Institute of Accountants ("**MIA**") and is a chartered accountant of MIA since 2001. She is also an associate and fellow member of the Association of Chartered Certified Accountants ("**ACCA**") since 1999 and 2004, respectively.

In addition, she is also an associate of the Chartered Tax Institute of Malaysia (formerly known as the Malaysian Institute of Taxation) since 2003, and an associate of the ASEAN Chartered Professional Accountant since 2018. She is also a Registered Company Secretary with the Companies Commission of Malaysia since 2018 to 2023 and subsequently renewed her qualification in 2025.

She began her career in Yeo Hiap Seng Trading Sdn Bhd in 1983, a subsidiary of Yeo Hiap Seng (Malaysia) Berhad (formerly listed on the Main Market of Bursa Securities), as Accounts Clerk and was subsequently promoted to the position of Accounts Assistant in 1989 where she was responsible for handling general ledger reconciliation as well as financial analysis and reporting until she left in 1992.

In 1992, she joined Chocolate Products Trading Sdn Bhd, a subsidiary of Lion Diversified Holdings Berhad (formerly listed on the Main Market of Bursa Securities) as an Accounts Supervisor, where she was responsible for overseeing the accounting operations and financial reporting of the company. She was promoted to the position of Accounts Officer in 1993 and subsequently promoted to the position of Senior Finance Executive in 1996. Her responsibilities include handling monthly financial reporting, credit control, consolidation of the company's accounts and financial analysis.

In 1999, she left Chocolate Products Trading Sdn Bhd and joined Taylor Nelson Sofres Malaysia Sdn Bhd as an Assistant Accounting Manager, where she was in charge of financial management, taxation, costing analysis and financial reporting.

In 2000, she left Taylor Nelson Sofres Malaysia Sdn Bhd and joined MIMOS Berhad as an Accountant, where she was responsible for overseeing the financial management of the company and implementing an enterprise resource planning software for the company until she left in 2001 and joined YFG Berhad (formerly known as PJI Holdings Berhad) a company formerly listed on the Main Market of Bursa Securities as a Manager of Corporate Finance. During the tenure, she was responsible for the listing and corporate exercise of the company. She was promoted to the position of Senior Manager of Corporate Finance in the same year, where she was responsible for the company's listing exercise.

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

In 2002, she assumed the role of Senior Manager of Group Finance & Accounts and was responsible for the financial planning, strategy and management of the company as well as statutory reporting and compliance related matters. In 2003, she was promoted to Head of Group Finance and Accounts, where she was responsible for overseeing the overall finance and accounting functions of the company and its subsidiaries. In 2005, she assumed the role of Director of Group Finance and Accounts. While she continued to be in charge of the group's entire finance and accounting functions, her job responsibilities as director also included, overseeing corporate exercises undertaken by the company, statutory compliance related matters, tax planning, treasury management and financial strategy.

In 2006, she left YFG Berhad and joined Micron (M) Sdn Bhd, a subsidiary of CM Hi-Tech Cleanroom Limited (formerly known as Channel Micron Holdings Company Limited), a company formerly listed on the Main Board of Hong Kong Stock Exchange as the Group Financial Controller, where she was responsible for overseeing human resource, administration and finance related functions, internal control and risk management of the group and corporate reporting matters. Following CM Hi-Tech Cleanroom Limited's internal reorganisation in 2016, she was transferred to Channel Systems Asia Sdn Bhd, a subsidiary of CM Hi-Tech Cleanroom Limited as the Group Financial Controller where she assumed the same responsibilities in addition to being in charge of the listing exercise of CM Hi-Tech Cleanroom Limited which was successfully listed on the Main Board of Hong Kong Stock Exchange in 2020. In 2019, she assumed the role of Executive Director of CM Hi-Tech Cleanroom Limited until 2022.

She joined Quill Holdings Berhad as the Chief Financial Officer in 2022 where she was responsible for overseeing all the finance related matters of the group, a position she holds to date.

As at the LPD, she is also an Independent Non-Executive Director of Sunview Group Berhad (a company listed on the ACE Market) and NCT Alliance Berhad (a company listed on the Main Market of Bursa Securities).

Further details of her principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.4(i) of this Prospectus.

(ii) Christine Toh Hung Mei
Independent Non-Executive Director

Christine Toh Hung Mei, Malaysian, aged 44, is our Independent Non-Executive Director of our Group. She was appointed to our Board on 6 June 2025. She is the Chairperson of our Remuneration Committee and also a member of our Audit and Risk Management Committee and Nomination Committee.

She graduated from Monash University with a Bachelor of Commerce and Bachelor of Business Systems in 2004. She obtained a Bachelor of Laws (Hons) from University of London (External) in 2012 and completed her Certificate of Legal Practice in 2013. She was admitted as the member of ACCA in 2009 and registered as a Chartered Accountant under the MIA in 2023. She is also a Fellow of the Chartered Institute of Arbitrators since 2022.

In 2006, she began her career in BDO McCabe Lo Ltd in Hong Kong, a company involved in business and corporate advisory services as an Associate. She left BDO McCabe Lo Ltd and joined BDO Binder in Malaysia, an audit firm as an Assistant Manager in 2008 where she focused on external audit. In 2009, she joined BDO Consulting Sdn Bhd, a company involved in management consultants as an Assistant Manager where she was in charge of internal audit for listed companies and left the company in 2010.

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

In 2010, she joined Prestar Precision Tube Sdn Bhd, a company involved in the manufacturing and supply of precision steel pipes and tubes as an Assistant Accounts Manager where she was responsible for submission of financial reports, preparing annual budgets and assisting with the company's internal and external reporting requirements. She left Prestar Precision Tube Sdn Bhd in 2011.

During her tenure with BDO Binder, she was also studying for her Bachelor of Laws on a part time basis. In 2012, she obtained her Bachelor of Laws and thereafter commenced her pupillage at Vin & Isaac Lee in 2013. She was called to the Malaysian Bar in 2014 and thereafter continued as an Associate at Vin & Isaac Lee. She left Vin & Isaac Lee in 2016 to join MahWengKwai & Associates, a law firm as a Legal Assistant and was promoted to Senior Associate in 2018 before being made a Partner in 2019. In 2023, she left MahWengKwai & Associates to set up her own firm, Christine Toh & Co where she currently holds the position of Managing Partner. Her primary practice areas include construction disputes, matrimonial disputes and general litigation.

As at the LPD, she is also a director of various private limited companies as well as an Independent Non-Executive Director of WTEC Group Berhad and Sorento Capital Berhad, which are companies listed on the ACE Market and HE Group Berhad, a company listed on the Main Market of Bursa Securities.

Further details of her principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.4(v) of this Prospectus.

(iii) **Sim Seng Loong @ Tai Seng** *Independent Non-Executive Director*

Sim Seng Loong @ Tai Seng, a Malaysian aged 58, is our Independent Non-Executive Director. He was appointed to our Board on 6 June 2025. He is the Chairperson of our Audit and Risk Management Committee and also a member of our Remuneration Committee and Nomination Committee.

In 1987, he completed his Form 6 studies and obtained the Sijil Tinggi Persekolahan Malaysia ("**STPM**") certificate. In 2022, he graduated from University of West of Scotland with a Master of Business Administration. He is a chartered accountant and has been a member of Malaysian Institute of Certified Public Accountants ("**MICPA**") (previously known as Malaysian Association of Certified Public Accountants) since 1994, MIA since 1995 and Certified Practising Accountant Australia since 2008.

Upon completing his STPM, he joined Ernst & Young, Kuala Lumpur as an Audit Junior in 1988 where he was tasked to assist his seniors in financial audit projects. During his tenure with Ernst & Young, he was offered an article-ship program as part of MICPA program with Lim Ali & Co (now known as Ernst & Young) from 1988 to 1992, as an audit assistant, where he was tasked to assist his seniors in financial audit. Over the years, he progressed through several positions and his responsibilities had gradually increased to cover additional tasks including leading, planning and supervising financial audit. He was an Audit Senior when he left Ernst & Young in 1994 to take a career break upon obtaining his MICPA qualification in 1994.

In 1995, he re-joined Ernst & Young as Audit Senior where he was tasked with responsibilities with the Assurance & Advisory Business Services and Corporate Finance department specialising in the areas of audit, internal audit, accounting advisory, corporate governance advisory, corporate restructuring, pre-initial public offering advisory work, reporting accountant services for initial public offering, mergers and acquisitions and advisory in the area of foreign investments. He was a Senior Manager, Transaction Advisory Division before he left in 2004.

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

In 2004, he was admitted as a Partner of an accounting firm, R.K. & Associates. He was the Lead Partner overseeing the daily business operations and leading financial audit projects, before he resigned from his position in 2007. In 2007, he joined Vickers Systems Pty. Ltd., a subsidiary of Eaton Corporation, as Corporate Accountant where he was responsible in coordinating the company's worldwide restructuring exercise. In 2009, he was transferred to Shanghai Eaton Engine Components Co Ltd, China as Campus Financial Controller. He oversaw the company's overall finance function before he left in 2010.

He took a career break before joining BIG Sdn Bhd as the Chief Financial Officer and Chief Operating Officer in 2012, where he is primarily responsible for the finance and IT functions of the company as well as day-to-day operations including opening of new restaurants. He left BIG Sdn Bhd in 2013 and joined Petrol One Resources Berhad (a company formally listed on the Main Market of Bursa Securities) in 2013 as the Chief Financial Officer to oversee the company's overall finance, IT and HR functions as well as to lead the company's restructuring exercise.

In 2019, he left Petrol One Resources Berhad and joined Silverpack Sdn Bhd in 2019 as Chief Financial Officer, until he left in 2023. During his tenure with Silverpack Sdn Bhd, he is responsible for the company's overall finance and IT functions. In 2019, he also established VGMA Asia Sdn Bhd, a company principally involve in business management, consultancy services and activities in holding companies, where he serves as the shareholder and director until to-date. Following his departure from Silverpack Sdn Bhd, he chose to focus on his own business, where he now oversees day-to-day operations and provides advisory services to other companies.

As at the LPD, he is also a director of various private limited companies as well as an Independent Non-Executive Director of Nova Wellness Group Berhad (a company listed on the Main Market of Bursa Securities) and Ramssol Group Berhad (a company listed on the ACE Market).

Further details of his principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.4(vi) of this Prospectus.

(iv) Ir. Chow Kai Hoon
Independent Non-Executive Director

Ir. Chow Kai Hoon, a Malaysian male aged 55, is our Independent Non-Executive Director. He was appointed to our Board on 6 June 2025. He is the Chairperson of our Nomination Committee and also a member of our Audit and Risk Management Committee and Nomination Committee.

He obtained a Diploma in Civil Engineering (with Merit) from Singapore Polytechnic in 1991, and subsequently graduated from Nanyang Technological University, Singapore with a Bachelor of Engineering (Civil) in 1996. He has been a Professional Civil Engineer and a member of the Institution of Engineers, Malaysia since 2001.

In 1991, he joined Regional Project Consultants as an Engineering Assistant, where he was responsible for drafting reinforced concrete (RC) structural drawings for terrace houses in conventional housing developments. He remained in this role until 1992.

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

In the same year, he joined Trevi Contractors (Singapore) Pte Ltd as an Assistant Engineer, where he was involved in the supervision of foundation works, including the execution of bored piles and diaphragm wall systems for major commercial and/or infrastructures projects. He left the company in 1993 to pursue his studies in Nanyang Technological University, Singapore and obtained his Bachelor of Engineering (Civil) in 1996.

In 1996, he joined Serumpun Konsultant Sdn Bhd as a Senior Engineer, a position he holds to-date, where he is responsible for structural design, and preparation and submission of drawings to the relevant authorities.

He also co-founded Harmony Partners Consultant, a firm established in 2007 that is principally involved in civil and structural engineering consultancy and submission services, including the preparation of technical design documents and coordination with authorities for project approvals.

He has more than 25 years of experience in the civil and structural engineering sector.

Further details of his principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.4(vii) of this Prospectus.

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

5.2.3 Directors' shareholdings

The direct and indirect shareholdings of our Directors as at the LPD and after the IPO are as follows:

Director	⁽¹⁾ Before our IPO/As at the LPD				^{(2) (3)} After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Yap Chui Fan	-	-	-	-	300,000	0.03	-	-
Ai Boon Chen	570,290,700	70.00	-	-	124,701,000	12.47	600,000,000	⁽⁵⁾ 60.00
Ai Sew Fuat	162,940,200	20.00	651,760,800	⁽⁴⁾ 80.00	-	-	724,701,000	⁽⁶⁾ 72.47
Lim Ay Yum	81,470,100	10.00	733,230,900	⁽⁴⁾ 90.00	-	-	724,701,000	⁽⁷⁾ 72.47
Christine Toh Hung Mei	-	-	-	-	300,000	0.03	-	-
Sim Seng Loong @ Tai Seng	-	-	-	-	300,000	0.03	-	-
Ir. Chow Kai Hoon	-	-	-	-	300,000	0.03	-	-

Notes:

- (1) Based on our number of issued Shares of 814,701,000 Shares after the Acquisition of YPSB but before our IPO.
- (2) Based on our enlarged number of issued Shares of 1,000,000,000 Shares after our IPO.
- (3) Assuming all the Independent Directors fully subscribe for the Shares allocated to him/her under the Pink Form Allocation.
- (4) Deemed interested by virtue of his/her spouse's and son's shareholdings in ISF.
- (5) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act as well as his son's shareholdings in ISF.
- (7) Deemed interested by virtue of her spouse's and son's shareholdings in ASF pursuant to Section 8 of the Act as well as her son's shareholdings in ISF.

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

5.2.4 Principal business activities as at the LPD and directorships in other corporations outside of our Group for the past 5 years

The principal business activities performed by our Directors outside of our Group as at the LPD, and the directorships held by our Directors outside of our Group at present and in the past 5 years preceding the LPD are set out below:

(i) Yap Chui Fan

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
NCT Alliance Berhad	Independent Non-Executive Director	31 May 2023	-	-	Investment holding company ⁽¹⁾
Sunview Group Berhad	Independent Non-Executive Director and shareholder	26 August 2022	-	0.02	Investment holding company ⁽²⁾
Sum Technic Sdn Bhd	Shareholder	-	-	3.00	Mechanical and electrical engineers and engineering works, contractors and consulting engineers for utilities piping and clean room architecture works
Sum System Solution Sdn Bhd	Shareholder	-	-	2.27	Mechanical and engineering services provider and total solution for renewable energy system
Micronaire Global Sdn Bhd	Shareholder	-	-	5.00	Manufacturing, dealing, importing, exporting of air conditioning products, components and accessories and general trading
Past involvement					
CM Hi-Tech Cleanroom Limited	Executive Director	16 August 2019	30 May 2022	-	Investment holding company ⁽³⁾

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

Notes:

- (1) *NCT Alliance Berhad is an investment holding company listed on the Main Market of Bursa Securities and its subsidiaries are involved in property development, general contractor and contractor of renovation works, provision of project management services.*
- (2) *Sunview Group Berhad is an investment holding company listed on the ACE Market and its subsidiaries are involved in the engineering, procuring, construction and commissioning of solar photovoltaic facilities, solar photovoltaic construction and installation services, solar power generation and supply as well as associated services and products.*
- (3) *CM Hi-Tech Cleanroom Limited (formerly known as Channel Micron Holdings Company Limited) is an investment holding company formerly listed on the Main Board of the Hong Kong Stock Exchange and its subsidiaries are in involved in among others, trading, design, manufacture and marketing of cleanroom walls and component parts for cleanroom facilities and high technology plants.*

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

(ii) Ai Boon Chen

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
Harmony Meadows Sdn Bhd	Director and shareholder	30 March 2010	-	23.33	Investment holdings, including the holding of real estate assets for rental income generation, and the provision of property management and related real estate services ⁽¹⁾
LPY Forbes Sdn Bhd	Director and shareholder	9 December 2021	-	40.00	Housing developers and housing contractors
ASF	Director and shareholder	17 April 2025	-	68.93	Investment holding ⁽²⁾
Past involvement					
Plumb Perfect Sdn Bhd ⁽³⁾	Past director and shareholder	18 August 2017	20 March 2025	-	Service, maintenance and construction works, engineering consulting, contract plumber
Yeo Plumber ⁽⁴⁾	Past partner	1 January 2019	8 September 2020	-	Plumbing and accessories, maintenance and construction of sewer systems

Notes:

- (1) *Harmony Meadows Sdn Bhd was previously involved in housing development and has been involved in investment holding in properties since December 2022. Since 1 August 2025, our Group had entered into a service agreement with Harmony Meadows Sdn Bhd for the provision of hostel management services for its foreign workers. Please refer to Section 9.1.1 of this Prospectus for further details.*
- (2) *ASF is our promoter and substantial shareholder. Please refer to Section 5.1.2 of this Prospectus for further details.*
- (3) *Plumb Perfect Sdn Bhd (formerly known as ASF M&E Sdn Bhd) was disposed of to a third party on 25 November 2024.*
- (4) *Yeo Plumber had been terminated on 13 June 2025.*

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

(iii) Ai Sew Fuat

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
Harmony Meadows Sdn Bhd	Director and shareholder	3 February 1997	-	46.67	Investment holdings, including the holding of real estate assets for rental income generation, and the provision of property management and related real estate services ⁽¹⁾
ASF	Director and shareholder	17 April 2025	-	⁽²⁾ 100.00	Investment holding ⁽³⁾
Past involvement					
Yeo Plumber ⁽⁴⁾	Past sole proprietor	12 November 1981	13 June 2025	-	Plumbing and accessories, maintenance and construction of sewer systems

Notes:

- (1) *Harmony Meadows Sdn Bhd was previously involved in housing development and has been involved in investment holding in properties since December 2022. Since 1 August 2025, our Group had entered into a service agreement with Harmony Meadows Sdn Bhd for the provision of hostel management services for its foreign workers. Please refer to Section 9.1.1 of this Prospectus for further details.*
- (2) *Deemed interest by virtue of his spouse's and his son's shareholdings in ASF pursuant to Section 8 of the Act.*
- (3) *ASF is our promoter and substantial shareholder. Please refer to Section 5.1.2 of this Prospectus for further details.*
- (4) *Yeo Plumber had been terminated on 13 June 2025.*

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

(iv) Lim Ay Yum

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
ASF	Director and shareholder	17 April 2025	-	⁽¹⁾ 100.00	Investment holding ⁽²⁾
Past involvement					
Plumb Perfect Sdn Bhd ⁽³⁾	Past director and shareholder	18 August 2017	20 March 2025	-	Service, maintenance and construction works, engineering consulting, contract plumber

Notes:

- (1) Deemed interest by virtue of her spouse's and her son's shareholdings in ASF pursuant to Section 8 of the Act.
- (2) ASF is our promoter and substantial shareholder. Please refer to Section 5.1.2 of this Prospectus for further details.
- (3) Plumb Perfect Sdn Bhd (formerly known as ASF M&E Sdn Bhd) was disposed of to a third party on 25 November 2024.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**(v) Christine Toh Hung Mei**

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
Platinum Leap Sdn Bhd	Director and shareholder	1 February 2018	-	10.00	Investment holding company in shares of a company principally involved as contractors and sub-contractors of all kinds of constructional works
Tall Innovations Sdn Bhd	Director	30 September 2020	-	-	Contractors and sub-contractors of all kinds of constructional works
Christine Toh & Co	Managing Partner	2 May 2023	-	N/A	Law Firm.
HE Group Berhad	Independent Non-Executive Director and shareholder	26 May 2023	-	0.03	Activities of holding companies ⁽¹⁾
Sorento Capital Berhad	Independent Non-Executive Director and shareholder	25 March 2024	-	0.03	Activities of holding companies ⁽²⁾
WTEC Group Berhad	Independent Non-Executive Director and shareholder	19 August 2024	-	0.05	Activities of holding companies ⁽³⁾
Past involvement					
-	-	-	-	-	-

Notes:

- (1) HE Group Berhad is an investment holding company listed on the Main Market of Bursa Securities and its subsidiary is involved in the provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and trading.
- (2) Sorento Capital Berhad is an investment holding company listed on the ACE Market and its subsidiaries are involved in the marketing, distribution and sale of bathroom and kitchen sanitary wares.
- (3) WTEC Group Berhad is an investment holding company listed on the ACE Market and its subsidiaries are involved in the manufacturing and trading of foam and non-foam products.

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

(vi) Sim Seng Loong @ Tai Seng

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
Asia Arts Academy Sdn Bhd	Director and shareholder	21 June 2024	-	25.00	To carry out activities for the advancement in all fields of education, construction of facilities and providing maintenance and administrative educational services; and investment holdings
Nova Wellness Group Berhad	Independent Non-Executive Director	31 October 2017	-	-	Investment holding ⁽¹⁾
VGMA Asia Sdn Bhd	Director and shareholder	21 March 2019	-	100.00	Business Management Consultancy services; activities of holding companies
Ramssol Group Berhad	Independent Non-Executive Director and shareholder	15 September 2020	-	0.04	Activities of holding companies ⁽²⁾
Past involvement					
GS Nutrition Sdn Bhd	Past director and shareholder	4 October 2024	1 July 2025	-	Stores specialised in retail sale of pharmaceuticals, medical and orthopaedic goods
Pentamaster International Limited	Past Independent Non-Executive Director	19 December 2017	30 April 2025	-	Investment holding ⁽³⁾
Jack In Group Limited	Past Independent Non-Executive Director	23 December 2016	24 July 2020	-	Investment holding ⁽⁴⁾

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

Notes:

- (1) *Nova Wellness Group Berhad is an investment holding company listed on the Main Market of Bursa Securities and its subsidiary is involved in development, production and sales of nutraceutical and skincare products under its house brands and original equipment manufacturer development and production of nutraceutical products.*
- (2) *Ramssol Group Berhad is an investment holding company listed on the ACE Market and its subsidiaries in Malaysia are involved in the business of software development and advisory and provision of internet related services in relation to the business of mobile application, electronic commerce, information systems integration and administration, provision of computer programming activities, provision of research and development on information and communication technology.*
- (3) *Pentamaster International Limited is an investment holding company formally listed on the Main Market of the Hong Kong Stock Exchange and its subsidiaries are involved in automated test equipment which entails designing, development and manufacturing of standard and non- standard automated equipment and factory automation solution which entails designing, development and installation of integrated factory automation solutions.*
- (4) *Jack In Group Limited is an investment holding company formally listed on the Australia Stock Exchange and its subsidiaries are involved in piling and foundation services business.*

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

(vii) Ir. Chow Kai Hoon

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
Harmony Partners Consultant	Partner	13 August 2007	-	50.00	Engineering services ⁽¹⁾
Past involvement					
-	-	-	-	-	-

Note:

- (1) *Involved in civil and structural engineering consultancy and submission services, including the preparation of technical design documents and coordination with authorities for project approvals.*

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

5.2.5 Involvement of our Promoters, Substantial Shareholders and our Directors in other businesses or corporations

Save as disclosed in Section 5.2.4 of this Prospectus, our Managing Director, Ai Boon Chen and Executive Directors, Ai Sew Fuat and Lim Ay Yum who are also our Promoters and substantial shareholders are not involved in other businesses or corporations. Their involvement in other businesses or corporations is not expected to affect the operations of our Group as his involvement in the aforesaid companies are minimal as these companies do not require his involvement on a day-to-day basis. In addition, these businesses or corporations are managed by or operated by the other shareholders and/or directors and/or have their own management team.

In relation to our Independent Non-Executive Directors, their involvement in business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day to day operations of our Group.

Their present involvement in the business or corporations set out in Section 5.2.4 of this Prospectus does not give rise to any conflict or potential conflict of interest with our business. Hence, our Board is of the view that this would not affect their contribution and performance in our Group. Please refer to Section 10.1.1 of this Prospectus for further details.

5.2.6 Key Senior Management

Our Key Senior Management comprises the following:

Name	Age	Nationality	Designation
Norliana Binti Noor Ezat (F)	32	Malaysian	Finance Manager
Siti Hajar Binti Ismail (F)	33	Malaysian	Human Resources Manager
Heng Eik Woei (M)	37	Malaysian	Technical Manager
Jenylex Kumil (M)	35	Malaysian	Project Director
Muhammad Amirul Bin Muhammad Amri (M)	32	Malaysian	Operations Manager

Notes:

(M) Male.

(F) Female.

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

5.2.7 Key Senior Management's shareholdings

The direct and indirect shareholdings of our Key Senior Management in our Company as at the LPD and after our IPO are as follows:

Name	Before our IPO/As at the LPD				⁽¹⁾ ⁽²⁾ After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Norliana Binti Noor Ezat	-	-	-	-	300,000	0.03	-	-
Siti Hajar Binti Ismail	-	-	-	-	300,000	0.03	-	-
Heng Eik Woei	-	-	-	-	300,000	0.03	-	-
Jenylex Kumil	-	-	-	-	300,000	0.03	-	-
Muhammad Amirul Bin Muhammad Amri	-	-	-	-	300,000	0.03	-	-

Notes:

(1) Based on our enlarged number of issued Shares of 1,000,000,000 Shares after our IPO.

(2) Assuming all the Key Senior Management fully subscribe for the Shares allocated to him/her under the Pink Form Allocation.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**5.2.8 Profile of Key Senior Management**

The profiles of the Key Senior Management of our Group are as follows:

(i) Norliana Binti Noor Ezat
Finance Manager

Norliana Binti Noor Ezat, a Malaysian female aged 32, is our Finance Manager.

She graduated from Universiti Utara Malaysia with a Bachelor of Accounting (Honours) in 2017. She is a Chartered Accountant of the MIA since 2024.

She began her career in 2017 as an Account Assistant in Yeo Plumber, where she handled accounts payable and receivable, tax computations, and financial reporting before she left in 2019.

In 2019, she joined YPSB as an Account Executive, where she was mainly responsible for handling financial matters, reconciliations, and assisted in management accounts, payroll, and audit. In 2022, she was promoted to Assistant Finance Manager where she took on a broader role in overseeing financial operations, ensuring accurate financial reporting, monitoring cash flow, and preparing contract analysis schedules.

In 2023, she was promoted as the Finance Manager, a position she holds to-date, where she is mainly responsible for overall accounting functions which includes financial planning and analysis, budget control, and ensuring compliance with accounting standards and tax regulations.

Presently, she does not hold any directorships nor is involved in any business activities outside of our Group.

(ii) Siti Hajar Binti Ismail
Human Resources Manager

Siti Hajar Binti Ismail, a Malaysian female aged 33, is our Human Resources Manager.

She graduated from International Islamic University Malaysia with a Bachelor of Science (Islamic Finance) (Honours) in 2015.

She began her career in 2015 as a Site Clerk in Nakano Construction Sdn Bhd, where she handled general clerical duties, document management, and maintaining an organised filing system before she left in 2016.

In 2016, she joined Panasonic System Networks Malaysia Sdn Bhd as a Finance Executive, where she was responsible for data entry related to accrued expenses and issuing tax invoices before she left in 2016.

She joined Yeo Plumber as an Account Assistant in 2017, providing administrative support to accountants through clerical and documentation tasks.

In 2019, she left Yeo Plumber and joined YPSB as an Admin & Human Resources Executive, where she was mainly responsible for human resources and administrative functions, including recruitment, employee performance assessments, and employment-related policy development. In 2023, she was promoted to Admin & Human Resources Assistant Manager, where she took on a broader role in managing employee relations, payroll administration, staff training programs, and implementing workplace policies.

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

In 2024, she was promoted as Human Resources Manager, a position she holds to-date, where she oversees overall human resources and administrative framework. Her responsibilities include developing and enforcing human resources policies, talent acquisition strategies, performance management systems, and ensuring compliance with employment laws as well as internal standard operating procedures.

Presently, she does not hold any directorships nor is involved in any business activities outside of our Group.

(iii) Heng Eik Woei
Technical Manager

Heng Eik Woei, a Malaysian male aged 37, is our Technical Manager. He graduated from University Technology Malaysia with a Bachelor of Engineering (Mechanical) and Master of Science (Mechanical Engineering) in 2012 and 2017, respectively.

He began his career with YPSB in 2012 as a Project Engineer, where he was involved in coordinating site operations, assisting in project planning, and ensuring timely completion of project milestones. In 2015, he left YPSB to pursue his master's degree.

Upon completing his postgraduate studies in 2017, he rejoined YPSB as an Assistant Project Manager, where he was primarily responsible for supporting project planning, managing day-to-day operations on-site, coordinating with contractors, and ensuring timely delivery of project milestones.

In 2020, he was promoted as Project Manager, where he was primarily responsible for overseeing project planning, execution, and monitoring to ensure conformance with design standards. He also supervised site work to keep projects on schedule, prepared management updates, and handled construction drawings on a project-by-project basis and coordinated with clients, contractors, and consultants to ensure seamless project progress.

In 2023, he was promoted to Technical Manager, a position he holds to-date, where he is mainly responsible for managing the technical requirements of YPSB's projects, ensuring engineering designs meet regulatory and industry standards, and providing and advising technical guidance on project execution. His roles also includes reviewing construction methodologies, improving technical processes, and resolving engineering-related challenges to enhance project outcomes.

Presently, he does not hold any directorships nor is involved in any business activities outside of our Group.

(iv) Jenylex Kumil
Project Director

Jenylex Kumil, a Malaysian male aged 35, is our Project Director. He graduated from Politeknik Kota Kinabalu Sabah, Malaysia with a Diploma of Civil Engineering in 2010 and Bachelor of Civil Engineering from Universiti Tun Hussein Onn Malaysia in 2014.

He began his career in 2010 as a Site Supervisor in The W Group, where he was mainly responsible for monitoring site progress and ensuring compliance with project specifications before he left in 2011 to pursue his bachelor's degree.

Upon completing his undergraduate studies, he joined Yeo Plumber as a Project Engineer in 2014, where he was mainly responsible for developing project schedules, coordinating site activities, and ensuring timely project completion.

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

In 2014, he left Yeo Plumber and joined YPSB as a Project Engineer in 2015, where he was responsible for coordinating site operations, managing contractors, and ensuring project milestones were met. In 2019, he was promoted to Assistant Project Manager where he was responsible for assisting in project planning, tracking progress, managing resources, and coordinating with relevant parties

In 2020, he was promoted to Project Manager, where he was responsible for overseeing YPSB's construction projects, ensuring they are planned, executed, and completed on time, within budget, and in accordance with quality standards.

In 2024, he was promoted to Project Director, a position he holds to-date, where he is primarily responsible for leading and overseeing all projects within YPSB, he is mainly stationed at the project site and accountable for project planning as well as the overall implementation and delivery of the project, including site-level planning, supervision, and ensuring that project activities are carried out in accordance with timelines and specifications.

Further details of his principal business activities at present, and directorships in any other corporations outside of our Group at present and in the past 5 years preceding the LPD are as set out in Section 5.2.9(i) of this Prospectus.

(v) Muhammad Amirul Bin Muhammad Amri
Operations Manager

Muhammad Amirul Bin Muhammad Amri, a Malaysian male aged 32, is our Operations Manager. He graduated from Universiti Malaysia Perlis, Malaysia with a Bachelor of Civil Engineering (Hons) in 2016.

He began his career in 2016 as a Project Executive in Yeo Plumber, where he was involved in coordinating project schedules, assisting in site supervision, and supporting the preparation of project reports.

In 2019, he left Yeo Plumber and joined YPSB as a Project Engineer where he was responsible for project planning, site management, contractor coordination, and ensuring project milestones were met. Subsequently, he was promoted to Assistant Project Manager in 2021.

In 2023, he was promoted as Operations Manager, a position he holds to-date, where he is primarily responsible for managing day-to-day project operations. He facilitates effective site implementation in order to ensure the project execution align with the overall direction and framework established by the Project Director. His roles include optimising manpower and machinery deployment, resolving operational challenges, improving workflow efficiency, monitoring site logistics, and ensuring compliance with work schedules and safety protocols.

Presently, he does not hold any directorships nor is involved in any business activities outside of our Group.

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

5.2.9 Involvement of our Key Senior Management in other businesses/corporations

Save as disclosed below, none of our Key Senior Management have principal business activities outside our Group as at the LPD. They also do not have directorships outside our Group at the present and in the past 5 years preceding the LPD, save as disclosed below:

(i) Jenylex Kumil

Company	Position held	Date appointed as Director/Date of joining as partner	Date resigned as Director/partner	Direct and indirect equity interest as at the LPD (%)	Principal activities
Present involvement					
Harmony Meadows Sdn Bhd	Director and shareholder	7 November 2017	-	30.00	Investment holdings, including the holding of real estate assets for rental income generation, and the provision of property management and related real estate services ⁽¹⁾
Past involvement					
-	-	-	-	-	-

Note:

(1) *Harmony Meadows Sdn Bhd was previously involved in housing development and has been involved in investment holding in properties since December 2022. Since 1 August 2025, our Group had entered into a service agreement with Harmony Meadows Sdn Bhd for the provision of hostel management services for its foreign workers. Please refer to Section 9.1.1 of this Prospectus for further details.*

Our Board is of the view that his involvements in other business activities outside our Group will not affect his contributions to our Group and would not be expected to affect the operations of our Group as his involvement in the above company are minimal and do not require his involvement on a day-to-day basis. Further, his involvement does not give rise to any conflict or potential conflict of interest with our business.

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

5.3 BOARD PRACTICES

5.3.1 Directorship

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

Name	Date of appointment	Date of expiration of the current term of office	Approximate no. of years in office up to the date of this Prospectus
Yap Chui Fan	6 June 2025	At our first AGM	Less than one (1) year
Ai Boon Chen	25 March 2025	At our first AGM	Less than one (1) year
Ai Sew Fuat	25 March 2025	At our first AGM	Less than one (1) year
Lim Ay Yum	25 March 2025	At our first AGM	Less than one (1) year
Christine Toh Hung Mei	6 June 2025	At our first AGM	Less than one (1) year
Sim Seng Loong @ Tai Seng	6 June 2025	At our first AGM	Less than one (1) year
Ir. Chow Kai Hoon	6 June 2025	At our first AGM	Less than one (1) year

5.3.2 ARMC

Our ARMC was established on 6 June 2025 and its members are appointed by our Board. Our ARMC comprises the following members:

Name	Designation	Directorship
Sim Seng Loong @ Tai Seng	Chairperson	Independent Non-Executive Director
Ir. Chow Kai Hoon	Member	Independent Non-Executive Director
Christine Toh Hung Mei	Member	Independent Non-Executive Director

The main functions of our ARMC as stated in its terms of reference includes, among others, the following:

- (i) to consider any matters concerning the appointment and re-appointment, the audit and non-audit fees and any questions of resignation or dismissal of external auditors, and further ensure the suitability, objectivity and independence of external auditors;
- (ii) to review with the external auditors:
 - (a) their audit plan, scope and nature of the audit of our Group;
 - (b) their evaluation and findings of the system of risk management and internal controls;
 - (c) their audit reports on financial statements;
 - (d) the management letter and management's response with regard to problems and reservations arising from their audits;
 - (e) the coordination of audits where more than one audit firm is involved; and
 - (f) any other matters that the external auditors may wish to discuss (in the absence of management where necessary).

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

- (iii) to ensure coordination between the external auditors and the internal auditors;
- (iv) to review and assess the adequacy of the scope, functions, competency, experience and resources of the internal audit functions of which the internal auditors should report directly to the ARMC and to ensure the internal auditors are independent and objective and have the relevant qualifications and be responsible for assuring the ARMC that the internal controls are operating effectively;
- (v) to review the internal audit plan, processes, the results of internal audit assessments, investigations undertaken and whether or not appropriate action is taken on the recommendations made;
- (vi) to review the adequacy and effectiveness of our Group's internal control systems, anticorruption and whistle-blowing as evaluated, identified and reported by our management, internal or external auditors as well as to review whether actions taken to ratify the same are appropriate or timely;
- (vii) to review the quarterly results and year-end financial statements of our Group before the approval by our Board;
- (viii) to prepare the ARMC Report at the end of each financial year for inclusion in the annual report of our Company;
- (ix) to ensure that our Board establishes a comprehensive framework/policy to identify, evaluate, approve and report related party transactions;
- (x) to assess all the disclosed conflicts by our Directors and key senior management, to evaluate their nature, significance and potential impact on our Group;
- (xi) to assist our Board to effectively discharge its risk oversight responsibilities by monitoring and overseeing our Group's risk management and processes in identifying, evaluating, monitoring and managing significant risks within our Group;
- (xii) to review our Group's risk management policy and implementation of the risk management framework;
- (xiii) to report promptly to Bursa Securities on any matter which has not been satisfactorily resolved resulting in a breach of the Listing Requirements;
- (xiv) to verify the allocation of options under a share issuance scheme or the allocation of shares according to any incentive plan for employees of our Group, if any;
- (xv) to review and conduct an annual performance evaluation of the internal and external auditors in respect of each financial year under review; and
- (xvi) to carry out such other functions or assignments as may be delegated by our Board from time to time.

The recommendations of our ARMC are subject to the approval of our Board.

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

5.3.3 Nomination Committee

Our Nomination Committee was established on 6 June 2025 and its members are appointed by our Board. Our Nomination Committee comprises the following members:

Name	Designation	Directorship
Ir. Chow Kai Hoon	Chairperson	Independent Non-Executive Director
Sim Seng Loong @ Tai Seng	Member	Independent Non-Executive Director
Christine Toh Hung Mei	Member	Independent Non-Executive Director

The main functions of our Nomination Committee's duties and responsibilities as stated in its terms of reference includes, among others, the following:

- (i) to review, assess, and recommend suitable candidates for appointment as Directors of our Company, as well as Directors who are due to retire and seeking re-election at the AGM. When making recommendations to our Board regarding directorship or re-appointment, the Nomination Committee must consider the "Fit and Proper Criteria" outlined in our Company's Directors' Fit and Proper Policy. These criteria include, but are not limited to:
 - (a) diversity in skills, knowledge, expertise, experience, age, cultural background and gender;
 - (b) competence and professionalism;
 - (c) character and integrity;
 - (d) time and commitment;
 - (e) any business interest or relationship that may result in a conflict of interest that could affect the execution of the role; and
 - (f) in the case of candidates for the position of Independent Director, the committee shall also evaluate the candidates' ability to discharge such responsibilities / functions as expected from the Independent Director.
- (ii) to ensure there is a gender-diverse Board and the committee may seek out independent sources to identify qualified candidates for our Board;
- (iii) to evaluate the necessary mix of skills, experience, core competencies, and diversity (including age, cultural background, and gender) of our Board and our Board Committees. Nomination Committee will assess the contribution and performance of each Director to ensure our Board and its Committees operate effectively and efficiently;
- (iv) to review the size, structure, balance, and composition of our Board and our Board Committees to ensure optimal performance;
- (v) to identify and review the core competencies, skills and other qualities including but not limited to the skills, knowledge, experience and diversity required by each of the Non-Executive Directors, that are essential to contribute towards the effectiveness and balance of our Board;
- (vi) to assess each Director's ability to contribute to our Board's decision-making process and ensure that our Board operates actively, efficiently, and effectively in all its decision-making;

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

- (vii) to conduct an annual review of the term of office and performance of the ARMC and each of its members. The review will assess whether the Committee and its members have fulfilled their duties in accordance with their terms of reference;
- (viii) to evaluate annually the effectiveness of our Board and our Board Committees as a whole for assessing the contribution to the effectiveness of the decision-making process of our Board;
- (ix) to review and assess annually the independence of the Independent Non-Executive Directors of our Company;
- (x) to review, consider and make recommendations regarding the continuation in office of Independent Non-Executive Directors who have served for more than nine years;
- (xi) to oversee the development of succession planning of our Board and key senior management;
- (xii) to remain up-to-date and fully informed about strategic issues and commercial changes that impact our Company and the market in which it operates; and
- (xiii) to carry out such other functions or assignments as may be delegated by our Board from time to time.

Our Director(s) concerned shall abstain from deliberation and voting on his/her own respective re-election.

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

5.3.4 Remuneration Committee

Our Remuneration Committee was established on 6 June 2025 and its members are appointed by our Board. Our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Christine Toh Hung Mei	Chairperson	Independent Non-Executive Director
Sim Seng Loong @ Tai Seng	Member	Independent Non-Executive Director
Ir. Chow Kai Hoon	Member	Independent Non-Executive Director

The main functions of our Remuneration Committee as stated in its terms of reference includes, among others, the following:

- (i) to review and recommend to our Board the appropriate remuneration packages for all Directors of our Company, with or without professional advice;
- (ii) to review and recommend fees and benefits payable to our Directors;
- (iii) to assist our Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus, and other benefits for our Directors and key senior management;
- (iv) to ensure that remuneration packages and benefits for our Directors and key senior management of our Company align with our Company's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and our Board;
- (v) to develop and administer a fair and transparent procedure for setting policy on the remuneration of our Directors and key senior management, which considers the demands, complexities, and performance of our Company, as well as the skills and experience required;
- (vi) to implement our Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of our Board and key senior management;
- (vii) to ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments, or conditions, and our Company's operating results, as well as our Directors or key senior management's merit, qualification, competence, and individual performance;
- (viii) to ensure that appropriate rewards, benefits, compensation, and remuneration are offered to retain Directors, and structuring remuneration packages to link rewards to individual performance; and
- (ix) to carry out any other functions delegated by our Board that would benefit our Company and ensure the effective discharge of the Remuneration Committee's duties and responsibilities.

Our Director(s) concerned shall abstain from deliberation and voting on his/ her own respective remuneration.

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

5.4 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

5.4.1 Directors' Remuneration and Material Benefits in-Kind

The aggregate remuneration and material benefits in-kind paid and proposed to be paid to our current Directors for services rendered to our Group in all capacities for the FYE 2024, FYE 2025 and FYE 2026 are as follows:

FYE 2024 (Actual)	Salary RM'000	Fees RM'000	Bonuses RM'000	Allowances RM'000	(¹) Statutory Contributions RM'000	Benefits in- kind RM'000	Total RM'000
Managing Director/Executive Directors							
Ai Boon Chen	590	-	-	-	72	25	687
Ai Sew Fuat ⁽²⁾	310	-	-	-	38	-	348
Lim Ay Yum	310	-	-	-	38	-	348
Independent Non-Executive Directors							
Yap Chui Fan	-	-	-	-	-	-	-
Christine Toh Hung Mei	-	-	-	-	-	-	-
Sim Seng Loong @ Tai Seng	-	-	-	-	-	-	-
Ir. Chow Kai Hoon	-	-	-	-	-	-	-

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

FYE 2025 (Paid)	Salary RM'000	Fees RM'000	Bonuses RM'000	Allowances RM'000	⁽¹⁾ Statutory Contributions RM'000	Benefits in- kind RM'000	Total RM'000
Managing Director/Executive Directors							
Ai Boon Chen	720	-	-	-	88	25	833
Ai Sew Fuat	360	-	-	-	42	21	423
Lim Ay Yum	360	-	-	-	42	-	402
Independent Non-Executive Directors							
Yap Chui Fan	-	5	-	1	-	-	6
Christine Toh Hung Mei	-	3	-	1	-	-	4
Sim Seng Loong @ Tai Seng	-	3	-	1	-	-	4
Ir. Chow Kai Hoon	-	3	-	1	-	-	4

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

FYE 2026 (Proposed)	Salary RM'000	Fees RM'000	Bonuses RM'000	Allowances RM'000	⁽¹⁾ Statutory Contributions RM'000	Benefits in- kind RM'000	Total RM'000
Managing Director/Executive Directors							
Ai Boon Chen	720	-	-(3)	-(3)	88	25	833
Ai Sew Fuat	360	-	-(3)	-(3)	42	21	423
Lim Ay Yum	360	-	-(3)	-(3)	42	21	423
Independent Non-Executive Directors							
Yap Chui Fan	-	60	-	7	-	-	67
Christine Toh Hung Mei	-	36	-	7	-	-	43
Sim Seng Loong @ Tai Seng	-	36	-	7	-	-	43
Ir. Chow Kai Hoon	-	36	-	7	-	-	43

Notes:

(1) Comprises contributions to EPF, Employment Insurance System and SOCSO.

(2) As the Project Director of YPSB.

(3) The estimated bonus and allowances to be paid for FYE 2026 is yet to be determined as at the LPD.

The remuneration of our Directors, which includes salaries, fees and allowances, bonuses, as well as other benefits-in-kind, must be considered and recommended by our Remuneration Committee and subsequently, be approved by our Board, subject to the provisions of our Constitution. Our Directors' fees and benefits-in-kind must be further approved and endorsed by our shareholders at a general meeting.

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

5.4.2 Key Senior Management’s Remuneration and Material Benefits-in-Kind

The aggregate remuneration and material benefits in-kind paid and proposed to be paid to our Key Senior Management for services rendered to our Group in all capacities for the FYE 2024, FYE 2025 and FYE 2026 are as follows:

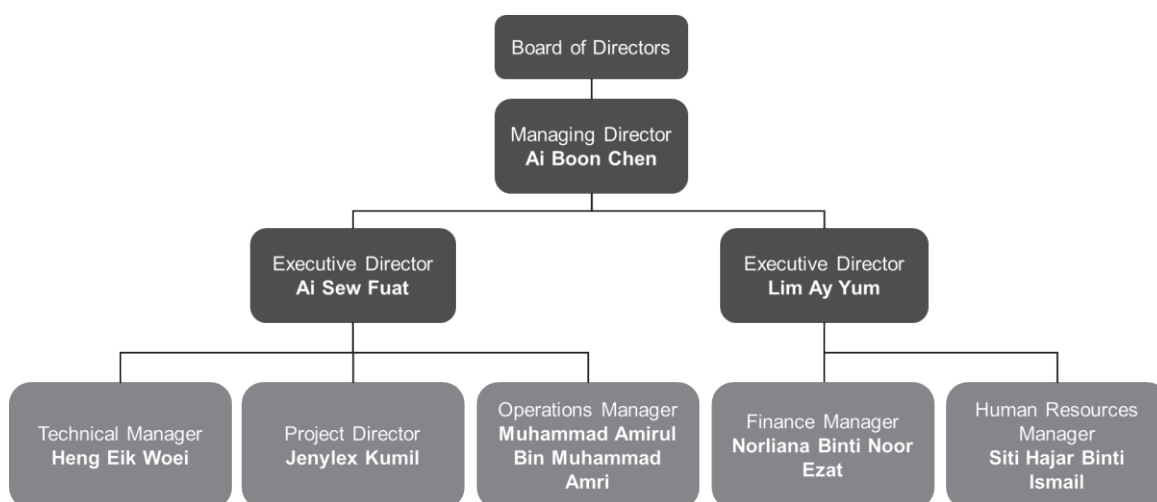
Key Senior Management	Remuneration Band		
	FYE 2024 RM'000	FYE 2025 RM'000	Proposed for the FYE 2026 RM'000 ⁽¹⁾
Norliana Binti Noor Ezat	100-150	100-150	100-150
Siti Hajar Binti Ismail	50-100	100-150	100-150
Heng Eik Woei	100-150	150-200	150-200
Jenylex Kumil	100-150	150-200	200-250
Muhammad Amirul Bin Muhammad Amri	100-150	100-150	150-200

Note:

(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.

5.5 MANAGEMENT REPORTING STRUCTURE

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



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

5.6 DECLARATIONS BY EACH PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors and Key Senior Management is or was involved in any of the following events, whether in 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 proceedings 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.

5.7 FAMILY RELATIONSHIPS AND ASSOCIATIONS

Save as disclosed below, there are no family relationships and associations among the Promoters, substantial shareholders, Directors and Key Senior Management as at the LPD:

- (i) Ai Boon Chen, the Promoter, Specified Shareholder, substantial shareholder and Managing Director, is the son of Ai Sew Fuat and Lim Ay Yum;
- (ii) Ai Sew Fuat, the Promoter, Specified Shareholder, substantial shareholder and Executive Director, is the spouse of Lim Ay Yum and father of Ai Boon Chen; and
- (iii) Lim Ay Yum, the Promoter, Specified Shareholder, substantial shareholder and Executive Director, is the spouse of Ai Sew Fuat and mother of Ai Boon Chen.

5.8 SERVICE AGREEMENTS

As at the LPD, none of our Directors and/or Key Senior Management have any existing or proposed service agreement with our Group.

6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR GROUP

6.1.1 Overview and history

Our Company was incorporated in Malaysia under the Act as a private limited company on 25 March 2025 under the name ISF Group Sdn Bhd and was subsequently converted to a public limited company on 4 June 2025 under our present name ISF Group Berhad. Our Company is an investment holding company.

Through our Subsidiary, we are principally involved in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping. We also provide maintenance and repair services for piping systems.

The history of our Group can be traced back to the incorporation of our Subsidiary in 2000 by Ai Sew Fuat and Lim Ay Yum, both of whom were our current Executive Directors, and Yeo Chak Nge, a sibling of Ai Sew Fuat and an Executive Director of our Subsidiary at that time. At the time of incorporation, Ai Sew Fuat, Lim Ay Yum, and Yeo Chak Nge each held one-third (approximately 33.33%) of the equity interests of our Subsidiary.

Ai Boon Chen joined our Subsidiary in 2012 and he became a shareholder and director of our Subsidiary in 2014. Subsequently, he was appointed to his current position as our Managing Director in 2025.

Yeo Chak Nge's involvement in our Group ceased in 2014 after he disposed of his entire equity interest in our Subsidiary to Ai Sew Fuat and he resigned as a Director of our Subsidiary in the same year.

Our Group was formed on 13 November 2025 pursuant to the completion of the Acquisition of YPSB.

6. INFORMATION ON OUR GROUP (Cont'd)

The table below sets out the key events and milestones of the history and development of our Group's business:

Year	Key events and milestones
2000	<ul style="list-style-type: none"> • Our Subsidiary was incorporated in 2000 and commenced business operations in 2001 initially in the trading of plumbing materials. We started our business operations at our current Head Office. When our Managing Director, Ai Boon Chen, joined our Subsidiary in 2012, he started to establish our operational readiness to venture into the supply and installation of piping systems for end-user premises projects, leading to our first job in 2015.
2015	<ul style="list-style-type: none"> • We were initially registered with CIDB via our Subsidiary as a G3 contractor which enabled us to tender for projects with contract value of up to RM1.00 million. • We secured our first supply and installation of piping systems for end-user premises project in 2015 which was for the supply and installation of cold water and sanitary piping systems for a hypermarket in Johor with contract value of RM2.25 million. We subsequently secured another project for the same end-user in 2015, which was for the supply and installation of cold water and sanitary piping systems for a hypermarket in Pahang with contract value of RM2.08 million. • Furthermore, we secured our first hospitality industry project, which was for the supply and installation of cold water and sanitary piping systems for a hotel in Johor with contract value of RM1.97 million.
2016	<ul style="list-style-type: none"> • Our Subsidiary subsequently upgraded its CIDB registration to G5 status which allows us to tender for projects with contract value of up to RM5.00 million. • We expanded our end-user coverage through the following projects: <ul style="list-style-type: none"> - Our first data centre project was for the supply and installation of cold water and sanitary piping, and rainwater harvesting systems for a data centre in Johor with contract value of RM2.04 million; and - We secured our first oil and gas industry projects which was for the supply and installation of cold water and sanitary piping systems for workers' accommodations that were part of the development of the Pengerang Integrated Petroleum Complex at Pengerang, Johor with contract value of RM1.46 million.
2017	<ul style="list-style-type: none"> • We secured our first education institution project which was for the supply and installation of cold water and sanitary piping systems and rainwater downpipe for a college building in Johor with contract value of RM0.61 million. • Our Subsidiary upgraded its CIDB registration to G7 status which allows us to tender for projects without any limitations in contract value. • Our Subsidiary completed the purchase of a piece of land of approximately 118,413 sq. ft. in Pontian, Johor. As part of our business strategy, we plan to set-up our New Head Office and Storage Facility on this land. Please refer to Section 6.19.1 of this Prospectus for additional information on this business strategy.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key events and milestones
2018	<ul style="list-style-type: none"> • We expanded our geographical reach and end-user coverage when we secured the following projects in other states and/or for other types of facilities: <ul style="list-style-type: none"> - In Melaka, we provided maintenance services for a water tank at an electronics products manufacturing facility with contract value of RM0.08 million. - In Negeri Sembilan, we carried out the supply and installation of cold water and sanitary piping systems, and water mains and sewer pipes to connect the premises to the water mains and sewer infrastructure respectively for a battery manufacturing facility with contract value of RM0.55 million. - In Penang, we carried out the supply and installation of cold water and sanitary piping systems, and water mains and sewer pipes to connect the premises to the water mains and sewer infrastructure respectively for a medical devices manufacturing facility with contract value of RM1.38 million. • Our Subsidiary obtained ISO 9001:2018 quality management system certification for the provision of plumbing, engineering, trading, construction and maintenance services.
2019	<ul style="list-style-type: none"> • We secured the following projects which expanded our geographical reach to other states and territories and/or for other types of end-user premises as follows: <ul style="list-style-type: none"> - In Selangor, we carried out the supply and installation of cold water and sanitary piping systems, water mains pipes (to connect the premises to the water mains system), and on-premises sewage treatment plant for a plastic packaging manufacturing facility with contract value of RM0.99 million. - In Kuala Lumpur, we carried out the supply and installation of cold water and sanitary piping systems for a hypermarket with contract value of RM2.09 million. - In Johor, we carried out the supply and installation of water mains pipes (to connect the premises to the water mains system) and a temporary water storage tank with total contract value of RM0.34 million as part of the development of a new power plant in Pasir Gudang. This was our first project for the power generation industry.
2020	<ul style="list-style-type: none"> • We secured our first supply and installation of water supply and sewer infrastructure piping project which involved the design, supply, and installation of water mains piping (including connection to the water mains system) as part of the development of a crude oil terminal in Johor with contract value of RM2.50 million. • We secured our first project in the healthcare industry, which involved the supply and installation of cold water, sanitary, chemical discharge, and rainwater piping systems, as well as sanitary fittings as part of the construction of a new pathology laboratory building at an existing hospital in Johor Bahru with contract value of RM0.72 million. • Our Subsidiary was registered with the Ministry of Finance Malaysia (MOF) as a supplier of specified products and services, which enables us to undertake government projects. Please refer to Section 6.21 of this Prospectus for additional information relating to this registration's material eligibility criteria and requirements. As at the LPD, we have not secured any government projects.
2021	<ul style="list-style-type: none"> • Our Subsidiary obtained our ISO 14001:2015 environmental management system certification and ISO 45001:2018 occupational health and safety management system certification for the provision of plumbing, engineering, trading, construction and maintenance services.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key events and milestones
2022	<ul style="list-style-type: none"> • We secured and carried out the following significant projects: <ul style="list-style-type: none"> - The supply and installation of cold water, sanitary, sewer, and fire hydrant piping systems for a semiconductor manufacturing facility in Penang (“Penang Factory Project”) with total contract value of RM51.24 million as at the LPD; and - A supply and installation of water supply infrastructure piping project in Johor to reroute an existing water mains pipe and reconnect it to the water mains system (“Water Mains Rerouting Project”) with contract value of RM3.67 million as at the LPD. • To cater for our business expansion, we established the SILC Office in Iskandar Puteri, Johor at our own premises.
2023	<ul style="list-style-type: none"> • We secured and carried out the following significant projects in 2023: <ul style="list-style-type: none"> - The supply and installation of end-user piping systems project for a data centre in Johor involving cold water and sanitary piping systems, and rainwater downpipes (“Johor Data Centre 1 Project”) with total contract value of RM21.77 million as at the LPD; and - The supply and installation of cold water and sanitary piping systems for mass transit facilities in Johor, which was our first project for the public transport infrastructure sector (“RTS Link Project”) with contract value of RM8.21 million as at the LPD.
2024	<ul style="list-style-type: none"> • We secured and carried out the following significant projects in 2024: <ul style="list-style-type: none"> - The supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems works for a serviced apartment in Johor (“Johor Serviced Apartment 4 Project”) with contract value of RM10.08 million as at the LPD; - The supply, installation, testing and commissioning of end-user piping systems project involving cold water and sanitary piping systems, and road drainage works and installation of sanitary wares and fittings for a serviced apartment in Johor (“Johor Serviced Apartment 5 Project”) with contract value of RM15.90 million as at the LPD; - The supply and installation of cold water, hot water, and sanitary piping systems for a hotel in Penang (“Penang Hotel Project”) with contract value of RM9.62 million as at the LPD; and - The design, supply, installation, testing and commissioning of water supply infrastructure piping and connecting to existing mains water supply network for a data centre in Johor (“Johor Data Centre 1 Water Supply Project”) with contract value of RM30.76 million as at the LPD.
2025	<ul style="list-style-type: none"> • We secured and carried out the following significant projects in 2025: <ul style="list-style-type: none"> - 2 different projects for the supply, installation, testing, commissioning, and maintenance of cold water and sanitary piping systems for serviced apartments in Johor (“Johor Serviced Apartment 6 Project” and “Johor Serviced Apartment 7 Project”) with contract values of RM8.95 million and RM8.50 million, respectively, as at the LPD; and - The supply and installation of water supply infrastructure piping from a water reclamation plant to a data centre in Johor (“Johor Data Centre 3 Water Reclamation Project”) with contract value of RM2.10 million as at the LPD; and - The supply, installation, testing, commissioning, and maintenance of cold water and sanitary piping systems, and mains water interconnection for a data centre in Kuala Lumpur (“Kuala Lumpur Data Centre Project”) with contract value of RM9.50 million as at the LPD.

6. INFORMATION ON OUR GROUP (Cont'd)

6.1.2 Awards and recognitions

Some of the awards and recognitions we received up to the LPD include the following:

Year	Awarding organisation	Awards and recognitions
2019	SME 100	SME 100 Malaysia Fast Moving Companies Award 2019
2020	Sin Chew Daily	Sin Chew Business Excellence Awards 2020
2021	Business Media International	The Golden Bull Award 2021 – Outstanding SME
2021	The Star and Statista	Recognition as one of Malaysia's Growth Champions 2021

6.1.3 Our competitive advantages and key strengths

Our competitive advantages and key strengths which provide us with the platform to sustain and grow our business are as follows:

(i) **We have a proven track record in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping**

We have a proven track record of 10 years in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping. Our first supply and installation of piping systems for end-user premises project was in 2015 when we secured the supply and installation of cold water and sanitary piping systems project for a hypermarket in Johor. Meanwhile, we secured our first supply and installation of water supply and sewer infrastructure piping project in 2020, which was for the design, supply, and installation of water mains piping (including connection to the water mains system) as part of the development of a crude oil terminal in Johor. Since then, we have established a track record of supplying, installing, and/or maintaining piping systems for a range of facilities and infrastructure.

During the Financial Years and Period Under Review, our services covered properties and facilities comprising industrial, data centre, residential, commercial and others (including water supply and sewer infrastructure, institutional, healthcare, and infrastructure such as power plants and mass transit facilities).

Our extensive track record will provide prospective customers with the assurance of our capabilities. It also serves as a strong reference to help us to secure new projects and creating a platform for the continuing growth of our business.

6. INFORMATION ON OUR GROUP (Cont'd)**(ii) We offer comprehensive end-to-end services for piping systems as well as water supply and sewer infrastructure piping**

Our expertise spans various types of piping systems commonly found in end-user premises such as water mains interconnections, cold and hot water systems, sanitary drainage, rainwater downpipes, rainwater harvesting, process piping as well as piping for fire hydrants. In addition, our services also cover water supply and sewer infrastructure piping. We carry out supply, construction and installation, and testing and commissioning for these projects, and we also provide design, if requested. We can tailor its services to meet specific project requirements, offering flexible combinations of various scopes and systems. For the Financial Years and Period Under Review, the supply and installation of piping systems which includes design component accounted for less than 0.01% (less than RM0.01 million), 0.65% (approximately RM0.25 million), 4.70% (approximately RM2.57 million) and 8.51% (approximately RM5.06 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively. Although projects that included the design component may be a minor contribution to our total revenue, it is a demonstration of the full scope of our capabilities.

We offer our customers the convenience of a single point of contact for our scopes of work of an end-user premises piping system or water supply and sewer infrastructure piping project. This allows us to maintain control over project implementation, time management and budget, ensuring on-time delivery and adherence to specifications. These strengths enable us to secure new projects and also helps to sustain the growth of our business.

(iii) Our experience covers a range of end-user premises which provides us with growth opportunities

Since the commencement of our business, we have completed the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping relating to the following types of properties and infrastructure:

- industrial such as manufacturing and processing plants;
- data centres;
- residential such as high-rise apartments and condominiums;
- commercial such as shopping complexes, mixed developments, and offices;
- others including institutional (such as workers' accommodation and colleges), healthcare (hospital), and infrastructure facilities (such as power plants and mass transit facilities); and
- water supply and sewer infrastructure.

The wide applicability of our services provides us with a platform to diversify our customer base and addressable markets, while sustaining and driving the growth of our business.

6. INFORMATION ON OUR GROUP (Cont'd)**(iv) We utilise both indirect and direct distribution channels to address business opportunities**

For FYE 2022, FYE 2023, FYE 2024 and FPE 2025, our indirect distribution channel contributed 91.74%, 88.93%, 78.83% and 73.56% of our total revenue, respectively. The remainder of our revenue came from our direct distribution channel. By leveraging both channels, we maximise our market reach to address a broader range of business opportunities.

Our indirect distribution channel allows us to access markets and customers that might otherwise be out of reach. By cultivating strong, long-term partnerships with key channel partners including main contractors, project management company and M&E contractors, we can tap into their established sales and business networks. These networks enable us to reach a wider, more diverse customer base which will assist us to capitalise on new growth opportunities.

Meanwhile, our direct distribution channel accounted for 8.26%, 11.07%, 21.17% and 26.44% of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. Our direct distribution channel enables us to engage closely with business owners, property owners and property developers. This direct interaction helps us better understand their needs and challenges. By applying our design and engineering expertise, we can deliver highly customised solutions that cater to specific customer requirements. Furthermore, these direct relationships foster customer loyalty, increasing the likelihood of repeat business and positioning us as trusted partners as their businesses evolve and grow.

Overall, revenue from repeat customers (from both indirect and direct distribution channels) that had engaged us for more than one (1) project either in the past or during the Financial Years and Period Under Review accounted for 49.71%, 29.58%, 26.72% and 24.42% of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively.

(v) We have experienced Directors and Key Senior Management teams to drive our business growth

We have an experienced management team headed by the Managing Director, Ai Boon Chen, and the Executive Directors, Ai Sew Fuat and Lim Ay Yum. They bring with them approximately 13, 46, and 44 years of experience, respectively in the piping industry. They are instrumental in driving our business growth and leading our business operations and development. The Executive Directors are supported by the Key Senior Management, who each have between approximately 8 years to 15 years of relevant experience.

Please refer to Sections 5.1.2 and 5.2.8 of this Prospectus for the profiles of our Directors and Key Senior Management team, respectively.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.1.4 Share capital and changes in share capital**

As at the LPD, our issued share capital is RM14,665,600 comprising 814,701,000 Shares.

The details of the changes in our issued share capital since incorporation up to the LPD are as follows:

Date of allotment	No. of Shares	Consideration	Cumulative issued share capital (RM)	Cumulative no. of Shares
25 March 2025	1,000	Cash	1,000	1,000
13 November 2025	814,700,000	Otherwise than cash pursuant to the Acquisition of YPSB	14,665,600	814,701,000

There were no discounts, special terms or instalment payment terms given in consideration of the allotment.

As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital.

Upon completion of our Listing, our issued share capital will increase to RM75,814,270 comprising 1,000,000,000 Shares.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.2 INFORMATION ON OUR SUBSIDIARY**

As at the LPD, save for YPSB, our Group does not have any other subsidiary, joint venture or associates. The details of our Subsidiary is as follows:

(a) Background, history and principal activities

YPSB was incorporated on 9 December 2000 in Malaysia under the Companies Act 1965 as a private limited company and is deemed registered under the Act.

YPSB is principally involved in carrying on the business of supply and installation of piping systems for end-user premises as well as piping for water supply and sewer infrastructure and maintenance and repair of piping systems and has its principal place of business in Malaysia.

(b) Share capital

As at the LPD, the issued share capital of YPSB is RM1,000,000.00 comprising 1,000,000 ordinary shares.

The changes in YPSB issued share capital since incorporation up to the LPD are as follows:

Date of allotment	No. of ordinary shares allotted	Consideration	Cumulative no. of shares	Cumulative share capital (RM)
9 December 2000	3	Cash	3	3
22 September 2014	1	Cash	4	4
6 December 2014	199,996	Cash	200,000	200,000
15 December 2015	300,000	Cash	500,000	500,000
8 September 2017	250,000	Cash	750,000	750,000
29 March 2018	250,000	Cash	1,000,000	1,000,000

As at the LPD, YPSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

6. INFORMATION ON OUR GROUP (Cont'd)

(c) Substantial shareholder and Directors

YPSB is a wholly-owned subsidiary of our Company. The shareholders of YPSB and their respective shareholdings for the past three (3) years up to the LPD are as follows:

Name	As at 31 December						As at the LPD	
	2022		2023		2024		No. of shares	%
	No. of shares	%	No. of shares	%	No. of shares	%		
Ai Boon Chen	600,000	60.00	600,000	60.00	600,000	60.00	-	-
Ai Sew Fuat	45,000	4.50	45,000	4.50	45,000	4.50	-	-
Lim Ay Yum	355,000	35.50	355,000	35.50	355,000	35.50	-	-
ISF	-	-	-	-	-	-	1,000,000	100.00

Please refer to Section 4.1.1 of this Prospectus for further details of the Acquisition of YPSB.

As at the LPD, the directors of YPSB are Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum.

(d) Subsidiary, associate and joint venture

As at the LPD, YPSB does not have any subsidiary, associate or joint venture.

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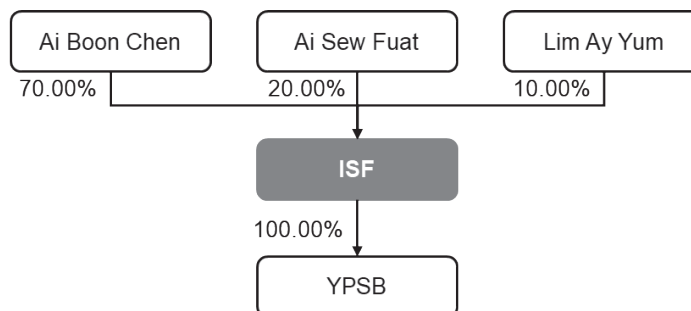
6. INFORMATION ON OUR GROUP (Cont'd)

6.3 GROUP STRUCTURE

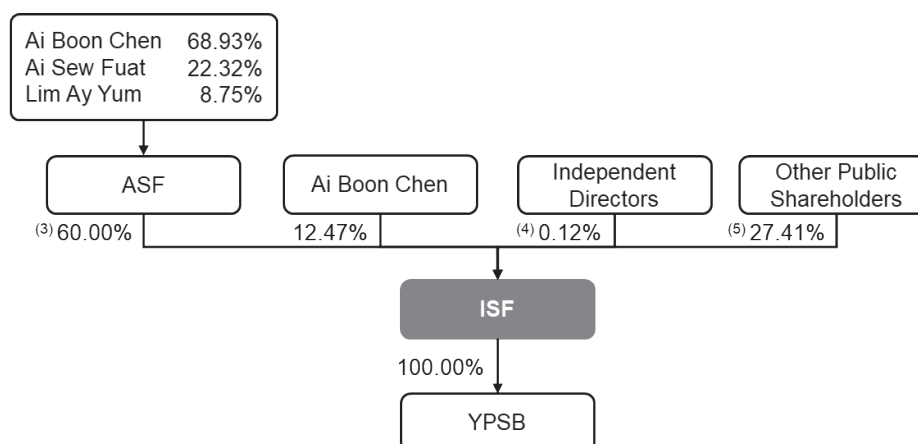
Our Group was formed on 13 November 2025 pursuant to the completion of the Acquisition of YPSB. Please refer to Section 4.1.1 of this Prospectus for further details of the Acquisition of YPSB.

Our Group's structure is as follows:

After the Acquisition of YPSB but before our IPO



After our IPO ^{(1) (2)}



Notes:

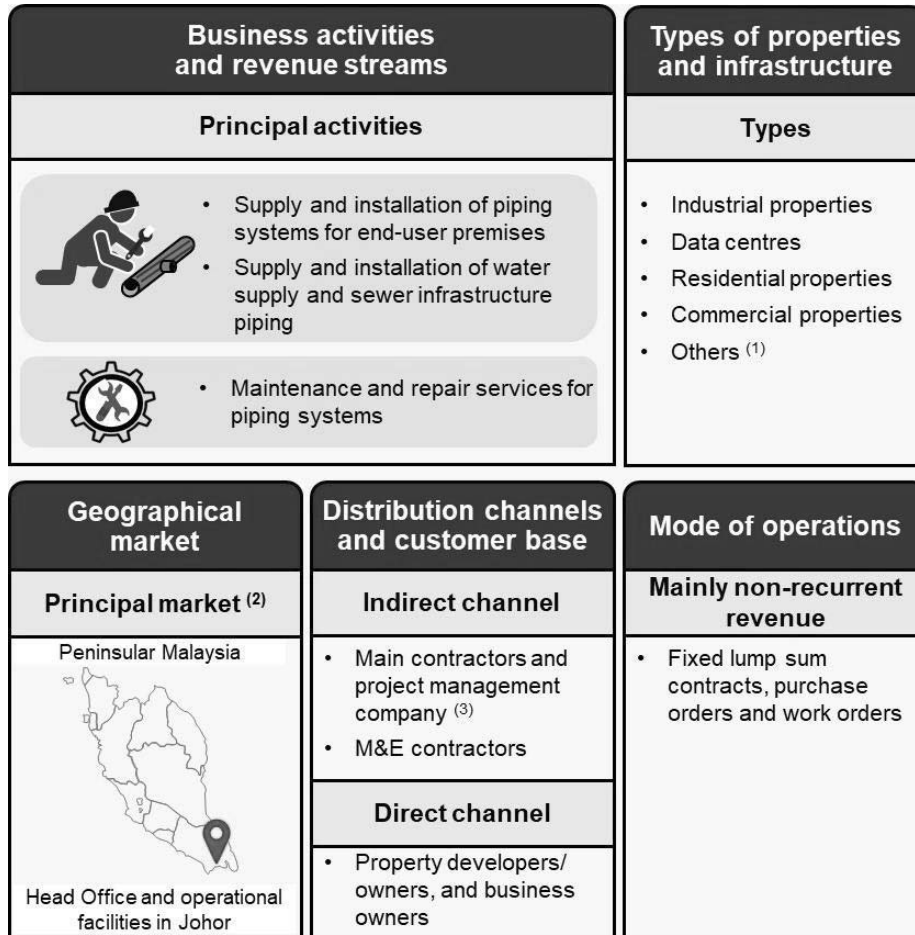
- (1) Based on the issued share capital of 1,000,000,000 Shares after our IPO.
- (2) Assuming the offer of 90,000,000 Offer Shares pursuant to the Offer for Sale.
- (3) Pursuant to the Share Transfer during the prescription period (one (1) day after the launching date of the Prospectus up to a period of 30 days).
- (4) Assuming that the pink form allocations to the Independent Directors are fully subscribed.
- (5) The public shareholding spread upon listing is 27.41%.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4 BUSINESS OVERVIEW

6.4.1 Our business model

For the Financial Years and Period Under Review, our business model is depicted in the following diagram:



Notes:

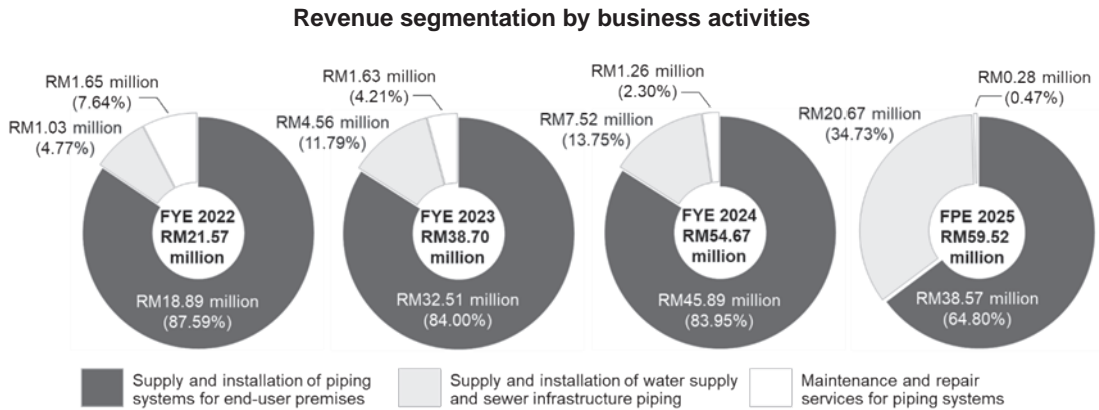
- (1) Others include water supply and sewer infrastructure, institutional, healthcare, and infrastructure such as power plants and mass transit facilities.
- (2) During the Financial Years and Period Under Review, we had derived revenue from projects located in Johor, Kedah, Kuala Lumpur, Melaka, Negeri Sembilan, Penang, and Selangor.
- (3) A main contractor is responsible for delivering the entire project and usually carries out certain portions of the physical construction works. The main contractor will usually engage subcontractors to carry out specific portions of the project. Meanwhile, a project management company focuses mainly on planning, coordination and project management of a construction project including overseeing, among others, consultants, engineers, contractors and suppliers to ensure that project is delivered on time and on budget. They do not carry out any physical construction works.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.2 Business activities and revenue streams

Our principal activities are in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping. We also provide maintenance and repair services for piping systems.

For the Financial Years and Period Under Review, our revenue segmentation is as depicted in the diagram below:



Business activities	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Supply and installation of piping systems for end-user premises	18,896	87.59	32,511	84.00	45,894	83.95	38,567	64.80
<i>Internal and external piping systems⁽¹⁾</i>	15,922	73.80	22,803	58.92	34,763	63.59	31,624	53.13
<i>Internal piping systems only⁽²⁾</i>	2,127	9.86	9,412	24.32	10,790	19.74	6,943	11.67
<i>Process piping⁽³⁾</i>	847	3.93	296	0.76	341	0.62	-	-
Supply and installation of water supply and sewer infrastructure piping	1,028	4.77	4,563	11.79	7,515	13.75	20,667	34.73
<i>Water mains piping</i>	830	3.85	3,764	9.73	6,975	12.76	20,667	34.73
<i>Sewer piping</i>	198	0.92	799	2.06	540	0.99	-	-
Maintenance and repair services for piping systems	1,649	7.64	1,631	4.21	1,260	2.30	282	0.47
TOTAL	21,573	100.00	38,705	100.00	54,669	100.00	59,516	100.00

Notes:

- (1) Comprises projects that involve internal piping systems within buildings or structures (such as cold water, hot water, and sanitary drainage piping systems, rainwater downpipes, and rainwater harvesting systems) as well as external piping systems outside of buildings (such as water or sewer pipes within the end-user premises' boundary and piping outside the boundary to connect the end-user premises to nearby water mains or sewer systems).
- (2) Comprises projects that only involve internal piping systems and do not involve external piping systems.
- (3) Process piping is installed in some manufacturing facilities and are designed to transport liquids or provide essential services to support manufacturing or processing operations.

6. INFORMATION ON OUR GROUP (Cont'd)**(i) Supply and installation of piping systems for end-user premises**

For the Financial Years and Period Under Review, we have provided supply and installation services for piping systems in end-user premises. These systems consist of a network of pipes, fittings, and equipment used to transport liquids and slurries, such as potable water, sewage, wastewater, and rainwater. In some cases, the system includes an on-site sewage treatment plant. They are confined within the boundaries of properties which include buildings, landscaping, structures, facilities, and amenities.

An end-user premises' piping system connects to the water mains system to distribute potable water to various points within the end-user premises. Additionally, the sanitary piping system within the end-user premises is linked to the sewer system and municipal drainage system to remove sewage, wastewater and other materials generated within the premises.

During the Financial Years and Period Under Review, the scope of work of all of our supply and installation of piping systems for end-user premises projects included supply and installation, and testing and commissioning. A small proportion of projects include design as our scope of work.

During the Financial Years and Period Under Review, we have successfully delivered piping systems for industrial, data centre, residential, commercial, and others (including water supply and sewer infrastructure, institutional, healthcare, and infrastructure such as power plants and mass transit facilities). Our services include the supply and installation of new piping systems, as well as retrofitting or upgrading of existing piping systems.

(ii) Supply and installation of water supply and sewer infrastructure piping

For the Financial Years and Period Under Review, our supply and installation of water supply and sewer infrastructure piping service involve piping works for water mains and sewer infrastructure that are located outside the boundary of end-user premises, as follow:

- **Water mains piping** where we are focused on the water mains network that transports water. We do not deal with infrastructure such as water treatment plants.
- **Sewer piping** where we are focused on the sewer network that transports sewage. We do not deal with infrastructure such as sewage treatment plants.

(iii) Maintenance and repair services for piping systems

For the Financial Years and Period Under Review, we provide maintenance and repair services for piping systems only in Johor. These maintenance and repair services are intended to avoid or rectify breakdowns, and they involve the provision of services and may include the supply and installation of parts and equipment (depending on the nature of the job).

We provide preventive maintenance services (scheduled services to identify issues early and prevent them from escalating to breakdown) as well as corrective maintenance services (carried out in response to breakdown to restore functionality as quickly as possible).

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.3 Types of properties and infrastructure

Our revenue which is segmented by types of properties and infrastructure is summarised in the following table:

Types of properties and infrastructure	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Industrial properties ⁽¹⁾	13,769	63.83	24,348	62.91	23,335	42.68	11,316	19.01
Data centres ⁽²⁾	1,031	4.78	4,305	11.12	11,655	21.32	28,250	47.47
Residential properties ⁽³⁾	1,207	5.59	2,195	5.67	11,068	20.25	8,652	14.54
Commercial properties ⁽⁴⁾	4,167	19.32	4,416	11.41	5,315	9.72	7,712	12.96
Others ^{(5) (6)}	1,399	6.48	3,441	8.89	3,296	6.03	3,586	6.02
TOTAL	21,573	100.00	38,705	100.00	54,669	100.00	59,516	100.00

Notes:

- (1) We mainly used the indirect distribution channel comprising main contractors and project management company, and M&E contractors.
- (2) We mainly used the indirect distribution channel comprising mostly of main contractors.
- (3) We mainly used the direct distribution channel comprising property developers/owners, and business owners, as well as the indirect distribution channel comprising main contractors.
- (4) We mainly used the indirect distribution channel comprising main contractors.
- (5) Others include water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities.
- (6) We mainly used the indirect distribution channel comprising main contractors and M&E contractors, as well as the direct distribution channel comprising property developers/owners, and business owners.

6.4.4 Geographical markets

Our principal market is in Malaysia. Our revenue segmentation by geographical markets based on project location is summarised in the following table:

Geographical market ⁽¹⁾	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia								
Johor	12,603	58.42	18,206	47.04	33,014	60.39	40,455	67.97
Penang	689	3.19	10,329	26.69	12,098	22.13	11,807	19.84
Selangor	1,296	6.01	2,455	6.34	3,017	5.52	1,413	2.37
Melaka	375	1.74	937	2.42	2,426	4.44	5,067	8.51
Negeri Sembilan	4,977	23.07	3,460	8.94	1,116	2.04	214	0.36
Others ⁽²⁾	1,633	7.57	3,318	8.57	2,998	5.48	560	0.95
TOTAL	21,573	100.00	38,705	100.00	54,669	100.00	59,516	100.00

Notes:

- (1) Geographical market based on project location.
- (2) Others comprise Kedah and Kuala Lumpur.

6. INFORMATION ON OUR GROUP (Cont'd)**6.4.5 Distribution channels and customer base**

We use indirect and direct distribution channels for our sales and marketing. We utilise the indirect distribution channel where we are engaged as a subcontractor by the main contractors, project management company, or M&E contractors for the supply and installation of end-user premises' piping systems and/or water supply and sewer infrastructure piping. We work closely with our indirect distribution channel customers to implement our portion of the project and deliver the completed piping systems to end-users. Our indirect distribution channel allows us to expand our market reach to other states in Malaysia such as Penang, Selangor, and Negeri Sembilan.

We also adopt a direct distribution channel where our customers mainly comprise property developers, property owners or business owners. Our direct distribution channel enables us to better understand the needs and preferences of customers as well as obtain direct feedback on our services.

The revenue contribution from our indirect and direct distribution channels and types of customers for the Financial Years and Period Under Review is summarised in the following table:

Distribution channels	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Indirect	19,790	91.74	34,419	88.93	43,093	78.83	43,781	73.56
- Main contractors and project management company ⁽¹⁾	13,295	61.63	29,120	75.24	36,122	66.07	39,440	66.27
- M&E contractors	6,495	30.11	5,299	13.69	6,971	12.76	4,341	7.29
Direct	1,783	8.26	4,286	11.07	11,576	21.17	15,735	26.44
- Property developers/owners, and business owners	1,783	8.26	4,286	11.07	11,576	21.17	15,735	26.44
TOTAL	21,573	100.00	38,705	100.00	54,669	100.00	59,516	100.00

Note:

- (1) A main contractor is responsible for delivering the entire project and usually carries out certain portions of the physical construction works. The main contractor will usually engage subcontractors to carry out specific portions of the project. Meanwhile, a project management company focuses mainly on planning, coordination and project management of a construction project including overseeing, among others, consultants, engineers, contractors and suppliers to ensure that project is delivered on time and on budget. They do not carry out any physical construction works.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.5 MODES OF OPERATION

6.5.1 Overview

Our mode of operations is primarily based on fixed lump sum contracts, purchase orders, or work orders.

6.5.2 Fixed lump sum

During the Financial Years and Period Under Review, we work on fixed lump sum contracts, purchase orders, and work orders for some of the projects under the following business activities:

- Supply and installation of piping systems for end-user premises;
- Supply and installation of water supply and sewer infrastructure piping; and
- Provision of maintenance and repair services for piping systems.

The fixed lump sum contract, purchase order, or work order are issued by the customer which will specify, among others, the following:

- Services required, including the scope of work, specifications, requirements, and other details;
- Quantity required such as the number of pumps to be installed (where applicable);
- Agreed pricing for specific scopes of work;
- Total contract value, which is the sum of the agreed pricing for all of the project's scope of work;
- Payment schedule;
- Installation site;
- Project timeline (where applicable); and
- Completion date (where applicable).

Project timeline and completion dates are regarded as material terms if they are stated in a contract, purchase order, or work order.

Some fixed lump sum contracts, purchase orders, and work orders include provisions for performance penalties in the form of LAD. These LAD provisions typically include the following:

- We are liable for a penalty if the specified services are not completed by the agreed completion date or any other date mutually agreed upon with the customer (such as an extension of time), and the delay is attributable to us. The penalty is either a fixed amount (up to RM110,000 per day of delay) or a percentage of the total contract value (up to 1.00% of the total contract value per day of delay), depending on the specific terms of the contract, purchase order, or work order.
- In some cases, the maximum total LAD for which we can be held liable is capped at a range of between 5.00% and 20.00% of the total contract value, depending on the specific terms of the contract, purchase order, or work order.

Some fixed lump sum contracts, purchase orders, and work orders include provisions for a DLP and/or warranty period. These provisions typically include the following:

- We are responsible for rectifying, at our own expense, any defects that may arise in our works during the DLP and/or warranty period.
- The DLP or warranty period lasts for a fixed duration of between 12 to 36 months, starting from a specified date (such as the date of substantial completion, certificate of practical completion, handover, takeover, acceptance, or the acceptance of our works), depending on the specific terms of the contract, purchase order, or work order.

6. INFORMATION ON OUR GROUP (Cont'd)

6.6 BUSINESS ACTIVITIES AND PRODUCTS

6.6.1 Supply and installation of piping systems for end-user premises

(a) Overview

The supply and installation of piping systems for end-user premises accounted for 87.59% (RM18.89 million), 84.00% (RM32.51 million), 83.95% (RM45.89 million) and 64.80% (RM38.57 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively.

In general, an end-user premises' piping system refers to the network of pipes, fittings, and equipment within its boundary that are designed to supply potable water to these premises and remove unwanted liquids and slurries such as rainwater, sewage and wastewater as well as piping outside the boundary to connect the end-user premises to nearby water mains or sewer systems. In addition to these systems, a small proportion of our revenue is from the supply and installation of process piping.

For the Financial Years and Period Under Review, our supply and installation of piping systems for end-user premises projects covered a range of properties including the following:

- industrial properties such as manufacturing and processing plants;
- data centres;
- residential properties such as high-rise apartments and condominiums;
- commercial properties such as shopping complexes, mixed developments and offices; and
- other properties such as institutional properties (such as workers' accommodation and colleges), healthcare (hospitals), and infrastructure facilities (such as power plants and mass transit facilities).

An end-user premises piping system is essential for the optimal operation of the built environment to ensure their habitability, operational efficiency and effectiveness while prioritising the comfort and safety of occupants and visitors.

(b) Our scope of work

During the Financial Years and Period Under Review, all of our supply and installation of piping systems for end-user premises projects involved the following scope of work:

- supply;
- construction and installation; and
- testing and commissioning.

For most of our projects, we supply and install the piping systems based on designs, drawings, and specifications provided to us by our customers or external parties. However, a small proportion of our supply and installation of piping systems for end-user premises as well as water supply and sewer piping projects include design as our scope of work, and such projects accounted for less than 0.01%, 0.65%, 4.70% and 8.51% of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. The design work is carried out by our in-house engineers. Please refer to Section 6.11.1 of this Prospectus for additional information on our design work.

6. INFORMATION ON OUR GROUP (Cont'd)

(c) Supply

We are responsible for the supply of materials and equipment required to fulfil our scope of work. The types of materials that we supply include the following:

- pipes of various sizes and materials such as steel pipes (cement-lined steel, galvanised, or stainless steel), other metal pipes (such as copper), plastic pipes (such as PPR, PVC and HDPE), and concrete pipes;
- pipe fittings such as elbows, tees, wyes, reducers, adapters, couplings, unions and flanges;
- valves such as ball, gate, check, globe and pressure relief valves;
- equipment including pumps (such as booster pumps) and pump accessories (such as motors, drives, controllers, switches and vibration dampeners), specialised fixtures such as eyewash station, heat pumps, storage tanks, heaters, water filters, flow control and measurement instruments (such as meters and pressure gauges), valve actuators, and monitoring and safety equipment;
- process control system and instruments; and
- building materials such as sand and cement.

All of these materials are purchased from external suppliers.

(d) Construction and Installation

The construction and installation of piping systems typically progresses alongside the various stages of the building and facility construction and includes the following:

- **External piping system**

To ensure a reliable and consistent potable water supply for the end-user premises, an interconnection is established between a nearby mains water supply point (such as water mains connection point or metering point, this work is also known as external reticulation) and the end-user premises' intake station, which then connects to the facility's internal water distribution system. A water meter is installed at this point to monitor the volume of water supplied to the end-user premises as a whole. For some facilities, a water filtration system is also installed at the intake station to remove impurities or sediment from the external water supply before it enters the internal distribution network.

A metering point outside the boundary of an end-user premise



6. INFORMATION ON OUR GROUP (Cont'd)

- **Piping system for the end-user premises**

The construction and installation of the piping system will follow the overall building or facility construction stages to minimise double handling, particularly in handling below and above ground piping systems.

Below ground work: In most cases, systems such as water supply, sewer lines, wastewater lines, and stormwater drainage are installed by the trenching method whereby pipes are installed in excavated trenches. This phase will coincide with the completion of the foundation work of the building or facility before the superstructure work commences.

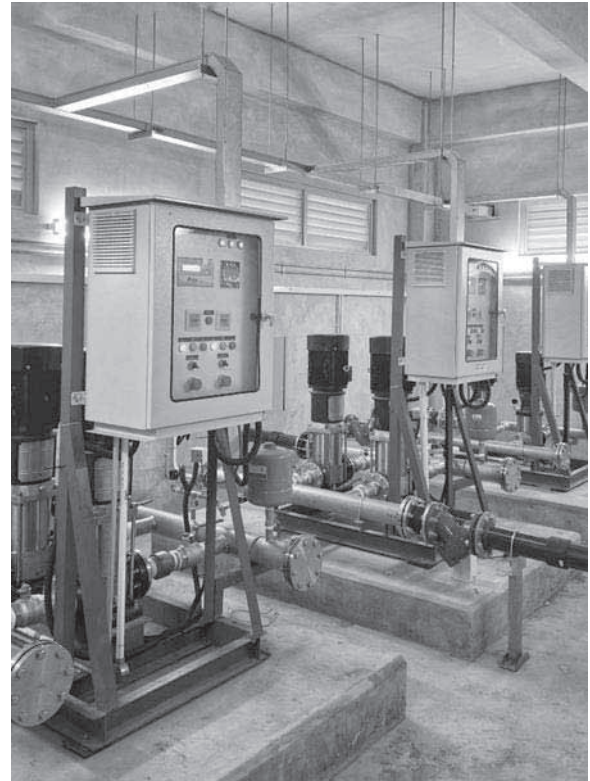
Alternatively, the customer may specify the pipe jacking method, a trenchless installation method. Trenching works are carried out by our in-house personnel, unless we have conflicting installation timelines in which case we engage subcontractors under our management and supervision. We engage subcontractors to carry out pipe jacking as it is specialised work.

Once the pipes are installed, depending on the project and client's requirements, we will engage subcontractors to carry out dye penetrant tests and/or radiography tests to ensure that there are no leaks in the system.

Above-ground work and installation involves installing pipes, fittings, valves, equipment such as pumps, control systems, and other equipment, and other works such as electrical wiring according to the project's design. Installation includes making the necessary openings in walls, floors, and ceilings for pipes and wires to pass through. Our scope of work commonly includes installation of piping to the end-user points and fixtures.

We utilised our in-house personnel for above-ground work and installation. We engage subcontractors to carry out this part of the work when we have conflicting installation timelines. We also engaged subcontractors to carry out civil and structural works, electrical and process control system installation, as well as installation of specialised storage tanks for data centres. All subcontractors carry out the work for us under our management and supervision.

Process control panels for our end-user premises piping system



6. INFORMATION ON OUR GROUP (Cont'd)**A water storage tank installed at one of our projects****(e) Testing and commissioning**

Testing and commissioning are performed after the construction and installation are completed to ensure the piping system is leak-free and that all pipes, fittings, equipment, and control systems have been properly installed and are fully operational. This process verifies the system's performance both individually and as a whole, confirming its compliance with design specifications.

Initial testing is carried out by our in-house personnel for most of the installation. However, for major equipment or specialised fixtures, it is performed jointly with the supplier. Additionally, specialised tests are conducted by designated subcontractors. All identified leaks, faults, or performance issues are addressed during initial testing. This is followed by official testing with the customer, the customer's representative, and/or the relevant authorities (when necessary) to demonstrate that the system is properly installed, fully operational, and is in compliance with the design specifications.

Testing and commissioning are considered complete only when all identified leaks, faults, or performance issues have been fully addressed. The project is handed over to the customer only after successful completion of these activities.

(f) Description of a building's piping system

The type of piping installed in a building or facility depends on factors such as its size, purpose, and the specific needs of the end users. All buildings and facilities where people live, work, or visit are equipped with cold water and sanitary drainage systems, and in some cases, hot water systems. Additionally, manufacturing and processing plants typically include process piping systems, and sometimes wastewater treatment plants to support their operations. Due to increasing awareness of environmental responsibility and the need for businesses and organisations to improve their environmental, social, and governance (ESG) performance, rainwater harvesting systems are also being implemented in some of our projects.

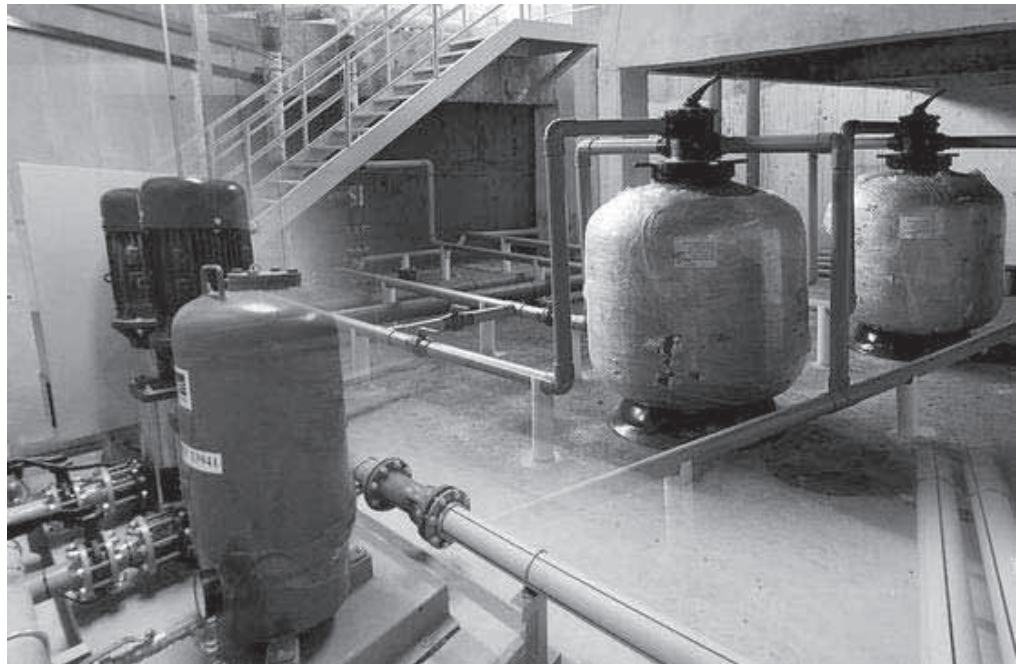
6. INFORMATION ON OUR GROUP (Cont'd)

During the Financial Years and Period Under Review, the piping systems that we have installed in end-user premises included the following systems or components:

- water mains interconnection;
- sewer infrastructure interconnection;
- cold water system;
- hot water system;
- sanitary drainage;
- oil separators;
- rainwater downpipes;
- rainwater harvesting;
- specialised storage tanks;
- specialised fittings such as eyewash stations;
- water filtration system;
- external hydrant systems; and
- process piping for manufacturing plant (a small proportion of our business).

We are responsible for carrying out any necessary construction work, as well as installing the pipes, fittings, sanitaryware fixtures, equipment, and other materials required for end-user premises. We install all of these systems and components with our in-house personnel, except for major and specialised systems such as specialised storage tanks and sewage treatment plants.

Parts of cold and hot water systems



6. INFORMATION ON OUR GROUP (Cont'd)

(i) Water mains interconnection

The interconnection refers to the point where an end-user premises' cold water system connects to the water mains system. Our responsibilities for making the interconnection to the water mains includes the following:

- Installing the end-user premises' interconnection pipe to the nearest water mains via an existing trunk pipeline; and
- Installing the building's bulk water meter stand which measures the total amount of mains water that is supplied to the end-user premises.

For the interconnection to an active trunk pipeline, we utilise either the tee-off method or hot tapping. We can perform tee-off with our in-house resources, but we engage subcontractors to carry out hot tapping under our management and supervision as it is specialised work.

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6. INFORMATION ON OUR GROUP (Cont'd)

(ii) Internal water supply system

The internal water supply system in the context of end-user premises and facilities refers to the piping system designed to distribute potable water efficiently. Depending on end-user requirements, the internal water supply system for premises may include cold water system and/or hot water system.

Cold water system

The cold water system for end-user facilities commonly includes the following:

- Storage tanks: These tanks store water to ensure a steady supply during peak demand periods and act as a buffer in case of water mains supply interruptions.
- Pumps: Pumps are installed at specific parts of the network to transfer water from one location to another and to generate sufficient pressure and water flow to meet the needs of end-users.
- Cold water piping network: The network comprises pipes to transport water to storage tanks and end-use points. Water pressure and flow are maintained by gravity and/or pumps.
- Fixtures: These are installed at end-user points and include sinks, bathtubs, water closets, and faucets, as well as specialised equipment such as eyewash stations.
- Control valves, sensors, and meters: These devices are installed at strategic points of the network to regulate and monitor the system's performance.

An eyewash station installed at one of our projects



Hot water system

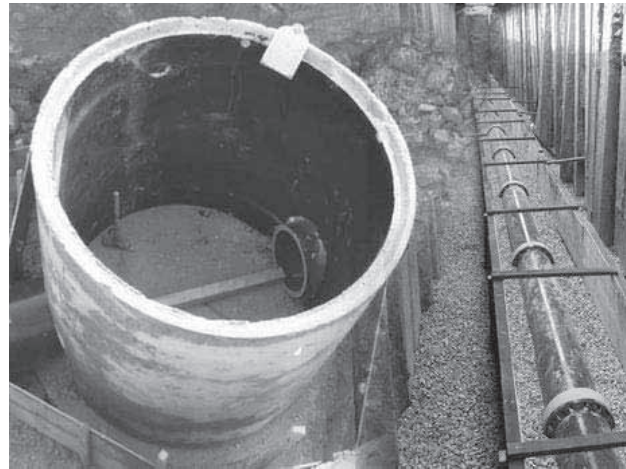
Some facilities include a hot water system where water is heated and distributed to various end-use points. The hot water system is similar to the cold water system, except in the following main respects:

- water heaters are used to heat water to the required temperature. There may be a central heater for the entire system or several local heaters to supply hot water to specific sections of the system;
- insulated hot water storage tanks are installed to store heated water to meet peak demand and provide a reserve in the event of water supply interruptions; and
- the hot water piping network to channel water from heaters or storage tanks to end-use points is separate from the cold water piping network.

6. INFORMATION ON OUR GROUP (Cont'd)

(iii) Sanitary drainage system

A facility's sanitary drainage system is designed to transport used domestic wastewater and sewage to maintain the cleanliness and health of the facility. Domestic wastewater is from activities that does not contain human waste. It typically comes from fixtures such as sinks, bathtubs, showers, floor drains, and appliances like washing machines and dishwashers.

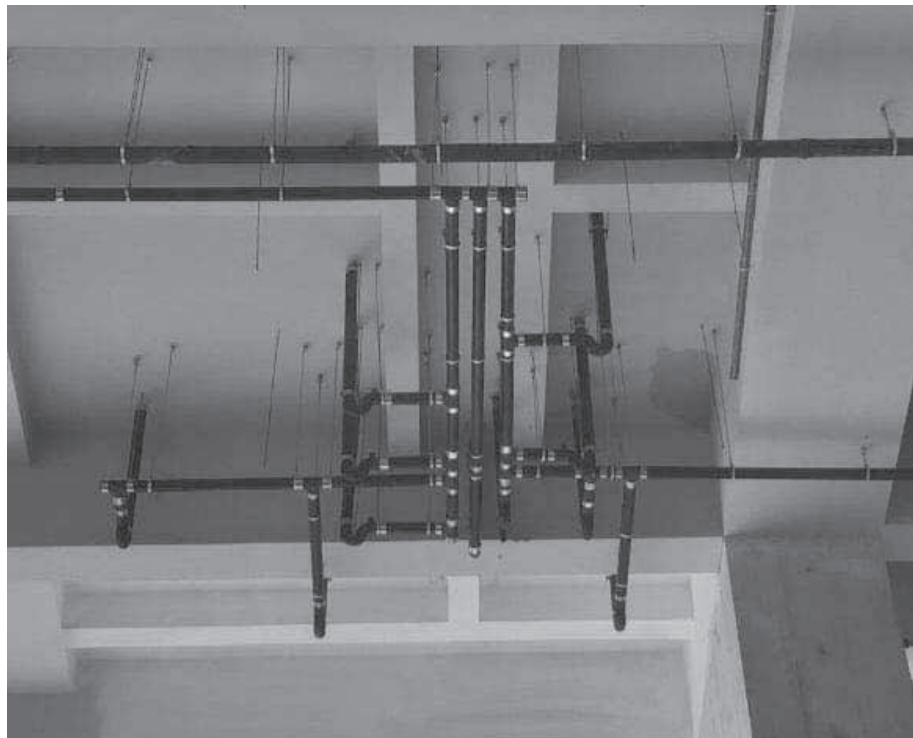


Sewer piping

Sewage refers to wastewater containing solid or liquid human waste, typically originating from toilets and urinals.

The components of the sanitary drainage system include fixture drains, floor drains, branch drains, main drains, cleanouts, sewers, and vent pipes. In addition, the systems of some end-user premises such as apartments and condominiums have an on-premises sewage treatment plant to treat sewage before it is discharged to the sewer infrastructure system.

Part of a sanitary drainage system that we supplied and installed



6. INFORMATION ON OUR GROUP (Cont'd)

(iv) Process wastewater drainage and treatment system

Some of the end-user premises, particularly industrial facilities may generate process wastewater that contain hazardous materials. These premises will have a system, separate from the sewage and domestic wastewater system, to transports process wastewater from the point of generation to an on-premises wastewater treatment plant. The wastewater treatment plant is designed to treat or remove the specific contaminants from the water before it is discharged. In the event a wastewater treatment plant is included in the project, this will be installed by other subcontractors under our supervision and management.

Installing an oil separator at one of our data centre projects



(v) Oil separators

The sanitary drainage system of some data centres incorporates oil separators. Domestic wastewater from data centres may be contaminated by oil from air compressors, air conditioning systems, and other machinery and equipment. The oil separators are designed to remove oil from the wastewater before it is discharged.

(vi) Rainwater downpipes

Rainwater downpipes are designed to manage rainwater runoff to prevent flooding and avoid structural damage to buildings. These downpipes are installed on the roof and other exterior parts of buildings to collect rainwater and channel it into ground-level drains or a rainwater harvesting system (if present).

(vii) Rainwater harvesting system

Some of our customers implement a rainwater harvesting system to collect and store rainwater for later use within the facility, instead of discharging it into the environment. This system is typically used to reduce the facility's reliance on mains water, aligning with the facility's ESG initiatives.

A rainwater harvesting system that we installed with retention tanks and drainage pipes



6. INFORMATION ON OUR GROUP (Cont'd)

These components of these systems include retention tanks, filters, and distribution and drainage pipes.

Rainwater harvested from this system can be used for various non-drinking purposes, including landscaping, sanitation or general cleaning.

(viii) Specialised water storage tanks

Some of our data centre projects that we served include the supply and installation of large specialised storage tanks to store water for the facility's air conditioning and other system. To maintain water purity, their interior surface is coated to prevent rusting and contamination. The installation is carried out by the storage tank supplier or subcontractors under our management and supervision.

Specialised storage tanks at one of our data centre projects**(ix) Water filtration system**

Some of our supply and installation of piping system for end-user premises projects include a water filtration system to remove contaminants from mains water supply. They may be installed at end-user premises that require filtered water for specific processes, such as data centres, hotels, hospitals, and electrical and electronics manufacturing plants.

The water filtration systems that we install include one or more of the following types of filters:

- Sand filters use sand as a medium to trap suspended particles and solid particles such as dirt, algae, and organic matter.
- Membrane filters utilise a semi-permeable membrane with tiny pores that only allow water to pass through while trapping contaminants.

6. INFORMATION ON OUR GROUP (Cont'd)

(x) External hydrant system

Some buildings are equipped with an external hydrant system as part of its fire protection system. Hydrants are installed outside specific buildings to supply water for firefighting. The external hydrant system is connected to the facility's mains water supply interconnection, and it is separate from other water systems within the facility, including the cold water system, to ensure that it has an independent and uninterrupted water supply.

(xi) Process piping systems

A small proportion of our revenue is derived from the supply and installation of process piping during the Financial Years and Period Under Review. In many manufacturing facilities, process piping systems are designed to transport liquids to support manufacturing or processing operations.

The components of a process piping system vary based on the specific manufacturing or processing activities, as well as the types of liquids being transported. However, the key components typically include pipes and fittings, pumps, storage tanks or vessels and control valves, sensors and monitoring systems.

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6. INFORMATION ON OUR GROUP (Cont'd)

(g) Completed supply and installation of piping systems for end-user premises projects

The supply and installation of piping systems for end-user premises projects with a contract value of RM2.00 million and above that we have completed during the Financial Years and Period Under Review and up to the LPD are summarised in the following table:

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Completion date ⁽²⁾	Contract value ⁽³⁾ (RM'000)
1.	Johor Office Tower Project ⁽⁶⁾	Supply, installation, testing, commissioning and completion of cold water, hot water, and sanitary piping systems, as well as rainwater drainage and sanitary fittings	Johor Bahru, Johor	Customer I	May 2019 / Jun 2024	3,275
2.	Melaka Office Tower Project	Supply, installation, testing and commissioning of cold water and sanitary piping systems	Peringgiti, Melaka	Nakano Construction Sdn Bhd	Apr 2020 / May 2024	4,282
3.	Industrial Dairy Factory Project ⁽⁶⁾	Supply, installation, testing and commissioning of piping systems and rainwater harvesting systems	Labu, Negeri Sembilan	Seremban Engineering Berhad	Jun 2022 / Oct 2024	5,899
4.	Food Manufacturing Facility Project	Supply, installation, testing and commissioning of cold water and sanitary piping systems	Labu, Negeri Sembilan	Customer G	Jun 2020 / Mar 2023	2,909
5.	Precinct 7 Putrajaya Project ⁽⁶⁾	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems, rainwater downpipe and installation of sanitary fittings	Precinct 7, Putrajaya	Mitrajaya Construction Sdn Bhd	Oct 2022 / Mar 2025	3,744
6.	Johor Serviced Apartment 1 Project ⁽⁶⁾	Supply, installation, testing and commissioning of cold water and sanitary piping systems	Plentong, Johor	Customer B	Nov 2021 / Apr 2025	8,782

6. INFORMATION ON OUR GROUP (Cont'd)

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Completion date ⁽²⁾	Contract value ⁽³⁾ (RM'000)
7.	Johor Apartment Project ⁽⁶⁾	Supply, installation, commissioning, and maintenance of internal cold water and sanitary piping systems, sanitary wares, rainwater downpipe, sewer piping, water mains interconnection, and sewage treatment plant	Senai, Johor	KTN Construction Sdn Bhd	Nov 2021 / Oct 2024	4,121
8.	Industrial Warehouse Project	Supply, installation, testing and commissioning of cold water and sanitary piping systems, water mains interconnection, and sewer piping works	Kulai, Johor	Customer H	Dec 2021 / Aug 2023	2,921
9.	Kedah Factory Project ⁽⁶⁾	Execution, completion and warranty of the cold water and sanitary drainage piping systems and underground drain works package, as well as water mains interconnection and above-ground piping works	Kulim, Kedah	Customer F	Mar 2023 ⁽⁴⁾ / Sept 2024 ⁽⁵⁾	3,241
10.	Johor Data Centre 1 Project ⁽⁶⁾	Fabricate, supply, deliver, installation and testing and commissioning of cold water and sanitary piping systems and rainwater downpipes for building A, B and C	Iskandar Puteri, Johor	Customer C	Feb 2023 / Jan 2025	9,819
11.	Melaka Electronics Manufacturing Facility Project ⁽⁶⁾	Design, supply, installation, testing and commissioning of water mains interconnection and sewer piping system, cold water and sanitary piping systems and sanitary wares and fittings	Bukit Katil, Melaka	Customer J	Nov 2023 / Mar 2025	7,582
12.	Johor Data Centre 2 Project ⁽⁶⁾	Supply, installation, completion, testing, commissioning and maintenance of cold water and sanitary piping systems	Kulai, Johor	Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd	Dec 2023 / June 2025	5,515

As at the LPD, the total retention sums for the projects listed in the table above amounted to approximately RM2.62 million.

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) *Unless otherwise stated, the project's start date refers to the commencement date stipulated in the letter of award or purchase order.*
- (2) *Unless otherwise stated, the project's completion date refers to the date of the certificate of completion and compliance for the premises, handover date, or date of final payment.*
- (3) *Total contract value includes the value of any variation orders and/or additional works received from the customer that are related to the project, subject to the finalisation of accounts.*
- (4) *Based on a work order.*
- (5) *Based on the variation order issued after the issuance of the certificate of completion and compliance.*
- (6) *As at the LPD, this project is under DLP.*

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6. INFORMATION ON OUR GROUP (Cont'd)

(h) On-going supply and installation of piping systems for end-user premises projects

As at the LPD, our on-going supply and installation of piping systems for end-user premises projects with a contract value of RM2.00 million and above are summarised in the following table:

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Expected completion date ⁽²⁾	Approx. % completion as at the LPD (%)	Contract value ⁽³⁾ (RM'000)	Unbilled order book as at the LPD ⁽⁴⁾ (RM'000)
1.	Penang Factory Project	Supply, installation, testing and commissioning of cold water and sanitary piping systems	Bayan Lepas, Penang	Customer A	Mar 2022 / Mar 2026	83	18,356	3,037
		Supply, installation, testing and commissioning of cold water, sanitary drainage, and fire hydrant and sprinkler piping systems			May 2022 / Mar 2026	86	32,881	4,587
2.	Selangor Townhouse Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems	Sungai Buloh, Selangor	Customer K	Feb 2022 / Mar 2026	40	2,400	1,430
3.	Johor Serviced Apartment 2 Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems for phase 1 and all podium	Tebrau, Johor	Customer L1 ⁽⁵⁾	Dec 2022 / Jan 2026 ⁽⁶⁾	38	4,100	2,542
		Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems for phase 2 (Block C1 and C2)			Apr 2024 / Jan 2026 ⁽⁶⁾	21	8,000	6,315

6. INFORMATION ON OUR GROUP (Cont'd)

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Expected completion date ⁽²⁾	Approx. % completion as at the LPD (%)	Contract value ⁽³⁾ (RM'000)	Unbilled order book as at the LPD ⁽⁴⁾ (RM'000)
4.	Johor Data Centre 1 Project	Supply, installation, testing and commissioning of cold water and sanitary piping systems for Building E	Iskandar Puteri, Johor	Customer C	May 2024 / Feb 2026	91	4,929	463
		Supply, installation, testing and commissioning of cold water and sanitary piping systems for Building D			Dec 2024 / Feb 2026	93	7,026	521
5.	Johor Serviced Apartment 3 Project	Supply, installation, testing, and commissioning of internal water and sanitary piping systems	Senai, Johor	Customer M	Jul 2023 / Feb 2026	76	2,150	511
6.	RTS Link Project	Supply, installation, testing and commissioning of cold water and sanitary piping systems	Johor Bahru, Johor	Datapuri Sdn Bhd	Oct 2023 / Mar 2026	69	8,206	2,511
7.	Johor Serviced Apartment 4 Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems works	Tebrau, Johor	Customer N	Apr 2024 / Sep 2026	22	10,076	7,830
8.	Penang Hotel Project	Supply, installation, testing, commissioning and maintenance of cold water, hot water and sanitary piping systems	Teluk Bahang, Penang	Customer O	July 2024 / Mar 2026	76	9,616	2,284

6. INFORMATION ON OUR GROUP (Cont'd)

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Expected completion date ⁽²⁾	Approx. % completion as at the LPD (%)	Contract value ⁽³⁾ (RM'000)	Unbilled order book as at the LPD ⁽⁴⁾ (RM'000)
9.	Johor Serviced Apartment 5 Project	Supply, installation, testing, and commissioning of cold water and sanitary piping systems (phase 1 and 2), and road drainage works and sanitary wares and fittings installation services (phase 1)	Johor Bahru, Johor	Customer P	July 2024 / Oct 2027	3	15,900	15,423
10.	Selangor Data Centre Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems, and rainwater downpipe, as well as installation of sanitary fittings works	Petaling Jaya, Selangor	Pembinaan Mitrajaya Sdn Bhd	Jan 2025 / Feb 2026	12 ⁽⁷⁾	4,100	3,620
11.	Johor Factory Project	Supply, installation, testing, and commissioning of cold water and sanitary piping systems, water mains interconnection and sewer piping systems	Tebrau, Johor	Kelington Technologies Sdn Bhd	Mar 2025 / Mar 2026	23 ⁽⁷⁾	3,350	2,569
12.	Johor Serviced Apartment 6 Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems	Pulai, Johor	Customer L2 ⁽⁸⁾	Apr 2025 / Apr 2028	-	8,950	8,950

6. INFORMATION ON OUR GROUP (Cont'd)

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Expected completion date ⁽²⁾	Approx. % completion as at the LPD (%)	Contract value ⁽³⁾ (RM'000)	Unbilled order book as at the LPD ⁽⁴⁾ (RM'000)
13.	Johor Serviced Apartment 7 Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems	Plentong, Johor	Customer L3 ⁽⁹⁾	Apr 2025 / Dec 2027	-	8,500	8,500
14.	Johor Serviced Apartment 8 Project	Supply, installation, testing, and commissioning of cold water and sanitary piping systems	Johor Bahru, Johor	Customer B	Aug 2025 / July 2028	-	6,500	6,500
15.	Johor Serviced Apartment 9 Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems	Johor Bahru, Johor	Customer Q	Sep 2025 / Nov 2027	-	6,000	6,000
		Supply, installation, testing, and commissioning of rainwater downpipe and sanitary wares			Nov 2025 / Oct 2027	-	810	810
16.	Johor Shopping Centre Project	Supply, installation, testing, and commissioning of cold water and sanitary piping systems	Johor Bahru, Johor	Sunray MEP Services Sdn Bhd	Sep 2025 / Oct 2027	-	8,380	8,380
17.	Johor Mixed Development Project	Supply, installation, testing and commissioning of cold water and sanitary piping systems for a serviced apartment	Johor Bahru, Johor	Customer R	Oct 2025 / Feb 2028	-	4,608	4,608
		Supply, installation, testing and commissioning of cold water and sanitary piping systems for an office building			Dec 2025 / Apr 2028	-	3,072	3,072

6. INFORMATION ON OUR GROUP (Cont'd)

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Expected completion date ⁽²⁾	Approx. % completion as at the LPD (%)	Contract value ⁽³⁾ (RM'000)	Unbilled order book as at the LPD ⁽⁴⁾ (RM'000)
18.	Kuala Lumpur Data Centre Project	Supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems and mains water interconnection	Kuala Lumpur	Customer S	Sep 2025 / Nov 2026	-	9,500	9,500
						TOTAL	187,410	109,963

As at the LPD, the total retention sums for the projects listed in the table above amounted to approximately RM7.16 million.

Notes:

- (1) *The project's start date refers to the commencement date stipulated in the letter of award or purchase order.*
- (2) *The project's expected completion date is as specified in the letter of award, purchase order, work programme or the revised completion date based on the extension of time granted by our customers.*
- (3) *Total contract value includes any variation orders and/or additional works received from the customer that are related to the project subject to the finalisation of accounts.*
- (4) *Based on the remaining uncertified progress billings as at the LPD.*
- (5) *The contracts were awarded to us by an engineering company who was engaged by Customer L1.*
- (6) *The customer deferred commencement of phase 1 construction, and started construction of phase 1 and phase 2 at the same time. Works are on-going as at the LPD.*
- (7) *As at the LPD, we are waiting for the main structural works to be completed before we can continue our work.*
- (8) *The contract was awarded to us by an engineering company who was engaged by Customer L2.*
- (9) *The contracts were awarded to us by an engineering company who was engaged by Customer L3.*

6. INFORMATION ON OUR GROUP (Cont'd)

6.6.2 Supply and installation of water supply and sewer infrastructure piping

(a) Overview

The supply and installation of water supply and sewer infrastructure piping services accounted for 4.77% (RM1.03 million), 11.79% (RM4.56 million), 13.75% (RM7.52 million), and 34.73% (RM20.67 million) of our total revenue for the FYE 2022, FYE 2023, and FYE 2024, and FPE 2025, respectively.

In general, our supply and installation of water supply infrastructure services involves piping works for water mains and sewer infrastructure that are located outside the boundary of end-user premises. With water mains piping, we are focused on the water mains network that transports water and we do not deal with infrastructure such as water treatment plants. Similarly, with sewer piping, we are focused on the sewer network that transports sewage and we do not deal with infrastructure such as sewage treatment plants.

Trenching and installing water supply infrastructure piping



In the context of supply and installation services for water supply and sewer infrastructure piping projects, we are typically engaged either as the main contractor by the property or business owner that wants to connect or reroute the water mains or sewer pipes to the metering point or service connection point outside the boundary of their premises. In some cases, we are engaged as a subcontractor to a main contractor.

(b) The water supply infrastructure

Water supply infrastructure refers to the system of pipes, treatment plants, and facilities that are responsible for sourcing, treating, storing and delivering water to communities and end-user premises. The water supply infrastructure includes treatment plants where raw water is cleaned and prepared, and the network of pipes that transport the treated water to homes, businesses, and other facilities (known as water mains). This entire system is located outside of individual end-user premises, ensuring that clean water is made available to the community.

Individual end-user premises typically connect to a single distribution main to obtain their water supply. However, facilities with high water consumption may connect to a trunk main and/or multiple distribution mains to ensure a reliable and adequate supply of mains water.

6. INFORMATION ON OUR GROUP (Cont'd)

(c) The sewer infrastructure

The sewer infrastructure is a network of pipes and treatment plants that manages wastewater, or sewage, from homes, businesses, and other facilities. The system starts by collecting sewage from various locations and carrying it through large pipes that are located outside of end-user premises. These pipes transport the sewage to treatment plants, where it is cleaned and processed before being safely disposed of or released into the environment. The sewer system, including the pipes and treatment plants, is mainly located outside the boundaries of individual properties.

(d) Our scope of work

Our supply and installation of water supply and sewer infrastructure piping projects is focused on the distribution mains that connects the water mains or sewer pipes to the metering point or service connection point outside the boundary of the end-user premises. It does not include the interconnection to end-user premises or facilities.

During the Financial Years and Period Under Review and as at the LPD, all of our supply and installation of water supply and sewer infrastructure piping projects involved the following scopes of work:

- supply;
- construction and installation; and
- testing and commissioning.

Most of our water supply and sewer infrastructure piping projects during the Financial Years and Period Under Review and up to the LPD were based on designs and drawings provided to us by our customers or external parties. A small proportion of our projects include design as part of our scope of work.

(i) Supply

We are responsible for supplying the materials and equipment needed to complete our scope of work. The materials that we supply include the following:

- pipes of various types and sizes such as steel (cement-lined or galvanised steel) and concrete pipes;
- fittings such as elbows, connectors, joints, flanges, and valves;
- equipment and devices like pumps, meters, actuators, and control systems; and
- building materials such as sand and cement.

All of these materials are purchased from external suppliers.

(ii) Construction

The construction works for the installation of water supply or sewer infrastructure piping primarily involved trenching and/or pipe jacking to lay the pipes, roadworks to reinstate roads that were excavated for pipe installation, and the construction of small buildings to house pumps and other equipment (where required). In addition, some of the projects included hot-tapping to connect the new distribution mains to an existing live trunk mains.

We utilised our in-house personnel to install the pipes, fittings, fixtures, and equipment such as pumps, and engaged subcontractors for these works when we have conflicting installation timelines. We engaged subcontractors to perform specialised works such as roadworks, building construction, and hot tapping, all under our management and supervision.

6. INFORMATION ON OUR GROUP (Cont'd)

(iii) Testing and commissioning

Testing and commissioning are conducted after the construction and installation works are completed to ensure that the new distribution mains and their connection to the trunk mains are free of leaks. Additionally, all pipes, fittings, fixtures, and related equipment are thoroughly checked to confirm they are properly installed, fully functional, and operating in accordance with the design, both individually and collectively. Testing and commissioning are considered complete only when all identified leaks, faults, and performance issues have been addressed and rectified. Our work is deemed complete, and the piping works handed over to the customer only after successful testing and commissioning. These activities are carried out by our personnel, except for specialised tests that are carried out by subcontractors.

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6. INFORMATION ON OUR GROUP (Cont'd)

(e) Completed and on-going supply and installation of water supply infrastructure projects

During the Financial Years and Period Under Review and up to the LPD, the supply and installation of water supply infrastructure projects with a contract value of RM1.00 million and above that we have completed are summarised in the following table:

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Completion date ⁽²⁾	Contract value ⁽³⁾ (RM'000)
1.	Water Mains Rerouting Project ⁽⁴⁾	Rerouting of existing water mains pipe, including the supply and installation of piping and reconnection to the existing mains water supply network	Pulai, Johor	Customer D	Feb 2022 / May 2025	3,670
2.	Johor Water Supply Project	Supply and installation of water mains piping and connecting the existing mains water supply network to a data centre	Tanjung Kupang, Johor	Customer E	Mar 2023 / Oct 2023	1,897
3.	Johor Industrial Park Project ⁽⁴⁾	Supply and installation of water mains piping and connecting the existing mains water supply network	Tebrau, Johor	Zafira Bina Sdn Bhd	May 2021 / Mar 2024	1,571
4.	Johor Data Centre 3 Water Reclamation Project ⁽⁴⁾	Supply and installation of water supply infrastructure piping from a water reclamation plant to a data centre	Ulu Tiram, Johor	Dataran Tenaga (M) Sdn Bhd	Mar 2025 / July 2025	2,100
5.	Johor Data Centre 1 Water Supply Project ⁽⁴⁾	Design, supply, installation, testing and commissioning of water supply infrastructure piping and connection to the existing mains water supply network	Iskandar Puteri, Johor	Customer C	Jan 2024 / Dec 2025	30,761

As at the LPD, the total retention sums for the projects listed in the table above amounted to approximately RM1.98 million.

Notes:

- (1) The project's start date refers to the commencement date stipulated in the letter of award.
- (2) The project's completion date refers to the date of the certificate of completion and compliance for the premises or date of final payment.
- (3) Total contract value includes the value of any variation orders received from the customer that are related to the project.
- (4) As at the LPD, this project is under DLP.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, our on-going supply and installation of water supply infrastructure projects with a contract value of RM1.00 million and above are summarised in the following table:

	Project name	Description	Project location	Customer name	Start date ⁽¹⁾ / Expected completion date ⁽²⁾	Approx. % completion as at the LPD (%)	Contract value (RM'000)	Unbilled order book as at the LPD ⁽³⁾ (RM'000)
1.	Johor Data Centre 4 Water Reclamation Project	Supply and installation of water supply infrastructure piping from a water reclamation plant to a data centre	Tebrau, Johor	BM Tek Sdn Bhd	Aug 2025 / Feb 2026	52	2,900	1,387
						TOTAL	2,900	1,387

As at the LPD, the total retention sums for the projects listed in the table above amounted to approximately RM0.15 million.

Notes:

- (1) *The project's start date refers to the commencement date stipulated in the letter of award.*
- (2) *The project's expected completion date is as specified in the letter of award.*
- (3) *Based on the remaining uncertified progress billings as at the LPD.*

6. INFORMATION ON OUR GROUP (Cont'd)

6.6.3 MAINTENANCE AND REPAIR SERVICES FOR PIPING SYSTEMS

The provision of maintenance and repair services for piping systems accounted for 7.64% (RM1.65 million), 4.21% (RM1.63 million), 2.30% (RM1.26 million), and 0.47% (RM0.28 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively.

During the Financial Years and Period Under Review, we only provided maintenance and repair services in Johor for the following types of piping systems:

- General piping systems in end-user premises, such as water mains interconnections, cold and hot water systems, sanitary drainage, rainwater downpipes, and rainwater harvesting systems;
- Specialised piping systems in facilities such as process piping;
- Water mains pipes; and
- Sewer pipes.

Examples of our personnel providing maintenance and repair services



We provide the following types of maintenance and repair services:

- Preventive maintenance that is carried out on the piping system according to schedule. The tasks include inspection and testing to ensure that pipes, fittings, and equipment are functioning properly and to identify issues, and corrective action (such as repairs or replacing worn-out parts) to identify issues early and prevent them from escalating to breakdown.
- Corrective maintenance that is carried out in response to breakdowns in a piping system, such as leaks, loss of pressure, broken pipes, or blockages. The tasks involved in corrective maintenance include troubleshooting to identify the root cause of the problem, followed by the repair or replacement of damaged components or parts to restore functionality as quickly as possible.

6. INFORMATION ON OUR GROUP (Cont'd)**6.7 OPERATIONAL FACILITIES**

We principally operate in Malaysia where our head office is in Pontian, Johor.

The locations of our operational facilities as at the LPD are as follows:

Properties / Company	Main functions	Status of premises	Approximate built-up area (sq. ft.)	Address
Property 762, Property 763 and Property 764 / Our Subsidiary	Head office	Rented	6,841.56	762 (Ground Floor), Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor 763 (Ground and 1st Floor), Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor 764 (1st Floor), Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor
Property 768 / Our Subsidiary	Storage area	Rented	1,710.39	768 (1st Floor), Taman Anggerik, Jalan Parit Mesjid, 82000, Pontian, Johor
SILC Office / Our Subsidiary	Office	Owned	1,540.09	45 (Ground Floor), Jalan SILC 2/10, Kawasan Perindustrian SILC, 79200, Iskandar Puteri, Johor

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6. INFORMATION ON OUR GROUP (Cont'd)

6.8 MAJOR MACHINERY AND EQUIPMENT

As at 31 July 2025, the major machinery and equipment that we utilise for our supply and installation of piping systems for end-user premises and supply and installation of water supply and sewer infrastructure piping projects are as follows:

Machinery and equipment	Usage	Number	(1) NBV (RM'000)	(2) Average age	(3) Estimated average remaining life
Hydraulic excavators	Construction equipment used to move soil for trenching, earthworks, civil and structural works	5	776	5 years	4 years
Mini hydraulic excavator	Smaller version of a full-sized hydraulic excavator	2	93	3 years	5 years
Hydraulic backhoe loaders	Construction equipment used to dig and excavate soil for trenching, earthworks, civil and structural works	5	(4) 310	12 years	2 years
Hand-guided roller	Small roller used to flatten and compact soil	4	50	(5) 3 years	6 years
Lorry	Vehicle used to transport material.	3	(6) 305	3 years	2 years
TOTAL			1,534		

Notes:

- (1) Audited NBV as at 31 July 2025.
- (2) Average age of the machinery and equipment as of 31 July 2025. Save for the hand-guided rollers (the calculation is described in note 5 below), the age of machinery and equipment is calculated as 2025 minus the year in which it was manufactured. The average age is the sum of the ages of all of the machinery and equipment divided by the number of units as at 31 July 2025.
- (3) The average estimated remaining life of the machinery and equipment as of 31 July 2025. We may be able to use the machinery and equipment beyond the estimated remaining life so long as it is properly maintained and used correctly.
- (4) Includes two (2) hydraulic backhoe loaders that were fully depreciated as at 31 July 2025.
- (5) We are unable to determine the average year in which 3 of the 4 units of hand-guided rollers were manufactured as we purchased them as reconditioned units. Hence, the average age of our hand-guided rollers is calculated as 2025 minus the year in which it was purchased. The average age is the sum of the ages of all of the hand-guided rollers divided by the number of units as at 31 July 2025.
- (6) Includes one (1) lorry that was fully depreciated as at 31 July 2025.

Between 1 August 2025 and up to the LPD, we have purchased the following major machinery and equipment for our business operations using internally generated funds and hire purchase facilities:

- two (2) units of hydraulic backhoe loaders with purchase value of approximately RM359,000; and
- one (1) unit of lorry with purchase value of approximately RM227,000.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9 MARKET POSITIONING AND ACTIVITIES

Our marketing positioning, strategies and activities are focused on the following to strengthen our customer base, attract new customers, and develop new business opportunities:

6.9.1 Our market positioning

We adopt the following market positioning to address business opportunities:

- **End-to-end piping system solution:** We position ourselves as having the technical ability to provide end-to-end solution for the supply and installation of piping system for end-user premises as well as the supply and installation of water supply and sewer infrastructure piping. This is supported by our in-house engineers and our construction and installation team.
- **Established track record:** We position ourselves as having a proven track record of approximately 10 years in the supply and installation of piping systems, beginning with our first piping systems project for a hypermarket in Johor. Since then, we have successfully completed supply and installation projects for various types of properties, including among others, industrial properties, data centres, residential properties, commercial properties, and others (including water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities) across Peninsular Malaysia.

In addition, we secured our first supply and installation water supply infrastructure project in 2020, and we have since built a track record of approximately 5 years in providing this service. Our extensive experience offers prospective customers confidence in our overall capabilities and the assurance of our product and service quality.

- **In-house engineering team:** We position ourselves as having an in-house engineering team that supports our supply and installation projects for piping systems for end-user premises, and water supply and sewer infrastructure piping. As at the LPD, our engineering team consists of 28 engineers who are involved in every stage of project implementation, including design (if required by customers), procurement, construction and installation, as well as testing and commissioning. We can design piping systems that are tailored to meet our customers' specific requirements, if requested.

6.9.2 Marketing strategies and activities

We actively engage in marketing activities to secure new projects, expand our customer base, and address growth opportunities. Our market activities and strategies include the following:

- **Utilise both indirect and direct distribution channels:** We will continue to actively engage with key operators within our indirect distribution channel, working with main contractors, project management company, and M&E contractors. This will enable us to address a wider addressable market capitalising on our indirect channel customers' business network. During the Financial Years and Period Under Review, our indirect distribution channel contributed 91.74%, 88.93%, 78.83%, and 73.56% of our total revenue for the FYE 2022, FYE 2023, and FYE 2024, and FPE 2025, respectively.

At the same time, we will also maintain active engagement with our direct channel customers, including property developers and owners, and business owners, to gain a deeper technical understanding of their needs. This insight is crucial for delivering the most suitable solutions. Our direct distribution channel accounted for 8.26%, 11.07%, 21.17%, and 26.44% of our total revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9.3 Marketing and business development team

Our marketing and business development activities are headed by our Managing Director, Ai Boon Chen due to the customised and technical nature of the services that we provide. As at the LPD, he is supported by 1 operations manager and our marketing and business development department comprising 4 employees who prepare tender documentation and quotations.

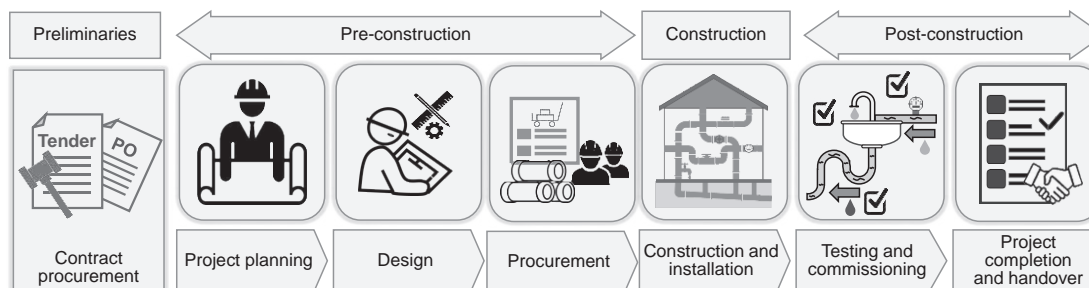
6.10 PRODUCTION CAPACITY, OUTPUT AND UTILISATION

Production capacity, output and utilisation do not apply to our business operations as our business activities are service based and we carry out most of our work at the end-user premises' site.

6.11 BUSINESS PROCESS FLOW

6.11.1 Supply and installation of piping systems

The process flow of our business operations for the supply and installation of piping systems is depicted in the diagram below:



(i) Contract procurement

Our projects are secured through contracts or purchase orders. We either participate in tenders or provide quotations for our supply and installation services related to piping systems.

We begin by preparing the tender bid documents or the project quotation. During this phase, we will conduct a site assessment, prepare cost estimates, identify statutory and regulatory requirements, evaluate predetermined designs and specifications, create a project schedule, and plan the necessary resources, including finances, manpower, materials, tools and equipment, and logistics. Once these preparations are completed, we will submit our commercial proposal, which includes pricing and payment schedules, and technical proposal comprising scope of work, technical details, and supporting documentation to the prospective customer. In some cases, a tender bond may also be required, providing a guarantee to the customer that we will proceed with the project if our tender is successful.

The formal acceptance of the contract is confirmed upon the issuance of a letter of award, followed by contract signing, the issuance of a purchase order, or the customer's acceptance of our quotation. Key terms typically outlined in the contract include the scope of work, contract value, project start and expected completion dates (where applicable), DLP, insurance coverage, payment terms, and provisions for LAD.

6. INFORMATION ON OUR GROUP (Cont'd)

(ii) Pre-construction

Project planning

Upon receiving the contract or purchase order from the customer, we will set up a project team and finalise the agreement with the customer in terms of the scope of work, schedule, any required specifications, detailed design, construction, installation and commissioning of the piping systems. During this stage, we will also register with the local authority and obtain all the necessary registrations, licences, approvals and permits before the commencement of the construction works, when required.

Design

Most of our projects do not incorporate the design component as it is usually provided to us by the customer or its representative. We will then plan our work and follow the design according to the approved design.

This process is only applicable for projects that include design as part of our scope of the contract. For projects where we are responsible for design, our engineers will prepare the piping and system layout diagrams, and specifications for fittings and equipment, along with the work method statements. The design considers key factors such as water flow rates, pipe sizes and materials, pressure distribution, fixture locations, accessibility for maintenance, and regulatory compliance. The design documents are required to be submitted to independent engineering consultants for review and endorsement, before submitted to the customers for their approval.

Procurement

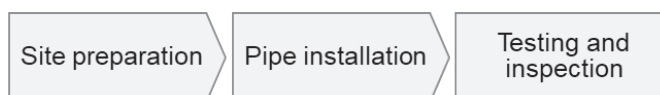
Our procurement activities mainly involve the sourcing of materials, equipment, labour, and accessories necessary for the project execution. These include, among others, pipes, fittings, equipment, water tanks, valves, pumps, and building materials as specified in the bill of quantity. All procured materials are delivered directly to the site as needed. We will also be responsible for engaging subcontractors, when necessary, to perform specialised tasks that require specific expertise or resources beyond our in-house capabilities. This may include subcontractors for the civil and structural works, installation of electrical systems and process control systems, installation of specialised storage tanks for data centres as well as specialised works such as pipe jacking and hot tapping.

As part of our responsibility includes selecting suppliers and subcontractors for the project, this will be based on price quotations, delivery timeliness, track record, reputation, reliability, and quality. In some cases, suppliers and subcontractors may be specified by the customers. As such, we will then request for quotations from the respective nominated suppliers and subcontractors.

(iii) Construction and installation

We are responsible for carrying out the construction and installation of piping systems to ensure compliance with the approved design under the supervision of our engineers.

Underground piping



Underground piping involves installing pipes in the ground, such as external water supply and sewer piping systems within the boundary of end-user premises, and water mains piping and sewer piping outside the boundary of premiss.

6. INFORMATION ON OUR GROUP (Cont'd)

Site preparation primarily involves site clearance and earthworks to facilitate the installation of pipes. Our in-house team performs tasks such as excavation to create trenches with the required depth and width for pipe laying, as well as grading and leveling to ensure proper slope for efficient water flow from the source. When necessary, we will engage external subcontractors to assist with the site preparation under our supervision, ensuring that the works meet the project requirements.

The next step involves positioning and laying the pipes in the trenches. After the pipes are positioned, we will install the necessary fittings, such as elbows, tees, couplings, valves, and flanges, to connect the different sections of the piping. These fittings allow for changes in directional flow and ensure that the piping functions properly as intended.

Once the installation is complete, we will conduct pressure and leak tests to verify their integrity and ensure reliable connections. Upon successful testing, the trenches are backfilled and compacted to prevent settling and to protect the pipes from external damage.

Above-ground / internal piping



Internal piping systems are installed within buildings. Preparation begins by clearing space for pipe routing by drilling or cutting pathways in walls, floors, and ceilings. Routing is carefully planned to minimise the use of elbows and tees to reduce the risk of blockages and ensures optimal water pressure.

Pipe installation for cold and hot water piping systems connect the water supply to various endpoints, such as faucets, showers, and toilets, as well as points for manufacturing and processing. For sanitary piping systems, wastewater pipes are installed to carry wastewater and sewage to the main sewer line or septic tank. When required, we will also install fittings and endpoints.

The pipes are tested and inspected after installation. Water is run through the systems at full pressure to detect any leakage or weak points in the connections. A pressure test is typically conducted for cold and hot water pipes to ensure that there is no pressure drop and the system can handle the expected load.

Finally, we seal and repair the openings made for pipe routing ensuring that surfaces are properly finished.

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6. INFORMATION ON OUR GROUP (Cont'd)

(iv) Post-construction and installation**Testing and commissioning**

The final stage involves the testing and commissioning of the installed piping systems to ensure they function efficiently and meet the approved design specifications. This phase includes a series of tests to verify that the systems are correctly installed and fully operational.

Initial testing is carried out by our in-house personnel for most of the installation. However, for major equipment or specialised fixtures, it is performed jointly with the supplier. Additionally, specialised tests are conducted by designated subcontractors. Some of the tests that are conducted by our personnel include the following:

- **Functionality test:** This includes flushing and fixture operation tests to verify that all fixtures and fittings are functioning as intended.
- **Pressure test:** A hydrostatic test is conducted on the main distribution pipes to check the system's ability to withstand pressure without leaks or pressure drops.
- **Leak test:** Performed on pipes and joints to ensure there are no leaks in the system.
- **Sectional flow test:** This test verifies the proper flow of water and drainage through different sections of the system.

When required, we engage subcontractors to conduct specialised tests such as the following:

- **Dye penetrant testing:** Dye is applied to the surface of the pipe, which penetrates surface cracks and is revealed under ultraviolet light.
- **Radiography testing:** X-rays are used to create images of the internal structure of the pipe to reveal defects such as cracks and voids.
- **Video inspection of sewer pipes:** A fiberoptic closed circuit television (CCTV) system is used to inspect the interior of sewer pipes.

In addition, testing and commissioning of major equipment or specialised equipment are carried out jointly with the supplier.

Any defects identified during initial testing will be addressed and rectified. This is followed by official testing with the customer, the customer's representative, and/or the relevant authorities (when necessary) to demonstrate that the system is properly installed, fully operational, and is in compliance with the design specifications.

Once the system passes all tests and commissioning procedures, the piping system is handed over to the customer, along with the relevant operations and maintenance manuals, which include guidelines for future upkeep and servicing.

Project completion and handover

The project is considered completed upon the handover of the project to the customer. This marks the beginning of the DLP, which lasts between 12 and 36 months depending on the contract. During this period, we are responsible for addressing and rectifying any defects identified at our cost.

6. INFORMATION ON OUR GROUP (Cont'd)

At the conclusion of the DLP, the customer will notify us to proceed with the claim for the final retention sum once all identified defects have been resolved. For the Financial Years and Period Under Review and up to the LPD, we have not received any defect liability claims from our customers. The product warranty period of some of the equipment that we install, such as pumps and specialised storage tanks, may extend beyond the DLP. We are not responsible for repairing or replacing such equipment if there is a defect after the DLP but within the product warranty period, and the responsibility lies with the respective equipment supplier. However, to maintain good relations with a customer we may assist them with the product warranty claim.

6.12 TYPES AND SOURCES OF INPUT MATERIALS AND SERVICES

The following are the cost of the major types of materials and services that we utilise for our business operations during the Financial Years and Period Under Review:

Costs of materials and services	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Materials	9,302	64.48	17,097	70.91	19,942	67.37	15,796	52.81
Pipe fittings	1,445	10.02	2,419	10.03	6,515	22.01	3,760	12.57
Pipes	4,089	28.34	4,333	17.97	5,385	18.19	6,174	20.64
Equipment ^{(1), (2)}	759	5.27	4,776	19.81	3,124	10.55	2,661	8.90
Building materials	1,667	11.55	2,854	11.84	2,819	9.53	1,066	3.56
Sanitary wares and tanks ⁽²⁾	1,342	9.30	2,715	11.26	2,099	7.09	2,135	7.14
Piping installation and other services ⁽³⁾	5,125	35.52	7,015	29.09	9,658	32.63	14,117	47.19
TOTAL	14,427	100.00	24,112	100.00	29,600	100.00	29,913	100.00

Notes:

- (1) *Equipment includes specialised fixtures such as eyewash stations and heat pumps.*
- (2) *In some cases, the costs include installation. For example, some suppliers of specialised storage tanks include the cost of installation as part of the total cost of the equipment*
- (3) *Other services include civil and structural works, installation of electrical and process control systems, installation of specialised storage tanks for data centres, as well as specialised works such as pipe jacking, hot tapping, dye penetrant testing, and radiographic testing. These services are outsourced to subcontractors.*

The materials and services that we purchase are used across all of our business activities.

The main type of materials that we purchase for our business operations are pipe fittings and pipes. Pipe fittings accounted for 10.02%, 10.03%, 22.01%, and 12.57% of our costs of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively. The types of pipe fittings that we purchased include elbows, tees, wyes, reducers, adapters, couplings, unions, and flanges, as well as valves. Meanwhile, pipes accounted for 28.34%, 17.97%, 18.19%, and 20.64% of our costs of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively. We purchased pipes of various sizes and materials, including steel pipes (cement-lined, galvanised, and stainless steel), copper pipes, plastic pipes (PPR, PVC and HDPE), and concrete pipes.

6. INFORMATION ON OUR GROUP (Cont'd)

The types of equipment that we purchase for our projects include pumps and pump accessories, flow control and measurement equipment (such as meters and pressure gauges), valve actuators, monitoring and safety equipment, and specialised fixtures such as eyewash stations and heat pumps. This equipment accounted for 5.27%, 19.81%, 10.55%, and 8.90% of our costs of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively.

We purchased building materials such as sand and cement, and they accounted for 11.55%, 11.84%, 9.53%, and 3.56% of our costs of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively. We also purchased sanitary ware such as bathroom and toilet fixtures, as well as tanks, which accounted for 9.30%, 11.26%, 7.09%, and 7.14% of our costs of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively.

Piping installation and other services accounted for 35.52%, 29.09%, 32.63%, and 47.19% of our costs of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively. We engage subcontractors to carry out piping installation and trenching under our management and supervision when we have conflicting installation timelines. We also engage subcontractors to carry work such as civil and structural works, installation of electrical and process control systems, installation of specialised storage tanks for data centres, as well as specialised works such as pipe jacking, hot tapping, dye penetrant testing, and radiographic testing.

Our sources of supply for our materials and services are summarised in the following table.

Sources of supply of materials and services	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	14,425	99.99	20,211	83.82	27,219	91.96	29,884	99.90
Other countries ⁽¹⁾	2	0.01	3,901	16.18	2,381	8.04	29	0.10
TOTAL	14,427	100.00	24,112	100.00	29,600	100.00	29,913	100.00

Note:

(1) Other countries include China, Singapore, and the United States.

Most of our materials and services were from suppliers in Malaysia during the Financial Years and Period Under Review.

We did not experience any shortages in purchasing materials and services during the Financial Years and Period Under Review. The main types of materials that we purchase are not commodity-related, with the exception of metal-based products, such as steel pipes and fittings and equipment made wholly or mostly of steel, and copper pipes. The prices of these metal-based products may be affected by global commodity price fluctuations. However, we were not affected by global commodity price fluctuations as there were no fluctuations in the prices of metal-based products that materially affected our business operations during the Financial Years and Period Under Review.

6. INFORMATION ON OUR GROUP (Cont'd)

6.13 MAJOR CUSTOMERS

Our top five (5) major customers and their contribution to our revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 are as follows:

FPE 2025

Top five (5) major customers	Country	Main types of services provided	Main projects / Types of properties and infrastructure	Revenue RM'000	% of total revenue	Length of business relationship ⁽¹⁾
Customer C	Malaysia	Supply and installation of piping systems for end-user premises and water supply infrastructure piping	Johor Data Centre 1 Project and Johor Data Centre 1 Water Supply Project / Data centre	23,235	39.04	2 years
Customer O	Malaysia	Supply and installation of piping systems for end-user premises	Penang Hotel Project / Commercial	6,774	11.38	1 year
Customer J	Malaysia	Supply and installation of piping systems for end-user premises	Melaka Electronics Manufacturing Facility Project / Industrial	5,062	8.51	7 years
Customer A	Malaysia	Supply and installation of piping systems for end-user premises	Penang Factory Project / Industrial	5,034	8.46	3 years
Customer L1	Malaysia	Supply and installation of piping systems for end-user premises	Johor Serviced Apartment 2 Project / Residential	3,065	5.15	11 years
Sub-total of the top five (5) customers				43,170	72.54	
Total Group's revenue				59,516	100.00	

6. INFORMATION ON OUR GROUP (Cont'd)

FYE 2024

Top five (5) major customers	Country	Main types of services provided	Main projects / Types of properties and infrastructure	Revenue RM'000	% of total revenue	Length of business relationship ⁽¹⁾
Customer A	Malaysia	Supply and installation of piping systems for end-user premises	Penang Factory Project / Industrial	11,237	20.55	2 years
Customer B	Malaysia	Supply and installation of piping systems for end-user premises	Johor Serviced Apartment 1 Project / Residential	6,453	11.80	3 years
Customer C	Malaysia	Supply and installation of piping systems for end-user premises and water supply infrastructure piping	Johor Data Centre 1 Project and Johor Data Centre 1 Water Supply Project / Data centre	6,202	11.35	1 year
Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd	Malaysia	Supply and installation of piping systems for end-user premises	Johor Data Centre 2 Project and another data centre project ⁽³⁾ / Data centre	3,999	7.32	2 years
KTN Construction Sdn Bhd	Malaysia	Supply and installation of piping systems for end-user premises	Johor Apartment Project / Residential	2,449	4.48	3 years
Sub-total of the top five (5) customers				30,340	55.50	
Total Group's revenue				54,669	100.00	

6. INFORMATION ON OUR GROUP (Cont'd)

FYE 2023

Top five (5) major customers	Country	Main types of services provided	Main projects / Types of properties and infrastructure	Revenue RM'000	% of total revenue	Length of business relationship ⁽¹⁾
Customer A	Malaysia	Supply and installation of piping systems for end-user premises	Penang Factory Project / Industrial	10,150	26.23	1 year
Seremban Engineering Berhad	Malaysia	Supply and installation of piping systems for end-user premises	Industrial Dairy Factory Project / Industrial	2,846	7.35	1 year
Customer D	Malaysia	Supply and installation of water supply infrastructure	Water Mains Rerouting Project / Commercial	1,852	4.78	1 year
Customer E	Malaysia	Supply and installation of water supply infrastructure	Johor Water Supply Project / Data centre	1,700	4.39	#
Customer F	Malaysia	Supply and installation of piping systems for end-user premises	Kedah Factory Project / Industrial	1,690	4.37	1 year
Sub-total of the top five (5) customers				18,238	47.12	
Total Group's revenue				38,705	100.00	

6. INFORMATION ON OUR GROUP (Cont'd)

FYE 2022

Top five (5) major customers	Country	Main types of services provided	Main projects / Types of properties and infrastructure	Revenue RM'000	% of total revenue	Length of business relationship ⁽¹⁾
Customer F	Malaysia	Supply and installation of piping systems for end-user premises	One (1) project ⁽⁴⁾ / Industrial	2,263	10.49	#
Customer G	Malaysia	Supply and installation of piping systems for end-user premises	Food Manufacturing Facility Project / Industrial	2,021	9.37	6 years
Seremban Engineering Berhad	Malaysia	Supply and installation of piping systems for end-user premises	Industrial Dairy Factory Project / Industrial	2,002	9.28	#
Transgreen Construction Sdn Bhd	Malaysia	Supply and installation of piping systems for end-user premises	Three (3) projects ⁽⁵⁾ / Industrial and commercial	1,759	8.15	9 years
Customer H	Malaysia	Supply and installation of piping systems for end-user premises	Industrial Warehouse Project / Industrial	1,508	6.99	1 year
Sub-total of the top five (5) customers				9,553	44.28	
Total Group's revenue				21,573	100.00	

Notes:

- # The business relationship commenced in the respective financial year or financial period.
- (1) Length of relationship as at the respective financial year or financial period.
- (2) Seremban Engineering Berhad is listed on the Main Market of Bursa Securities.
- (3) The other data centre project for Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd in FYE 2024 was the supply, delivery, installation, testing and commissioning of end-user premises piping systems for another data centre in Johor. This project is not included as a completed project in Section 6.6.1 (g) as its total value was less than RM2.00 million.
- (4) The main project for Customer F in FYE 2022 was the supply, installation, testing and commissioning of end-user premises piping systems for a factory in Negeri Sembilan. This project was not included as a completed project in Section 6.6.1 (g) as the total value was less than RM2.00 million.
- (5) The three (3) main projects for Transgreen Construction Sdn Bhd in FYE 2022 were the supply, installation, testing and commissioning of end-user premises piping systems for a food products factory in Johor, a concrete products factory in Johor, and property show units in Johor. These projects were not included as completed projects in Section 6.6.1 (g) as the total value of each project was less than RM2.00 million.

6. INFORMATION ON OUR GROUP (Cont'd)

Although five (5) customers accounted for more than 10.00% of our total revenue in one (1) or more financial years or financial period, namely Customer A, Customer B, Customer C, Customer F and Customer O, we are not dependent on any of these customers as the nature of our business is project based. The revenue contribution from a project will vary from year to year depending on project implementation progress, and will cease after the project is completed. There will not be any more revenue contribution from a customer after their project is completed unless we secure another project from the same customer. During the Financial Years and Period Under Review, we were not exposed to customer concentration risk as the nature of our business is project based.

Further, we are not subject to specific industry concentration risk as our services covered a range of end-user premises during the Financial Years and Period Under Review. This included various industrial properties such as manufacturing and processing plants (including dairy products, food, electronics, and semiconductor manufacturing facilities, as well as industrial warehouses), data centres, residential properties, commercial properties and other properties (such as workers' accommodation, colleges, hospitals, hotels, power plants, and mass transit facilities).

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6. INFORMATION ON OUR GROUP (Cont'd)

6.14 MAJOR SUPPLIERS

Our top five (5) major suppliers and their contribution to our costs of input materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 are as follows:

FPE 2025

Top five (5) major suppliers	Country	Main types of input materials and services purchased	Costs (RM'000)	% of total costs ⁽¹⁾	Length of business relationship ⁽²⁾
Malstore Sdn Bhd	Malaysia	Water tanks	4,185	13.99	1 year
Kenyin Hardware Sdn Bhd	Malaysia	Pipes, fittings and tools	3,565	11.92	24 years
Cheong Soon Cheong ⁽³⁾	Malaysia	Piping installation services	1,709	5.71	2 years
Supplier A ⁽⁴⁾	Malaysia	Pipes, fittings and tools	1,216	4.07	10 years
Intrix Renewable Sdn Bhd	Malaysia	Specialised fixtures	1,099	3.67	3 years
Sub-total of the top five (5) suppliers			11,774	39.36	
Total costs of input materials and services			29,913	100.00	

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6. INFORMATION ON OUR GROUP (Cont'd)

FYE 2024

Top five (5) major suppliers	Country	Main types of input materials and services purchased	Costs (RM'000)	% of total costs ⁽¹⁾	Length of business relationship ⁽²⁾
Kenyin Hardware Sdn Bhd	Malaysia	Pipes, fittings and tools	4,963	16.77	23 years
Cheong Soon Cheong ⁽³⁾	Malaysia	Piping installation services	2,402	8.12	1 year
Soon Chuan Hong Hardware Sdn Bhd	Malaysia	Pipes, fittings and tools	2,384	8.05	6 years
AllAlloy Dynaweld Sdn Bhd	Malaysia	Specialised fixtures	2,108	7.12	2 years
Ingca Link Sdn Bhd	Malaysia	Water tanks	1,728	5.84	9 years
Sub-total of the top five (5) suppliers			13,585	45.90	
Total costs of input materials and services			29,600	100.00	

FYE 2023

Top five (5) major suppliers	Country	Main types of input materials and services purchased	Costs (RM'000)	% of total costs ⁽¹⁾	Length of business relationship ⁽²⁾
AllAlloy Dynaweld Sdn Bhd	Malaysia	Specialised fixtures	3,732	15.48	1 year
Kenyin Hardware Sdn Bhd	Malaysia	Pipes, fittings and tools	2,602	10.79	22 years
Soon Chuan Hong Hardware Sdn Bhd	Malaysia	Pipes, fittings and tools	2,426	10.06	5 years
Kim Maa Engineering Sdn Bhd	Malaysia	Water pumps and tanks	1,385	5.74	7 years
Yeo Plumber ⁽³⁾	Malaysia	Piping installation services	1,090	4.52	22 years
Sub-total of the top five (5) suppliers			11,235	46.59	
Total costs of input materials and services			24,112	100.00	

6. INFORMATION ON OUR GROUP (Cont'd)

FYE 2022

Top five (5) major suppliers	Country	Main types of input materials and services purchased	Costs (RM'000)	% of total costs ⁽¹⁾	Length of business relationship ⁽²⁾
Kenyin Hardware Sdn Bhd	Malaysia	Pipes, fittings and tools	2,622	18.17	21 years
Yeo Plumber ⁽³⁾	Malaysia	Piping installation services	1,024	7.10	21 years
Soon Chuan Hong Hardware Sdn Bhd	Malaysia	Pipes, fittings and tools	812	5.63	4 years
Ingca Link Sdn Bhd	Malaysia	Water tanks	712	4.94	7 years
Sanifix (M) Sdn Bhd	Malaysia	Pipes, fittings and tools	641	4.44	1 year
Sub-total of the top five (5) suppliers			5,811	40.28	
Total costs of input materials and services			14,427	100.00	

Notes:

- (1) Percentage of total costs of input materials and services.
- (2) Length of relationship as at the respective financial year.
- (3) A sole proprietorship.
- (4) Supplier A is a private company incorporated in Malaysia whose principal activities include manufacturing and distributing plastic pipes, fittings, and sanitary wares. Supplier A is a subsidiary of a company listed on the Mainboard of the Singapore Exchange in Singapore. The name is not disclosed as consent was not provided.

Although four (4) suppliers accounted for more than 10.00% of our total costs of input materials and services in one (1) or more financial years or financial period, namely Kenyin Hardware Sdn Bhd, AllAlloy Dynaweld Sdn Bhd, Soon Chuan Hong Hardware Sdn Bhd and Malstore Sdn Bhd, we are not dependent on any of the major suppliers. With respect to AllAlloy Dynaweld Sdn Bhd and Malstore Sdn Bhd, we purchase specialised fixtures and water tanks respectively, that were only for projects as specified by the respective end-user, and after the projects are completed, we do not expect to purchase input materials from these suppliers unless their products are specified by the end-user in another project. With respect to the other suppliers, we purchase pipes, fittings, and tools which are easily available in the market. In addition, we purchase similar pipes, fittings and tools from other suppliers. During the Financial Years and Period Under review and up to the LPD, we purchased input materials and engaged services from a total of approximately 450 suppliers.

6. INFORMATION ON OUR GROUP (Cont'd)

6.15 RESEARCH AND DEVELOPMENT

Due to the nature of our business, we do not have any research and development activities, and we have not recognised any research and development expenditure for the Financial Years and Period Under Review and up to the LPD.

6.16 TECHNOLOGY USED

We do not use any specialised technology in our business operations. However, we rely on computer-aided design software to carry out our design operations.

6.17 SEASONALITY

During the Financial Years and Period Under Review and up to the LPD, we did not experience any material seasonality in our business.

6.18 MATERIAL INTERRUPTIONS TO OUR BUSINESS

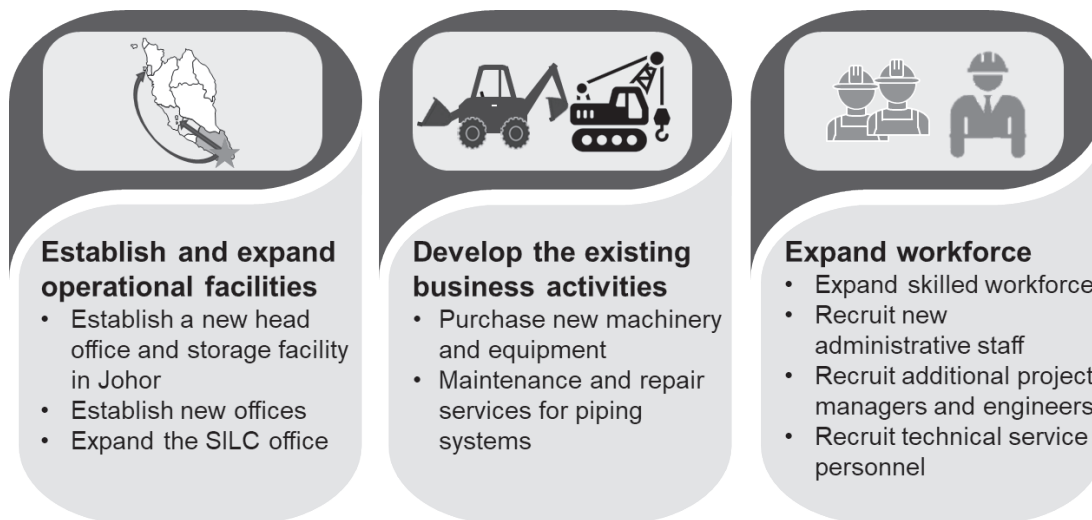
We did not experience any material interruptions to our business operations during the past 12 months up to the LPD.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.19 BUSINESS STRATEGIES AND PLANS

Our business strategies and growth plans are centred on leveraging our core competencies and strengths in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping, as well as enhancing and expanding our operational capabilities. The following diagram summarises our business strategies and plans:



6.19.1 Establish and expand operational facilities

(a) Establish a new head office and storage facility in Johor

As at the LPD, the space at our existing Head Office is fully utilised with offices and work spaces for 27 employees, as well a lobby, meeting room, surau, pantry, and rooms for storing documents, office supplies, and project materials. The current Head Office will not be able to accommodate the six (6) new employees that we plan to hire to expand our skilled workforce (as described in Section 6.19.3 (a) of this Prospectus). Consequently, we plan to set-up our New Head Office and Storage Facility to cater for our business growth and development, and enhance our corporate image. We intend to close our existing Head Office and its functions, including our engineering and administrative departments which will be relocated to the New Head Office and Storage Facility. Following the relocation to the New Head Office and Storage Facility, our Group does not intend to maintain the tenancy of the existing Head Office and storage area premises.

The new facility will be constructed in Pontian, Johor on a piece of land of approximately 118,413 sq. ft. that we currently own. This piece of land was acquired in 2017 and our Group did not have a plan to develop the new head office at the point of time. Subsequently, the COVID-19 pandemic further delayed our Group's plan due to economic uncertainties and operational disruptions. With our Group' business having grown in recent years and in conjunction with our Listing, our Group now consider it commercially viable to establish the new head office and to cater for our future expansions.

We will construct the New Head Office and Storage Facility on approximately half of the land with the remainder reserved for future development. The building will have built up area of around 40,000 sq. ft. and it will include office space for our engineering department and in-house administrative functions, as well as storage space to store our machinery, equipment and tools, and a small quantity of commonly used materials and consumables. We will also set up a workshop to carry out maintenance and repairs on our machinery and equipment.

6. INFORMATION ON OUR GROUP (Cont'd)

Our indicative timeline for setting-up the New Head Office and Storage Facility is as follows:

Indicative timeline	Milestones for establishing the New Head Office and Storage Facility
Q1 2026	<ul style="list-style-type: none"> Commence the submission of applications for planning approval to the relevant authorities.
Q4 2026	<ul style="list-style-type: none"> Obtain building plan approvals from the authorities. Engage a main contractor to construct the New Head Office and Storage Facility. Commence construction works on the new facility.
Q2 2028	<ul style="list-style-type: none"> Complete construction works on the New Head Office and Storage Facility.
Q3 2028	<ul style="list-style-type: none"> Obtain the relevant approvals, licences and/or certifications. Commence operations at the New Head Office and Storage Facility.

As at the LPD, the total estimated cost of establishing the New Head Office and Storage Facility is RM10.25 million which we plan to fund entirely using IPO proceeds. The breakdown of the estimated costs is as follows:

Establishing New Head Office and Storage Facility	Estimated cost ⁽¹⁾ RM'000
Professional and local authority fees	200
Building construction costs	7,500
Interior design and fit-out work	2,000
Office equipment and hardware	200
Solar photovoltaic system ⁽²⁾	350
TOTAL	10,250

Notes:

- (1) *Estimated cost based on preliminary quotations.*
- (2) *Solar photovoltaic system with installed capacity of around 96.72 kW that we plan to install on the rooftop of the New Head Office and Storage Facility.*

6. INFORMATION ON OUR GROUP (Cont'd)**(b) Establish new offices to expand geographically**

We plan to expand our geographical market coverage by setting up 2 new offices at rented premises, namely the Central Region Office in Selangor or Negeri Sembilan and the Northern Region Office in Penang.

We plan to use the Central Region Office and Northern Region Office to support the implementation of our projects in the central and northern regions of Peninsular Malaysia respectively, as well as to serve as service centres to support maintenance and repair services. These premises will also be used to store project implementation and piping systems repair and maintenance materials such as tools, small hardware, and piping materials and consumables.

These offices will also demonstrate our commitment to serve our customers and provide quick maintenance and repair services, support sales and marketing, as well as enable us to address opportunities for new projects.

Our indicative timeline for setting up the new office is as follows:

Indicative timeline	Milestones for establishing new offices
Q3 2026	<ul style="list-style-type: none"> Enter into a tenancy agreement for the Central Region Office and commence setting up the office.
Q4 2026	<ul style="list-style-type: none"> Begin operating at the Central Region Office.
Q1 2027	<ul style="list-style-type: none"> Enter into a tenancy agreement for the Northern Region Office and commence setting up the office.
Q2 2027	<ul style="list-style-type: none"> Begin operating at the Northern Region Office.

We plan to finance the cost of the geographical expansion solely through our IPO proceeds. The estimated cost of the geographical expansion is RM0.35 million as follows:

Establish new offices	Estimated cost RM'000
Central Region Office	175
<ul style="list-style-type: none"> Setting up the new office ⁽¹⁾ Rental ⁽²⁾ 	<p>100</p> <p>75</p>
Northern Region Office	175
<ul style="list-style-type: none"> Setting up the new office ⁽¹⁾ Rental ⁽²⁾ 	<p>100</p> <p>75</p>
TOTAL	350

Notes:

- (1) The estimated cost of setting up the office includes the purchase of computer equipment and office furniture.
- (2) Comprising rental of premises with built-up area of approximately 1,200 sq. ft. to 2,000 sq. ft. for 24 months.

6. INFORMATION ON OUR GROUP (Cont'd)**(c) Expand SILC Office**

Our Subsidiary currently owns the building at 45, Jalan SILC 2/10, Kawasan Perindustrian SILC, 79200, Iskandar Puteri, Johor, of which the ground floor is currently used as our SILC Office. We currently use the 1st and 2nd floors of this building as accommodations for our workers.

As part of our business strategy, we plan to convert the 1st and 2nd floors of this building into office and workspaces to enhance our operational facilities in the area. The SILC Office is in a strategic location which enable us to support our on-going projects as well as to serve our customers better. It will also help to cater to the growth and development of our business. Our indicative timeline for expanding the SILC Office is as follows:

Indicative timeline	Milestones for expanding our SILC Office
Q2 2026	<ul style="list-style-type: none"> Submit applications to the relevant authorities for approval.
Q1 2027	<ul style="list-style-type: none"> Obtain approvals from the relevant authorities. Engage contractor and commence renovation works.
Q4 2027	<ul style="list-style-type: none"> Complete renovation works and submit applications to the relevant authorities for approval.
Q2 2028	<ul style="list-style-type: none"> Begin operating at renovated 1st and 2nd floors.

The total cost of the conversion is estimated at RM0.75 million which will be financed solely through our IPO proceeds. The costs of conversion include renovation works and purchasing furniture and office equipment.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.19.2 Develop the existing business activities

(a) Purchase new machinery and equipment for the supply and installation of water supply and sewer infrastructure piping operations

As part of our plans, we plan to further develop our supply and installation of water supply and sewer infrastructure piping business, which accounted for 4.77% (RM1.03 million), 11.79% (RM4.56 million), 13.75% (RM7.52 million), and 34.73% (RM20.67 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively.

To implement this plan, we plan to acquire the following new machinery and equipment within 24 months of our Listing:

Purchases of machinery and equipment	Intended number of units to be purchased	Total estimated cost ⁽¹⁾ RM'000
Vibro-hammer and sheet piles: Construction equipment used to install sheet piling, which is mainly used to support supply and installation of water supply and sewer infrastructure piping projects. ⁽²⁾	1	470
Backhoes: Construction equipment used to dig and excavate soil for trenching, earthworks, civil and structural works.	4	700
Crane lorry: Lorry with cargo bed as well as crane mounted on the chassis. This vehicle can transport cargo, as well as load and unload cargo without relying on external material handling equipment.	1	450
Passenger van: Vehicle to transport our employees to and from project sites.	1	170
Pickup trucks: Vehicle to transport our employees and material to and from project sites.	2	260
TOTAL		2,050

Notes:

(1) Based on preliminary quotations.

(2) We currently engage subcontractors to install sheet piling, which are required to temporarily shore-up some of the trenching works that we carry out for some projects. After we purchase our own vibro-hammer and sheet piles, we can carry out sheet piling works in-house and reduce our usage of subcontractors for this work.

These machinery and equipment will mainly be used for our supply and installation of water supply and sewer infrastructure piping projects, and they can also be used for supply and installation of piping systems for end-user premises projects. Having these machinery and equipment in-house will enable us to carry out more of the work in-house, which will reduce our use of and expenditure on subcontractors as well as give us more control over project scheduling and work quality. As at the LPD, the new machinery and equipment have not been ordered.

Purchasing new machinery and equipment (together with hiring additional project implementation employees) will enable us to carry out larger and more complicated projects, and also implement more projects concurrently.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) Maintenance and repair services for piping systems

Our business strategy also includes expanding our maintenance and repair services for piping systems business, which accounted for 7.64% (RM1.65 million), 4.21% (RM1.63 million), 2.30% (RM1.26 million), and 0.47% (RM0.28 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025, respectively.

We plan to expand our maintenance and repair services for piping systems by establishing the Central Region Office and Northern Region Office (as described in Section 6.19.1 (b) of this Prospectus) and by hiring technical service personnel (as described in Section 6.19.3 (d) of this Prospectus).

Developing our maintenance and repair services for piping systems business will support after-sales services to the supply and installation of piping systems for end-user premises customers, including defect liability period-related repair services as well as subsequent maintenance and repair services. We can also expand our recurrent revenue streams through providing scheduled maintenance services to customers based on service contracts of 1 or more years.

6.19.3 Expand workforce

We plan to expand our workforce by hiring new employees as follows:

(a) Expand skilled workforce at head office level

We plan to expand our skilled workforce by hiring the following additional employees at head office level:

- 2 building information modelling (BIM) modellers. BIM is the process of developing a 3-dimensional representation of a facility's physical and functional characteristics to model its life-cycle, including its planning, design, construction, and operations;
- 2 quantity surveyors; and
- 2 account executives.

We plan to hire these additional employees within 24 months of our IPO. They will be based at our head office in Johor, although individual employees may be deployed to other locations as required to implement projects. Hiring these additional employees will enable us to implement more projects concurrently.

(b) Recruit new administrative staff at the new Central Region Office and Northern Region Office

We plan to hire 1 additional administrative staff for the Central Region Office and 1 additional administrative staff for the Northern Region Office. The new administrative staff will support the project implementation teams when they are stationed at the respective offices, as well as the technical service teams serving the respective regions.

We plan to hire the new administrative staff for the Central Region Office and Northern Region Office when the respective offices commence business operations.

6. INFORMATION ON OUR GROUP (Cont'd)**(c) Recruit additional project manager and engineers focusing on providing supply and installation of water supply and sewer infrastructure piping projects**

We plan to hire 1 additional project manager and 6 additional project engineers who will be focused on implementing supply and installation of water supply and sewer infrastructure piping projects. They can also work on supply and installation of piping systems for end-user premises projects when required. We plan to hire these new employees within 24 months of our IPO. Hiring these additional employees will enable us to implement more projects concurrently.

(d) Recruit technical service personnel focused on providing maintenance and repair services for piping systems at the new Central Region Office and Northern Region Office

We intend to implement our plan to expand our maintenance and repair services for piping systems business by employing 1 additional technical service personnel for the Central Region Office and 1 additional technical service personnel for the Northern Region Office. These technical service personnel will be based at the respective offices to provide maintenance and repair services to customers in those areas. They can also work on supply and installation of piping systems for end-user premises projects as well as water supply and sewer infrastructure piping projects when required.

We plan to hire the new technical service personnel for the Central Region Office and Northern Region Office when the respective offices commence business operations.

The estimated cost of hiring these additional employees is RM1.85 million which we plan to finance solely through our IPO proceeds, as follows:

Hiring additional employees	(1) Estimated cost RM'000
Expand skilled workforce at head office level	
2 BIM modellers	220
2 quantity surveyors	200
2 account executives	240
Administrative staff at the new offices	
2 administrative staff	160
Additional project manager and project engineers	
1 project manager	250
6 project engineers	580
Technical service personnel for the new offices	
2 technical service personnel	200
TOTAL	1,850

Note:

- (1) The estimated costs of hiring the additional employees are based on the salaries and benefits of the respective employees for 24 months.

6. INFORMATION ON OUR GROUP (Cont'd)

6.20 EMPLOYEES

The following sets out the number of our employees according to the business function or department as at 31 December 2022, 31 December 2023, 31 December 2024, 31 July 2025 and the LPD:

Department	FYE 2022					FYE 2023				
	Contractual worker		Permanent employee		Total	Contractual worker		Permanent employee		Total
	Local	Foreign	Local	Foreign		Local	Foreign	Local	Foreign	
Management	-	-	9	-	9	-	-	8	-	8
Administration, finance and human resources	-	-	12	-	12	-	-	9	-	9
Marketing and business development	-	-	2	-	2	-	-	3	-	3
Procurement	-	-	1	-	1	-	-	2	-	2
Engineering	-	-	22	-	22	-	-	35	-	35
Construction and maintenance workers	-	20	-	-	20	-	97	-	-	97
Total workforce	-	20	46	-	66	-	97	57	-	154

Department	FYE 2024					FPE 2025				
	Contractual worker		Permanent employee		Total	Contractual worker		Permanent employee		Total
	Local	Foreign	Local	Foreign		Local	Foreign	Local	Foreign	
Management	-	-	8	-	8	-	-	14	-	14
Administration, finance and human resources	-	-	9	-	9	-	-	10	-	10
Marketing and business development	-	-	3	-	3	-	-	4	-	4
Procurement	-	-	3	-	3	-	-	3	-	3
Engineering	-	-	47	-	47	-	-	41	-	41
Construction and maintenance workers	-	149	-	-	149	-	201	-	-	201
Total workforce	-	149	70	-	219	-	201	72	-	273

6. INFORMATION ON OUR GROUP (Cont'd)

Department	As at the LPD				
	Contractual worker		Permanent employee		Total
	Local	Foreign	Local	Foreign	
Management	-	-	14	-	14
Administration, finance and human resources	-	-	13	-	13
Marketing and business development	-	-	4	-	4
Procurement	-	-	4	-	4
Engineering ⁽¹⁾	-	-	56	-	56
Construction and maintenance workers	-	⁽²⁾ 194	-	-	194
Total workforce	-	194	91	-	285

Notes:

- (1) *The Engineering Department provides technical and engineering support across our Group's projects. Its responsibilities include reviewing project specifications and drawings, preparing and updating construction methodologies and technical plans, and providing technical support during project execution to ensure works are carried out in accordance with approved designs and specifications. Engineers are assigned based on the size, complexity and timing of each project to support effective project execution.*
- (2) *In addition to these 194 foreign workers, there are one (1) remaining foreign workers, whose approval from the Department of Labour Peninsular Malaysia had been obtained but still pending the approval from the Ministry of Home Affairs of Malaysia. The relevant application has been submitted, with the approval expected to be obtained by February 2026.*

As at the LPD, local employees accounted for approximately 31.93% of our total workforce while 68.07% were foreign workers (before accounting for the additional foreign workers as mentioned in Note (2) above). As at the LPD, all our foreign workers have valid working permits issued, which are renewable on an annual basis. The foreign workers were initially employed under a two (2)-year contractual term, with subsequent renewals typically on a yearly basis.

During the Financial Years and Period Under Review and as at the LPD, there has been no breach of any immigration laws by our Group, and our Group has not encountered any major difficulties in the renewal process of the working permits. Additionally, our Group has not experienced any employees shortages.

None of our employees belong to any labour union. In the Financial Years and Period Under Review up to the LPD, there were no industrial disputes pertaining to our employees.

6. INFORMATION ON OUR GROUP (Cont'd)

6.21 MAJOR APPROVALS, LICENCES AND PERMITS OBTAINED

The Group has not encountered any issues in the renewal of its licences in the past. Details of major approvals, licences and permits obtained by our Group for our operations in Malaysia as at the LPD are as follows:

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance												
1.	YPSB	<p>Contractor registration certificate issued to YPSB by CIDB as contractor in respect of:-</p> <table border="1"> <thead> <tr> <th>Grade ⁽¹⁾</th> <th>Category ⁽¹⁾</th> <th>Specialisation ⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>Grade 7</td> <td>B</td> <td>B04, B10, B24, B25, B26 & B27</td> </tr> <tr> <td>Grade 7</td> <td>CE</td> <td>CE01, CE19, CE20, CE21, CE38 & CE 39</td> </tr> <tr> <td>Grade 7</td> <td>ME</td> <td>ME15, ME18, ME19, ME20 & ME22</td> </tr> </tbody> </table> <p>("Contractor Registration Certificate")</p>	Grade ⁽¹⁾	Category ⁽¹⁾	Specialisation ⁽¹⁾	Grade 7	B	B04, B10, B24, B25, B26 & B27	Grade 7	CE	CE01, CE19, CE20, CE21, CE38 & CE 39	Grade 7	ME	ME15, ME18, ME19, ME20 & ME22	CIDB	0120150119 – JH160987	6 December 2024 / 15 January 2028	<p><u>General conditions:</u></p> <p>(a) This certificate is non-transferable;</p> <p>(b) CIDB reserves the right to review the registration grade of the registered contractor from time to time;</p> <p><u>Responsibility and obligations of the contractor:</u></p> <p>(a) YPSB shall comply with the provisions of the CIDB Act, the regulations made thereunder, and any term, condition or restriction imposed by CIDB from time to time;</p> <p>(b) YPSB shall not participate in any tender or execute any construction works after the expiration of this certificate unless it is renewed;</p> <p>(c) YPSB shall not undertake any construction projects which exceeds the value of construction works specified under the registration grade and shall not execute any type of construction work outside of its registered category(ies);</p> <p>(d) YPSB shall submit information regarding any new construction works or contract(s) within 14 days of the award or prior to commencement of works, whichever the earlier;</p>	Complied and noted.
Grade ⁽¹⁾	Category ⁽¹⁾	Specialisation ⁽¹⁾																	
Grade 7	B	B04, B10, B24, B25, B26 & B27																	
Grade 7	CE	CE01, CE19, CE20, CE21, CE38 & CE 39																	
Grade 7	ME	ME15, ME18, ME19, ME20 & ME22																	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
						<p>(e) YPSB shall submit any information required by CIDB from time to time;</p> <p>(f) YPSB shall display the certificate of registration issued by CIDB or a certified true copy of the same by CIDB at the place of business;</p> <p>(g) YPSB shall display its registration number on the signboard at each construction site;</p> <p>(h) YPSB shall apply for a renewal of registration within 60 days before the expiry date specified in this certificate;</p> <p>(i) YPSB shall comply with all requirements in the Contractor's Code of Ethics;</p> <p>(j) YPSB shall employ skilled construction workers and site supervisors who are accredited and certified by CIDB; and</p> <p>(k) All employees at the site must have a valid construction personnel identification.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance								
2.	YPSB	<p>Government procurement certificate issued to YPSB by CIDB as contractor in respect of:</p> <table border="1" data-bbox="398 491 651 611"> <thead> <tr> <th>Grade ⁽¹⁾</th> <th>Category ⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>Grade 7</td> <td>B</td> </tr> <tr> <td>Grade 7</td> <td>CE</td> </tr> <tr> <td>Grade 7</td> <td>ME</td> </tr> </tbody> </table>	Grade ⁽¹⁾	Category ⁽¹⁾	Grade 7	B	Grade 7	CE	Grade 7	ME	CIDB	0120150119 – JH160987	11 December 2024 / 15 January 2028	<p><u>General conditions:</u></p> <p>(a) This certificate is issued based on the information provided by YPSB;</p> <p>(b) This certificate cannot be used as an authorisation to carry out construction works. This certificate may only be used for participation in government procurement of works or procurement by government-related agencies.</p> <p>(c) This certificate shall be automatically rendered void if the Contractor Registration Certificate has expired or is cancelled/suspended pursuant to Regulation 15 of the Contractor Registration Regulations (Construction Industry) 1995.</p> <p>(d) This certificate must be submitted together with the Contractor Registration Certificate when participating in government tenders or tenders by government-related agencies only.</p> <p>(e) This certificate must be renewed together with the Contractor Registration Certificate issued by CIDB.</p> <p><u>Responsibility and obligations of YPSB:</u></p> <p>(a) YPSB is not allowed to lend, lease, transfer, permit, or cause any action that allows this certificate to be used by any person not named in it for the purpose of obtaining Government procurement.</p>	Complied and noted.
Grade ⁽¹⁾	Category ⁽¹⁾														
Grade 7	B														
Grade 7	CE														
Grade 7	ME														

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
						<p>(b) YPSB shall not participate in any tender or execute any construction works after the expiration of this certificate unless it is renewed;</p> <p>(c) Only YPSB's officers named in the certificate are authorised to sign company contract documents, collect tender documents, and attend site visits for ballot works, quotations, and tenders. The company may not delegate other officers for these matters.</p> <p>(d) YPSB must ensure that all conditions set for obtaining this certificate are complied with throughout the validity period of this certificate.</p> <p>(e) Any changes in information must be notified to CIDB within 30 days from the date the changes occur.</p> <p>(f) YPSB must comply with all directives and rulings issued by the Government through Treasury Instructions, CIDB circular letters issued from time to time.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance																
3.	YPSB	<p>Certificate of Registration ⁽²⁾ – Provision of supply and service under the following codes:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>020101</td> <td>Furniture, office equipment, domestic decoration/furniture, equipment and accessories/furniture, laboratory furniture and equipment based on wood/rattan/fabric/metal/ plastic</td> </tr> <tr> <td>130301</td> <td>Engineering equipment and production machines / sewage system / sewage system equipment and accessories</td> </tr> <tr> <td>220502</td> <td>Service / maintenance / repair of engineering and communication / containers / tanks</td> </tr> <tr> <td>220507</td> <td>Service/ maintenance/ repair of engineering and communication / pump / water pipes and components</td> </tr> <tr> <td>221001</td> <td>Service / cleaning service and treatment / Building cleaning and treatment</td> </tr> <tr> <td>221002</td> <td>Services / cleaning services and treatment / cleaning the area</td> </tr> <tr> <td>221003</td> <td>Services / cleaning and treatment services / garbage collection</td> </tr> </tbody> </table>	Code	Description	020101	Furniture, office equipment, domestic decoration/furniture, equipment and accessories/furniture, laboratory furniture and equipment based on wood/rattan/fabric/metal/ plastic	130301	Engineering equipment and production machines / sewage system / sewage system equipment and accessories	220502	Service / maintenance / repair of engineering and communication / containers / tanks	220507	Service/ maintenance/ repair of engineering and communication / pump / water pipes and components	221001	Service / cleaning service and treatment / Building cleaning and treatment	221002	Services / cleaning services and treatment / cleaning the area	221003	Services / cleaning and treatment services / garbage collection	MOF	K10123158353 496296	13 April 2023 / 22 June 2026	<p>(a) This approval is issued based on the information provided by the company.</p> <p>(b) Any change to the details of the company shall be updated online at www.eperolehan.gov.my within 21 days from the effective date of change.</p> <p>(c) YPSB shall submit any information required by MOF within the prescribed period.</p> <p>(d) YPSB must ensure that the registered sector in the certificate shall not overlap with the sectors approved for other companies which has the same shareholders, members of board of directors, management and staff or companies that are operating from the same premise.</p> <p>(e) MOF shall have the right to conduct an inspection or audit at any time without prior notification to the company. Failure to comply with the conditions of registration and/or sector code may result in the registration of the company being suspended/ cancelled and the company, its shareholders and directors may be subject to disciplinary proceedings or blacklisted without any notice being given if it is determined that the information provided is false.</p>	Complied and noted.
Code	Description																						
020101	Furniture, office equipment, domestic decoration/furniture, equipment and accessories/furniture, laboratory furniture and equipment based on wood/rattan/fabric/metal/ plastic																						
130301	Engineering equipment and production machines / sewage system / sewage system equipment and accessories																						
220502	Service / maintenance / repair of engineering and communication / containers / tanks																						
220507	Service/ maintenance/ repair of engineering and communication / pump / water pipes and components																						
221001	Service / cleaning service and treatment / Building cleaning and treatment																						
221002	Services / cleaning services and treatment / cleaning the area																						
221003	Services / cleaning and treatment services / garbage collection																						

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit		Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
		Code	Description					
		221010	Services / cleaning and treatment services / sewage ponds / maintenance systems / pipelines / mains				(f) A company that is newly registered is not allowed to make any changes to its shareholders or directors within a period of 6 months from the date of registration. (g) Failure of YPSB to renew its registration after 1 year from the expiry of this registration may result in the company's registration with the MOF being cancelled and automatically removed from the ePerolehan System. In such circumstances, the company is required to make a new application.	
		221901	Services / scrap goods / buy scrap goods (no permit required)					
		222303	Services / domestic services / supplying water					
4.	YPSB	IPA Type B (Sewerage) ⁽³⁾ for carrying out works in Johor		SPAN	SPAN/B(P)/JH/2024/004315	20 October 2024 / 19 October 2027	General conditions ⁽⁴⁾	Complied and noted.
5.	YPSB	IPA Type B (Sewerage) ⁽³⁾ for carrying out works in Wilayah Persekutuan Kuala Lumpur		SPAN	SPAN/B(P)/WP/2025/001973	9 June 2025 / 8 June 2026	General conditions ⁽⁴⁾	Complied and noted.
6.	YPSB	IPA Type B (Sewerage) ⁽³⁾ for carrying out works in Melaka		SPAN	SPAN/B(P)/ML/2025/001976	9 June 2025 / 8 June 2026	General conditions ⁽⁴⁾	Complied and noted.
7.	YPSB	IPA Type B (Sewerage) ⁽³⁾ for carrying out works in Negeri Sembilan		SPAN	SPAN/B(P)/NS/2025/001975	9 June 2025 / 8 June 2026	General conditions ⁽⁴⁾	Complied and noted.
8.	YPSB	IPA Type B (Sewerage) ⁽³⁾ for carrying out works in Pulau Pinang		SPAN	SPAN/B(P)/PP/2025/001972	9 June 2025 / 8 June 2026	General conditions ⁽⁴⁾	Complied and noted.
9.	YPSB	IPA Type B (Sewerage) ⁽³⁾ for carrying out works in Selangor		SPAN	SPAN/B(P)/SE/2025/001974	9 June 2025 / 8 June 2026	General conditions ⁽⁴⁾	Complied and noted.

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
10.	YPSB	IPA Type C1 (Water Supply) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C1(A)/2025/002849	23 July 2025 / 22 July 2026	<p>General conditions ⁽⁴⁾</p> <p><u>Special conditions ⁽⁵⁾:</u></p> <p>(a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit</p> <p>(b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB</p> <p>(c) YPSB must have engineer registered with the Board of Engineers Malaysia ("BEM"). If they do not have registered engineers, YPSB may appoint consulting engineer who are registered with BEM.</p>	Complied and noted.
11.	YPSB	IPA Type C1 (Sewerage) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C1(P)/2025/003871	3 November 2025 / 2 November 2026	<p>General conditions ⁽⁴⁾</p> <p><u>Special conditions ⁽⁵⁾:</u></p> <p>(a) YPSB must have engineer registered with the BEM. If they do not have registered engineer, YPSB may appoint consulting engineers who are registered with BEM</p>	Complied and noted.

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
12.	YPSB	IPA Type C2 (Water Supply) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C2(A)/2025/001938	5 April 2025 / 4 April 2026	<p>General conditions ⁽⁴⁾</p> <p><u>Special conditions</u> ⁽⁵⁾:</p> <p>(a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit</p> <p>(b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB</p> <p>(c) YPSB must have engineer registered with the BEM. If they do not have registered engineers, YPSB may appoint consulting engineers who are registered with BEM.</p>	Complied and noted.
13.	YPSB	IPA Type C2 (Sewerage) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/EKS/(PT)/800-2C/1/15/772	6 January 2023 / 5 January 2026 ⁽⁶⁾	<p>General conditions ⁽⁴⁾</p> <p><u>Special conditions</u> ⁽⁵⁾:</p> <p>(a) YPSB must have engineers registered with the BEM. If they do not have registered engineers, the applicants may appoint consulting engineers who are registered with BEM</p> <p>(b) YPSB to ensure that they always have a valid CIDB certificate and must submit a copy of the renewed CIDB certificate to SPAN upon the expiry of the current certificate.</p>	Complied and noted.

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
14.	YPSB	IPA Type C3 (Water Supply) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C3(A)/2 024/004919	11 November 2024 / 10 November 2027	General conditions ⁽⁴⁾ <u>Special conditions</u> ⁽⁵⁾ : (a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit (b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB	Complied and noted.
15.	YPSB	IPA Type C3 (Sewerage) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C3(P)/2 024/004920	11 November 2024 / 10 November 2027	General conditions ⁽⁴⁾	Complied and noted.
16.	YPSB	IPA Type C4 (Water Supply) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C4(A)/2 025/002509	29 July 2025 / 28 July 2028	General conditions ⁽⁴⁾ <u>Special conditions</u> ⁽⁵⁾ : (a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit (b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB	Complied and noted.

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
17.	YPSB	IPA Type C4 (Sewerage) ⁽³⁾ for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C4(P)/2024/004354	9 October 2024 / 8 October 2027	General conditions ⁽⁴⁾	Complied and noted.
18.	YPSB	IPA Type D (Water Supply) ⁽³⁾ for carrying out works in Johor	SPAN	SPAN/EKS/(P T)/800-2D/1/15/772	13 May 2023 / 12 May 2026	General conditions ⁽⁴⁾	Complied and noted.
19.	YPSB	IPA Type D (Sewerage) ⁽³⁾ for carrying out works in Johor	SPAN	SPAN/D(P)/JH /2024/004316	20 October 2024 / 19 October 2027	General conditions ⁽⁴⁾	Complied and noted.
20.	YPSB	Business premise and advertisement license (management office) for Property 762	Pontian Municipal Council ("MPP")	LLI13226	1 January 2025 / 31 December 2025 ⁽⁷⁾	Nil	-
21.	YPSB	Business premise and advertisement license (management office) for Property 763	MPP	LLI10440	1 January 2025 / 31 December 2025 ⁽⁷⁾	Nil	-
22.	YPSB	Business premise and advertisement license (management office) for Property 764	MPP	LLI12548	1 January 2025 / 31 December 2025 ⁽⁷⁾	Nil	-
23.	YPSB	Business premise and advertisement license (storage area) for Property 768	MPP	LLI12558	1 January 2025 / 31 December 2025 ⁽⁷⁾	Nil	-
24.	YPSB	Business premise and advertisement license (management office) for SILC Office	Iskandar Puteri City Council	L09091907409	1 January 2025 / 31 December 2025 ⁽⁷⁾	Nil	-

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
25.	YPSB	Certificate of accommodation pursuant to Section 24D(2) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 at 1 st Floor of SILC Office	Department of Labour Peninsular Malaysia, Ministry of Human Resources ("JTKSM")	AC/10100/2024/1102	21 August 2024 / 21 August 2027	<p>(a) There shall be no more than 20 persons staying in the accommodation.</p> <p>(b) YPSB shall comply with the provisions of Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020.</p> <p>(c) There is no deduction from wages for rent or charges for accommodation for employees staying at the said accommodation.</p> <p>(d) YPSB must report the closure of this accommodation facility to the relevant authorities.</p> <p>(e) This certificate must be displayed on an appropriate and easily visible exterior wall of the accommodation premises.</p>	Complied and noted.
26.	YPSB	Certificate of accommodation pursuant to Section 24D(2) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 at 2 nd Floor of SILC Office	JTKSM	AC/10100/2024/1392	7 November 2024 / 7 November 2027	<p>(a) There shall be no more than 19 persons staying in the accommodation.</p> <p>(b) YPSB shall comply with the provisions of Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020.</p> <p>(c) There is no deduction from wages for rent or charges for accommodation for employees staying at the said accommodation.</p>	Complied and noted.

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
						<p>(d) YPSB must report the closure of this accommodation facility to the relevant authorities.</p> <p>(e) This certificate must be displayed on an appropriate and easily visible exterior wall of the accommodation premises.</p>	

Notes:

(1) The information on the grade, category and specifications are as follows:-

Grade	Specifications
G7	No limit in respect to tendering capacity

Category	Descriptions
B	Building
CE	Civil Engineering
ME	Mechanical & Electrical Engineering

Code	Specifications
B04	Building construction work (Kerja – kerja pembinaan bangunan)
B10	Internal water pipe system (Sistem paip air dalaman)
B24	Building maintenance work (Kerja penyelenggaraan bangunan)
B25	Private pipe connection to sewerage (Penyambungan paip persendirian ke pembedung (sewerage))
B26	Demolition work (Kerja meroboh)
B27	Maintenance & repair work of water supply/sewerage system (Kerja penyelenggaraan & pembaikan sistem bekalan air/ pembedung)
CE01	Road and pavement construction (Pembinaan jalan dan pavmen)
CE19	Sewerage system (Sistem pembedung)
CE20	Water supply system (Sistem bekalan air)
CE21	Civil engineering construction (Pembinaan kejuruteraan awam)

6. INFORMATION ON OUR GROUP (Cont'd)

Code	Specifications
CE38	<i>Sewerage system maintenance (Penyenggaraan sistem pembetulan)</i>
CE39	<i>Water supply system maintenance (Penyenggaraan sistem bekalan air)</i>
ME15	<i>Various mechanical equipment (Kelengkapan mekanikal pelbagai)</i>
ME18	<i>Hot water system (Sistem air panas)</i>
ME19	<i>Installation of plant equipment (Pemasangan kelengkapan loji)</i>
ME20	<i>General mechanical maintenance (Penyelenggaraan am mekanikal)</i>
ME22	<i>Pump system (Sistem pam)</i>

(2) *The material eligibility criteria and/or requirements required for the registration with the MOF are as specified on the website of MOF, which includes but not limited to the following:*

- (a) *being registered with the Companies Commission of Malaysia;*
- (b) *have valid operational facilities for its business operation;*
- (c) *have a paid-up/accumulated/equity capital of at least RM2,500 except for special field codes and consulting firms of at least RM50,000;*
- (d) *all equity/shareholders of consulting firms must have at least five (5) years of working experience after obtaining a first degree in the field he applied for; and*
- (e) *have an active account in the company's name.*

(3) *The information on type of IPA licences are as follows:*

Category	Specifications
<i>IPA Type B</i>	<i>Construction, connection, modification or repair of individual sewerage piping or a common internal sewerage piping from an inspection chamber to a sewer.</i>
<i>IPA Type C1</i>	<i>Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work exceeds RM10,000,000.</i>
<i>IPA Type C2</i>	<i>Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work exceeds RM3,000,000 but does not exceed RM10,000,000.</i>
<i>IPA Type C3</i>	<i>Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work exceeds RM200,000 but does not exceed RM3,000,000.</i>

6. INFORMATION ON OUR GROUP (Cont'd)

Category	Specifications
IPA Type C4	Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work does not exceed RM200,000.
IPA Type D	Carry out maintenance services for a water supply system or sewerage system but which does not involve the operation of such system


- (4) *The general conditions are as follows:*
- (a) *YPSB shall only carry out the works in the state or any states specified in the permit;*
 - (b) *YPSB shall inform SPAN of any change in particulars of the permit holder;*
 - (c) *YPSB shall provide information in a prescribed format and time, as may be required by SPAN;*
 - (d) *the employees of YPSB shall be allowed to carry out the works, authorised under the permit provided the permit holder shall at all times be responsible for all acts or omission of its employees;*
 - (e) *YPSB shall at all times, maintain its certificate of registration needed for a registered contractor with CIDB, if required;*
 - (f) *YPSB shall fulfil and maintain the requirements to hold the permit according to the requirements determined by SPAN from time to time;*
 - (g) *YPSB shall at all times deal with consumers fairly and reasonably and where applicable, comply with the consumer standard;*
 - (h) *YPSB shall at all times safeguard the safety of the public and its employees and shall at all times comply with the relevant occupational, health, and safety procedures and regulations imposed by the relevant authority;*
 - (i) *YPSB shall comply with other written laws relating to environment;*
 - (j) *YPSB shall observe and comply with the conditions of the permit and the provisions of the Water Services Industry Act 2006 and any subsidiary legislation made or other instruments issued under the Water Services Industry Act 2006; and*
 - (k) *YPSB shall comply with such other conditions as may be imposed by SPAN from time to time.*
- (5) *Ai Boon Chen, our Managing Director, is a registered engineer with the Board of Engineers Malaysia (BEM). Both Ai Boon Chen and Ai Sew Fuat, our Managing Director and Executive Director, respectively, hold a Type A IPA permit. In addition, our Project Director, Jenylex Kumil, has completed the Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System.*
- (6) *The permit has been renewed, with the validity period from 6 January 2026 to 5 January 2027.*
- (7) *The licences have been renewed, with the validity period from 1 January 2026 to 31 December 2026.*

6. INFORMATION ON OUR GROUP (Cont'd)





6.22 INTELLECTUAL PROPERTY RIGHTS, PATENTS, TRADEMARKS AND REGISTRATIONS

Save as disclosed below, as at the LPD our Group does not have any patents, trademarks, registrations and other intellectual property rights:


Locally Registered Trademarks

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
1.		YPSB	TM2024030841	Intellectual Property Corporation of Malaysia ("MyIPO")	4 October 2024 / 4 October 2034	37	Plumbing; Maintenance of plumbing; Plumbing services; Plumbing maintenance advisory services; Installation of plumbing; Installation of plumbing systems; Repair of plumbing; Heating system installation, repair and maintenance services; Building maintenance and repairs; General building contractor services; Civil engineering construction; Construction; Construction, maintenance and renovation of buildings; Construction, maintenance, cleaning and repair services; Construction and maintenance of pipelines; Construction of sewerage systems; Installation and maintenance services; Installation and maintenance of sanitary apparatus; Repair and maintenance of sanitary installations; Installation, maintenance and repair of sewerage systems; Maintenance of septic systems; Advisory services relating to the installation of plumbing; Advisory services relating to the maintenance of plumbing; Advisory services relating to the repair of plumbing.	Registered


6. INFORMATION ON OUR GROUP (Cont'd)

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
2.		YPSB	TM2024030842	MyIPO	4 October 2024 / 4 October 2034	40	Sewage treatment; Services for the treatment of sewage.	Registered
3.		YPSB	TM2025013268	MyIPO	25 April 2025 / 25 April 2035	39	Water supply; Distribution and supply of water; Provision of information relating to water supplying services.	Registered
4.		YPSB	TM2025014827	MyIPO	8 May 2025 / 8 May 2035	40	Sewage treatment; Services for the treatment of sewage.	Registered
5.		YPSB	TM2025014826	MyIPO	8 May 2025 / 8 May 2035	39	Water supply; Distribution and supply of water; Provision of information relating to water supplying services.	Registered

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
6.		YPSB	TM2025014825	MyIPO	8 May 2025 / 8 May 2035	37	Plumbing; Maintenance of plumbing; Plumbing services; Plumbing maintenance advisory services; Installation of plumbing; Installation of plumbing systems; Repair of plumbing; Heating system installation, repair and maintenance services; Building maintenance and repairs; General building contractor services; Civil engineering construction; Construction; Construction, maintenance and renovation of buildings; Construction, maintenance, cleaning and repair services; Construction and maintenance of pipelines; Construction of sewerage systems; Installation and maintenance services; Installation and maintenance of sanitary apparatus; Repair and maintenance of sanitary installations; Installation, maintenance and repair of sewerage systems; Maintenance of septic systems; Advisory services relating to the installation of plumbing; Advisory services relating to the maintenance of plumbing; Advisory services relating to the repair of plumbing.	Registered

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
7.		YPSB	TM2025014824	MyIPO	8 May 2025 / 8 May 2035	36	Financial affairs; Financial investment; Fund management; Financing and funding services; Investment services; Capital investment; Capital investment fund management; Administration of capital investment; Debt investment services; Investment management; Investment portfolio management; Investment of funds; Mutual fund investment; Administration of funds and investments; Financial administration of investment funds; Trading of financial instruments, securities, shares, options and other derivative products; Financial planning and management; Asset and portfolio management; Asset management; Capital management; Financial management; Financial management of holding companies; Financial management and investment services relating to securities and equities; Private equity financing; Equity financing; Financial management of shares; Financial management of shares in other companies; Financing of property development; Property investment; Management of property investments; Property portfolio management; Financial administration of property portfolios; Property management; Real estate investment; Capital investment in real estate; Financial management of real estate; Financial management of real estate projects; Real estate management; Real estate affairs;	Registered


6. INFORMATION ON OUR GROUP (Cont'd)

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
							Providing real estate information; Real estate appraisal; Real estate trustee services; Providing funding for commercial entities; Providing funding for business acquisitions and mergers; Administration of financial affairs; Financial evaluation [insurance, banking, real estate]; Investment advice; Investment analysis; Investment risk assessment services; Investment trust services; Investment trust management; Trustee services; Financial trust administration; Trusteeship of money, securities, personal property and land; Advisory services relating to financial investment management; Information, advisory, consultancy and research services relating to finance and investments	

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6. INFORMATION ON OUR GROUP (Cont'd)

Local Trademark Applications

No.	Trademark	Registered Owner / Applicant	Application No.	Issuing Authority	Application Date	Class	Description	Status
1.		YPSB	TM2025014823	MyIPO	8 May 2025	35	Business management; Business management of companies; Business management planning; Business management services; Business management supervision; Business project management; Business risk management; Business process management; Advisory services for business management; Business management assistance; Business management analysis; Advisory services relating to business acquisitions; Administration of businesses; Administration services relating to financial records; Commercial business management; Sales management; Stock management; Inventory management; Personnel management; Administrative services; Business administration; Office administration; Office functions; Business research; Public relations; Arranging and conducting trade shows; Organising and conducting trade fairs, events and exhibitions for commercial or advertising purposes; Marketing research; Marketing; Advertising; Advertising and marketing; Organization of exhibitions for commercial or advertising purposes; Distribution of advertising material [leaflets, prospectuses, printed material, samples]; Business inquiries; Business advice and information; Providing business information; Providing business information via a website.	Provisional Refusal (Objection) - Hearing ⁽¹⁾

6. INFORMATION ON OUR GROUP (Cont'd)

Note:

- (1) *On 29 September 2025, YPSB received a notice from MyIPO stating that the trademark application was provisionally refused on the ground that the applied-for mark is similar to prior registered trademarks owned by a third party, which covers similar classes of goods and/or services.*

The Group's trademark agent has submitted the necessary documents for the appeal on 22 October 2025. The trademark agent is of the view that the prospects of a successful appeal are above average. The estimated timeframe to receive a decision on the appeal is between 12 to 24 months from the date of appeal.

Notwithstanding the absence of a registered trademark, our Group may rely on common law protection, particularly the tort of passing off, to safeguard its goodwill and brand reputation in the event of any infringement or misuse.

6.23 MATERIAL DEPENDENCY ON COMMERCIAL CONTRACTS/AGREEMENTS/INTELLECTUAL PROPERTY RIGHTS/LICENCES OR PERMITS

Save for the major licences in Section 6.21, registered trademarks and intellectual property rights in Section 6.22, our Group's business or profitability is not materially dependent on any contracts, intellectual property rights, licences and permits as at the LPD. Our Group's registered trademarks are held as part of our corporate identity and branding and are used in our marketing materials, tender submissions and corporate communications. The trademarks contribute to our Group's market presence, which is relevant in supporting our business development and market positioning. Accordingly, the registered trademarks are material to our Group's corporate identity and branding.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.24 PROPERTIES, PLANT AND EQUIPMENT

6.24.1 Properties owned

As at the LPD, our Group has the following material properties owned in Malaysia as set out below:

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft.)	Date of CF/ CCC	Express condition/ Restriction in interest/ Encumbrances on property
1.	YPSB	<p><u>Property address:</u> 45, Jalan SILC 2/10, Kawasan Perindustrian SILC, 79200, Iskandar Puteri, Johor</p> <p><u>Title details:</u> HS(D) 546453, PTD 7683, Mukim Jelutong, Tempat Presin SILC, Daerah Johor Bahru, Negeri Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Description:</u> A unit of three (3) storey shop office</p> <p><u>Existing use:</u> Ground floor as branch office, first and second floor as workers' accommodation</p> <p><u>Category of land use:</u> Building</p>	<p><u>Land area:</u> 1,540.09</p> <p><u>Built-up area:</u> 4,620.27</p>	22 July 2015	<p><u>Express condition:</u></p> <ul style="list-style-type: none"> - The land shall be used as three storey shop for business purpose or shop office. - All dirt and pollution resulting from this activity shall be channelled/disposed of to the places that determined by the relevant authority. - All policies and conditions that have set and enforced from time to time by the relevant authority shall be complied with. <p><u>Restriction in interest</u> Once the ownership of the land is transferred to a Bumiputera / Bumiputera company then it cannot be sold, leased or transferred in any way whatsoever to a person who is not a Bumiputera / not a Bumiputera company without the consent of the state authority.</p> <p><u>Encumbrances:</u> The land is charged to Maybank Islamic Berhad.</p>

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft.)	Date of CF/ CCC	Express condition/ Restriction in interest/ Encumbrances on property
2.	YPSB	<p><u>Title details:</u> HS(M) 3225, PTD 13797, Mukim Rimba Terjun, Daerah Pontian, Negeri Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Description:</u> A piece of vacant land</p> <p><u>Existing use:</u> Vacant</p> <p><u>Category of land use:</u> Industry</p>	<p><u>Land area:</u> 118,413.78</p> <p><u>Built-up area:</u> N/A</p>	N/A	<p><u>Express condition:</u></p> <ul style="list-style-type: none"> - The land shall be used as medium industry area for medium industries (engineering, metal, iron, aluminium, plastic building materials, furniture and other related items) and other related uses, constructed according to the plan approved by the relevant local authority. - All dirt and pollution resulting from this activity shall be channeled/disposed of to the places that determined by the relevant authority. - All policies and conditions that have set and enforced from time to time by the relevant authority shall be complied with. <p><u>Restriction in interest</u> The land cannot be transferred in any way whatsoever, except for the infrastructure for public facilities in the factory has been built according to the plan approved by relevant local authority.</p> <p><u>Encumbrances:</u> The land is currently charged to CIMB Islamic Bank Berhad.</p>

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, our Group is in the midst of acquiring the following material properties in Malaysia:

No.	Purchaser	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft.)	Date of CF/ CCC	Express condition/ Restriction in interest/ Encumbrances on property
1.	YPSB	<p><u>Property details:</u> Parcel No. B-29-07, Storey No. 29, Building No. B, Land Parcel No. 947 with accessory parcel No. A381⁽¹⁾</p> <p><u>Tenure:</u> N/A⁽³⁾</p>	<p><u>Description:</u> A unit of service apartment</p> <p><u>Existing use:</u> N/A</p> <p><u>Category of land use:</u> N/A⁽³⁾</p>	<p><u>Land area:</u> N/A</p> <p><u>Built-up area:</u> 532.28</p>	N/A	<p><u>Express condition:</u> N/A⁽³⁾</p> <p><u>Restriction in interest:</u> N/A⁽³⁾</p> <p><u>Encumbrances:</u> N/A</p>
2.	YPSB	<p><u>Property details:</u> Parcel No. B-29-08, Storey No. 29, Building No. B, Land Parcel No. 948 with accessory parcel No. A247⁽²⁾</p> <p><u>Tenure:</u> N/A⁽³⁾</p>	<p><u>Description:</u> A unit of service apartment</p> <p><u>Existing use:</u> N/A</p> <p><u>Category of land use:</u> N/A⁽³⁾</p>	<p><u>Land area:</u> N/A</p> <p><u>Built-up area:</u> 681.46</p>	N/A	<p><u>Express condition:</u> N/A⁽³⁾</p> <p><u>Restriction in interest:</u> N/A⁽³⁾</p> <p><u>Encumbrances:</u> N/A</p>

Notes:

- (1) *The property forms part of a housing development known as Residensi Ponderosa, to be erected on a freehold land held under the master title GRN 457227, Lot 181427, Mukim Plentong, District of Johor Bahru, State of Johor. The purchase consideration is RM480,000, payable by way of progressive payments based on construction milestones. The development is expected to be completed in 2029. The purchase consideration will be funded entirely through the Group's internally generated funds, and no proceeds raised from the Public Issue will be utilised for the acquisition of the said property. The property is intended for use as accommodation for our Group's employees in support of our future operational requirements due to its strategic location.*
- (2) *The property forms part of a housing development known as Residensi Ponderosa, to be erected on a freehold land held under the master title GRN 457227, Lot 181427, Mukim Plentong, District of Johor Bahru, State of Johor. The purchase consideration is RM594,000, payable by way of progressive payments based on construction milestones. The development is expected to be completed in 2029. The purchase consideration will be funded entirely through the Group's internally generated funds, and no proceeds raised from the Public Issue will be utilised for the acquisition of the said property. The property is intended for use as accommodation for our Group's employees in support of our future operational requirements due to its strategic location.*
- (3) *As the strata titles for these properties have not yet been issued, the tenure, category of land use, express conditions and restrictions in interest will only be confirmed upon the issuance of the strata titles, which will take place after the completion of the development.*

6. INFORMATION ON OUR GROUP (Cont'd)

6.24.2 Material properties rented by our Group for our business operations

As at the LPD, our Group has the following material properties rented in Malaysia for our business operations as set out below:

No.	Beneficial owner/ Landlord	Tenant	Property Address	Description / Existing Use	Built-up area (sq. ft.)	Tenure	Date of CF or CCC	Rental per annum (RM'000)
1.	Low Ah Hoi @ Loh Keng Chuang, Ho Reng Chan, Ho Feng Chan, Ho Siak Chan	YPSB	Property 762	Head office	1,710.39	1 April 2025 to 31 March 2026	20 October 1977	20
2.	Koh Chong Guan	YPSB	Property 763	Head office	3,420.78	1 May 2025 to 30 April 2028	20 October 1977	38
3.	Soo Mee Sing	YPSB	Property 764	Head office	1,710.39	15 November 2025 to 14 November 2028	20 October 1977	7
4.	Tan Ee Chin	YPSB	Property 768	Storage area	1,710.39	1 August 2025 to 31 July 2027	20 October 1977	7

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6. INFORMATION ON OUR GROUP (Cont'd)

6.25 GOVERNING LAWS AND REGULATIONS

A summary of the relevant laws and regulations governing the business of our Group are set out below:

6.25.1 Lembaga Pembangunan Industries Pembinaan Malaysia Act 1994 (“CIDB Act”)

The CIDB Act regulates the establishment of the CIDB and provides for its function relating to the construction industry and for matters connected therewith.

Section 25(1) of the CIDB Act prescribes that no person shall carry out or complete, undertake to carry out or complete any construction work or hold himself out as a contractor, unless he is registered with the CIDB and holds a valid certificate of registration issued by the CIDB under the CIDB Act.

Section 29 of the CIDB Act provides that any person who contravenes Section 25(1) of the CIDB Act shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM100,000.

Pursuant to Regulation 8 of the Registration of Contractors (Construction Industry) Regulations 1995, every registered contractor shall be capable of carrying out construction works according to the grade of registration specified in the Certificate and such grade of registration determines the value of construction works which a registered contractor is capable of carrying out.

Further, pursuant to Section 33(1) of the CIDB Act, a person shall not be involved or engaged or undertake to be involved or engaged as a construction personnel unless he is registered with the CIDB and holds a valid certificate of registration issued by the CIDB, popularly known as “**CIDB Green Card**”. Section 33(1) of the CIDB Act shall not apply to any construction personnel who has a professional qualification and is registered under any written law. Section 33(4) of CIDB Act stipulates that a person who contravenes Section 33(1) of CIDB Act shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000.

As at the LPD, our Group is in compliance with the requirements of CIDB Act and further details of the registration with CIDB are set out in Section 6.21 of this Prospectus.

6.25.2 Water Services Industry Act 2006 (“WSIA 2006”)

The WSIA 2006 establishes a regulatory framework for the water supply services and wastewater services industry in Malaysia, including the licensing and operation of water supply and sewerage services providers.

Pursuant to Section 50(1) of the WSIA 2006, no person shall carry out the following without a written permit issued by SPAN:

- (i) carry out any construction, connection, modifications or repairs to water pipes and water fittings which convey or will convey water from the public mains;
- (ii) carry out any works necessary to connect a private connection pipe to a sewer or sewage treatment works;
- (iii) construct, install or modify any part of a water supply system or sewerage system;
- (iv) carry out maintenance services for a water supply system or sewerage system but does not involve the operation of such systems; or
- (v) undertake, provide or make available sewerage desludging services or any other sewerage services.

6. INFORMATION ON OUR GROUP (Cont'd)

Section 50(2) of the WSIA 2006 further provides that any person who fails to comply with Section 50(1) WSIA 2016 commits an offence, and shall, on conviction be liable to a fine not exceeding RM300,000 or to imprisonment for a term not exceeding three years or to both.

As at the LPD, our Group has valid permits issued by SPAN with further details of the permits set out in Section 6.21 of this Prospectus.

6.25.3 Local Government Act 1976 (“LGA 1976”)

Under the LGA 1976 and the by-laws of the respective local councils and authorities, our business operation premises are required to have business premise and advertising licences which include among others, business premise licences in relation to our shop offices and/or storage. We are also required to display the licences at the business premises, and produce the licences upon request.

Pursuant to the LGA 1976, any person who fails to exhibit or produce his licences on the premises shall be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or both. A contravention of the LGA 1976 and the by-laws of the respective local council and authorities would result in an offence, which upon conviction, result in a fine not exceeding RM2,000 or imprisonment or a term not exceeding one year or both and to a further fine not exceeding RM200 for every day during which the offence is continued after conviction.

Our Group previously did not obtain business premise and advertisement licences for Property 764 (for the period from November 2013 to December 2023) and Property 768 (for the period from April 2017 to December 2023).

This non-compliance has since been rectified, with valid licences for both properties now in place from 1 January 2025 to 31 December 2025. No penalties or regulatory actions were imposed in relation to this matter. To prevent re-occurrence of this non-compliance, our Group has designated a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list, and regularly consults external parties and authorities.

As at LPD, our Group has valid licenses issued by MPP and Iskandar Puteri City Council with further details of the licenses set out in Section 6.21 of this Prospectus.

6.25.4 National Land Code (“NLC”), Town and Country Planning Act 1976 (“TCPA 1976”), Street, Drainage and Building Act 1974 (“SDBA 1974”), Uniform Building By-Laws 1984 (“UBBL 1984”) and Buildings Ordinance 1994 (“BO 1994”)

In the course of our business operations, we are required to ensure that the properties rented by our Group or properties we may own for our business operations comply with the NLC, TCPA 1976, SDBA 1974, UBBL 1994 and the relevant by-laws issued pursuant thereto which regulate among others the occupation of buildings and uniformity of local government matters relating to street, drainage and buildings.

NLC

The NLC governs land matters within Peninsular Malaysia, where our head office is situated. Under the NLC, tenancies may be granted for terms not exceeding 3 years. There is no registration requirement for tenancies under the NLC but the interest of a tenant under a tenancy exempt from registration can be protected by way of an endorsement on the document title to the land.

6. INFORMATION ON OUR GROUP (Cont'd)

TCPA 1976

The TCPA 1976 governs the proper control and regulation of town and country planning in Peninsular Malaysia and regulates among others modifications to planning permissions and building plan approvals issued by local authorities. Under the TCPA 1976, Section 18 prohibits a person to use or be permitted to use any land or building otherwise than in conformity with the local plan. Section 26 of the TCPA 1976 states that a person who, whether at his own instance or at the instance of another person uses or permits to be used any land or building in contravention of Section 18 commits an offence and is liable, on conviction to a fine not exceeding RM500,000 and/or to imprisonment for a term not exceeding 2 years, and be subject to additional daily fines which may extend to RM5,000 for each day during which the offence continues after the first conviction for the offence. Section 26 also further states that the owner of the land in respect of which any act that constitutes such offence is done shall be deemed to have permitted the doing of that act. Section 27(7) of the TCPA 1976 also grants a local authority the discretion to impose additional planning permission application fees as prescribed by the local authority on a person who carries out any development (including building on land, making of any material change in the use of land or building) without prior planning permission being obtained from the local authority.

SDBA 1974 and UBBL 1984

The SDBA 1974 provides uniformity of law and policy with regard to local government matters relating to street, drainage and buildings in Peninsular Malaysia. It provides for the requirement to have a CF or CCC to ensure that the building is safe and fit for occupation. The UBBL 1984 is a subsidiary legislation made under the SDBA 1974.

Pursuant to the SDBA 1974, prior written permission of the local authority is required among others for any partition, compartment, loft, roof, ceiling or other structures built in a building, any deviation from the any plans or specifications approved by the local authorities, or any alteration to a building otherwise than allowed by the local authority or by-laws made under the SDBA 1974. Failure to obtain the local authorities' prior written permission for the above may subject the person in breach to fines or imprisonment or both, if convicted. Depending on the applicable provisions of the SDBA 1974 in breach, the maximum fines may range from RM25,000 to RM50,000 and additional daily fines for continuing offences after conviction, and the maximum imprisonment term may be up to 3 years. The SDBA 1974 also stipulates that any person who occupies a building or any part of a building without a CF or CCC may be subject to a fine of RM250,000 and/or imprisonment for up to 10 years, if convicted.

In 2019, our Group carried out renovation works on the first floors of Property 763 and Property 764, involving the removal of a partial wall to connect the two units, before obtaining the required building plan approval from MPP under Section 79(1) of the SDBA 1974. The approval was subsequently obtained on 24 November 2024, and no penalties or regulatory actions were imposed. To prevent re-occurrence of this non-compliance, our Group has appointed a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list, and regularly consults external parties and authorities.

As at the LPD, our Group is in compliance with the NLC, TCPA 1976, SDBA 1974 and UBBL 1984.

6. INFORMATION ON OUR GROUP (Cont'd)

6.25.5 Occupational Safety and Health Act 1994 (“OSHA 1994”)

The OSHA 1994 provides provisions for securing the safety, health and welfare of persons at work, protecting others against risk to safety or health in connection with the activities of persons at work. The OSHA 1994 applies throughout Malaysia to the industries specified in the OSHA 1994, which includes the retail industry.

The OSHA 1994 provides that it is the duty of every employer to ensure the safety, health and welfare at work of all his employees, so far as is practicable, in particular:

- (a) the provision and maintenance of plant and systems of work that are safe and without risks to health;
- (b) the making of arrangements for ensuring safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plant and substances;
- (c) the provision of such information, instruction training and supervision as is necessary to ensure the safety and health at work of his employees;
- (d) as regards any place of work under the control of the employer, the maintenance of it in a condition that is safe and without risks to health and the provision and maintenance of the means of access to and egress from it that are safe and without such risks; and
- (e) the provision and maintenance of a working environment for his employees that is safe, without risks to health, and adequate as regards facilities for their welfare at work.

Non-compliance of the above will result in an offence and on conviction would constitute to a fine not exceeding RM50,000 and/or to imprisonment for a term not exceeding 2 years. We also have a duty to ensure, in so far as is practicable, that other persons, not being our employees, who may be affected, are not exposed to risks to their safety or health.

As at the LPD, our Group is in compliance with the OSHA 1994.

6.25.6 Employees’ Minimum Standards of Housing, Accommodations and Amenities Act 1990 (“EMSHA 1990”) and Employees’ Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020 (“EMSHA Regulations”)

The EMSHA 1990 and the EMSHA Regulations issued under the EMSHA 1990, imposes, among others, the minimum standards on accommodation for employees and the requirement for accommodation provided to employees to be certified with a certificate of accommodation from the Department of Labour Peninsular Malaysia. An application for the certificate of accommodation may be made by an employer or a centralised accommodation provider to the Department of Labour Peninsular Malaysia.

To obtain a certificate of accommodation, an employer or a centralised accommodation provider is required to ensure that every accommodation provided for employees complies with the minimum standards which includes among others, the minimum space requirement for workers' accommodation, basic facilities, as well as safety and hygiene standards required under the EMSHA 1990 or any regulations made thereunder. Pursuant to the EMSHA 1990, failure to obtain such certification may constitute to a fine not exceeding RM50,000 with respect to each employees' accommodation without a certificate of accommodation.

6. INFORMATION ON OUR GROUP (Cont'd)

Our Group previously provided accommodation for our foreign workers at 14 premises (comprising both owned and rented premises) before obtaining the required certificate of accommodation (“**COA**”) for approximately four (4) years since the requirement to obtain a COA under Section 24D of the EMSHAA 1990 came into force on 1 September 2020. This non-compliance has since been rectified, with all our foreign workers now housed at accommodations certified with a COA. No penalties or regulatory actions were imposed. To prevent re-occurrence of this non-compliance, our Group has designated a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list, and regularly consults external parties and authorities.

6.25.7 Environmental Quality Act 1974 (“**EQA 1974**”)

The EQA 1974 sets out provisions in respect of prevention, abatement, control of pollution and enhancement of the environment.

The Environmental Quality (Scheduled Wastes) Regulation 2005 (“**Scheduled Waste Regulations**”) regulates the disposal of scheduled waste in Malaysia. The Scheduled Waste Regulations specified acceptable conditions for the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes into the environment.

It is an offence under the EQA 1974 to dispose scheduled wastes on land or into Malaysian waters unless with the approval of the Department of Environment. A breach of this provision would subject the offender to a fine of not more than RM500,000 or imprisonment of not more than 5 years or both. Among others, the EQA 1974 and the Scheduled Waste Regulations also require that only licensed holders are allowed to transport and/or dispose of scheduled wastes.

In the course of our operations, we generate scheduled wastes such as paint. As at the LPD, the disposal of such wastes is carried out by a licensed service provider, either appointed by our Group or by the main contractor of our project.

As at LPD, our Group is in compliance with the EQA 1974.

6.25.8 Service Tax Act 2018 (“**STA 2018**”)

Pursuant to Section 7(a) of the STA 2018, service tax shall be charged and levied on any taxable service provided in Malaysia by a registered person in carrying on their business. Additionally, based on the STA 2018 (as amended by the Service Tax (Amendment) Regulations 2024), any person providing maintenance or repair services, including maintenance management, corrective maintenance, preventive maintenance, calibration, adjustment, reconditioning, reconfiguration, or overhaul services exceeding RM500,000 is required to register under Section 13 of the STA 2018.

Following the effective date of a regulatory change under STA 2018 on 26 February 2024, our Group became subject to the requirement to register under STA 2018 in respect of maintenance and repair services exceeding RM500,000. Due to unawareness of this change, our Group did not register under STA 2018 on time. Upon discovery, our Group voluntarily engaged a tax advisor and submitted the necessary registration to the Royal Malaysian Customs Department (“**RMCD**”), which was approved on 1 May 2025. Following RMCD’s verification, a total of RM74,673 in outstanding service tax payable (for 1 April 2024 to 30 April 2025) was identified. No penalties were imposed, and the amount was fully settled by our Group on 7 May 2025. To prevent re-occurrence of this non-compliance, our Group has designated a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list (covering tax obligations), and regularly consults external advisors and authorities.

As at the LPD, our Group is in compliance with the STA 2018.

6. INFORMATION ON OUR GROUP (Cont'd)

6.26 ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We recognise the importance of ensuring environmentally responsible operations, providing a conducive workplace for our employees and adopting a high standard of corporate governance in shaping our Group's future growth and development. In alignment with this commitment, our subsidiary obtained ISO 14001:2015 environmental management system certification and ISO 45001:2018 occupational health and safety management system certification in 2021.

Our Group's sustainability efforts are guided by our Health, Safety, and Environment ("HSE") policy. We have implemented and are in the midst of implementing the following practices:

(i) Environmental

Our HSE policy establishes a comprehensive framework for identifying and assessing environmental aspects and the potential impacts throughout our organisation. This process involves evaluating emissions to air, discharges to water, waste management practices, potential contamination of soils, the impacts of any releases on the community, use of raw materials and natural resources, and other relevant local and organisational environmental issues. We endeavour to adopt and adhere to environmentally friendly and sustainable practices across all our day-to-day business operations. Our past and future initiatives in this area include a focus on:

- (a) Our policy requires that all scheduled waste be accurately declared, properly labelled with the correct waste code, and stored in designated areas. We meticulously maintain records of all scheduled waste disposals, which are exclusively handled by authorised, licensed contractor;

Our project site features a designated centralised waste area, equipped with roll-on roll-off bins, to facilitate the proper segregation of domestic and construction waste, preventing pollution during disposal. Workers are crucial to this effort, and we remind them to always use the correct waste bins;

- (b) Our rigorous chemical management protocols are designed to protect both our workers and the environment. A key part of this involves ensuring spills are contained immediately to prevent them from spreading or reaching drainage systems. Key elements include:

- Conducting monthly inspections of all chemical storage facilities.
- Equipping chemical stores with essential safety labels and emergency response equipment, in strict adherence to hazardous storage standards.
- All workers in areas handling chemicals get training on chemical properties. This includes understanding potential hazards to humans and the environment, symptoms of exposure, environmental behaviour, flammability, other hazardous properties, and essential personal protective measures.
- Requiring all contractors to have an emergency spill kit immediately available at our site or store.

- (c) Our commitment to environmental stewardship extends to our daily office operations, where we actively implement several initiatives:

- We advocate for electronic data archiving to significantly reduce paper consumption.
- Efforts are continuously made to minimise document printing and facilitate the reuse of paper.
- Used office printer cartridges are systematically resold to specialised shops for responsible repurposing.
- All used batteries, cardboard packaging, and plastic packaging resulting from goods delivery are collected and directed for appropriate recycling.

6. INFORMATION ON OUR GROUP (Cont'd)

- (d) Building on our sustainability commitment, an allocation of our IPO proceeds will fund a 96.72 kW rooftop solar photovoltaic system at our New Head Office and Storage Facility. This initiative underscores our dedication to responsible environmental management, significantly reducing our carbon footprint and promoting the adoption of clean energy. It showcases our commitment to creating long-term value for stakeholders through sustainable business practices and contributing to global renewable energy goals.

(ii) Social

We place a strong emphasis on the safety and health of our employees. In line with that, we have a HSE Policy as well as a HSE committee overseeing safety and health matters and mitigating any associated safety and health risks at our workplaces. As part of our social initiatives and within our workplace, we are committed to:

- (a) We provide all personnel with essential personal protective equipment, including helmets, safety vests, safety boots, earplugs, dust masks, gloves, and safety goggles. Additionally, we ensure that all personal protective equipment is thoroughly inspected during toolbox meetings.
- (b) Our established Emergency Response Plan is meticulously designed to address unforeseen environmental and Occupational Safety and Health emergencies. Its primary objective is to minimise the impacts of all HSE incidents, medical situations, and other emergency events on the safety and health of both our employees and the local community.
- (c) We mandate the presence of an Occupational Safety and Health Coordinator at our project sites. Additionally, in compliance with regulations for construction projects exceeding a specified contract amount, a qualified Safety and Health Officer (SHO) is employed.

In terms of our employees' welfare, our Group hosted company festival events. These events, complete with refreshments, contributed to a positive and dynamic work environment by enhancing employee engagement and morale, fostering team building, and providing recognition and appreciation.

In addition, our Group has taken various corporate social responsibility initiatives to serve the needs of the community, including the following:

- (a) In 2024, our subsidiary, in partnership with the Rotary Club of Pontian and EcoNinja, launched a significant mangrove restoration program. This initiative began with the signing of a Memorandum of Understanding (MoU) at the Pontian Mangrove Rehabilitation Site. This Mangrove Restoration Project officially commenced on 12 February 2025. This involved a tree planting activity at Parit Raja, Rambah, where our team worked alongside 100 volunteers from the Rotary Club of Pontian. This marks the initial phase of their ambitious goal to plant 10,000 mangrove trees.

Through this project, we are taking concrete action to improve the environment, inspire community involvement in restoration efforts and reinforcing our dedication to sustainable development.

- (b) In 2025, we organised an Iftar event for the orphans of the Pontian District Islamic Orphan Welfare Organisation (Pertubuhan Kebajikan Anak Yatim Islam Pontian). We aimed to offer support to the organisation and share the spiritual significance and joy of Ramadan with these children. This event underscores our Group resolve to uphold our social commitments and to continuously strive toward assisting those in need within our community.

6. INFORMATION ON OUR GROUP (Cont'd)

- (c) In 2025, our Group provided monetary donations to a non-governmental organisation dedicated to offering comprehensive care for underprivileged children. This contribution also benefited other vulnerable groups.

In the same year, our Group extended monetary support to a non-governmental organisation to facilitate the execution of a significant community service project, held in conjunction with their charity night.

(iii) Governance

Our Group recognises that high standard of corporate governance is the foundation upon which we build a sustainable business. In essence, we are committed to conduct our business ethically and ensure compliance with all relevant laws and regulations that govern our business operations.

As at the LPD, our Group has adopted the following recommendations under the MCCG:

- (a) at least half of our Board members are independent directors;
- (b) at least 30% of our Board members are women directors;
- (c) our ARMC comprises solely independent directors; and
- (d) our Independent Non-Executive Chairperson is not a member of any of our board committees.

In addition, our Group has embraced a zero-tolerance stance on bribery, and as such, we have implemented comprehensive policies and procedures to ensure strict adherence to the Malaysian Anti-Corruption Commission Act 2009. Additionally, to enhance transparency in our business operations, we have implemented a whistleblowing policy. These initiatives are designed to promote the reporting of misconduct by individuals involved.

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7. IMR REPORT



10 December 2025

The Board of Directors
ISF Group Berhad
763, Taman Anggerik
Jalan Parit Mesjid
82000 Pontian
Johor

Dear Sirs and Madams

Independent Assessment of the Potable Water and Sewer Piping Industry focusing on end-user premises

We are an independent business consulting and market research firm based in Malaysia, established in 1993. We offer consulting services, including business plans, opportunity evaluations, commercial due diligence, feasibility studies, financial and industry assessments, and market research. Since 1996, we have been involved in corporate exercises such as initial public offerings, reverse takeovers, chain listings, transfers to the Main Market, and business regularisations for publicly listed companies on Bursa Malaysia Securities Berhad (Bursa Securities). Our corporate exercise services encompass business overviews, independent industry assessments, management discussions and analyses, and business and industry risk assessments for prospectuses, shareholders' circulars and information memorandums.

We have been engaged to provide an independent assessment of the potable water and sewer piping industry focusing on end-user premises for inclusion in the prospectus of ISF Group Berhad for its initial public offering and listing of its shares on the ACE Market of Bursa Securities. This report has been prepared independently and objectively, with all reasonable due care taken to ensure its accuracy and completeness.

We believe the report provides a true and fair assessment of the industry, considering the limitations of timely and available information, and analyses based on secondary and primary market research as of the report date. However, it should be noted that our assessment pertains to the industry as a whole and may not reflect the performance of any specific company. We accept no responsibility for the decisions or actions of readers based on this document. This report should not be construed as a recommendation to buy, not buy, sell or not sell the securities of any company.

Please be aware that our report may include disclosures, assessments, opinions, and forward-looking statements that are subject to hitherto unknown or undisclosed information, uncertainties, and contingencies. These statements are based on secondary information and primary market research, and despite careful analysis, the industry is influenced by various known and unforeseen factors that could cause actual outcomes and future results to differ materially from these statements.

Yours sincerely

Wooi Tan
Managing Director

Wooi Tan holds a Bachelor of Science from the University of New South Wales and a Master of Business Administration from the University of Technology, Sydney. He is a Fellow of the Australian Marketing Institute and the Institute of Managers and Leaders, Australia. With over 30 years of experience in business consulting and market research, he has also assisted companies in their initial public offerings and listings of their shares on Bursa Securities.

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7. IMR REPORT (Cont'd)



Date of Report: 10 December 2025

INDEPENDENT ASSESSMENT OF THE POTABLE WATER AND SEWER PIPING INDUSTRY FOCUSING ON END-USER PREMISES

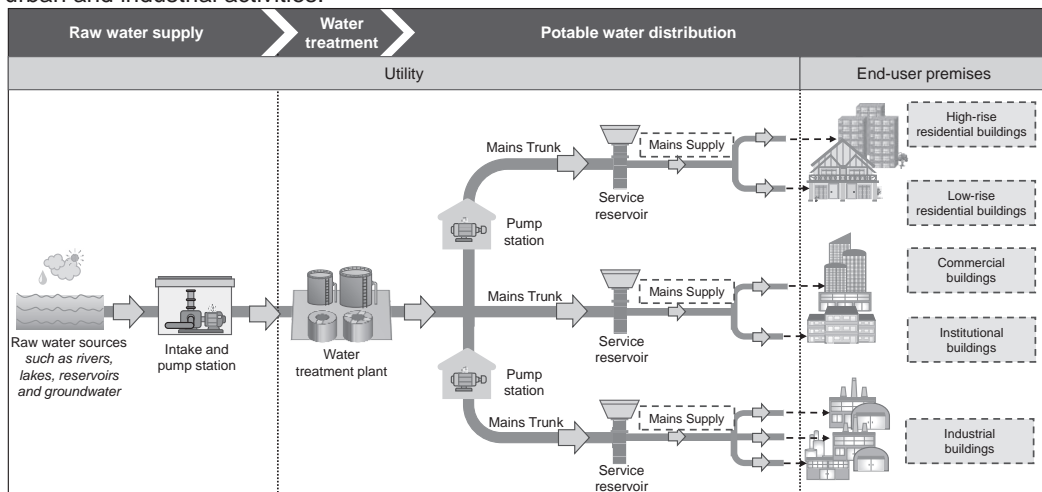
1. OVERVIEW OF ISF GROUP'S BUSINESS AND REPORT PARAMETERS

- ISF Group Berhad and its subsidiary (ISF Group) primarily specialise in supplying and installing piping systems for end-user premises, and water supply and sewer infrastructure. They also provide maintenance and repair services for these systems. ISF Group serves industrial clients, including data centres, as well as residential and commercial properties. Its primary market is Peninsular Malaysia, with Johor generating the largest revenue. This report will focus on these aspects. In the context of this report, sewage includes both wastewater and human waste, and all information pertains to Malaysia unless stated otherwise.

2. INDUSTRY OVERVIEW

2.1 Potable Water Supply System

- Potable water refers to water that has been treated and made safe for human consumption. The water supply services industry encompasses the collection of raw water, water treatment, and the distribution of potable water across the country, states, and territories.
- Raw water supply** involves collecting untreated water from natural sources such as rivers, lakes, reservoirs, and groundwater in some remote areas. In 2024, in Peninsular Malaysia and the Federal Territory of Labuan, raw water extraction from rivers accounted for 80.2%, reservoirs made up 17.5%, and the remainder 2.3% from groundwater and seawater (Source: National Water Services Commission: Suruhanjaya Perkhidmatan Air Negara (SPAN)). Intake and pump stations are strategically located upstream along rivers to extract untreated water to minimise contamination from urban and industrial activities.



- ISF Group mainly supplies and installs potable water piping systems for these end-user premises.
- ISF Group also supplies and installs interconnection pipes to end-user premises.
- ISF Group also supplies and installs the mains supply of potable water piping systems.

- Raw water is transported from intake and pump stations to water treatment plants through large pipes or open channels. At the plant, the raw water first undergoes pre-treatment to remove unpleasant tastes and odours. It then proceeds through several treatment stages, including coagulation, sedimentation, filtration, disinfection and fluoridation, before being distributed as potable water. In 2024, there were 350 water treatment plants in Peninsular Malaysia and the Federal Territory of Labuan (Source: SPAN).
- Potable water distribution** involves conveying treated water (or potable water) from water treatment plants through pipelines to end-user premises for various applications and consumption.

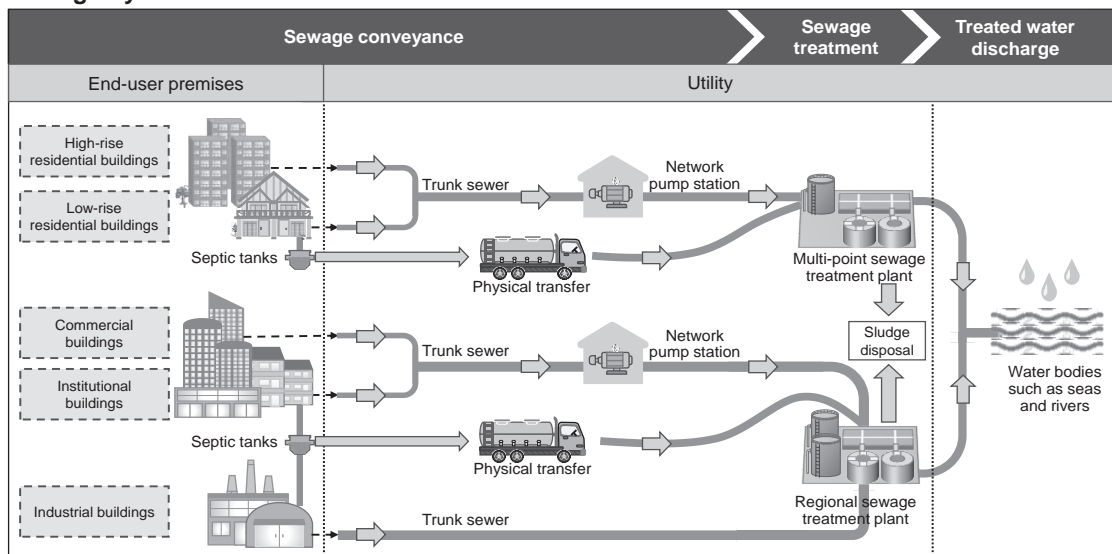
7. IMR REPORT (Cont'd)



The distribution system is segmented into the **utility and end-user segments**.

- In the **utility segment**, potable water is conveyed from the water treatment plants through the mains water trunks to service reservoirs, sometimes passing through pumping stations that serve as boosters to maintain adequate pressure for long-distance or high-altitude distribution. Service reservoirs serve multiple critical functions, such as providing temporary water storage during emergencies, balancing fluctuations in water demand, and maintaining consistent pressure in specific distribution areas.
- To connect the utility infrastructure to end-user premises, **interconnection** pipes are installed to link public mains to individual water meters (or bulk meters for multi-storey buildings). The water meters mark the termination points of the utility segment and the beginning of the end-user segment.
- The **end-user segment** is where potable water is ultimately utilised and consumed within residential, commercial, institutional, and industrial premises, as well as infrastructure, amenities, and facilities. Some large industrial premises may have their own on-site water treatment facilities to filter the potable water.
- ISF Group primarily supplies and installs potable water piping systems for industrial, residential, commercial, and institutional buildings in Malaysia. Additionally, ISF Group supplies and installs interconnection pipes that connect public water mains to end-user premises as well as the mains supply of the system.

2.2 Sewerage System



- [- - -] ISF Group mainly supplies and installs sewer piping systems for these end-user premises.
- - -> ISF Group also supplies and installs interconnection pipes from end-user premises to trunk sewers

The sewerage system treats sewage and includes sewer piping, network pump stations, sewage treatment plants, and septic tanks. There are two main sewerage systems in Malaysia: connected systems (public sewerage systems) and septic tanks (individual and communal). The public sewerage systems convey sewage from end-user premises to treatment facilities and eventually discharge treated water.

The Connected System

- **Sewage conveyance** involves the collection and transportation of sewage (including faecal waste and other liquid discharges from domestic, commercial, institutional, and industrial activities) to the sewage treatment facilities, incorporating the end-user and the utility segment.
 - Within the **end-user premises** segment, such as residential, commercial, institutional, and industrial buildings, as well as infrastructure, amenities and facilities, sewage is channelled through internal sanitary plumbing systems into the public sewer network

7. IMR REPORT (Cont'd)



- **Interconnection** pipes serve to connect end-user premises sewer piping to the public sewerage systems. These pipes convey sewage from individual buildings to the public sewer connection point.
- In the **utility** segment, sewage is conveyed through public sewers to sewage treatment plants. Where topographical constraints prevent gravity flow or long-distance conveyance, sewage is routed through network pump stations that boost pressure to facilitate continued conveyance. The sewage will eventually be directed to multipoint sewage treatment plants, serving areas with lower population equivalent, or regional sewage treatment plants capable of handling greater population equivalent. At these facilities, the sewage will undergo primary, secondary, and in some cases, tertiary treatment processes before the treated effluent is discharged into water bodies, thereby minimising environmental pollution. Simultaneously, sewage sludge separated will be disposed of in landfills or for agricultural purposes.

The Septic Tank System

- Septic tank systems are a legacy system, and many have been converted to the connected systems. However, septic tank systems remain prevalent in areas where connection to the main sewerage system is too costly or impractical. Septic tanks are basic on-site treatment facilities with compartments that treat sewage through sedimentation and anaerobic processes, discharging partially treated effluent directly to the environment. In some situations, there are communal septic tanks that serve multiple premises via a common sewer. To maintain efficiency, septic tanks require regular desludging services, where collected sewage sludge is physically transported by desludging tankers to sewage treatment plants for further processing or, sometimes, for agricultural use.

ISF Group supplies and installs sewer piping systems for industrial, residential, commercial, and institutional buildings. Additionally, ISF Group supplies and installs interconnection pipes from end-user premises to public sewer networks. ISF Group is not involved in septic tank systems.

2.3 Potable Water and Sewer Piping for End-User Premises

- The potable water and sewer piping systems play a vital role in ensuring the safe delivery of potable water and the efficient removal of sewage to and from end-user premises. As an integrated service, it encompasses the design, installation, maintenance, and upgrading of water supply and sewage disposal systems within and around built environments. These systems are enabled by the installation of various components, including water fittings such as pipes, taps, valves, and pumps, as well as sanitary fittings such as sinks, water closets, and drainage systems.
- Some potable water and sewer piping systems for end-user premises include the following:
 - Internal cold water plumbing systems distribute potable water throughout buildings for daily consumption and use in various water outlets.
 - Internal hot water plumbing systems distribute centrally heated water to various fixtures such as showers, bathtubs, and sinks, typically found in residential, commercial, and institutional buildings.
 - Internal sanitary plumbing systems collect and convey sewage (including wastewater) from internal fixtures such as sinks, showers, and toilets to public sewerage systems or septic tanks.
 - Rainwater harvesting systems capture and store rainwater for non-potable purposes such as irrigation, toilet flushing, and general cleaning, contributing to water conservation initiatives.
 - Rainwater downpipes and surface water drainage systems collect and divert rainwater from rooftops and external surfaces to designated drainage points, helping to prevent flooding and structural damage.
 - Others include fire hydrant and fire suppression piping systems, on-site water filtration and treatment systems, on-site wastewater treatment systems, and water irrigation systems for landscaping or agricultural purposes.
- ISF Group is mainly involved in the supply and installation of hot and cold water plumbing, sanitary drainage, rainwater downpipes, rainwater harvesting, water filtration, and external hydrant systems.

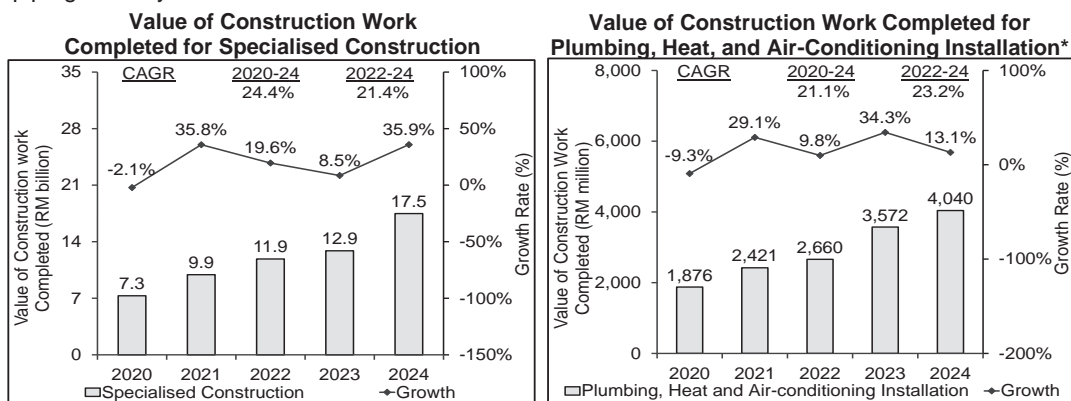
7. IMR REPORT (Cont'd)



3. INDUSTRY PERFORMANCE

3.1 Specialised Construction Work Value

- Potable water and sewer piping systems are enabled by plumbing installation, which is part of the larger specialised construction industry. Specialised construction refers to parts of buildings and civil engineering works that do not include the responsibility of the entire project. It typically specialises in one aspect common to different structures, requiring specialised skills or equipment such as pile driving, electrical installation, as well as plumbing and sanitary equipment installation. Therefore, the value of construction work completed for specialised construction as well as plumbing, heat, and air-conditioning installation provides some indication of the performance of the potable water and sewer piping industry.



* A subsegment of specialized construction. Include installation of plumbing and sanitary equipment, heating systems, furnaces, cooling towers, and non-electric solar energy collectors. This statistic also includes additions, alterations, maintenance, and repair works. No further segmentation available. (Source: Department of Statistics Malaysia (DoSM))

- Between 2022 and 2024, the value of construction work completed for specialised construction grew at a compound annual growth rate (CAGR) of 21.4%, where in 2024 it amounted to RM17.5 billion. The growth in 2024 can be attributed to the broad-based expansion across subsectors, particularly site preparation, building completion and finishing, and other construction installations. In the first nine months (9M) of 2025, the value of construction work completed for specialised construction grew by 23.5% (or RM3.0 billion) to RM15.7 billion compared to 9M 2024 (RM12.7 billion). The growth is mainly driven by telecommunications infrastructure projects and coastal reclamation activities. (Source: DoSM and Ministry of Finance (MoF))
- Between 2022 and 2024, the value of construction work completed for plumbing, heat, and air-conditioning installation grew at a CAGR of 23.2%. This was in tandem with the increase in construction activities from data centres, advanced manufacturing facilities, and infrastructure projects (Source: Construction Industry Development Board (CIDB)). In 2024, the value of construction work completed for plumbing, heat, and air-conditioning installation reached RM4.0 billion. In 9M 2025, the value of construction work completed for plumbing, heat, and air-conditioning installation further grew by 6.5%, reaching RM3.2 billion compared to RM3.0 billion in 9M 2024 (Source: DoSM). A growing value of construction work completed for plumbing, heat, and air-conditioning augers well for the operators involved in the industry such as ISF Group.
- In Johor, the principal business place of ISF Group, the value of construction work completed for specialised construction grew at a CAGR of 45.3% between 2022 and 2024, where in 2024, it amounted to RM2.8 billion, representing 88.2% growth compared to the previous year (RM1.5 billion). The growth in this period can be partially attributed to the increase in the value of construction work completed for non-residential buildings, which grew at a CAGR of 55.6% between 2022 and 2024. Similarly, in 9M 2025, the value of construction work completed for specialised construction grew by 19.6% to RM2.3 billion compared to 9M 2024 (RM1.9 billion). (Source: DoSM) The increase was attributed to the growth in the residential and non-residential building construction sector, which drove the demand for specialised construction activities.

7. **IMR REPORT (Cont'd)**



3.2 **Gross Output Value**

- Gross output value represents the total value of products or services produced or rendered within a specified period. Between 2015 and 2022, the gross output value of plumbing and sanitary equipment installation grew at a CAGR of 0.3%. In 2022, the gross output value reached RM2.0 billion. The moderate growth between 2015 and 2022 was partially attributed to the impact of the COVID-19 pandemic on the overall construction industry.

Gross Output Value of Plumbing and Sanitary Equipment Installation

	RM million
2010	1,032
2015	1,949
2022	1,996
2010-22 CAGR	5.7%
2015-22 CAGR	0.3%

Latest available data. Based on the survey done in each respective year. (Source: DoSM)

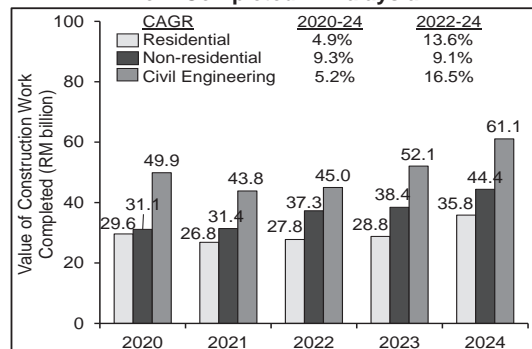
4. **DEMAND AND DEMAND DEPENDENCIES**

- Potable water and sewer piping systems are integral in building, infrastructure, and civil engineering construction. Therefore, the industry performance is highly dependent upon the performance of the construction industry. In addition, the existing supply of properties forms the base addressable market for potential maintenance, repair, and upgrading projects, while the future supplies drive construction activities, creating opportunities for operators within the potable water and sewer piping industry focusing on end-user premises.
- ISF Group also supplies and installs potable water and sewer piping for data centres, hence, this section will also provide some coverage on the data centre industry, serving as a demand indication.

4.1 **Construction Industry**

- The value of construction work completed for residential, non-residential and civil engineering works indicate the demand for potable water and sewer piping systems.
- Between 2022 and 2024, the value of construction work completed for residential, non-residential, and civil engineering grew at a CAGR of 13.6%, 9.1%, and 16.5% respectively. In 2024, the industry continued to experience growth, where the value of construction work completed for residential, non-residential, and civil engineering each grew by 24.5%, 15.5%, and 17.3% respectively, compared to 2023 (Source: DoSM).

Value of Construction Work Completed in Malaysia



(Source: DoSM)

- In 2024, the growth in the civil engineering sector was largely attributed to the multi-year infrastructure projects, particularly within the transportation segment. Moreover, the improvement in income and employment conditions also boosted the housing demand, while the industrial development, as well as commercial projects, supported the growth in the non-residential sector. (Source: Bank Negara Malaysia)
- In 9M 2025, the value of construction work completed for residential, non-residential, and civil engineering grew by 17.0% (from RM26.0 billion to RM30.4 billion), 15.5% (from RM32.6 billion to RM37.6 billion), and 6.7% (from RM45.5 billion to RM48.5 billion) respectively, compared to 9M 2024. (Source: DoSM) The growth was attributed to sustained housing demand, development of new industrial areas supported by government initiatives, and the acceleration of infrastructure projects.

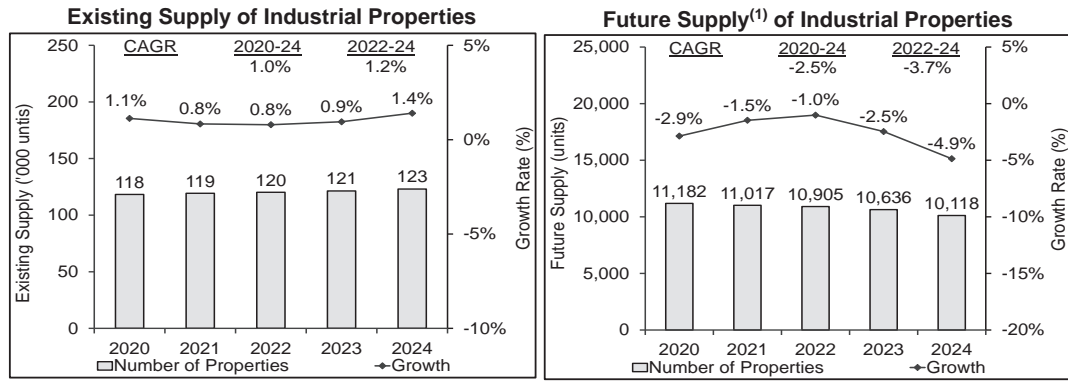
4.1.1 **Supply Conditions of Industrial Properties**

- Industrial properties represent the largest customer base of ISF Group's operation. Between 2022 and 2024, the existing supply of industrial properties grew at a CAGR of 1.2%, reaching 123,077 units in 2024. On the contrary, between 2022 and 2024, the future supply of industrial properties declined at an average annual rate of 3.7%, reaching 10,118 units in 2024. The decline in the future supply of industrial properties was mainly due to the reduction in the future supply of flatted-factory.

7. IMR REPORT (Cont'd)



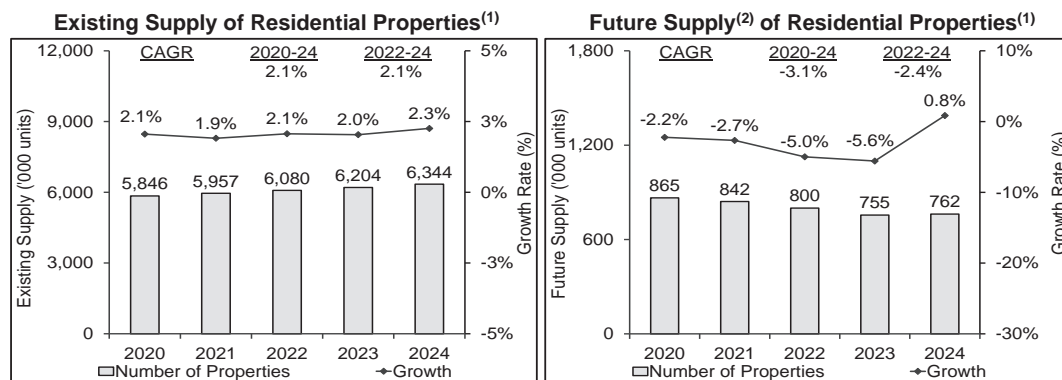
The existing supply of industrial properties at the end of the third quarter (Q3) of 2025 grew by 1.2% when compared to the end of Q3 2024. Nevertheless, the future supply of industrial properties at the end of Q3 2025 contracted by 19.1% compared to the end of Q3 2024. (Source: National Property Information Centre (NAPIC))



(1) Future supply = incoming supply + planned supply. (Source: NAPIC)

4.1.2 Supply Conditions of Residential Properties

- Residential properties, including low-rise and high-rise, were also one of the areas of ISF Group's focus. Between 2022 and 2024, the existing supply of residential properties grew at a CAGR of 2.1%, reaching 6.3 million units, with low-rise and high-rise residential properties accounted for 69.4% (4.4 million units) and 30.6% (1.9 million units) respectively in 2024. On the contrary, between 2022 and 2024, the future supply of residential properties declined at an average annual rate of 2.4%, reaching 761,688 units. The reduction in the future supply of low-cost flats and flats was the main contributor towards the decline. The existing supply of residential properties at the end of Q3 2025 grew by 2.8%, with low-rise and high-rise residential properties each increasing by 2.7% and 2.9% respectively, when compared to the end of Q3 2024. Nevertheless, the future supply of low-rise and high-rise residential properties at the end of Q3 2025 contracted by 27.9% and 20.8% respectively, compared to the end of Q3 2024. (Source: NAPIC)



Notes: (1) Include low-rise and high-rise residential properties; (2) Future supply = incoming supply + planned supply. (Source: NAPIC)

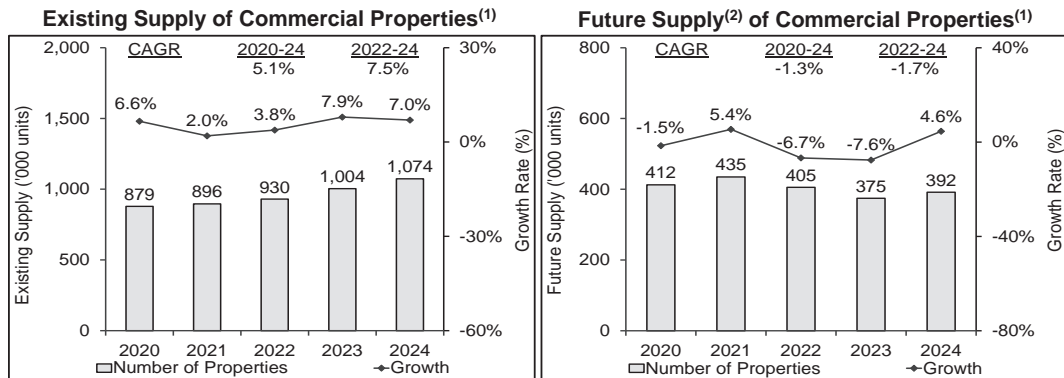
4.1.3 Supply Conditions of Commercial Properties

- ISF Group is also involved in the supply and installation of piping systems for commercial properties. Between 2022 and 2024, the existing supply of commercial properties grew at a CAGR of 7.5%, which was mainly attributed to the increase in the completion of serviced apartments. On the contrary, between 2022 and 2024, the future supply of commercial properties declined at an average annual rate of 1.7%, which was primarily due to the reduction in the planned supply of small office/home office and serviced apartments. Nevertheless, the future supply of commercial properties experienced a growth of 4.6% in 2024. The existing supply of commercial properties at the end of

7. IMR REPORT (Cont'd)



Q3 2025 grew by 3.8% compared to the end of Q3 2024. In terms of the future supply of commercial properties, the future supply declined by 9.3% compared to the end of Q3 2024. (Source: NAPIC)

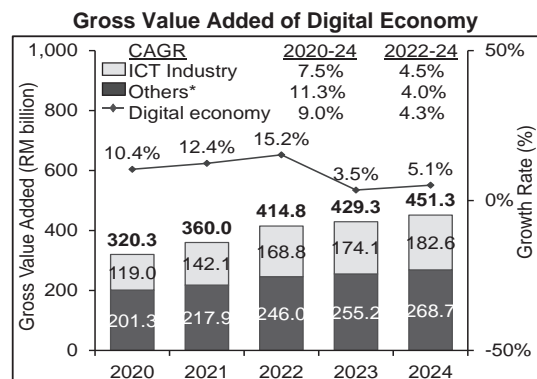


Notes: (1) Commercial properties include shops, small office/home office, serviced apartments, shopping complexes, purpose-built offices and hotels; (2) Future supply = incoming supply + planned supply. (Source: NAPIC)

4.2 Data Centres

- Data centres consume a substantial amount of potable water to cool servers/processors, which operate continuously and generate substantial heat. As such, a reliable water supply and robust piping systems are critical to support their operations. Additionally, data centres often use air compressors that produce oil-contaminated condensate (oil slurry) as a byproduct of the cooling process. Therefore, an efficient sewerage system equipped with oil separators is essential to ensure proper treatment and disposal of wastewater.
- As digital transformation accelerates, the demand for computing power and digital solutions continues to grow. Alongside the increasing adoption of artificial intelligence (AI) and high-performance computing in the digital economy, data centres are becoming essential for managing and processing the vast volumes of data collected and generated. The growing need for data centres would provide demand for piping systems for cooling.

- The contribution of the digital economy is measured by the total gross value added (GVA) of the information and communications technology (ICT) industry and e-commerce of the non-ICT industry. GVA quantifies the output value generated by ICT activities, excluding the value of intermediate goods and services. As one of the fastest-growing sectors, the contribution of the digital economy to Malaysia's overall economy increased by 5.1%, accounting for 23.4% of the total gross domestic product in 2024. Between 2022 and 2024, the digital economy's contribution grew at a CAGR of 4.3%. Within the broader ICT industry, the GVA of the ICT services sector rose by 3.3%, reaching RM107.7 billion in 2024. (Source: DoSM)



* Includes e-commerce of non-ICT industry. (Source: DoSM)

- In terms of investments, between 2021 and 2024, Malaysia attracted a total of RM113.8 billion in digital infrastructure investments, such as data centres, cloud computing, and data hosting projects. In 2022, out of the total RM84.7 billion investments approved for the ICT industry, RM72.4 billion (85.5%) were for data centres and cloud computing services. In 2023, the approved investments for data centres declined to RM16.0 billion. Nevertheless, in 2024, the approved investments for data centres grew by 50.6% to RM24.1 billion. In parallel, approved private investments in the information and communication services sector expanded by 53.0% in 9M 2025 to RM99.8 billion compared to

7. IMR REPORT (Cont'd)



9M 2024, reflecting sustained investor confidence in Malaysia's digital infrastructure development. (Source: Malaysian Investment Development Authority (MIDA))

- Notable approved investments in data centres since 2022 include a data centre and hosting project between Bridge Data Centres and ByteDance Ltd, a data centre park by YTL Power International Bhd, and a modern data centre campus by Princeton Digital Group, a leading data centre provider in Asia. In 2024, Microsoft Corporation announced a substantial investment of RM10.4 billion in cloud and AI infrastructure, while Sime Darby Property Bhd committed RM2.0 billion towards developing a hyperscale data centre. (Source: MIDA)

5. SUPPLY DEPENDENCIES – LABOUR SUPPLY AND COST

- The construction industry, including specialised construction (such as plumbing installations), is labour-intensive. Operators may rely on foreign workers to meet the labour needs, as installation activities rely on on-site labour. Hence, policies relating to the supply of foreign workers in Malaysia will directly affect the availability of labour.
- In 2023 and 2024, the Malaysian government implemented several policy changes regarding foreign workers. In January 2023, a temporary relaxation plan was implemented to ease the hiring process for selected industries, including construction, until March 2023. Additionally, the Illegal Immigrant Recalibration Plan 2.0 was reintroduced, allowing undocumented foreign workers to be regularised until December 2023. However, in March 2024, the Government announced that active quotas for which levies have been paid but visas not issued by 21 April 2024 would be cancelled. It also mandated that approved foreign workers must enter Malaysia by 31 May 2024. These policy shifts concerning the supply of foreign workers are expected to influence labour availability in Malaysia's construction industry. Nevertheless, the Malaysian government has recently announced the permission for foreign workers to change employers across different sectors of employment.
- Labour costs represent a significant proportion of the total cost in the potable water and sewer piping industry, given the reliance on labour to carry out work on-site. Under Budget 2025, the Government announced an increase in the monthly minimum wage from RM1,500 to RM1,700, which took effect in February 2025 (Source: MoF). The adjustment has raised overall operational cost for industry operators.

6. COMPETITIVE LANDSCAPE

- The potable water and sewer piping industry focusing on end-user premises in Malaysia is highly fragmented, comprising numerous players. The industry players involved in the provision of potable water and sewer piping systems range from individual contractors, companies that specialise primarily in the provision of piping systems, to mechanical and electrical companies that offer broader aspects of mechanical, electrical, and process utility (including plumbing) (MEP) systems.
- The companies listed in the table below operate in similar business segments as ISF Group and are meant to provide indications on the performance of some operators within the industry. The selection is based on the following five criteria: **(1)** companies must be involved in the provision of internal water plumbing systems; **(2)** companies must be registered with the Construction Industry Development Board (CIDB) as a Grade 7 contractor under the internal water piping system category; **(3)** companies must have operations in Peninsular Malaysia; **(4)** companies with revenue of RM15 million and above; and **(5)** availability of up-to-date financial information. Some of the companies may also be engaged in the provision of water supply and/or sewer infrastructure piping. The list is sorted in descending order of total revenue and is not exhaustive.

Company	FYE ⁽¹⁾	Rev ⁽²⁾ (RM mil)	GP ⁽²⁾ (RM mil)	GP ⁽²⁾ margin	NP/NL ⁽²⁾ (RM mil)	NP/NL ⁽²⁾ margin
ISF Group	Dec-24	54.7	20.2	36.9%	9.6	17.6%
Systematic Plumbing S/B	Dec-24	48.9	6.9	14.2%	2.3	4.7%
Kim Chong Plumbing S/B	Aug-24	47.2	9.9	20.9%	2.6	5.4%
Ed Lamb Construction S/B	Dec-24	41.6	4.0	9.7%	0.1	0.1%
Heng Fatt Plumbing S/B	Dec-24	35.1	7.3	20.8%	2.6	7.3%

7. IMR REPORT (Cont'd)



Company	FYE ⁽¹⁾	Rev ⁽²⁾ (RM mil)	GP ⁽²⁾ (RM mil)	GP ⁽²⁾ margin	NP/NL ⁽²⁾ (RM mil)	NP/NL ⁽²⁾ margin
Sykt Pumpro Engineering S/B	Apr-25	31.4	2.6	8.2%	0.3	0.9%
Yel Construction S/B	Mar-25	30.2	6.2	20.5%	1.0	3.3%
Qudotech S/B ⁽³⁾	Jun-24	29.7	3.3	11.0%	3.3	10.9%
SYP S/B	Dec-24	28.3	5.8	20.6%	0.4	1.6%
Kim Chong Mechanical Services S/B	Dec-24	25.1	1.3	5.3%	0.1	0.6%
S.K. Wawasan S/B	Jun-24	24.3	3.1	12.8%	(0.2)	(0.9%)
Wong Khuan Plumbing ⁽⁴⁾	Jul-24	22.9	3.5	15.1%	0.2	0.8%
Hong Chan Engineering ⁽⁵⁾	Dec-24	21.5	5.0	23.5%	1.4	6.3%
High Speed Plumbing S/B	May-23	20.3	3.5	17.4%	0.3	1.7%
Chee Seng Plumbing (1999) S/B	May-24	20.2	2.9	14.6%	0.4	2.0%
HTB Resources S/B	Sep-24	18.5	0.2	1.3%	(2.5)	(13.6%)

FYE= Financial Year Ended; Rev= Revenue; GP= Gross Profit; NP= Net Profit; NL= Net Loss; mil= million; S/B= Sendirian Berhad. (1) Latest audited financial data from the Companies Commission of Malaysia and ISF Group. (2) It may include other business activities, products or services at the group or company level. (3) A subsidiary of AWC Berhad, a listed entity on the Main Market of Bursa Securities, which is involved in, among others, providing total building solutions in facilities, environment, engineering, and rail division. (4) Wong Khuan Plumbing & Construction S/B. (5) Hong Chan Engineering & Construction S/B.

7. BARRIERS TO ENTRY

- Barriers to entry for the potable water and sewer piping industry, focusing on end-user premises, are generally low. This is evidenced by the number of operators in the industry registered with the CIDB under the relevant categories, as at 10 December 2025:
 - 2,307 contractors are involved in the provision of the internal water plumbing system installation, of which 456 are Grade 7 contractors;
 - 400 contractors are involved in the provision of the connection of private sewer to the public sewer infrastructure, of which 135 are Grade 7 contractors;
 - 2,668 contractors are involved in the provision of sewerage systems, of which 818 are Grade 7 contractors; and
 - 4,314 contractors are involved in the provision of water supply systems, of which 1,136 are Grade 7 contractors.

Grade 7 contractors are subject to the most stringent conditions and face no restrictions on the value of projects that can be undertaken. ISF Group is a Grade 7 contractor registered with the CIDB in all of the above-mentioned categories.

- Additionally, obtaining relevant permits from SPAN can create barriers to entry, as these permits are required before undertaking any work related to potable water and sewer piping systems. As a service-based industry, the barriers to entry are generally focused on the availability of technical skill resources, while working capital requirements are generally low.

8. INDUSTRY SIZE AND SHARE

- The following are the industry size and market share of ISF Group in Malaysia:

2024 – Gross output value	Industry size (RM million)	ISF Group	
		Revenue (RM million)	Market share
Plumbing and sanitary equipment installation	2,600 ⁽¹⁾	55 ⁽²⁾	2% ⁽³⁾
2024 – Value of construction work completed			
Plumbing, heat, and air-conditioning installation	4,040 ⁽⁴⁾	55 ⁽²⁾	1% ⁽⁵⁾

(1) Extrapolated from 2022 (latest available data) to 2024 = (gross output value of plumbing and sanitary equipment installation in 2022 (RM1,996 million) x (1 + growth of the value of construction work completed for the construction industry in 2023 (8.4%)) x (1 + growth of the value of construction work completed for the construction industry in 2024 (20.2%)). In view of the lack of information for 2024, the gross output value of plumbing and sanitary equipment installation for 2023 and 2024 were derived using the growth of the value of construction work completed for the construction industry in 2023 and 2024 as proxies. (Source: DoSM and Vital Factor analysis) (2) ISF Group's revenue for the financial year ended 31 December 2024. (Source: ISF Group) (3) ((2) divided by (1)) x 100%. (Source: Vital Factor analysis) (4) The value of construction work completed for plumbing, heat, and air-conditioning installation in 2024. No further segmentation is available. (Source: DoSM) (5) ((2) divided by (4)) x 100%. (Source: Vital Factor analysis)

7. IMR REPORT (Cont'd)



9. INDUSTRY OUTLOOK AND PROSPECTS

Consideration factors impacting the outlook and prospects of the potable water and sewer piping industry focusing on end-user premises are as follows:

Drivers of growth and opportunities

- Growth in the construction industry and its specialised construction segment (including plumbing installation) provides growth opportunities for industry operators. In 2026, the construction industry is forecasted to expand by 6.1%, largely driven by the continued expansion in specialised construction, non-residential and residential segments. Meanwhile, the specialised construction segment is projected to grow in tandem with other segments' performance, supported by sustained demand for site preparation, mechanical and electricals, as well as finishing works. (Source: MoF)
- The performance of the potable water and sewer piping systems for end-user premises industry is highly dependent on the building construction segment, given the essential role of piping systems in construction projects. In 2026, the non-residential segment is forecasted to further expand, driven by sustained demand for industrial facilities, logistics hubs, and data centres. Additionally, the residential segment will benefit from new housing developments, particularly in the affordable housing category, and government tax incentives. (Source: MoF)
- Under Budget 2025, several residential projects implemented by the Malaysian government are expected to drive increased demand for potable water and sewer piping systems. These initiatives include the continuation of 48 Projek Residensi Rakyat (PRR) developments, 30 of which are scheduled for completion by the end of 2025. Additionally, the Government will implement 14 Rumah Mesra Rakyat (RMR) projects, involving the construction of 5,410 new housing units. In the first half of 2025, these initiatives have benefited more than 50% of the 17,500 targeted recipients. Under Budget 2026, the Government further allocates RM672 million for the PRR and RMR projects, and RM100 million for the construction of Program Residensi MADANI (Source: MoF). As these initiatives aim at promoting home ownership, they are likely to benefit industry operators, given the critical need for potable water and sewer piping and infrastructure in residential developments.
- The establishment of the National AI Office by the Malaysian government, aimed at positioning Malaysia as a key player in the global digital economy, is expected to drive growth in the domestic data centre industry. Between 2025 and 2030, Malaysia's data centre industry is expected to grow at a CAGR of 22.4% to RM59.6 billion by 2030 (Source: MIDA). The Government's commitment to advancing digital infrastructure further enhances the outlook for data centres, creating opportunities for service providers within the industry.
- Under the Mid-Term Review of the Twelfth Malaysia Plan, efforts are underway to improve access to affordable housing. Key initiatives include improving the quality and supply of affordable homes, facilitating easier access to home financing, and expanding the rent-to-own programme. These measures are expected to stimulate residential construction, which in turn will drive demand for the potable water and sewer piping systems for residential properties. Further momentum is anticipated under the forthcoming Thirteenth Malaysia Plan, which is expected to continue prioritising affordable housing and the upgrading of infrastructure and public facilities to support inclusive and sustainable growth. (Source: Ministry of Economy)
- The development of the Johor-Singapore Special Economic Zone (JS-SEZ) is expected to stimulate the regional economic growth between Malaysia (Iskandar Malaysia and Pengerang region) and Singapore. Government-led initiatives and tax incentives aim to attract high-value investments, potentially spurring industrial and commercial development in the area. As new facilities are constructed, demand for potable water and sewer piping systems is expected to rise accordingly, creating opportunities for industry players operating in Johor.

Threats and challenges

- Labour shortages and rising costs may also affect the performance of operators in labour-intensive industries such as the potable water and sewer piping systems for the end-user premises industry. Since September 2024, Malaysia has frozen the issuance of new quotas for foreign workers. In addition, under Budget 2025, the Government announced mandatory Employees Provident Fund contributions for all foreign workers, which took effect in October 2025. (Source: MoF).

8. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS (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 PERFORMANCE. YOU SHOULD CAREFULLY CONSIDER THE RISKS AND INVESTMENT CONSIDERATIONS SET OUT BELOW ALONG WITH OTHER INFORMATION CONTAINED IN THIS PROSPECTUS BEFORE YOU MAKE YOUR INVESTMENT DECISION. IF YOU ARE IN ANY DOUBT AS TO THE INFORMATION CONTAINED IN THIS SECTION, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER.

8.1 RISKS RELATING TO THE BUSINESS AND OPERATIONS OF OUR GROUP**8.1.1 We have to continuously secure new and sizeable projects to sustain our business and financial performance**

Our revenue during the Financial Years and Period Under Review was derived from fixed lump-sum contracts, purchase orders, and work orders for projects. These contracts, purchase orders, and work orders are non-recurring in nature. Upon completion based on issuance of the certificate of completion and compliance, certificate of practical completion, handover report signed by the customer, or final payment, the projects are deemed completed.

The sustainability of our business and financial performance depends on our ability to consistently secure new and sizable projects to replenish our order book. As at the LPD, based on the certified progress billings, our unbilled order book stood at RM120.68 million. Barring unforeseen circumstances, the total unbilled order book as at the LPD is envisaged to be billed over the FYE 2025 to FYE 2028.

While we actively pursue new projects through tender and proposal submissions as well as negotiations with prospective customers, there is no assurance that these efforts will be successful. In the event we are unable to continuously secure new projects and replenish our order book, our financial performance will be adversely affected. Additionally, even if we were to secure new contracts, purchase orders or work orders, there is no assurance that we will continue to secure sufficiently sizable projects to sustain our business and financial performance in the future.

8.1.2 The early termination, suspension or material reduction in our scope of work of our projects may adversely affect our financial performance

Our customers may terminate, suspend, or reduce the scope of their contracts, purchase orders, and work orders with us before we complete the scope of work for various reasons, including material non-performance by us, insolvency, changes in customer plans, or our inability to carry out or complete the work. We may suspend or terminate a project if the customer becomes insolvent or defaults on payments to us. In addition, a project may be suspended or terminated by mutual agreement between both parties or for reasons beyond the control of either party such as force majeure events.

In the event there is an early termination or suspension, or material reduction in the scope of work of our contract, purchase order, or work order, we will seek payment from the respective customer for the work that we have already carried out. However, there is no guarantee that the customer will pay to us or we will recover the full amount and this may adversely affect our financial performance. During the Financial Years and Period Under Review and up to the LPD, we have not experienced any early terminations, suspensions, or material reductions in the scope of work for any of our projects. However, there is no assurance that we will not face any early terminations, suspensions, or material reductions in the scope of our work in the future.

8. RISK FACTORS (Cont'd)

8.1.3 Our business and financial performance may be affected if there are delays in implementing and completing our projects

We are required to meet project implementation timelines and milestones for our supply and installation projects involving piping systems for end-user premises, and water supply and sewer infrastructure piping. Any delays in meeting these timelines and milestones may result in adverse consequences, such as delayed revenue recognition and project cost overruns. Additionally, we may face a reduction in our scope of work or the termination of contracts, purchase orders, or work orders during the course of the project, which could negatively impact our financial performance.

Some of our contracts, purchase orders, and work orders include provisions for performance penalties in the form of LAD. We may incur LAD if a project is completed later than the agreed completion or delivery date, or beyond an approved extension of time, and the delay is due to us. While we will seek an extension of time for projects that are likely to experience delays, there is no assurance that the customer will approve such requests. If we are unable to secure an extension, we may be liable for LAD, which could adversely affect our financial performance. Depending on the specific terms of a contract, purchase order, or work order, the penalty may be a fixed amount (up to RM110,000 per day of delay) or a percentage of the total contract value (up to 1.00% of the total contract value per day of delay), or the total LAD liability may be capped as a percentage of the total contract value (ranges between 5.00% and 20.00% of the contract value).

Furthermore, delays in project completion may harm our relationships with customers, potentially damaging our reputation and affecting our ability to secure future projects. This, in turn, would negatively impact our financial performance and profitability.

Delays can arise from various factors, including, among others, issues with progress of other works (such as structural works), site handover, unforeseen site conditions, engineering or safety challenges, on-site accidents, delays in receiving materials, labour shortages or disputes, failures on the part of our subcontractors, or changes in government policies (such as those affecting foreign labour availability).

As at the LPD, we have 18 on-going supply and installation of piping systems for end-user premises projects with a contract value of RM2.00 million and above, and one (1) on-going supply and installation of water supply infrastructure projects with a contract value of RM1.00 million and above. As at the LPD, we have not exceeded the agreed completion date or delivery date, or approved EOT for any of these projects. However, there can be no assurance that these or any other of our projects will not be delayed in the future. Please refer to Sections 6.6.1(h) and 6.6.2(e) of this Prospectus for further details on our on-going projects.

Our business and financial performance has not been affected by project implementation delays and we did not receive any LAD claims from our customers during the Financial Years and Period Under Review up to the LPD, nor have we recognised any costs related to LAD during this period. However, there is no assurance that we will not encounter any project implementation delays that affect our business and financial performance or incur any LAD in the future.

8.1.4 We may not be able to sustain the same level of growth rate and financial performance of our business in the future

Our revenue increased from RM21.57 million in FYE 2022 to RM54.67 million in FYE 2024, representing a CAGR of 59.19%, and our PAT increased from RM0.93 million in FYE 2022 to RM9.64 million in FYE 2024, representing a CAGR of 221.37%. Meanwhile, our revenue increased from RM29.91 million in FPE 2024 to RM59.52 million in FPE 2025, which represents an increase of 99.00%. In addition, our PAT margin increased from 4.32% in FYE 2022 to 17.63% in FYE 2024, and 25.50% in FPE 2025.

There can be no assurance that we will be able to achieve similar growth rates and financial performance in the future due to internal and/or external factors. Some of the internal and/or external factors include, among others, intensity of competition, operational or management issues, demand for our services, delays or failures in executing our business strategies and plans effectively, adverse changes in either economic, social, geopolitical conditions and/or regulatory conditions.

8. RISK FACTORS (Cont'd)

8.1.5 We may be subject to the risk of penalties for any shortcomings in the work that are carried out by our subcontractors

While we rely on our in-house personnel for on-site pipe installation works, we also engage subcontractors for specialised tasks, including pipe jacking, hot tapping, civil and structural works, and installation of specialised equipment, electrical and process control systems, dye penetrant testing and radiography testing. Additionally, we may engage subcontractors for pipe installation works when there are conflicting timelines.

During the Financial Years and Period Under Review, the cost of piping installation and other services from subcontractors amounted to 35.52% (RM5.13 million), 29.09% (RM7.02 million) and 32.63% (RM9.66 million) and 47.19% (RM14.12 million) of costs of input materials and services for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively. Please refer to Section 6.12 of this Prospectus for further details on these services.

There is a risk that shortcomings in the work performed by subcontractors, such as failure to meet specifications, delays in completion, or poor performance, could lead to project delays or defects in the work we deliver to our customers. If such issues occur, our customers may take action against us for the non-performance of our subcontractors, including claims for LAD if a project is delayed, or request that we remedy defects during the DLP, depending on the terms of the contract.

We have back-to-back arrangements with some of our subcontractors, ensuring they rectify any technical or other defects related to their scope of work during the DLP at no additional cost to us. In addition, our payment terms with our major sub-contractors include a provision for retention sum (up to a maximum of 5.00% of the total contract sum), whereby we retain a specified percentage of the total contract sum until the end of the DLP. We will only release the retention sum after they have rectified any technical or other defects related to their scope of work. However, there may still be costs incurred to address customer claims or to rectify defects arising from the quality of our subcontractors' work.

We use a formal selection process when we engage subcontractors, which includes an assessment of specified criteria including the quality of past work performed for us (if any), financial, technical, and manpower resources, and compliance with the relevant regulatory requirements. Nevertheless, there can be no guarantee that the work performed by the subcontractors that we engage will not result in costs or claims against us from the customers.

During the Financial Years and Period Under Review and up to the LPD, we have not experienced any claims due to shortcomings in the work performed by our subcontractors. Nevertheless, there is no guarantee that we will not face claims in the future related to the poor or non-performance of our subcontractors.

8.1.6 Our financial performance may be affected by project implementation costs increases

Our financial performance may be adversely affected if the costs of executing our supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping projects increase significantly and/or unexpectedly. The costs of implementing a project are not fixed when the contract is executed or the purchase order or work order is issued. This is because the prices of various inputs, including materials, subcontracted services, and labour may be different at the point when they are purchased or engaged, compared to when the project's costs were estimated during the tendering or negotiation stage. Cost increases in purchased materials (such as pipe fittings, pipes, equipment, building materials, and sanitary wares and tanks), subcontractors' charges, direct labour, and project related expenses (such as machinery and equipment rental and overheads) can all contribute to higher project implementation costs. Our profit margin for a project may be adversely affected if we do not account for costs properly when we bid on projects, or if cost increases while we are implementing the project and we cannot pass those cost increases to our customer.

8. RISK FACTORS (Cont'd)

We have not experienced any cost increases for the implementation of our projects that materially impacted our financial performance, and we have not recorded a gross loss on any of our projects during the Financial Years and Period Under Review and up to the LPD. However, there is no assurance that future increases in project implementation costs will not adversely affect our financial performance or result in gross loss for our projects.

8.1.7 We may be subject to defect liability and warranty claims from our customers

Some of our contracts, purchase orders, and work orders for our supply and installation projects include provisions for DLP ranging from 12 to 36 months. The DLP typically begins from a specified date, such as the date of substantial completion, certificate of practical completion, handover, or acceptance of our work, depending on the specific terms of the contract, purchase order, or work order. During the DLP, we are responsible for rectifying any defects that arise due to equipment breakdown or workmanship, at our own expense. We are not responsible for rectifying defects caused by the customer's actions.

Some of the equipment we provide, such as pumps and motors, are provided with warranties. While we typically have back-to-back warranty arrangements with our suppliers for such equipment, there may be instances where the project implementation period extends beyond the warranty period we have with our suppliers, while still falling within the warranty period we offer to our customers. In these cases, the need for repair or replacement of the affected equipment could negatively impact our financial performance.

During the Financial Years and Period Under Review and up to the LPD, we have not received any DLP claims and we have not incurred any material costs to rectify defects related to DLP or warranty claims. However, there is no guarantee that we will not receive DLP or warranty claims in the future.

8.1.8 A slowdown in the development of new data centres may affect our financial performance and growth

The supply and installation of piping systems for data centres accounted for 4.78%, 11.12%, 21.32% and 47.47% of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively. All of our revenue from data centres alone during the Financial Years and Period Under Review were related to the development of new data centres in Malaysia. As a result, a slowdown in the development of new data centres in Malaysia could affect our financial performance and growth.

Such a slowdown may arise due to factors including, but not limited to, changes in government policies or regulations that negatively impact data centre development, shifts in economic conditions that make Malaysia a less attractive location for data centres, shortages or increased costs of key inputs (such as land, water, electricity, and internet connectivity), changes in the strategies of data centre owners and operators, and shifts in user trends that reduce demand for data centre services.

If there is a slowdown in the development of new data centres, we may face challenges in securing sufficient new projects for data centres, which could affect our financial performance and growth. While we do undertake projects for other types of properties such as industrial, commercial, residential and other properties, there is no assurance that we will be able to secure enough of such projects to offset any downturn in the data centre segment.

8. RISK FACTORS (Cont'd)

8.1.9 We are dependent on our Directors and Key Senior Management

We are dependent on the experience, expertise, technical knowledge, and sales and marketing expertise of our Managing Director, Ai Boon Chen, and our Executive Directors, Ai Sew Fuat and Lim Ay Yum. We are also dependent on our Key Senior Management for the experience, expertise and technical knowledge in their respective areas of responsibility, namely Norliana Binti Nor Ezat, our Finance Manager, Siti Hajar Binti Ismail, our Human Resources Manager, Heng Eik Woei, our Technical Manager, Jenylex Kumil, our Project Director, and Muhammad Amirul Bin Muhammad Amri, our Operations Manager.

If we lose the services of one or more of the Directors or Key Senior Management and are unable to engage a suitable replacement promptly, our day-to-day business operations, our financial performance, and the successful implementation of our business strategies may be adversely affected. Please refer to Sections 5.1.2 and 5.2.8 of this Prospectus for the profiles of our Directors and Key Senior Management, respectively.

8.1.10 We may not be able to invoice our customers for the full amount with respect to our contract assets

We recognise revenue based on the percentage of completion method for our supply and installation projects. Accordingly, we are subject to the terms of the respective contracts, purchase orders, or work orders. We submit progress claims and reports to our customers based on the work completed. We are also required to obtain certification of completed work or equivalent from our customers or their representatives before we can issue invoices for progress payments, which are based on the percentage of work certified as completed.

Our contract assets primarily relate to our Group's rights to consideration for work completed but not billed at the reporting date. There is typically a timing difference between the completion of contract work, our submission of payment applications, the certification of work by our customers, and the subsequent issuance of invoices and receipt of payments. Our contract assets amounted to RM3.52 million, RM5.97 million, RM10.95 million and RM14.96 million as of FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively.

The value of contract assets may fluctuate from period to period due to the timing difference between the completion of work at each stage or milestone and the corresponding certification by our customers. There is no assurance that we will be able to invoice the full amount of our contract assets, as disagreements may arise with customers regarding the value of work completed, such as work done in relation to variation orders or differences in measurement. For example, although variation orders are agreed upfront, the work to be done is sometimes based on estimates, and the actual work done (such as the length of the pipes installed) may be different from the initial estimate. If we are unable to invoice the full amount, it could materially and adversely affect our financial performance and position.

During the Financial Years and Period Under Review and up to the LPD, we have not had any situations where we were not able to invoice the full amount of our contract assets. However, there can be no assurance that such situations will not occur in the future.

8. RISK FACTORS (Cont'd)

8.1.11 We are exposed to credit risk from customers to whom we have extended credit

We are exposed to credit risks associated with customers to whom we have extended credit. During the Financial Years and Period Under Review, the normal credit terms granted by our Group to our customers was generally cash on delivery (typically for maintenance and repair services for piping system) to 120 days. Other credit terms are assessed and approved on a case-by-case basis. Our trade receivables turnover period for FYE 2022, FYE 2023, FYE 2024 and FPE 2025 was 70 days, 39 days, 51 days and 31 days, respectively, which are in line with our normal credit terms.

We may experience delays in customers paying us due to disagreements about the value of work done (including in relation to variation orders or differences in measurement). If a customer fails to pay within the stipulated credit period, we may need to make allowances for impairment losses on trade receivables or write off bad debts. These actions could adversely impact our financial performance. For the Financial Years and Period Under Review, we recognised net impairment loss on trade receivables amounting to RM0.47 million in FYE 2023, RM0.29 million in FYE 2024 and RM0.18 million in FPE 2025 (which included impairment of the entire trade receivables owing from Billion Wind Sdn Bhd amounting to RM0.17 million. Please refer to Section 13.6 of this Prospectus for further information) and bad debts written off amounting to RM1,740 in FYE 2022.

The abovementioned impairment losses on trade receivables and bad debts written off did not adversely affect our financial performance during the Financial Years and Period Under Review. However, there can be no assurance that such losses will not materially impact our financial performance in the future.

8.1.12 We are required to comply with the relevant laws and regulations

We are required to comply with all relevant laws and regulations relating to our operations, including those relating to our project worksites. These laws and regulations govern, among other things, health, safety, and environmental (HSE) laws and regulations governing the health and safety of our employees and subcontractors as well as the potential impact of our operations on the environment. Our installation work at a specific site may be suspended or restricted if an accident injures our workers or subcontractors, if we cause environmental harm, or if we breach applicable HSE laws and regulations. These incidents could also lead to administrative or legal actions being taken against us. During the Financial Years and Period Under Review and up to the LPD, we had a total of four (4) workplace accidents at our project sites. These accidents were not material as the affected workers have recovered fully and returned to work, and the total insurance claims in relation to these accidents amounted to RM0.01 million. Nevertheless, there can be no assurance that workplace accidents, injury to employees or subcontractors, or failure to comply with HSE regulations will not occur in the future.

We are also required to notify and provide information to the authorities, and to collect and pay sales and other taxes. If we do not comply with the laws and regulations, the relevant authorities may take action against us such as issuing compounds or fines, or suspending or declining to renew our licences and registrations. As at the LPD, we are in compliance with the relevant laws and regulations. Nevertheless, there can be no assurance that we will not face instances of any non-compliance with the relevant laws and regulations in the future.

8. RISK FACTORS (Cont'd)

8.1.13 Our growth prospects may be limited if we are unable to effectively implement our business strategies and plans

Our business strategies and plans are focused on leveraging on our core competencies in end-user premises piping systems and water supply and sewer infrastructure piping. These plans include, among other initiatives, establishing the New Head Office and Storage Facility in Johor, establishing the new Central Region Office in Selangor or Negeri Sembilan and the new Northern Region Office in Penang, expanding the SILC Office, developing our existing business activities by purchasing new machinery and equipment, and expanding our workforce. For further details on our business strategies and plans, please refer to Section 6.19 of this Prospectus.

The future growth of our business depends on our ability to implement our strategies and plans effectively and promptly. There is a risk that we may not be able to execute them successfully or on schedule. Furthermore, we cannot guarantee that our business strategies will be commercially successful, nor can we anticipate all the potential business and operational risks associated with them. Factors that could impact on the timing and success of our strategies include, but are not limited to, the inability to secure adequate funding or bank loans, limitations in human resources or experience, economic uncertainties, regulatory changes, and unforeseen delays.

Any delays or failure in executing our strategies and plans could adversely affect our financial performance.

8.1.14 Our insurance coverage may not fully cover the losses and liabilities that may arise from our business operations and are subject to renewal

We operate our business at worksites that involve various risks and hazards, including, but not limited to, workplace accidents, fires, floods, and other natural disasters. To mitigate the potential losses and liabilities arising from these risks, we maintain comprehensive insurance coverage, including contractor's all-risk insurance and workmen's compensation.

All of our insurance policies are subject to periodic renewal, which may result in changes to premiums, terms, or claim limits. A significant increase in premiums or a substantial reduction in claim limits could lead to higher costs to maintain the same level of coverage or necessitate a reduction in coverage. In the event that claims exceed the coverage limits of our insurance policies, we may be liable for any shortfall, which could materially and adversely affect our financial position.

During the Financial Years and Period Under Review and up to the LPD, we did not incur any material losses or liabilities that were claimable under our insurance policies.

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8. RISK FACTORS *(Cont'd)*

8.2 RISKS RELATING TO OUR INDUSTRY

8.2.1 We are subject to the risk of competition from other operators that provide similar services

We face competition from operators that provide similar services, namely supply and installation of piping systems for end-user premises and supply and installation of water supply and sewerage infrastructure. As at 10 December 2025, the number of operators registered by CIDB under the relevant categories was as follows:

- 2,307 contractors are involved in the provision of the internal water plumbing system installation, of which 456 are Grade 7 contractors;
- 400 contractors are involved in the provision of the connection of private sewer to the public sewer infrastructure, of which 135 are Grade 7 contractors;
- 2,668 contractors are involved in the provision of sewerage systems, of which 818 are Grade 7 contractors; and
- 4,314 contractors are involved in the provision of water supply systems, of which 1,136 are Grade 7 contractors.

(Source: IMR Report)

The relatively large number of operators registered in these scopes indicates that we face competition in the provision of these services. There can be no assurance that competition in Malaysia from existing operators and from new entrants as well as other countries will not have a material adverse effect on our business and financial performance.

8.2.2 Our business operations may be interrupted by shortages of engineers or labour, or labour disputes

We rely on our in-house engineers to implement our supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping projects. Our engineers are involved in all aspects of project implementation, including design (when it is included in our scope of work), procurement, installation, and testing and commissioning. Project implementation may be disrupted or stopped if we do not have sufficient in-house engineers.

We utilise our in-house construction workers to implement our supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping projects. The implementation of our projects may be disrupted or stopped due to labour shortages or disputes.

Disruption or stoppage of project implementation might lead to missing project milestone or completion deadlines or may prevent us from completing the project altogether. These occurrences could have a negative impact on our reputation and financial performance.

During the Financial Years and Period Under Review and up to the LPD, we have not encountered any shortages of engineers or labour or encounter any labour disputes that may have caused material project implementation delays or prevented us from completing projects, or that have materially disrupted our business operations. However, there can be no assurance that we will not experience shortages of engineers or labour, or labour disputes in the future.

8. RISK FACTORS (Cont'd)

8.2.3 We are exposed to risks related to the construction industry

Our supply and installation of piping systems for end-user premises and supply and installation of water supply and sewerage infrastructure services are mainly for the construction of properties and infrastructure. Consequently, we are exposed to risks related to the construction industry which include, among others, the following:

- lower demand for commercial and industrial properties due to a slowdown in commercial and industrial activities;
- property market overhang whereby a large pool of unsold residential and commercial properties cause developers to slowdown existing projects and delay launches of new projects;
- general economic slowdown leading to lower demand for residential and commercial property investment and purchases;
- shortages of labour and/or increases in labour costs resulting in delays in construction work and/or higher construction costs;
- increases in materials and other project implementation costs may result in lower margins;
- delay, scaling-down, cancelation, or deferment of projects due to unfavourable political, social, economic, and regulatory changes in Malaysia as well as global events.

Unfavourable construction industry performance and events may adversely affect our future financial performance.

8.2.4 We are subject to risks related to changes in conditions in Malaysia as well as global events

Changes in the political, social, economic, and regulatory conditions in Malaysia may adversely affect our business operations and financial performance. Some of the examples of changes include but are not limited to, changes in political leadership, geopolitical events, wars, acts of terrorism, riots, economic policies such as expropriation, nationalisation, fiscal and monetary policies such as changes in interest rates, methods of taxation, tax policies, and foreign worker levy, imposition of anti-dumping duties on specified products, changes in international relationships and other matters that may influence consumer and business confidence and spending.

In addition, our business may also be affected by global events such as, among others, geopolitical events, financial crises, trade conflicts and sanctions, and the emergence of new epidemics or pandemics.

In April 2025, the United States government imposed a baseline 10% tariff on most imported goods with higher tariffs for countries with significant trade surpluses. Certain products imported into the United States were exempted from these tariffs. In response to the tariffs imposed by the United States government, some countries such as China increased tariffs on imported goods originating from the United States. In October 2025, the Malaysia government and United States government entered into a reciprocal trade agreement under which most goods are subject to 19% tariff and some specified goods will be exempted from the 19% tariff, such as specified electrical and electronics products, aerospace equipment and parts, and pharmaceutical products. These tariff rates are subject to change. During the Financial Years and Period Under Review, none of our revenue was from the United States. However, we may be indirectly exposed as some of our customers and end-users in Malaysia manufacture products that are ultimately exported to the United States and they may be adversely affected. There can be no assurance that the uncertainty and potential decline in demand for products manufactured in Malaysia caused by the United States tariffs will not cause our customers to cancel, suspend, or reduce the value of their existing contracts with us, and neither can there be any assurance that they will not cause our customers and end users to scale-down, suspend, or cancel future projects.

Therefore, we are subject to changes in political, social, economic, and regulatory conditions in Malaysia, as well as global events, which may be beyond our control. There can be no assurance that such changes and events will not materially affect our business operations and financial performance in the future.

8. RISK FACTORS (Cont'd)

8.3 RISKS RELATING TO INVESTING IN OUR SHARES**8.3.1 There has been no prior market for our Shares**

Prior to our Listing, there has been no public market for our Shares. Hence, there is no assurance that upon Listing, an active market for our Shares will develop, or, if developed, that such market can be sustained. There is also no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares.

The IPO Price was determined after taking into consideration various factors including but not limited to our business strategies and our financial and operating history.

There can be no assurance that the IPO Price will correspond to the price at which our Shares will trade on the ACE Market upon our Listing and the market price of our Shares will not decline below the IPO Price.

8.3.2 Our Share price and trading volume may be volatile

The performance of Bursa Securities is very much dependent on external factors such as the performance of the regional and world bourses and the inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as 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 listed Shares.

In addition, the market price of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- (i) material variations in our financial results and operations;
- (ii) success or failure in our management in implementing future plans, business and growth strategies;
- (iii) gain or loss of an important business relationship;
- (iv) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (v) changes in conditions affecting the industry, the prevailing global and local economic conditions or stock market sentiments or other events or factors;
- (vi) natural disasters, health epidemics and outbreaks of contagious diseases;
- (vii) additions or departures of Key Senior Management;
- (viii) fluctuations in stock market prices and volumes;
- (ix) involvement in claims, litigation, arbitration or other form of dispute resolution;
- (x) changes in government policy, legislation or regulation; and/or
- (xi) general operation and business risks.

8. RISK FACTORS (Cont'd)

8.3.3 Our Promoters will be able to exert significant influence over our Company as they will continue to hold majority of our Shares after the IPO

As disclosed in Section 5.1 of this Prospectus, our Promoters will collectively hold in aggregate 72.47% of our enlarged number of issued shares upon Listing. As a result, they will be able to, in the foreseeable future, effectively control the business direction and management of our Group as well as having voting control over our Group and as such, will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law and/or by the relevant guidelines or regulations.

For instance, if our Promoters vote in favour of ordinary resolutions which require a simple majority approval, their vote will result in the ordinary resolutions being passed. If our Promoters vote in favour of special resolutions which require a majority of at least 75% shareholders' approval, they will be able to influence the passing and approval of these resolutions at a general meeting. Conversely, if our Promoters vote against such resolutions, such resolutions would not be able to be passed.

8.3.4 There may be a potential delay to or cancellation of our Listing

The occurrence of any 1 or more of the following events, which is not exhaustive, may cause a delay in or cancellation of our Listing:

- (i) the selected investors fail to subscribe for their portion of our IPO Shares;
- (ii) our Sole Underwriter exercising their rights pursuant to the Underwriting Agreement to discharge themselves from its obligations thereunder;
- (iii) the revocation of approvals from the relevant authorities for the Listing and/or admission for whatever reason; or
- (iv) we are unable to meet the public shareholding spread requirement of the Listing Requirements, i.e. at least 25% of our issued share capital for which listing is sought must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of our Listing.

Where prior to the allotment and issuance of our IPO Shares:

- (a) the SC issues a stop order pursuant to Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and our Company and the Offerors, shall repay all monies paid in respect of the applications for our IPO Shares within 14 days of the stop order, failing which our Company and Offerors shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (b) our Listing is aborted, investors will not receive any of our IPO Shares, all monies paid in respect of all applications for our IPO Shares will be refunded free of interest.

Where subsequent to the allotment and issuance of our IPO Shares:

- (1) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, our Company and Offerors shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or

8. RISK FACTORS (Cont'd)

- (2) our Listing is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by either:
- (a) the sanction of our shareholders by special resolution in a general meeting, consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or
 - (b) the sanction of our shareholders by special resolution in a general meeting supported by a solvency statement from the directors.

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9. RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, subject to certain exemptions, a “related party transaction” is a transaction entered into by a listed issuer or its subsidiary, which involves the interest, direct or indirect, of a related party. A “related party” is defined as a director, major shareholder or person connected with such director or major shareholder (including a director or major shareholder within the preceding six (6) months before the transaction was entered into). “Major shareholder” means a shareholder with a shareholding of 10% or more (or 5% or more where such person is the largest shareholder in the company) of all the voting shares in the company.

9.1 RELATED PARTY TRANSACTIONS

9.1.1 Material related party transactions entered into by our Group

Save for the Acquisition of YPSB and as disclosed below, there are no material related party transactions, existing or proposed, entered or to be entered into by our Group but not yet effected, which involve the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the Financial Years and Period Under Review and up to the date of this Prospectus:

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value				
				FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000	From 1 August 2025 to the LPD RM'000
1.	YPSB and Yeo Plumber ⁽¹⁾	Ai Sew Fuat is the past owner of Yeo Plumber. He is also our Group's Promoter, substantial shareholder and Executive Director as well as the father of Ai Boon Chen and spouse of Lim Ay Yum.	▪ Sub-contract fee received from Yeo Plumber ⁽²⁾	526 (2.44% of our Group's revenue)	-	-	-	-
			▪ Sub-contract fee paid to Yeo Plumber ⁽²⁾	1,024 (6.53% of our Group's COS)	1,090 (4.05% of our Group's COS)	-	-	-
			▪ Rental expenses (property) paid to Yeo Plumber ⁽³⁾	18 (1.30% of our Group's PBT)	18 (0.31% of our Group's PBT)	3 (0.02% of our Group's PBT)	-	-
			▪ Rental expenses (machinery) paid to Yeo Plumber ⁽⁴⁾	150 (0.96% of our Group's COS)	-	-	-	-

9. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value				
				FYE 2022	FYE 2023	FYE 2024	FPE 2025	From 1 August 2025 to the LPD
				RM'000	RM'000	RM'000	RM'000	RM'000
2.	YPSB and Plumb Perfect Sdn Bhd (formerly known as ASF M&E Sdn Bhd) ("Plumb Perfect")	<p>Ai Boon Chen and Lim Ay Yum are the directors and shareholders of Plumb Perfect.</p> <p>Ai Boon Chen is our Group's Promoter, substantial shareholder and Managing Director as well as the son of Ai Sew Fuat and Lim Ay Yum.</p> <p>Lim Ay Yum is our Group's Promoter, substantial shareholder and Executive Director as well as the mother of Ai Boon Chen and the spouse of Ai Sew Fuat.</p>	Sub-contract fee paid to Plumb Perfect ⁽⁵⁾	34 (0.22% of our Group's COS)	36 (0.13% of our Group's COS)	4 (0.01% of our Group's COS)	-	-

9. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value				
				FYE 2022	FYE 2023	FYE 2024	FPE 2025	From 1 August 2025 to the LPD
				RM'000	RM'000	RM'000	RM'000	RM'000
3.	YPSB and Ai Sew Fuat	Ai Sew Fuat is our Group's Promoter, substantial shareholder and Executive Director as well as the father of Ai Boon Chen and the spouse of Lim Ay Yum.	<ul style="list-style-type: none"> ▪ Assignment, novation, transfer of the obligations, rights, title, benefits, interests and liabilities under an investment agreement to Ai Sew Fuat ⁽⁶⁾ 	-	-	2,370 (16.16% of our Group's NA)	-	-
			<ul style="list-style-type: none"> ▪ Rental expenses (property) paid to Ai Sew Fuat ⁽⁷⁾ 	24 (1.73% of our Group's PBT)	38 (0.66% of our Group's PBT)	6 (0.05% of our Group's PBT)	-	-
4.	YPSB and Lim Ay Yum	Lim Ay Yum is our Group's Promoter, substantial shareholder and Executive Director as well as the mother of Ai Boon Chen and the spouse of Ai Sew Fuat.	Rental expenses (property) paid to Lim Ay Yum ⁽⁸⁾	-	7 (0.12% of our Group's PBT)	2 (0.02% of our Group's PBT)	-	-
5.	YPSB and Ai Boon Chen	Ai Boon Chen is our Group's Promoter, substantial shareholder and Managing Director as well as the son of Ai Sew Fuat and Lim Ay Yum.	Disposal of properties to Ai Boon Chen ⁽⁹⁾	-	-	6,570 (44.80% of our Group's NA)	-	-

9. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction Value					
				FYE 2022	FYE 2023	FYE 2024	FPE 2025	From 1 August 2025 to the LPD	
				RM'000	RM'000	RM'000	RM'000	RM'000	
6.	YPSB and Harmony Meadows Sdn Bhd ("Harmony Meadows")	<p>Ai Boon Chen, Ai Sew Fuat and Jenylex Kumil are the directors and shareholders of Harmony Meadows.</p> <p>Ai Boon Chen is our Group's Promoter, substantial shareholder and Managing Director as well as the son of Ai Sew Fuat and Lim Ay Yum.</p> <p>Ai Sew Fuat is our Group's Promoter, substantial shareholder and Executive Director as well as the father of Ai Boon Chen and the spouse of Lim Ay Yum.</p> <p>Jenylex Kumil is our Group's Key Senior Management.</p>	<ul style="list-style-type: none"> Backcharge of professional fees paid by YPSB on behalf of Harmony Meadows ⁽¹⁰⁾ Provision of hostel management services by Harmony Meadows to YPSB ⁽¹¹⁾ 	14 (0.09% of our Group's COS)	-	-	-	-	-
				-	-	-	-	(12) 49	

Notes:

- (1) Yeo Plumber had been terminated on 13 June 2025.
- (2) The supply and installation of internal and external piping services provided under the sub-contract fees were conducted on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties upon taking into account that such transactions were comparable to those generally charged and/or quoted to/by third parties for similar transactions.

Yeo Plumber had been terminated on 13 June 2025. In addition, there are no ongoing projects involving YPSB as a sub-contractor. Accordingly, this engagement has ceased and will not continue after our Listing.

9. RELATED PARTY TRANSACTIONS (Cont'd)

- (3) *The first floor of Property 763 was previously sub-tenanted by Yeo Plumber to YPSB for use as an administrative office at a monthly rental of RM1,500. The rental expenses of the property were determined based on the prevailing market rate at the time the tenancy was entered into. The rental rate was established with reference to the market value as at the date of the tenancy, derived from comparable transactions involving similar properties and was therefore conducted on an arm's length basis and on normal commercial terms, and is not more favourable to the related party than those generally available to third parties. The tenancy has since ceased in March 2024, as our Group has subsequently entered into a direct tenancy arrangement with the landlord of Property 763, namely Koh Chong Guan.*
- (4) *The rental expenses of the machinery were determined based on the prevailing market rate at the time the rental arrangements were entered into. The rental rate was established with reference to the market value as at the date of the rental, based on comparable transactions involving similar vehicles (i.e. car and lorry). The rental was therefore conducted on an arm's length basis and on normal commercial terms, and is not more favourable to the related party than those generally available to third parties. The rental arrangements have since ceased as at the LPD and will not subsist after our Listing.*
- (5) *The piping installation services provided under the sub-contract were conducted on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties upon taking into account that such transactions were comparable to those generally charged and/or quoted to/by third parties for similar transactions.*

On 25 November 2024, Ai Boon Chen and Lim Ay Yum had disposed of their entire equity interest in Plumb Perfect to a third party at a consideration of RM0.13 million. Accordingly, this engagement has ceased and will not continue after our Listing.

- (6) *On 30 September 2024, YPSB entered into a novation agreement with Ai Sew Fuat to assign, novate, transfer the obligations, rights, title, benefits, interest and liabilities under an investment agreement dated 10 April 2019, initially entered between YPSB and LPY Fortune Sdn Bhd ("**Investment Agreement**") to Ai Sew Fuat at a consideration of RM2.37 million ("**Novation Consideration**").*

*Pursuant to the Investment Agreement, YPSB had invested a sum of RM1.50 million in LPY Fortune Sdn Bhd for its development of a piece of land and the design, erection and completion of building and structures of apartments ("**Investment**"). The Investment was made as part of the Company's capital allocation strategy, utilising available funds to invest in an investment opportunity identified to generate potential returns. As of 30 September 2024, the net present value of the Investment is valued at RM2.37 million.*

The Novation Consideration was determined based on the present value of the Investment and was therefore conducted at arm's length and on normal commercial terms, ensuring that it is not more favourable to the related parties than those generally available to third parties. This transaction is one-off in nature and as at the LPD, the novation has been completed.

As at the LPD, the principal activity of LPY Fortune is that of housing developers and housing contractors. The directors and shareholders of LPY Fortune as well as their respective shareholdings in the company are Lee Pei Yau (70.00%) and Ng Shea Lih (30.00%).

9. RELATED PARTY TRANSACTIONS (Cont'd)

- (7) *The property, located at No. 20, Taman Perindustrian Maju, Jalan Johor, 82000 Pontian, Johor was previously rented for storage purpose at a monthly rental of RM1,200 commencing from January 2022. Another property, located at No.2, Jalan Indah 2/8, Taman Bukit Indah, 79100, Johor Bahru, Johor was previously rented for accommodation purpose at a monthly rental of RM2,000 commencing from August 2022.*

The rental expenses of the properties were determined based on the prevailing market rate at the time the tenancies were entered into. The rental rates were established with reference to the market value as at the date of the tenancies, derived from comparable transactions involving similar properties and were therefore conducted on an arm's length basis and on normal commercial terms, and are not more favourable to the related party than those generally available to third parties. The tenancies had since ceased in March 2024 and will not subsist after the IPO.

- (8) *The property, located at PTD 6446, Jalan Cahaya 2, Taman Cahaya, Kampung Parit Mesjid, 82000, Pontian, Johor, was previously rented for storage purpose at a monthly rental of RM1,000, commencing from June 2023. The rental expenses of the property were determined based on the prevailing market rate at the time the tenancy was entered into. The rental rate was established with reference to the market value as at the date of the tenancy, derived from comparable transactions involving similar properties and was therefore conducted on an arm's length basis and on normal commercial terms, and is not more favourable to the related party than those generally available to third parties. The tenancy had since ceased in March 2024 and will not subsist after the IPO.*

- (9) *On 29 December 2024, YPSB had entered into sale and purchase agreements with Ai Boon Chen to dispose of the following properties:-*

- (i) *a piece of agricultural land bearing postal address of Lot 2038, Jalan Parit Semerah, Kampung Parit Semerah, 82000 Pontian, Johor at a consideration of RM0.55 million;*
- (ii) *a piece of industrial land bearing postal address of PTD 9330, Jalan Perindustrian 5, Kawasan Perindustrian Pontian, 82000 Pontian, Johor at a consideration of RM1.25 million;*
- (iii) *a unit of service apartment bearing postal address of Unit No. 03-08, Block 1 (Regent Court), Prima Regency Service Apartment, Jalan Masai Baru, 81750 Masai, Johor at a consideration of RM0.35 million;*
- (iv) *a piece of agricultural land bearing postal address of Lot 2873 (new survey Lot No. 7569), Jalan Parit Haji Adnan, Kampung Parit Haji Adnan, 81500 Pekan Nanas, Johor at a consideration of RM1.20 million;*
- (v) *a piece of agricultural land bearing postal address Lot 8058, Jalan Parit Mesjid, Kampung Parit Kassim, 82000 Pontian, Johor at a consideration of RM3.10 million; and*
- (vi) *a unit of stratified shop office bearing postal address No. 13-2, Jalan Delima 5, Pusat Perdagangan Pontian, 82000 Pontian, Johor at a consideration of RM0.12 million,*

*(collectively, the properties in items (i) to (vi) shall be referred to as the "**Properties**", and the consideration for their disposal shall be referred to as the "**Disposal Consideration**").*

The Disposal Consideration was determined based on the current market value as of the date of the sale and purchase agreement. The market value was derived through a comparison of similar properties where transactions have taken place and was therefore conducted at arm's length and on normal commercial terms, ensuring that it is not more favourable to the related parties than those generally available to third parties.

9. RELATED PARTY TRANSACTIONS (Cont'd)

The Properties were not used for our Group's operations for the Financial Years and Period Under Review. As such, the disposal of the Properties will not disrupt our Group's business operations. These transactions are one-off in nature and will not subsist after the IPO.

The disposal of the property items (i) to (v) was completed on 31 December 2024, while the disposal property item (vi) was completed on 26 November 2025.

(10) *YPSB had paid certain professional fees on behalf of Harmony Meadows for the progress of the project such as fees incurred for the completion of built drawings and endorsements, inspections by the Pontian Municipal Council, issuance of Certificate of Fitness for Occupation (Form F) and registration of Bumiputera Lots. These fees were backcharged to Harmony Meadows, and such backcharges, without interest, are considered normal practice in commercial projects of this nature. The amount has been fully repaid by Harmony Meadows to YPSB on 29 August 2023.*

(11) *On 1 August 2025, YPSB had entered into a service agreement with Harmony Meadows for the provision of hostel management services for its foreign workers. The hostel provided by Harmony Meadows is located at PTD 9265, Taman Perindustrian Pontian Maju, 82000 Pontian, Johor, and has been certified with the COA.*

The hostel management service agreement is for a fixed term of two (2) years commencing from 1 August 2025 to 31 July 2027. As at the LPD, a total of 49 foreign workers of our Group are accommodated at the said hostel.

The provision of hostel management services is charged at RM200 per person per month. The rate was established with reference to prevailing market rates at the time the arrangement was entered into, based on comparable accommodation services offered by other providers located within the broader vicinity (though not in the immediate area). Taking into account the location of the hostel as well as the facilities and amenities offered, the provision of hostel management services was conducted on an arm's length basis and on normal commercial terms and is not more favourable to the related party than those generally available to third parties. The provision of hostel management services will subsist after the IPO.

(12) *As at the LPD, we are unable to compute the percentage of the contribution to our Group's PBT as our Group's audited combined financial statements for the period from 1 August 2025 up to the LPD are not available.*

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9. RELATED PARTY TRANSACTIONS (Cont'd)

Our Directors confirm that:

- (i) the transactions set out in the table above were transacted on an arm's length basis and based on normal commercial terms which are not unfavourable to our Group and are not detrimental to our minority shareholders; and
- (ii) as at the date of this Prospectus, there are no other material related party transactions that have been entered by our Group that involve the interest, direct or indirect, of our Directors, major shareholders and/or persons connected with them but not yet effected.

After our Listing, we will be required to seek our shareholders' approval each time we enter into material related party transactions in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we 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 related party transactions during the validity period of the mandate.

In the event there are any proposed related party transactions that require prior approval of our shareholders, our Directors, major shareholders and/or persons connected with them who have any direct or indirect interest in the proposed related party transactions shall abstain from deliberation and voting on resolution(s) pertaining to the respective transactions. Under the Listing Requirements, related party transactions may be aggregated to determine its materiality if the transactions occurred within a 12-month period, are entered into with the same party or with parties related to one another or if the transactions involved the acquisition or disposal of securities of interests in one corporation/asset or of various parcels of land contiguous to each other.

Upon our Listing, our ARMC 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 to the detriment to our minority shareholders. Our Group will seek such relevant shareholders' approval where required. We will make disclosures in our annual report of the aggregate value of the recurrent related party transactions entered into by us based on the nature of the transactions made, names of the related parties involved and their relationship with our Group during the financial year and in the annual reports for the subsequent financial years.

9.1.2 Related party transactions that are unusual in nature or condition

Our Directors have confirmed that there are no transactions that were unusual in its nature or condition, involving goods, services, tangible or intangible assets, to which we were a party in respect of the Financial Years and Period Under Review and up to the LPD.

9. RELATED PARTY TRANSACTIONS (Cont'd)

9.1.3 Loans and/or financial assistance made to or for the benefit of related parties

There are no outstanding loans and/or financial assistance (including guarantees of any kind) that have been granted by our Company and/or our subsidiaries to or for the benefit of the related parties for the Financial Years and Period Under Review and up to the LPD.

9.1.4 Loans and/or financial assistance from related parties to our Group

Save as disclosed below, there are no outstanding loans and/or financial assistance (including guarantees of any kind) received by our Group from any related parties for the Financial Years and Period Under Review and up to the LPD:

- (i) Advances provided by the related parties to our Group

No.	Transacting parties	Nature of relationship	Nature of transaction	Outstanding amount as at				
				FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000	LPD RM'000
1.	YPSB and Ai Boon Chen	Ai Boon Chen is our Group's Promoter, substantial shareholder and Managing Director as well as the son of Ai Sew Fuat and Lim Ay Yum.	Advances from Ai Boon Chen for our Group's working capital purposes	1	-	-	-	-
2.	YPSB and Lim Ay Yum	Lim Ay Yum is our Group's Promoter, substantial shareholder and Executive Director as well as the mother of Ai Boon Chen and the spouse of Ai Sew Fuat.	Advances from Lim Ay Yum for our Group's working capital purposes	-	200	-	-	-

The above advances made by the related parties to our Group were not made at arm's length basis as they were unsecured, interest-free and repayable on demand. These advances were fully repaid in the FYE 2024. Moving forward, our Group has put in place strict internal controls and compliance procedures regarding advances, loans, or financial assistance involving related parties. Accordingly, our Group will not obtain any such advances, loans, or financial assistance from related parties unless permitted under applicable laws, regulations (including the Listing Requirements), and subject to review and approval by our ARMC and our Board.

9. RELATED PARTY TRANSACTIONS (Cont'd)

(ii) Financial assistance (including guarantees of any kind)

In addition to the above, our Directors have provided joint and several personal guarantees for the banking facilities extended to our Group (“**Financiers**”). The aggregate amount of banking facilities secured by our Group as at the LPD is approximately RM21.85 million. We have applied to the Financiers to discharge the guarantees by substituting the same with a corporate guarantee from the Company and/or other securities from our Group acceptable to the Financiers. Until such discharge and substitution of guarantees have been implemented by the Financiers, our relevant Directors will continue to guarantee the banking facilities extended to our Group. The details of the banking facilities as at the LPD are as follows:

Financiers	Types of facility / Purpose	Guarantor(s)	Total amount (RM'000)	Outstanding Amount (RM'000)
Ambank (M) Berhad	Bank guarantee / For issuance to the customer of our Group	Ai Boon Chen ⁽¹⁾ , Ai Sew Fuat ⁽²⁾ and Lim Ay Yum ⁽³⁾	83	-
Maybank Islamic Berhad	Commodity murabahah term financing-i (“ CMTF-i ”) and cash line-i (“ CL-i ”) / CMTF-i is for the purpose to part finance the purchase of SILC Office and CL-i is for the purpose of working capital	Ai Boon Chen ⁽¹⁾ , Ai Sew Fuat ⁽²⁾ and Lim Ay Yum ⁽³⁾	1,640	30
	Bank guarantee-i (“ BG-i ”) / For issuance as security deposits in favour of utility providers, customs and excise authorities, and other relevant government or private entities in connection with our Group’s business. Further, to support tender submissions and performance bonds required by the Immigration Department, as well as other government and private bodies related to our Group’s business	Ai Boon Chen ⁽¹⁾ and Lim Ay Yum ⁽³⁾	3,000	2,900
	Cash line-i (“ CL-i ”) and tradeline-i invoice financing-i (“ IF-i ”) / CL-i is for the purpose of working capital requirement and IF-i is for the purpose of importation, local purchases of goods, financing of services related to our Group’s business	Ai Boon Chen ⁽¹⁾ and Lim Ay Yum ⁽³⁾	3,000	-
CIMB Bank Berhad	Term loan / For working capital requirement	Ai Boon Chen ⁽¹⁾ , Ai Sew Fuat ⁽²⁾ and Lim Ay Yum ⁽³⁾	750	109
CIMB Islamic Bank Berhad	Term financing-i / To part finance the purchase of land held under the title HS(M) 3225, PTD 13797, Mukim Rimba Terjun, Daerah Pontian, Negeri Johor.	Ai Boon Chen ⁽¹⁾ , Ai Sew Fuat ⁽²⁾ and Lim Ay Yum ⁽³⁾	1,667	1,249

9. RELATED PARTY TRANSACTIONS (Cont'd)

Financiers	Types of facility / Purpose	Guarantor(s)	Total amount (RM'000)	Outstanding Amount (RM'000)
RHB Islamic Bank Berhad	Commodity murabahah overdraft-i, Multi tradeline ("MTL-i") and PFM bank guarantee-i ("BG-i") / Commodity murabahah overdraft-i is for the purpose of working capital, MTL-i is for the purpose to finance our Group's import or purchase transaction and BG-i is for the purpose of issuance of security deposit, tender bonds, performance bonds and other guarantee acceptable to the bank related to our Group's business	Ai Boon Chen ⁽¹⁾ , Ai Sew Fuat ⁽²⁾ and Lim Ay Yum ⁽³⁾	7,000	5,006
Public Bank Berhad	Hire purchase	Lim Ay Yum ⁽³⁾	1,051	605
	Hire purchase	Ai Boon Chen ⁽¹⁾ and Lim Ay Yum ⁽³⁾	446	373
Malayan Banking Berhad	Hire purchase	Lim Ay Yum ⁽³⁾	1,813	1,052
	Hire purchase	Ai Boon Chen ⁽¹⁾ and Lim Ay Yum ⁽³⁾	1,072	854
Hong Leong Bank Berhad	Hire purchase	Lim Ay Yum ⁽³⁾	332	192
Total			21,854	12,370

Notes:

- (1) Ai Boon Chen is our Promoter, substantial shareholder and Managing Director. He is also the son of Ai Sew Fuat and Lim Ay Yum.
- (2) Ai Sew Fuat is our Promoter, substantial shareholder and Executive Director. He is also the father of Ai Boon Chen and spouse of Lim Ay Yum.
- (3) Lim Ay Yum is our Promoter, substantial shareholder and Executive Director. She is also the mother of Ai Boon Chen and spouse of Ai Sew Fuat.

As at the LPD, we have received conditional approvals from the Financiers to discharge the above guarantees provided by our Directors upon the successful Listing by substituting the same with a corporate guarantee from our Company or such other securities acceptable by the Financiers.

9. RELATED PARTY TRANSACTIONS (Cont'd)

9.2 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST**9.2.1 ARMC review**

Our ARMC assesses the financial risk and matters relating to related party transactions and conflict of interest situation that may arise within our Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity. Our ARMC maintains and periodically reviews the adequacy of the procedures and processes set by our Group to monitor related party transactions and conflicts of interest. It also sets the procedures and processes to ensure that transactions are carried out in the best interest of our Group on normal commercial terms that are industry norms and not more favourable to the related party than those generally available to third parties dealing at arm's length and are not to the detriment of the interest of our Group's minority shareholders. Among others, the related parties and parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberations on the transactions.

All reviews by our ARMC are reported to our Board for its further action.

9.2.2 Our Group's policy on related party transactions and conflicts of interest

Some of our Directors and/or substantial shareholders are also directors and/or shareholders of related party(ies) to our Group, as disclosed in Section 9.1.1 of this Prospectus. It is the policy of our Group that all related party transactions and conflicts of interest must be immediately and fully disclosed by our interested or conflicted Directors or substantial shareholders to the management for reporting to our ARMC. Any related party transactions must be reviewed by our ARMC to ensure that they are negotiated and agreed upon in the best interest of our Group on an arm's length basis and are based on normal commercial terms not more favourable to the related party than those generally available to third parties and are not detrimental to the interest of our Group's minority shareholders.

In addition, in line with the MCCG, our Directors are required to make an annual disclosure of any related party transactions and conflicts of interest with our Group and our ARMC must carry out an annual assessment of our Directors which include an assessment of such related party transactions and/or conflict of interest. Our ARMC will in turn report to our Board after their evaluation and assessment and make the appropriate recommendations to our Board.

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10. CONFLICT OF INTEREST**10.1 CONFLICT OF INTEREST****10.1.1 Interest in entities which carry a similar trade as that of our Group or which are the customers or suppliers of our Group**

Save as disclosed below, none of our Directors and/or substantial shareholders has any interest, direct or indirect, in other businesses and corporations which are carrying on a similar trade as our Group or which are customers and/or suppliers of our Group as at the LPD:-

Name of company	Nature of transaction	Principal activities	Nature of relationship
Harmony Meadows	Provision of hostel management services by Harmony Meadows to YPSB	Investment holdings, including the holding of real estate assets for rental income generation, and the provision of property management and related real estate services ⁽¹⁾	<p>Ai Boon Chen, Ai Sew Fuat and Jenylex Kumil are the directors and shareholders of Harmony Meadows.</p> <p>Ai Boon Chen is our Group's Promoter, substantial shareholder and Managing Director as well as the son of Ai Sew Fuat and Lim Ay Yum.</p> <p>Ai Sew Fuat is our Group's Promoter, substantial shareholder and Executive Director as well as the father of Ai Boon Chen and the spouse of Lim Ay Yum.</p> <p>Jenylex Kumil is our Group's Key Senior Management.</p>

Note:

- (1) *Harmony Meadows currently holds three (3) residential properties located in Johor, which forms part of its real estate holdings. The property in respect of which the hostel management services are provided is rented by Harmony Meadows from Ai Sew Fuat. The Group's contractual arrangement is solely with Harmony Meadows under the hostel management service agreement, pursuant to which Harmony Meadows utilises the said property to provide hostel management services to the Group's foreign workers.*

The Group entered into the hostel management service agreement with Harmony Meadows, and not directly with Mr Ai Sew Fuat, as the arrangement relates to the provision of hostel management services rather than a mere tenancy of the property. The Certificate of Accommodation for the relevant premises is registered in the name of Harmony Meadows, which is the approved centralised accommodation provider responsible for the management and operation of the hostel for foreign workers. Accordingly, Harmony Meadows undertakes the overall management and day-to-day operation of the hostel, including the engagement of operational staff (such as cleaning and maintenance personnel) and the maintenance of the hostel premises and facilities.

Please refer to Section 9.1.1 of this Prospectus for further details of the material related party transactions between Harmony Meadows and our Group during the Financial Years and Period Under Review and up to the LPD.

Nevertheless, our Board is of the view that any potential conflict of interest situation arising from the transactions between Harmony Meadows and our Group is mitigated, as the transactions were conducted on an arm's length basis and on normal commercial terms. The rate of hostel management services was established with reference to prevailing market rates at the time the arrangement was entered into, based on comparable accommodation services offered by other providers located within the broader vicinity (though not in the immediate area). Taking into account the location of the hostel as well as the facilities and amenities offered, the provision of hostel management services was not more favourable to the related party than those generally available to third parties.

In order to safeguard the interest of our Group and minority shareholders, our ARMC will monitor and review any potential conflict of interest situation and report to our Board for further deliberation and approval. Our Board will disclose such conflict of interest, if any, for resolution as and when they arise.

10. CONFLICT OF INTEREST (Cont'd)

10.2 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST**10.2.1 Principal Adviser, Sponsor, Sole Underwriter and Placement Agent**

AIS and/or its related companies (“**Alliance Banking Group**”) form a diversified financial group and are engaged in a wide range of investment and commercial banking and credit transaction services business. AIS has been engaged as the Principal Adviser, Sponsor, Sole Underwriter and Placement Agent for the Listing of our Company and the Alliance Banking Group may in the future, engage in transactions with and perform services for our Group and/or our Group’s affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Alliance Banking Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of our Group, our shareholders, and/or its affiliates and/or any other entity or person, hold long or short positions in securities issued by our Group and/or its affiliates, and may trade or otherwise effect transactions for its own account or account of its other customer in debt or equity securities or loans of any member of our Group and/or its affiliates. This is the result of the businesses of Alliance Banking Group generally acting independently of each other and accordingly, there may be situations where parts of the Alliance Banking Group now have or in the future, may have an interest or take actions that may conflict with the interest of our Group. Nonetheless, Alliance Banking Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

AIS has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sponsor, Sole Underwriter and Placement Agent to our Group in relation to the Listing. The Placement Agreement and Underwriting Agreement, of which certain details are set out in Section 4.5.3 and Section 4.6 of this Prospectus, was entered into on arm’s length basis and on market terms.

10.2.2 Solicitors

David Lai & Tan has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the solicitors to our Group in relation to our Listing.

10.2.3 Auditors and Reporting Accountants

Grant Thornton Malaysia PLT has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants to our Group in relation to our Listing.

10.2.4 Independent Business and Market Research Consultants

Vital Factor has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the IMR to our Group in relation to our Listing.

11. FINANCIAL INFORMATION**11.1 HISTORICAL AUDITED COMBINED FINANCIAL INFORMATION**

The historical audited combined financial information of our Group for the Financial Years and Period Under Review presented in this section have been extracted from the Accountants' Report set out in Section 12 of this Prospectus, which deals with the audited combined financial statements of our Group for the same Financial Years and Period Under Review.

You should read the historical audited combined financial information below together with:

- Management's Discussion and Analysis of Financial Conditions and Results of Operations set out in Section 11.3 of this Prospectus; and
- Accountants' Report set out in Section 12 of this Prospectus.

The historical audited combined financial information included in this Prospectus does not reflect our Group's result of operations, financial position and cash flows in the future. Moreover, our Group's past operating results are not indicative of our Group's future operation performance.

11.1.1 Historical audited combined statements of profit or loss and other comprehensive income of our Group

	Audited			Unaudited	Audited
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2024 RM'000	FPE 2025 RM'000
Revenue	21,573	38,705	54,669	29,909	59,516
Cost of sales	(15,687)	(26,882)	(34,483)	(18,060)	(33,229)
GP	5,886	11,823	20,186	11,849	26,287
Other operating income	518	703	1,527	766	467
General and administrative expenses	(4,282)	(5,452)	(7,682)	(4,095)	(5,625)
Other operating expenses	(251)	(909)	(964)	(382)	(703)
Profit from operations	1,871	6,165	13,067	8,138	20,426
Finance costs	(486)	(422)	(366)	(206)	(213)
PBT	1,385	5,743	12,701	7,932	20,213
Income tax expense	(452)	(1,362)	(3,065)	(1,964)	(5,035)
PAT	933	4,381	9,636	5,968	15,178
EBITDA ⁽¹⁾	2,010	6,070	12,822	7,796	20,563
Assumed no. of Shares in issue ⁽²⁾ ('000)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Basic and diluted EPS ⁽³⁾ (sen)	0.09	0.44	0.96	0.60	1.52
GP margin ⁽⁴⁾ (%)	27.28	30.55	36.92	39.62	44.17
EBITDA margin ⁽⁵⁾ (%)	9.32	15.68	23.45	26.07	34.55
PBT margin ⁽⁶⁾ (%)	6.42	14.84	23.23	26.52	33.96
PAT margin ⁽⁷⁾ (%)	4.32	11.32	17.63	19.95	25.50
Effective tax rate ⁽⁸⁾ (%)	32.64	23.72	24.13	24.76	24.91

11. FINANCIAL INFORMATION (Cont'd)

Notes:

(1) *EBITDA is calculated as follows:*

	Audited			Unaudited	Audited
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
<i>PAT</i>	933	4,381	9,636	5,968	15,178
<i>Add: Income tax expense</i>	452	1,362	3,065	1,964	5,035
<i>Depreciation</i>	231	416	651	316	519
<i>Finance costs</i>	486	422	366	206	213
<i>Less: Interest income</i>	(92)	(511)	(896)	(658)	(382)
EBITDA	2,010	6,070	12,822	7,796	20,563

(2) *Based on assumed number of Shares in issue of 1,000,000,000 after the Public Issue.*

(3) *Based on PAT divided by the assumed number of Shares in issue of 1,000,000,000.*

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

(5) *EBITDA margin is calculated based on EBITDA divided by revenue.*

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

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

(8) *Effective tax rate is calculated based on income tax expense divided by PBT.*

There was no share of profits of associated companies or joint ventures, and no exceptional or extraordinary items throughout the Financial Years and Period Under Review. The audited financial statements of our Group for the Financial Years and Period Under Review were not subject to any qualification or modification.

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11. FINANCIAL INFORMATION (Cont'd)**11.1.2 Historical audited combined statements of financial position of our Group**

	Audited			Audited
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	2,366	3,051	4,310	8,252
Investment properties	9,054	9,051	3,086	-
Other receivables	1,500	1,441	-	-
Deferred tax assets	-	35	170	67
Total non-current assets	12,920	13,578	7,566	8,319
Current assets				
Trade receivables	7,311	9,305	19,563	17,863
Other receivables	1,542	801	506	1,395
Prepayment	38	10	1,146	2,046
Contract assets	3,518	5,969	10,955	14,958
Tax recoverable	187	-	-	-
Fixed deposits with licensed banks	6,059	8,736	9,137	30,666
Cash and bank balances	919	1,589	1,798	4,421
Total current assets	19,574	26,410	43,105	71,349
Non-current asset classified as held for sale	-	-	103	103
Total assets	32,494	39,988	50,774	79,771
EQUITY AND LIABILITIES				
EQUITY				
Share capital	-	-	-	1
Invested equity	1,000	1,000	1,000	1,000
Retained profits	9,647	14,028	13,665	28,843
Total equity	10,647	15,028	14,665	29,844
LIABILITIES				
Non-current liabilities				
Lease liabilities	45	18	7	-
Loans and borrowings	4,534	3,567	2,949	3,407
Deferred tax liabilities	28	-	-	-
Total non-current liabilities	4,607	3,585	2,956	3,407
Current liabilities				
Trade payables	4,524	7,609	10,361	13,097
Other payables	* 9,597	1,816	1,465	2,257
Contract liabilities	895	9,916	17,869	23,570
Tax payables	-	1,089	1,698	4,482
Lease liabilities	78	27	30	2
Loans and borrowings	2,146	918	1,730	3,112
Total current liabilities	17,240	21,375	33,153	46,520
Total liabilities	21,847	24,960	36,109	49,927
Total equity and liabilities	32,494	39,988	50,774	79,771

Note:

- * High other payables in FYE 2022 were mainly due to advances received from Customer A in relation to the Penang Factory Project. This included advance payment from Customer A for the purchase of specialised fixtures and materials for the project before commencement of work as well as downpayments for the project.

11. FINANCIAL INFORMATION (Cont'd)**11.2 CAPITALISATION AND INDEBTEDNESS**

The following table sets out our Group's capitalisation and indebtedness:

- (i) as at 10 November 2025, after taking into account the Acquisition of YPSB but before the Public Issue and use of proceeds; and
- (ii) after adjusting for the proceeds arising from our Public Issue and use of proceeds from the Public Issue.

	Unaudited as at 10 November 2025 RM'000	After the Public Issue and use of proceeds RM'000
INDEBTEDNESS		
<u>Current</u>		
Secured and guaranteed:		
• Bankers' acceptance	2,687	2,687
• Hire purchase liabilities	759	759
• Term loans	227	160
Unsecured and unguaranteed:		
• Lease liability	2	2
	3,675	3,608
<u>Non-current</u>		
Secured and guaranteed:		
• Hire purchase liabilities	2,379	2,379
• Term loans	1,186	53
	3,565	2,432
Total Indebtedness	7,240	6,040
Total Indebtedness (excluding lease liability)	7,238	6,038
CAPITALISATION		
Shareholders' equity	26,249	82,717
Total capitalisation and indebtedness	33,489	88,757
Gearing ratio (times)*	0.28	0.07

Note:

- * Computed based on total indebtedness (excluding lease liability) divided by our shareholders' equity.

11. FINANCIAL INFORMATION (Cont'd)

11.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion and analysis should be read together with the Accountants' Report as set out in Section 12 of this Prospectus.




The management's discussion and analysis contain data derived from our audited combined financial statements as well as forward-looking statements that involve risks and uncertainties. The results may differ significantly from those projected in these forward-looking statements. Factors that may cause future results to differ significantly from those included in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the risk factors as set out in Section 8 of this Prospectus.

11.3.1 Overview of our operations

Principal activities

Our Company through our wholly-owned Subsidiary, YPSB, is principally involved in the supply and installation of piping systems for end-user premises as well as water supply and sewer infrastructure piping. We also provide maintenance and repair of piping systems.

A summary of our business model is set out as follows:

Business activities and revenue streams		Types of properties and infrastructure	
Principal activities		Types	
 <ul style="list-style-type: none"> Supply and installation of piping systems for end-user premises Supply and installation of water supply and sewer infrastructure piping 		<ul style="list-style-type: none"> Industrial properties Data centres Residential properties Commercial properties Others ⁽¹⁾ 	
 <ul style="list-style-type: none"> Maintenance and repair services for piping systems 			
Geographical market	Distribution channels and customer base	Mode of operations	
Principal market ⁽²⁾	Indirect channel	Mainly non-recurrent revenue	
Peninsular Malaysia 	<ul style="list-style-type: none"> Main contractors and project management company ⁽³⁾ M&E contractors 	<ul style="list-style-type: none"> Fixed lump sum contracts, purchase orders and work orders 	
Head Office and operational facilities in Johor	Direct channel		
	<ul style="list-style-type: none"> Property developers/ owners, and business owners 		

11. FINANCIAL INFORMATION (Cont'd)

Notes:

- (1) *Others include water supply and sewer infrastructure, institutional, healthcare, and infrastructure such as power plants and mass transit facilities.*
- (2) *During the Financial Years and Period Under Review, we had derived revenue from projects located in Johor, Kedah, Kuala Lumpur, Melaka, Negeri Sembilan, Penang, and Selangor.*
- (3) *A main contractor is responsible for delivering the entire project and usually carries out certain portions of the physical construction works. The main contractor will usually engage subcontractors to carry out specific portions of the project. Meanwhile, a project management company focuses mainly on planning, coordination and project management of a construction project including overseeing, among others, consultants, engineers, contractors and suppliers to ensure that project is delivered on time and on budget. They do not carry out any physical construction works.*

Please refer to Section 6.4 of this Prospectus for our Group's detailed business overview.

11.3.2 Review of our results of operations

(a) Revenue

Our revenue is derived from the following business activities:

- (i) **Supply and installation of piping systems for end-user premises (“End-user Premises Piping”)**

Our revenue from End-user Premises Piping accounted for RM18.89 million (87.59%), RM32.51 million (84.00%), RM45.89 million (83.95%) and RM38.57 million (64.80%) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

Our supply and installation of piping systems for end-user premises involved the installation of piping networks within industrial, data centre, residential, commercial and other facilities, including healthcare, institutional and infrastructure such as power plants and mass transit facilities. These systems include internal and external piping networks made up of pipes, fittings and related equipment used to transport liquids and slurries such as potable water, sewage, wastewater and rainwater. In some cases, the system also includes an on-site sewage treatment plant. These systems are confined within the boundaries of end-user premises, including buildings, landscaping, structures, facilities and amenities.

- (ii) **Supply and installation for water supply and sewer infrastructure piping (“Infrastructure Piping”)**

Our revenue from Infrastructure Piping accounted for RM1.03 million (4.77%), RM4.56 million (11.79%), RM7.52 million (13.75%) and RM20.67 million (34.73%) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

For water mains piping, our role involved the installation of piping networks that transport treated water through the water mains system outside the boundary of end-user premises. We do not carry out works for water treatment plants.

For sewer piping, our role involved the installation of piping networks that carry sewage through the municipal sewer system. We do not carry out works for sewage treatment plants.

11. FINANCIAL INFORMATION (Cont'd)(iii) Maintenance and repair of piping systems (“**Maintenance and Repair**”)

Our revenue from Maintenance and Repair services accounted for RM1.65 million (7.64%), RM1.63 million (4.21%), RM1.26 million (2.30%) and RM0.28 million (0.47%) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

We provide maintenance and repair services for piping systems installed within end-user premises, as well as water mains and sewer piping. We carry out both preventive maintenance, which is carried out according to schedule to ensure that pipes, fittings, and equipment are functioning properly and prevent them from escalating to breakdown; and corrective maintenance, which is carried out in response to breakdown in a piping system, such as leaks, loss of pressure, broken pipes, or blockages to restore functionality.

Generally, our revenue from both End-user Premises Piping as well as Infrastructure Piping are recognised using the cost-based input method where the progress towards complete satisfaction of a performance obligation is determined by the proportion of costs incurred for work performed to date against the estimated total cost. We recognise a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers, then we recognise a contract liability for the difference.

For Maintenance and Repair services, revenue is recognised at a point in time when the service is rendered, and the customer has accepted the completed work. Unlike installation projects, maintenance and repair services do not involve long-term contracts or progressive cost accumulation. As a result, no contract asset or liability is recorded for this segment. Instead, revenue is recognised when the service is rendered and the customer is billed, typically upon job completion.

For the Financial Years and Period Under Review, our revenue was primarily derived from Malaysia.

Our revenue is mainly driven by the following key factors:

- our ability to secure and execute projects across various types of properties and infrastructure, including industrial, data centre, residential, commercial and others (including water supply and sewer infrastructure, institutional, healthcare, and infrastructure such as power plants and mass transit facilities). Each project is priced based on scope, complexity, technical specifications and compliance requirements;
- competitive bidding from other industry players providing similar services. Our experience, track record and technical expertise play a critical role in securing contracts; and
- project timelines, site readiness, availability of project resources and change in project scope requested by customers during the financial years and periods, which may affect our revenue recognition, project execution and billing schedules.

11. FINANCIAL INFORMATION (Cont'd)

(i) Analysis of contribution to revenue by business activities

The breakdown of our Group's revenue by business activities for the Financial Years and Period Under Review is as follows:

Business activities	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
End-user Premises Piping	18,896	87.59	32,511	84.00	45,894	83.95	26,582	88.88	38,567	64.80
<i>Internal and external piping systems ⁽¹⁾</i>	15,922	73.80	22,803	58.92	34,763	63.59	21,400	71.55	31,624	53.13
<i>Internal piping systems only ⁽²⁾</i>	2,127	9.86	9,412	24.32	10,790	19.74	4,841	16.19	6,943	11.67
<i>Process piping ⁽³⁾</i>	847	3.93	296	0.76	341	0.62	341	1.14	-	-
Infrastructure Piping	1,028	4.77	4,563	11.79	7,515	13.75	2,543	8.50	20,667	34.73
<i>Water mains piping</i>	830	3.85	3,764	9.73	6,975	12.76	1,991	6.65	20,667	34.73
<i>Sewer piping</i>	198	0.92	799	2.06	540	0.99	552	1.85	-	-
Maintenance and Repair	1,649	7.64	1,631	4.21	1,260	2.30	784	2.62	282	0.47
Total revenue	21,573	100.00	38,705	100.00	54,669	100.00	29,909	100.00	59,516	100.00

Notes:

- (1) *Comprises projects that involve internal piping systems within buildings or structures (such as cold water, hot water, and sanitary drainage piping systems, rainwater downpipes, and rainwater harvesting systems) as well as external piping systems outside of buildings (such as water or sewer pipes within the end-user premises' boundary and piping outside the boundary to connect the end-user premises to nearby water mains or sewer systems).*
- (2) *Comprises projects that only involve internal piping systems and do not involve external piping systems.*
- (3) *Process piping is installed in some manufacturing facilities and are designed to transport liquids or provide essential services to support manufacturing or processing operations.*

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11. FINANCIAL INFORMATION (Cont'd)**(ii) Analysis of contribution to revenue by types of properties and infrastructure**

The breakdown of our Group's revenue by types of properties and infrastructure for the Financial Years and Period Under Review is as follows:

Types of properties and infrastructure	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Industrial properties	13,769	63.83	24,348	62.91	23,335	42.68	13,740	45.94	11,316	19.01
Data centre	1,031	4.78	4,305	11.12	11,655	21.32	5,248	17.55	28,250	47.47
Residential properties	1,207	5.59	2,195	5.67	11,068	20.25	6,177	20.65	8,652	14.54
Commercial properties	4,167	19.32	4,416	11.41	5,315	9.72	3,415	11.42	7,712	12.96
Others ⁽¹⁾	1,399	6.48	3,441	8.89	3,296	6.03	1,329	4.44	3,586	6.02
Total revenue	21,573	100.00	38,705	100.00	54,669	100.00	29,909	100.00	59,516	100.00

Note:

- (1) Others include water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities.

Commentary:

During the Financial Years and Period Under Review, the growth in the financial performance of our Group was primarily driven by the successful involvement in large-scale and high specification projects, such as industrial and data centre projects. In 2022, we secured a major contract, namely Penang Factory Project, which contributed to our Group's revenue significantly. Leveraging on the experience therefrom, we realigned our business focus and was able to secure more large scale and high specification projects during the Financial Years and Period Under Review. In addition, the increase of data centre developments activities in Johor had created additional demand for our Group's services.

Throughout the Financial Years and Period Under Review, we expanded our operational capacity by increasing our workforce to accommodate additional large-scale and high specification projects. The total number of employees of our Group had increased from 66 personnel as at FYE 2022 to 273 personnel as at FPE 2025. The expanded workforce allowed our Group to implement more projects concurrently and thus improving our financial performance during the Financial Years and Period Under Review.

Comparison between FYE 2022 and FYE 2023

For the FYE 2023, our total revenue increased by RM17.13 million or 79.42% to RM38.70 million (FYE 2022: RM21.57 million). The increase in total revenue for the FYE 2023 was mainly due to an increase in revenue from both the End-user Premises Piping and Infrastructure Piping. Such increase was partly mitigated by slight decrease in revenue from the Maintenance and Repair services.

11. FINANCIAL INFORMATION (Cont'd)End-user Premises Piping

Our revenue from the End-user Premises Piping for the FYE 2023 increased by RM13.62 million or 72.10% to RM32.51 million (FYE 2022: RM18.89 million) as a result of the following:

- (i) higher revenue from internal and external piping systems works by RM6.88 million or 43.22% to RM22.80 million (FYE 2022: RM15.92 million) mainly due to higher revenue recognised in line with higher level of project progress for the following projects:
 - (a) Penang Factory Project which amounted to RM4.32 million;
 - (b) Industrial Dairy Factory Project which amounted to RM2.85 million; and
 - (c) Selangor Food Manufacturing Facility Project which amounted to RM1.30 million.

Additionally, the increase was also contributed by the commencement of the new Kedah Factory Project which amounted to RM1.39 million.

- (ii) higher revenue from internal piping systems works by RM7.28 million or 341.78% to RM9.41 million (FYE 2022: RM2.13 million) mainly due to higher revenue recognised in line with higher level of project progress for the following projects:
 - (a) Penang Factory Project which amounted to RM5.83 million; and
 - (b) Precinct 7 Putrajaya Project amounted to RM1.52 million.

The above was partly offset by the lower revenue from process piping works by RM0.54 million or 64.29% to RM0.30 million (FYE 2022: RM0.84 million) mainly due to the completion of the Food Manufacturing Facility Project in the FYE 2022.

Infrastructure Piping

Our revenue from the Infrastructure Piping for the FYE 2023 increased by RM3.53 million or 342.72% to RM4.56 million (FYE 2022: RM1.03 million) as a result of the higher revenue from water mains piping works by RM2.93 million or 353.01% to RM3.76 million (FYE 2022: RM0.83 million) mainly due to following:

- (a) higher revenue recognition for the Water Mains Rerouting Project which amounted to RM1.85 million in tandem with higher level of project progress; and
- (b) commencement of work for the new Johor Water Supply Project which amounted to RM1.70 million.

Additionally, revenue from sewer piping works increased by RM0.60 million or 300.00% to RM0.80 million (FYE 2022: RM0.20 million) mainly due to the commencement of work at the Port Dickson Waste Management Project.

Maintenance and Repair

Our revenue from the Maintenance and Repair services for the FYE 2023 decreased by RM0.02 million or 1.21% to RM1.63 million (FYE 2022: RM1.65 million) mainly due to the completion of a maintenance contract of a commercial office tower in Johor in the FYE 2022.

11. FINANCIAL INFORMATION (Cont'd)*Revenue by types of properties and infrastructure*

For the FYE 2023, the revenue generated from industrial properties increased by RM10.58 million or 76.83% to RM24.35 million (FYE 2022: RM13.77 million). This was mainly attributable to higher industrial factory projects secured and higher level of projects progress as mentioned above.

The revenue generated from data centre increased by RM3.28 million or 318.45% to RM4.31 million (FYE 2022: RM1.03 million). This was mainly due to the commencement of the Johor Water Supply Project and Johor Data Centre 1 Project in line with increase of data centre development activities in Malaysia.

Comparison between FYE 2023 and FYE 2024

For the FYE 2024, our total revenue increased by RM15.97 million or 41.27% to RM54.67 million (FYE 2023: RM38.70 million). The increase in total revenue for the FYE 2024 was mainly due to an increase in revenue from both the End-user Premises Piping and Infrastructure Piping. Such increase was partly mitigated by decrease in revenue from the Maintenance and Repair services.

End-user Premises Piping

Our revenue from the End-user Premises Piping for the FYE 2024 increased by RM13.38 million or 41.16% to RM45.89 million (FYE 2023: RM32.51 million) mainly due to the following:

- (i) higher revenue from internal and external piping systems works by RM11.96 million or 52.46% to RM34.76 million (FYE 2023: RM22.80 million) mainly due to higher revenue recognised in line with higher level of project progress for the following projects:
 - (a) Johor Serviced Apartment 1 Project which amounted to RM6.45 million;
 - (b) Johor Apartment Project which amounted to RM2.45 million;
 - (c) Melaka Electronics Manufacturing Facility Project which amounted to RM2.43 million;
 - (d) Johor Data Centre 1 Project which amounted to RM2.35 million; and
 - (e) Johor Data Centre 2 Project which amounted to RM2.96 million.
- (ii) higher revenue from internal piping works by RM1.38 million or 14.67% to RM10.79 million (FYE 2023: RM9.41 million) mainly due to higher revenue recognised for the RTS Link Project which amounted to RM1.81 million; and
- (iii) higher revenue from process piping works by RM0.04 million or 13.33% to RM0.34 million (FYE 2023: RM0.30 million) due to higher revenue recognised for the process piping works in relation to the Kedah Factory Project.

11. FINANCIAL INFORMATION (Cont'd)Infrastructure Piping

Our revenue from the Infrastructure Piping for the FYE 2024 increased by RM2.96 million or 64.91% to RM7.52 million (FYE 2023: RM4.56 million) mainly due to higher revenue from water mains piping works by RM3.22 million or 85.64% to RM6.98 million (FYE 2023: RM3.76 million) mainly due to the commencement of Johor Data Centre 1 Water Supply Project which amounted to RM3.86 million.

The above was partly mitigated by a lower revenue from sewer piping works by RM0.26 million or 32.50% to RM0.54 million (FYE 2023: RM0.80 million) mainly due to the completion of Port Dickson Waste Management Project in the FYE 2023.

Maintenance and Repair

Our revenue from the Maintenance and Repair services for the FYE 2024 decreased by RM0.37 million or 22.70% to RM1.26 million (FYE 2023: RM1.63 million) mainly due to fewer maintenance works carried out as compared to FYE 2023.

Revenue by types of properties and infrastructure

For the FYE 2024, the revenue generated from data centre increased by RM7.35 million or 170.53% to RM11.66 million (FYE 2023: RM4.31 million). This was mainly attributable to the higher level of activities for data centre projects in Johor as mentioned above.

The revenue from residential properties increased by RM8.87 million or 403.18% to RM11.07 million (FYE 2023: RM2.20 million) mainly due to the Johor Serviced Apartment 1 Project and Johor Apartment Project in tandem with higher level of project progress.

Comparison between FPE 2024 and FPE 2025

For the FPE 2025, our total revenue increased by RM29.61 million or 99.00% to RM59.52 million (FPE 2024: RM29.91 million). The increase in total revenue for the FPE 2025 was mainly due to an increase in revenue from both the End-user Premises Piping and Infrastructure Piping. Such increase was partly offset by decrease in revenue from the Maintenance and Repair services.

End-user Premises Piping

Our revenue from the End-user Premises Piping for the FPE 2025 increased by RM11.99 million or 45.11% to RM38.57 million (FPE 2024: RM26.58 million) mainly due to the following:

- (i) higher revenue from internal and external piping systems works by RM10.22 million or 47.76% to RM31.62 million (FPE 2024: RM21.40 million) mainly due to higher revenue recognised in line with higher level of project progress for the following projects:
 - (a) Penang Hotel Project which amounted to RM6.77 million;
 - (b) Johor Data Centre 1 Project which amounted to RM5.97 million;
 - (c) Melaka Electronics Manufacturing Facility Project which amounted to RM5.06 million;
 - (d) Penang Factory Project which amounted to RM4.38 million;
 - (e) Johor Serviced Apartment 2 Project which amounted to RM3.06 million; and
 - (f) Johor Serviced Apartment 4 Project which amounted to RM1.43 million.

11. FINANCIAL INFORMATION (Cont'd)

- (ii) higher revenue from internal piping works by RM2.10 million or 43.39% to RM6.94 million (FPE 2024: RM4.84 million) mainly due to higher revenue recognised in line with higher level of project progress for the RTS Link Project and Johor Serviced Apartment 3 Project which amounted to RM2.96 million and RM1.42 million respectively.

The above was partly offset by the completion of the process piping project, namely the Kedah Factory Project in 2024.

Infrastructure Piping

Our revenue from the Infrastructure Piping for the FPE 2025 increased by RM18.13 million or 713.78% to RM20.67 million (FPE 2024: RM2.54 million) as a result of the higher revenue from water mains piping works by RM18.68 million or 938.69% to RM20.67 million (FPE 2024: RM1.99 million) which was mainly arising from the following:

- (i) higher revenue recognised in line with higher level of project progress for Johor Data Centre 1 Water Supply Project which amounted to RM17.26 million; and
- (ii) completion of Johor Data Centre 3 Water Reclamation Project which amounted to RM2.10 million.

The above was partly offset by the completion of the sewer piping projects, namely the yacht manufacturing facility and food manufacturing facility project located in Johor in 2024.

Maintenance and Repair

Our revenue from the Maintenance and Repair services for the FPE 2025 decreased by RM0.50 million or 64.10% to RM0.28 million (FPE 2024: RM0.78 million) mainly due to fewer maintenance and repair works carried out as compared to FPE 2024.

Revenue by types of properties and infrastructure

For the FPE 2025, the revenue from data centre increased by RM23.00 million or 438.10% to RM28.25 million (FPE 2024: RM5.25 million). This was mainly due to higher level of project progress for Johor Data Centre 1 Project and Johor Data Centre 1 Water Supply Project as well as completion of Johor Data Centre 3 Water Reclamation Project.

The above was partly offset by the decrease in revenue generated from industrial properties by RM2.42 million or 17.61% to RM11.32 million (FPE 2024: RM13.74 million) mainly due to the completion of various industrial projects in 2024, including the Selangor Food Manufacturing Facility Project, Industrial Dairy Factory Project and Kedah Factory Project.

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11. FINANCIAL INFORMATION (Cont'd)**(b) Cost of sales, GP and GP margin**

Our cost of sales primarily consists of purchased materials, subcontractors' charges, direct labour costs and project-related expenses.

(i) Purchased materials

We are responsible for procuring various materials required to execute our projects. This includes pipe fittings, pipes of various sizes and materials, equipment, building materials such as sand and cement, and sanitary wares and tanks. Our purchased materials are sourced from suppliers, based on the specific requirements, design specifications, and compliance standards of each project.

Our purchased materials were selected based on factors such as quality, technical specifications, cost competitiveness, delivery lead time, and compliance with project-specific requirements. The selection of suppliers also based on several factors such as technical support, warranty coverage and ability to meet regulatory and industry standards.

(ii) Subcontractors' charges

We engage subcontractors to perform installation and construction-related works for our projects under our management and supervision. These installation and construction-related works include piping installation, trenching, civil and structural works and installation of equipment such as specialised storage tanks for data centres, electrical and process control systems. In addition, we also engaged subcontractors to carry out specialised works such as hot-tapping, pipe jacking, dye penetrant testing and radiographic testing.

(iii) Direct labour costs

Direct labour costs comprise salaries, wages and allowances for our on-site personnel, including project managers, engineers, site supervisors and construction workers. These personnel are directly involved in executing and supervising the installation, testing and commissioning of piping systems to ensure project completion according to specifications and within the agreed timelines. Their responsibilities also include monitoring subcontractors' performance, ensuring quality control and coordinating with clients and regulatory authorities.

(iv) Project-related expenses

Project-related expenses include rental and upkeep of machinery and equipment, premium for contractors' all risk and workmen's compensation insurance, site safety expenses and other incidental costs incurred in the course of project execution. These expenses are essential to ensure the safe, efficient and timely delivery of our projects.

The major factors affecting our cost of sales, GP and GP margin include, *inter alia*, the following:

- our ability to procure materials such as pipe fittings, pipes of various sizes and materials, equipment, building materials such as sand and cement, and sanitary wares and tanks at a competitive price;
- our ability to source qualified subcontractors at competitive prices; and
- our ability to manage resources effectively, adhere to project schedules, and control costs while ensuring compliance with customer's specifications and industry regulations.

11. FINANCIAL INFORMATION (Cont'd)

(i) Analysis of cost of sales by cost components

The breakdown of our Group's cost of sales by cost components for the Financial Years and Period Under Review is as follows:

Cost components	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchased materials	9,302	59.30	17,097	63.60	19,942	57.83	9,579	53.04	15,796	47.54
Subcontractors' charges	5,125	32.67	7,015	26.10	9,658	28.01	5,710	31.62	14,117	42.48
Direct labour costs	50	0.32	1,480	5.50	3,321	9.63	1,801	9.97	2,386	7.18
Project-related expenses	1,210	7.71	1,290	4.80	1,562	4.53	970	5.37	930	2.80
Total cost of sales	15,687	100.00	26,882	100.00	34,483	100.00	18,060	100.00	33,229	100.00

(ii) Analysis of cost of sales by business activities

The breakdown of our Group's cost of sales by business activities for the Financial Years and Period Under Review is as follows:

Business activities	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
End-user Premises Piping	14,141	90.15	22,724	84.54	29,026	84.18	15,988	88.52	22,607	68.03
<i>Internal and external piping systems ⁽¹⁾</i>	12,011	76.57	15,230	56.66	21,740	63.05	12,852	71.16	17,171	51.67
<i>Internal piping systems only ⁽²⁾</i>	1,659	10.58	7,285	27.10	7,107	20.61	2,960	16.39	5,436	16.36
<i>Process piping ⁽³⁾</i>	471	3.00	209	0.78	179	0.52	176	0.97	-	-
Infrastructure Piping	647	4.12	2,977	11.07	4,548	13.19	1,504	8.33	10,427	31.38
<i>Water mains piping</i>	535	3.41	2,522	9.38	4,271	12.39	1,221	6.76	10,427	31.38
<i>Sewer piping</i>	112	0.71	455	1.69	277	0.80	283	1.57	-	-
Maintenance and Repair	899	5.73	1,181	4.39	909	2.63	568	3.15	195	0.59
Total cost of sales	15,687	100.00	26,882	100.00	34,483	100.00	18,060	100.00	33,229	100.00

Notes:

- (1) *Comprises projects that involve internal piping systems within buildings or structures (such as cold water, hot water, and sanitary drainage piping systems, rainwater downpipes, and rainwater harvesting systems) as well as external piping systems outside of buildings (such as water or sewer pipes within the end-user premises' boundary and piping outside the boundary to connect the end-user premises to nearby water mains or sewer systems).*
- (2) *Comprises projects that only involve internal piping systems and do not involve external piping systems.*
- (3) *Process piping is installed in some manufacturing facilities and are designed to transport liquids or provide essential services to support manufacturing or processing operations.*

11. FINANCIAL INFORMATION (Cont'd)**(iii) Analysis of cost of sales by types of properties and infrastructure**

The breakdown of our Group's cost of sales by types of properties and infrastructure for the Financial Years and Period Under Review is as follows:

Types of properties and infrastructure	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Industrial properties	10,303	65.68	16,585	61.70	12,935	37.51	7,535	41.72	5,101	15.35
Data centre	655	4.18	2,809	10.45	7,141	20.71	2,813	15.58	14,908	44.86
Residential properties	972	6.20	1,584	5.89	8,600	24.94	4,807	26.62	5,922	17.82
Commercial properties	2,820	17.98	3,430	12.76	3,228	9.36	1,893	10.48	4,515	13.59
Others ⁽¹⁾	937	5.96	2,474	9.20	2,579	7.48	1,012	5.60	2,783	8.38
Total cost of sales	15,687	100.00	26,882	100.00	34,483	100.00	18,060	100.00	33,229	100.00

Note:

- (1) Others include water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities.

Commentary:Comparison between FYE 2022 and FYE 2023

For the FYE 2023, our cost of sales increased by RM11.19 million or 71.32% to RM26.88 million (FYE 2022: RM15.69 million), which was in tandem with the increase in our revenue growth.

The increase of cost of sales for the FYE 2023 was mainly due to the following:

- (i) increase in purchased materials cost by RM7.80 million or 83.87% to RM17.10 million (FYE 2022: RM9.30 million) mainly due to increase in procurement of pipe fittings, pipes, equipment, building materials and sanitary ware and tanks to cater for the project needs as we secured more projects of larger contract size such as the Penang Factory Project and the Water Mains Rerouting Project as well as higher level of project progress during the financial year;
- (ii) increase in subcontractors' charges by RM1.89 million or 36.84% to RM7.02 million (FYE 2022: RM5.13 million) mainly because more subcontractors were engaged to perform the installation works for the abovementioned projects in line with the increase in revenue and project progress. For the FYE 2023, total of 59 (FYE 2022: 49) subcontractors were engaged;
- (iii) increase in direct labour cost by RM1.43 million or 2,860.00% to RM1.48 million (FYE 2022: RM0.05 million) mainly due to recruitment of additional headcounts for on-site personnel from 20 headcounts in FYE 2022 to 97 headcounts in FYE 2023 to support the implementation of larger scale projects during the financial year; and
- (iv) increase in project-related expenses by RM0.08 million or 6.61% to RM1.29 million (FYE 2022: RM1.21 million) mainly due to the increase in rental of machinery such as excavator, backhoe and crane for the execution of our projects as well as increase in the usage of petrol and diesel for our machinery.

11. FINANCIAL INFORMATION (Cont'd)Comparison between FYE 2023 and FYE 2024

For the FYE 2024, our total cost of sales increased by RM7.60 million or 28.27% to RM34.48 million (FYE 2023: RM26.88 million), which was corresponding with the increase in our revenue.

The increase of cost of sales for the FYE 2024 was mainly due to the following:

- (i) increase in purchased materials cost by RM2.84 million or 16.61% to RM19.94 million (FYE 2023: RM17.10 million) due to higher procurement of pipe fittings and pipes mainly for our on-going projects such as Johor Serviced Apartment 1 Project, Johor Apartment Project, Melaka Electronics Manufacturing Facility Project, Johor Data Centre 1 Project and Johor Data Centre 1 Water Supply Project;
- (ii) increase in subcontractors' charges by RM2.64 million or 37.61% to RM9.66 million (FYE 2023: RM7.02 million) mainly due to engagement of subcontractors for the construction and installation works for our on-going projects as mentioned in item (i) above, particularly residential projects. For the FYE 2024, total of 60 (FYE 2023: 59) subcontractors were engaged;
- (iii) increase in direct labour cost by RM1.84 million or 124.32% to RM3.32 million (FYE 2023: RM1.48 million) mainly due to recruitment of additional headcounts for on-site personnel, rising from 97 headcounts in FYE 2023 to 149 headcounts in FYE 2024, to support the progress of our on-going projects during the financial year as well as the higher wage rates; and
- (iv) increase in project-related expenses by RM0.27 million or 20.93% to RM1.56 million (FYE 2023: RM1.29 million) mainly due to the increase in the usage of petrol and diesel for our machinery as well as rental of scissor lift, boom lift and the tender fees.

Comparison between FPE 2024 and FPE 2025

For the FPE 2025, our cost of sales increased by RM15.17 million or 84.00% to RM33.23 million (FPE 2024: RM18.06 million), which was in tandem with the increase in our revenue.

The increase of cost of sales for the FPE 2025 was mainly due to the following:

- (i) increase in purchased materials cost by RM6.22 million or 64.93% to RM15.80 million (FPE 2024: RM9.58 million) mainly due to higher procurement for our on-going projects such as Johor Data Centre 1 Project, Johor Data Centre 1 Water Supply Project, Penang Hotel Project, Melaka Electronics Manufacturing Facility Project, Penang Factory Project, RTS Link Project, Johor Serviced Apartment 2 Project and Johor Serviced Apartment 3 Project;
- (ii) increase in subcontractors' charges by RM8.41 million or 147.29% to RM14.12 million (FPE 2024: RM5.71 million) mainly due to engagement of subcontractors for the construction and installation works for our on-going projects mainly for Johor Data Centre 1 Water Supply Project, Johor Data Centre 1 Project and Johor Serviced Apartment 2 Project. For the FPE 2025, total of 88 (FPE 2024: 60) subcontractors were engaged;
- (iii) increase in direct labour cost by RM0.59 million or 32.78% to RM2.39 million (FPE 2024: RM1.80 million) mainly due to additional headcount for on-site personnel from 151 headcounts in FPE 2024 to 201 headcounts in FPE 2025 as well as the higher wage rates.

However, the increase was partly offset by the decrease in project-related expenses by RM0.04 million or 4.12% to RM0.93 million (FPE 2024: RM0.97 million) mainly due to the decrease in rental of machineries following our purchase of hydraulic excavators and backhoe loaders in 2024.

11. FINANCIAL INFORMATION (Cont'd)**(iv) Analysis of GP and GP margin by business activities**

The breakdown of our Group's GP and GP margin by business activities for the Financial Years and Period Under Review is as follows:

Business activities	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
End-user Premises Piping	4,755	80.79	9,787	82.78	16,868	83.56	10,594	89.41	15,960	60.72
<i>Internal and external piping systems ⁽¹⁾</i>	3,911	66.45	7,573	64.05	13,023	64.51	8,548	72.14	14,453	54.98
<i>Internal piping systems only ⁽²⁾</i>	468	7.95	2,127	17.99	3,683	18.25	1,881	15.88	1,507	5.74
<i>Process piping ⁽³⁾</i>	376	6.39	87	0.74	162	0.80	165	1.39	-	-
Infrastructure Piping	381	6.47	1,586	13.41	2,967	14.70	1,039	8.77	10,240	38.95
<i>Water mains piping</i>	295	5.01	1,242	10.50	2,704	13.40	770	6.50	10,240	38.95
<i>Sewer piping</i>	86	1.46	344	2.91	263	1.30	269	2.27	-	-
Maintenance and Repair	750	12.74	450	3.81	351	1.74	216	1.82	87	0.33
Total GP	5,886	100.00	11,823	100.00	20,186	100.00	11,849	100.00	26,287	100.00

GP margin	Audited			Unaudited	
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	%	%	%	%	%
End-user Premises Piping	25.16	30.10	36.75	39.85	41.38
<i>Internal and external piping systems ⁽¹⁾</i>	24.56	33.21	37.46	39.94	45.70
<i>Internal piping systems only ⁽²⁾</i>	22.00	22.60	34.13	38.86	21.71
<i>Process piping ⁽³⁾</i>	44.39	29.39	47.51	48.39	-
Infrastructure Piping	37.06	34.76	39.48	40.86	49.55
<i>Water mains piping</i>	35.54	33.00	38.77	38.67	49.55
<i>Sewer piping</i>	43.43	43.05	48.70	48.73	-
Maintenance and Repair	45.48	27.59	27.86	27.55	30.85
Overall GP margin	27.28	30.55	36.92	39.62	44.17

Notes:

- (1) *Comprises projects that involve internal piping systems within buildings or structures (such as cold water, hot water, and sanitary drainage piping systems, rainwater downpipes, and rainwater harvesting systems) as well as external piping systems outside of buildings (such as water or sewer pipes within the end-user premises' boundary and piping outside the boundary to connect the end-user premises to nearby water mains or sewer systems).*
- (2) *Comprises projects that only involve internal piping systems and do not involve external piping systems.*
- (3) *Process piping is installed in some manufacturing facilities and are designed to transport liquids or provide essential services to support manufacturing or processing operations.*

11. FINANCIAL INFORMATION (Cont'd)**(v) Analysis of GP and GP margin by types of properties and infrastructure**

Types of properties and infrastructure	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Industrial properties	3,466	58.89	7,763	65.66	10,400	51.52	6,205	52.37	6,215	23.64
Data centre	376	6.39	1,496	12.65	4,514	22.36	2,435	20.55	13,342	50.76
Residential properties	235	3.99	611	5.17	2,468	12.23	1,370	11.56	2,730	10.39
Commercial properties	1,347	22.88	986	8.34	2,087	10.34	1,522	12.84	3,197	12.16
Others ⁽¹⁾	462	7.85	967	8.18	717	3.55	317	2.68	803	3.05
Total GP	5,886	100.00	11,823	100.00	20,186	100.00	11,849	100.00	26,287	100.00

GP margin	Audited			Unaudited	
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	%	%	%	%	%
Industrial properties	25.17	31.88	44.57	45.16	54.92
Data centre	36.47	34.75	38.73	46.40	47.23
Residential properties	19.47	27.84	22.30	22.18	31.55
Commercial properties	32.33	22.33	39.27	44.57	41.45
Others ⁽¹⁾	33.02	28.10	21.75	23.85	22.39
Overall GP margin	27.28	30.55	36.92	39.62	44.17

Note:

(1) Others include water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities.

Commentary:

During the Financial Years and Period Under Review, the Group's GP margin increased consistently over the years, primarily due to its involvement in large scale and high specification projects, particularly industrial and data centre projects. These types of projects generally involved higher technical requirements and generally shorter completion timelines resulted in higher margins.

The GP proportion of industrial and data centre projects collectively improved from 65.28% in FYE 2022 to 74.40% in FPE 2025 had further increased the Group's overall GP margin over the years.

Comparison between FYE 2022 and FYE 2023

Our overall GP for the FYE 2023 increased by RM5.93 million or 100.68% to RM11.82 million (FYE 2022: RM5.89 million). This was mainly attributable to the increase in GP from the End-user Premises Piping by RM5.03 million or 105.67% to RM9.79 million (FYE 2022: RM4.76 million) and increase in GP from the Infrastructure Piping by RM1.21 million or 318.42% to RM1.59 million (FYE 2022: RM0.38 million) which was corresponding with the increase in the revenue from both segments.

However, the increase in overall GP was partly offset by the decrease in GP from Maintenance and Repair services by RM0.30 million or 40.00% to RM0.45 million (FYE 2022: RM0.75 million) which was in line with the decrease in revenue from the segment.

Correspondingly, our overall GP margin increased from 27.28% in the FYE 2022 to 30.55% in the FYE 2023. This was mainly due to the following:

11. FINANCIAL INFORMATION (Cont'd)End-user Premises Piping

Our GP margin from the End-user Premises Piping increased from 25.16% in the FYE 2022 to 30.10% in the FYE 2023, which was mainly contributed by the following:

- (i) increase in GP margin from the internal and external piping systems works from 24.56% in the FYE 2022 to 33.21% in the FYE 2023 which mainly arose from the following:
- commencement of work for the new Kedah Factory Project, which was of higher GP margin due to higher specifications and complexity of work; and
 - additional variation orders obtained for the Industrial Warehouse Project and Melaka Office Tower Project which resulted in higher GP margin,

The total GP contributions from the abovementioned projects which were of higher GP margins as compared to other projects in the same segment, thereby, elevated the overall GP margin in internal and external piping systems works for the FYE 2023; and

- (ii) increase in GP margin for the internal piping systems works from 22.00% in the FYE 2022 to 22.60% in the FYE 2023 which was mainly due to higher revenue recognised for the Penang Factory Project which was of higher GP margin.

However, the above was partly offset by decrease in GP margin from process piping from 44.39% in the FYE 2022 to 29.39% in the FYE 2023 which was mainly due to the completion of Food Manufacturing Facility Project in the FYE 2022, which was of higher GP margin project. The GP recorded from the Food Manufacturing Facility Project was amounted to RM0.37 million, which contributed to more than 90% of the GP from the process piping for the FYE 2022.

Infrastructure Piping

Our GP margin from the Infrastructure Piping decreased from 37.06% in the FYE 2022 to 34.76% in the FYE 2023. This was mainly due to a decrease in GP margin for water mains piping works from 35.54% in the FYE 2022 to 33.00% in the FYE 2023 as a result of the completion of the supply and installation of water supply infrastructure piping and connection to the water mains system for a commercial development project in Plentong, Johor in the FYE 2022, which was of higher GP margin.

Maintenance and Repair

Our GP margin from the Maintenance and Repair services decreased from 45.48% in the FYE 2022 to 27.59% in the FYE 2023 mainly due to the completion of a maintenance contract of a commercial office tower in Johor in the FYE 2022, which was of higher GP margin. Subsequently, only general and smaller scale maintenance and repair works were carried out by our Group, which were lower margin in nature.

GP and GP margin by types of properties and infrastructure

For the FYE 2023, our overall GP margin from the industrial properties increased from 25.17% in the FYE 2022 to 31.88% in the FYE 2023, mainly due to the Penang Factory Project and Kedah Factory Project, which were of higher GP margin attributable to its higher specifications and complexity of work.

In addition to the above, the improvement in our GP margin was also contributed by higher proportion of GP contribution from the industrial properties and data centre under the End-user Premises Piping and Infrastructure Piping which were generally of higher GP margin at 31.88% and 34.75% respectively for the FYE 2023.

11. FINANCIAL INFORMATION (Cont'd)Comparison between FYE 2023 and FYE 2024

Our overall GP for the FYE 2024 increased by RM8.37 million or 70.81% to RM20.19 million (FYE 2023: RM11.82 million) which was mainly attributable to an increase in GP from the End-user Premises Piping by RM7.08 million or 72.32% to RM16.87 million (FYE 2023: RM9.79 million) and increase in GP from the Infrastructure Piping by RM1.38 million or 86.79% to RM2.97 million (FYE 2023: RM1.59 million) which was corresponding with the increase in the revenue from both segments.

However, the above was partly offset by a slight decrease in GP from the Maintenance and Repair services by RM0.10 million or 22.22% to RM0.35 million (FYE 2023: RM0.45 million).

Correspondingly, our overall GP margin also increased from 30.55% in FYE 2023 to 36.92% in FYE 2024. This was mainly contributed by the following:

End-user Premises Piping

Our GP margin from the End-user Premises Piping increased from 30.10% in the FYE 2023 to 36.75% in the FYE 2024 mainly due to the following:

- (i) increase in GP margin for the internal and external piping systems works from 33.21% in the FYE 2023 to 37.46% in the FYE 2024 which was mainly due to the following:
 - (a) higher revenue recognised for the Johor Data Centre 1 Project, which was of higher GP margin; and
 - (b) project cost savings arising from the utilisation of own machineries to carry out trenching works and more of our own workers for the piping installation works for the Penang Factory Project, resulted in better GP margin. The GP recorded from the Penang Factory Project for the internal and external piping systems works for the FYE 2024 was amounted to RM2.31 million,
- (ii) increase in GP margin for the internal piping systems works from 22.60% in the FYE 2023 to 34.13% in the FYE 2024 mainly attributable to the revision in the construction methodology, by replacing sheet piling with a more efficient excavation shoring method, optimising the piping works for our Penang Factory Project. The GP recorded from the Penang Factory Project for the internal piping systems works for the FYE 2024 was amounted to RM2.38 million; and
- (iii) increase in GP margin for the process piping works from 29.39% in the FYE 2023 to 47.51% in the FYE 2024 mainly due to the completion of the Kedah Factory Project where lower cost was incurred than budgeted upon finalisation of the project. This was due to the deployment of in-house workers, made available from other earlier completed projects, for the remaining works of the Kedah Factory Project.

Infrastructure Piping

Our GP margin from the Infrastructure Piping increased from 34.76% in the FYE 2023 to 39.48% in the FYE 2024 mainly due to the following:

- (i) increase in GP margin for the water mains piping works from 33.00% in the FYE 2023 to 38.77% in the FYE 2024 mainly due to the commencement of work for Johor Data Centre 1 Water Supply Project which was of higher GP margin; and

11. FINANCIAL INFORMATION (Cont'd)

- (ii) increase in GP margin for the sewer piping works from 43.05% in the FYE 2023 to 48.70% in the FYE 2024 mainly due to high margin projects, namely a yacht manufacturing facility project and a food manufacturing facility project located in Johor. These projects were able to be secured at higher pricing through direct negotiation with an existing customer of our Group as compared to other sewer piping work projects in prior years.

Maintenance and Repair

Our GP margin from the Maintenance and Repair services was relatively consistent for the FYE 2023 and FYE 2024 of 27.59% and 27.86%, respectively. During the FYE 2024, only general and smaller scale maintenance and repair works were carried out by our Group, which were lower margin in nature.

GP and GP margin by types of properties and infrastructure

The increase in our GP margin was contributed by higher proportion of GP contribution from the data centre projects of 22.36% of our total GP for the FYE 2024 which commanded GP margin of 38.73% for the FYE 2024 (FYE 2023: 34.75%) coupled with the increased in GP margin from 31.88% in the FYE 2023 to 44.57% in the FYE 2024 for the industrial projects which remained as our largest GP contributor, which accounted to 51.52% of our total GP. The increase in GP margin for the industrial projects was mainly due to cost savings achieved through the utilisation of internal resources as well as revision in the construction methodology for the above-mentioned projects.

Comparison between FPE 2024 and FPE 2025

Our overall GP for the FPE 2025 increased by RM14.44 million or 121.86% to RM26.29 million (FPE 2024: RM11.85 million) which was mainly attributable to an increase in GP from the End-user Premises Piping by RM5.37 million or 50.71% to RM15.96 million (FPE 2024: RM10.59 million) and Infrastructure Piping by RM9.20 million or 884.62% to RM10.24 million (FPE 2024: RM1.04 million) which was corresponding with the increase in the revenue from both segments.

However, the above was partly offset by a decrease in GP from the Maintenance and Repair services by RM0.13 million or 59.09% to RM0.09 million (FPE 2024: RM0.22 million).

Correspondingly, our overall GP margin also increased from 39.62% in FPE 2024 to 44.17% in FPE 2025. This was mainly contributed by the following:

End-user Premises Piping

Our GP margin from the End-user Premises Piping increased from 39.85% in the FPE 2024 to 41.38% in the FPE 2025 mainly due to the increase in GP margin for the internal and external piping systems works from 39.94% in the FPE 2024 to 45.70% in the FPE 2025 which was arising from higher revenue recognised for the following higher GP margin projects:

- (i) completion for the Melaka Electronics Manufacturing Facility Project;
- (ii) the Penang Hotel Project, which entailed alterations to an existing building, involving higher-specifications and complexity of piping works;
- (iii) the Johor Data Centre 1 Project, whereby additional variation orders were obtained for the project; and
- (iv) higher project progress for the Penang Factory Project.

11. FINANCIAL INFORMATION (Cont'd)

However, the above was partly offset by the decrease in GP margin of the following:

- (i) decrease in GP margin for the internal piping systems works from 38.86% in the FPE 2024 to 21.71% in the FPE 2025 mainly due to higher GP proportion contribution from RTS Link Project and Johor Serviced Apartment 3 project in the FPE 2025 which was of lower GP margin; and
- (ii) the completion of Kedah Factory Project in 2024 for the process piping works.

Infrastructure Piping

Our GP margin from the Infrastructure Piping increased from 40.86% in the FPE 2024 to 49.55% in the FPE 2025 mainly due to the increase in GP margin for the water mains piping works from 38.67% in the FPE 2024 to 49.55% in the FPE 2025. This was mainly attributable to the higher revenue recognition from the Johor Data Centre 1 Water Supply Project, which carried a higher GP margin following a revision in the construction methodology that reduced costs as well as the completion of Johor Data Centre 3 Water Reclamation Project, which was of higher GP margin.

However, the above was partly offset by the completion of the yacht manufacturing facility project and a food manufacturing facility project located in Johor in 2024 for the sewer piping works.

Maintenance and Repair

Our GP margin from the Maintenance and Repair services were 27.55% and 30.85% for the FPE 2024 and FPE 2025 respectively.

GP and GP margin by types of properties and infrastructure

The increase in our GP margin was contributed by the following:

- (i) increased in GP margin for the industrial projects from 45.16% in the FPE 2024 to 54.92% in the FPE 2025, mainly due to the completion of Melaka Electronics Manufacturing Facility Project, which was of higher GP margin. Lower cost was incurred than budgeted upon finalisation of the project due to reduction of scope of work, with no change to contract sum; and
- (ii) higher proportion of GP contribution from the data centre projects, which represents 50.76% of our total GP for the FPE 2025 (FPE 2024: 20.55%), which commanded higher GP margin as compared to other types of properties.

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11. FINANCIAL INFORMATION (Cont'd)**(c) Other operating income**

The breakdown of our other operating income for the Financial Years and Period Under Review is as follows:

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Other interest income	92	17.76	277	39.40	293	19.19	114	14.88	382	81.80
Interest income from investment ⁽¹⁾	-	-	234	33.29	603	39.49	544	71.02	-	-
Rental income	52	10.04	52	7.40	54	3.54	31	4.05	2	0.43
Income from sale of oil palm ⁽²⁾	82	15.82	50	7.11	64	4.19	40	5.22	-	-
Subsidy received	39	7.53	11	1.56	9	0.59	9	1.17	-	-
Reversal of impairment loss on trade receivables	209	40.35	-	-	-	-	-	-	-	-
Reimbursement for adjudication cost	29	5.60	-	-	-	-	-	-	-	-
Gain on modification of financial asset	-	-	32	4.55	-	-	-	-	-	-
Gain on disposal of PPE	-	-	-	-	226	14.80	-	-	22	4.71
Gain on disposal of investment properties	-	-	-	-	240	15.72	-	-	-	-
Gain on early termination of lease	-	-	-	-	1	0.07	-	-	1	0.21
Miscellaneous income	15	2.90	47	6.69	37	2.41	28	3.66	60	12.85
Total	518	100.00	703	100.00	1,527	100.00	766	100.00	467	100.00

Notes:

- (1) In relation to the Investment Agreement, YPSB had invested a sum of RM1.50 million in LPY Fortune for its development of a piece of land and the design, erection and completion of building and structures of apartments. The Investment was recognised as a financial asset as the contractual cash flows represents solely payment of principal and interest. Accordingly, it is measured at amortised cost, with the interest income unwinding over time. Please refer to Section 9.1.1 of this Prospectus for further details.
- (2) Income generated from the oil palm plantation located on the investment properties of our Group, which had been disposed on 29 December 2024. Please refer to Section 9.1.1 of this Prospectus for further details.

Commentary:**Comparison between FYE 2022 and FYE 2023**

For the FYE 2023, our Group recorded an increase in other operating income by RM0.18 million or 34.62% to RM0.70 million (FYE 2022: RM0.52 million). The increase in other operating income was mainly attributable to the higher interest income from investment by RM0.23 million and higher placement of fixed deposits during the FYE 2023.

11. FINANCIAL INFORMATION (Cont'd)Comparison between FYE 2023 and FYE 2024

For the FYE 2024, our Group recorded an increase in other income by RM0.83 million or 118.57% to RM1.53 million (FYE 2023: RM0.70 million). The increase in other income was mainly due to the following:

- (i) higher interest income from investment by RM0.37 million;
- (ii) gain on disposal of investment properties of RM0.24 million; and
- (iii) gain on disposal of PPE of RM0.23 million.

Comparison between FPE 2024 and FPE 2025

For the FPE 2025, the Group recorded a decrease in other operating income by RM0.30 million or 38.96% to RM0.47 million (FPE 2024: RM0.77 million). The decrease was mainly due to the cessation of income from sale of oil palm as well as interest income from the Investment in the FPE 2025 due to the Novation of Investment Agreement in FYE 2024. Please refer to Section 11.3.11 of the Prospectus for further details.

However, the decrease was partly offset by the increase in other interest income by RM0.27 million due to higher interest income from fixed deposits with licensed banks.

(d) General and administrative expenses

The breakdown of our general and administrative expenses for the Financial Years and Period Under Review is as follows:

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff costs	2,442	57.03	3,317	60.84	4,188	54.52	2,380	58.12	2,989	53.14
Directors' remuneration	491	11.47	607	11.13	1,019	13.26	510	12.46	847	15.06
Legal and professional fees	100	2.34	168	3.08	379	4.93	194	4.74	412	7.32
Upkeep of PPE	153	3.57	382	7.01	535	6.97	254	6.20	371	6.60
Rental and utility expenses	187	4.37	261	4.79	282	3.67	167	4.08	172	3.06
Office expenses	583	13.62	342	6.27	724	9.42	329	8.03	432	7.68
Transportation expenses	283	6.60	334	6.13	379	4.93	193	4.71	264	4.69
Others ⁽¹⁾	43	1.00	41	0.75	176	2.30	68	1.66	138	2.45
Total	4,282	100.00	5,452	100.00	7,682	100.00	4,095	100.00	5,625	100.00

Note:

- (1) Mainly consist of advertisement expenses, bank charges, entertainment expenses, donations and services tax.

11. FINANCIAL INFORMATION (Cont'd)**Commentary:**Comparison between FYE 2022 and FYE 2023

For the FYE 2023, our Group recorded an increase in general and administrative expenses by RM1.17 million or 27.34% to RM5.45 million (FYE 2022: RM4.28 million). The increase in general and administrative expenses was mainly due to the following:

- (i) increase in staff costs by RM0.88 million mainly due to the increase in headcounts and revision of staff salary which was aligned with the business growth and expansion;
- (ii) increase in directors' remuneration by RM0.12 million mainly due to the increment of directors' salary; and
- (iii) increase in upkeep of PPE by RM0.23 million mainly due to the addition of 6 units of motor vehicle for project site staff and 2 units of hydraulic excavator during the FYE 2023.

Comparison between FYE 2023 and FYE 2024

For the FYE 2024, our Group recorded an increase in general and administrative expenses by RM2.23 million or 40.92% to RM7.68 million (FYE 2023: RM5.45 million). The increase in general and administrative expenses was mainly due to the following:

- (i) increase in staff cost by RM0.87 million mainly due to the increase in headcounts and revision of staff salary which are aligned with our continuous business growth and expansion;
- (ii) increase in directors' remuneration by RM0.41 million mainly due to the increment of directors' salary;
- (iii) increase in office expenses by RM0.38 million mainly due to the increase in workers permit and levy charges, addition of new software license fees and corporate social responsibility expenses; and
- (iv) increase in upkeep of PPE by RM0.16 million mainly due to the addition of 4 units of motor vehicle for management and project site staff, 4 units of hydraulic excavator and 2 units of backhoe loader during the FYE 2024.

Comparison between FPE 2024 and FPE 2025

For the FPE 2025, our Group recorded an increase in general and administrative expenses by RM1.53 million or 37.32% to RM5.63 million (FPE 2024: RM4.10 million). The increase in general and administrative expenses was mainly due to the following:

- (i) increase in staff cost by RM0.61 million mainly due to the increase in headcounts and revision of staff salary to support our business expansion;
- (ii) increase in directors' remuneration by RM0.34 million mainly due to the increment of directors' salaries; and
- (iii) increase in legal and professional fee by RM0.22 million mainly due to the professional fees incurred for contract administration support services and professional fees in relation to the Listing.

11. FINANCIAL INFORMATION (Cont'd)**(e) Other operating expenses**

The breakdown of our other operating expenses for the Financial Years and Period Under Review is as follows:

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Depreciation of PPE	228	90.84	413	45.43	648	67.22	315	82.46	519	73.83
Depreciation of investment properties	3	1.20	3	0.33	3	0.31	1	0.26	-	-
Net changes of impairment loss of trade receivables	-	-	465	51.16	292	30.29	49	12.83	184	26.17
Bad debts written off	2	0.80	-	-	-	-	-	-	-	-
Oil palm site expenses ⁽¹⁾	18	7.16	28	3.08	21	2.18	17	4.45	-	-
Total	251	100.00	909	100.00	964	100.00	382	100.00	703	100.00

Note:

- (1) Expenses in relation to the maintenance of the oil palm plantation located on the investment properties of our Group, which had been disposed on 29 December 2024. Please refer to Section 9.1.1 of this Prospectus for further details.

Commentary:Comparison between FYE 2022 and FYE 2023

For the FYE 2023, our Group recorded an increase in other operating expenses by RM0.66 million or 264.00% to RM0.91 million (FYE 2022: RM0.25 million). The increase in other operating expenses was mainly due to:

- (i) increase in depreciation of PPE by RM0.18 million arising from the new additions of motor vehicles and machineries; and
- (ii) higher impairment loss for trade receivables arising from higher general allowance made for expected credit loss in accordance with MFRS 9 after taking into consideration the loss given default and probability of default assigned and are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

Comparison between FYE 2023 and FYE 2024

For the FYE 2024, our Group recorded an increase in other operating expenses by RM0.05 million or 5.49% to RM0.96 million (FYE 2023: RM0.91 million). The increase in other operating expenses was mainly due to the increase in depreciation of PPE by RM0.24 million arising from the new additions of motor vehicles and machineries.

However, the increase in other operating expenses was partly offset by lower impairment loss of trade receivables by RM0.17 million in accordance with MFRS 9.

11. FINANCIAL INFORMATION (Cont'd)

Comparison between FPE 2024 and FPE 2025

For the FPE 2025, our Group recorded an increase in other operating expenses by RM0.32 million or 84.21% to RM0.70 million (FPE 2024: RM0.38 million). The increase in other operating expenses was mainly due to the increase in depreciation of PPE by RM0.20 million arising from the additions of machineries and motor vehicles and higher impairment loss on trade receivables by RM0.13 million in accordance with MFRS 9.

(f) Finance costs

The breakdown of our finance costs for the Financial Years and Period Under Review is as follows:

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Bankers' acceptance	40	8.23	32	7.58	29	7.92	5	2.43	54	25.35
Bank overdraft	24	4.94	-	-	-	-	-	-	-	-
Lease liabilities	3	0.62	3	0.72	3	0.82	3	1.45	1	0.47
Term loans interest	409	84.16	352	83.41	242	66.12	156	75.73	80	37.56
Hire purchase interest	10	2.05	35	8.29	92	25.14	42	20.39	78	36.62
Total	486	100.00	422	100.00	366	100.00	206	100.00	213	100.00

Commentary:

Comparison between FYE 2022 and FYE 2023

For the FYE 2023, our Group recorded a decrease in finance costs by RM0.07 million or 14.29% to RM0.42 million (FYE 2022: RM0.49 million) which was mainly due to lower term loans outstanding and lower utilisation of bankers' acceptance.

Comparison between FYE 2023 and FYE 2024

For the FYE 2024, our Group recorded a decrease in finance costs by RM0.05 million or 11.90% to RM0.37 million (FYE 2023: RM0.42 million) which was mainly due to lower term loans outstanding and lower utilisation of bankers' acceptance.

Comparison between FPE 2024 and FPE 2025

For the FPE 2025, our Group recorded an increase in finance cost by RM7,000, which was mainly due to the increase in banker's acceptance interest arising from higher utilisation of bankers' acceptance in the FPE 2025.

However, the increase was partly offset by the decrease in term loan interest following the repayment during the FPE 2025.

11. FINANCIAL INFORMATION (Cont'd)**(g) Income tax expense**

The breakdown of our income tax expenses for the Financial Years and Period Under Review is as follows:

	Audited			Unaudited	Audited
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
Income tax expense (RM'000)	452	1,362	3,065	1,964	5,035
Effective tax rate (%) ⁽¹⁾	32.64	23.72	24.13	24.76	24.91
Statutory tax rate (%)	24.00	24.00	24.00	24.00	24.00

Note:

(1) *Effective tax rate is calculated based on income tax expense divided by PBT.*

Our effective tax rate for the FYE 2022 was 8.64% higher than the statutory tax rate mainly due to higher non-deductible expenses such as finance cost, professional fee and depreciation of PPE as well as under provision of income tax in prior year.

Our effective tax rate for the FYE 2023 was 0.28% lower than the statutory tax rate mainly due to tax saving on the first tranche of chargeable income of RM0.15 million at tax rate of 15.00% whereby the next RM0.45 million at tax rate of 17% for our Subsidiary, for which the issued share capital is not more than RM2.50 million and lower non-deductible expenses.

Our effective tax rate for the FYE 2024 was 0.13% higher than the statutory tax rate mainly due to under-provision of income tax in prior year.

Our effective tax rate for the FPE 2024 was 0.76% higher than the statutory tax rate mainly due to under provision of income tax in prior year.

Our effective tax rate for the FPE 2025 was 0.91% higher than the statutory tax rate mainly due to higher non-deductible expenses such as impairment loss on trade receivables and finance cost.

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11. FINANCIAL INFORMATION (Cont'd)**(h) PBT, PBT margin, PAT and PAT margin**

The PBT, PBT margin, PAT and PAT margin of our Group for the Financial Years and Period Under Review are as follows:

	Audited			Unaudited	Audited
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
PBT (RM'000)	1,385	5,743	12,701	7,932	20,213
PAT (RM'000)	933	4,381	9,636	5,968	15,178
PBT margin (%)	6.42	14.84	23.23	26.52	33.96
PAT margin (%)	4.32	11.32	17.63	19.95	25.50

Commentary:Comparison between FYE 2022 and FYE 2023

For the FYE 2023, our Group recorded an increase in PBT by RM4.35 million or 312.95% to RM5.74 million (FYE 2022: RM1.39 million) and an increase in PAT by RM3.45 million or 370.97% to RM4.38 million (FYE 2022: RM0.93 million). The increase in both PBT and PAT was mainly due to the higher GP recorded for the FYE 2023 as set out in Section 11.3.2(b) above.

Our PBT margin improved from 6.42% for the FYE 2022 to 14.84% for the FYE 2023. Our PAT margin also improved from 4.32% for the FYE 2022 to 11.32% for the FYE 2023. The improvement in the PBT margin and PAT margin was mainly due to:

- (i) higher GP margin recorded for the FYE 2023 as set out in Section 11.3.2(b) above;
- (ii) economies of scale achieved through business expansion and growth; and
- (iii) lower effective tax rate recorded in FYE 2023 as compared to FYE 2022 as set out in Section 11.3.2(g) above.

Comparison between FYE 2023 and FYE 2024

For the FYE 2024, our Group recorded an increase in PBT by RM6.96 million or 121.25% to RM12.70 million (FYE 2023: RM5.74 million) and an increase in PAT by RM5.26 million or 120.09% to RM9.64 million (FYE 2023: RM4.38 million). The increase in both PBT and PAT was mainly due to the higher GP recorded for the FYE 2024 as set out in Section 11.3.2(b) above.

Our PBT margin improved from 14.84% for the FYE 2023 to 23.23% for the FYE 2024. Our PAT margin also improved from 11.32% for the FYE 2023 to 17.63% for the FYE 2024. The improvement in the PBT margin and PAT margin was mainly due to the higher GP margin recorded for the FYE 2024 as set out in Section 11.3.2(b) above as well as economies of scale achieved through continuous business expansion and growth.

11. FINANCIAL INFORMATION (Cont'd)Comparison between FPE 2024 and FPE 2025

For the FPE 2025, our Group recorded an increase in PBT by RM12.28 million or 154.85% to RM20.21 million (FPE 2024: RM7.93 million) and an increase in PAT by RM9.21 million or 154.27% to RM15.18 million (FPE 2024: RM5.97 million). The increase in both PBT and PAT was mainly due to the higher GP recorded for the FPE 2025 as highlighted above in Section 11.3.2(b).

Our PBT margin improved from 26.52% for the FPE 2024 to 33.96% for the FPE 2025. Our PAT margin also improved from 19.95% for the FPE 2024 to 25.50% for the FPE 2025. The improvement in the PBT margin and PAT margin was mainly due to the higher GP margin recorded for the FPE 2025 arising from the projects as highlighted in Section 11.3.2(b) above.

11.3.3 Significant factors materially affecting our operations and financial results

Our business operations and financial conditions have been and will continue to be affected by factors including, but not limited to, the following:

(a) Performance of potable water and sewer piping industry focusing on end-user premises and construction industry

The performance of potable water and sewer piping industry focusing on end-user premises is closely tied to the construction and infrastructure sectors, particularly the development of industrial, data centre, residential and commercial buildings, as well as water supply and sewer infrastructure projects. As our Group is principally involved in the supply and installation of piping systems for end-user premises and supply and installation of water supply and sewerage infrastructure as well as provision of maintenance and repair services for these systems, the demand for our services is dependent on the overall level of construction activities, government infrastructure initiatives and private sector investments.

The demand for piping system installations is influenced by ongoing infrastructure projects and industrial developments. Government policies supporting water supply network improvements, sewer infrastructure upgrades and industrial expansion may contribute to business growth in the sector. According to IMR Report, in 2026, the construction industry is forecasted to expand by 6.1%, largely driven by the continued expansion in specialised construction, non-residential and residential segments. Between 2025 and 2030, Malaysia's data centre industry is expected to grow at a CAGR of 22.4% to RM59.6 billion by 2030. The Government's commitment to advancing digital infrastructure further enhances the outlook for data centres, creating opportunities for service providers within the industry.

Given our project portfolio for various end-user industries and proven track record in delivering piping systems for various end-user premises and infrastructure projects, we are well-positioned to capitalise on growth opportunities within the industry. However, there is no assurance that our business, operations, and financial performance will remain unaffected by performance in the construction and infrastructure sectors. Please refer to Sections 6.4.2 and 6.4.3 of this Prospectus for further details on our business activities and revenue stream as well as the type of properties and infrastructure.

11. FINANCIAL INFORMATION (Cont'd)

(b) Unanticipated increase in project cost and delay in completion

Due to the nature of our business, we are subject to project management risks, including cost risks, schedule risks and operational risks, which would give rise to unanticipated increase in project cost or cost overrun and delay in completion of projects. Such risk can be due to poor project administration in terms of procurement of materials, changes in project cost estimation and budgeting, poor site management in terms of logistics and coordination works and delays in obtaining necessary permits or approvals, as well as factors beyond our control, such as adverse weather conditions, disruptions in power supply at project sites, delays in material and service availability from third parties and availability of financing and accessibility to project sites. Our profitability for a project may be adversely affected if project cost increases and we cannot pass those cost increases to our customer. Hence, there is no assurance that future increases in project implementation costs will not adversely affect our financial performance or result in gross loss for our projects.

In general, we are required to meet project timelines and milestones when we implement installation of piping system for end-user premises, piping of water supply and sewer infrastructure and maintenance and repair services for piping systems. Any delays in achieving the project implementation timeline and milestone may result in delay in revenue recognition and project cost overrun. Further, some of the contracts, purchase orders and work orders for our installation of piping system for end-user premises and piping of water supply and sewer infrastructure include provision for performance penalties in the form of LAD. Any adverse development and management of our projects will result in delay in progress claims, project cost overrun and may also expose us to LAD claim by our customers, which could negatively affect our financial performance. Please refer to Sections 8.1.3 and 8.1.6 of this Prospectus for further details on risk factors relating to the delay in implementing and completing our projects as well as project implementation costs increases.

(c) Continuity of our order book

Due to our nature of our business which is project-based in nature, our revenue mainly based on fixed lump-sum contracts, purchase orders, or work orders. While we actively secure new projects to sustain our business, there is no assurance of continuity in our order book from one financial year to the next. If we are unable to replenish our order book by securing new contracts, our business growth and financial performance may be adversely affected.

Please refer to Sections 11.6 and 8.1.1 of this Prospectus for further details our order book and the risk factor relating to our ability to continuously secure new and sizeable projects, respectively.

(d) Potential defect liability claims and warranties and quality of work by subcontractors

As part of our business in piping system installations and maintenance services, we are subject to defect liability claims by our customers. Upon project completion, we typically enter a DLP, which ranges from 12 to 36 months, depending on the contract terms. During this period, we are responsible for rectifying any defects in the installed piping systems. If defects arise due to installation errors, material failures or workmanship issues, we may incur additional costs for repairs.

Additionally, while we engage qualified subcontractors to perform specialised installation works, there is a risk of poor-quality workmanship, non-compliance, or operational delays. If a subcontractor fails to meet the required standards, we may be required to rectify defects at our own cost.

11. FINANCIAL INFORMATION (Cont'd)

We impose back-to-back warranty obligations on subcontractors and suppliers to ensure accountability. However, in cases where defect claims are not fully covered, we may bear additional rectification costs, which could impact our financial performance. Please refer to Sections 8.1.5 and 8.1.7 of this Prospectus for further details on the risk factors in relation to the risk of penalties for any shortcomings in the work carried out by our subcontractors and defect liability and warranty claims from our customers.

(e) Competition

The potable water and sewer piping industry focusing on end-user premises in Malaysia is highly fragmented comprises various industry players, ranging from individual contractors and companies that specialise primarily in the provision of piping systems, to mechanical and electrical companies that offer broader aspects of mechanical, electrical and process utility (including plumbing) (MEP) systems. As a registered contractor with CIDB, we compete with other industry players that offer similar services, namely supply and installation of piping systems for end-user premises and supply and installation of water supply and sewerage infrastructure piping.

Our ability to secure projects is influenced by factors such as our track records, financial and resource capability as well as technical capabilities. We remain focused on leveraging our experience, efficiency and industry certifications to maintain our competitiveness in the market. However, there is no assurance that market competition will not impact our ability to secure new contracts, which could in turn affect our business growth and financial results.

(f) Impact on interest rate fluctuations

As at 31 July 2025, our Group's total borrowings of RM6.52 million consist of term loans, hire purchase and bankers' acceptance at interest rates ranging from 3.86% to 11.45% per annum.

Our Group's objective in managing our interest rate is to ensure an acceptable level of risk related to interest rate fluctuations. As at the LPD, our borrowings have fixed and determinable payments. The interest rates for our term loans and one (1) of the finance lease liabilities are based on the prevailing bank's base lending rate or base financing rate plus or minus a margin agreed upon by our bankers when the respective loans and financings were granted.

There is no material impact from the fluctuations in interest rates on our profits for the Financial Years and Period Under Review. However, any hikes in interest rates would raise the cost of borrowings, which may have adverse effect on our financial performance. The sensitivity analysis for interest rate risk is set out in the Accountants' Report under Section 12 of this Prospectus

(g) Impact of inflation

Our business, financial condition or results of operations for the Financial Years and Period Under Review were not materially affected by the impact of inflation. Nonetheless, there can be no assurance that future inflation, such as purchased materials cost and subcontractor cost would not have any impact on our business operations and financial performance.

(h) Impact of government/economic/fiscal/geopolitical events/monetary policies

Any unfavourable change in government, economic, fiscal, geopolitical events or monetary policies may materially affect our business operations and financial performance. For the Financial Years and Period Under Review, our results were not adversely affected by any unfavourable changes relating to these policies. Nonetheless, there is no assurance that our financial performance will not be adversely affected by the impact of changes in government, economic, fiscal or monetary policies in the future.

11. FINANCIAL INFORMATION (Cont'd)**11.3.4 LIQUIDITY AND CAPITAL RESOURCES**

Our operations are funded through cash generated from our operating activities, credit extended by our suppliers, credit facilities granted by financial institutions as well as our existing cash and bank balances.

As at 31 July 2025, our Group has cash and short-term deposits of RM35.09 million, and working capital of RM24.83 million, being the difference between current assets of RM71.35 million and current liabilities of RM46.52 million. Our Group also recorded a net cash from operating activities of RM23.51 million for the FPE 2025.

Based on the above and after taking into consideration of our funding requirements for our committed capital expenditure, existing level of cash and bank balances, expected cash flows to be generated from our operations, the dividend paid in respect of the FYE 2025 as detailed in Section 11.8 of this Prospectus and the estimated net proceeds from the Public Issue, our Board is of the view that we will have sufficient working capital for a period of 12 months from the date of this Prospectus.

Cash flow

The table below sets out the summary of our Group's historical audited combined statements of cash flows for the Financial Years and Period Under Review:

	Audited			
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
Net cash generated from operating activities	9,203	6,863	3,711	23,508
Net cash (used in) / generated from investing activities	(682)	(1,225)	368	69
Net cash (used in) / generated from financing activities	(3,986)	(3,405)	(2,977)	454
Net increase in cash and cash equivalents	4,535	2,233	1,102	24,031
Cash and cash equivalents at beginning of the financial year/period	240	4,775	7,008	8,110
Cash and cash equivalents at end of the financial year/period	4,775	7,008	8,110	32,141

Commentary:**Net cash generated from operating activities****FYE 2022**

For the FYE 2022, our operating profit before working capital changes were RM1.80 million. After adjusting for the following key items, our net cash generated from operating activities was RM9.20 million:

- (i) decrease in inventories of RM0.52 million;
- (ii) increase in receivables of RM2.17 million, of which trade receivables increased by RM1.41 million which was in line with higher revenue recorded during the FYE 2022 while other receivables and prepayment increased by RM0.76 million mainly due to the increase in advance payment made to our supplier for the purchase of specialised fixtures in relation to the internal and external piping systems works of the Penang Factory Project;

11. FINANCIAL INFORMATION (Cont'd)

- (iii) increase in payables of RM10.21 million, of which trade payables increased by RM1.89 million which was in line with the progress of our projects while other payables increased by RM8.32 million mainly due to the advance payment received from our customers in relation to the Penang Factory Project. This included advance payment from customer for the purchase of specialised fixtures and materials for the project before commencement of work as well as downpayments for the project;
- (iv) increase in contract assets of RM0.81 million mainly due to work performed for the internal and external piping systems works of Penang Factory Project and the Industrial Dairy Factory Project pending certification as at the year end;
- (v) increase in contract liabilities of RM0.05 million mainly due to higher progress billing than revenue recognised in accordance with the billing milestone for the project in relation to the supply and installation of internal and external piping systems at an industrial solar photovoltaic facility project in Johor; and
- (vi) income tax payment of RM0.40 million.

FYE 2023

For the FYE 2023, our operating profit before working capital changes were RM6.50 million. After adjusting for the following key items, our net cash generated from operating activities was RM6.86 million:

- (i) increase in receivables of RM1.37 million, of which trade receivables increased by RM2.46 million which was in line with higher revenue recorded during the FYE 2023 while other receivables decreased by RM1.09 million mainly due to the decrease in advance payment made to our suppliers during the FYE 2023;
- (ii) decrease in payables of RM4.70 million, of which other payables decreased by RM7.78 million mainly due to the decrease in advance payments received in the FYE 2023 following the fulfilment of the contract obligations, i.e. delivering of our work while trade payables increased by RM3.08 million mainly due to the higher purchased materials and subcontractors' charges which was in line with the progress of our projects;
- (iii) increase in contract assets of RM2.45 million mainly due to the higher amount of work performed for the internal piping systems works of Penang Factory Project and Selangor Food Manufacturing Facility Project pending certification as at the year end;
- (iv) increase in contract liabilities of RM9.02 million mainly due to the higher progress billing than revenue recognised in accordance with the billing milestone for the project involving the internal and external piping systems works of Penang Factory Project; and
- (v) net income tax payment of RM0.15 million.

FYE 2024

For the FYE 2024, our operating profit before working capital changes were RM12.64 million. After adjusting for the following key items, our net cash generated from operating activities was RM3.71 million:

- (i) increase in receivables of RM11.72 million, of which trade receivables increased by RM10.55 million mainly due to the higher revenue achieved for the FYE 2024 and higher billing towards the last quarter of the FYE 2024 while other receivables increased by RM1.17 million mainly due to the prepayment of professional fees in relation to the listing expenses;

11. FINANCIAL INFORMATION (Cont'd)

- (ii) increase in payables of RM2.41 million, of which trade payables increased by RM2.76 million mainly due to the higher purchased materials and subcontractors' charges which was in line with the level of activities and progress of our projects while other payables decreased by RM0.35 million mainly due to the repayment made to our related party and Director;
- (iii) increase in contract assets of RM4.98 million mainly due to the high amount of work performed for the internal piping systems works of Penang Factory Project and Johor Data Centre 2 Project pending certification as at the year end;
- (iv) increase in contract liabilities of RM7.95 million mainly due to the higher progress billing than revenue recognised in accordance with the billing milestone for the project involving the internal and external piping systems works of Penang Factory Project and Johor Data Centre 1 Project; and
- (v) income tax payment of RM2.59 million.

FPE 2025

For the FPE 2025, our operating profit before working capital changes were RM20.72 million. After adjusting for the following key items, our net cash generated from operating activities was RM23.51 million:

- (i) increase in receivables of RM0.30 million, of which trade receivables decreased by RM1.52 million mainly due to timely settlement of outstanding amounts from customers, while other receivables increased by RM1.82 million mainly due to the payment on behalf of our customers for the upfront regulatory expenses and prepayment of professional fees in relation to the listing expenses;
- (ii) increase in payables of RM3.54 million, of which trade payables increased by RM2.74 million mainly due to the higher purchased materials and subcontractors' charges which was in line with the level of activities and progress of our projects, while other payables increased by RM0.80 million mainly due to security deposit received from customer to secure a bank guarantee on behalf as a performance bond for the Johor Data Centre 1 Water Supply Project;
- (iii) increase in contract assets of RM4.00 million mainly due to the higher amount of internal and external piping systems works performed for the Penang Hotel Project and Johor Serviced Apartment 2 Project, which is currently pending certification as at the period ended;
- (iv) increase in contract liabilities of RM5.70 million mainly due to the higher progress billing than revenue recognised in accordance with the billing milestone for the projects involving the internal and external piping systems works of Penang Factory Project, Johor Data Centre 1 Project, Johor Data Centre 1 Water Supply Project and Johor Data Centre 2 Project; and
- (v) income tax payment of RM2.15 million.

Net cash (used in) / generated from investing activities**FYE 2022**

Our Group recorded net cash used in investing activities of RM0.68 million for the FYE 2022. This was mainly attributed to the following:

- (i) purchase of motor vehicles, plant and machinery and equipment and furniture and fittings of RM0.22 million;
- (ii) increase in placement of fixed deposit of RM0.25 million; and
- (iii) increase in investment in project development of RM0.30 million pursuant to the Investment Agreement.

However, the above cash outflow was partly offset with the interest received of RM0.09 million.

11. FINANCIAL INFORMATION (Cont'd)**FYE 2023**

Our Group recorded net cash used in investing activities of RM1.23 million for the FYE 2023. This was mainly attributed to the following:

- (i) purchase of motor vehicles, plant and machinery and equipment, furniture and fittings of RM0.39 million; and
- (ii) increase in placement of fixed deposit of RM1.12 million.

However, the above cash outflow was partly offset with the interest received of RM0.28 million.

FYE 2024

Our Group recorded net cash from investing activities of RM0.37 million for the FYE 2024. This was mainly attributed to the following:

- (i) withdrawal of fixed deposit of RM0.95 million;
- (ii) interest received of RM0.29 million; and
- (iii) proceeds received from disposal of motor vehicle of RM1,000.

However, the above cash inflow was partly offset with the following:

- (a) purchase of motor vehicles, plant and machinery and equipment, furniture and fittings of RM0.41 million; and
- (b) increase in placement of fixed deposit of RM0.46 million.

FPE 2025

Our Group recorded net cash from investing activities of RM0.07 million for the FPE 2025. This was mainly attributed to the following:

- (i) interest received of RM0.38 million; and
- (ii) proceeds received from disposal of motor vehicle of RM0.03 million.

However, the above cash inflow was partly offset by the following:

- (a) purchase of motor vehicles, plant and machinery and equipment, furniture and fittings of RM0.25 million; and
- (b) increase in placement of fixed deposits of RM0.09 million.

Net cash (used in) / generated from financing activities**FYE 2022**

Our Group recorded net cash used in financing activities of RM3.99 million for the FYE 2022 mainly due to:

- (i) dividend payment of RM2.00 million;
- (ii) interest expenses of RM0.49 million; and
- (iii) repayment of lease liabilities, term loans, bankers' acceptance and hire purchase liabilities of RM4.17 million.

However, the outflow was partly offset by the drawdown of bankers' acceptance of RM2.67 million.

11. FINANCIAL INFORMATION (Cont'd)

FYE 2023

Our Group recorded net cash used in financing activities of RM3.40 million for the FYE 2023 mainly due to:

- (i) interest expenses of RM0.42 million; and
- (ii) repayment of lease liabilities, term loans, bankers' acceptance and hire purchase liabilities of RM5.92 million.

However, the outflow was partly offset by the drawdown of bankers' acceptance of RM2.94 million.

FYE 2024

Our Group recorded net cash used in financing activities of RM2.98 million for the FYE 2024 mainly due to the following:

- (i) dividend payment of RM1.18 million;
- (ii) interest expenses of RM0.37 million; and
- (iii) repayment of lease liabilities, term loans, bankers' acceptance and hire purchase liabilities of RM8.99 million.

However, the outflow was partly offset by the drawdown of bankers' acceptance of RM7.56 million.

FPE 2025

Our Group recorded net cash from financing activities of RM0.45 million for the FPE 2025 mainly due to the drawdown of bankers' acceptance of RM9.35 million and proceeds received from issuance of shares of RM1,000.

However, the above cash inflow was partly offset with the following:

- (i) interest expenses of RM0.22 million; and
- (ii) repayment of lease liabilities, term loans, bankers' acceptance and hire purchase liabilities of RM8.68 million.

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11. FINANCIAL INFORMATION (Cont'd)**11.3.5 Borrowings**

As at 31 July 2025, our total outstanding borrowings (bank borrowings excluding lease liabilities arising from right-of-use assets) stood at RM6.52 million, which can be analysed further as follows:

Type of bank borrowings	Tenure	Effective interest rates (per annum)	Payable within 12 months (RM'000)	Payable after 12 months (RM'000)	Total (RM'000)
Term loans	5 to 20 years	4.10% to 11.45%	301	1,200	1,501
Bankers' acceptance	Up to 120 days	4.86% to 5.34%	2,140	-	2,140
Hire purchase liabilities	5 to 6 years	3.86% to 6.72%	671	2,207	2,878
Total borrowings			3,112	3,407	6,519
Gearing ratio as at 31 July 2025 (times) *					0.22

Note:

* Computed based on total outstanding borrowings (bank borrowings excluding lease liabilities arising from right-of-use assets) over our pro forma shareholders' equity (after the Acquisition of YPSB but before the Public Issue and use of proceeds) as at 31 July 2025 of RM29.84 million.

As at the LPD, all our bank borrowings are secured, interest bearing and denominated in RM. Our bank borrowings are secured by charge over freehold land, buildings, fixed deposits with licensed banks and joint and several guarantee by our Directors. We have not defaulted on any payment of either principal sum and/or interest in relation to our borrowings during the Financial Years and Period Under Review and up to the LPD. We also do not encounter any seasonality in our borrowings trend and there is no restriction on our committed borrowing facilities.

As at the LPD, we have not breached any terms and conditions or covenants associated with our credit arrangements or bank borrowings, which can materially affect our business operations, financial position or results of operations or the investment by holders of securities in our Group.

11.3.6 Type of financial instruments used

As at the LPD, save as disclosed in Section 11.3.5 of this Prospectus, we do not use any other financial instruments.

For clarity purposes, the financial instruments of our Group which are used in the ordinary course of business, from an accounting perspective, may include financial assets such as cash and cash equivalents, and trade and other receivables, as well as financial liabilities such as borrowings, lease obligations and trade and other payables. These are shown in the combined statements of financial position of our Group.

As at the LPD, we do not use any financial instrument for hedging purposes.

11. FINANCIAL INFORMATION (Cont'd)**11.3.7 Treasury policies and objectives**

We finance our operations through internally generated funds as well as external sources of funds, such as shareholders' funds, credit term from suppliers and subcontractors as well as short-term and long-term bank borrowings.

The primary objective of our financial management and treasury policies is to maintain sufficient working capital at all times and ensure our ability to support and grow our business in order to maximise shareholders' value. We review and manage our capital structure to maintain its debt-to-equity ratio at an optimal level based on the business requirements and prevailing economic conditions.

Our Group has not entered into any interest rate swap to hedge against fluctuations in interest rates. Our Group manages its exposure to interest rate movements by maintaining a combination of both fixed-rate and floating-rate borrowings.

11.3.8 Material commitment

As at the LPD, save as disclosed below, our Board, after having made all reasonable enquiries, confirm that there is no other material commitment which upon becoming enforceable, may have a material impact on the financial position of our Group.

	RM'000
Investment properties ⁽¹⁾	1,074
Total	1,074

Note:

(1) *Comprises the proposed acquisition of two (2) units of residential properties. The acquisition is expected to be settled by cash in accordance with the payment schedule set out in the respective sale and purchase agreements.*

11.3.9 Material contingent liabilities

As at the LPD, our Board is not aware of any contingent liabilities, which upon becoming enforceable may have a material impact on the financial performance and position of our Group.

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11. FINANCIAL INFORMATION (Cont'd)**11.3.10 Material capital expenditures**

Our Group's material capital expenditure for the Financial Years and Period Under Review and up to the LPD are as follows:

Capital expenditures	Audited				Unaudited
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000	1 August 2025 up to the LPD RM'000
Plant and machinery	-	633	1,127	-	359
Motor vehicles	-	391	748	1,257	-
Total	-	1,024	1,875	1,257	359

Our material capital expenditures were primarily funded via a combination of bank borrowings and/or internally generated funds.

FYE 2023

For the FYE 2023, our capital expenditures mainly related to the following:

- (i) purchase of plant and machinery amounting to RM0.63 million mainly comprising of 2 units of hydraulic excavator; and
- (ii) purchase of 6 units of motor vehicles amounting to RM0.39 million for our project site staff.

FYE 2024

For the FYE 2024, our capital expenditures mainly related to the following:

- (i) purchase of plant and machinery amounting to RM1.13 million mainly comprising of 4 units of hydraulic excavator and 2 units of backhoe loaders; and
- (ii) purchase of 4 units of motor vehicles amounting to RM0.75 million for our management and project site staff.

FPE 2025

For the FPE 2025, our capital expenditures of RM1.26 million are for the purchase of seven (7) units of motor vehicles for our management and project site staff.

1 August 2025 up to LPD

For the period from 1 August 2025 up to the LPD, our capital expenditures of RM0.36 million are for the purchase of two (2) units of backhoe loaders.

11. FINANCIAL INFORMATION (Cont'd)**11.3.11 Material capital divestitures**

Our Group's material capital divestitures for the Financial Years and Period Under Review and up to the LPD are as follows:

Divestitures	Audited				Unaudited
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000	1 August 2025 up to the LPD RM'000
Disposal of investment properties	-	-	6,220	-	-
Disposal of building	-	-	350	-	-
Novation of Investment Agreement	-	-	2,370	-	-
Total	-	-	8,940	-	-

For the FYE 2024, our material capital divestitures are as following:

- (i) disposal of five (5) units of investment properties, including agricultural lands, industrial land and a unit of stratified shop office, amounted to RM6.22 million to our Managing Director;
- (ii) disposal of a unit of serviced apartment amounted to RM0.35 million to our Managing Director; and
- (iii) assignment, novation, transference of the obligations, rights, title, benefits, interest and liabilities in relation to an investment in the development of a piece of land to one of our Executive Directors at a consideration of RM2.37 million.

Please refer to Sections 9.1.1 and 11.8 of this Prospectus for further details of the divestitures above.

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11. FINANCIAL INFORMATION (Cont'd)**11.4 KEY FINANCIAL RATIOS**

The key financial ratios of our Group are as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Trade receivables turnover period (days) ⁽¹⁾	70	39	51	31
Trade payables turnover period (days) ⁽²⁾	81	81	93	72
Current ratio (times) ⁽³⁾	1.14	1.24	1.30	1.53
Gearing ratio (times) ⁽⁴⁾	0.63	0.30	0.32	0.22

Notes:

- (1) Computed based on average trade receivables for the respective financial years/period (excluding retention sums) over revenue for the respective financial years/period multiplied by 365/212 days for each financial years/period.
- (2) Computed based on average trade payables for the respective financial years/period (excluding retention sums) over cost of sales for the respective financial years/period multiplied by 365/212 days for each 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 loans and borrowings (excluding lease liabilities) over total equity as at the end of each financial years/period.

11.4.1 Trade receivables

A summary of our trade receivables for the Financial Years and Period Under Review is set out below:

	Audited			
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
Revenue	21,573	38,705	54,669	59,516
Average trade receivables	4,120	4,124	7,661	8,578
Trade receivables turnover period (days) ⁽¹⁾	70	39	51	31

Note:

- (1) Computed based on average trade receivables for the respective financial years/period (excluding retention sums) over revenue for the respective financial years/period multiplied by 365/212 days for each financial years/period.

The normal credit period granted by our Group to our customers was generally on terms ranging from 15 days to 90 days for the FYE 2022, 30 days to 120 days for the FYE 2023 and FYE 2024 and cash on delivery to 120 days for the FPE 2025, from the date of progress billings depending on the terms of the contracts. Other credit terms to our customers are assessed and approved on a case-by-case basis after taking into consideration various factors such as the business relationship with our customers, the customers' payment history and creditworthiness as well as transaction volume while new customers are subject to our credit verification and assessment process. The longer credit terms for the FYE 2023, FYE 2024 and FPE 2025 (as compared to FYE 2022) is due to our Group undertake large-scale and high specification projects during FYE 2023, FYE 2024 and FPE 2025.

11. FINANCIAL INFORMATION (Cont'd)

Our trade receivable turnover period for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 was 70 days, 39 days, 51 days and 31 days, respectively. The lower trade receivable turnover period for the FYE 2023 (as compared to the FYE 2022) was mainly due to better collection during the FYE 2023, while the higher trade receivable turnover period for the FYE 2024 (as compared to the FYE 2023) was mainly due to the higher progress billings made in November and December 2024. The lower trade receivables turnover period for the FPE 2025 (as compared to the FYE 2024) was mainly due to better collection during the FPE 2025.

The ageing analysis of our trade receivables as at 31 July 2025 and the subsequent collections up to the LPD are set out below:

	Within credit period	<-----Exceed credit period by----->				Total
		1 – 30 days	31 – 60 days	61 – 90 days	> 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivables	14,934	1,379	393	225	1,874	18,805
Less: Retention sum	(11,707)	-	(42)	-	(200)	(11,949)
	3,227	1,379	351	225	1,674	6,856
Less: Impairment losses	(78)	(11)	(6)	(6)	(841)	(942)
Net trade receivables	3,149	1,368	345	219	833	5,914
% of total net trade receivables	53.25	23.13	5.83	3.70	14.09	100.00
Subsequent collections up to the LPD	3,149	8	307	13	833	4,310
Outstanding net trade receivables	-	1,360	38	206	-	1,604

The retention sum of RM11.95 million as at 31 July 2025 will be released to us in accordance to the terms of the respective contracts.

Our total net trade receivables stood at RM5.91 million as at 31 July 2025, out of which RM2.77 million or approximately 46.75% exceeded the normal credit term. Up to the LPD, we have collected RM4.31 million, representing about 72.88% of the total net trade receivables as at 31 July 2025.

Appropriate debts recovery process has been carried out by the project management and finance team to minimize the likelihood of these outstanding trade receivables turning into bad debts. Our Directors are of the view that the remaining trade receivables are recoverable and no further provision for impairment is required after taking into consideration of our relationship with these customers as well as our efforts to improve collection and implement various credit control measures to reduce exposure of credit risk to our Group.

11. FINANCIAL INFORMATION (Cont'd)

11.4.2 Trade payables

A summary of our trade payables for the Financial Years and Period Under Review is set out below:

	Audited			
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
Cost of sales	15,687	26,882	34,483	33,229
Average trade payables	3,477	5,938	8,823	11,221
Trade payables turnover period (days) ⁽¹⁾	81	81	93	72

Note:

(1) Computed based on average trade payables for the respective financial years/period (excluding retention sums) over cost of sales for the respective financial years/period multiplied by 365/212 days for each financial years/period.

The normal payment period granted to us by our trade payable ranges from 30 days to 120 days for the FYE 2022, cash on delivery to 120 days for the FYE 2023, cash on delivery to 135 days for the FYE 2024 and cash on delivery to 150 days for the FPE 2025. Our trade payables turnover period for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 were 81 days, 81 days, 93 days and 72 days, respectively, which is within the payment period granted to us. We have not experienced any disruptions in supplies from our subcontractors and suppliers for the Financial Years and Period Under Review.

The ageing analysis of our trade payables as at 31 July 2025 and the subsequent payments up to the LPD are set out below:

	Within credit period RM'000	<-----Exceed credit period by----->				Total RM'000
		1 – 30 days RM'000	31 – 60 days RM'000	61 – 90 days RM'000	> 90 days RM'000	
Trade payables	6,686	2,728	1,258	890	1,535	13,097
Less: Retention sum	(788)	(24)	-	-	(35)	(847)
Net trade payables	5,898	2,704	1,258	890	1,500	12,250
% of total net trade payables	48.15	22.07	10.27	7.27	12.24	100.00
Subsequent payments up to the LPD	3,525	2,612	1,227	820	1,338	9,522
Outstanding net trade payables	2,373	92	31	70	162	2,728

Up to the LPD we have settled RM9.52 million or 77.73% of the total net trade payables which were outstanding as at 31 July 2025.

There was no matter in dispute with respect to trade payables, as well as no legal action initiated by any of our suppliers and/or subcontractors to demand for payment for the Financial Years and Period Under Review.

11. FINANCIAL INFORMATION (Cont'd)**11.4.3 Current ratio**

A summary of our current ratio for the Financial Years and Period Under Review is set out below:

	Audited			
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
Current assets	19,574	26,410	43,105	71,349
Current liabilities	17,240	21,375	33,153	46,520
Current ratio (times)	1.14	1.24	1.30	1.53

Current ratio measures the liquidity position of our Group to meet our short-term obligations. The liquidity position of our Group has been manageable as reflected in the current ratio for the Financial Years and Period Under Review.

Our current ratio has increased from 1.14 times as at 31 December 2022 to 1.24 times as at 31 December 2023. This was mainly attributable to the following:

- (i) increase in contract asset mainly due to higher amount of work performed for the internal piping systems works of Penang Factory Project and Selangor Food Manufacturing Facility Project pending certification as at the year end; and
- (ii) increase in fixed deposit with licensed banks due to higher internally generated funds contributed by our business growth in the FYE 2023.

Our current ratio has increased from 1.24 times as at 31 December 2023 to 1.30 times as at 31 December 2024. This was mainly attributable to the increase in trade receivables arising from higher revenue recorded for the FYE 2024.

Our current ratio has increased from 1.30 times as at 31 December 2024 to 1.53 times as at 31 July 2025. This was mainly attributable to the increase in fixed deposit with licensed bank due to internally generated funds contributed by our business growth in the FPE 2025.

11.4.4 Gearing ratio

A summary of our gearing ratio for the Financial Years and Period Under Review is set out below:

	Audited			
	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
Total loans and borrowings	6,680	4,485	4,679	6,519
Shareholders' equity	10,647	15,028	14,665	29,844
Gearing ratio (times)	0.63	0.30	0.32	0.22

Our gearing ratio has decreased from 0.63 times as at 31 December 2022 to 0.30 times as at 31 December 2023 mainly due to the repayment of term loans and bankers' acceptance in the FYE 2023 as well as improvement in our shareholders' equity.

Our gearing ratio increased slightly from 0.30 times as at 31 December 2023 to 0.32 times as at 31 December 2024 mainly due to the increase in the hire purchase liabilities arising from addition of motor vehicles, hydraulic excavators and backhoe loaders to support our business expansion during the FYE 2024.

Our gearing ratio decreased from 0.32 times as at 31 December 2024 to 0.22 times as at 31 July 2025 mainly due to the increase in the shareholders' equity arising from the improvement in the financial performance for the FPE 2025.

11. FINANCIAL INFORMATION (Cont'd)**11.5 TREND INFORMATION**

As at the LPD, to the best of the knowledge and belief of our Board, the financial conditions and operations of our Group have not been and are not expected to be affected by any of the following:

- (a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those discussed in this section and in Sections 6 and 8 of this Prospectus;
- (b) material commitment for capital expenditure save as disclosed in Section 11.3.8 of this Prospectus;
- (c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save for those that had been disclosed in this section and in Sections 6 and 8 of this Prospectus;
- (d) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our revenue and/or profits, save for those that had been discussed in this section and in Sections 6 and 8 of this Prospectus.
- (e) known circumstances, trends, demands, commitments, events or uncertainties that are reasonably likely to make the historical financial statements not indicative of the future financial performance and position, save for those that had been disclosed in this section and in Sections 6 and 8 of this Prospectus.

11.6 ORDER BOOK

As at the LPD, based on the certified progress billings, our unbilled order book stood at RM120.68 million, which is summarised as follows:

Business activities	RM'000
End-user Premises Piping	117,472
Infrastructure Piping	3,210
Total	120,682

The above unbilled order book is expected to be billed in the following financial years:

	RM'000
FYE 2025 (from LPD up to 31 December 2025)	14,215
FYE 2026	65,967
FYE 2027	32,071
FYE 2028	8,429
Total	120,682

There may be variations from the amount awarded as compared to the final works to be performed resulting from, among others, changes in project requirements, which may take place during the implementation of the project. Barring unforeseen circumstances, the total unbilled order book as at the LPD is envisaged to be billed over the FYE 2025 to FYE 2028.

11. FINANCIAL INFORMATION (Cont'd)**11.7 SIGNIFICANT CHANGES**

There are no significant changes that have occurred, which may have a material effect on our financial position and results subsequent to the FPE 2025 and up to the LPD.

11.8 DIVIDEND POLICY

It is our Directors' policy to allow our shareholders to participate in the profits of our Group as well as leaving adequate reserves for the future growth of our Group.

As at the LPD, our Company has no intention to declare further dividends prior to the Listing. The dividends declared and paid for the Financial Years and Period Under Review and up to the LPD are as follows:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 August 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Dividends declared ⁽¹⁾	2,000	-	10,000	-	12,000
Dividends paid ⁽²⁾	2,000	-	⁽³⁾ 10,000	-	12,000

Notes:

- (1) Dividends declared in respect of the financial years/period.
- (2) Dividends paid during the respective financial years/period.
- (3) The dividend paid during the FYE 2024 amounted to RM10.00 million, of which RM8.82 million was offset with proceeds receivables from disposal of PPE, investment properties and novation of the Investment Agreement to one of our Executive Directors. Please refer to Section 9.1.1 of this Prospectus for further information.

Notwithstanding the above, our Group presently does not have a fixed dividend policy. 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 consideration, among others, the following factors when recommending dividends for approval by our shareholders or when declaring any dividends:

- (i) the availability of adequate reserves and cash flows. As an investment holding company, our income, and therefore our ability to pay dividends, depends on the dividends or other distributions received from our subsidiary;
- (ii) our operating cash flow requirements and financing commitments;
- (iii) our anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans;
- (iv) our Company is solvent as the Act requires;
- (v) any material impact of tax laws and other regulatory requirements; and
- (vi) prior written consent from financial institutions, where required.

However, investors should note that the intention to recommend dividends should not be treated as a legal obligation on our Company to do so. The level of dividends should also not be treated as an indication of our Company's future dividend policy. There can be no assurance that dividends will be paid out in the future or on timing of any dividends that are to be paid in the future. In determining dividends in respect of subsequent financial years, consideration will be given to maximising shareholders' value. There is no dividend restriction being imposed on our Group currently.

In addition, our ability to declare and pay interim dividends as well as to recommend final dividends are subject to the discretion of our Board. We will also need to obtain our shareholders' approval for any final dividend for the year.

No inference should or can be made from any of the statements above as to our actual future profitability and our ability to pay dividends in the future.

11. FINANCIAL INFORMATION (Cont'd)

11.9 REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

ISF GROUP BERHAD
(Registration No.: 202501012740 (1614154-H))
(Incorporated in Malaysia)

**PRO FORMA COMBINED STATEMENTS OF
FINANCIAL POSITION
AS AT 31 JULY 2025**

GRANT THORNTON MALAYSIA PLT
CHARTERED ACCOUNTANTS
Member Firm of Grant Thornton International Ltd

11. FINANCIAL INFORMATION (Cont'd)

**REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF THE PRO FORMA COMBINED
STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025**

(Prepared for inclusion in the Prospectus)

Date: 10 December 2025

The Board of Directors
ISF Group Berhad
763, Taman Anggerik,
Jalan Parit Mesjid,
82000 Pontian, Johor.

Dear Sirs,

**ISF GROUP BERHAD ("ISF" OR "THE COMPANY")
REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF
FINANCIAL POSITION AS AT 31 JULY 2025**

We have completed our assurance engagement to report on the compilation of the Pro Forma Combined Statements of Financial Position of the Company, namely ISF Group Berhad, and its combining entity (collectively known as the "ISF Group" or "the Group") as at 31 July 2025, together with the notes and assumptions thereto (which we have stamped for the purpose of identification), which have been compiled and prepared by the Directors of the Company for inclusion in the prospectus of the Company ("Prospectus") in connection with the initial public offering ("IPO") and the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Listing").

The applicable criteria on the basis of which the Board of Directors has compiled the Pro Forma Combined Statements of Financial Position are described in the notes to the Pro Forma Combined Statements of Financial Position. The Pro Forma Combined Statements of Financial Position is prepared in accordance with the requirements of Chapter 9 of the Prospectus Guidelines - Equity 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.

The Pro Forma Combined Statements of Financial Position as at 31 July 2025 have been compiled by the Directors of the Company to illustrate the effects of the IPO and Listing on the financial position of the Group had the IPO and Listing have been implemented and completed on 31 July 2025. As part of this process, information about the Group's Combined Statements of Financial Position have been extracted by the Directors of the Company from the Group's audited combined financial statements for the financial period ended 31 July 2025, on which was reported by us to the Directors of ISF Group on 10 December 2025 without any modification.

Grant Thornton Malaysia PLT
Suite 28.01, 28th Floor
Menara Zurich
No. 15, Jalan Dato' Abdullah Tahir
80300 Johor Bahru, Johor
Malaysia

T +607 332 8335

11. FINANCIAL INFORMATION (Cont'd)**Directors' Responsibilities for the Pro Forma Combined Statements of Financial Position**

The Directors of the Company are responsible for compiling the Pro Forma Combined Statements of Financial Position as at 31 July 2025 on the basis set out in the notes to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

Our Independence and Quality Control

We are independent 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 of 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 ("ISQM") 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to express an opinion about whether the Pro Forma Combined Statements of Financial Position have been properly compiled, in all material respect, by the Directors on the basis set out in the notes to the Pro Forma Combined Statements of Financial Position.

We conducted our engagement in accordance with *International Standard on Assurance Engagements ("ISAE") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus"*, issued by International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Combined Statements of Financial Position on the basis set out in the notes to the Pro Forma Combined Statements of Financial Position.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the Pro Forma Combined 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 Combined Statements of Financial Position.

The purpose of the Pro Forma Combined Statements of Financial Position included in the Prospectus is solely to illustrate the impact as if the events had occurred or the transactions 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.

11. FINANCIAL INFORMATION (Cont'd)**Our Responsibilities (Cont'd)**

A reasonable assurance engagement to report on whether the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes to the Pro Forma Combined Statements of Financial Position, involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Combined Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions enumerated in the notes thereto, and to obtain sufficient appropriate evidence about whether:-

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Combined 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 event or transaction in respect of which the Pro Forma Combined Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Combined 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 Combined Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes to the Pro Forma Combined Statements of Financial Position and in accordance with requirements of the Prospectus Guidelines.

Other Matter

This letter has been prepared at your request for inclusion in the Prospectus in connection with the IPO and Listing. It is not intended to be used for any other purposes. 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,

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

WONG WEN TAK
(NO: 03043/04/2027 J)
CHARTERED ACCOUNTANT

Johor Bahru
10 December 2025

11. FINANCIAL INFORMATION (Cont'd)

ISF GROUP BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025

	<u>Note</u>	<u>As at 31 July 2025</u> RM	<u>Adjustments for Material Subsequent Events</u> RM	<u>Pro Forma I</u> RM	<u>Adjustments for Public Issue</u> RM	<u>Pro Forma II</u> RM	<u>Adjustments for Utilisation of Proceeds</u> RM	<u>Pro Forma III</u> RM
ASSETS								
Non-current assets								
Property, plant and equipment		8,251,483		8,251,483		8,251,483		8,251,483
Deferred tax assets		67,131		67,131		67,131		67,131
Total non-current assets		8,318,614		8,318,614		8,318,614		8,318,614
Current assets								
Trade receivables		17,862,685		17,862,685		17,862,685		17,862,685
Other receivables	5.1	1,395,468		1,395,468		1,395,468	(496,731)	898,737
Prepayment	5.2	2,046,339		2,046,339		2,046,339	(1,678,075)	368,264
Contract assets		14,958,158		14,958,158		14,958,158		14,958,158
Fixed deposits with licensed banks	5.3	30,666,144	(12,000,000)	18,666,144		18,666,144		18,666,144
Cash and bank balances	5.4	4,421,254		4,421,254	61,148,670	65,569,924	(4,276,925)	61,292,999
Total current assets		71,350,048		59,350,048		120,498,718		114,046,987
Non-current asset classified as held for sale		102,828		102,828		102,828		102,828
Total assets		79,771,490		67,771,490		128,920,160		122,468,429
EQUITY AND LIABILITIES								
EQUITY								
Equity attributable to owners of Company								
Share capital	5.5	1,000	14,664,600	14,665,600	61,148,670	75,814,270	(1,904,338)	73,909,932
Invested equity	5.6	1,000,000	(1,000,000)	-		-		-
Merger deficit		-	(13,664,600)	(13,664,600)		(13,664,600)		(13,664,600)
Retained profits	5.7	28,843,102	(12,000,000)	16,843,102		16,843,102	(2,776,482)	14,066,620
Total equity		29,844,102		17,844,102		78,992,772		74,311,952



11. FINANCIAL INFORMATION (Cont'd)

ISF GROUP BERHAD
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

	Note	As at 31 July 2025 RM	Adjustments for Material Subsequent Events RM	Pro Forma I RM	Adjustments for Public Issue RM	Pro Forma II RM	Adjustments for Utilisation of Proceeds RM	Pro Forma III RM
EQUITY AND LIABILITIES (CONT'D)								
LIABILITIES								
Non-current liability								
Loans and borrowings	5.8	3,406,514		3,406,514		3,406,514	(1,129,449)	2,277,065
Total non-current liability		3,406,514		3,406,514		3,406,514		2,277,065
Current liabilities								
Trade payables		13,097,086		13,097,086		13,097,086		13,097,086
Other payables	5.9	2,256,729		2,256,729		2,256,729	(570,911)	1,685,818
Contract liabilities		23,570,545		23,570,545		23,570,545		23,570,545
Tax payables		4,482,548		4,482,548		4,482,548		4,482,548
Lease liabilities		1,641		1,641		1,641		1,641
Loans and borrowings	5.8	3,112,325		3,112,325		3,112,325	(70,551)	3,041,774
Total current liabilities		46,520,874		46,520,874		46,520,874		45,879,412
Total liabilities		49,927,388		49,927,388		49,927,388		48,156,477
Total equity and liabilities		79,771,490		67,771,490		128,920,160		122,468,429
Issued ordinary share capital (Unit)	5.5	1,000	814,700,000	814,701,000	185,299,000	1,000,000,000		1,000,000,000
Net assets per share (RM)		29,844.10		0.02		0.08		0.07
Borrowings		6,518,839		6,518,839		6,518,839	(1,200,000)	5,318,839
Gearing ratio (times) ⁽¹⁾		0.22		0.37		0.08		0.07

Note:

(1) Computed based on total borrowings excluding lease liabilities arising from right-of-use assets divided by total equity.



11. FINANCIAL INFORMATION (Cont'd)**ISF GROUP BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025****1. Introduction**

The Pro Forma Combined Statements of Financial Position of ISF Group Berhad (“ISF” or “the Company”) and its combining entity (collectively referred to as “ISF Group” or “the Group”) as at 31 July 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 IPO and Listing and should not be relied upon for any other purposes.

The applicable criteria in the preparation of the Pro Forma Combined Statements of Financial Position are in accordance with Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma Combined Statements of Financial Position together with the related notes thereon, have been prepared solely to illustrate the impact of events and transactions set out in Note 3 to the Pro Forma Combined Statements of Financial Position had the events occurred or transactions been undertaken on 31 July 2025. The Pro Forma Combined 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, nor do they predict the Group's financial position.

2. Basis of Preparation

The Pro Forma Combined Statements of Financial Position of the Group is prepared based on the audited combined financial statements of the Group for the financial period ended 31 July 2025, which was prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and IFRS Accounting Standards, 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 Combined Statements of Financial Position were not subject to any audit qualification or emphasis of matters.

Merger method of accounting

A business combination involving entities under common control occurs when all the combining entities or subsidiaries are ultimately controlled by the same party or parties, both before and after combination, and that such 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 has been effected throughout the current period and previous financial years. The assets 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 differences between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to merger reserves or merger deficit.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs.



11. FINANCIAL INFORMATION (Cont'd)**ISF GROUP BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)****3. Listing Scheme**

In conjunction with, and as an integral part of the Listing, ISF Group has implemented and intends to undertake, amongst others, the following plans as part of the overall listing scheme:-

3.1 Material Subsequent Events**(i) Dividend Declaration**

In respect of the financial year ending 31 December 2025, the combining entity, Yeo Plumber Sdn. Bhd. ("YPSB") declared a first interim single tier dividend of RM12.00 per ordinary share totalling RM12,000,000 on 1 October 2025. The dividend was paid on 2 October 2025, 6 October 2025 and 8 October 2025, and was funded via internally generated funds.

(ii) Acquisition of YPSB

On 28 May 2025, the Company entered into a conditional share sale agreement to acquire the entire share capital of YPSB of RM1,000,000 comprising 1,000,000 ordinary shares from the vendors of YPSB for total purchase consideration of RM14,664,600 which has been fully satisfied via issuance of 814,700,000 new ordinary shares in the Company at an issue price of RM0.018 per share, to the vendors on 13 November 2025. The purchase consideration of YPSB was arrived at on a "willing-buyer willing-seller basis", after taking into consideration the audited net assets position of YPSB as at 31 December 2024 of RM14,664,611.

3.2 Initial Public Offering ("IPO")

ISF will undertake an IPO comprising the Public Issue of 185,299,000 Issue Shares and Offer for Sale of 90,000,000 Offer Shares, at RM0.33 per Shares, as follows:-

(i) Public Issue

A total of 185,299,000 new ordinary shares in ISF ("Issue Shares"), representing approximately 18.53% of the enlarged issued share capital of the Company will be issued at an issue price of RM0.33 per Share to raise gross proceeds of RM61,148,670. The 185,299,000 Issue Shares will be allocated in the following manner:-

- (a) 50,000,000 Issue Shares, representing approximately 5.00% of the enlarged number of issued Shares, will be made available for application by Malaysian Public through a balloting process, of which at least 50% is to be set aside strictly for Bumiputera investors;
- (b) 15,000,000 Issue Shares, representing approximately 1.50% of the enlarged number of issued Shares, will be made available for the application by the Eligible Persons;
- (c) 85,299,000 Issue Shares, representing approximately 8.53% of the enlarged number of issued Shares, will be made available by way of private placement to selected investors; and
- (d) 35,000,000 Issue Shares, representing approximately 3.50% of the enlarged number of issued Shares, will be made available by way of private placement to selected Bumiputera investors approved by Ministry of Investment, Trade and Industry of Malaysia.



11. FINANCIAL INFORMATION (Cont'd)

ISF GROUP BERHAD

**NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**

3. Listing Scheme (Cont'd)

3.2 Initial Public Offering ("IPO") (Cont'd)

ISF will undertake an IPO comprising the Public Issue of 185,299,000 Issue Shares and Offer for Sale of 90,000,000 Offer Shares, at RM0.33 per Shares, as follows (cont'd):-

(ii) Offer for Sale

The offer for sale of 90,000,000 existing ordinary shares in the Company ("Offer Shares") by the existing shareholders, representing 9.00% of the enlarged issued share capital of the Company, at an offer price of RM0.33 per Offer Share, by way of private placement to selected Bumiputera investors approved by Ministry of Investment, Trade and Industry of Malaysia.

The Offer for Sale does not have any impact on the Pro Forma Combined Statements of Financial Position as at 31 July 2025.

3.3 Listing

The admission of the Company to the Official List of Bursa Malaysia Securities Berhad ("Bursa Securities") and the listing and quotation of the entire enlarged issued share capital of RM75,814,270, comprising 1,000,000,000 Shares, on the ACE Market of Bursa Securities.

4. Pro Forma Adjustments

4.1 Pro Forma I

Pro Forma I incorporates the effects of the material subsequent events as set out in Note 3.1 to the Pro Forma Combined Statements of Financial Position.

4.2 Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I, and the Public Issue as set out in Note 3.2 to the Pro Forma Combined Statements of Financial Position.

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11. FINANCIAL INFORMATION (Cont'd)**ISF GROUP BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)****4. Pro Forma Adjustments (Cont'd)****4.3 Pro Forma III**

Pro Forma III incorporates the effects of Proforma II and the utilisation of proceeds from the Public Issue. The proceeds from the Public Issue will be utilised as follows:-

Details of use of proceeds	Estimated timeframe for use from the date of Listing	RM'000
Capital expenditure ⁽ⁱ⁾		
- Establish and expand operational facilities	Within 36 months	11,350
- Develop the existing business activities	Within 24 months	2,050
Expand workforce	Within 24 months	1,850
Working capital	Within 24 months	39,899
Loan repayments ⁽ⁱⁱ⁾	Within 6 months	1,200
Estimated listing expenses ⁽ⁱⁱⁱ⁾	Within 3 months	4,800
Total estimated proceeds		61,149

Notes:-

Capital expenditure

- (i) As at 9 December 2025, being the latest practicable date (“LPD”) of the Prospectus, the Group has yet to enter into any contractual binding arrangements or issue any purchase orders in relation to the planned capital expenditure. Accordingly, the use of proceeds earmarked for capital expenditure is not reflected in the Pro Forma Combined Statements of Financial Position and will remain in the cash and bank balances.

Loan repayments

- (ii) RM1,200,000 has been earmarked for the purpose of repayment of existing term loans. For the purpose of presentation of the Pro Forma Combined Statements of Financial Position, the pro forma adjustments only reflect the amounts earmarked for the repayment of term loans amounting to RM1,200,000, of which RM1,129,449 and RM70,551 is adjusted under non-current liability and current liabilities, respectively.

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11. FINANCIAL INFORMATION (Cont'd)**ISF GROUP BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)****4. Pro Forma Adjustments (Cont'd)****4.3 Pro Forma III (Cont'd)**

Notes (Cont'd):-

Estimated listing expenses

(iii) The estimated listing expenses comprise the followings:-

	<u>Amount</u> RM'000
Professional fees	2,750
Underwriting, placement and brokerage fees	1,574
Fees to authorities	86
Printing, advertising fees and contingencies	390
Total	4,800

The total estimated listing expenses to be borne by the Company is estimated to be RM4,800,000. As at 31 July 2025, RM119,180 has been incurred and charged to the profit or loss account.

For the remaining estimated listing expenses of RM4,680,820, RM1,678,075 has been recognised as prepayment and RM496,731 has been recognised as deferred expenses. Upon completion of the IPO and listing, RM1,904,338 which is expected to be directly attributable to the Public Issue will be set-off against the equity and RM2,776,482 is expected to be charged to the profit or loss account. The apportionment is disclosed in Notes 5.5 and 5.7 respectively.

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

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11. FINANCIAL INFORMATION (Cont'd)**ISF GROUP BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)****5. Effects on the Pro Forma Combined Statements of Financial Position****5.1 Other Receivables**

The movements of other receivables are as follows:-

	<u>Amount</u> RM
As at 31 July 2025 and as per Pro Forma I and II Pursuant to Use of Proceeds from the Public Issue	1,395,468
- Deferred expenses relating to listing expenses charge to share capital and retained earnings (Note 4.3(iii))	<u>(496,731)</u>
As per Pro Forma III	<u><u>898,737</u></u>

5.2 Prepayment

The movements of prepayment are as follows:-

	<u>Amount</u> RM
As at 31 July 2025 and as per Pro Forma I and II Pursuant to Use of Proceeds from the Public Issue	2,046,339
- Prepayment relating to listing expenses charge to share capital and retained earnings (Note 4.3(iii))	<u>(1,678,075)</u>
As per Pro Forma III	<u><u>368,264</u></u>

5.3 Fixed Deposits with Licensed Banks

The movements of fixed deposits with licensed banks are as follows:-

	<u>Amount</u> RM
As at 31 July 2025	30,666,144
Dividend paid (Note 4.1)	<u>(12,000,000)</u>
As per Pro Forma I, II and III	<u><u>18,666,144</u></u>



11. FINANCIAL INFORMATION (Cont'd)

ISF GROUP BERHAD

**NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**

5. Effects on the Pro Forma Combined Statements of Financial Position (Cont'd)

5.4 Cash and Bank Balances

The movements of cash and bank balances are as follows:-

	<u>Amount</u> RM
As at 31 July 2025 and as per Pro Forma I Pursuant to Public Issue (Note 4.2)	4,421,254 <u>61,148,670</u>
As per Pro Forma II Pursuant to Use of Proceeds from the Public Issue	65,569,924
- Estimated listing expenses (Note 4.3(iii))	(3,076,925)
- Repayment of loans and borrowings (Note 4.3(ii))	<u>(1,200,000)</u>
As per Pro Forma III	<u><u>61,292,999</u></u>

5.5 Share Capital

The movements of the share capital are as follows:-

	<u>No. of Shares</u> Unit	<u>Amount</u> RM
As at 31 July 2025	1,000	1,000
Acquisition of YPSB (Note 4.1)	<u>814,700,000</u>	<u>14,664,600</u>
As per Pro Forma I	814,701,000	14,665,600
Pursuant to Public Issue (Note 4.2)	<u>185,299,000</u>	<u>61,148,670</u>
As per Pro Forma II Pursuant to Use of Proceeds from the Public Issue	1,000,000,000	75,814,270
- Portion of estimated listing expenses set-off against share capital (Note 4.3(iii))	<u>-</u>	<u>(1,904,338)</u>
As per Pro Forma III	<u><u>1,000,000,000</u></u>	<u><u>73,909,932</u></u>

5.6 Invested Equity

The movements of the invested equity are as follows:-

	<u>No. of Shares</u> Unit	<u>Amount</u> RM
As at 31 July 2025	1,000,000	1,000,000
Acquisition of YPSB (Note 4.1)	<u>(1,000,000)</u>	<u>(1,000,000)</u>
As per Pro Forma I, II and III	<u><u>-</u></u>	<u><u>-</u></u>



11. FINANCIAL INFORMATION (Cont'd)**ISF GROUP BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)****5. Effects on the Pro Forma Combined Statements of Financial Position (Cont'd)****5.7 Retained Profits**

The movements of the retained profits are as follows:-

	<u>Amount</u> RM
As at 31 July 2025	28,843,102
Dividend paid (Note 4.1)	<u>(12,000,000)</u>
As per Pro Forma I and Pro Forma II	16,843,102
Pursuant to Use of Proceeds from the Public Issue - Portion of estimated listing expenses set-off against profit or loss (Note 4.3(iii))	<u>(2,776,482)</u>
As per Pro Forma III	<u><u>14,066,620</u></u>

5.8 Loans and Borrowings

The movements of the loans and borrowings are as follows:-

	<u>Non- current</u> RM	<u>Current</u> RM	<u>Amount</u> RM
As at 31 July 2025 and as per Pro Forma I and II	3,406,514	3,112,325	6,518,839
Pursuant to Use of Proceeds from the Public Issue - Repayment of loans and borrowings (Note 4.3(ii))	<u>(1,129,449)</u>	<u>(70,551)</u>	<u>(1,200,000)</u>
As per Pro Forma III	<u><u>2,277,065</u></u>	<u><u>3,041,774</u></u>	<u><u>5,318,839</u></u>

5.9 Other Payables

The movements of the other payables are as follows:-

	<u>Amount</u> RM
As at 31 July 2025 and as per Pro Forma I and II	2,256,729
Pursuant to Use of Proceeds from the Public Issue - Payment of listing expenses (Note 4.3(iii))	<u>(570,911)</u>
As per Pro Forma III	<u><u>1,685,818</u></u>

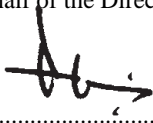


11. FINANCIAL INFORMATION (Cont'd)


APPROVAL BY BOARD OF DIRECTORS

The Pro Forma Combined Statements of Financial Position have been approved for issue in accordance with a resolution of the Board of Directors of ISF Group Berhad on 10 December 2025.

Signed on behalf of the Directors,



.....
AI BOON CHEN



.....
LIM AY YUM

Johor Bahru
10 December 2025

12. ACCOUNTANTS' REPORT

ISF Group Berhad
(Registration No: 202501012740 (1614154-H))
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT
FOR THE FINANCIAL YEARS ENDED
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND
FINANCIAL PERIOD ENDED 31 JULY 2025

GRANT THORNTON MALAYSIA PLT

CHARTERED ACCOUNTANTS

Member Firm of Grant Thornton International Ltd.

12. ACCOUNTANTS' REPORT (Cont'd)

Date: 10 December 2025

The Board of Directors
ISF Group Berhad
 763, Taman Anggerik,
 Jalan Parit Mesjid,
 82000 Pontian,
 Johor.

Grant Thornton Malaysia PLT
 Suite 28.01, 28th Floor
 Menara Zurich
 No. 15, Jalan Dato' Abdullah Tahir
 80300 Johor Bahru, Johor
 Malaysia
 T +607 332 8335

Dear Sirs,

Reporting Accountants' Opinion On The Financial Information Contained In The Accountants' Report of ISF Group Berhad ("the Company")

Opinion

We have audited the accompanying combined financial statements ("Financial Information") of the Company and of its subsidiary, namely Yeo Plumber Sdn. Bhd. (collectively known as "the Group") which comprises the combined statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 July 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 for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and financial period ended 31 July 2025 and material accounting policy information and other explanatory notes, as set out on pages 4 to 69. The Financial Information of the Group has been prepared for inclusion in the prospectus of the Company in connection with the listing and quotation of the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). This report is prepared for the purpose of complying with Chapter 10, Part II Division 1, Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia ("SC") and for no other purposes.

In our opinion, the accompanying Financial Information give a true and fair view of the combined financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 July 2025, and of their combined financial performance and their combined cash flows for the financial years/period ended in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Reporting Accountants' Responsibility 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 for our audit 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.

12. ACCOUNTANTS' REPORT (Cont'd)*Directors' Responsibility for the Financial Information*

The Directors of the Company are responsible for the preparation of the Financial Information of the Group that give a true and fair view in accordance with the Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of Financial Information of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the 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 cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibility for the Audit of the 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 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountants' report to the related disclosures in the 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.

12. ACCOUNTANTS' REPORT (Cont'd)*Reporting Accountants' Responsibility for the Audit of the 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 overall presentation, structure and content of the Financial Information of the Group, including the disclosures, and whether the Financial Information of the Group represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the Financial Information of the Group or business units within the Group as a basis for forming an opinion on the Financial Information of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicated 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.

Restriction on Distribution and Use

This report is made solely to comply the Prospectus Guidelines – Equity issued by the SC, ACE Market Listing Requirements issued by Bursa Securities and for inclusion in the prospectus of the Company in relation to the listing and quotation of the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

WONG WEN TAK
(NO: 03043/04/2027(J))
CHARTERED ACCOUNTANT

JOHOR BAHRU
10 DECEMBER 2025

12. ACCOUNTANTS' REPORT (Cont'd)

ISF Group Berhad
(Registration No. 202501012740 (1614154-H))
(Incorporated in Malaysia)

COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025, 31 DECEMBER 2024, 31 DECEMBER 2023 AND 31 DECEMBER 2022

	Note	31.7.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	8,251,483	4,310,576	3,050,744	2,365,690
Investment properties	4	-	3,085,940	9,051,572	9,054,143
Other receivables	5	-	-	1,440,819	1,500,000
Deferred tax assets	6	67,131	169,869	35,329	-
Total non-current assets		8,318,614	7,566,385	13,578,464	12,919,833
Current assets					
Trade receivables	7	17,862,685	19,562,865	9,305,050	7,310,837
Other receivables	5	1,395,468	506,178	801,412	1,542,303
Prepayment		2,046,339	1,146,450	9,503	37,636
Contract assets	8	14,958,158	10,954,613	5,969,257	3,518,393
Tax recoverable		-	-	-	186,481
Fixed deposits with licensed banks	9	30,666,144	9,136,511	8,735,760	6,059,091
Cash and bank balances	10	4,421,254	1,798,379	1,588,862	919,334
Total current assets		71,350,048	43,104,996	26,409,844	19,574,075
Non-current asset classified as held for sale	11	102,828	102,828	-	-
Total assets		79,771,490	50,774,209	39,988,308	32,493,908
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	1,000	-	-	-
Invested equity	12	1,000,000	1,000,000	1,000,000	1,000,000
Retained profits		28,843,102	13,664,611	14,028,523	9,647,152
Total equity		29,844,102	14,664,611	15,028,523	10,647,152
LIABILITIES					
Non-current liabilities					
Lease liabilities	13	-	6,809	18,069	45,185
Loans and borrowings	14	3,406,514	2,949,471	3,566,843	4,533,690
Deferred tax liabilities	6	-	-	-	28,270
Total non-current liabilities		3,406,514	2,956,280	3,584,912	4,607,145
Current liabilities					
Trade payables	15	13,097,086	10,360,922	7,608,900	4,524,079
Other payables	16	2,256,729	1,464,806	1,816,053	9,597,140
Contract liabilities	8	23,570,545	17,869,433	9,916,501	894,459
Tax payables		4,482,548	1,697,832	1,088,721	-
Lease liabilities	13	1,641	29,881	27,116	78,358
Loans and borrowings	14	3,112,325	1,730,444	917,582	2,145,575
Total current liabilities		46,520,874	33,153,318	21,374,873	17,239,611
Total liabilities		49,927,388	36,109,598	24,959,785	21,846,756
Total equity and liabilities		79,771,490	50,774,209	39,988,308	32,493,908

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF Group Berhad
(Registration No. 202501012740 (1614154-H))
(Incorporated in Malaysia)

**COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 AND FOR THE
FINANCIAL YEARS ENDED 31 DECEMBER 2024, 31 DECEMBER 2023 AND 31 DECEMBER 2022**

		1.1.2025 to 31.7.2025	1.1.2024 to 31.7.2024	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022
	Note	Audited RM	Unaudited RM	Audited RM	Audited RM	Audited RM
Revenue	17	59,515,528	29,909,007	54,669,618	38,704,710	21,573,348
Cost of sales		<u>(33,228,915)</u>	<u>(18,059,651)</u>	<u>(34,483,421)</u>	<u>(26,881,533)</u>	<u>(15,686,917)</u>
Gross profit		26,286,613	11,849,356	20,186,197	11,823,177	5,886,431
Other operating income		467,731	766,225	1,526,971	703,270	518,411
General and administrative expenses		(5,625,265)	(4,095,808)	(7,681,728)	(5,452,184)	(4,282,105)
Other operating expenses		<u>(703,246)</u>	<u>(381,642)</u>	<u>(963,968)</u>	<u>(909,525)</u>	<u>(251,734)</u>
Operating profit		20,425,833	8,138,131	13,067,472	6,164,738	1,871,003
Finance costs		<u>(213,159)</u>	<u>(206,431)</u>	<u>(366,374)</u>	<u>(421,757)</u>	<u>(486,212)</u>
Profit before tax	18	20,212,674	7,931,700	12,701,098	5,742,981	1,384,791
Income tax expense	19	<u>(5,034,183)</u>	<u>(1,963,494)</u>	<u>(3,065,010)</u>	<u>(1,361,610)</u>	<u>(451,978)</u>
Profit for the financial period/years, representing total comprehensive income for the period/years		<u>15,178,491</u>	<u>5,968,206</u>	<u>9,636,088</u>	<u>4,381,371</u>	<u>932,813</u>
Earnings per share						
- Basic (RM)	21	<u>15.16</u>	<u>5.97</u>	<u>9.64</u>	<u>4.38</u>	<u>0.93</u>
- Diluted (RM)	21	<u>15.16</u>	<u>5.97</u>	<u>9.64</u>	<u>4.38</u>	<u>0.93</u>

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF Group Berhad
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(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 AND FOR THE
FINANCIAL YEARS ENDED 31 DECEMBER 2024, 31 DECEMBER 2023 AND 31 DECEMBER 2022**

			← Attributable to owners →		
	<u>Note</u>	<u>Share capital</u> RM	<u>Invested equity</u> RM	<u>Retained profits</u> RM	<u>Total equity</u> RM
<u>Audited</u>					
Balance at 1 January 2022		-	1,000,000	10,714,339	11,714,339
Profit and total comprehensive income for the year		-	-	932,813	932,813
Transaction with owners:-					
Dividends	22	-	-	(2,000,000)	(2,000,000)
Balance at 31 December 2022/1 January 2023		-	1,000,000	9,647,152	10,647,152
Profit and total comprehensive income for the year		-	-	4,381,371	4,381,371
Balance at 31 December 2023/1 January 2024		-	1,000,000	14,028,523	15,028,523
Profit and total comprehensive income for the year		-	-	9,636,088	9,636,088
Transaction with owners:-					
Dividends	22	-	-	(10,000,000)	(10,000,000)
Balance at 31 December 2024/1 January 2025		-	1,000,000	13,664,611	14,664,611
Transaction with owners:-					
Issuance of ordinary shares		1,000	-	-	1,000
Profit and total comprehensive income for the period		-	-	15,178,491	15,178,491
Balance at 31 July 2025		<u>1,000</u>	<u>1,000,000</u>	<u>28,843,102</u>	<u>29,844,102</u>
<u>Unaudited</u>					
Balance at 1 January 2024		-	1,000,000	14,028,523	15,028,523
Profit and total comprehensive income for the period		-	-	5,968,206	5,968,206
Balance at 31 July 2024		<u>-</u>	<u>1,000,000</u>	<u>19,996,729</u>	<u>20,996,729</u>

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF Group Berhad
(Registration No. 202501012740 (1614154-H))
(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 AND FOR THE
FINANCIAL YEARS ENDED 31 DECEMBER 2024, 31 DECEMBER 2023 AND 31 DECEMBER 2022**

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
OPERATING ACTIVITIES					
Profit before tax	20,212,674	7,931,700	12,701,098	5,742,981	1,384,791
Adjustments for:-					
Bad debt written off	-	-	-	-	1,740
Depreciation of property, plant and equipment	519,123	314,971	648,174	413,313	227,722
Depreciation of investment properties	-	1,499	2,571	2,571	2,571
Gain on disposal of property, plant and equipment	(22,399)	-	(226,297)	-	-
Gain on disposal of investment properties	-	-	(239,767)	-	-
Gain on early termination of lease	(1,338)	(456)	(456)	-	-
Gain on modification of financial asset	-	-	-	(31,892)	-
Interest expenses	213,159	206,431	366,374	421,757	486,212
Interest income from investment	-	(544,436)	(603,578)	(234,081)	-
Net changes in impairment loss on trade receivables	184,123	48,563	292,279	465,354	(208,489)
Other interest income	(381,875)	(113,770)	(292,594)	(276,749)	(91,886)
Reversal of provision for future project losses	-	(8,550)	(8,550)	-	-
Operating profit before changes in working capital	20,723,467	7,835,952	12,639,254	6,503,254	1,802,661
Changes in working capital:-					
Inventories	-	-	-	-	515,108
Receivables	(299,358)	(9,483,098)	(11,716,962)	(1,365,389)	(2,165,489)
Payables	3,533,440	728,011	2,411,482	(4,696,266)	10,208,548
Contract assets	(4,003,545)	(4,761,806)	(4,985,356)	(2,450,864)	(809,955)
Contract liabilities	5,701,112	5,433,005	7,952,932	9,022,042	52,957
Cash generated from/(used in) operations	25,655,116	(247,936)	6,301,350	7,012,777	9,603,830
Tax paid	(2,146,729)	(251,161)	(2,590,438)	(347,675)	(400,290)
Tax refunded	-	-	-	197,668	-
Net cash generated from/(used in) operating activities	23,508,387	(499,097)	3,710,912	6,862,770	9,203,540
INVESTING ACTIVITIES					
Acquisition of property, plant and equipment	A (249,792)	(252,767)	(417,050)	(388,767)	(224,083)
Interest received	381,875	113,770	292,594	276,749	91,886
Investment in project development	5 -	-	-	-	(300,000)
Placement of fixed deposits	(95,000)	(456,500)	(456,500)	(1,113,313)	(250,200)
Proceeds from disposal of property, plant and equipment	32,000	-	1,000	-	-
Withdrawal of fixed deposits	-	1,033,295	948,463	-	-
Net cash generated from/(used in) investing activities	69,083	437,798	368,507	(1,225,331)	(682,397)
FINANCING ACTIVITIES					
Dividends paid	D -	-	(1,180,449)	-	(2,000,000)
Issuance of shares	1,000	-	-	-	-
Interest paid	(213,159)	(206,431)	(366,374)	(421,757)	(486,212)
Repayment of principal portion of lease liabilities	B (18,110)	(55,263)	(78,298)	(78,358)	(39,885)
Proceeds from loans and borrowings	E 9,346,994	3,419,788	7,563,088	2,940,745	2,667,376
Repayment of loans and borrowings	E (8,662,923)	(4,091,090)	(8,915,155)	(5,845,185)	(4,126,857)
Net cash generated from/(used in) financing activities	453,802	(932,996)	(2,977,188)	(3,404,555)	(3,985,578)
CASH AND CASH EQUIVALENTS					
Net changes	24,031,272	(994,295)	1,102,231	2,232,884	4,535,565
At beginning of financial period/year	8,110,403	7,008,172	7,008,172	4,775,288	239,723
At end of financial period/year	C 32,141,675	6,013,877	8,110,403	7,008,172	4,775,288

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF Group Berhad
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COMBINED STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 AND FOR THE
FINANCIAL YEARS ENDED 31 DECEMBER 2024, 31 DECEMBER 2023 AND 31 DECEMBER 2022

NOTES TO THE COMBINED STATEMENTS OF CASH FLOWS

A. ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

	1.1.2025 to <u>31.7.2025</u> Audited RM	1.1.2024 to <u>31.7.2024</u> Unaudited RM	1.1.2024 to <u>31.12.2024</u> Audited RM	1.1.2023 to <u>31.12.2023</u> Audited RM	1.1.2022 to <u>31.12.2022</u> Audited RM
Aggregate cost of property, plant and equipment acquired	1,399,292	1,329,527	2,057,810	1,098,367	490,403
Amount financed under hire purchase	(1,149,500)	(981,400)	(1,545,400)	(709,600)	(195,000)
Addition through increase in lease liabilities	-	(95,360)	(95,360)	-	(71,320)
Amount discharged by cash	249,792	252,767	417,050	388,767	224,083

B. CASH OUTFLOWS FOR LEASES AS A LESSEE

	1.1.2025 to <u>31.7.2025</u> Audited RM	1.1.2024 to <u>31.7.2024</u> Unaudited RM	1.1.2024 to <u>31.12.2024</u> Audited RM	1.1.2023 to <u>31.12.2023</u> Audited RM	1.1.2022 to <u>31.12.2022</u> Audited RM
Included in net cash generated from/(used in) operating activities:-					
Payment relating to short-term leases	399,430	570,572	870,137	965,448	868,497
Included in net cash generated from/(used in) financing activities:-					
Payment of leases liabilities – principal portion	18,110	55,263	78,298	78,358	39,885
Interest paid in relation of lease liabilities	680	2,927	3,542	3,242	3,215
	418,220	628,762	951,977	1,047,048	911,597

C. CASH AND CASH EQUIVALENTS

	<u>31.7.2025</u> Audited RM	<u>31.7.2024</u> Unaudited RM	<u>31.12.2024</u> Audited RM	<u>31.12.2023</u> Audited RM	<u>31.12.2022</u> Audited RM
Cash and bank balances	4,421,254	733,877	1,798,379	1,588,862	919,334
Fixed deposits with licensed banks	30,666,144	8,019,655	9,136,511	8,735,760	6,059,091
	35,087,398	8,753,532	10,934,890	10,324,622	6,978,425
Less: Fixed deposits pledged to licensed banks	(2,945,723)	(2,739,655)	(2,824,487)	(3,316,450)	(2,203,137)
	32,141,675	6,013,877	8,110,403	7,008,172	4,775,288

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF Group Berhad
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COMBINED STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 AND FOR THE
FINANCIAL YEARS ENDED 31 DECEMBER 2024, 31 DECEMBER 2023 AND 31 DECEMBER 2022

NOTES TO THE COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

D. DIVIDENDS

Dividends paid to owners of the Group during the financial year ended 31 December 2024 are used to offset the proceeds from disposal of property, plant and equipment, investment properties and novation of agreement.

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Proceeds receivable from disposal of property, plant and equipment	-	-	351,000	-	-
Proceeds receivable from disposal of investment properties	-	-	6,100,000	-	-
Proceeds receivable from novation of agreement	-	-	2,369,551	-	-
	-	-	8,820,551	-	-
Total proceeds receivable	-	-	8,820,551	-	-
Offsetting with dividends declared and payable	-	-	(8,819,551)	-	-
	-	-	1,000	-	-
Net proceeds received	-	-	1,000	-	-
	-	-	10,000,000	-	2,000,000
Total dividends declared and payable during the year	-	-	10,000,000	-	2,000,000
Offsetting with proceeds receivable from disposal of property, plant and equipment, investment properties and novation of agreement	-	-	(8,819,551)	-	-
	-	-	1,180,449	-	2,000,000
Total dividends paid during the year	-	-	1,180,449	-	2,000,000

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF Group Berhad
(Registration No. 202501012740 (1614154-H))
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COMBINED STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 AND FOR THE
FINANCIAL YEARS ENDED 31 DECEMBER 2024, 31 DECEMBER 2023 AND 31 DECEMBER 2022

NOTES TO THE COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

E. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	←	Loans and borrowings	→		
	Term loans	Bankers' acceptance	Hire purchase liabilities	Lease liabilities	Total
	RM	RM	RM	RM	RM
<u>Audited</u>					
At 1 January 2022	92,108	6,841,511	983,970	118,265	8,035,854
Acquisition of property, plant and equipment	71,320	-	-	195,000	266,320
Additions	-	-	2,667,376	-	2,667,376
Repayments	(39,885)	(1,332,360)	(2,732,728)	(61,769)	(4,166,742)
At 31 December 2022/1 January 2023	123,543	5,509,151	918,618	251,496	6,802,808
Acquisition of property, plant and equipment	-	-	-	709,600	709,600
Additions	-	-	2,940,745	-	2,940,745
Repayments	(78,358)	(1,860,272)	(3,859,363)	(125,550)	(5,923,543)
At 31 December 2023/1 January 2024	45,185	3,648,879	-	835,546	4,529,610
Acquisition of property, plant and equipment	95,360	-	-	1,545,400	1,640,760
Additions	-	-	7,563,088	-	7,563,088
Interest payable	-	-	2,157	-	2,157
Early termination of lease	(25,557)	-	-	-	(25,557)
Repayments	(78,298)	(1,684,790)	(6,888,236)	(342,129)	(8,993,453)
At 31 December 2024/1 January 2025	36,690	1,964,089	677,009	2,038,817	4,716,605
Acquisition of property, plant and equipment	-	-	-	1,149,500	1,149,500
Additions	-	-	9,346,994	-	9,346,994
Interest payable	-	-	5,353	-	5,353
Early termination of lease	(16,939)	-	-	-	(16,939)
Repayments	(18,110)	(462,715)	(7,889,052)	(311,156)	(8,681,033)
At 31 July 2025	1,641	1,501,374	2,140,304	2,877,161	6,520,480
<u>Unaudited</u>					
At 1 January 2024	45,185	3,648,879	-	835,546	4,529,610
Acquisition of property, plant and equipment	95,360	-	-	981,400	1,076,760
Additions	-	-	3,419,788	-	3,419,788
Early termination of lease	(25,557)	-	-	-	(25,557)
Repayments	(55,263)	(824,137)	(3,118,896)	(148,057)	(4,146,353)
At 31 July 2024	59,725	2,824,742	300,892	1,668,889	4,854,248

The accompanying notes form an integral part of the combined financial statements.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF GROUP BERHAD
(Registration No. 202501012740 (1614154-H))
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NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1 Introduction

This report has been prepared solely to comply with Chapter 10, Part II Division 1, Equity of the Prospectus Guidelines as issued by the SC and for inclusion in the prospectus of ISF Group Berhad (“the Company”) in connection with the listing and quotation of the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities (“Listing”) (“Prospectus”) and should not be relied upon for any other purposes.

1.2 Background

ISF Group Sdn Bhd was incorporated in Malaysia under the Companies Act 2016 as a private limited company on 25 March 2025. On 4 June 2025, ISF Group Sdn Bhd was converted to a public limited company and assumed its current name of ISF Group Berhad. The registered office and principal place of business of the Company are as follow:-

Registered office : Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor.

Principal place of business : 763, Taman Anggerik, Jalan Parit Mesjid, 82000 Pontian, Johor.

The principal activities of the Company and its subsidiary, namely Yeo Plumber Sdn. Bhd. are disclosed in Note 1.3 to the Combined Financial Statements.

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12. ACCOUNTANTS' REPORT (Cont'd)

ISF GROUP BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

1. GENERAL INFORMATION (CONT'D)

1.3 Principal activities

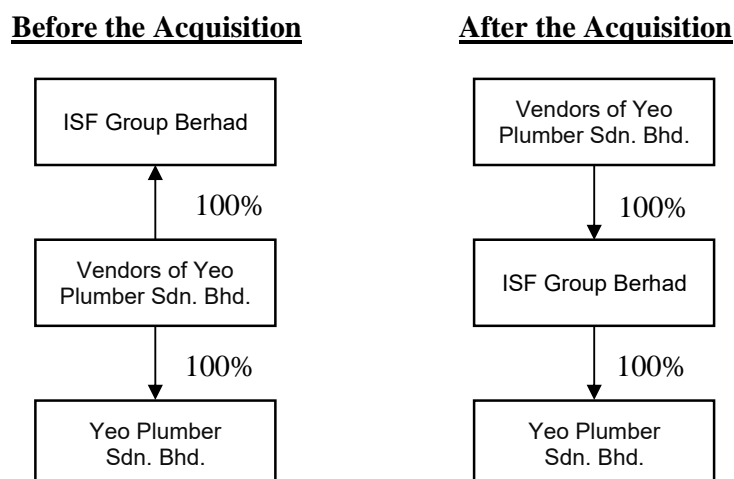
The Company's principal activity is that of investment holding while its subsidiary, Yeo Plumber Sdn. Bhd., is principally involved in the business of supply and installation of piping systems for end-user premises as well as piping for water supply and sewer infrastructure and maintenance and repair of piping systems.

1.4 Reorganisation

The Company was incorporated for the purpose of a re-organisation exercise to rationalise and streamline the business operations and corporate structure, which involve the acquisition of the entire equity interest in Yeo Plumber Sdn. Bhd. by the Company from the vendors of Yeo Plumber Sdn. Bhd. for a total purchase consideration of RM14,664,600, which the purchase consideration will be satisfied entirely by the issuance of 814,700,000 new ordinary shares of the Company at an issue price of RM0.018 per share ("the Acquisition"). The purchase consideration of RM14,664,600 was arrived at a willing-buyer willing-seller basis and after taking into account the audited net assets of Yeo Plumber Sdn. Bhd. as at 31 December 2024 of RM14,664,611.

On 28 May 2025, the Company entered into a conditional share sales agreement with the vendors of Yeo Plumber Sdn. Bhd. for the Acquisition. The acquisition was completed on 13 November 2025.

The group structure before and after the Acquisition are as follows:-



12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**2. BASIS OF PREPARATION**

The combined financial statements of the Group for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and financial period ended 31 July 2025, have been prepared in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards and in compliance with Chapter 10, Part II Division 1, Equity of the Prospectus Guidelines as issued by the SC.

The combined financial statements consist of financial statements of the combining entities as disclosed in Note 1.4 to the Combined Financial Statements, which were under common control throughout the reporting period/years by virtue of common controlling shareholders.

The combined financial statements have been prepared using financial information obtained from the records of the combining entities during the reporting period/years.

The financial information as presented in the combined financial statements reflects the business combinations under common control for the purpose of the Listing.

The combined financial statements of the Group for the relevant period were prepared in a manner similar to the merger 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 are under common control throughout the relevant period.

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.

2.1 Statement of compliance

The combined financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting Standards and the Companies Act 2016 in Malaysia.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF GROUP BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**2. BASIS OF PREPARATION (CONT'D)****2.2 Basis of measurement**

The combined financial statements of the Group is prepared under the historical cost convention, unless as otherwise indicated in the notes to the combined financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial assets takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the combined financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF GROUP BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**2. BASIS OF PREPARATION (CONT'D)****2.2 Basis of measurement (cont'd)**

For assets and liabilities that are recognised in the combined financial statements on a recurring basis, the Group determines whether transfer have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period/year.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and presentation currency

The combined financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs**2.4.1 Adoption of new or amendments to MFRSs**

The Group has applied the following amendments to published standards approved by the Malaysian Accounting Standards Board ("MASB") for the first time for the financial period beginning on 1 January 2025:-

- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The adoption of the above amendments to published standards did not have any material impact on the combined financial statements of the Group since it is not applicable to the Group's operation.

2.4.2 Standards issued but not yet effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's combined financial statements are disclosed below. The Group intends to adopt these new and amended standards, if applicable, when they become effective in the respective financial period.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.4 MFRSs (cont'd)

2.4.2 Standards issued but not yet effective (cont'd)

Effective for financial period beginning on or after 1 January 2026

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures)
- Amendments that are part of Annual Improvements—Volume 11:
 - Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards
 - Amendments to MFRS 7 Financial Instruments: Disclosures
 - Amendments to MFRS 9 Financial Instruments
 - Amendments to MFRS 10 Consolidated Financial Statements
 - Amendments to MFRS 107 Statement of Cash Flows
- Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures)

Effective for financial period beginning on or after 1 January 2027

- MFRS 18 Presentation and Disclosure in Financial Statements
- MFRS 19 Subsidiaries without Public Accountability: Disclosures

Amendments effective for a date yet to be confirmed

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

* Not applicable to the Group's operations

The initial application of the accounting standards and amendments are not expected to have any material financial impacts to the combined financial statements of the Group upon their first adoption, except for:-

MFRS 18 – Presentation and Disclosure in Financial Statements

On 14 June 2024, MASB issued new standard MFRS 18 which replaces MFRS 101, MFRS 18 continues the general requirements from MFRS 101, enhancing guidance for grouping information through aggregation and disaggregation across all primary financial statements and notes. The standard provides structured summaries of assets, liabilities, equity, income, expenses, and cash flows.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**2. BASIS OF PREPARATION (CONT'D)****2.4 MFRSs (cont'd)****2.4.2 Standards issued but not yet effective (cont'd)**

The initial application of the accounting standards and amendments are not expected to have any material financial impacts to the combined financial statements of the Group upon their first adoption, except for (cont'd):-

MFRS 18 – Presentation and Disclosure in Financial Statements (cont'd)

In the statement of profit or loss, MFRS 18 introduces two new defined subtotals: operating profit and profit before financing and income taxes. Additionally, it categorises income and expenses into operating, investing, financing, income taxes, and discontinued operations.

Limited changes are introduced to specific requirements for the statement of cash flows and the statement of financial position. There are no changes to the specific requirements for the statement of comprehensive income and the statement of changes in equity.

The notes to the financial statements will include material information that supplements the primary financial statements, with new and amended disclosures such as management-defined performance measures and specified expenses by nature. Other disclosures carried forward from MFRS 101 include material accounting policies, sources of estimation uncertainty, capital management and debts covenants. The information presented in the primary financial statement and notes will be clearly linked to ensure consistency and transparency.

MFRS 18 must be applied retrospectively and are applicable for annual period beginning on or after 1 January 2027 with earlier application permitted.

The Group is currently assessing the impact of the MFRSs to determine the impact they will have on the Group's financial statements' disclosures.

2.5 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the combined financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from judgements, estimates and assumptions made by the management, and will seldom equal the estimated results.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**2. BASIS OF PREPARATION (CONT'D)****2.5 Significant accounting estimates and judgements (cont'd)****2.5.1 Depreciation of property, plant and equipment and investment properties**

The costs of an item of the property, plant and equipment and investment properties are depreciated using the straight-line method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment and investment properties may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment or investment properties.

2.5.2 Measurement of income tax expenses

Estimates are required in determining the Group's provision for current and deferred taxes because the ultimate tax liability for the Group is uncertain. When the final outcome of the taxes payable is determined by the tax authorities, the amounts might be different from the initial estimates of the taxes payable. Such differences may impact the current and deferred taxes in the period when such determination is made. The Group will adjust for the differences as over- or under-provision of current or deferred taxes in the current period in which those differences arise.

2.5.3 Impairment of financial assets

The Group recognises impairment losses for financial assets measured at amortised cost using the expected credit loss model. Individually significant financial assets measured at amortised cost are tested for impairment separately by estimating the cash flows expected to be recoverable. All other financial assets measured at amortised cost are categorised into credit risk classes and tested for impairment collectively, using the Group's past experiences of loss statistics, ageing of past due amounts and current economic trends. The actual losses may be different from the allowances made and these may affect the Group's financial position and results.

2.5.4 Revenue recognition

For construction revenue where the Group satisfies its performance obligations over time, management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control of the development construction to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the construction work. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the construction work.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.5 Significant accounting estimates and judgements (cont'd)

2.5.4 Revenue recognition (cont'd)

Significant judgement is required in determining the stage of completion, the extent of the construction costs incurred, the estimated total construction revenue and costs. In making the judgement, the Group evaluates based on past experience of completed projects and recently obtained quotations.

Significant judgement is also involved in variable consideration arising from variation orders and liquidated ascertained damages ("LAD").

Revenue from variation orders are included only when it is highly probable that the revenue will not be reversed. There is a risk that the actual payment of variation orders may differ from the estimated amount.

LAD are penalties for not achieving defined milestones on time and are deducted from the consideration. LAD is assessed based on experience from similar LAD situations and also status of negotiations with customers as well as depends on assessment of client relationship. Significant judgement is required to determine whether LAD is probable when the project does not meet the defined milestone.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Equipment, furniture and fittings RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Leased buildings RM	Total RM
Cost								
At 1 January 2022	-	1,705,803	219,885	745,260	293,511	4,710	182,327	3,151,496
Additions	-	-	83,425	226,080	109,578	-	71,320	490,403
At 31 December 2022/1 January 2023	-	1,705,803	303,310	971,340	403,089	4,710	253,647	3,641,899
Additions	-	-	74,200	391,259	632,908	-	-	1,098,367
At 31 December 2023/1 January 2024	-	1,705,803	377,510	1,362,599	1,035,997	4,710	253,647	4,740,266
Additions	-	-	87,373	748,458	1,126,619	-	95,360	2,057,810
Disposals	-	(181,072)	(7,263)	(12,000)	-	-	-	(200,335)
Written off	-	-	-	(34,000)	-	-	-	(34,000)
Full settlement of lease liabilities	-	-	-	-	-	-	(135,003)	(135,003)
Early termination of lease liabilities	-	-	-	-	-	-	(46,258)	(46,258)
At 31 December 2024/1 January 2025	-	1,524,731	457,620	2,065,057	2,162,616	4,710	167,746	6,382,480

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM	Buildings RM	Equipment, furniture and fittings RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Leased buildings RM	Total RM
Cost (cont'd)								
At 31 December 2024/1								
January 2025	-	1,524,731	457,620	2,065,057	2,162,616	4,710	167,746	6,382,480
Additions	-	-	81,453	1,256,984	60,855	-	-	1,399,292
Disposals	-	-	-	(72,010)	-	-	-	(72,010)
Reclassification from investment properties	3,085,940	-	-	-	-	-	-	3,085,940
Full settlement of lease liabilities	-	-	-	-	-	-	(13,771)	(13,771)
Early termination of lease liabilities	-	-	-	-	-	-	(132,868)	(132,868)
At 31 July 2025	<u>3,085,940</u>	<u>1,524,731</u>	<u>539,073</u>	<u>3,250,031</u>	<u>2,223,471</u>	<u>4,710</u>	<u>21,107</u>	<u>10,649,063</u>

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM	Buildings RM	Equipment, furniture and fittings RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Leased buildings RM	Total RM
Accumulated depreciation								
At 1 January 2022	-	149,161	110,702	584,715	109,050	2,354	92,505	1,048,487
Charge for the year	-	24,062	28,355	73,293	62,269	471	39,272	227,722
At 31 December 2022/1 January 2023	-	173,223	139,057	658,008	171,319	2,825	131,777	1,276,209
Charge for the year	-	24,067	41,524	142,943	127,711	471	76,597	413,313
At 31 December 2023/1 January 2024	-	197,290	180,581	800,951	299,030	3,296	208,374	1,689,522
Charge for the year	-	(29,853)	50,343	275,665	273,385	471	78,163	648,174
Disposals	-	(57,820)	(7,262)	(12,000)	-	-	-	(77,082)
Written off	-	-	-	(32,550)	-	-	-	(32,550)
Full settlement of lease liabilities	-	-	-	-	-	-	(135,003)	(135,003)
Early termination of lease liabilities	-	-	-	-	-	-	(21,157)	(21,157)
At 31 December 2024/1 January 2025	-	109,617	223,662	1,032,066	572,415	3,767	130,377	2,071,904

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM	Buildings RM	Equipment, furniture and fittings RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Leased buildings RM	Total RM
Accumulated depreciation (cont'd)								
At 31 December 2024/1 January 2025	-	109,617	223,662	1,032,066	572,415	3,767	130,377	2,071,904
Charge for the period	-	7,994	38,897	235,755	218,329	276	17,872	519,123
Disposals	-	-	-	(62,409)	-	-	-	(62,409)
Full settlement of lease liabilities	-	-	-	-	-	-	(13,771)	(13,771)
Early termination of lease liabilities	-	-	-	-	-	-	(117,267)	(117,267)
At 31 July 2025	-	117,611	262,559	1,205,412	790,744	4,043	17,211	2,397,580
Net carrying amount								
31 December 2022	-	1,532,580	164,253	313,332	231,770	1,885	121,870	2,365,690
31 December 2023	-	1,508,513	196,929	561,648	736,967	1,414	45,273	3,050,744
31 December 2024	-	1,415,114	233,958	1,032,991	1,590,201	943	37,369	4,310,576
31 July 2025	3,085,940	1,407,120	276,514	2,044,619	1,432,727	667	3,896	8,251,483

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

3.1 Security

The following net carrying amount of assets are subject to registered charges to secure borrowings granted to the Group (see Note 14):-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Freehold land	3,085,940	-	-	-
Buildings	<u>1,407,120</u>	<u>1,415,114</u>	<u>1,381,639</u>	<u>1,402,085</u>
	<u>4,493,060</u>	<u>1,415,114</u>	<u>1,381,639</u>	<u>1,402,085</u>

As at 31 July 2025, the net carrying amount of the property, plant and equipment under hire purchase arrangements in the Group is RM3,157,597 (31.12.2024: RM2,326,158, 31.12.2023: RM977,390 and 31.12.2022: RM283,728).

3.2 Right-of-use assets

Included in the property, plant and equipment are right-of-use assets as follows:-

Net carrying amount	Leased buildings
	RM
At 1 January 2022	89,822
Addition	71,320
Depreciation charges	<u>(39,272)</u>
At 31 December 2022/1 January 2023	121,870
Depreciation charges	<u>(76,597)</u>
At 31 December 2023/1 January 2024	45,273
Addition	95,360
Early termination of lease	(25,101)
Depreciation charges	<u>(78,163)</u>
At 31 December 2024/1 January 2025	37,369
Early termination of lease	(15,601)
Depreciation charges	<u>(17,872)</u>
At 31 July 2025	<u>3,896</u>

Leased buildings relate to rental of building premises. Refer to Note 13 to the Combined Financial Statements for more information.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)
3.2 Right-of-use assets (cont'd)

The Group has chosen to disclose right-of-use assets with property, plant and equipment. In addition, the Group has assessed assets acquired under hire purchase to be owned by the Group at inception and therefore not classified as right-of-use assets, in line with prevailing practice. The corresponding hire purchase liabilities are thus presented under loans and borrowings instead of lease liabilities.

Material accounting policy information
(a) Recognition and measurement

Property, plant and equipment are recognised as an asset when, and only when, it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably. Property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of each component of an item of property, plant and equipment from the date that they are available for use. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Freehold land is not depreciated.

The estimated useful lives and annual rates of depreciation for the current and comparative periods are as follows:-

Buildings	1.34 - 2 %
Equipment, furniture and fittings	10 - 20 %
Motor vehicles	20 %
Plant and machinery	10 - 20 %
Renovation	10 %
Leased buildings	1- 3 years

12. ACCOUNTANTS' REPORT (Cont'd)
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
4. INVESTMENT PROPERTIES

	Freehold land RM	Building RM	Total RM
Cost			
At 1 January 2022/31 December 2022/ 1 January 2023/31 December 2023/ 1 January 2024	8,946,173	128,536	9,074,709
Disposal	(5,860,233)	-	(5,860,233)
Transfer to non-current asset classified as held for sale	-	(128,536)	(128,536)
At 31 December 2024/1 January 2025	3,085,940	-	3,085,940
Transfer to property, plant and equipment	(3,085,940)	-	(3,085,940)
At 31 July 2025	-	-	-
Accumulated depreciation			
At 1 January 2022	-	17,995	17,995
Charge for the year	-	2,571	2,571
At 31 December 2022/1 January 2023	-	20,566	20,566
Charge for the year	-	2,571	2,571
At 31 December 2023/1 January 2024	-	23,137	23,137
Charge for the year	-	2,571	2,571
Transfer to non-current asset classified as held for sale	-	(25,708)	(25,708)
At 31 December 2024/1 January 2025/ 31 July 2025	-	-	-
Net carrying amount			
31 December 2022	8,946,173	107,970	9,054,143
31 December 2023	8,946,173	105,399	9,051,572
31 December 2024	3,085,940	-	3,085,940
31 July 2025	-	-	-

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

4. INVESTMENT PROPERTIES (CONT'D)

Fair value information

Fair value of investment properties are categorised as follows:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Freehold land	-	3,086,000	9,350,000	9,414,000
Building	-	-	130,000	198,000
	<u>-</u>	<u>3,086,000</u>	<u>9,480,000</u>	<u>9,612,000</u>

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

Level 3 fair values of the freehold land and building are estimated by Directors by making reference to the asking price of comparable properties in close proximity while also taking into consideration of the differences in key attributes such as property location, land area and present market demand. The significant unobservable inputs include adjustments to price per square feet at comparable properties.

Security

The following net carrying amount of assets are subject to registered charges to secure borrowings granted to the Group (see Note 14):-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Freehold land	<u>-</u>	<u>3,085,940</u>	<u>6,175,073</u>	<u>6,175,073</u>

Group as a lessor

The Group had entered into operating leases on its freehold land and shop office. These leases had terms of 2 to 3 years, 2 years and 2 years in the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022, respectively. Rental income recognised by the Group during the period ended 31 July 2024 was RM30,700 (31.12.2024: RM54,200, 31.12.2023: RM51,600 and 31.12.2022: RM51,600).

12. ACCOUNTANTS' REPORT (Cont'd)
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
4. INVESTMENT PROPERTIES (CONT'D)
Group as a lessor (cont'd)

No rental income was recognised during the financial period ended 31 July 2025 since the shop office was disposed off and the freehold land was transferred to property, plant and equipment.

Future minimum rentals receivable under non-cancellable operating leases as at period/year end are as follows:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Within 1 year	-	-	51,600	51,600
After 1 year but not more than 5 years	-	-	17,200	68,800
At end of financial period/year	-	-	68,800	120,400

The following are recognised in profit or loss in respect of investment properties:-

	1.1.2025	1.1.2024	1.1.2024	1.1.2023	1.1.2022
	to	to	to	to	to
	31.7.2025	31.7.2024	31.12.2024	31.12.2023	31.12.2022
	Audited	Unaudited	Audited	Audited	Audited
	RM	RM	RM	RM	RM
Rental income	-	30,700	54,200	51,600	51,600
Direct operating expenses					
- Income generating investment properties	-	2,102	2,305	1,900	1,805
- Non-income generating investment properties	-	3,437	3,437	3,842	3,672

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

4. INVESTMENT PROPERTIES (CONT'D)

Material accounting policy information

(a) Recognition and measurement

Investment properties are stated at cost less accumulated depreciation and impairment losses.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of the investment properties from the date they are available for use. The annual rate of depreciation for the comparative periods for building is 2%. Freehold land is not depreciated.

5. OTHER RECEIVABLES

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
<u>Non-current</u>				
Third party	-	-	1,440,819	1,500,000
<u>Current</u>				
Third parties	275,998	123,177	392,338	48,335
Deposits	348,490	161,808	137,490	103,208
Deferred expenses	496,731	-	-	-
Advance payment to third parties	274,249	221,193	271,584	1,390,760
	<u>1,395,468</u>	<u>506,178</u>	<u>801,412</u>	<u>1,542,303</u>
Total other receivables	<u>1,395,468</u>	<u>506,178</u>	<u>2,242,231</u>	<u>3,042,303</u>

Non-current receivable - Amount due from a third party

On 10 April 2019, the Group had entered into an agreement with a developer to fund the development of building apartments (the "Development"). The Group had invested in the Development for a total consideration of RM1,500,000 payable according to the milestones determined by the developer, subject to terms and conditions contained in the agreement. The Development was expected to be completed within three (3) years from the date of the approval of the land conversion, layout plan and building plans by the relevant authorities.

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**5. OTHER RECEIVABLES (CONT'D)****Non-current receivable - Amount due from a third party (cont'd)**

In consideration for the investment, the Group would receive an investment profit of RM600,000 and interest of RM11,250 per month for a period of three (3) years calculated on the basis of 9% of return on investment commencing upon receipt of the Certificate of Completion and Compliance ("CCC"). The investment amount was expected to be repaid in full after three (3) years of interest repayments.

In year 2022, the Group had paid the final tranche of the investment amounting RM300,000 to the developer upon Architect's Certificate certifying that 30% of the development has been completed.

In year 2023, the Group received a notice of extension from the developer, with the new completion date set on 15 July 2024. The management expected to receive the investment profit by the end of 2024. The modification of the future cash flows as a result of the extension had been recognised as a modification gain in the profit or loss.

As at 30 September 2024, the Group novated the agreement to a shareholder at its carrying amount of RM2,369,551. The carrying amount reflects the asset's amortised cost, which represents the present value of the remaining expected cash inflows discounted at the effective interest rate. The novation was effected without any gain or loss, and the amount had been offset against the dividend declared and paid to the shareholder during the financial year ended 31 December 2024.

6. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets/(liabilities) are attributable to the following:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
At beginning of financial period/year	169,869	35,329	(28,270)	27,497
Recognised in profit or loss (Note 19)	(102,738)	134,540	63,599	(55,767)
At end of financial period/year	<u>67,131</u>	<u>169,869</u>	<u>35,329</u>	<u>(28,270)</u>

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**6. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)**

The balances in the deferred tax assets/(liabilities) are made up of temporary differences arising from:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Allowance for impairment losses on trade receivables	152,554	181,831	111,685	-
Interest income from investment	-	-	(56,179)	-
Carrying amount of qualifying property, plant and equipment in excess of their tax base	<u>(85,423)</u>	<u>(11,962)</u>	<u>(20,177)</u>	<u>(28,270)</u>
	<u>67,131</u>	<u>169,869</u>	<u>35,329</u>	<u>(28,270)</u>

Material accounting policy information

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reversed, based on the laws that have been enacted or substantively enacted by the reporting date.

7. TRADE RECEIVABLES

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Trade receivables				
Related party	-	-	-	8,649
Third parties	6,854,684	11,998,245	4,545,749	4,158,215
Retention sums	<u>11,949,757</u>	<u>8,322,253</u>	<u>5,224,655</u>	<u>3,143,973</u>
	18,804,441	20,320,498	9,770,404	7,310,837
Less: Allowance for impairment losses	<u>(941,756)</u>	<u>(757,633)</u>	<u>(465,354)</u>	<u>-</u>
	<u>17,862,685</u>	<u>19,562,865</u>	<u>9,305,050</u>	<u>7,310,837</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

7. TRADE RECEIVABLES (CONT'D)

Trade receivables

Trade receivables are non-interest bearing and are generally on terms of cash on delivery to 120 days (31.12.2024: 30 to 120 days, 31.12.2023: 30 to 120 days and 31.12.2022: 15 to 90 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original certified or invoiced amounts which represent their fair value on initial recognition.

Related party

Related party refers to a company in which certain directors have substantial financial interests.

Allowance for impairment losses

The movement in the allowance for impairment losses of trade receivables during the period/year are as follows:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
At beginning of financial period/year	757,633	465,354	-	208,489
Net changes in impairment loss on trade receivables	<u>184,123</u>	<u>292,279</u>	<u>465,354</u>	<u>(208,489)</u>
At end of financial period/year	<u><u>941,756</u></u>	<u><u>757,633</u></u>	<u><u>465,354</u></u>	<u><u>-</u></u>

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

An impairment analysis is performed at each reporting date using a provision of matrix to measure expected credit losses ("ECL"). Information regarding the Group's exposure to the credit risk and ECLs for trade receivables is disclosed in Note 23.2.2 to the Combined Financial Statements.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**8. CONTRACT ASSETS/(LIABILITIES)**

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Contract assets	14,958,158	10,954,613	5,969,257	3,518,393
Contract liabilities	<u>(23,570,545)</u>	<u>(17,869,433)</u>	<u>(9,916,501)</u>	<u>(894,459)</u>
Net	<u>(8,612,387)</u>	<u>(6,914,820)</u>	<u>(3,947,244)</u>	<u>2,623,934</u>
At beginning of financial period/year	(6,914,820)	(3,947,244)	2,623,934	1,866,936
Revenue recognised during the period/year (Note 17)	59,234,109	53,409,418	37,073,477	19,924,584
Progress billing during the period/year	<u>(60,931,676)</u>	<u>(56,376,994)</u>	<u>(43,644,655)</u>	<u>(19,167,586)</u>
At end of financial period/year	<u>(8,612,387)</u>	<u>(6,914,820)</u>	<u>(3,947,244)</u>	<u>2,623,934</u>

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's billings in advance at the reporting date. Contract liabilities are reversed and revenue is recognised as work is completed.

Impairment assessment on contract assets

Credit risk on contract assets arose from projects undertaken up by the Group. As at end of the reporting period, the maximum exposure to credit risk arising from contract assets is represented by the carrying amount in the combined statements of financial position. Management has taken reasonable steps to ensure the contract assets are not credit impaired.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**9. FIXED DEPOSITS WITH LICENSED BANKS**

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Fixed deposits with licensed banks:-				
- tenure of 3 months or less	27,720,421	6,312,024	6,242,673	2,465,188
- tenure of more than 3 months	<u>2,945,723</u>	<u>2,824,487</u>	<u>2,493,087</u>	<u>3,593,903</u>
	<u><u>30,666,144</u></u>	<u><u>9,136,511</u></u>	<u><u>8,735,760</u></u>	<u><u>6,059,091</u></u>

Fixed deposits with licensed banks carry interest rates ranging from 2.15% to 4.00% (31.12.2024: 2.45% to 2.90%, 31.12.2023: 2.45% to 4.05% and 31.12.2022: 1.85% to 2.70%) per annum. Included in the fixed deposits is an amount of RM2,945,723 (31.12.2024: RM2,824,487, 31.12.2023: RM3,316,450 and 31.12.2022: RM2,203,137) pledged for banking facilities granted to the Group.

Material accounting policy information

Fixed deposits with licensed banks are cash equivalents which have an insignificant risk of changes in fair value and are used by the Group in the management of their short-term commitments rather than for investment.

10. CASH AND BANK BALANCES

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Cash on hand	3,959	9,114	3,455	1,913
Cash at banks	<u>4,417,295</u>	<u>1,789,265</u>	<u>1,585,407</u>	<u>917,421</u>
	<u><u>4,421,254</u></u>	<u><u>1,798,379</u></u>	<u><u>1,588,862</u></u>	<u><u>919,334</u></u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

11. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

	Building RM
Net carrying amount	
At 1 January 2022/31 December 2022/1 January 2023	-
/31 December 2023/1 January 2024	-
Transfer from investment properties	<u>102,828</u>
At 31 December 2024/1 January 2025/31 July 2025	<u><u>102,828</u></u>

On 29 December 2024, the Group entered into a sale and purchase agreement with one of its directors to dispose of a shop office, for which the disposal is expected to be completed before the end of the next financial year. On this basis, the Group reclassified the shop office on its Combined Statements of Financial Position from "investment properties" to "non-current asset classified as held for sale" at the lower of its net carrying amount and fair value less cost to sell.

The disposal was completed on 26 November 2025.

12. SHARE CAPITAL/INVESTED EQUITY

Share capital

	31.7.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM
Issued and fully paid-up ordinary shares with no par value:-				
At beginning of financial period/year	-	-	-	-
1,000 ordinary shares issued during the financial period	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
At end of financial period/year	<u><u>1,000</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

On 25 March 2025, ISF Group Berhad was incorporated with a total paid-up share capital of RM1,000 comprising 1,000 ordinary shares. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

12. SHARE CAPITAL /INVESTED EQUITY (CONT'D)

Invested equity

	Number of shares			
	31.7.2025 Audited Unit	31.12.2024 Audited Unit	31.12.2023 Audited Unit	31.12.2022 Audited Unit
Issued and fully paid-up ordinary shares with no par value:- At beginning/end of financial period /year	1,000,000	1,000,000	1,000,000	1,000,000
	31.7.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM
Issued and fully paid-up ordinary shares with no par value:- At beginning/end of financial period/year	1,000,000	1,000,000	1,000,000	1,000,000

For the purpose of these combined financial statements, the invested equity at the end of the respective financial period/years represented the share capital of Yeo Plumber Sdn. Bhd..

13. LEASE LIABILITIES

Group as lessee

The Group leased buildings with initial lease terms of 1 to 3 years (31.12.2024: 0.5 to 3 years, 31.12.2023: 1.5 to 3 years and 31.12.2022: 1.5 to 3 years) with extension option of another 3 years (31.12.2024: 1 to 3 years, 31.12.2023: 2 to 3 years and 31.12.2022: 2 to 3 years) at the end of the initial term.

Lease liabilities are presented in the Combined Statements of Financial Position as follows:-

	31.7.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM
Current	1,641	29,881	27,116	78,358
Non-current	-	6,809	18,069	45,185
	1,641	36,690	45,185	123,543

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

13. LEASE LIABILITIES (CONT'D)

Group as lessee (cont'd)

Set out below are the carrying amounts of lease liabilities and the movements during the period/year:-

	31.7.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM
At beginning of financial period/year	36,690	45,185	123,543	92,108
Addition	-	95,360	-	71,320
Early termination of lease	(16,939)	(25,557)	-	-
Accretion of interest	680	3,542	3,242	3,215
Principal paid	(18,110)	(78,298)	(78,358)	(39,885)
Interest paid	(680)	(3,542)	(3,242)	(3,215)
At end of the financial period/year	<u>1,641</u>	<u>36,690</u>	<u>45,185</u>	<u>123,543</u>

The maturity analysis of lease liabilities are disclosed in Note 23.2.3 of the Combined Financial Statements.

Lease payments not recognised as liabilities

The Group elected not to recognise lease liabilities for short-term leases (lease with expected lease term of 12 months or less) and for leases where the lease liabilities are not significant. Payments made under such leases are expensed on a straight-line basis.

The expense relating to payments not included in the measurement of the lease liabilities is as follows:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Lease payments not recognised as liabilities:-					
- Short term leases	<u>399,430</u>	<u>570,572</u>	<u>870,137</u>	<u>965,448</u>	<u>868,497</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

13. LEASE LIABILITIES (CONT'D)

Group as lessee (cont'd)

Lease payments not recognised as liabilities (cont'd)

The Group had various lease contracts that are in effect as at reporting period/year that are expensed off rather than capitalised as right-of-use assets with corresponding lease liabilities. The future lease payments for these non-cancellable lease contracts are as follows:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Within one year	63,880	107,500	69,010	80,175
After 1 year but not more than 5 years	67,200	-	-	-
	<u>131,080</u>	<u>107,500</u>	<u>69,010</u>	<u>80,175</u>

Amounts recognised in profit and loss

The following are the amounts recognised in profit or loss:-

	1.1.2025	1.1.2024	1.1.2024	1.1.2023	1.1.2022
	to	to	to	to	to
	31.7.2025	31.7.2024	31.12.2024	31.12.2023	31.12.2022
	Audited	Unaudited	Audited	Audited	Audited
	RM	RM	RM	RM	RM
Gain on early termination of lease	(1,338)	(456)	(456)	-	-
Depreciation of right-of-use assets	17,872	54,468	78,163	76,597	39,272
Interest expense on lease liabilities	680	2,927	3,542	3,242	3,215
Expenses relating to short-term leases (included in cost of sales)	303,289	478,402	705,507	788,679	745,754
Expenses relating to short-term leases (included in general and administrative expenses)	96,141	92,170	164,630	176,769	122,743
Total amounts recognised in profit or loss	<u>416,644</u>	<u>627,511</u>	<u>951,386</u>	<u>1,045,287</u>	<u>910,984</u>

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**13. LEASE LIABILITIES (CONT'D)****Group as lessee (cont'd)**

The Group had non-cash additions to right-of-use assets and lease liabilities of RMNil (31.12.2024: RM95,360, 31.12.2023: RMNil and 31.12.2022: RM71,320).

Material accounting policy information

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right-to-use the underlying assets.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

14. LOANS AND BORROWINGS

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
<u>Current</u>				
Secured:-				
Bankers' acceptance	2,140,304	677,009	-	918,618
Hire purchase liabilities	670,552	459,000	185,996	62,467
Term loans	301,469	594,435	731,586	1,164,490
	3,112,325	1,730,444	917,582	2,145,575
<u>Non-current</u>				
Secured:-				
Hire purchase liabilities	2,206,609	1,579,817	649,550	189,029
Term loans	1,199,905	1,369,654	2,917,293	4,344,661
	3,406,514	2,949,471	3,566,843	4,533,690
Total loans and borrowings	<u>6,518,839</u>	<u>4,679,915</u>	<u>4,484,425</u>	<u>6,679,265</u>

The bankers' acceptance are for working capital purpose and bore effective interest ranging from 4.86% to 5.34% (31.12.2024: 4.79% to 5.34%, 31.12.2023: 5.39% to 5.82% and 31.12.2022: 5.40% to 5.61%) per annum.

The term loans bear effective interest rates ranging from 4.10% to 11.45% (31.12.2024: 4.35% to 11.70%, 31.12.2023: 4.35% to 11.70% and 31.12.2022: 4.10% to 11.60%) per annum and repayable on a monthly basis with a maturity between year 2026 to 2037 (31.12.2024: 2025 to 2037, 31.12.2023: 2023 to 2037 and 31.12.2022: 2022 to 2037).

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

14. LOANS AND BORROWINGS (CONT'D)

Security

The bank loans are secured against the Group's properties (see Note 3) and investment properties (see Note 4) and are guaranteed jointly and severally by the directors.

Hire purchase liabilities

	31.7.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM
Future minimum payments of hire purchase liabilities:-				
Payable within one year	814,011	569,832	231,411	75,888
Payable between two and five years	2,405,215	1,742,806	714,559	207,793
Less: Future finance charges	<u>(342,065)</u>	<u>(273,821)</u>	<u>(110,424)</u>	<u>(32,185)</u>
Carrying amount	<u>2,877,161</u>	<u>2,038,817</u>	<u>835,546</u>	<u>251,496</u>
Carrying amount of hire purchase liabilities:-				
Payable within one year	670,552	459,000	185,996	62,467
Payable between two and five years	<u>2,206,609</u>	<u>1,579,817</u>	<u>649,550</u>	<u>189,029</u>
	<u>2,877,161</u>	<u>2,038,817</u>	<u>835,546</u>	<u>251,496</u>

The hire purchase contracts of motor vehicles of the Group generally have a term of 5 to 6 years (31.12.2024: 3 to 6 years, 31.12.2023: 3 to 5 years and 31.12.2022: 3 to 5 years). The hire purchase liabilities bear effective interest rates ranging from 3.86% to 6.72% (31.12.2024: 4.55% to 6.72%, 31.12.2023: 4.68% to 6.64% and 31.12.2022: 4.77% to 6.43%) per annum. Interest rates are either fixed or variable at the inception of hire purchase liabilities arrangements.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**15. TRADE PAYABLES**

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Related parties	-	-	59,563	100,628
Third parties	12,249,700	10,191,135	7,395,571	4,319,986
Retention sums	847,386	169,787	153,766	103,465
	<u>13,097,086</u>	<u>10,360,922</u>	<u>7,608,900</u>	<u>4,524,079</u>

Trade payables

These amounts are non-interest bearing. Trade payables are generally on terms of cash on delivery to 150 days (31.12.2024: cash on delivery to 135 days, 31.12.2023: cash on delivery to 120 days and 31.12.2022: 30 to 120 days).

Related parties

Related parties refer to a company in which certain directors have substantial financial interests and a sole proprietorship that is related to the Group.

16. OTHER PAYABLES

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Related party	-	-	519,336	501,336
Third parties	768,351	430,959	447,168	202,180
Amount due to a director	-	-	200,010	600
Accruals	984,378	968,657	595,279	448,551
Advance from customers	-	54,890	45,660	8,435,873
Deposit received	504,000	10,300	8,600	8,600
	<u>2,256,729</u>	<u>1,464,806</u>	<u>1,816,053</u>	<u>9,597,140</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
16. OTHER PAYABLES (CONT'D)
Related party

Related party is a sole proprietorship that is related to the Group. The amount due to a related party is unsecured, interest free and repayable on demand.

Amount due to a director

The amount due to a director is unsecured, interest free and repayable on demand.

17. REVENUE

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Primary geographical market					
- Malaysia	<u>59,515,528</u>	<u>29,909,007</u>	<u>54,669,618</u>	<u>38,704,710</u>	<u>21,573,348</u>
Type of services					
- Construction contracts	59,234,109	29,125,346	53,409,418	37,073,477	19,924,584
- Maintenance and repair services	<u>281,419</u>	<u>783,661</u>	<u>1,260,200</u>	<u>1,631,233</u>	<u>1,648,764</u>
	<u>59,515,528</u>	<u>29,909,007</u>	<u>54,669,618</u>	<u>38,704,710</u>	<u>21,573,348</u>
Timing of revenue recognition					
- Transferred over time (Note 8)	59,234,109	29,125,346	53,409,418	37,073,477	19,924,584
- Transferred point in time	<u>281,419</u>	<u>783,661</u>	<u>1,260,200</u>	<u>1,631,233</u>	<u>1,648,764</u>
	<u>59,515,528</u>	<u>29,909,007</u>	<u>54,669,618</u>	<u>38,704,710</u>	<u>21,573,348</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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17. REVENUE (CONT'D)

The remaining performance obligations (unsatisfied or partially unsatisfied) as at reporting periods are, as follows:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Construction contracts	<u>114,977,435</u>	<u>144,136,003</u>	<u>131,128,799</u>	<u>94,876,470</u>	<u>89,884,839</u>

The remaining performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date will be satisfied over the remaining duration of the contracts of 1 to 3 years.

The following information reflects the typical transactions of the Group:-

	Timing and method of revenue recognition	Variable element in consideration	Warranty
Construction contracts	Over time measured by actual cost incurred over the estimated total contract cost.	Variation orders to customers and liquidated ascertained damages.	Defect liability period varying from 12 to 36 months from date of certificate of practical completion.
Maintenance and repair services	At a point in time when the maintenance and repair services is completed.	Not applicable.	Warranty granted for a maximum 12 months depending on the scope of service, covering workmanship defects only.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

18. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting) amongst other, the following items:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
After charging/(crediting):-					
Auditors' remuneration related to:-					
Grant Thornton Malaysia PLT:-					
- Statutory audit	35,000	35,000	60,000	53,000	43,000
- Assurance related services	65,000	-	-	-	-
Local affiliate of Grant Thornton Malaysia PLT:-					
- Other service	59,800	13,000	13,000	17,890	15,510
Depreciation of property, plant and equipment	519,123	314,971	648,174	413,313	227,722
Depreciation of investment properties	-	1,499	2,571	2,571	2,571
Gain on disposal of property, plant and equipment	(22,399)	-	(226,297)	-	-
Gain on disposal of investment properties	-	-	(239,767)	-	-
Gain on early termination of lease	(1,338)	(456)	(456)	-	-
Gain on modification of financial asset	-	-	-	(31,892)	-

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

18. PROFIT BEFORE TAX (CONT'D)

Profit before tax has been determined after charging/(crediting) amongst other, the following items (cont'd):-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Government grant – wage subsidies received	-	(8,630)	(8,630)	(10,890)	(38,740)
Interest expenses on:-					
- Bankers' acceptance	54,495	5,374	29,121	31,439	40,139
- Bank overdraft	-	6	6	24	24,044
- Lease liabilities	680	2,927	3,542	3,242	3,215
- Term loans interest	79,566	155,920	241,711	352,212	408,497
- Hire purchase interest	78,418	42,204	91,994	34,840	10,317
Interest income from investment	-	(544,436)	(603,578)	(234,081)	-
Lease expenses relating to:-					
- Short term leases	399,430	570,572	870,137	965,448	868,497
Net changes in impairment loss/(reversal of impairment loss) on trade receivables	184,123	48,563	292,279	465,354	(208,489)
Other interest income	(381,875)	(113,770)	(292,594)	(276,749)	(91,886)
Rental income	(2,000)	(30,700)	(54,200)	(51,600)	(51,600)
Reversal of provision for future project losses	-	(8,550)	(8,550)	-	-
Sales of oil palm fresh fruit bunches	-	(39,770)	(64,447)	(49,575)	(81,727)
Sundry income	(60,119)	(19,913)	(28,452)	(48,483)	(45,969)

12. ACCOUNTANTS' REPORT (Cont'd)
ISF GROUP BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
19. INCOME TAX EXPENSE

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
<u>Current tax expense</u>					
Current period/year	4,911,424	1,903,856	3,088,000	1,400,000	330,000
Prior year	20,021	111,550	111,550	25,209	66,211
	4,931,445	2,015,406	3,199,550	1,425,209	396,211
<u>Deferred tax expense (Note 6)</u>					
Current period/year	62,192	2,885	(79,743)	(47,364)	76,185
Prior year	40,546	(54,797)	(54,797)	(16,235)	(20,418)
	102,738	(51,912)	(134,540)	(63,599)	55,767
	<u>5,034,183</u>	<u>1,963,494</u>	<u>3,065,010</u>	<u>1,361,610</u>	<u>451,978</u>

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12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**19. INCOME TAX EXPENSE (CONT'D)**

The numerical reconciliation between the tax expense at the statutory tax rate and tax expense at the effective tax rate of the Group is as follows:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Profit before tax	20,212,674	7,931,700	12,701,098	5,742,981	1,384,791
Tax calculated at statutory income tax rate of 24%	4,851,042	1,903,608	3,048,264	1,378,315	332,350
Under provision of current tax in prior year	20,021	111,550	111,550	25,209	66,211
Under/(Over) provision of deferred tax in prior year	40,546	(54,797)	(54,797)	(16,235)	(20,418)
Non-taxable income	(5,376)	(6,345)	(120,619)	-	-
Expenses not deductible for tax purposes	127,950	54,478	125,612	19,321	115,835
Differential between statutory income tax rate and SME tax rate	-	(45,000)	(45,000)	(45,000)	(42,000)
Total income tax expense	<u>5,034,183</u>	<u>1,963,494</u>	<u>3,065,010</u>	<u>1,361,610</u>	<u>451,978</u>

12. ACCOUNTANTS' REPORT (Cont'd)
ISF GROUP BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
20. EMPLOYEE BENEFITS EXPENSES

The employee benefits expenses of the Group are as follows:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Directors of the Group					
- Directors' other emoluments	750,000	450,000	900,000	540,000	440,000
- Directors' defined contribution plans	87,600	54,000	108,000	64,800	49,600
- Directors' social security contributions	1,630	1,109	1,998	1,902	1,620
- Directors' other employee benefits	7,500	4,500	9,000	-	-
Total Directors' remuneration	<u>846,730</u>	<u>509,609</u>	<u>1,018,998</u>	<u>606,702</u>	<u>491,220</u>
Other key senior management of the Group					
- Wages, salaries and bonus	524,248	413,138	729,164	527,364	454,879
- Defined contribution plans	49,749	53,767	95,768	76,557	51,030
- Social security contributions	4,141	3,689	6,573	5,976	5,031
- Other employee benefits	72,666	38,922	114,026	87,181	68,698
	<u>650,804</u>	<u>509,516</u>	<u>945,531</u>	<u>697,078</u>	<u>579,638</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
20. EMPLOYEE BENEFITS EXPENSES (CONT'D)

The employee benefits expenses of the Group are as follows (cont'd):-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Other employees of the Group					
- Wages, salaries and bonus	4,131,191	3,237,801	5,790,287	3,367,905	1,525,704
- Defined contribution plans	224,190	167,555	294,281	223,540	174,358
- Social security contributions	80,039	45,929	95,772	51,176	26,079
- Other employee benefits	288,795	219,960	382,318	457,800	185,828
	<u>4,724,215</u>	<u>3,671,245</u>	<u>6,562,658</u>	<u>4,100,421</u>	<u>1,911,969</u>
Total employee benefits expenses	<u>6,221,749</u>	<u>4,690,370</u>	<u>8,527,187</u>	<u>5,404,201</u>	<u>2,982,827</u>

The estimated monetary value of benefits provided to the Directors of the Group during the financial period/year by way of usage of the Group's assets amounted to RM46,250 (31.7.2024: RM25,000, 31.12.2024: RM25,000, 31.12.2023: RMNil and 31.12.2022: RMNil).

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**21. EARNINGS PER SHARE**Basic earnings per ordinary share

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary share outstanding calculated as follows:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Profit attributable to owners of the Group	<u>15,178,491</u>	<u>5,968,206</u>	<u>9,636,088</u>	<u>4,381,371</u>	<u>932,813</u>
Weighted average number of shares (units)	<u>1,001,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Basic earnings per share (RM)	<u>15.16</u>	<u>5.97</u>	<u>9.64</u>	<u>4.38</u>	<u>0.93</u>

Diluted earnings per share

Diluted earnings per share equals basic earnings per share because there are no potential dilutive instruments in existence at the reporting date.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

22. DIVIDENDS

During the financial years, the following dividends have been declared by the Group to the owners of the Group:-

	31.12.2024
	Audited
	RM
<u>In respect of the year ended 31 December 2024</u>	
First interim single tier dividend of RM2.50 per ordinary share, totalling RM2,500,000 in respect of the financial year ended 31 December 2024	2,500,000
Second interim single tier dividend of RM7.50 per ordinary share, totalling RM7,500,000 in respect of the financial year ended 31 December 2024	<u>7,500,000</u>
	<u>10,000,000</u>
	31.12.2022
	Audited
	RM
<u>In respect of the year ended 31 December 2022</u>	
Single tier interim dividend of RM2.00 per ordinary share, totalling RM2,000,000 in respect of the financial year ended 31 December 2022	<u>2,000,000</u>

There were no dividend proposed, declared or paid by the Group during financial year ended 2023 and financial period ended 2025.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS

23.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC"):-

	Carrying Amount RM	AC RM
31.7.2025		
<u>Financial Assets</u>		
Trade receivables	17,862,685	17,862,685
Other receivables	624,488	624,488
Fixed deposits with licensed banks	30,666,144	30,666,144
Cash and bank balances	4,421,254	4,421,254
	<u>53,574,571</u>	<u>53,574,571</u>
<u>Financial Liabilities</u>		
Trade payables	13,097,086	13,097,086
Other payables	1,743,301	1,743,301
Loans and borrowings	6,518,839	6,518,839
	<u>21,359,226</u>	<u>21,359,226</u>
31.12.2024		
<u>Financial Assets</u>		
Trade receivables	19,562,865	19,562,865
Other receivables	284,985	284,985
Fixed deposits with licensed banks	9,136,511	9,136,511
Cash and bank balances	1,798,379	1,798,379
	<u>30,782,740</u>	<u>30,782,740</u>
<u>Financial Liabilities</u>		
Trade payables	10,360,922	10,360,922
Other payables	1,402,299	1,402,299
Loans and borrowings	4,679,915	4,679,915
	<u>16,443,136</u>	<u>16,443,136</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
23. FINANCIAL INSTRUMENTS (CONT'D)
23.1 Categories of financial instruments (cont'd)

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC") (cont'd):-

	Carrying Amount RM	AC RM
31.12.2023		
<u>Financial Assets</u>		
Trade receivables	9,305,050	9,305,050
Other receivables	1,970,647	1,970,647
Fixed deposits with licensed banks	8,735,760	8,735,760
Cash and bank balances	1,588,862	1,588,862
	<u>21,600,319</u>	<u>21,600,319</u>
 <u>Financial Liabilities</u>		
Trade payables	7,600,350	7,600,350
Other payables	1,762,776	1,762,776
Loans and borrowings	4,484,425	4,484,425
	<u>13,847,551</u>	<u>13,847,551</u>
 31.12.2022		
<u>Financial Assets</u>		
Trade receivables	7,310,837	7,310,837
Other receivables	1,651,543	1,651,543
Fixed deposits with licensed banks	6,059,091	6,059,091
Cash and bank balances	919,334	919,334
	<u>15,940,805</u>	<u>15,940,805</u>
 <u>Financial Liabilities</u>		
Trade payables	4,515,529	4,515,529
Other payables	1,153,650	1,153,650
Loans and borrowings	6,679,265	6,679,265
	<u>12,348,444</u>	<u>12,348,444</u>

12. ACCOUNTANTS' REPORT (Cont'd)

ISF GROUP BERHAD
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
23. FINANCIAL INSTRUMENTS (CONT'D)
23.1 Categories of financial instruments (cont'd)
Net Gains/(Losses) arising from financial instruments

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Financial assets measured at amortised cost	197,752	609,643	603,085	77,279	298,635
Financial liabilities measured at amortised cost	<u>(212,470)</u>	<u>(203,722)</u>	<u>(350,045)</u>	<u>(413,929)</u>	<u>(484,949)</u>
	<u>(14,718)</u>	<u>405,921</u>	<u>253,040</u>	<u>(336,650)</u>	<u>(186,314)</u>

Included in gains/(losses) on financial instruments measured at amortised cost are:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
Total interest income for financial assets	381,875	658,206	896,172	510,830	91,886
Total interest expenses for financial liabilities	<u>(212,479)</u>	<u>(203,504)</u>	<u>(362,832)</u>	<u>(418,515)</u>	<u>(482,997)</u>

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**23. FINANCIAL INSTRUMENTS (CONT'D)****23.2 Financial risk management**

The Group is exposed to various risks in relation to financial instruments. The main types of risks are interest rate risk, credit risk and liquidity risk.

Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's businesses whilst managing its interest rate risk, credit risk and liquidity risk. The Group operates within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

23.2.1 Interest rate risk

The Group's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

The Group actively reviews its debt portfolio, taking into account the nature and requirements of its businesses as well as the current business and economic environment. This strategy allows it to achieve an optimum cost of capital whilst locking in short/long term funding rates for short/long term investments in fixed deposits.

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to the risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS (CONT'D)

23.2 Financial risk management (cont'd)

23.2.1 Interest rate risk (cont'd)

Interest rate sensitivity

The Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period is as follows:-

	31.7.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM
Fixed rate instruments				
<u>Financial assets</u>				
Fixed deposits with licensed banks	30,666,144	9,136,511	8,735,760	6,059,091
Other receivables	-	-	1,765,973	-
	30,666,144	9,136,511	10,501,733	6,059,091
<u>Financial liabilities</u>				
Bankers' acceptance	(2,140,304)	(677,009)	-	(918,618)
Hire purchase liabilities	(2,472,161)	(2,038,817)	(835,546)	(251,496)
	(4,612,465)	(2,715,826)	(835,546)	(1,170,114)
Net financial assets	<u>26,053,679</u>	<u>6,420,685</u>	<u>9,666,187</u>	<u>4,888,977</u>
Floating rate instrument				
<u>Financial liabilities</u>				
Hire purchase liabilities	(405,000)	-	-	-
Term loans	(1,501,374)	(1,964,089)	(3,648,879)	(5,509,151)
	<u>(1,906,374)</u>	<u>(1,964,089)</u>	<u>(3,648,879)</u>	<u>(5,509,151)</u>

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**23. FINANCIAL INSTRUMENTS (CONT'D)****23.2 Financial risk management (cont'd)****23.2.1 Interest rate risk (cont'd)***Interest rate sensitivity* (cont'd)

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Sensitivity analysis on interest rate is applied on floating rate financial instruments only, as the carrying amount of fixed rate financial instruments are not affected by changes in interest rates.

Assuming all other variables are held constant, a 25 basis points ("bp") increase or decrease in interest rates would have equally decreased or increased the profits of the Group, which illustrated as follows:-

	Effect on profit	
	+ 25 bp	-25 bp
	RM	RM
1.1.2025 to 31.7.2025		
(Decrease)/Increase in profit for the financial period	<u>(4,766)</u>	<u>4,766</u>
1.1.2024 to 31.12.2024		
(Decrease)/Increase in profit for the financial year	<u>(4,910)</u>	<u>4,910</u>
1.1.2023 to 31.12.2023		
(Decrease)/Increase in profit for the financial year	<u>(9,122)</u>	<u>9,122</u>
1.1.2022 to 31.12.2022		
(Decrease)/Increase in profit for the financial year	<u>(13,773)</u>	<u>13,773</u>

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD****(Registration No. 202501012740 (1614154-H))**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**23. FINANCIAL INSTRUMENTS (CONT'D)****23.2 Financial risk management (cont'd)****23.2.2 Credit risk**

Credit risk is the risk that counterparty fails to discharge an obligation to the Group. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Classes of financial assets and contract assets:-				
Trade receivables	17,862,685	19,562,865	9,305,050	7,310,837
Other receivables	624,488	284,985	1,970,647	1,651,543
Contract assets	14,958,158	10,954,613	5,969,257	3,518,393
Fixed deposits with licensed banks	30,666,144	9,136,511	8,735,760	6,059,091
Cash and bank balances	4,421,254	1,798,379	1,588,862	919,334
	<u>68,532,729</u>	<u>41,737,353</u>	<u>27,569,576</u>	<u>19,459,198</u>

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties. Receivable balances and contract assets are monitored on an ongoing basis.

Deposits, cash and bank balances and other receivables

The Group has credit risk exposure on deposits, cash and bank balances and other receivables. Other receivables are considered to have low risk of default. Deposits, cash and bank balances are placed with creditworthy financial institutions. While these financial instruments are subject to the impairment requirement of MFRS 9, and the Group assessed these as having low credit risk at the end of the period/year and the identified impairment loss is negligible.

12. ACCOUNTANTS' REPORT (Cont'd)

ISF GROUP BERHAD

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS (CONT'D)

23.2 Financial risk management (cont'd)

23.2.2 Credit risk (cont'd)

Trade receivables and contract assets

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss for trade receivables are a reasonable approximation of the expected loss for contract assets.

The Group evaluated the expected credit loss of each customer individually based on their financial information and past trends of payments. Any receivables having significant balances past due more than 270 days, which are deemed to have higher default risk, are monitored individually. Retention sums receivable more than 2 years outstanding from the end of the defect liability period are deemed to be credit impaired. Most of the Group's customers have low risk of default as they have a strong capacity to meet their debts.

12. ACCOUNTANTS' REPORT (Cont'd)
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
23. FINANCIAL INSTRUMENTS (CONT'D)
23.2 Financial risk management (cont'd)
23.2.2 Credit risk (cont'd)
Trade receivables and contract assets (cont'd)

The ageing analysis of trade receivables and contract assets of the Group is as follows:-

	← Allowance for impairment losses →				Net RM
	<u>Gross</u> RM	Expected credit loss (individually <u>impaired</u>) RM	Expected credit loss (collectively <u>impaired</u>) RM	<u>Total</u> RM	
31.7.2025					
Contract assets	14,958,158	-	-	-	14,958,158
Trade receivables:-					
Within terms	14,934,224	(70,149)	(7,829)	(77,978)	14,856,246
Past due 1 to 30 days	1,378,639	-	(11,287)	(11,287)	1,367,352
Past due 31 to 60 days	392,448	-	(5,668)	(5,668)	386,780
Past due 61 to 90 days	224,514	-	(6,279)	(6,279)	218,235
Past due 91 to 120 days	640,687	-	(24,542)	(24,542)	616,145
Past due 121 to 150 days	71,267	-	(3,936)	(3,936)	67,331
Past due 151 to 180 days	58,831	-	(4,207)	(4,207)	54,624
Past due 181 to 210 days	56,227	-	(6,562)	(6,562)	49,665
Past due 211 to 240 days	74,661	-	(15,293)	(15,293)	59,368
Past due 241 to 270 days	6,880	-	(1,248)	(1,248)	5,632
Past due more than 270 days	966,063	(168,836)	(615,920)	(784,756)	181,307
	<u>18,804,441</u>	<u>(238,985)</u>	<u>(702,771)</u>	<u>(941,756)</u>	<u>17,862,685</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS (CONT'D)

23.2 Financial risk management (cont'd)

23.2.2 Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

The ageing analysis of trade receivables and contract assets of the Group is as follows (cont'd):-

	← Allowance for impairment losses →				Net RM
	<u>Gross</u> RM	Expected credit loss (individually <u>impaired</u>) RM	Expected credit loss (collectively <u>impaired</u>) RM	<u>Total</u> RM	
31.12.2024					
Contract assets	10,954,613	-	-	-	10,954,613
Trade receivables:-					
Within terms	14,026,031	-	-	-	14,026,031
Past due 1 to 30 days	241,019	-	(4,093)	(4,093)	236,926
Past due 31 to 60 days	1,064,828	-	(4,827)	(4,827)	1,060,001
Past due 61 to 90 days	83,765	-	(11,150)	(11,150)	72,615
Past due 91 to 120 days	-	-	-	-	-
Past due 121 to 150 days	1,604,315	-	(38,347)	(38,347)	1,565,968
Past due 151 to 180 days	1,018,508	-	(19,453)	(19,453)	999,055
Past due 181 to 210 days	278,386	-	(47,122)	(47,122)	231,264
Past due 211 to 240 days	914,549	-	(82,438)	(82,438)	832,111
Past due 241 to 270 days	465,164	-	(74,550)	(74,550)	390,614
Past due more than 270 days	623,933	-	(475,653)	(475,653)	148,280
	<u>20,320,498</u>	-	<u>(757,633)</u>	<u>(757,633)</u>	<u>19,562,865</u>

12. ACCOUNTANTS' REPORT (Cont'd)

ISF GROUP BERHAD

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS (CONT'D)

23.2 Financial risk management (cont'd)

23.2.2 Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

The ageing analysis of trade receivables and contract assets of the Group is as follows (cont'd):-

	← Allowance for impairment losses →				
	<u>Gross</u> RM	Expected credit loss (individually <u>impaired</u>) RM	Expected credit loss (collectively <u>impaired</u>) RM	<u>Total</u> RM	<u>Net</u> RM
31.12.2023					
Contract assets	5,969,257	-	-	-	5,969,257
Trade receivables:-					
Within terms	6,555,482	-	(1,219)	(1,219)	6,554,263
Past due 1 to 30 days	1,468,019	-	(1,811)	(1,811)	1,466,208
Past due 31 to 60 days	787,901	-	(3,114)	(3,114)	784,787
Past due 61 to 90 days	3,900	-	(37)	(37)	3,863
Past due 91 to 120 days	102,869	-	(1,827)	(1,827)	101,042
Past due 121 to 150 days	11,819	-	(395)	(395)	11,424
Past due 151 to 180 days	49,440	-	-	-	49,440
Past due 181 to 210 days	75,314	-	(6,654)	(6,654)	68,660
Past due 211 to 240 days	20,270	-	(227)	(227)	20,043
Past due 241 to 270 days	116,226	-	(44,154)	(44,154)	72,072
Past due more than 270 days	579,164	-	(405,916)	(405,916)	173,248
	<u>9,770,404</u>	-	<u>(465,354)</u>	<u>(465,354)</u>	<u>9,305,050</u>

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS (CONT'D)

23.2 Financial risk management (cont'd)

23.2.2 Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

The ageing analysis of trade receivables and contract assets of the Group is as follows (cont'd):-

	← Allowance for impairment losses →				
	<u>Gross</u> RM	Expected credit loss (individually impaired) RM	Expected credit loss (collectively impaired) RM	<u>Total</u> RM	<u>Net</u> RM
31.12.2022					
Contract assets	3,518,393	-	-	-	3,518,393
Trade receivables:-					
Within terms	5,335,350	-	-	-	5,335,350
Past due 1 to 30 days	1,098,559	-	-	-	1,098,559
Past due 31 to 60 days	147,171	-	-	-	147,171
Past due 61 to 90 days	261,239	-	-	-	261,239
Past due 91 to 120 days	1,603	-	-	-	1,603
Past due 121 to 150 days	29,613	-	-	-	29,613
Past due 151 to 180 days	18,484	-	-	-	18,484
Past due 181 to 210 days	65,691	-	-	-	65,691
Past due 211 to 240 days	-	-	-	-	-
Past due 241 to 270 days	1,561	-	-	-	1,561
Past due more than 270 days	351,566	-	-	-	351,566
	<u>7,310,837</u>	-	-	-	<u>7,310,837</u>

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by two (31.12.2024: three, 31.12.2023: five and 31.12.2022: five) customers which constituted approximately 52% (31.12.2024: 64%, 31.12.2023: 49% and 31.12.2022: 50%) of its trade receivables (including related parties) at the end of the reporting period.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS (CONT'D)

23.2 Financial risk management (cont'd)

23.2.3 Liquidity risk

Liquidity risk is the risk arising from the Group not being able to meet its obligations due to shortage of funds.

In managing its exposures to liquidity risk, the Group maintains a level of cash and cash equivalents and bank credit facilities deemed adequate by the management to ensure that it will have sufficient liquidity to meet its liabilities as and when they fall due.

Maturity analysis

The following table shows the maturity profile of the Group's financial liabilities and lease liabilities as at the end of the reporting period based on undiscounted contractual payments:-

	Current	Non-current	
	Less than	2 to 5	More than
	1 year	years	5 years
	RM	RM	RM
31.7.2025			
<i>Non-derivative financial liabilities and lease liabilities</i>			
Trade payables	13,097,086	-	-
Other payables	1,743,301	-	-
Lease liabilities	1,650	-	-
Loans and borrowings	3,344,544	3,014,383	1,089,150
Total undiscounted financial liabilities and lease liabilities	<u>18,186,581</u>	<u>3,014,383</u>	<u>1,089,150</u>
31.12.2024			
<i>Non-derivative financial liabilities and lease liabilities</i>			
Trade payables	10,360,922	-	-
Other payables	1,402,299	-	-
Lease liabilities	31,660	6,960	-
Loans and borrowings	1,958,179	2,480,202	1,218,544
Total undiscounted financial liabilities and lease liabilities	<u>13,753,060</u>	<u>2,487,162</u>	<u>1,218,544</u>

12. ACCOUNTANTS' REPORT (Cont'd)**ISF GROUP BERHAD**

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**23. FINANCIAL INSTRUMENTS (CONT'D)****23.2 Financial risk management (cont'd)****23.2.3 Liquidity risk (cont'd)***Maturity analysis (cont'd)*

The following table shows the maturity profile of the Group's financial liabilities and lease liabilities as at the end of the reporting period based on undiscounted contractual payments (cont'd):-

	Current Less than 1 year RM	Non-current 2 to 5 years RM	More than 5 years RM
31.12.2023			
<i>Non-derivative financial liabilities and lease liabilities</i>			
Trade payables	7,600,350	-	-
Other payables	1,762,776	-	-
Lease liabilities	28,200	18,700	-
Loans and borrowings	1,226,644	2,638,304	1,973,963
Total undiscounted financial liabilities and lease liabilities	<u>10,617,970</u>	<u>2,657,004</u>	<u>1,973,963</u>
31.12.2022			
<i>Non-derivative financial liabilities and lease liabilities</i>			
Trade payables	4,515,529	-	-
Other payables	1,153,650	-	-
Lease liabilities	81,600	46,900	-
Loans and borrowings	2,526,764	2,942,404	3,711,720
Total undiscounted financial liabilities and lease liabilities	<u>8,277,543</u>	<u>2,989,304</u>	<u>3,711,720</u>

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the financial liabilities at the reporting date.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**24. RELATED PARTIES DISCLOSURES**

The related parties transactions during the financial periods/years were as follows:-

	1.1.2025 to 31.7.2025 Audited RM	1.1.2024 to 31.7.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM
<u>Related parties</u>					
Dividends	-	-	2,547,250	-	90,000
Backcharge of professional fees paid on behalf for	-	-	-	-	13,649
Novation of agreement	-	-	2,369,551	-	-
Rental expenses	-	9,400	9,400	56,400	192,400
Subcontractor services provided by	-	3,672	3,672	1,126,296	1,058,490
Subcontractor services provided to	-	-	-	-	526,126
<u>Directors</u>					
Disposal of property, plant and equipment and investment properties	-	-	6,450,000	-	-
Dividends	-	-	7,452,750	-	1,910,000
Rental expenses	-	-	2,000	7,000	-

The outstanding balances arising from related parties transactions as at reporting date are disclosed in Notes 7, 15 and 16 to the Combined Financial Statements.

Related parties refer to:-

- (a) a company in which certain directors have substantial financial interests;
- (b) a sole proprietorship that is related to the Group; and
- (c) a shareholder of the Group.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**25. CAPITAL MANAGEMENT OBJECTIVE**

The primary capital management objective of the Group is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to sustain future development of the business. There is no change to the objectives in the financial period ended 31 July 2025 and the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022.

The Group manages its capital by regularly monitoring its current and expected liquidity requirement and modify the combination of equity and borrowings from time to time to meet the needs. Shareholders' equity and gearing ratio of the Group are as follows:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Total debts *	<u>6,518,839</u>	<u>4,679,915</u>	<u>4,484,425</u>	<u>6,679,265</u>
Total equity	<u>29,844,102</u>	<u>14,664,611</u>	<u>15,028,523</u>	<u>10,647,152</u>
Debt-to-equity ratio	<u>0.22</u>	<u>0.32</u>	<u>0.30</u>	<u>0.63</u>

* Excluding lease liabilities arising from right-of-use assets.

26. FAIR VALUE MEASUREMENT

The carrying amounts of financial assets and financial liabilities of the Group as at the reporting date are approximately at their fair values due to their short term nature or they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

Fair value hierarchy

As at the reporting date, the Group has not designated any financial instrument at fair value through profit or loss or fair value through other comprehensive income and hence fair value hierarchy is not presented.

12. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

27. CAPITAL COMMITMENTS

The capital expenditure in respect of the following is not provided for in the financial statements:-

	31.7.2025	31.12.2024	31.12.2023	31.12.2022
	Audited	Audited	Audited	Audited
	RM	RM	RM	RM
Authorised and contracted for:-				
- Plant and machinery	167,000	-	250,000	-
- Motor vehicle	195,763	-	40,593	116,323
- Investment property	480,000	-	-	-
	<u>842,763</u>	<u>-</u>	<u>290,593</u>	<u>116,323</u>

28. SIGNIFICANT EVENT DURING THE PERIOD

On 28 May 2025, the Company entered into a Conditional Share Sale Agreement with the vendors of Yeo Plumber Sdn. Bhd. to acquire the entire equity interest in Yeo Plumber Sdn. Bhd. for a total purchase consideration of RM14,664,600, which the purchase consideration was satisfied entirely by the issuance of 814,700,000 new ordinary shares of the Company at an issue price of RM0.018 per share. The transaction was completed on 13 November 2025.

29. OPERATING SEGMENTS

The Group primarily operates in Malaysia within the piping industry. The chief operating decision maker regards the Group as a single reportable segment; hence the Group does not present its results by geographical area or product and services segment.

Information of major customers

The following is the top major customers with revenue equal or more than 10% of the Group's total revenue:-

	1.1.2025	1.1.2024	1.1.2024	1.1.2023	1.1.2022
	to	to	to	to	to
	31.7.2025	31.7.2024	31.12.2024	31.12.2023	31.12.2022
	Audited	Unaudited	Audited	Audited	Audited
	RM	RM	RM	RM	RM
Revenue					
Customer A	*	5,086,075	11,236,825	10,149,850	*
Customer B	*	3,531,927	6,452,661	*	*
Customer C	23,235,011	*	6,202,266	*	*
Customer F	*	*	*	*	2,262,535
Customer O	6,773,678	*	*	*	*
	<u>30,008,689</u>	<u>8,618,002</u>	<u>23,891,752</u>	<u>10,149,850</u>	<u>2,262,535</u>

* Revenue is less than 10% of the Group's total revenue.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

30. EVENTS AFTER THE REPORTING PERIOD

- (a) On 17 October 2025, Yeo Plumber Sdn. Bhd. entered into a sale and purchase agreement for the acquisition of one residential unit for a total consideration of RM594,000. The proposed acquisition is expected to be settled by cash in accordance with the payment schedule stipulated in the sale and purchase agreement.

- (b) In respect of the financial year ending 31 December 2025, Yeo Plumber Sdn. Bhd. declared a first interim single tier dividend of RM12.00 per ordinary share totalling RM12,000,000 on 1 October 2025. The dividend was paid on 2 October 2025, 6 October 2025 and 8 October 2025, and was funded via internally generated funds.

12. ACCOUNTANTS' REPORT (Cont'd)

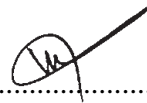
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STATEMENT BY DIRECTORS

We, the undersigned, being the Directors of the Company, do hereby state that, in our opinion, the combined financial statements set out on the pages 4 to 69 are drawn up in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards so as to give a true and fair view of the combined financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 July 2025, and of its combined financial performance and cash flows for the financial years/period ended 31 December 2022, 31 December 2023, 31 December 2024, 31 July 2025.



.....
AI BOON CHEN



.....
LIM AY YUM

Johor Bahru
10 December 2025

13. ADDITIONAL INFORMATION

13.1 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Constitution which complies with the Listing Requirements, the Act and the Rules.

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:

(i) Remuneration, voting and borrowing powers of Directors

(a) Directors' Remuneration

Clause 101 - Directors' remuneration

Subject to the Act and the Listing Requirements, the fees of the Directors and any benefits payable to the Directors shall from time to time be determined by way of an ordinary resolution of the Company in a general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine and in default of agreement equally, except that if a Director has held office for part only of the period in respect of which such fees are payable, such a Director shall be entitled only to that proportion of the fees as is related to the period during which he has held office PROVIDED ALWAYS that:-

- (i) salaries, benefits and other emoluments payable to executive Director(s) pursuant to an employment contract or a contract of service need not be determined by the Company in a general meeting but such salaries may not include a commission on or percentage of turnover;
- (ii) fees payable to non-executive Directors shall be a fixed sum and not by way of a commission on or percentage of profits or turnover; and
- (iii) 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 102 - Reimbursement of expenses

- (a) The Directors shall be entitled to be reimbursed for all travelling or expenses as may be incurred in attending meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. In addition to the foregoing, a Director shall be entitled to such reasonable fixed allowance as may be determined by the Directors in respect of any attendance at any meeting and/or the performance of any duty or other things required of him as a Director.
- (b) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for any director's fees payable to him from time to time.

13. ADDITIONAL INFORMATION (Cont'd)Clause 126 (a) – Alternate Directors

A Director may appoint any other person approved by a majority of the Board to act as his alternate provided that any fee paid by the Company to the alternate shall be deducted from that Director's remuneration. The Alternate Director shall not be required to hold any shares in the Company but shall be entitled to receive notices of all meetings and to attend, speak and vote, and be counted for the quorum, and generally to exercise all powers, rights, duties and authorities of the Director appointing him, at any such meeting at which the Director appointing him is not present. For the avoidance of doubt, an Alternate Director may not vote nor attend any meeting at which the Director appointing him is present. Any appointment so made may be revoked at any time by the appointor or by a majority of the Directors, and any appointment or revocation under this Constitution shall be effected by notice in writing to be delivered to the Secretary of the Company. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointor for any reason ceases to be a Director.

Clause 128 - Remuneration of chief executive, executive Director, managing Director

The remuneration of the chief executive, executive Director, managing Director or any person holding an equivalent position, shall, from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of turnover but it may be a term of their appointment that they shall receive a pension, gratuity or other benefits upon their retirement.

(b) Voting and borrowing powers of DirectorsClause 78 - Chairman's casting vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

Clause 106 - Directors' borrowing powers

- (a) Subject to the Act and the Listing Requirements, the Directors may exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any related party (as defined in Section 7 of the Act):
- (i) borrow money;
 - (ii) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;
 - (iii) issue debentures and other securities whether outright or as security;
 - (iv) lend and advance money or give credit to any person or company;
 - (v) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; and/or
 - (vi) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company; and otherwise to assist any person or of any related party (as defined in Section 7 of the Act).

13. ADDITIONAL INFORMATION (Cont'd)

- (b) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' 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 120 - Votes by majority and chairman of the meeting to have a casting vote

Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes of the Directors present and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote, except where at the meeting only two (2) Directors form a quorum, the chairman of the meeting at which only such a quorum is present, or only two (2) Directors are competent to vote on the question at issue shall not have a casting vote.

Clause 123 - Restriction on voting

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

Clause 124 - Power to vote

A Director may vote in respect of:-

- (i) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company;
- (ii) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security;
- (iii) any contract by the Director himself to subscribe for or underwrite shares or debentures of the Company; or
- (iv) any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities in that company.

13. ADDITIONAL INFORMATION (Cont'd)**(ii) Changes to Share Capital**Clause 6 - Class of shares

The share capital of the Company is its issued share capital. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred and/or other special rights, privileges, conditions and/or restrictions as to dividends, capital, voting and/or otherwise.

Clause 7 - Allotment of 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, the Act, any Applicable Laws, and to the provisions of any resolution of the Company, the Board may issue, allot or grant rights to subscribe for or otherwise dispose of such shares to such persons at such price, on such terms and conditions, with such preferred, deferred or other special rights and subject to such restrictions and at such times as the Board may determine but the Board in making any issue of shares shall comply with the following conditions:-

- (i) in the case of shares, other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution and in the resolution creating the same;
- (ii) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in general meetings;
- (iii) every issue of shares or options to employees and/or Directors of the Company and/or its subsidiaries under an employee share option scheme shall be approved by the Members in general meeting;
- (iv) no Director shall participate in a scheme that involves a new issuance of shares or options unless the Members in a general meeting have approved the specific allotment to be made to such Director; and
- (v) except in the case of an issue of Securities on a pro-rata basis to all Members, or, pursuant to a back-to-back placement or a Dividend Reinvestment Scheme undertaken in compliance with the Listing Requirements, there shall be no issuance and allotment of Securities to a Director, major shareholder, chief executive or person connected with any Director, major shareholder or chief executive (hereinafter referred to as the "interested Director", "interested major shareholder", "interested chief executive" or "interested person connected with a Director, major shareholder or chief executive" respectively) unless the Members in a general meeting have approved of the specific allotment to be made to such aforesaid interested Director, interested major shareholder, interested chief executive or interested person connected with a Director, major shareholder or chief executive, as the case may be. In this Constitution, "major shareholder", "chief executive", "person connected with any Director, major shareholder or chief executive" and "Dividend Reinvestment Scheme" shall have the meaning ascribed thereto in the Listing Requirements.

Clause 56 - Power to increase capital

The Company in a general meeting may from time to time, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital, voting or otherwise as the general meeting resolving upon such increase may direct.

13. ADDITIONAL INFORMATION (Cont'd)Clause 57 - Issue of new shares to Members

Subject to any direction to the contrary that may be given by the Company in general meeting and the Listing Requirements, 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 the 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. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or securities are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.

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 for implementation of a scheme that involves a new issuance of shares or other convertible securities to employees of the Company and its subsidiaries and approval 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 inapplicable.

In any case and in respect of any issuance of shares or convertible securities, the 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 and the Company is not required to offer new shares or convertible securities in proportion to the shareholdings of the existing Members.

Clause 59 - Power to alter capital

Subject to the provisions of this Constitution and the Act, the Company may by ordinary resolution:

- (i) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;
- (ii) convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares;
- (iii) subdivide its shares or any of its shares, such that whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or
- (iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

13. ADDITIONAL INFORMATION (Cont'd)

Clause 60 - Power to reduce capital

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

Clause 61 - Purchase by the Company of its own shares

The Company may, subject to its obtaining such approval from the relevant authorities (if required) and to its compliance with the Act, the Listing Requirements and the Applicable Laws, purchase its own shares. Any shares so purchased by the Company shall be dealt with in accordance with the Act, the Listing Requirements and all Applicable Laws. The provisions of Clauses 59 and 60 herein above shall not affect the power of the Company to cancel any shares or reduce its share capital pursuant to any exercise of the Company's powers under this Clause. The cancellation of shares purchased shall not be deemed to be a reduction of share capital within the meaning of the Act.

(iii) Transfer of securities

Clause 30 - Transfer in writing

Subject to this Constitution, the Central Depositories Act and the Rules, any Member may transfer all or any of his Securities (except those Deposited Securities which are for the time being designated as securities in suspense) by an instrument in writing in the form prescribed and approved by the Exchange upon which the Company is listed on the Exchange. The instrument shall have been executed by or on behalf of the transferor and the transferee, and the transferor shall remain the holder of the Securities transferred until the transfer is registered and the name of the transferee is entered in the Record of Depositors.

Clause 31 - Transfers of Securities

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

Clause 32 - No restriction on the transfer of fully paid Securities

Subject to this Constitution, the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid Securities except where required by law.

Clause 33 (a) - Refusal to register

The Central Depository may, in its absolute discretion, refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and/or the Rules.

13. ADDITIONAL INFORMATION (Cont'd)**(iv) Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights**Clause 8 - Rights of preference shareholders

Subject to the Act, the Listing Requirements and any Applicable laws, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed and the Company shall not unless with the consent of the existing preference shareholders at a class of meeting issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. Preference shareholders shall have:

- (i) the same rights as ordinary shareholders as regards to receiving notices, reports and audited accounts and attending general meetings of the Company; and
- (ii) the right to vote at any meeting convened for the purpose of reducing the capital of the Company or on a proposal to wind up or during the winding up of the Company, or sanctioning a sale of the whole of the Company's undertaking, property or business, or where any resolution to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares or part of the dividend is in arrears for more than six (6) months.

Clause 10 - Variation of class rights

Subject to Section 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with:

- (i) the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of the Members in that class; or
- (ii) the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons holding or representing by proxy at least one-third of the number of the issued shares of the class (excluding any shares of that class held as treasury shares) and that any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one (1) vote for every such share held by him. For adjourned meetings, the quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply.

Clause 11 - Ranking of class rights

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

13. ADDITIONAL INFORMATION (Cont'd)

Clause 147 - Application of profits

The Directors may, if they think fit from time to time, pay to the Members such dividends as appear to the Directors to be justified by the profits of the Company. If at any time the share capital of the Company is divided into different classes, the Directors may pay such dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights, as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Directors act bona fide, they shall not incur any responsibility to the holders of shares conferring any preferential rights for any damage that they may suffer by reason of the payment of dividend on any shares having deferred or non-preferential rights. The Directors may also pay half-yearly or at other suitable intervals to be settled by them, any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment.

Clause 42 - Person entitled may receive dividends etc

Where the registered holder of any share dies or becomes bankrupt, his personal representative or the assignee of his estate, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors in that behalf, be entitled to receive and may give a discharge for all dividends and other moneys payable in respect of the shares as the registered holder would have been entitled to if he had not died or become bankrupt, but he shall not be entitled to receive notice of or to attend or vote at any meeting, or, save as aforesaid, to exercise any of the rights and privileges of a Member, unless and until he shall have become a Member in respect of the shares.

Clause 54 – Rights of stock holders

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages with regards to dividends, participation in assets on a winding up, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, so that none of such rights, privileges or advantages (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in shares, have conferred such rights, privileges or advantages.

Clause 149 - Payment of dividends

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this Constitution as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

13. ADDITIONAL INFORMATION (Cont'd)

13.2 SHARE CAPITAL

- (i) No Shares will be allotted, issued or offered on the basis of this Prospectus later than six (6) months after the date of the issue of this Prospectus.
- (ii) As at the date of this Prospectus, we only have one (1) class of shares, namely ordinary shares, all of which rank equally with one (1) 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) Save for the new Shares to be issued under the Pink Form Allocation as disclosed in Section 4.1.2(ii) of this Prospectus,
 - (a) 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; and
 - (b) there is no scheme involving the directors and employees of our Group.
- (v) Save as disclosed in Section 4.1 of this Prospectus, no shares, debentures, 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, for the Financial Years and Period Under Review and up to the LPD.
- (vi) As at the date of this Prospectus, our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

13.3 LIMITATION ON THE RIGHT TO OWN SECURITIES

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 voting rights on our Shares, which is imposed by Malaysian law or by our Constitution.

13.4 PUBLIC TAKE-OVERS

None of the following has occurred during the last financial year and up to the LPD:

- (i) public take-over offers by third parties in respect of our Group's shares; and
- (ii) public take-over offers by us in respect of other company's shares.

13.5 EXCHANGE CONTROLS

Our Group has not established any other place of business outside Malaysia and is not subject to governmental laws, decrees, regulations or other legislations that may affect the repatriation of capital and remittance of profits by or to our Group.

13. ADDITIONAL INFORMATION (Cont'd)**13.6 MATERIAL LITIGATION, CLAIMS AND ARBITRATION**

Saved as disclosed below, as at the LPD, we are not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which may have a material effect on our business or 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:

Suit No.	WA-24C-31-02/2025
Court	High Court of Malaya
Plaintiff	YPSB
Defendant	Billion Wind Sdn Bhd (" BWSB ")
Summary of Litigation/ Proceedings	<p><u>Background facts</u></p> <p>YPSB received a letter of award dated 5 December 2022 from BWSB, being appointed as the subcontractor of water reticulation works, sewerage works, cold water and sanitary plumbing works for a new manufacturing building consisting of multi-storey carpark, manufacturing (plating) area and M&E utilities plant on the existing plant at Lot PTD 8135, Mukim Kesang, Daerah Tanggak, Johor for STMicroelectronics Sdn Bhd for a contract sum of RM945,488.00 ("Original Contract Sum"). Upon completion of the work by YPSB, YPSB submitted progress claims between 2023 to 2024 for total value of work done amounting to RM1,465,916.00 ("Total Claims") to BWSB, which comprises the Original Contract Sum as well as claims for variation orders amounting to RM520,428.00.</p> <p>Out of the Total Claims, only RM700,464.86 was certified by BWSB ("Certified Value of Work Done"). As such, based on the Malaysian Financial Reporting Standards, our Group has only recognised the Certified Value of Work Done for BWSB up to date.</p> <p>In 2023 and 2024, YPSB received total progress payments for the Certified Value of Work Done amounting to RM482,848.16 from BWSB. On 25 July 2024, YPSB served a payment claim on BWSB for a total amount of RM934,286.64, which comprises:</p> <ul style="list-style-type: none"> (i) the outstanding Certified Value of Work Done amounting to RM168,835.50 after netting off the payment received, retention sum as well as backcharges; and (ii) the balance uncertified value of work done amounting to RM765,451.14. <p>Further on 12 August 2024, YPSB served a notice of adjudication ("Adjudication") on BWSB wherein YPSB sought the following reliefs:</p> <ul style="list-style-type: none"> (a) payment of the unpaid sum of RM934,286.64; (b) interest of 5% shall be claimed on the outstanding payment to be calculated from the date when payment falls due; (c) cost of preparation of the claim of RM65,000.00; and (d) all other cost arising from the Adjudication proceedings.

13. ADDITIONAL INFORMATION (Cont'd)

	<p>Pursuant to the Adjudication decision dated 29 November 2024 (“Adjudication Decision”), BWSB shall pay YPSB immediately the following sums:</p> <p>(i) adjudicated amount of RM934,286.64; and</p> <p>(ii) adjudication costs of RM87,874.56; and</p> <p>BWSB shall pay YPSB interest on the sums calculated at the rate of 5% per annum from the date of due payment until the date of full payment,</p> <p>(Collectively, the “Adjudicated Sum”).</p> <p>Subsequently, YPSB filed an application via originating summons dated 14 February 2025 against BWSB to enforce the said Adjudication Decision.</p>
<p>Status Remarks</p>	<p>BWSB was in the process of being wound up pursuant to proceedings commenced by a third party by way of petition filed on 10 March 2025, following which a winding-up order was made by the court on 19 June 2025. YPSB is in the midst of communicating with the liquidator in-charge to ascertain whether BWSB’s assets are sufficient to satisfy the Adjudicated Sum payable to YPSB, taking into consideration the priority of payments to creditors.</p>
<p>Our Group’ view</p>	<p>As at the LPD, the amount owing by BWSB amounting to RM168,835.50 has been fully impaired in the FPE 2025. After taking into consideration the retention sum and contract liabilities, the net impact to the financial statement for the FPE 2025 is RM129,570.66. Premised on the foregoing, this is not expected to materially or adversely impact on the overall business operations and/or financial condition of our Group.</p>

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13. ADDITIONAL INFORMATION (Cont'd)

13.7 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) during the Financial Years and Period Under Review and up to the date of this Prospectus:

- (i) the SSA in relation to the Acquisition of YPSB. Please refer to Section 4.1.1 of this Prospectus for further details;
- (ii) an investment agreement between YPSB and LPY Fortune Sdn Bhd dated 10 April 2019 in relation to YPSB's investment in the development of property by LPY Fortune Sdn Bhd ("**Investment Agreement**");
- (iii) a novation agreement between YPSB, LPY Fortune Sdn Bhd and Ai Sew Fuat dated 30 September 2024 in relation to the assignment, novation, transfer of the obligations, rights, title, benefits, interests and liabilities under the Investment Agreement to Ai Sew Fuat by YPSB at a consideration of RM2.37 million, which was completed on 30 September 2024. The consideration of RM2.37 million has been offset via dividend entitlements declared by YPSB, comprising Ai Sew Fuat's own entitlement as well as those assigned to him by the other then shareholders of YPSB, namely Ai Boon Chen and Lim Ay Yum. Please refer to Section 11.8 for further information on the dividend declaration;
- (iv) sale and purchase agreements entered into between YPSB and Ai Boon Chen in respect of the following transactions:
 - (a) disposal of a piece of agricultural land bearing postal address of Lot 2038, Jalan Parit Semerah, Kampung Parit Semerah, 82000 Pontian, Johor, with a land area measuring approximately 59,890 sq. ft., to Ai Boon Chen pursuant to a sale and purchase agreement dated 29 December 2024 at consideration of RM0.55 million, which was completed on 31 December 2024;
 - (b) disposal of a piece of industrial land bearing postal address of PTD 9330, Jalan Perindustrian 5, Kawasan Perindustrian Pontian, 82000 Pontian, Johor, with a land area measuring approximately 28,163 sq. ft. together with a building erected thereon with a built-up area of approximately 15,524 sq. ft., to Ai Boon Chen pursuant to a sale and purchase agreement dated 29 December 2024 at consideration of RM1.25 million, which was completed on 31 December 2024;
 - (c) disposal of a unit of service apartment bearing postal address of Unit No. 03-08, Block 1 (Regent Court), Prima Regency Service Apartment, Jalan Masai Baru, 81750 Masai, Johor, with a built-up area measuring approximately 1,205 sq. ft., to Ai Boon Chen pursuant to a sale and purchase agreement dated 29 December 2024 at consideration of RM0.35 million, which was completed on 31 December 2024;
 - (d) disposal of a piece of agricultural land bearing postal address of Lot 2873 (new survey Lot No. 7569), Jalan Parit Haji Adnan, Kampung Parit Haji Adnan, 81500 Pekan Nanas, Johor, with a land area measuring approximately 325,608 sq. ft., to Ai Boon Chen pursuant to a sale and purchase agreement dated 29 December 2024 at consideration of RM1.20 million, which was completed on 31 December 2024;
 - (e) disposal of a piece of agricultural land bearing postal address Lot 8058, Jalan Parit Mesjid, Kampung Parit Kassim, 82000 Pontian, Johor, with a land area measuring approximately 334,542 sq. ft., to Ai Boon Chen pursuant to a sale and purchase agreement dated 29 December 2024 at consideration of RM3.10 million, which was completed on 31 December 2024; and

13. ADDITIONAL INFORMATION (Cont'd)

- (f) disposal of a unit of stratified shop office bearing postal address No. 13-2, Jalan Delima 5, Pusat Perdagangan Pontian, 82000 Pontian, Johor, with a built-up area measuring approximately 1,453 sq. ft., to Ai Boon Chen at consideration of RM120,000, which was completed on 26 November 2025.

The total consideration of RM6.45 million for the abovementioned sale and purchase transactions (in respect of item (a) to item (e)) above has been offset via dividend entitlements declared by YPSB, comprising Ai Boon Chen's own entitlement as well as those assigned to him by the other then shareholders of YPSB, namely Ai Sew Fuat and Lim Ay Yum. Please refer to Section 11.8 for further information on the dividend declaration.

- (v) sale and purchase agreement entered between YPSB and Prinsip Alpha Sdn Bhd dated 30 May 2025 in respect of the acquisition of a unit of service apartment identified as Parcel No. B-29-07, Storey No. 29, Building No. B, Land Parcel No. 947 with accessory parcel No. A381 in a housing development known as "Residensi Ponderosa" erected on all that piece of freehold land held under the master title GRN 457227, Lot 181427, Mukim Plentong, District of Johor Bahru, State of Johor, measuring approximately 49.45 sq. m. at the consideration of RM480,000. The consideration is payable by way of progressive payments based on construction milestones. The development is expected to be completed in 2029;
- (vi) sale and purchase agreement entered between YPSB and Prinsip Alpha Sdn Bhd dated 17 October 2025 in respect of the acquisition of a unit of service apartment identified as Parcel No. B-29-08, Storey No. 29, Building No. B, Land Parcel No. 948 with accessory parcel No. A247 in a housing development known as "Residensi Ponderosa" erected on all that piece of freehold land held under the master title GRN 457227, Lot 181427, Mukim Plentong, District of Johor Bahru, State of Johor, measuring approximately 63.31 sq. m. at the consideration of RM594,000. The consideration is payable by way of progressive payments based on construction milestones. The development is expected to be completed in 2029;
- (vii) the Placement Agreement. Please refer to Section 4.5.3 of this Prospectus for further details; and
- (viii) the Underwriting Agreement. Please refer to Section 4.6 of this Prospectus for further details.

13.8 CONSENTS

- (i) The written consents of our Principal Adviser, Sponsor, Sole Underwriter and Placement Agent, Solicitors to our Company, Share Registrar, Issuing House and Company Secretaries 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 our 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 and all references thereto 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.

13. ADDITIONAL INFORMATION (Cont'd)

13.9 RESPONSIBILITY STATEMENTS

- (i) This Prospectus has been seen and approved by our Directors, Promoters and Offerors and 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.
- (ii) AIS as the Principal Adviser, Sponsor, Sole Underwriter and 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.

13.10 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of six (6) months from the date of this Prospectus:

- (i) our Constitution;
- (ii) the IMR Report referred to in Section 7 of this Prospectus;
- (iii) the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position of our Group referred to in Section 11.9 of this Prospectus;
- (iv) the Accountants' Report as included in Section 12 of this Prospectus;
- (v) the material contracts referred to in Section 13.7 of this Prospectus;
- (vi) the letters of consent referred to in Section 13.8 of this Prospectus;
- (vii) the cause papers for material litigation referred to in Section 13.6 of this Prospectus;
- (viii) the audited financial statements of the Company for the period beginning from 25 March 2025 (being the date of incorporation) to 31 July 2025; and
- (ix) the audited financial statements of our subsidiary for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025.

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14. 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.

14.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD : **10.00 A.M., 8 JANUARY 2026**

CLOSING OF THE APPLICATION PERIOD : **5.00 P.M., 14 JANUARY 2026**

Applications for the IPO Shares will be open and close at the dates stated above.

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

Late Applications will not be accepted.

14.2 METHODS OF APPLICATIONS

14.2.1 Application for Our IPO Shares by the Malaysian Public and Eligible Persons

Application must accord with this Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application method
Applications by the Malaysian Public:	
(a) Individuals	WHITE Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	WHITE Application Form only
Applications by the Eligible Persons	PINK Application Form only

14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**14.2.2 Application by Bumiputera selected investors and selected investors via private placement**

Types of Application	Application method
Applications by: (a) Bumiputera Investors approved by the MITI (b) Selected investors	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions. The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

Bumiputera investors and selected investors may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

14.3 ELIGIBILITY**14.3.1 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 (1)** 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.

14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

14.3.2 Applications by Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (i) You must be one (1) 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 Issuing House; and
- (iii) You must submit Applications by using only one (1) of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

14.3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated Issue Shares. The Eligible Persons must follow the notes and instructions in the said document and where relevant, in this Prospectus.

The Eligible Persons 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, Issuing House, AIS, participating organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

14.4 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 RM0.33 for each IPO Share.

Payment must be made out in favour of “**TIIH SHARE ISSUE ACCOUNT NO. 816**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one (1) of the following methods:

- (i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
 (Registration No. 197101000970 (11324-H))
 Unit 32-01, Level 32, Tower A
 Vertical Business Suite
 Avenue 3, Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur

- (ii) **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No, 8, Jalan Kerinchi, 59200 Kuala Lumpur

so as to arrive not later than 5:00 p.m. on 14 January 2026 or by such other time and date specified in any change to the date and 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 Forms to our Issuing House.

14.5 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.

14.6 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, Malayan Banking Berhad, Public Bank Berhad, RHB Bank Berhad, CGS International Securities Sdn Bhd, Hong Leong Investment Bank Berhad, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Moomoo Securities Malaysia Sdn Bhd, TA Securities Holdings Berhad and UOB Kay Hian (M) Sdn. Bhd. (formerly known as UOB Kay Hian Securities (M) Sdn Bhd). 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.

14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

14.7 AUTHORITY OF OUR BOARD AND ISSUING HOUSE

The Issuing House on the authority of our Board reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of this 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 14.9 of this Prospectus.

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 any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

14.8 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 Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at <http://srmy.vistra.com> within one (1) Market Day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25% 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 or any share of revenue or benefits arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

In the event of an under-subscription of our IPO Shares, subject to the underwriting arrangements and reallocation as set out in Section 4.1.5 of our Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriters based on the terms of the Underwriting Agreement.

14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

14.9 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.

14.9.1 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 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).

14.9.2 For applications by way of Electronic Share Applications and Internet Share Applications

- (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 two (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 two (2) Market Days after the receipt of confirmation from our Issuing House.
- (ii) You may check your account on the fifth (5th) Market Day from the balloting date.

14. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (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 Institution 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 two (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 two (2) Market Days after the receipt of confirmation from our Issuing House.

14.10 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 Issue 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.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Issue 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.

14.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at telephone no. +603 2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution, Participating Securities Firms or Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at <http://srmy.vistra.com>, one (1) Market Day after the balloting date.

You may also check the status of your Application at the above website, five (5) Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF ISF GROUP BERHAD (“ISF” OR THE “COMPANY”) DATED 8 JANUARY 2026 (“PROSPECTUS”)

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 viceversa.

1. OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: **10:00 A.M., 8 JANUARY 2026**

CLOSING OF THE APPLICATION PERIOD: **5:00 P.M., 14 JANUARY 2026**

Applications for our IPO Shares will be open and close at the dates stated above.

In the event of any change to the dates and times stated above, we will advertise the notice of changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia and make an announcement on Bursa Securities’ website.

Late Applications will not be accepted.

2. METHODS OF APPLICATIONS

2.1 Application for our IPO Shares by the Malaysian Public and Eligible Persons

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application method
Applications by the Malaysian Public:	
(a) Individuals	WHITE Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	WHITE Application Form only
Applications by the Eligible Persons	PINK Application Form only

2.2 Application by Bumiputera selected investors and selected investors via private placement

Types of Application and category of investors	Application method
Applications by:	
(a) Bumiputera Investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI’s instructions.
(b) Selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent’s instructions.

Bumiputera investors and selected investors may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

3. ELIGIBILITY

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 (1)** 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 APPLY FOR IPO SHARES USING A JOINT BANK ACCOUNT SHOULD ENSURE THAT THEIR APPLICATION DETAILS MATCH THOSE OF THE CDS ACCOUNT INDICATED IN THE APPLICATION. ANY DISCREPANCY BETWEEN THE INFORMATION PROVIDED BY YOUR FINANCIAL INSTITUTION AND THE CDS ACCOUNT RECORD WILL RESULT IN APPLICATION REJECTION. TO AVOID ANY REJECTION, PLEASE CONTACT YOUR FINANCIAL INSTITUTION TO VERIFY THE DETAILS. PLEASE NOTE THAT THE COMPANY, PRINCIPAL ADVISER, AND ISSUING HOUSE WILL NOT BE LIABLE FOR ANY ISSUES ARISING THEREAFTER.

3.2 Application by Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (i) You must be one (1) 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 (1) of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

3.3 Application by the Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated Issue Shares. The Eligible Persons must follow the notes and instructions in the said document and where relevant, in our Prospectus.

The Eligible Persons 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, Issuing House, AIS, participating organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

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 Malaysian Public must follow the following procedures in making their applications through the White Application Form.

- (i) Obtain the relevant Application Form together with the Official "A" and "B" envelopes and our Prospectus.

The **White Application Form** together with our Prospectus, can be obtained subject to availability from Alliance Islamic Bank Berhad, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or Malaysian Investment Banking Association and our Issuing House and our Company.

- (ii) In accordance with Section 232(2) of the CMSA, the Application Forms are accompanied by our Prospectus. You are advised to read and understand our Prospectus before making your Application.
- (iii) Complete the relevant Application Form legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in our Prospectus, including:
 - (a) ensuring that your personal particulars submitted in your Application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any changes to your personal particulars as the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository.
 - (b) stating your CDS account number in the space provided in the Application Form. Invalid or nominee or third party CDS accounts will **not** be accepted.
 - (c) stating the details of your payment in the appropriate boxes provided in the Application Form; and
 - (d) stating the number of shares applied. Applications must be for at least 100 IPO Shares or multiples of 100 IPO Shares.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) Prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.33 for each IPO Share.

Payment must be made out in favour of “**TIIH SHARE ISSUE ACCOUNT NO. 816**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Only Banker’s Draft or Cashier’s Order drawn on a bank in Kuala Lumpur, Money or Postal Orders (Sabah and Sarawak only) and Guaranteed Giro Order from Bank Simpanan Nasional Malaysia Berhad will be accepted.

We will not accept Applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the White Application Form.

- (v) Insert the White Application Form together with payment and a legible photocopy of your identification document (NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable)) into the Official “A” envelope and seal it. You must write your name and address on the outside of the Official “A” and “B” envelopes.

Affix RM1.50 stamp on the Official “A” envelope and insert the Official “A” envelope into the Official “B” envelope.

The name and address written must be identical to your name and address as in your NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

- (vi) Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one (1) of the following methods:

- (a) despatch by **ORDINARY POST** in the official envelopes provided to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

- (b) **DELIVERED BY HAND AND DEPOSIT** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, so as to arrive not later than **5:00 p.m. on 14 January 2026** 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

5. PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

5.1 Participating Financial Institutions

Only **Malaysian individuals** may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

The following processing fee for each Electronic Share Application will be charged by the respective Participating Financial Institutions (unless waived) as follows:

Participating Financial Institutions	Charges
Affin Bank Berhad	Free
Alliance Bank Malaysia Berhad	RM1.00
AmBank (M) Berhad	RM1.00
CIMB Bank Berhad	RM2.50
Malayan Banking Berhad	RM1.00
Public Bank Berhad	RM2.00
RHB Bank Berhad	RM2.50

Please note that these processing fees may be varied or waived from time to time at the discretion of the respective Participating Financial Institutions. Please contact the relevant Participating Financial Institutions for further enquiries.

5.2 Procedures for Electronic Share Application

The exact procedures, terms and conditions for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR ELECTRONIC SHARE APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATM CAREFULLY PRIOR TOMAKING AN ELECTRONIC SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Participating Financial Institutions.

You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our IPO Shares at an ATM belonging to other Participating Financial Institutions.

You are to submit at least the following information through the ATM, where the instructions on the ATM screen require you to do so:

- Personal Identification Number ("**PIN**");
- **TIIH Share Issue Account No. 816**;
- Your CDS account number;
- Number of IPO Shares applied for and the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in Section 5.3 below.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip (“**Transaction Record**”), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or our Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

5.3 Terms and Conditions for Electronic Share Application

You must have a CDS account to be eligible to use the Electronic Share Application. Invalid, nominee or third party CDS accounts will not be accepted.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

- (i) The Electronic Share Application shall be made in relation to and subject to the terms of our Prospectus and our Company’s Constitution.
- (ii) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:
 - (a) You are at least 18 years old as at the date of the application for our IPO Shares;
 - (b) You are a Malaysian citizen residing in Malaysia;
 - (c) You have read our Prospectus and understood and agreed with the terms and conditions of the Application;
 - (d) The Electronic Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public; and
 - (e) You consent to the disclosure by the Participating Financial Institutions and Bursa Depository of information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to our Issuing House and other relevant authorities.

Your Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, it is considered that you have confirmed each of the above statements as well as given consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Participating Financial Institutions or Bursa Depository, as the case may be, of any of your particulars to our Issuing House or any relevant authorities.

- (iii) You confirm that you are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and that the Electronic Share Application that you make is made by you as the beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for our IPO Shares offered to the Malaysian Public.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application is made, failing which the Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.
- (v) You agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated in the Transaction Record or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot or allocate a lesser number of such IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated keys or buttons on the ATM keyboard) of the number of IPO Shares applied for shall signify, and shall be treated as, your acceptance of the number of IPO Shares that may be allotted or allocated to you and your acceptance to be bound by our Constitution.
- (vi) Our Issuing House, on the authority of our Board, reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our IPO Shares to a reasonable number of Applicants with a view to establishing a liquid and adequate market for our Shares.
- (vii) You request and authorise us:
 - (a) to credit our IPO Shares allotted or allocated to you into your CDS account; and
 - (b) to issue share certificate(s) representing such IPO Shares or jumbo certificates which represent, amongst others, such IPO Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (viii) You acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of our Issuing House, Bursa Depository or the Participating Financial Institution, and irrevocably agree that if:
 - (a) our Company or our Issuing House does not receive your Electronic Share Application; or
 - (b) the data relating to your Electronic Share Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company or our Issuing House,you shall be deemed not to have made an Electronic Share Application and shall not make any claim whatsoever against our Company, our Issuing House or the Participating Financial Institution for our IPO Shares applied for or for any compensation, loss or damage.
- (ix) All of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, our Issuing House and the relevant Participating Financial Institution shall be entitled to rely on their accuracy.
- (x) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (xi) By making and completing an Electronic Share Application, you agree that:
- (a) in consideration of us agreeing to allow and accept the application for our IPO Shares through the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;
 - (b) we, the Participating Financial Institutions, Bursa Depository and our Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our or the control of any of them;
 - (c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase our IPO Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said IPO Shares;
 - (d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounce any instrument of transfer and other documents required for the issue or transfer of our IPO Shares allotted or allocated to you; and
 - (e) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and / or the Electronic Share Application and / or any terms of our Prospectus, all rights, obligations and liabilities of the parties shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (xii) Our Issuing House, acting on the authority of our Board reserves the right to reject Applications which do not conform to these instructions.

6. APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

6.1 Internet Participating Financial Institutions or Participating Securities Firms

Only **Malaysian individuals** may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

The following processing fee for each Internet Share Application will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) as follows:

YOU ARE ADVISED NOT TO APPLY FOR OUR IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Internet Participating Financial Institution or Participating Securities Firm	Website address	Fees charged
Affin Bank Berhad	https://rib.affinalways.com	Free
Alliance Bank Malaysia Berhad	www.allianceonline.com.my	RM1.00
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
Public Bank Berhad	www.pbebank.com	RM2.00
RHB Bank Berhad	www.rhbgroup.com/index.html	RM2.50
CGS International Securities Malaysia Sdn Bhd	www.eipo.cgsi.com.my	RM2.00 for payment through CIMB Bank Berhad or Malayan Banking Berhad
Hong Leong Investment Bank Berhad	https://www.hlebroking.com/v3/	RM1.00
Kenanga Investment Bank Berhad	https://kentrade.com.my/	Free
Malacca Securities Sdn Bhd	https://eipo.mplonline.com/	Free
Moomoo Securities Malaysia Sdn Bhd	https://www.moomoo.com/my/invest/ipo	Free
TA Securities Holdings Berhad	https://eservices.tasecurities.com.my/auth/login	Free
UOB Kay Hian (M) Sdn. Bhd. (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	https://eipo.utrade.com.my	Free

Please note that these fees may be varied or waived from time to time at the discretion of the respective Internet Participating Financial Institutions or Participating Securities Firms. Please contact the relevant Internet Participating Financial Institutions or Participating Securities Firms for further enquiries.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR INTERNET SHARE APPLICATIONS SET OUT BELOW AND AT THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Internet Participating Financial Institutions or Participating Securities Firms.

6.2 Terms and Conditions for Internet Share Application

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

An Internet Share Application shall be made on and subject to the following terms and conditions:

6.2.1 You can make an Internet Share Application if you fulfill all of the following:

6.2.1.1 You are an individual with a CDS Account and in the case of a joint account, an individual CDS Account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS Account registered in the joint account holder's name;

6.2.1.2 You have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution or Participating Securities Firm. You must have your user identification ("**User ID**") and PIN/password for the relevant Internet financial services facilities; and

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

6.2.1.3 You are a Malaysian citizen and have a mailing address in Malaysia.

You are advised to note that a User ID and PIN/password issued by one of the Internet Participating Financial Institutions or Participating Securities Firms cannot be used to apply for our IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions or Participating Securities Firms.

6.2.2 An Internet Share Application shall be made on and subject to the terms of our Prospectus and our Company's Constitution.

6.2.3 You are required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution or Participating Securities Firm) and to undertake that the following information given are true and correct:

6.2.3.1 You are at least 18 years old as at the date of the application for our IPO Shares;

6.2.3.2 You are a Malaysian citizen residing in Malaysia;

6.2.3.3 You have, prior to making your Internet Share Application, received and/or have had access to a printed/electronic copy of our Prospectus, the contents of which you have fully read and understood;

6.2.3.4 You agree to all the terms and conditions of the Internet Share Application as set out in our Prospectus and have carefully considered the risk factors as well as all other information and statements set out in our Prospectus, before making your Internet Share Application;

6.2.3.5 Your Internet Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public;

6.2.3.6 You authorise the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution to deduct the full amount payable for our IPO Shares from your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution;

6.2.3.7 You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institution or Participating Securities Firm, to our Issuing House and the Authorised Financial Institution, the SC and any other relevant authority;

6.2.3.8 You are not applying for our IPO Shares as a nominee of any other person and your Internet Share Application is made in your own name, as beneficial owner and subject to the risks referred to in our Prospectus;

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

6.2.3.9 You authorise the Internet Participating Financial Institution or Participating Securities Firm to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution or Participating Securities Firm, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institution or Participating Securities Firm will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution or Participating Securities Firm in connection with the use of the Internet Share Application services.

6.2.4 Your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our IPO Shares through the website of the Authorised Financial Institution and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of our Prospectus, "Confirmation Screen" shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for which you can print out for your records.

Upon the display of the Confirmation Screen, you will be deemed to have confirmed the truth of the statements set out in Section 6.2.3 above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institution or Participating Securities Firm and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or our Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

6.2.5 You must have sufficient funds in your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution at the time of making your Internet Share Application, to cover and pay for our IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which your Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in our Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made shall be rejected.

6.2.6 You irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Internet Share Application. In the event that we decide to allot or allocate lesser number of such Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institution, your confirmation of the number of IPO Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

6.2.6.1 Your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and

6.2.6.2 Your agreement to be bound by the Constitution of our Company.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

6.2.7 You are fully aware that multiple or suspected multiple Internet Share Applications for our IPO Shares will be rejected. **A PERSON WHO SUBMITS MULTIPLE INTERNET SHARE 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.** Our Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating the Shares to a reasonable number of Applicants with a view to establishing a liquid and adequate market for our Shares.

6.2.8 An Internet Share Application is deemed to be received only upon its completion, which is when the Confirmation Screen is displayed on the internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for reference and record purposes. Late Internet Share Applications will not be accepted.

6.2.9 You acknowledge that your Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, and other events beyond the control of the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution, our Issuing House and our Company and irrevocably agree that if:

6.2.9.1 our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/or the Authorised Financial Institution do not receive your Internet Share Application and/or payment; and

6.2.9.2 any data relating to your Internet Share Application or the tape or any other devices containing such data and/or payment is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever,

you will be deemed not to have made an Internet Share Application and you will not make any claim whatsoever against our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/or the Authorised Financial Institution in relation to our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

6.2.10 All of your particulars in the records of the relevant Internet Participating Financial Institution or Participating Securities Firm at the time of your Internet Share Application shall be deemed to be true and correct, and we, our Issuing House, the Internet Participating Financial Institutions or Participating Securities Firms and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information shall be entitled to rely on the accuracy thereof.

You must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institution or Participating Securities Firm are correct and identical. Otherwise, your Internet Share Application will be rejected. The notification letter on successful allotment will be sent to your last address maintained with Bursa Depository. It is your responsibility to notify the Internet Participating Financial Institution or Participating Securities Firm and Bursa Depository of any changes in your personal particulars that may occur from time to time.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

7. AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

Your Application will be selected in a manner to be determined by our Board. Due consideration will be given to the desirability of allotting and allocating our IPO Shares to a reasonable number of Applicants with a view to establishing a liquid and adequate market for our Shares. 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 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 any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

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 Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at <https://srmy.vistra.com> within one (1) Market Day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25% 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 or any share of revenue or benefits arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

In the event of an under-subscription of our IPO Shares, subject to the underwriting arrangements and reallocation as set out in Section 4.1.5 of our Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriters based on the terms of the Underwriting Agreement.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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.

9.1 For Applications by way of Application Forms

9.1.1 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.

9.1.2 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.

9.1.3 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 Sections 9.1.1 and 9.1.2 above (as the case may be).

9.1.4 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 Section 9.1.2 above (as the case may be).

9.2 For applications by way of Electronic Share Application and Internet Share Application

9.2.1 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 two (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 two (2) Market Days after the receipt of confirmation from our Issuing House.

9.2.2 You may check your account on the fifth (5th) Market Day from the balloting date.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

9.2.3 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 Institution 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 two (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 two (2) Market Days after the receipt of confirmation from our Issuing House.

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 securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository. As such, our IPO Shares 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 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.

11. ENQUIRIES

Enquiries in respect of the Applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at telephone no. +603 2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution, Participating Securities Firms or Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at our Issuing House website <https://srmy.vistra.com>, one (1) Market Day after the balloting date.

You may also check the status of your Application at the above website, five (5) Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as set out in Section 12 of the Detailed Procedures for Application and Acceptance.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**12. LIST OF ADAS**

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker code
<u>KUALA LUMPUR</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No.: 03-7710 6688	068-009
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2143 8668	068-018
PHILIP CAPITAL SDN BHD	B-18-6, Block B, Level 18 Megan Avenue II No. 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel No.: 03-2783 0361	076-001
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor Bagunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2031 0102	086-001
BIMB SECURITIES SDN BHD	32nd Floor, Menara Multi-Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No.: 03-2613 1600	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	3rd Floor, Lot 1511 & 1512 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel No.: 03-9132 7424/7428/7429	065-001
FA SECURITIES SDN BHD	A-10-17 & A-10-1 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel No.: 03-2288 1676	021-001
HONG LEONG INVESTMENT BANK BERHAD	Mezzanine Floor Level 3A, Block B, HP Towers No.12 Jalan Gelenggang 60000 Kuala Lumpur Tel No.: 03-2080 8777	066-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-2083 1800	066-008
BERJAYA SECURITIES SDN BHD <i>(formerly known as Inter-Pacific Securities Sdn Bhd)</i>	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No.: 03-2117 1888	054-001
CIMB SECURITIES SDN BHD	11th-14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2171 0228	053-001
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-2172 2888	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor, West Wing ECM Libra Building 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No.: 03-2089 2888	073-021
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 The Boulevard, Bandar Mid Valley Lingkar Syed Putra 59200 Kuala Lumpur Tel No.: 03-2282 1820	057-002
MALACCA SECURITIES SDN BHD	No. 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) 53300 Setapak, Kuala Lumpur Tel No.: 03-4144 2565	012-001
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur Tel No.: 03-2733 9782	012-001
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No. 3 Jalan Bangsar KL ECO City 59200 Kuala Lumpur Tel No.: 03-2201 2100	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-2297 888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No.2, Jalan Solaris Solaris Mont Kiara 50480 Kuala Lumpur Tel No.: 03-6203 7227	093-002
MOOMOO SECURITIES MALAYSIA SDN BHD	Level 9, Menara Khuan Choo 75A Jalan Raja Chulan Bukit Bintang 50200 Kuala Lumpur Tel No.: 03-9212 0718	062-001
MBSB INVESTMENT BANK BERHAD (formerly known as MIDF Amanah Investment Bank Berhad)	Level 21, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-2173 8888	026-001
NEWPARADIGM SECURITIES SDN BHD	11th Floor, Menara Public Bank 2 No. 78, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-3368 3000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Bangunan Public Bank No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No.: 03-2268 3000	051-001
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2233	087-001
RHB INVESTMENT BANK BERHAD	Level 5, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2453	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1 & 64, 64-1 Vista Magna Jalan Prima, Metro Prima 52100 Kepong Kuala Lumpur Tel No.: 03-6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No.: 03-4280 4798	087-054

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No.: 03-9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	34th Floor, Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-2072 1277	058-003
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	N3, Plaza Damas No. 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-6205 6000	078-004
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground & 19th Floor Menara Keck Seng No. 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-2147 1888	078-010
<u>SELANGOR DARUL EHSAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B3A1, East Wing 3A, Wisma Consplant 2 No. 7, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5635 6688	068-010
AFFIN HWANG INVESTMENT BANK BERHAD	4th floors, Wisma Meru No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9999	068-019
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS 21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7710 6613	086-001
APEX SECURITIES BERHAD	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No.: 03-8736 1118	079-001
APEX SECURITIES BERHAD	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7620 1118	079-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 & 2 3 Damansara Office Tower No. 3, Jalan SS 20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7717 3388	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5631 7934	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3325 7105	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-5891 6852	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.26A(F), 26A(M) & 26A(B), Jalan SJ6 Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No.: 03-5891 6852	065-001
KENANGA INVESTMENT BANK BERHAD	No. 55C, 2nd Floor Jalan USJ 10/1F 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8024 1773	073-001
KENANGA INVESTMENT BANK BERHAD	Level 1, East Wing Wisma Consplant 2 No. 7, Jalan SS16/1 47610 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5621 2118	073-001
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7725 9095	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	No. 35, (Ground, 1st & 2nd Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5636 1533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7876 1533	012-001
MAYBANK INVESTMENT BANK BERHAD	Wisma Bently Music Level 1, No. 3, Jalan PJU 7/2 Mutiar Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7718 8888	098-004
MAYBANK INVESTMENT BANK BERHAD	Suite 8.02, Level 8, Menara Trend Intan Millennium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Tel No.: 03-3050 8888	098-003
NEWPARADIGM SECURITIES SDN BHD	1st Floor, 157-A Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-8070 0773	064-003
NEWPARADIGM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3341 5300	064-007
RHB INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M, 28A & 30A Jalan SS2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7873 6366	087-011
RHB INVESTMENT BANK BERHAD	1st Floor 10 & 11, Jalan Maxwell 48000 Rawang Selangor Darul Ehsan Tel No.: 03-6092 8916	087-047

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1 ½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9180	087-048
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B USJ 10/1J 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8022 1888	087-059
SJ SECURITIES SDN BHD	26, Jalan Pendaftar U1/54 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan Tel No.: 03-5567 3000	096-001
SJ SECURITIES SDN BHD	No. A-3-11, Block Alamanda 3rd Floor, 10 Boulevard Lebuhraya Sprint PJU 6A 47400 Damansara Selangor Darul Ehsan Tel No.: 03-7732 3862	096-005
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA No. 1A, Jalan SS 20/1 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7795 5713	058-007
<u>PERAK DARUL RIDZUAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Tingkat Bawah, 1, 2 & 3 21, Jalan Stesen 30400 Taiping Perak Darul Ridzuan Tel No.: 05-8066 688	068-003
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2088 688	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2530 888	066-003
KENANGA INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 4th Floor No. 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2422 828	073-022
M & A SECURITIES SDN BHD	5th, 6th & Unit 8A M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No.: 05-2419 800	057-001
MALACCA SECURITIES SDN BHD	1st Floor No. 3, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2541 533	012-013
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2 No. 42, Persiaran Greentown 1 Pusat Dagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2453 400	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6236 498	087-014
RHB INVESTMENT BANK BERHAD	Gound & 1st Floor No. 23 & 25, Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6921 228	087-016
RHB INVESTMENT BANK BERHAD	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2415 100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor No. 40, 42 & 44, Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8088 229	087-034

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	No. 1 & 3, First Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No.: 05-7170 888	087-033
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng, No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-2531 313	058-001
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	153A, Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No.: 05-2411 290	078-002
<u>PENANG</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Penang Tel No.: 04-2636 996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 4, Jalan Perda Barat, Bandar Perda 14000 Penang Tel No.: 04-5372 882	068-006
AMINVESTMENT BANK BERHAD	Level 3, Menara Liang Court No. 37, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2261 818	086-001
APEX SECURITIES BERHAD	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Penang Tel No.: 04-2289 118	079-005
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2385 900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Penang Tel No.: 04-6412 881	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Unit 1308 & 1309 Jalan Besar, Sungai Bakap 14200 Sungai Jawi Penang Tel No.: 04-6412 881	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Canton Square Level 2 & 3 No. 56 Cantonment Road 10250 Penang Tel No.: 04-2268 288	054-002
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead 39, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2283 355	073-023
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Penang Tel No.: 04-5060 967	012-001
MALACCA SECURITIES SDN BHD	No. 17, 1st Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Penang Tel No.: 04-6421 533	012-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor Bangunan KWSP No. 38, Lot PT 8, Seksyen 14 Jalan Sultan Ahmad Shah 10050 Georgetown Penang Tel No.: 04-2196 888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor JKP Business Centre Lorong Bagan Luar Dua 12000 Butterworth, Seberang Perai Penang Tel No.: 04-3322 123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor Standard Chartered Bank Chambers 2 Lebuhr Pantai 10300 Penang Tel No.: 04-2639 118	093-004
NEWPARADIGM SECURITIES SDN BHD	56B, 1st Floor Jalan Perak, Perak Plaza 10150 Penang Tel No.: 04-2273 000	064-004

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
PHILIP CAPITAL SDN BHD	29A, Ground Floor Beach Street 10300 Penang Tel No.: 04-2616 363	076-015
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Penang Tel No.: 04-3900 022	087-005
RHB INVESTMENT BANK BERHAD	Ground Floor – Tingkat 3 & Tingkat 5 – Tingkat 8 64 & 64-D Lebuah Bishop 10200 Penang Tel No.: 04-2634 222	087-033
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Penang Tel No.: 04-6404 888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan 171, Jalan Burmah 10050 Penang Tel No.: 04-2272 339	058-010
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	1st and 2nd Floor Bangunan Heng Guan No. 171 Jalan Burmah 10050 Penang Tel No.: 04-2299 318	078-002
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	21 Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5047 313/316	078-003
<u>KEDAH DARUL AMAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70A, B & C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4256 666	068-011
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, No.102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No.: 04-7774 400	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	No. 9, Tingkat Satu Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7300 299	012-001
PHILIP CAPITAL SDN BHD	Lot T-30, 2nd Floor Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-7317 088	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 214-A & 214-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7209 888	087-021
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Lot 4, 4, & 5A, 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7322 111	078-007
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 29G, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-6037 408	068-007
AFFIN HWANG INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 188	068-013
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.21 Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 155	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-6515 385	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Wisma Dewan Perniagaan Melayu Negeri Sembilan Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7614 651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7655 998	073-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Wisma HM No. 43 Jalan Dr. Krishnan 70000, Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7669 555	098-005
NEWPARADIGM SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor 19, 20 & 21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7623 131	064-002
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel No.: 06-6137 767	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33 Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7641 641	087-024
<u>MELAKA</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st & 2nd Floor No. 191 Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No.: 06-2898 897	065-001
KENANGA INVESTMENT BANK BERHAD	71 & 73 (Ground, A&B) Jalan Merdeka, Taman Melaka Raya 75000 Melaka Tel No.: 06-2881 720	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park) Balai Panjang P.O Box 248 75250 Melaka Tel No.: 06-3371 533	012-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2921 898	093-003
NEWPARADIGM SECURITIES SDN BHD	No. 6-1, Jalan Legenda 2 Taman 1 Legenda 75400 Melaka Tel No.: 06-2866 008	064-006
RHB INVESTMENT BANK BERHAD	579, 580 & 581 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2825 211	087-026
TA SECURITIES HOLDINGS BERHAD	No. 59, 59A & 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2862 618	058-003
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No.: 06-3352 511	078-014
<u>JOHOR DARUL TAKZIM</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2222 692	068-004
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4342 282	086-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 73 Ground Floor No. 73A & 79A, First Floor Jalan Kuning Dua 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3405 888	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No.: 07-9764 559	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No.: 07-2329 673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9311 509	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3537 669	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2231 211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3333 600	073-004
KENANGA INVESTMENT BANK BERHAD	No. 33 & 35 A & B, Ground Floor Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No.: 07-7771 161	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No.: 06-9782 292	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	No. 24, 24A & 24B Jalan Penjaja 3 Kim Park Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4326 963	073-001
KENANGA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9531 222	073-001
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3381 233	057-003
MALACCA SECURITIES SDN BHD	No. 74, Jalan Serampang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3351 533	012-001
MALACCA SECURITIES SDN BHD	Lot 880, Batu 3 ½ Jalan Salleh 84000 Muar Johor Darul Takzim Tel No.: 06-9536 948	012-001
MALACCA SECURITIES SDN BHD	Lot 880, 3 ½ Mile Jalan Salleh 84000 Muar Johor Darul Takzim Tel No.: 06-9536 948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3316 992	093-005
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4333 608	064-001
PHILIP CAPITAL SDN BHD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No.: 07-7717 922	076-006

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	6th Floor, Wisma Tiong-Hua 8, Jalan Keris, Taman Sri tebrau 80050 Johor Bahru Johor Darul Takzim Tel No.: 07-2788 821	087-006
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4380 288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st and 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9538 262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No.: 07-5577 628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-9321 543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40, Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No.: 07-7979 655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-6626 288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 21 & 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3522 293	087-043

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

<u>Name</u>	<u>Address and telephone number</u>	<u>Broker code</u>
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No.: 07-9435 278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3647 388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3364 672	058-013
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-2197 575	078-001
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	No. 42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-6637 398	078-001
<u>KELANTAN DARUL NAIM</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 4, Wisma TCH Jalan Pengkalan Chepa 15400 Kota Baru Kelantan Darul Naim Tel No.: 09-7419 050	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No.: 09-7430 077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7433 388	058-004
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground Floor & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7473 906	078-004

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
<u>PAHANG DARUL MAKMUR</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No.: 09-5057 800	065-001
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5171 698	073-001
MALACCA SECURITIES SDN BHD	P11-3 Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No.: 09-2220 993	012-001
PHILIP CAPITAL SDN BHD	Ground, Mezzanine & 1st Floor B-400 Jalan Berserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-5660 800	076-002
RHB INVESTMENT BANK BERHAD	No. 12, Ground Floor 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel No.: 09-5173 811	087-007
<u>TERENGGANU DARUL IMAN</u>		
PHILIP CAPITAL SDN BHD	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6317 922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor No. 59, Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6261 816	087-055
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	No. 37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6224 766	078-016

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
<u>SABAH</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite 1-9-E1, 9th Floor CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No.: 088-311 688	068-008
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st – 3rd Floor, Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No.: 088-328 878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel No.: 089-215 578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-236 188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor No. 81 & 83 Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-269 788	087-010
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Lot 177 & 178 Ground Floor, Block 17 Phase 2, Prima Square Mile 4, North Road 90000 Sandakan Sabah Tel No.: 089-218 681	078-012
<u>SARAWAK</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Ground Floor & 1st Floor No. 1, Jalan Pending 93450 Kuching Sarawak Tel No.: 082-341 999	068-005
AMINVESTMENT BANK BERHAD	No. 162, 164, 166 & 168 1st Floor Jalan Abell 93100 Kuching Sarawak Tel No.: 082-244 791	086-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibul Sarawak Tel No.: 084-367 700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 (North), Wisma STA No. 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No.: 082-358 688	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No.: 085-435 577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93400 Kuching Sarawak Tel No.: 082-338 000	073-001
KENANGA INVESTMENT BANK BERHAD	No. 11-12, (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibul Sarawak Tel No.: 084-313 855	073-001
MERCURY SECURITIES SDN BHD	1st Floor No.16 Jalan Getah 96100 Sarikei Sarawak Tel No.: 084-659 019	093-001
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-250 888	087-008
RHB INVESTMENT BANK BERHAD	102, Pusat Pedada Jalan Pedada 96000 Sibul Sarawak Tel No.: 084-329 100	087-008

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Park City Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-311 770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibul Sarawak Tel No.: 084-319 998	058-002
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No.: 085-324 128	078-017
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground Floor & First Floor No. 16, Lorong Intan 6 96000 Sibul Sarawak Tel No.: 084-252 737	078-018