**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SCA SOLUTIONS BERHAD ("SCA" OR "COMPANY") DATED 18 NOVEMBER 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 vice versa.

## 1. OPENING AND CLOSING OF APPLICATIONS

Opening of the application period: 10.00 a.m., 18 November 2026

Closing of the application period: 5.00 p.m., 26 November 2026

Applications for our Issue Shares will open and close at the times and dates stated above. If there are any changes to this timetable, we will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia newspaper within Malaysia.

**Late Applications will not be accepted.**

## 2. METHODS OF APPLICATION

### 2.1 Application for our Issue 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 your Application will succeed. You agree to be bound by our Constitution.

| Types of Application and category of investors | Application Method |
|---|---|
| Application by the Eligible Persons | Pink Application Form only |
| Applications by the Malaysian Public: | |
| (a) Individuals | White Application Form or Electronic Share Application or Internet Share Application |
| (b) Non-Individuals | White Application Form only |

### 2.2 Placement portion

Applications for the Issue Shares may be made using any of the following:-

| Types of Application | Application Method |
|---|---|
| Applications by: | |
| Bumiputera Investors approved by MITI | MITI will contact the Bumiputera Investors directly. They should follow MITI's instructions. |
| Selected investors | The Placement Agent will contact the selected Investors directly. They should follow the Placement Agent's instructions. |

Eligible Persons, selected investors and Bumiputera investors approved by the MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

## 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** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 ISSUE SHARES OR MULTIPLES OF 100 ISSUE 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. PERSONS SUBMITTING APPLICATION BY WAY OF APPLICATION FORMS MAY NOT SUBMIT APPLICATIONS BY WAY OF ELECTRONIC SHARE APPLICATION OR INTERNET SHARE APPLICATION AND VICE VERSA.**

**AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMIZES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.**

### 3.2 Application by the Malaysian Public

You can only apply for our Issue Shares if you fulfill all of the following: -

(i) 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 listed in **Section 12** below;

(ii) You must be one of the following: -

(a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue 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.

(iii) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

(iv) You must submit an Application by using only one of the following methods: -

(a) White Application Form; or

(b) Electronic Share Application; or

(c) Internet Share Application.

### 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 IPO shares. Applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

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, the Issuing House, Malacca Securities, 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

Each application for our Issue Shares must be made using the correct type of Application Form. The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications 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.

(ii) The **White Application Form** together with our Prospectus, can be obtained subject to availability from (Investment Bank), participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association, the Issuing House and our Company.

(iii) In accordance with Section 232(2) of the CMSA, the **White Application Form** is accompanied by our Prospectus. You are advised to read and understand our Prospectus before making your Application.

(iv) Complete the **White 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 change 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 **White 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 **White Application Form**; and

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

(d) Stating the number of shares applied. Applications must be for at least 100 Issue Shares or multiples of 100 Issue Shares.

(v) Prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.28 for each IPO Share.

Method below is relevant for White Form Application Form only whereas for Pink Application Form, kindly direct the submission of the form to our Company, through the Human Resources or Finance Department.

Payment must be made out in favour of "**MIH SHARE ISSUE ACCOUNT NO. 718**" 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 (for applicants from 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**.

(vi) Insert the **White Application Form** together with payment and a legible photocopy of your identification document (national registration identity card ("**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 an 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 any 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) for individual applicant; or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

(vii) Each completed **White Application Form**, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods: -

(a) despatched by **ORDINARY POST** in the official envelopes provided to the following address: -

**Malaysian Issuing House Sdn Bhd**
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

or

**P.O. Box 00010**
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

(b) **DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan so as to arrive not later than **5.00 p.m.** on **26 November 2026** or by such other time and date specified in any change to the date or time for closing. We will not accept late Applications.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your **White Application Form** or Application monies. Please direct all enquiries in respect of the **White Application Form** to the Issuing House.

## 5. APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

### 5.1 Participating Financial Institutions

Only Malaysian individuals may apply for our Issue Shares offered to the Malaysian Public through the ATMs of the following Participating Financial Institutions and their branches. 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 |
| 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 procedures 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 ATMS CAREFULLY PRIOR TO MAKING 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 Institutions and an ATM card issued by that Participating Financial Institutions to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our Issue 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**");
- MIH Share Issue Account No. 718;
- Your CDS Account number;
- Number of Issue 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.

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 the 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 INSTITUTIONS, 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 Issue 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 Issue Shares offered to the Malaysian Public; and

(e) You give consent to the disclosure by the relevant Participating Financial Institutions and/or Bursa Depository, as the case may be, of your information, your Electronic Share Application or your account with the Participating Financial Institutions and Bursa Depository, to the Issuing House and other relevant authorities.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

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 and/or Bursa Depository, as the case may be, of your information to the Issuing House or any relevant authority.

(iii) You confirm that you are not applying for our Issue Shares offered to the Malaysian Public as a nominee of any other person and your Electronic Share Application is made in your name, as the beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for our Issue Shares offered to the Malaysian Public.

(iv) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time the Electronic Share Application, to cover and pay for our Issue Shares and the relating processing fees, charges and expenses, if any, to be incurred, failing which your Electronic Share Application will not be deemed complete. Any Electronic Share Application which does not conform strictly to the instructions set out in our Prospectus or any instruction displayed on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.

(v) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated in the Transaction Record or any lesser number of Issue 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 Issue Shares or not to allot or allocate any Issue Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation of the number of Issue Shares applied for (by your action of pressing the designated keys or buttons on the ATM keyboard) shall be deemed to signify, and shall be treated as,

(a) your acceptance of the number of Issue Shares that may be allotted or allocated to you in the event that your Electronic Share Application is successful or successful in part, as the case may be; and

(b) your agreement to be bound by our Constitution.

(vi) The 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 Issue 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 Issue Shares allotted or allocated to you into your CDS Account; and

(b) to issue share certificate(s) representing such Issue Shares or jumbo certificates which represent, amongst others, such Issue Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

(viii) You acknowledge that your Electronic Share Application is subject to risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of the Issuing House, Bursa Depository or the Participating Financial Institutions, and irrevocably agree that if: -

(a) our Company or the Issuing House does not receive your Electronic Share Application and/or payment; or

(b) any data relating to your Electronic Share Application is wholly or partially lost, corrupted, or otherwise inaccessible, or not transmitted or communicated to our Company or the Issuing House,

you will be deemed not to have made an Electronic Share Application and will not make any claim whatsoever against our Company, the Issuing House and/or the relevant Participating Financial Institutions for our Issue Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

(ix) All of your particulars in the records of the relevant Participating Financial Institutions at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, the Issuing House and the relevant Participating Financial Institutions, 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.

(x) You must ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in your address, failing which the notification letter of successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.

(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 Issue 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 the Issuing House shall not be liable for any delay, failure or inaccuracy 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 Issue 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 Issue Shares;

(d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and other documents required for the issue or transfer of our Issue 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) the 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 APPLICATION

### 6.1 Internet Participating Financial Institutions or Participating Securities Firms

Applications for our Issue Shares by the Malaysian Public Individuals may be made through the Internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms.

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 ISSUE SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.**

| Internet Participating Financial Institutions or Participating Securities Firms | Website address | Fees charged |
|---|---|---|
| Affin Bank Berhad | https://ibanking.affinalways.com/login | Free |
| Alliance Bank Malaysia Berhad | www.allianceonline.com.my | RM1.00 |
| CGS International Securities Malaysia Sdn Bhd | 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 |
| iFAST Capital Sdn. Bhd. | https://www.fsmone.com.my | Free |
| Kenanga Investment Bank Berhad | https://kentrade.com.my/ | Free |
| Malacca Securities Sdn Bhd | https://eipo.mplusonline.com | Free |
| Malayan Banking Berhad | www.maybank2u.com.my | RM1.00 |

| Internet Participating Financial Institutions or Participating Securities Firms | Website address | Fees charged |
|---|---|---|
| Affin Bank Berhad | https://ibanking.affinalways.com/login | Free |
| Alliance Bank Malaysia Berhad | www.allianceonline.com.my | RM1.00 |
| Moomoo Securities Malaysia Sdn. Bhd. | https://www.moomoo.com/my/invest/ipo | Free |
| Public Bank Berhad | www.pbebank.com | RM2.00 |
| RHB Bank Berhad | https://www.rhbgroup.com/index.html | RM2.50 |
| TA Securities Holdings Berhad | https://eservices.tasecurities.com.my/auth/login | Free |
| UOB Kay Hian (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 RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.**

An Internet Share Application shall be made on and subject to the following terms and conditions: -

(i) You can make an Internet Share Application if you fulfill all of the following: -

(a) 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;

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

(b) You have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institutions or Participating Securities Firms. You must have your user identification ("**User ID**") and Personal Identification Numbers ("**PIN**")/password for the relevant Internet financial services facilities; and

(c) 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 Issue Shares at Internet financial service websites of other Internet Participating Financial Institutions or Participating Securities Firms.

(ii) An Internet Share Application shall be made on and subject to the terms of our Prospectus and our Company's Constitution.

(iii) 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 Institutions or Participating Securities Firms) and to 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 Issue 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 Internet Share Application is the only application that you are submitting for our Issue Shares offered to the Malaysian Public;

(e) You authorise the Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions to deduct the full amount payable for our Issue Shares from your account with the Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions;

(f) You give consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Service Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Internet Participating Financial Institutions or Participating Securities Firms, 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 Institutions or Participating Securities Firms, to the Issuing House the Authorised Financial Institutions, and any other relevant authorities;

(g) You are not applying for our Issue Shares offered to the Malaysian Public as a nominee of any other person and your Internet Share Application is made in your own name, as the beneficial owner and subject to the risks referred to in our Prospectus; and

(h) You authorise the Internet Participating Financial Institutions or Participating Securities Firms 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 Institutions or Participating Securities Firms, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institutions or Participating Securities Firms will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions or Participating Securities Firms in connection with the use of the Internet Share Application services.

(iv) Your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our Issue Shares through the website of the Authorised Financial Institutions 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 Issue 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(iii)** above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institutions or Participating Securities Firms 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 the Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

(v) You must have sufficient funds in your account with the relevant Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions at the time of making your Internet Share Application, to cover and pay for our Issue 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 will be rejected.

(vi) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated on the Confirmation Screen or any lesser number of Issue 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 Issue Shares to you, you agree to accept any such decision as final.

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institutions or Participating Securities Firms, your confirmation of the number of Issue 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:-

(a) Your acceptance of the number of Issue 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

(b) Your agreement to be bound by the Constitution.

(vii) You are fully aware that multiple or suspected multiple Internet Share Applications for our Issue 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 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 Issue Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.

(viii) 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.

(ix) 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 our control or the control of the Internet Participating Financial Institutions or Participating Securities Firms, the Authorised Financial Institutions, the Issuing House, Bursa Depository and our Company and irrevocably agree that if:-

a. our Company, the Issuing House, the Internet Participating Financial Institutions or Participating Securities Firms and/or the Authorised Financial Institutions do not receive your Internet Share Application and/or payment; and

b. any data relating to your Internet Share Application or the tape or any other devices containing such data and/or payment is wholly or partly lost, corrupted, destroyed or otherwise not accessible, 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, the Issuing House, the Internet Participating Financial Institutions or Participating Securities Firms and/or the Authorised Financial Institution for our Issue Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

(x) All of your particulars in the records of the relevant Internet Participating Financial Institutions or Participating Securities Firms at the time of making your Internet Share Application shall be deemed to be true and correct, and our Company, the Issuing House, the relevant 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.

(xi) You must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institutions or Participating Securities Firms are correct and identical. Otherwise, your Internet Share Application will be rejected. You must inform Bursa Depository promptly of any change in your address, failing which the notification letter on successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.

## 7. AUTHORITY OF OUR BOARD AND 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 Issue Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares. 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 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), by: -

(a) ordinary post through the self-addressed and stamped Official "A" envelope which you have provided to the Issuing House;

(b) crediting into your bank account for the purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository; or

(c) ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the 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, the 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 Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by our Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website www.mih.com.my within 1 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).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in **Section 4.3.4** of our Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

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## 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 Form

(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 registered or correspondence address last 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 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) at your own risk.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).

(iv) The 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 registered or correspondence address last 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).

### 9.2 For applications by way of Electronic Share Application and Internet Share Application

(i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institution) within 2 Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the 5$^{th}$ Market Day from the balloting date.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

## 10. SUCCESSFUL APPLICANTS

If you are successful in your Application: -

(i) Our Issue Shares allotted to you will be credited into your CDS Account.

(ii) A notice of allotment will be despatched to you at your registered or correspondence address last 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 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 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 your Applications may be directed as follows: -

| Mode of application | Parties to direct the enquiries |
|---|---|
| Application Form | Issuing House Enquiry Services Telephone at no. +603-7890 4700 |
| Electronic Share Application | The relevant Participating Financial Institutions |
| Internet Share Application | The relevant Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions |

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 p.m. on the allotment day. Alternatively, you may contact any of the ADAs set out in Section 12.

**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 |
|---|---|---|
| **KUALA LUMPUR** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | 2nd Floor, Bangunan AHP<br>No. 2, Jalan Tun Mohd Fuad 3<br>Taman Tun Dr. Ismail<br>60000 Kuala Lumpur<br>Tel No. : 03 – 7710 6688 | 068-019 |
| AFFIN HWANG INVESTMENT BANK BERHAD | Mezzanine & 3rd Floor<br>Chulan Tower, No. 3, Jalan Conlay<br>50450 Kuala Lumpur<br>Tel No. : 03 – 2143 8668 | 068-018 |
| AFFIN HWANG INVESTMENT BANK BERHAD | 38A & 40A, Jalan Midah 1<br>Taman Midah<br>56000 Cheras<br>Kuala Lumpur<br>Tel No. : 03 – 9130 8803 | 068-018 |
| AMINVESTMENT BANK BERHAD | 8-9, 11-18, 21-25th Floor<br>Bangunan AmBank Group<br>55, Jalan Raja Chulan<br>50200 Kuala Lumpur<br>Tel No. : 03 – 2031 0102 | 086-001 |
| APEX SECURITIES BERHAD<br>(formerly known as JF Apex Securities Berhad) | Level 9, Apex Tower, Tower 3, Avenue 5<br>Bangsar South, No 8, Jalan Kerinchi<br>59200 Kuala Lumpur<br>Tel No. : 03 – 7890 8899 ext 2007 | 079-001 |
| BIMB SECURITIES SDN BHD | Level 34, Menara Bank Islam<br>22, Jalan Perak<br>Kuala Lumpur<br>50450 Kuala Lumpur<br>Tel No : 03 – 2613 1700 | 024-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 3rd Floor 2 & 4<br>Jalan Mutiara Timur Satu<br>Taman Mutiara Cheras<br>56100 Kuala Lumpur<br>Tel No. : 03 – 9132 7424/7428/7429 | 065-001 |
| CIMB SECURITIES SDN BHD<br>(formerly known as Kaf Equities Sdn Bhd) | 14th Floor, Chulan Tower<br>No. 3, Jalan Conlay<br>50450 Kuala Lumpur<br>Tel. No. : 03 – 2171 0216 | 053-001 |
| FA SECURITIES SDN BHD | A-10-1 & A-10-17<br>Level 10, Menara UOA Bangsar<br>No. 5, Jalan Bangsar Utama 1<br>59000 Kuala Lumpur<br>Tel No : 03 – 2288 1676 | 021-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **KUALA LUMPUR (cont'd)** | | |
| HONG LEONG INVESTMENT BANK BERHAD | Mezzanine Floor<br>Level 3A, Block B, HP Towers<br>No. 12, Jalan Gelenggang<br>60000 Kuala Lumpur<br>Tel No. : 03 – 2080 8777 | 066-002 |
| HONG LEONG INVESTMENT BANK BERHAD | Level 27 & 28, Menara Hong Leong<br>No. 6, Jalan Damanlela<br>Bukit Damansara<br>50490 Kuala Lumpur<br>Tel No. : 03 – 2083 1800 | 066-008 |
| BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd) | West Wing, Level 13<br>Berjaya Times Square<br>No. 1, Jalan Imbi<br>55100 Kuala Lumpur<br>Tel No. : 03 – 2117 1888 | 054-001 |
| BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd) | Ground Floor, 7-0-8, Jalan 3/109F<br>Danau Business Centre, Danau Desa<br>58100 Kuala Lumpur<br>Tel No. : 03 – 7984 7796 | 054-003 |
| iFAST CAPITAL SDN BHD | Level 28, Menara AIA Sentral<br>No. 30, Jalan Sultan Ismail<br>Kuala Lumpur<br>Tel No : 03 2149 0660 | 039-001 |
| KENANGA INVESTMENT BANK BERHAD | Level 17, Kenanga Tower<br>237 Jalan Tun Razak<br>50400 Kuala Lumpur<br>Tel No. : 03 – 2172 2888 | 073-001 |
| M & A SECURITIES SDN BHD | Level 1-3, No. 45 & 47 and 43-6<br>The Boulevard, Mid Valley City<br>Lingkaran Syed Putra<br>59200 Kuala Lumpur<br>Tel No. : 03 – 2282 1820 | 057-002 |
| M & A SECURITIES SDN BHD | 22A-1 Jalan Kuchai Maju 1<br>Kuchai Entrepreneurs' Park<br>Off Jalan Kuchai Lama<br>58200 Kuala Lumpur<br>Tel No. : 03 – 7983 9890 | 057-004 |
| MALACCA SECURITIES SDN BHD | No 76-1, Jalan Wangsa Maju Delima 6<br>Pusat Bandar Wangsa Maju (KLSC)<br>Setapak, 53300, Kuala Lumpur<br>Tel No. : 03 – 4144 2565 | 012-001 |
| MALACCA SECURITIES SDN BHD | B-M-10, Block B,Plaza Arkadia<br>Jalan Intisari Perdana, Desa Park City<br>52200 Kuala Lumpur<br>Tel No. : 03 – 2733 9782 | 012-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **KUALA LUMPUR (cont'd)** | | |
| MALACCA SECURITIES SDN BHD | B01-A-13A<br>Level 13A, Menara 2<br>No.3, Jalan Bangsar<br>KL ECO City<br>59200 Kuala Lumpur<br>Tel No. : 03-2201 2100 | 012-001 |
| MAYBANK INVESTMENT BANK BERHAD | Level 5, Tower C<br>Dataran Maybank<br>No.1, Jalan Maarof<br>59000 Kuala Lumpur<br>Tel No. : 03 – 2297 8888 | 098-001 |
| MAYBANK INVESTMENT BANK BERHAD | 27, 31 to 33 Floor, Menara Maybank<br>100 Jalan Tun Perak<br>50050 Kuala Lumpur<br>Tel No. : 03 – 2059 1888 | 098-007 |
| MERCURY SECURITIES SDN BHD | L-7-2, No. 2, Jalan Solaris<br>Solaris Mont' Kiara<br>50480 Kuala Lumpur<br>Tel No. : 03 – 6203 7227 | 093-002 |
| MOOMOO SECURITIES MALAYSIA SDN BHD | Level 9, Menara Khuan Choo<br>75A Jalan Raja Chulan<br>Bukit Bintang<br>50200 Kuala Lumpur<br>Tel No. : 03 – 9212 0718 | 062-001 |
| PHILLIP CAPITAL SDN BHD | B-3-6, Block B, Level 3<br>Megan Avenue II<br>No.12, Jalan Yap Kwan Seng<br>50450 Kuala Lumpur<br>Tel No. :03 – 2783 0361 | 076-001 |
| NEWPARADIGM SECURITIES SDN BHD | Level 12, EXSIM Tower (Block D)<br>Millerz Square @ Old Klang Road<br>Megan Legasi, No. 35, Jalan Klang Lama<br>58000 Kuala Lumpur<br>Tel No. : 03 – 2054 8000 | 064-001 |
| PUBLIC INVESTMENT BANK BERHAD | 27th Floor, Menara Public Bank 2<br>No. 78, Jalan Raja Chulan<br>50200 Kuala Lumpur<br>Tel No : 03 – 2268 3000 | 051-001 |
| RHB INVESTMENT BANK BERHAD | Level 1, Tower 3<br>RHB Centre, Jalan Tun Razak<br>50400 Kuala Lumpur<br>Tel No. : 03 – 9280 2233/2354 | 087-001 |
| RHB INVESTMENT BANK BERHAD | Level 5, Tower One<br>RHB Centre, Jalan Tun Razak<br>50400 Kuala Lumpur<br>Tel No. : 03 – 9280 2453 | 087-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **KUALA LUMPUR (cont'd)** | | |
| RHB INVESTMENT BANK BERHAD | No. 62, 62-1, 64 & 64-1,<br>Vista Magna<br>Jalan Prima, Metro Prima<br>52100 Kuala Lumpur<br>Tel No. : 03 – 6257 5869 | 087-028 |
| RHB INVESTMENT BANK BERHAD | No. 5 & 7, Jalan Pandan Indah 4/33<br>Pandan Indah, 55100 Kuala Lumpur<br>Tel No. : 03 – 4280 4798 | 087-054 |
| RHB INVESTMENT BANK BERHAD | Ground Floor, No. 55, Zone J4<br>Jalan Radin Anum<br>Bandar Baru Seri Petaling<br>57000 Kuala Lumpur<br>Tel No. : 03 – 9058 7222 | 087-058 |
| TA SECURITIES HOLDINGS BERHAD | 34th Floor, Menara TA One<br>No. 22, Jalan P. Ramlee<br>50250 Kuala Lumpur<br>Tel No. : 03 – 2072 1277 | 058-003 |
| UOB KAY HIAN (M) SDN BHD | Suite 12-05, Level 12<br>Wisma UOA Damansara II<br>No.6 Jalan Changkat Semantan<br>Damansara Heights<br>50490 Kuala Lumpur<br>Tel No. : 03-2147 1861 | 078-001 |
| UOB KAY HIAN (M) SDN BHD | N3, Plaza Damas<br>60, Jalan Sri Hartamas 1<br>Sri Hartamas<br>50480 Kuala Lumpur<br>Tel No. : 03 – 6205 6000 | 078-004 |
| UOB KAY HIAN (M) SDN BHD | Ground & 19th Floor<br>Menara Keck Seng<br>203 Jalan Bukit Bintang<br>55100 Kuala Lumpur<br>Tel No. : 03 – 2147 1888 | 078-010 |
| **SELANGOR DARUL EHSAN** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | Suite B 3A1, East Wing 3Ath Floor<br>Wisma Consplant 2<br>No. 7, Jalan SS 16/1<br>47500 Subang Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 5635 6688 | 068-019 |
| AFFIN HWANG INVESTMENT BANK BERHAD | 4th Floor, Wisma Meru<br>1 Lintang Pekan Baru<br>Off Jalan Meru<br>41050 Klang<br>Selangor Darul Ehsan<br>Tel No. : 03 – 3343 9999 | 068-019 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **SELANGOR DARUL EHSAN (cont'd)** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | No.79-1, Jalan Batu Nilam 5<br>Bandar Bukit Tinggi<br>41200 Klang<br>Selangor Darul Ehsan<br>Tel No. : 03 – 3322 1999 | 068-019 |
| AMINVESTMENT BANK BERHAD | 4th Floor, Plaza Damansara Utama<br>No. 2, Jalan SS21/60<br>47400 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 7710 6613 | 086-001 |
| APEX SECURITIES BERHAD<br>(formerly known as JF Apex Securities Berhad) | 16th Floor, Menara Choy Fook On<br>No. 1B, Jalan Yong Shook Lin<br>46050 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 7620 1118 | 079-002 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | No. A-07-01 & A-07-02<br>Empire Office Tower, Empire Subang<br>Jalan SS16/1, 47500 Subang Jaya<br>Selangor Darul Ehsan<br>Tel. No. : 03 – 5631 7934/7892 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st Floor (No. 11A), Jalan Kenari 1<br>Bandar Puchong Jaya, 47100 Puchong<br>Selangor Darul Ehsan<br>Tel. No. : 03 – 5891 6852 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st Floor, No. 26A(F), 26A(M) & 26A(B)<br>Jalan SJ6, Taman Selayang Jaya<br>68100 Batu Caves<br>Selangor Darul Ehsan<br>Tel. No.: 03 – 6137 1680 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 2nd Floor (No. 26-2)<br>Lorong Batu Nilam 4B<br>Bandar Bukit Tinggi<br>41200 Klang<br>Selangor Darul Ehsan<br>Tel. No. : 03 – 3325 7105/7106 | 065-001 |
| KENANGA INVESTMENT BANK BERHAD | Lot 240, 2nd Floor, The Curve<br>No. 6, Jalan PJU 7/3<br>Mutiara Damansara<br>47800 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 7725 9095 | 073-001 |
| KENANGA INVESTMENT BANK BERHAD | Level 1 East Wing<br>Wisma Consplant 2<br>No. 7 Jalan SS 16/1<br>47500 Subang Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 5621 2118 | 073-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **SELANGOR DARUL EHSAN (cont'd)** | | |
| KENANGA INVESTMENT BANK BERHAD | 35 (Ground, 1st & 2nd Floor)<br>Jalan Tiara 3, Bandar Baru Klang<br>41150 Klang<br>Selangor Darul Ehsan<br>Tel No. : 03 – 3348 8080 | 073-001 |
| MALACCA SECURITIES SDN BHD | No. 16, Jalan SS15/4B<br>47500 Subang Jaya<br>Selangor Darul Ehsan<br>Tel No.: 03 – 5636 1533 | 012-001 |
| MALACCA SECURITIES SDN BHD | No. 54M, Mezzanine Floor<br>Jalan SS2/67<br>47300 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 7876 1533 | 012-001 |
| MBSB INVESTMENT BANK BERHAD (Formerly known as MIDF Amanah Investment Bank Berhad) | Level 21, Menara MBSB Bank, PJ Sentral,Lot 12, Persiaran Barat,<br>Seksyen 52<br>46200 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 2173 8888 | 026-001 |
| NEWPARADIGM SECURITIES SDN BHD | No. 18 & 20, Jalan Tiara 2<br>Bandar Baru Klang<br>41150 Klang<br>Selangor Darul Ehsan<br>Tel No. : 03 – 3341 5300 | 064-007 |
| RHB INVESTMENT BANK BERHAD | 1,3 & 5, Tingkat 2<br>Jalan 52/18 New Town Centre<br>46200 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 7873 6366/7875 8428 | 087-011 |
| RHB INVESTMENT BANK BERHAD | First Floor, 10 & 11 Jalan Maxwell 48000, Rawang<br>Selangor Darul Ehsan<br>Tel No. :03 – 6092 8916 | 087-047 |
| RHB INVESTMENT BANK BERHAD | Ground & Mezzanine Floor<br>No. 87 & 89, Jalan Susur<br>Pusat Perniagaan NBC<br>Batu 1½, Jalan Meru<br>41050 Klang<br>Selangor Darul Ehsan<br>Tel No. : 03 – 3343 9180 | 087-048 |
| RHB INVESTMENT BANK BERHAD | Unit 1B, 2B & 3B<br>Jalan USJ 10/1J<br>USJ 10, 47610 UEP Subang Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 8022 1888 | 087-059 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **SELANGOR DARUL EHSAN (cont'd)** | | |
| SJ SECURITIES SDN BHD | 26, Jalan Pendaftar U1/54<br>Temasya Glenmarie<br>40150 Shah Alam<br>Selangor Darul Ehsan<br>Tel No. : 03 – 5567 3000 | 096-001 |
| TA SECURITIES HOLDINGS BERHAD | 2nd Floor, Wisma TA<br>1A Jalan SS20/1, Damansara Utama<br>47400 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No. : 03 – 7729 5713 | 058-007 |
| MELAKA | | |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | Ground, 1st & 2nd Floor<br>No. 191, Taman Melaka Raya<br>Off Jalan Parameswara, 75000 Melaka<br>Tel No. : 06 – 289 8800 | 065-001 |
| MALACCA SECURITIES SDN BHD | No. 1, 3 & 5, Jalan PPM9<br>Plaza Pandan Malim (Business Park)<br>Balai Panjang, 75250 Melaka<br>Tel No. : 06 – 337 1533 | 012-001 |
| MERCURY SECURITIES SDN BHD | 81, 81A & 81B, Jalan Merdeka<br>Taman Melaka Raya<br>75000 Melaka<br>Tel No. : 06 – 2921 898 | 093-003 |
| KENANGA INVESTMENT BANK BERHAD | 71 (Ground, A&B) & 73 (Ground, A&B)<br>Jalan Merdeka<br>Taman Melaka Raya<br>75000 Melaka<br>Tel No. : 06 – 2881 720 | 073-001 |
| NEWPARADIGM SECURITIES SDN BHD | No 6-1, Jalan Lagenda 2<br>Taman 1 Lagenda<br>75400 Melaka<br>Tel No. : 06 – 288 0050 | 064-006 |
| RHB INVESTMENT BANK BERHAD | 19, 21, 23, level 2, Jalan Merdeka<br>Taman Melaka Raya<br>75000 Melaka<br>Tel No. : 03 – 2330 8450/03-2330 8451 | 087-026 |
| TA SECURITIES HOLDINGS BERHAD | 59, 59A, 59B, Jalan Merdeka<br>Taman Melaka Raya<br>75000 Melaka<br>Tel No. : 06 – 286 2618 | 058-003 |
| UOB KAY HIAN (M) SDN BHD | 7-2 Jalan PPM8<br>Malim Business Park<br>75250 Melaka<br>Tel No. : 06 – 335 2511 | 078-014 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **PERAK DARUL RIDZUAN** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | 21, Jalan Stesen<br>Ground Floor, 1, 2 & 3<br>34000 Taiping<br>Perak Darul Ridzuan<br>Tel No. : 05 – 806 6688 | 068-003 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | Ground, 1st, 2nd & 3rd Floor<br>No. 8, 8A-C, Persiaran Greentown 4C<br>Greentown Business Centre<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No. : 05 – 208 8688 | 065-001 |
| HONG LEONG INVESTMENT BANK BERHAD | 51-53, Persiaran Greenhill<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No. : 05 – 2530 888 | 066-003 |
| KENANGA INVESTMENT BANK BERHAD | Ground, 1st, 2nd & 4th Floor<br>No. 63 Persiaran Greenhill<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No. : 05 – 242 2828 | 073-022 |
| M & A SECURITIES SDN BHD | 5th and 6th Floor and Unit 8A<br>M&A Building<br>52A, Jalan Sultan Idris Shah<br>30000 Ipoh<br>Perak Darul Ridzuan<br>Tel No. : 05 – 241 9800 | 057-001 |
| MAYBANK INVESTMENT BANK BERHAD | No. 47, Hala Pusat Perdagangan Canning I<br>Pusat Perdagangan Canning II<br>30350, Ipoh, Perak<br>Tel No. : 05 – 245 3457 | 098-002 |
| RHB INVESTMENT BANK BERHAD | Ground & 1st Floor<br>No. 17, Jalan Intan 2<br>Bandar Baru<br>36000 Teluk Intan<br>Perak Darul Ridzuan<br>Tel No. : 05 – 623 6498 | 087-014 |
| RHB INVESTMENT BANK BERHAD | Ground & 1st Floor<br>No. 23 & 25 Jalan Lumut<br>32000 Sitiawan<br>Perak Darul Ridzuan<br>Tel No. : 05 – 692 1228 | 087-016 |
| RHB INVESTMENT BANK BERHAD | Unit E-2-2A, E-3-2A, E-4-2A & E-5-2A<br>SOHO Ipoh 2, Jalan Sultan Idris Shah<br>30000 Ipoh<br>Perak Darul Ridzuan<br>Tel. No. : 05 – 241 5100 | 087-023 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **PERAK DARUL RIDZUAN (cont'd)** | | |
| RHB INVESTMENT BANK BERHAD | Ground Floor, No. 40, 42 & 44<br>Jalan Berek<br>34000 Taiping<br>Perak Darul Ridzuan<br>Tel No. : 05 – 808 8229 | 087-034 |
| RHB INVESTMENT BANK BERHAD | No 1&3, 1st Floor<br>Jalan Wawasan Satu<br>Taman Wawasan Jaya<br>34200 Parit Buntar<br>Perak Darul Ridzuan<br>Tel No. : 05 – 717 0888 | 087-052 |
| TA SECURITIES HOLDINGS BERHAD | Ground, 1st & 2nd Floor<br>Plaza Teh Teng Seng<br>No. 227, Jalan Raja Permaisuri Bainun<br>30250 Ipoh<br>Perak Darul Ridzuan<br>Tel No. : 05 – 253 1313 | 058-001 |
| UOB KAY HIAN (M) SDN BHD | 153A Jalan Raja Musa Aziz<br>30300 Ipoh<br>Perak Darul Ridzuan<br>Tel No. : 05 – 241 1290 | 078-002 |
| **PULAU PINANG** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | Level 2, 3, 4, 5, 7 & 8<br>Wisma Sri Pinang 60, Green Hall<br>10200 Pulau Pinang<br>Tel No. : 04 – 263 6996 | 068-001 |
| AFFIN HWANG INVESTMENT BANK BERHAD | 1st, 2nd & 3rd Floor<br>No. 2 & 4, Jalan Perda Barat<br>Bandar Perda<br>14000 Bukit Mertajam<br>Pulau Pinang<br>Tel No. : 04 – 537 2882 | 068-001 |
| AMINVESTMENT BANK BERHAD | 3rd Floor, Menara Liang Court<br>37, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel No. : 04 – 226 1818 | 086-001 |
| APEX SECURITIES BERHAD<br>(formerly known as JF Apex Securities Berhad) | 368-2-5 Jalan Burmah<br>Belissa Row<br>10350 Pulau Tikus<br>Pulau Pinang<br>Tel No. : 04 – 228 9118 | 079-005 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | Level 2, Menara BHL<br>51, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel No. : 04 – 238 5900 | 065-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **PULAU PINANG (cont'd)** | | |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | No. 20-1 & 20-2<br>Persiaran Bayan Indah<br>Bayan Bay, Sungai Nibong<br>11900 Nayan Lepas<br>Pulau Pinang<br>Tel No. : 04 – 641 2881 | 065-001 |
| MALACCA SECURITIES SDN BHD | 28, Lorong Tangling Indah 3<br>Taman Tangling Indah<br>14100 Simpang Ampat<br>Pulau Pinang<br>Tel. No. : 04 – 506 0967 | 012-001 |
| MALACCA SECURITIES SDN BHD | No.11A-1, Persiaran Bayan Indah<br>Taman Bayan Indah<br>11900 Bayan Lepas<br>Pulau Pinang<br>Tel. No. : 04 – 642 1533 | 012-001 |
| MAYBANK INVESTMENT BANK BERHAD | Ground Floor, Bangunan KWSP<br>No. 38, Jalan Sultan Ahmad Shah<br>10050 Georgetown<br>Pulau Pinang<br>Tel No. : 04 – 219 6888 | 098-006 |
| MERCURY SECURITIES SDN BHD | Ground, 1st & 2nd floor, No. 1, Jalan Todak 5, Pusat Bandar Seberang Jaya,<br>13700 Prai, Penang<br>Tel No. : 04 – 332 2123 | 093-001 |
| MERCURY SECURITIES SDN BHD | 2nd Floor, Standard Chartered Bank Chambers, 2, Lebuh Pantai<br>10300 Pulau Pinang<br>Tel No. : 04 – 263 9118 | 093-004 |
| BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd) | Canton Square,<br>Level 2 (Unit 1) & Level 3<br>No. 56, Cantontment Road<br>10250 Pulau Pinang<br>Tel. No. : 04 – 226 8288 | 054-002 |
| KENANGA INVESTMENT BANK BERHAD | 7th, 8th & 16th Floor<br>Menara Boustead Penang<br>39, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel.No. : 04 – 228 3355 | 073-023 |
| PHILLIP CAPITAL SDN BHD | 29A, Ground Floor, Beach Street<br>10300 Pulau Pinang<br>Tel No. : 04 – 261 6363 | 076-015 |
| NEWPARADIGM SECURITIES SDN BHD | 56B, 1st Floor<br>Jalan Perak, Perak Plaza<br>10150 Pulau Pinang<br>Tel. No. : 04 – 227 3000 | 064-004 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **PULAU PINANG (cont'd)** | | |
| RHB INVESTMENT BANK BERHAD | Ground, 1st & 2nd Floor<br>No. 2677, Jalan Chain Ferry<br>Taman Inderawasih<br>13600 Seberang Prai<br>Pulau Pinang<br>Tel No. : 04 – 390 0022 | 087-005 |
| RHB INVESTMENT BANK BERHAD | 64 & 64-D<br>Ground Floor-3rd Floor & 5th-8th Floor<br>Lebuh Bishop<br>10200 Pulau Pinang<br>Tel No. : 04 – 263 4222 | 087-033 |
| RHB INVESTMENT BANK BERHAD | 1st Floor<br>No. 15-1-5, 15-1-6, 15-2-5, 15-2-6 & 15-2-24<br>Medan Kampung Relau (Bayan Point)<br>11950 Pulau Pinang<br>Tel No. : 04 – 640 4888 | 087-042 |
| TA SECURITIES HOLDINGS BERHAD | 3rd Floor, Bangunan Heng Guan<br>No. 171, Jalan Burmah<br>10050 Pulau Pinang<br>Tel No. : 04 – 227 2339 | 058-010 |
| UOB KAY HIAN (M) SDN BHD | 1st Floor, Bangunan Heng Guan<br>171 Jalan Burmah<br>10050 Pulau Pinang<br>Tel No. : 04 – 229 9318 | 078-002 |
| UOB KAY HIAN (M) SDN BHD | 21, Jalan Bayu Mutiara 2<br>Taman Bayu Mutiara<br>14000 Bukit Mertajam<br>Pulau Pinang<br>Tel No. : 04 – 504 7313 / 7316 | 078-003 |
| **PAHANG DARUL MAKMUR** | | |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | Ground, 1st & 2nd Floor<br>No. A-27, Jalan Dato' Lim Hoe Lek<br>25200 Kuantan<br>Pahang Darul Makmur<br>Tel No. : 09 – 505 7800 | 065-001 |
| KENANGA INVESTMENT BANK BERHAD | A15, A17 & A19, Ground Floor<br>Jalan Tun Ismail 2<br>Sri Dagangan 2<br>25000 Kuantan<br>Pahang Darul Makmur<br>Tel No. : 09 – 517 1698 | 073-001 |
| MALACCA SECURITIES SDN BHD | P11-3, Jalan Chui Yin<br>28700 Bentong<br>Pahang Darul Makmur<br>Tel No. : 09 – 222 0993 | 012-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **PAHANG DARUL MAKMUR (cont'd)** | | |
| PHILLIP CAPITAL SDN BHD | Ground, Mezzanine & 1st Floor<br>B400, Jalan Beserah<br>25300 Kuantan<br>Pahang Darul Makmur<br>Tel No. : 09 – 566 0800 | 076-002 |
| RHB INVESTMENT BANK BERHAD | No. 12 Ground Floor, 1st and 2nd Floor<br>Jalan Putra Square 1<br>Putra Square 25300<br>Pahang Darul Makmur<br>Tel. No. : 09 – 517 3811 | 087-007 |
| **KELANTAN** | | |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | Level 4 Wisma TCH<br>(formerly known as Wisma Square Point)<br>Jalan Pengkalan Chepa<br>15400 Kota Bharu<br>Kelantan Darul Naim<br>Tel. No. : 09 - 741 9050/9051/9052/9053 | 065-001 |
| RHB INVESTMENT BANK BERHAD | Ground & 1st Floor<br>No. 3953-H, Jalan Kebun Sultan<br>15350 Kota Bharu<br>Kelantan Darul Naim<br>Tel No. : 09 – 743 0077 | 087-020 |
| TA SECURITIES HOLDINGS BERHAD | 298, Jalan Tok Hakim<br>15000 Kota Bharu<br>Kelantan Darul Naim<br>Tel No. : 09 – 7432 288/3388 | 058-004 |
| UOB KAY HIAN (M) SDN BHD | Ground &1st Floor<br>Lot 712, Sek 9, PT 62<br>Jalan Tok Hakim, 15000 Kota Bharu<br>Kelantan Darul Naim<br>Tel No. : 09 – 747 3906 | 078-004 |
| **TERENGGANU DARUL IMAN** | | |
| PHILLIP CAPITAL SDN BHD | No. 46, 1st Floor<br>Jalan Sultan Ismail<br>20200 Kuala Terengganu<br>Tel No. : 09 – 6317 922 | 076-009 |
| RHB INVESTMENT BANK BERHAD | 1st Floor, 59 Jalan Sultan Ismail<br>20200 Kuala Terengganu<br>Terengganu Darul Iman<br>Tel No. : 09 – 626 1816 | 087-055 |
| UOB KAY HIAN (M) SDN BHD | 37-B, 1st Floor<br>Jalan Sultan Ismail<br>20200 Kuala Terengganu<br>Terengganu Darul Iman<br>Tel No. : 09 – 622 4766 | 078-016 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **KEDAH DARUL AMAN** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | No. 70 & 70A, Jalan Mawar 1<br>Taman Pekan Baru<br>08000 Sungai Petani<br>Kedah Darul Aman<br>Tel No. : 04 – 425 6666 | 068-011 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 2nd Floor, No. 102<br>Kompleks Persiaran Sultan Abdul Hamid<br>Jalan Pegawai<br>05050 Alor Setar<br>Kedah Darul Aman<br>Tel. No. : 04 – 777 4400/4401 | 065-001 |
| MALACCA SECURITIES SDN BHD | No. 9, First Floor<br>Kompleks Perniagaan LITC<br>Jalan Putra Mergong<br>05150 Alor Setar<br>Kedah Darul Aman<br>Tel No. : 04 – 735 0888 | 012-001 |
| PHILLIP CAPITAL SDN BHD | Lot T-30, 2nd Floor, Wisma PKNK<br>Jalan Sultan Badlishah<br>05000 Alor Setar<br>Kedah Darul Aman<br>Tel No. : 04 – 731 7088/8270 | 076-004 |
| RHB INVESTMENT BANK BERHAD | Ground & 1st Floor<br>214-A, 214-B, 215-A & 215-B<br>Medan Putra, Jalan Putra<br>05150 Alor Setar<br>Kedah Darul Aman<br>Tel No. : 04 – 720 9888 | 087-021 |
| UOB KAY HIAN (M) SDN BHD | Lot 4, 5 & 5A, 1st Floor EMUM 55<br>No. 55, Jalan Gangsa<br>Kawasan Perusahan Mergong 2<br>Seberang Jalan Putra<br>05150 Alor Setar<br>Kedah Darul Aman<br>Tel No. : 04 – 732 2111 | 078-007 |
| **NEGERI SEMBILAN DARUL KHUSUS** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | No. 26-2, Jalan S2 B16<br>Pusat Dagangan Seremban 2<br>70300 Seremban<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 603 7408 | 068-019 |
| AFFIN HWANG INVESTMENT BANK BERHAD | 6, Upper Level, Jalan Mahligai<br>72100 Bahau<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 455 3188 | 068-019 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **NEGERI SEMBILAN DARUL KHUSUS (cont'd)** | | |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st Floor, No 21, Jalan Mahligai<br>72100 Bahau<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 455 3166/3266 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 2nd Floor, Lot 3110<br>Jalan Besar, Lukut<br>71010 Port Dickson<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 651 5385 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | No. 38, 1st Floor<br>Jalan S2 B18<br>Biz Avenue Seremban 2<br>70300 Seremban<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 761 4651 | 065-001 |
| KENANGA INVESTMENT BANK BERHAD | 1C & 1D, Ground & 1st Floor<br>Jalan Tunku Munawir<br>70000 Seremban, Negeri Sembilan<br>Tel No. : 06 – 765 5998 | 073-001 |
| MAYBANK INVESTMENT BANK BERHAD | Wisma HM, No. 43, Jalan Dr Krishnan<br>70000 Seremban<br>Negeri Sembilan<br>Tel No. : 06 – 766 9555 | 098-005 |
| NEWPARADIGM SECURITIES SDN BHD | 1st-3rd Floor, 19-21<br>Jalan Kong Sang<br>70000 Seremban<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 762 3131 | 064-002 |
| NEWPARADIGM SECURITIES SDN BHD | Ground & 1st Floor<br>No. 3, Jalan Dato Abdullah<br>71200 Kuala Klawang<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 613 7767 | 064-002 |
| RHB INVESTMENT BANK BERHAD | Ground, 1st & 2nd Floor<br>No. 32 & 33, Jalan Dato' Bandar Tunggal<br>70000 Seremban<br>Negeri Sembilan Darul Khusus<br>Tel No. : 06 – 764 1641 | 087-024 |
| **JOHOR DARUL TAKZIM** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | 1st Floor, No. 53 & 53<br>01, Jalan Austin Heights<br>8/3 Taman Mounth Austin<br>81100 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 273 8787 | 068-004 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **JOHOR DARUL TAKZIM (cont'd)** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | 2nd Floor, No 11 & 12 BP Avenue<br>Jalan Abdul Rahman<br>Bandar Penggaram<br>83000 Batu Pahat<br>Johor Darul Takzim<br>Tel No. : 07 – 431 1081 | 068-004 |
| AMINVESTMENT BANK BERHAD | 2nd & 3rd Floor, Penggaram Complex<br>1, Jalan Abdul Rahman<br>83000 Batu Pahat<br>Johor Darul Takzim<br>Tel No. : 07 – 434 2282 | 086-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | No 73, Ground Floor<br>No 73A & 79A, First Floor<br>Jalan Kuning Dua, Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 340 5888 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st Floor, No. 384A<br>Jalan Simbang, Taman Perling<br>81200 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 232 9673 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 2nd Floor, 113 & 114<br>Jalan Genuang,<br>85000 Segamat<br>Johor Darul Takzim<br>Tel No. : 07 – 931 1509/1523 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st Floor, 101, Jalan Gambir 8<br>Bandar Baru Bukit Gambir<br>84800 Muar<br>Johor Darul Takzim<br>Tel No. : 06 – 976 4559/4560 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st Floor No. 8A<br>Jalan Dedap 20<br>Taman Johor Jaya<br>81100 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 353 7669/7959 | 065-001 |
| BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd) | 95, Jalan Tun Abdul Razak<br>80000 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 223 1211 | 054-004 |
| KENANGA INVESTMENT BANK BERHAD | Level 2, Menara Pelangi<br>Jalan Kuning, Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 333 3600 | 073-004 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **JOHOR DARUL TAKZIM (cont'd)** | | |
| KENANGA INVESTMENT BANK BERHAD | 57, 59 and 61 Jalan Ali<br>84000 Muar<br>Johor Darul Takzim<br>Tel No. : 06 – 953 1222 | 073-001 |
| M & A SECURITIES SDN BHD | Suite 5.3A, Level 5, Menara Pelangi<br>Jalan Kuning, Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 338 1233 | 057-003 |
| MALACCA SECURITIES SDN BHD | No. 40A, Jalan Perang<br>Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 335 1533 | 012-001 |
| MALACCA SECURITIES SDN BHD | Lot 880, 3 ½ Mile, Jalan Salleh<br>84000 Muar<br>Johor Darul Takzim<br>Tel No. : 06 – 953 6948 | 012-001 |
| MERCURY SECURITIES SDN BHD | Suite 17.1, Level 17, Menara Pelangi<br>Jalan Kuning, Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 331 6992 | 093-005 |
| PHILLIP CAPITAL SDN BHD | No. 73, 1st Floor, Jalan Rambutan<br>86000 Kluang, Johor Darul Takzim<br>Tel No. : 07 – 771 7922 | 076-006 |
| NEWPARADIGM SECURITIES SDN BHD | Ground & 1st Floor<br>No. 43 & 43A, Jalan Penjaja 3<br>Taman Kim's Park, Business Centre<br>83000 Batu Pahat<br>Johor Darul Takzim<br>Tel No. : 07 – 433 3608 | 064-008 |
| RHB INVESTMENT BANK BERHAD | 53, 53-A & 53-B, Jalan Sultanah<br>83000 Batu Pahat<br>Johor Darul Takzim<br>Tel No. : 07 – 438 0288 | 087-009 |
| RHB INVESTMENT BANK BERHAD | No. 9, Level 2<br>Jalan Abdullah<br>84000 Muar, Johor<br>Tel No. : 03-8211 7579 | 087-025 |
| RHB INVESTMENT BANK BERHAD | Ground & 1st Floor, No. 119 & 121<br>Jalan Sutera Tanjung 8/2<br>Taman Sutera Utama<br>81300 Skudai<br>Johor Darul Takzim<br>Tel No. : 07 – 557 7628 | 087-029 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **JOHOR DARUL TAKZIM (cont'd)** | | |
| RHB INVESTMENT BANK BERHAD | Ground, 1st & 2nd Floor<br>No. 3, Jalan Susur Utama 2/1<br>Taman Utama<br>85000 Segamat<br>Johor Darul Takzim<br>Tel No. : 07 – 932 1543 | 087-030 |
| RHB INVESTMENT BANK BERHAD | Ground & 1st Floor<br>No. 40 Jalan Haji Manan<br>86000 Kluang<br>Johor Darul Takzim<br>Tel No. : 07 – 776 9655 | 087-031 |
| RHB INVESTMENT BANK BERHAD | Ground, 1st & 2nd Floor<br>No. 10, Jalan Anggerik 1<br>Taman Kulai Utama<br>81000 Kulai<br>Johor Darul Takzim<br>Tel No. : 07 – 662 6288 | 087-035 |
| RHB INVESTMENT BANK BERHAD | Ground, 1st & 2nd Floor, No. 21 & 23<br>Jalan Molek 1/30, Taman Molek<br>81100 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 352 2293 | 087-043 |
| TA SECURITIES HOLDINGS BERHAD | 7A, Jalan Genuang Perdana<br>Taman Genuang Perdana<br>85000 Segamat<br>Johor Darul Takzim<br>Tel No. : 07 – 943 5278 | 058-009 |
| TA SECURITIES HOLDINGS BERHAD | 15, Jalan Molek 1/5A<br>Taman Molek<br>81000 Johor Bahru<br>Tel No. : 07 – 364 7388 | 058-011 |
| TA SECURITIES HOLDINGS BERHAD | No. 29-03, Jalan Sri Pelangi<br>Taman Pelangi<br>80400 Johor Bahru<br>Tel No. : 07 – 336 4672 | 058-013 |
| UOB KAY HIAN (M) SDN BHD | Level 6 & 7, Menara MSC Cyberport<br>No. 5, Jalan Bukit Meldrum<br>80300 Johor Bahru<br>Johor Darul Takzim<br>Tel No. : 07 – 333 2000 | 078-001 |
| UOB KAY HIAN (M) SDN BHD | 42-8, Main Road<br>Kulai Besar<br>81000 Kulai<br>Johor Darul Takzim<br>Tel No. : 07 – 663 5651 | 078-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **JOHOR DARUL TAKZIM (cont'd)** | | |
| UOB KAY HIAN (M) SDN BHD | No. 83, 83-1 & 83-02<br>Jalan Molek 1/29<br>Taman Molek<br>81100 Johor Bahru<br>Johor<br>Tel No.: 07-219 7575 | 078-001 |
| **SARAWAK** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | 2nd Floor, Lot No. 27, NBX 2<br>The Northbank<br>Off Kucing-Samarahan Expressway<br>93350 Kuching<br>Sarawak<br>Tel No. : 082 – 50 1007 | 068-005 |
| AMINVESTMENT BANK BERHAD | 1st, 2nd, & 3rd Floor<br>No. 162, 164, 166 & 168<br>Jalan Abell<br>93100 Kuching<br>Sarawak<br>Tel No. : 082 – 24 4791 | 086-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | No. 6A, Ground Floor<br>Jalan Bako, Off Brooke Drive<br>96000 Sibu<br>Sarawak<br>Tel No. : 084 – 36 7700 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | Level 1 (North), Wisma STA<br>26, Jalan Datuk Abang Abdul Rahim<br>93450 Kuching<br>Sarawak<br>Tel No. : 082 – 35 8688 | 065-001 |
| KENANGA INVESTMENT BANK BERHAD | Lot 1866, Jalan MS 2/5<br>Marina Square 2<br>Marina Parkcity<br>98000 Miri<br>Sarawak<br>Tel No. : 085 – 43 5577 | 073-001 |
| KENANGA INVESTMENT BANK BERHAD | Level 2-4, Wisma Mahmud<br>Jalan Sungai Sarawak<br>93100 Kuching<br>Sarawak<br>Tel No. : 082 – 33 8000 | 073-001 |
| KENANGA INVESTMENT BANK BERHAD | 11-12, Ground & 1st Floor<br>Lorong Kampung Datu 3<br>96000 Sibu<br>Sarawak<br>Tel No. : 084 – 31 3855 | 073-001 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **SARAWAK (cont'd)** | | |
| MERCURY SECURITIES SDN BHD | 1st Floor, 16, Jalan Getah<br>96100 Sarikei<br>Sarawak<br>Tel No. : 084 – 65 6281 | 093-001 |
| RHB INVESTMENT BANK BERHAD | Tingkat Bawah dan Tingkat 1<br>No. 221, Parkcity Commerce Square<br>Phase III, Jalan Tun Ahmad Zaidi<br>97000 Bintulu<br>Sarawak<br>Tel No. : 086 – 31 7678 | 087-053 |
| RHB INVESTMENT BANK BERHAD | Yung Kong Abell<br>Units No. 1-10, 2nd Floor<br>Lot 365, Section 50<br>Jalan Abell<br>93100 Kuching<br>Sarawak<br>Tel No. : 082 – 25 0888 | 087-008 |
| RHB INVESTMENT BANK BERHAD | No. 102, Pusat Pedada<br>Jalan Dr Wong Soon Kai<br>96000 Sibu<br>Sarawak<br>Tel No. : 084 – 32 9100 | 087-008 |
| TA SECURITIES HOLDINGS BERHAD | 12G, H & I<br>Jalan Kampong Datu<br>96000 Sibu<br>Sarawak<br>Tel No. : 084 – 31 9998 | 058-002 |
| UOB KAY HIAN (M) SDN BHD | Lot 1265, 1st Floor<br>Centre Point Commercial Centre<br>Jalan Melayu<br>98000, Miri<br>Sarawak<br>Tel No. : 085 – 32 4128 | 078-017 |
| UOB KAY HIAN (M) SDN BHD | Ground & 1st Floor<br>No 16, Lorong Intan 6<br>96000 Sibu<br>Sarawak<br>Tel No. : 084 – 25 2737 | 078-018 |
| **SABAH** | | |
| AFFIN HWANG INVESTMENT BANK BERHAD | No. 2 & 3 Block A<br>Level 2, Luyang Commersial Centre<br>Damai Plaza PH3<br>Jalan Damai, 88300 Kota Kinabalu<br>Sabah<br>Tel No. : 088 – 31 1688 | 068-005 |

**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)***

| Name | Address and telephone number | Broker Code |
|---|---|---|
| **SABAH (cont'd)** | | |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st & 2nd Floor<br>Central Building<br>No. 28, Jalan Sagunting<br>88000 Kota Kinabalu<br>Sabah<br>Tel No. : 088 – 32 8878 | 065-001 |
| CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD | 1st Floor, Lot 12<br>Block A3, Phase 2<br>Utama Place<br>Mile 6, Northern Road<br>90000 Sandakan<br>Sabah<br>Tel No. : 089 – 21 5578 | 065-001 |
| KENANGA INVESTMENT BANK BERHAD | Level 8, Wisma Great Eastern<br>68, Jalan Gaya<br>88000 Kota Kinabalu<br>Sabah<br>Tel No. : 088 – 23 6188 | 073-032 |
| RHB INVESTMENT BANK BERHAD | 2nd Floor<br>81 & 83, Jalan Gaya<br>88000 Kota Kinabalu<br>Sabah<br>Tel No. : 088 – 26 9788 | 087-010 |
| UOB KAY HIAN (M) SDN BHD | 11, Equity House, Block K<br>Sadong Jaya, Karamunsing<br>88100 Kota Kinabalu<br>Sabah<br>Tel No. : 088 – 23 4099 | 078-004 |

**NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SCA SOLUTIONS BERHAD ("SCA" OR THE "COMPANY") DATED 18 NOVEMBER 2026 ("ELECTRONIC PROSPECTUS")**
*(Unless otherwise indicated, specified or defined in this notice, the definitions in the Electronic Prospectus shall apply throughout this notice)*

**Website**

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad ("**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 Electronic Prospectus directly from the Company, Malacca Securities Sdn Bhd ("**Malacca Securities**") or Malaysian Issuing House Sdn Bhd.

Alternatively, the applicant may obtain a paper/printer copy of the Electronic Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

**Jurisdictional Disclaimer**

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

**Close of Application**

Applications will be accepted from 10.00 a.m. on 18 November 2026 and will close at 5.00 p.m. on 26 November 2026. In the event there is any change to the timetable, the Company will advertise the notice of the change in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

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

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

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

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




SCA SOLUTIONS BERHAD

PROSPECTUS

SCA®
DELIVERING EXCELLENCE

**SCA SOLUTIONS BERHAD**
(Registration No. 202501047718 (1649126-A))
(Incorporated in Malaysia under the Companies Act 2016)


**ADDRESS**
10, Jalan PJU 6A/3A, Kampung Sungai Kayu Ara, Kayu Ara, 47400 Petaling Jaya, Selangor

**TELEPHONE**
+603-7710 0071

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https://scasolutions.com.my




THIS PROSPECTUS IS DATED

**18 NOVEMBER 2026**

SCA®
DELIVERING EXCELLENCE

# PROSPECTUS

## SCA SOLUTIONS BERHAD

(Registration No. 202501047718 (1649126-A))
(Incorporated in Malaysia under the Companies Act 2016)

**INITIAL PUBLIC OFFERING ("IPO") IN CONJUNCTION WITH THE LISTING OF SCA SOLUTIONS BERHAD ("SCA" OR "COMPANY") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING:**

**(A) PUBLIC ISSUE OF 114,000,000 NEW ORDINARY SHARES IN SCA ("SHARES") IN THE FOLLOWING MANNER:**

- **(I) 28,500,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;**
- **(II) 5,696,200 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS AND EMPLOYEES;**
- **(III) 71,204,000 NEW SHARES AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY; AND**
- **(IV) 8,599,800 NEW SHARES AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,**

**AND**

**(B) OFFER FOR SALE OF 56,900,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,**

**AT AN ISSUE/OFFER PRICE OF RM0.28 PER SHARE, PAYABLE IN FULL UPON APPLICATION.**

**Principal Adviser, Sponsor, Underwriter and Placement Agent**

M+Global

**MALACCA SECURITIES SDN BHD**
(Registration No. 197301002760 (16121-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**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 ("CMSA").**

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 209.**

BURSA SECURITIES HAS APPROVED 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. THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. 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 SCA AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

All defined terms used in this Prospectus are defined under "Definitions" commencing on page xi, "Glossary of Technical Terms" commencing on page xx and "Presentation of Financial and Other Information" commencing on page ix.

## RESPONSIBILITY STATEMENTS

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

Malacca Securities Sdn Bhd, being our Principal Adviser, Sponsor, Underwriter and Placement Agent for our IPO, 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 our Listing (as defined herein). Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

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.

This Prospectus, together with the Application Form (as defined herein), 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 CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

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

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

Our IPO and this Prospectus are subject to the laws of Malaysia. Our Shares are offered in Malaysia solely based on the contents of this Prospectus. 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. It is your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of this Prospectus and 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 country or jurisdiction which you may be subject to.

We will further assume that you have accepted our IPO in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any laws or applicable legal or regulatory requirements.

This Prospectus is prepared and published solely for our IPO under the laws of Malaysia. Our Company, Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone and take no responsibility for distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent, any of their directors, or any other persons involved in our IPO. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of, any of our Shares being offered in our IPO 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.

## ELECTRONIC PROSPECTUS

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

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

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House, a paper/printed copy of this Prospectus. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus, which are identical to the copy of the Prospectus registered with Bursa Securities, will prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of 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 Third Party Internet Sites. Accordingly, we are not responsible for the availability of, or the contents or any data, information, files or other material provided on Third Party Internet Sites. You shall bear all risks associated with the access to or use of 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, particularly in fulfilling any of the terms of any of your agreements with 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 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 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 systems or loss of data resulting from the downloading of any such data, information, files or other materials.

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

(i) Internet Participating Financial Institutions or Participating Securities Firms are liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of Internet Participating Financial Institutions or Participating Securities Firms which may be viewed via your web browser or other relevant software. Internet Participating Financial Institutions or Participating Securities Firms shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of Internet Participating Financial Institutions or Participating Securities Firms and thereafter communicated or disseminated in any manner to you or other parties;

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

(iii) 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 an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of 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:

| Events | Tentative Date |
|---|---|
| Opening date of Applications | 18 November 2026 |
| Closing date of Applications | 26 November 2026 |
| Balloting of Applications | 30 November 2026 |
| Allotment of our IPO Shares to successful applicants | 7 December 2026 |
| Listing on the ACE Market | 9 December 2026 |

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

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## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "**SCA**" and **"our Company**" in this Prospectus are to SCA Solutions Berhad, while references to "**Group**" or "**our Group**" in this Prospectus are to our Company and our Subsidiaries shall be taken as a whole. Any reference to words such as "**we**", "**us**", "**our**" and "**ourselves**" in this Prospectus shall be a reference to our Company, our Group or our Subsidiaries as the context requires, unless otherwise stated. Unless the context otherwise requires, references to "**Management**" are to our Directors and Key Senior Management as at the date of this Prospectus, and statements as to our beliefs, expectations and opinions are those of our Management.

All references to "**you**" are to our prospective investors.

Any references in this Prospectus, the Application Form, Electronic Share Application or Internet Share Application to any provisions of the acts, statutes, rules, regulations, enactments or rules of the Bursa Securities shall (where the context admits), be construed as a reference to provisions of such acts, statutes, rules, regulations, enactments or rules of the Bursa Securities (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the acts, statutes, rules, regulations, enactments or rules of the Bursa Securities for the time being in force. Any reference to dates and times in this Prospectus shall be a reference to dates and times in Malaysia, unless otherwise stated.

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include natural persons, firms, companies, bodies corporate and corporations.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding the growth and performance of the industry in which we operate. This data is taken, extracted 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 us. In particular, certain information in this Prospectus is extracted or derived from Smith Zander (as defined herein) or the IMR Report for inclusion in this Prospectus.

We have appointed Smith Zander as our IMR to provide an independent market review relating to the industry in which we operate or are exposed to. In compiling their data for the review, Smith Zander relied on its research methodology, industry sources, published materials and its private databanks. We believe that 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.

However, third party projections, cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Therefore, we give no assurance that the projected figures will be achieved. You should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

The information on our website (https://scasolutions.com.my), or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on such information for the purposes of your decision whether or not to invest in our Shares.

Any discrepancies in the tables included in this Prospectus between the amounts listed and the totals thereof are due to rounding.

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

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

## FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Management for future operations, are forward-looking statements. 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**", "**intend**" or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other important factors beyond our Group's control that could cause our actual results, performances or achievements to be materially different from any 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 future overall business development and operations;

(ii) potential growth opportunities;

(iii) demand for our services and products;

(iv) our business strategies, trends and competitive position and the effect of such competition;

(v) our Management's plans and objectives for future operations;

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

(vii) our ability to pay dividends.

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. Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to those discussed in Section 9 of this Prospectus on "Risk Factors" and Section 12.2 of this Prospectus on "Management's Discussion and Analysis of Results of Operations and Financial Condition". 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).

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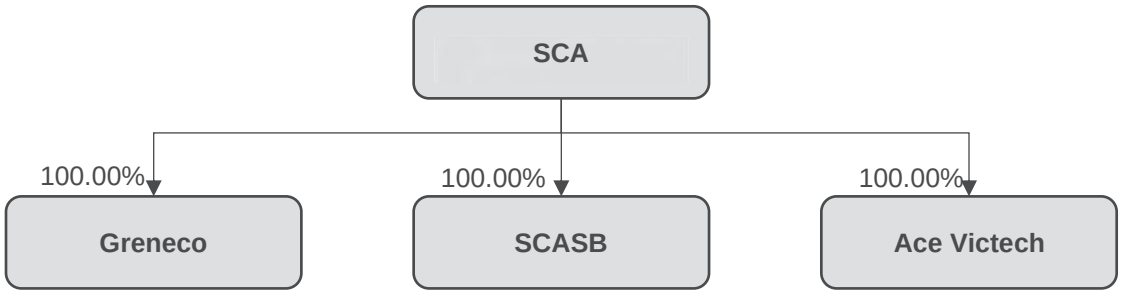
## DEFINITIONS

The following terms in this Prospectus have the same meaning as set out below unless the term is defined otherwise or the context requires otherwise:

### COMPANIES WITHIN OUR GROUP

| | | |
|---|---|---|
| **Ace Victech** | : | Ace Victech Sdn Bhd (Registration No. 201801009910 (1271924-A)), a wholly-owned subsidiary of our Company |
| **Greneco** | : | Greneco Sdn Bhd (Registration No. 200801001729 (803013-U)), a wholly-owned subsidiary of our Company |
| **SCA or Company** | : | SCA Solutions Berhad (Registration No. 202501047718 (1649126-A)) |
| **SCA Group or Group** | : | SCA and its Subsidiaries, collectively |
| **SCASB** | : | Source Code Asia Sdn Bhd (Registration No. 200301019875 (622295-W)), a wholly-owned subsidiary of our Company |
| **Subsidiaries** | : | SCASB, Greneco and Ace Victech |

Our Group structure as at the LPD is as follows:-




### GENERAL

| | | |
|---|---|---|
| **ACE Market** | : | ACE Market of Bursa Securities |
| **Acquisitions** | : | Acquisition of SCASB, Acquisition of Greneco and Acquisition of Ace Victech, collectively |
| **Acquisition of Ace Victech** | : | Acquisition by SCA of the entire equity interest of Ace Victech for a purchase consideration of RM486,622.91 which was fully satisfied via the issuance and allotment of 1,793,010 new Shares at an issue price of approximately RM0.2714 per Share.<br><br>The Acquisition of Ace Victech was completed on 23 January 2026. |
| **Acquisition of Greneco** | : | Acquisition by SCA of the entire equity interest of Greneco for a purchase consideration of RM956,240.18 which was fully satisfied via the issuance and allotment of 3,523,361 new Shares at an issue price of approximately RM0.2714 per Share.<br><br>The Acquisition of Greneco was completed on 23 January 2026. |

**DEFINITIONS *(Cont'd)***

| | | |
|---|---|---|
| **Acquisition of SCASB** | : | Acquisition by SCA of the entire equity interest of SCASB for a purchase consideration of RM31,977,875.17 which was fully satisfied via the issuance and allotment of 117,825,627 new Shares at an issue price of approximately RM0.2714 per Share.<br><br>The Acquisition of SCASB was completed on 23 January 2026. |
| **Act** | : | Companies Act 2016 |
| **ADA** | : | Authorised Depository Agent, a person appointed by Bursa Depository under the Rules of Bursa Depository |
| **AGM** | : | Annual General Meeting |
| **Application(s)** | : | Application for our Issue Shares by way of an Application Form, the Electronic Share Application or the Internet Share Application |
| **Application Form(s)** | : | Printed application form(s) for the application of our Issue Shares accompanying this Prospectus |
| **ARMC** | : | Audit and Risk Management Committee |
| **ATM** | : | Automated teller machine |
| **Authorised Financial Institution(s)** | : | Authorised financial institution(s) participating in the Internet Share Application, with respect to payments for our Issue Shares |
| **Board** | : | Board of Directors of SCA |
| **Bonus Issue** | : | Bonus issue of 332,483,400 new Shares on the basis of 27 Bonus Shares for every 10 existing Shares in our Company which was completed on 23 January 2026 |
| **Bonus Shares** | : | New Shares issued pursuant to the Bonus Issue |
| **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 |
| **CCM** | : | Companies Commission of Malaysia |
| **CDS** | : | Central Depository System |
| **CDS Account** | : | Account 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 |
| **CF** or **CCC** | : | Certificate of fitness for occupation or Certificate of Completion and Compliance, as the case may be |
| **CIDB** | : | Construction Industry Development Board |

**DEFINITIONS *(Cont'd)***

| | | |
|---|---|---|
| **CIDB Act** | : | Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 |
| **CMSA** | : | Capital Markets and Services Act 2007 |
| **Constitution** | : | The constitution of our Company |
| **Depositor** | : | A holder of a CDS Account |
| **Director(s)** | : | Member(s) of our Board and within the meaning given in Section 2(1) of the CMSA |
| **Dividend-in-Specie** | : | Distribution of 255,000 ordinary shares in Greneco, representing 51.00% equity interest in Greneco, by way of dividend-in-specie to Tan Cheng Eng and Liong Chian Leek which was completed on 29 December 2025 |
| **DURSB** | : | Damansara Uptown Realty Sdn Bhd (Registration No.: 199801008515 (464642-U)) |
| **EBIT** | : | Earnings before interest and tax |
| **EBITDA** | : | Earnings before interest, taxation, depreciation and amortisation |
| **EIS** | : | Employment Insurance System |
| **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) |
| **Electronic Share Application** | : | Application for our Issue Shares through a Participating Financial Institution's ATM |
| **Eligible Person(s)** | : | Our eligible Directors and employees of our Group who are eligible to participate in the Pink Form Allocations, collectively |
| **EPF** | : | Employees Provident Fund |
| **EPS** | : | Earnings per Share |
| **Financial Years / Period Under Review** | : | FYE 2022, FYE 2023, FYE 2024, FYE 2025 and FPE 2026 |
| **FPE** | : | Financial period ended 30 June, as the case may be |
| **FYE** | : | Financial year ended/ending 31 December, as the case may be |
| **GDP** | : | Gross domestic product |
| **Government** | : | Government of Malaysia |
| **GP** | : | Gross profit |
| **HVAC** | : | Heating, ventilation and air conditioning |
| **IFRS** | : | International Financial Reporting Standards |
| **IMR or Smith Zander** | : | Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V)), the Independent Market Researcher |

**DEFINITIONS *(Cont'd)***

| | | |
|---|---|---|
| **IMR Report** | : | The independent market research report on the "HVAC and Fire Safety Instrumentation Industry in Malaysia" prepared by the IMR |
| **Internet Participating Financial Institutions or Participating Securities Firms** | : | Participating Financial Institutions or Participating Securities Firms for the Internet Share Application |
| **Internet Share Application** | : | Application for our Issue Shares through Internet Participating Financial Institutions or Participating Securities Firms |
| **IPO** | : | Initial public offering comprising the Public Issue and Offer for Sale, collectively |
| **IPO Price** | : | Issue / Offer price of RM0.28 per Share under our Public Issue and Offer for Sale |
| **IPO Share(s)** | : | Collectively, the Issue Share(s) and the Offer Share(s) |
| **Issue Share(s)** | : | 114,000,000 new Share(s) to be issued pursuant to the Public Issue |
| **Issuing House** or **Malaysian Issuing House** | : | Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X)) |
| **Kapar Property** | : | A single storey detached factory with 3-storey office building known as Plot No. 9, West Coast Industrial Park @ Kapar, Klang, Selangor to be erected on the freehold industrial land held under the individual title H.S. (D) 319553, PT 165641, Mukim Kapar, Daerah Klang, Negeri Selangor |
| **Kayu Ara HQ** | : | A 4-storey shop office located at No. 10, Jalan PJU 6A/3A, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor |
| **Kayu Ara Office 1** | : | A 4-storey shop office located at No. 11A, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor |
| **Kayu Ara Office 2** | : | A 4-storey shop office located at No. 11, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor |
| **Key Senior Management** | : | Key senior management as set out in Section 5.2(ii) of this Prospectus |
| **Liong Chian Leek** | : | Liong Chian Leek, who is a Promoter, Specified Shareholder, Selling Shareholder, substantial shareholder and Executive Director of our Company |
| **Listing** | : | Our admission to the Official List of Bursa Securities and the listing and quotation of our entire enlarged issued share capital comprising 569,625,400 Shares on the ACE Market |
| **Listing Requirements** | : | ACE Market Listing Requirements of Bursa Securities |
| **LPD** | : | 20 October 2026, being the latest practicable date prior to the registration of this Prospectus |

**DEFINITIONS *(Cont'd)***

| | | |
|---|---|---|
| **M&E** | : | Mechanical and electrical |
| **Malacca Securities** or **Principal Adviser** or **Sponsor** or **Underwriter** or **Placement Agent** | : | Malacca Securities Sdn Bhd (Registration No.:197301002760 (16121-H)) |
| **Malaysian Public** | : | Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia but excludes directors of our Group, our substantial shareholders and persons connected with them |
| **Market Day** | : | Any day on which Bursa Securities is open for trading of securities |
| **MCCG** | : | Malaysian Code on Corporate Governance |
| **MFRS** | : | Malaysian Financial Reporting Standards |
| **MIA** | : | Malaysian Institute of Accountants |
| **MITI** | : | Ministry of Investment, Trade and Industry of Malaysia |
| **MOF** | : | Ministry of Finance, Malaysia |
| **MyIPO** | : | Intellectual Property Corporation of Malaysia |
| **NA** | : | Net assets attributable to owners of our Company |
| **NBV** | : | Net book value |
| **Offer for Sale** | : | Offer for sale by the Selling Shareholders of 56,900,000 Offer Shares at the IPO Price |
| **Offer Share(s)** | : | 56,900,000 existing Shares to be offered by the Selling Shareholders pursuant to the Offer for Sale |
| **Official List** | : | A list specifying all securities which have been admitted for listing on Bursa Securities |
| **Participating Financial Institutions** | : | Participating Financial Institutions for the Electronic Share Application as listed in Section 15 of this Prospectus |
| **Participating Securities Firms** | : | Participating Securities Firms for the Internet Share Application as listed in Section 15 of this Prospectus |
| **PAT** | : | Profit after taxation |
| **PBT** | : | Profit before taxation |
| **PE Multiple** | : | Price-to-earnings multiple |
| **Pink Application Form** | : | Application form for the application of our Shares by the Eligible Persons |

**DEFINITIONS *(Cont'd)***

| | | |
|---|---|---|
| **Pink Form Allocations** | : | Allocation of 5,696,200 Issue Shares for subscription by the Eligible Persons |
| **PPE** | : | Property, plant and equipment |
| **Promoter(s)** | : | Tan Cheng Eng and Liong Chian Leek, collectively |
| **Prospectus** | : | This Prospectus dated 18 November 2026 in relation to our IPO |
| **Prospectus Guidelines** | : | Prospectus Guidelines issued by the SC |
| **Public Issue** | : | Public issue of 114,000,000 Issue Shares at the IPO Price |
| **ROC** | : | Registrar of Companies of Malaysia |
| **Rules of Bursa Depository** | : | Rules of Bursa Depository and any appendices thereto |
| **SAC** | : | Shariah Advisory Council of the SC |
| **SC** | : | Securities Commission Malaysia |
| **SCA Share(s) or Share(s)** | : | Ordinary shares in SCA |
| **Selected Investors** | : | Being investors that meet the requirements of Schedule 6 or 7 of the CMSA and subscribing for our IPO Shares through private placement |
| **Selling Shareholders** | : | Tan Cheng Eng and Liong Chian Leek, collectively |
| **Shah Alam Workshop** | : | 1½ storey terraced factory located at No. 7, Jalan Injap 34/4, Seksyen 34, 40470 Shah Alam, Selangor |
| **Share Registrar** or **Aldpro** | : | Aldpro Corporate Services Sdn Bhd (Registration No. 202101043817 (1444117-M)) |
| **SOCSO** | : | Social Security Organisation |
| **Specified Shareholders** | : | Tan Cheng Eng, Liong Chian Leek and Liong Chian Yie, collectively |
| **SSA(s)** | : | Share sale agreement(s) |
| **Tan Cheng Eng** | : | Tan Cheng Eng, who is a Promoter, Specified Shareholder, Selling Shareholder, substantial shareholder and Managing Director of our Company |
| **Underwriting Agreement** | : | The underwriting agreement dated 6 October 2026 entered into between our Company and our Underwriter for the Underwritten Shares pursuant to our IPO and a letter dated 19 October 2026 extending the period for completion of the Listing from 2 months to 3 months from the date of underwriting agreement |
| **Underwritten Shares** | : | 34,196,200 Issue Shares under our Public Issue to be underwritten under the terms and conditions set out in the Underwriting Agreement |

**DEFINITIONS *(Cont'd)***

| | | |
|---|---|---|
| **White Application Form** | : | Application form accompanying this Prospectus for the application of our Issue Shares by the Malaysian Public |

**CURRENCIES, UNITS AND OTHERS:**

| | | |
|---|---|---|
| **IDR** | : | Indonesian Rupiah |
| **JPY** | : | Japanese Yen |
| **EUR** | : | Euro |
| **RM or sen** | : | Ringgit Malaysia and sen, the lawful currency of Malaysia |
| **RMB** | : | Renminbi |
| **SGD** | : | Singapore Dollar |
| **USD** | : | United States Dollar |
| **sq. ft.** | : | square feet |

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**DEFINITIONS *(Cont'd)***

Major Customers and Major Suppliers of our Group:-

| | | |
|---|---|---|
| **Customer Group D** | : | A group of private limited companies incorporated and based in Malaysia, which are principally involved in activities of manufacturing, trading, contracting and sales of industrial HVAC equipment as well as building systems and instrumentations.<br><br>The shareholder of Customer Group D is a wholly-owned subsidiary of a company listed on Tokyo Stock Exchange since 14 May 1949, and engaged in the areas of development, manufacture, sales, and aftermarket support of air conditioning, fluorochemicals, filters as well as other products and services.<br><br>Based on the holding company's latest financial year ended 31 March 2026, the group recorded sales of JPY5.02 trillion with total assets of JPY5.81 trillion and net assets of JPY3.25 trillion and they have a total number of 104,095 employees as at 31 March 2026.<br><br>We are unable to disclose the identity of Customer Group D as our attempt to seek consent for such disclosure was declined. |
| **Customer Group S** | : | A group of private limited companies incorporated and based in Malaysia which are principally involved in a broad range of activities encompassing construction and engineering services, data centre development and energy solutions, geotechnical works, integrated property development, healthcare services, hospitality operations, and related infrastructure and support services.<br><br>Customer Group S, subsidiaries of a conglomerate company incorporated under the laws of Malaysia which is listed on Main Market of Bursa Securities since 23 August 2011, and engaged in the areas of property development and investment, construction, trading and manufacturing, quarrying and building materials, healthcare services, education, hospitality and leisure, retail operations, and real estate investment trust ("**REIT**") activities.<br><br>Based on the holding company's latest financial year ended 31 December 2025, the holding company recorded revenue of RM9.81 billion with total assets of RM38.84 billion and net assets of RM16.06 billion and they have a total number of 14,272 employees as at 31 December 2025.<br><br>We are unable to disclose the identity of Customer Group S as our attempt to seek consent for such disclosure was declined. |
| **Customer H** | : | A private limited company incorporated and based in Malaysia, which is principally involved in installation of fire and lawn sprinkler systems, steam piping and other construction installation. The shareholders of Customer H are 3 Chinese nationals. The share capital of Customer H is RM1.00 million comprising 1,000,100 ordinary shares.<br><br>Based on its latest financial year ended 31 December 2025, the revenue recorded is RM23.97 million, loss after tax is RM2.69 million and net liabilities are RM1.69 million.<br><br>Customer H is not part of any listed group in or outside Malaysia.<br><br>We are unable to disclose the identity of Customer H as our attempt to seek consent for such disclosure was declined. |

**DEFINITIONS *(Cont'd)***

| | | |
|---|---|---|
| **Customer T** | : | A private limited company incorporated and based in Malaysia, which was previously involved in activities of contractor and general trading. The shareholder of Customer T is a Malaysian individual. The share capital of Customer T is RM8.00 million comprising 8,000,000 ordinary shares. Customer T was wound up on 3 August 2026.<br><br>Prior to the Customer T winding up and based on its latest financial year ended 30 June 2024, the revenue recorded was RM16.17 million, profit after tax was RM0.40 million and net assets were RM10.88 million.<br><br>Customer T was not part of any listed group in or outside Malaysia.<br><br>We are unable to disclose the identity of Customer T as our attempt to seek consent for such disclosure was declined. |
| **Supplier S** | : | A private limited company incorporated and based in Malaysia, which is principally involved in the provision of engineering and technical related services. The share capital of Supplier S is RM17.60 million comprising 16,600,000 ordinary shares.<br><br>Supplier S, a wholly-owned subsidiary of a conglomerate company incorporated under the laws of the Federal Republic of Germany which is listed on stock exchange in Frankfurt since 8 March 1899, and engaged in the areas of automation and digitalisation in the process and manufacturing industries, intelligent infrastructure for buildings and distributed energy systems, smart mobility solutions for rail transport, and medical technology and digital healthcare services. Based on the holding company of Supplier S' latest financial year ended 30 September 2025, the holding company recorded revenue of EUR78.91 billion with total assets of EUR166.20 billion and net assets of EUR62.24 billion and they have a total number of 318,000 employees as at 30 September 2025.<br><br>We are unable to disclose the identity of Supplier S due to the confidentiality clause stated in the agreement executed with Supplier S and Supplier S has declined to provide consent for disclosure. |

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## GLOSSARY OF TECHNICAL TERMS

The following commonly used terms in our Group's business and operations shall apply throughout this Prospectus unless the term is defined otherwise or the context otherwise requires:

| | | |
|---|---|---|
| **Air handler** | : | Also known as an air handling unit, which is a device that circulates air through a HVAC system. |
| **Chiller** | : | A device that produces chilled water for air cooling. |
| **Computer-aided design ("CAD") software tool** | : | A software used to create precise drawings and technical illustrations. |
| **Control panel** | : | A device that serves as the central point of control to regulate the operation of a HVAC system. |
| **Corrosion inhibitor solution** | : | A chemical solution used to stop or reduce the corrosion rate of metal. |
| **Data logger software** | : | A software that records and stores data received from multiple instrumentation components and accessories in a system. |
| **Electrical frequency distortion** | : | Refers to unwanted frequencies within electrical current that may affect system performance and equipment reliability. |
| **Electromagnetic technology** | : | A technology that uses electric and magnetic field to measure energy information as water passes through a magnetic field for system monitoring. |
| **Fire sprinkler system** | : | A fire protection system equipped with automatic sprinklers that release water when heat is detected. |
| **Humidifier** | : | A device that adds moisture to the air to increase air humidity levels. |
| **Internet of Things ("IoT")** | : | A concept where objects are connected to the internet, enabling them to transmit data, be sensed, or be controlled remotely via electronic devices over existing network infrastructures. |
| **Manual call point** | : | A device that enables manual activation of a fire alarm system. |
| **Metering device** | : | A device that detects and measures changes in a HVAC system parameter, including temperature and energy or water consumption level. |
| **Oxidative and non-oxidative biocide solution** | : | A chemical solution used to kill or inhibit microorganisms either through oxidation or by disrupting their reproduction or respiration. |
| **Oxygen reduction potential ("ORP")** | : | A measure of a solution's oxidising ability, whereby a high ORP generally indicates a stronger oxidising power and greater effectiveness in bacteria inactivation and disinfection, and vice versa. |
| **pH adjustor** | : | A chemical solution used to alter or maintain the acidity or alkalinity of a solution. |
| **Retrofitting** | : | A process where modification works are carried out to upgrade and/or modify an existing building or infrastructure. |
| **SKU** | : | Stock keeping unit |

**GLOSSARY OF TECHNICAL TERMS *(Cont'd)***

| | | |
|---|---|---|
| **Strobe** | : | A device that emits flashing light when a fire alarm system is triggered. |
| **Ultrasonic technology** | : | A technology that utilises high frequency sound waves for system monitoring. |

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## 1. CORPORATE DIRECTORY

### BOARD OF DIRECTORS OF OUR COMPANY

| Name / (Designation) | Address | Nationality |
|---|---|---|
| Dato' Chan Choy Lin<br>(Independent Non-Executive Chairperson) | No. 10, Jalan 16/12B<br>Pearl Villas, Section 16<br>46350 Petaling Jaya<br>Selangor | Malaysian |
| Tan Cheng Eng<br>(Managing Director) | No. 18, Jalan Setia Tropika U13/20B<br>Setia Eco Park<br>40170 Shah Alam<br>Selangor | Malaysian |
| Liong Chian Leek<br>(Executive Director) | No. 7, Jalan Setia Duta U13/21U<br>Setia Eco Park<br>40170 Shah Alam<br>Selangor | Malaysian |
| Ho Kok Keong<br>(Independent Non-Executive Director) | No. 2, Jalan Anggerik Eria 31/103<br>Kota Kemuning<br>40460 Shah Alam<br>Selangor | Malaysian |
| Datin Cho Oi Kwan<br>(Independent Non-Executive Director) | A-13A-02, Kondo Pantai Estet<br>No. 1, Jalan Pantai Prima<br>Bangsar Selatan<br>59200 Kuala Lumpur<br>Wilayah Persekutuan | Malaysian |
| Jamilah Binti Kamal<br>(Independent Non-Executive Director) | No. 2, Jalan 9/132<br>Taman Gasing Indah<br>59200 Kuala Lumpur<br>Wilayah Persekutuan | Malaysian |

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## 1. CORPORATE DIRECTORY *(Cont'd)*

### AUDIT AND RISK MANAGEMENT COMMITTEE

| Name | Designation | Directorship |
|---|---|---|
| Datin Cho Oi Kwan | Chairperson | Independent Non-Executive Director |
| Ho Kok Keong | Member | Independent Non-Executive Director |
| Jamilah Binti Kamal | Member | Independent Non-Executive Director |

### REMUNERATION COMMITTEE

| Name | Designation | Directorship |
|---|---|---|
| Ho Kok Keong | Chairperson | Independent Non-Executive Director |
| Datin Cho Oi Kwan | Member | Independent Non-Executive Director |
| Jamilah Binti Kamal | Member | Independent Non-Executive Director |

### NOMINATION COMMITTEE

| Name | Designation | Directorship |
|---|---|---|
| Jamilah Binti Kamal | Chairperson | Independent Non-Executive Director |
| Datin Cho Oi Kwan | Member | Independent Non-Executive Director |
| Ho Kok Keong | Member | Independent Non-Executive Director |

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## 1. CORPORATE DIRECTORY *(Cont'd)*

| | | |
|---|---|---|
| **COMPANY SECRETARIES** | : | **Boardroom.com Sdn Bhd**<br>(Registration No. 200801019600 (820910-X))<br>B-21-1, Level 21, Tower B<br>Northpoint Mid Valley City<br>No. 1, Medan Syed Putra Utara<br>59200 Kuala Lumpur<br><br>Tel. No. : +6(03) 9770 2200<br>Fax No. : +6(03) 2201 7774<br><br>Tan Tong Lang<br>CCM Practicing Certificate No. : 202208000250<br>Professional Qualification : Chartered Secretary and Associate of the Malaysian Institute of Chartered Secretaries and Administrators (Membership No.: MAICSA 7045482)<br><br>Tan Lay Khoon<br>CCM Practicing Certificate No. : 202208000544<br>Professional Qualification : Chartered Secretary and Associate of the Malaysian Institute of Chartered Secretaries and Administrators (Membership No.: MAICSA 7077867) |
| **REGISTERED OFFICE** | : | B-21-1, Level 21, Tower B<br>Northpoint Mid Valley City<br>No. 1, Medan Syed Putra Utara<br>59200 Kuala Lumpur<br><br>Tel. No. : +6(03) 9770 2200<br>Fax. No. : +6(03) 2201 7774 |
| **HEAD OFFICE** | : | No. 10, Jalan PJU 6A/3A<br>Kayu Ara Business Park<br>47400 Petaling Jaya<br>Selangor<br><br>Tel. No. : +6(03) 7710 0071<br>Fax. No. : +6(03) 7710 0081<br>Email : sales@scasolutions.com.my<br>Website : https://scasolutions.com.my |
| **PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT** | : | **Malacca Securities Sdn Bhd**<br>(Registration No. 197301002760 (16121-H))<br>BO1-A-13A, Level 13A, Menara 2<br>3, Jalan Bangsar<br>KL Eco City<br>59200 Kuala Lumpur<br><br>Tel. No. : +6(03) 2201 2100 |

## 1. CORPORATE DIRECTORY *(Cont'd)*

| | | |
|---|---|---|
| **AUDITORS AND REPORTING ACCOUNTANTS** | : | **Baker Tilly Monteiro Heng PLT**<br>(Registration No. 201906000600 (LLP0019411-LCA) & AF 0117)<br>Baker Tilly Tower<br>Level 10, Tower 1, Avenue 5<br>Bangsar South City<br>59200 Kuala Lumpur<br><br>Tel. No. : +6(03) 2297 1000<br><br>Partner-in-charge : Paul Tan Hong<br>Approval number: 03459/11/2027 J<br><br>Professional Qualification : Chartered Accountant of Malaysian Institute of Accountants and a Fellow Member of the ACCA |
| **DUE DILIGENCE SOLICITORS FOR OUR LISTING** | : | **Olivia Lim & Associates**<br>(Registration No. 000020009397)<br>41-3, Plaza Damansara<br>Jalan Medan Setia 1<br>Bukit Damansara<br>50490 Kuala Lumpur<br><br>Tel. No. : +6(03) 2011 1386 / 6386<br>Fax. No. : +6(03) 2093 8124 |
| **SHARE REGISTRAR** | : | **Aldpro Corporate Services Sdn Bhd**<br>(Registration No. 202101043817 (1444117-M))<br>B-21-1, Level 21, Tower B<br>Northpoint Mid Valley City<br>No. 1, Medan Syed Putra Utara<br>59200 Kuala Lumpur<br><br>Tel. No. : +6(03) 9770 2200<br>Fax. No. : +6(03) 2201 7774 |
| **ISSUING HOUSE** | : | **Malaysian Issuing House Sdn Bhd**<br>(Registration No. 199301003608 (258345-X))<br>11th Floor, Menara Symphony<br>No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13<br>46200 Petaling Jaya<br>Selangor<br><br>Tel. No. : +6(03) 7890 4700 |

## 1. CORPORATE DIRECTORY *(Cont'd)*

| | | |
|---|---|---|
| **INDEPENDENT MARKET RESEARCHER** | : | **Smith Zander International Sdn Bhd**<br>(Registration No. 201301028298 (1058128-V))<br>15-01, Level 15, Menara MBMR<br>1, Jalan Syed Putra<br>58000 Kuala Lumpur |
| | | Tel. No. : +6(03) 2732 7537 |
| | | Person-in-charge : Dennis Tan Tze Wen |
| | | Professional Qualification : Bachelor of Science from Memorial University of Newfoundland, Canada |
| **LISTING SOUGHT** | : | ACE Market of Bursa Securities |
| **SHARIAH STATUS** | : | Approved by the SAC |

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## 2. APPROVALS AND CONDITIONS

### 2.1 APPROVALS AND CONDITIONS

#### 2.1.1 Bursa Securities' approval

Bursa Securities had, vide its letter dated 26 August 2026 ("**Approval Letter**"), approved our admission to the Official List of the ACE Market of Bursa Securities and the listing and quotation of our entire enlarged issued share capital on the ACE Market.

The approval from Bursa Securities is subject to the following conditions:

| No. | Conditions | Status of compliance |
|---|---|---|
| 1. | Submission of the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository:<br>(i) name of shareholders;<br>(ii) number of Shares; and<br>(iii) date of expiry of the moratorium for each block of Shares. | To be complied |
| 2. | Approvals from other relevant authorities have been obtained for implementation of the Listing; | 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 Note 15 of the Listing Requirements; | To be complied |
| 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 at least 1 market day prior to the listing date; | To be complied |
| 6. | Furnish to Bursa Securities a confirmation of compliance with Paragraph 2.2(b)(ii)(aa) of Guidance Note 10 of the Listing Requirements by all the Directors at least 2 market days prior to the listing date; | Complied |

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

| | | |
|---|---|---|
| 7. | In relation to the public offering to be undertaken by the Company, please announce at least 2 market days prior to the listing date, the result of the offering including the following:<br><br>(i) level of subscription of public balloting and placement;<br><br>(ii) basis of allotment/allocation;<br><br>(iii) a table showing the distribution of placement tranche; and<br><br>(iv) disclosure of placees who become substantial shareholders of the Company arising from the public offering, if any.<br><br>Please be reminded that Malacca Securities 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 |
| 8. | SCA / Malacca Securities 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 ACE Market. | To be complied |

**2.1.2 SC's approval**

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

The SC had, vide its letter dated 27 August 2026, approved the application under the Bumiputera equity requirement for public listed companies pursuant to our IPO, subject to the following conditions:

| No. | Conditions | Status of compliance |
|---|---|---|
| 1. | SCA allocate Shares equivalent to 12.5% of its enlarged number of issued Shares upon listing to Bumiputera investors, to be approved by the MITI; and | To be complied |
| 2. | SCA make available at least 50% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors. | To be complied |

In addition, the SAC had, on 8 October 2026, classified our Shares as Shariah-compliant securities.

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

### 2.1.3 MITI's approval

The MITI had, vide its letter dated 29 June 2026, noted and has no objection to our Listing on the ACE Market.

### 2.2 MORATORIUM ON OUR SHARES

### 2.2.1 Specified Shareholders' Moratorium

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

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

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

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

Details of the Shares held by our Specified Shareholders which will be subject to the abovementioned moratorium, are set out below:

| | **Moratorium Shares during the First 6-Month Moratorium** | | **Moratorium Shares during the Second 6-Month Moratorium** | | **Moratorium Shares held on year 2 after Listing** | | **Moratorium Shares held on year 3 after Listing** | |
|---|---|---|---|---|---|---|---|---|
| **Specified Shareholders** | **No. of Shares** | **%(1)** | **No. of Shares** | **%(1)** | **No. of Shares** | **%(1)** | **No. of Shares** | **%(1)** |
| Tan Cheng Eng | 249,397,689 | 43.78 | 163,866,428 | 28.77 | 109,244,285 | 19.18 | 54,622,143 | 9.59 |
| Liong Chian Leek | 140,286,202 | 24.63 | 92,465,002 | 16.23 | 61,643,335 | 10.82 | 30,821,667 | 5.41 |
| Liong Chian Yie | 2,026,827 | 0.36 | - | - | - | - | - | - |
| **Total** | **391,710,718** | **68.77** | **256,331,430** | **45.00** | **170,887,620** | **30.00** | **85,443,810** | **15.00** |

**Note:**

(1) Based on our enlarged issued share capital of 569,625,400 Shares after our IPO.

The moratoriums as set out above have been fully accepted by our Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under the moratorium during the moratorium period.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under the moratorium held by our Specified Shareholders to ensure that our Share Registrar does not register any transfer that contravene with the 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

Our IPO comprises the Public Issue of 114,000,000 Issue Shares and the Offer for Sale by the Selling Shareholders of 56,900,000 Offer Shares at the IPO Price.

Our IPO Shares will be allocated in the following manner, as set out in Section 4.3 of this Prospectus:

| | **No. of Shares** |
|---|---|
| **Public Issue** | |
| - Malaysian Public via balloting | 28,500,000 |
| - Eligible Persons | 5,696,200 |
| - Private placement to Bumiputera investors approved by MITI | 71,204,000 |
| - Private placement to Selected Investors | 8,599,800 |
| | 114,000,000 |
| **Offer for Sale** | |
| - Private placement to Selected Investors | 56,900,000 |
| Enlarged issued share capital upon Listing | 569,625,400 |
| Enlarged issued share capital (RM) | (1) **63,660,016** |
| IPO Price per Share (RM) | 0.28 |
| Market capitalisation upon Listing (based on the IPO Price and enlarged number of issued Shares after our Listing) (RM) | 159,495,112 |

**Note**:

(1) After deducting the estimated listing expenses of approximately RM1.68 million which are directly attributable to the Public Issue.

The entire shareholdings of our Specified Shareholders, namely Tan Cheng Eng, Liong Chian Leek and Liong Chian Yie, after our IPO will be held under moratorium for 6 months from the date of our Listing. Further details of our IPO and moratorium on our Shares are set out in Section 4.3 and Section 2.2 of this Prospectus, respectively.

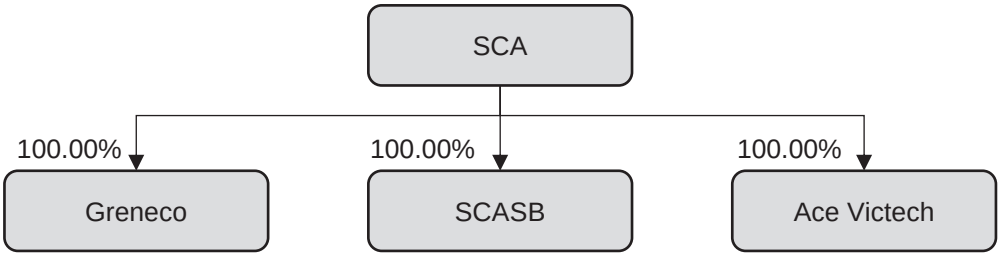
### 3.2 OUR GROUP AND PRINCIPAL ACTIVITIES

Our Company was incorporated in Malaysia under the Act on 10 October 2025 as a private limited company under the name of SCA Solutions Sdn Bhd. On 30 December 2025, our Company was converted into a public limited company and assumed our present name to facilitate our Listing.

Our Company is involved in the activities of holding companies, whilst through our Subsidiaries, our Group is principally involved in the provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories. Further, our Group is also involved in the provision of water treatment solutions.

## 3. PROSPECTUS SUMMARY *(Cont'd)*

Our corporate group structure is as follows:




Further details of our Group are set out in Section 6 of this Prospectus.

### 3.3 BUSINESS MODEL

The following is an overview of our Group's business model:

| | HVAC and fire safety segment | | Water treatment solutions segment *(for HVAC applications)* |
|---|---|---|---|
| | Provision of HVAC and fire safety instrumentation solutions | Supply and distribution of HVAC and fire safety instrumentation components and accessories | |
| **Expertise / Product and services** | • Technical consulting<br>• Procurement and supply<br>• Testing and commissioning | • HVAC and fire safety instrumentation components and accessories on a standalone basis | • Provision of water treatment systems<br>• Supply of chemical solutions for water treatments<br>• Water treatment system maintenance services |
| **Customers** | • M&E contractors | • HVAC and fire safety product manufacturers<br>• M&E contractors<br>• Distributors | • M&E contractors<br>• Property operators/owners |
| **Geographical market** | • Malaysia | • Malaysia | • Malaysia<br>• Singapore<br>• Indonesia |

Further details on our Group's principal business activities are set out in Section 7.2 of this Prospectus.

### 3.4 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

**(a) We have an established and proven track record in the M&E industry focusing on HVAC and fire safety segment, with over 20 years of experience**

Since 2003, our Group has been actively involved in the supply and distribution of HVAC instrumentation components and accessories on a standalone basis to local customers in Malaysia. We subsequently expanded our range of offerings to cover fire safety instrumentation components and accessories in 2006. In 2007, we further expanded and undertake HVAC and fire safety instrumentation solutions, under which we provide technical consultation to propose, procure and supply the necessary HVAC and fire safety instrumentation components and accessories in accordance with customer and building/project requirements and specifications, as well as perform testing and commissioning works.

## 3. PROSPECTUS SUMMARY *(Cont'd)*

In addition, we expanded into the provision of water treatment solutions for HVAC applications in 2008 following the establishment of Greneco, which include the provision of water treatment systems, supply of chemical solutions for water treatments as well as water treatment system maintenance services for HVAC applications. This strategic move has allowed us to expand our scope of offerings within the M&E industry.

**(b) Our industry knowledge and technical expertise enable us to propose customised HVAC and fire safety as well as water treatment solutions tailored to our customers' requirements**

With over 20 years of experience in the HVAC and fire safety business and approximately 18 years of experience in the provision of water treatment solutions through Greneco, our Group has garnered substantial industry knowledge and technical expertise which enable us to thoroughly understand our customers' and differing building/project requirements, allowing us to customise, propose and optimise HVAC, fire safety and water treatment solutions that are tailored to meet our customers' needs.

As at the LPD, our operations are backed by our in-house engineering and operations department, which comprises 42 employees, of whom 37 hold engineering degrees or certifications.

**(c) We carry a comprehensive range of HVAC and fire safety instrumentation components and accessories, allowing us to fulfil our customers' HVAC and fire safety needs**

We carry a comprehensive range of HVAC and fire safety instrumentation components and accessories from numerous brands, focusing on temperature detection, water flow detection, measurement, monitoring and control within HVAC systems; as well as the detection and alarm of fire hazards within fire safety systems.

For the Financial Years / Period Under Review, our Group sold a total of 977, 985, 1,109, 1,023 and 856 SKUs of HVAC and fire safety instrumentation components and accessories.

Our capability to source and distribute a comprehensive range of HVAC and fire safety instrumentation components and accessories provides us with operational flexibility to cater to the needs of a wide spectrum of customers.

**(d) We have an established network of suppliers and maintain long-term relationships with our principals**

We have developed our network of suppliers, primarily principals of HVAC and fire safety instrumentation components and accessories, which is crucial in our business growth and continuous operations. We have further entered into and/or obtained distributorship agreements/certificates from our principals and authorised distributors for brands with headquarters located in Switzerland, Germany, Belgium, China, USA, Denmark and Ireland.

**(e) Our Group has experienced Executive Directors and Key Senior Management team**

Our Executive Directors and Key Senior Management team have accumulated years of experience in their respective fields of expertise, industrial knowledge and in-depth understanding of our business operations. Under their leadership, we have established our industry reputation as a HVAC and fire safety solution specialist. The industry reputation that we have established over the years have been crucial to our Group in attracting new customers and retaining our business relationships with existing customers.

Further details on our competitive strengths are set out in Section 7.12 of this Prospectus.

## 3. PROSPECTUS SUMMARY *(Cont'd)*

### 3.5 FUTURE PLANS AND STRATEGIES

Moving forward, we will continue to strengthen our business in the following areas:

**(a) We intend to establish a new corporate office for Greneco, logistics and warehouse, office for sales and marketing, as well as experience centre in Kapar, Selangor to accommodate our growing business**

As at the LPD, our Group operates from 4 premises in Selangor, namely Kayu Ara HQ, Kayu Ara Office 1, Kayu Ara Office 2 and Shah Alam Workshop. In line with our growth strategy and expanding operational requirements, our Group intends to establish an additional integrated facility in Kapar, Selangor, comprising new corporate office for Greneco, warehouse facility, sales and marketing office as well as an integrated customer experience centre/ demonstration lab. The establishment of this facility is intended to support our growing business and increasing scale of operations, as well as to strengthen our market presence in Malaysia.

**(b) We intend to increase our inventory levels for the on-going expansion of our HVAC and fire safety business**

Our Group intends to continue expanding our HVAC and fire safety business to fuel our business growth, and as such it is crucial that we increase our inventory levels to have sufficient and readily available inventory to meet customer demand.

Through higher inventory levels, we will be able to drive our revenue growth by increasing our sales volume to our existing customers as well as securing new customers. With the higher inventory levels, we will be able to ensure consistent availability and timely order fulfilment, in turn allowing us to seek and secure new customers.

**(c) We intend to intensify our sales and marketing activities to grow our sales in Malaysia**

We secure our new customers primarily through a direct approach with potential customers and project consultants, referrals from business associates and enquiries received via our corporate website. We intend to allocate RM2.00 million from the gross proceeds of our Public Issue to intensify our sales and marketing activities in Malaysia which will be carried out within 36 months from the date of our Listing.

We believe that these sales and marketing activities will increase our brand awareness and enhance our brand recognition amongst our potential customers.

Further details on our future plans and strategies are set out in Section 7.13 of this Prospectus.

### 3.6 RISK FACTORS

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

## 3. PROSPECTUS SUMMARY *(Cont'd)*

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

**(a) We are highly dependent on the continuous supply of HVAC and fire safety instrumentation components and accessories from principals and authorised distributors, particularly from 2 of our major suppliers, i.e. Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd**

Our Group relies on the distributorship status with the principals and authorised distributors of HVAC and fire safety instrumentation components and accessories as their authorised distributor for us to offer a range of HVAC and fire safety instrumentation components and accessories. The distributorship status allows us to be their authorised distributor or sub-distributor, for us to offer a range of HVAC and fire safety instrumentation components and accessories required to meet our customers' demands, for our HVAC and fire safety solutions.

There is no guarantee that these principals and authorised distributors will agree to renew the distributorship agreements/certificates with us upon expiry or will not terminate the relationships with us. In such circumstances, we may not be able to source certain HVAC and fire safety instrumentation components and accessories from the relevant principals or authorised distributors, which may negatively affect our sales and financial performance if we are unable to source similar products from other distributors or principals at commercially acceptable terms.

**(b) We are dependent on our Executive Directors and Key Senior Management for the continued success and growth of our business**

The continued success and future growth of our Group largely depend on the continuous contributions and involvement of our Executive Directors and Key Senior Management. Our Managing Director, Tan Cheng Eng, together with our Executive Director, Liong Chian Leek, are responsible for steering the overall strategic direction of our Group. Therefore, the loss of any of our Executive Directors and Key Senior Management simultaneously or within a short period of time may have an unfavourable impact on our Group's operations and the future growth of our business. If we are unable to attract suitable replacement in a timely manner, it may have an adverse and material impact on our Group's business operations and may eventually affect our ability to maintain and/or improve our business performance. This may in turn adversely affect our financial performance and prospects.

**(c) Our Group's involvement in building and infrastructure projects, which is mainly undertaken through purchase orders secured from customers, may result in the fluctuation of our Group's performance**

Our main revenue contributor is in the provision of HVAC and fire safety instrumentation solutions to our customers' building and infrastructure projects, whereby each project typically consists of multiple purchase orders issued by the respective customers. Throughout our customers' project period, we may continue to receive additional purchase orders for the supply of instrumentation components and accessories as well as testing and commissioning works, which leads to the continuation as well as the increase in total order value of our respective HVAC and/or fire safety instrumentation solution projects. However, there is no assurance that we will continue to receive purchase orders from our customers despite the continuation of their projects, as they are not obliged to source the necessary components and accessories from us in view of the absence of a formal contract or letter of award.

Further, the value of orders received for our HVAC and/or fire safety instrumentation solutions for projects generally vary, depending on factors including required quantities of instrumentation components and accessories as well as project and customer requirements. Accordingly, there is no assurance that we will be able to continuously be involved in projects of similar size from our existing or potential customers in the future. As a result, it may lead to fluctuations in our revenue and result in uncertainties over our overall financial performance.

**(d) We are dependent on our engineering and operations department**

Our Group is dependent on our engineering and operations department to carry out our business operations, who are primarily responsible for technical consulting as well as testing and commissioning of HVAC and fire safety instrumentation solutions as well as the design, assembly, installation and commissioning of water treatment solutions. As at the LPD, our engineering and operations department comprises 42 employees, of whom 37 hold engineering degrees or certifications. There can be no assurance that we will be able to retain and/or recruit adequate number of employees in our engineering and operations department to support the future growth and expansion of our Group.

**(e) Our business is capital intensive and is subject to availability of financing for working capital requirements**

Our provision of HVAC and fire safety instrumentation solutions as well as water treatment solutions to our customers' building and infrastructure projects require substantial upfront working capital for the purchase and/or stocking of instrumentation components and accessories as well as system parts to meet our customers' project requirements. As such, we may incur negative operating cash flows arising from cash outlays for the procurement of components and accessories as well as expenditures incurred in securing purchase orders for projects. Accordingly, the availability of adequate financing is crucial to our ability in securing purchase orders for projects and may influence the scale and size of projects that we are able to be involved in. Our working capital requirements are funded through internally generated funds and bank borrowings.

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

## 3.7 DIRECTORS AND KEY SENIOR MANAGEMENT OF OUR GROUP

Our Directors and Key Senior Management are as follows:

**(a) Directors**

| Name | Designation |
|---|---|
| Dato' Chan Choy Lin | Independent Non-Executive Chairperson |
| Tan Cheng Eng | Managing Director |
| Liong Chian Leek | Executive Director |
| Ho Kok Keong | Independent Non-Executive Director |
| Datin Cho Oi Kwan | Independent Non-Executive Director |
| Jamilah Binti Kamal | Independent Non-Executive Director |

## 3. PROSPECTUS SUMMARY *(Cont'd)*

### (b) Key Senior Management

| Name | Designation |
|---|---|
| Tan Choon Seng | Director of Greneco |
| Pang Kerk Jin | Chief Financial Officer |
| Liong Chian Yie | Technical Director/ Head of Division for Life Safety |
| Lo Weng Hoe | Business Development Director/ Head of Division for HVAC Automation |

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

## 3.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

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

| | | [1]As at the LPD / Before our IPO | | | | [2]After our IPO | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Direct | | Indirect | | Direct | | Indirect | |
| Name | Nationality | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| **Promoters, Executive Directors and substantial shareholders** | | | | | | | | | |
| Tan Cheng Eng | Malaysian | 285,813,689 | 62.73 | - | - | 249,397,689 | 43.78 | - | - |
| Liong Chian Leek | Malaysian | 160,770,202 | 35.28 | - | - | 140,286,202 | 24.63 | - | - |

**Notes:**

(1) Based on our issued share capital of 455,625,400 Shares as at LPD / before our IPO.

(2) Based on the enlarged share capital of 569,625,400 Shares after our IPO.

Further details of our Promoters and substantial shareholders are disclosed in Section 5.1 of this Prospectus.

## 3.9 UTILISATION OF PROCEEDS

The total proceeds raised from our Public Issue amounting to RM31.92 million based on the IPO Price are intended to be used in the following manner:

| Purposes | RM'000 | % | Estimated timeframe for use (from the Listing date) |
|---|---|---|---|
| Expansion of our Group's operations comprising the following:- | 26,420 | 82.77 | Within 48 months |
| - *Repayment of term financing facility in relation to the Kapar Property* | *10,000* | *31.33* | *Within 24 months* |
| - *Payment for the Kapar Property* | *746* | *2.34* | *Within 24 months* |

**3. PROSPECTUS SUMMARY *(Cont'd)***

| Purposes | RM'000 | % | Estimated timeframe for use (from the Listing date) |
|---|---|---|---|
| - *Renovation for the Kapar Property* | *4,133* | *12.94* | *Within 24 months* |
| - *Set-up of integrated customer experience centre/ demonstration lab* | *1,050* | *3.29* | *Within 24 months* |
| - *Working capital for Kapar Property* | *10,491* | *32.87* | *Within 48 months* |
| Estimated listing expenses | 5,500 | 17.23 | Within 3 months |
| **Total** | **31,920** | **100.00** | |

Further details on the utilisation of proceeds are set out in Section 4.8 of this Prospectus.

## 3.10 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The key financial highlights of our historical audited combined statements of comprehensive income for the Financial Years / Period Under Review are set out below:

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Revenue | 40,762 | 47,242 | 61,634 | 78,007 | 51,330 |
| Cost of sales | (31,375) | (34,431) | (44,301) | (52,715) | (33,181) |
| GP | 9,387 | 12,811 | 17,333 | 25,292 | 18,149 |
| PBT | 4,101 | 6,884 | 10,505 | 14,728 | 10,926 |
| PAT | 2,930 | 5,089 | 7,782 | 10,646 | 7,951 |
| GP margin(1) (%) | 23.03 | 27.12 | 28.12 | 32.42 | 35.36 |
| PBT margin(2) (%) | 10.06 | 14.57 | 17.04 | 18.88 | 21.29 |
| PAT margin(2) (%) | 7.19 | 10.77 | 12.63 | 13.65 | 15.49 |
| Current ratio(3) (times) | 3.40 | 3.32 | 2.49 | 3.30 | 2.65 |
| Gearing ratio(4) (times) | 0.19 | 0.16 | 0.22 | 0.16 | 0.16 |
| Trade receivables turnover (days)(5) | 103 | 98 | 95 | 92 | 84 |
| Trade payables turnover (days)(6) | 62 | 53 | 56 | 56 | 56 |
| Inventory turnover (days)(7) | 96 | 107 | 95 | 77 | 63 |

**Notes:**

(1) Computed based on GP over revenue.

(2) Computed based on PBT or PAT over revenue.

(3) Computed based on current assets divided by current liabilities as at the end of each financial year/period.

(4) Computed based on total interest-bearing borrowings (excluding lease liabilities for right-of-use assets) divided by total equity as at the end of each financial year/period.

## 3. PROSPECTUS SUMMARY *(Cont'd)*

(5) Computed based on the average trade receivables and net of allowances for impairment losses as at year/period end, divided by revenue for the respective financial years/period, multiplied by 365/366/181 days for each financial year/period.

(6) Computed based on the average trade payables as at year/period end, divided by the cost of sales for the respective financial years/period, multiplied by 365/366/181 days for each financial year/period.

(7) Computed based on the average inventories as at year/period end, divided by the cost of sales for the respective financial years/period, multiplied by 365/366/181 days for each financial year/period.

**Operational highlights**

The breakdown of our Group's revenue by business segments for the Financial Years / Period Under Review is as follows:

| | FYE 2022 | | FYE 2023 | | FYE 2024 | | FYE 2025 | | FPE 2026 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** |
| **HVAC and fire safety segment** | **36,909** | **90.55** | **42,746** | **90.48** | **57,626** | **93.50** | **71,578** | **91.76** | **46,670** | **90.92** |
| HVAC | 26,460 | 64.91 | 27,799 | 58.84 | 30,912 | 50.15 | 33,200 | 42.56 | 22,696 | 44.22 |
| ➢ Provision of HVAC instrumentation solutions | 16,150 | 39.62 | 15,598 | 33.02 | 18,677 | 30.30 | 20,474 | 26.25 | 15,912 | 31.00 |
| ➢ Supply and distribution of HVAC instrumentation components and accessories | 10,310 | 25.29 | 12,201 | 25.82 | 12,235 | 19.85 | 12,726 | 16.31 | 6,784 | 13.22 |
| Fire safety | 10,449 | 25.64 | 14,947 | 31.64 | 26,714 | 43.35 | 38,378 | 49.20 | 23,974 | 46.70 |
| ➢ Provision of fire safety instrumentation solutions | 9,283 | 22.78 | 12,889 | 27.28 | 24,121 | 39.14 | 35,248 | 45.19 | 22,277 | 43.40 |
| ➢ Supply and distribution of fire safety instrumentation components and accessories | 1,166 | 2.86 | 2,058 | 4.36 | 2,593 | 4.21 | 3,130 | 4.01 | 1,697 | 3.30 |
| **Water treatment solutions segment** | **3,853** | **9.45** | **4,496** | **9.52** | **4,008** | **6.50** | **6,429** | **8.24** | **4,660** | **9.08** |
| **Total revenue** | **40,762** | **100.00** | **47,242** | **100.00** | **61,634** | **100.00** | **78,007** | **100.00** | **51,330** | **100.00** |

Please refer to Section 12 of this Prospectus for further details on our financial information.

## 3. PROSPECTUS SUMMARY *(Cont'd)*

### 3.11 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy, and the declaration of dividends and other distributions is subject to the discretion of our Board. It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. However, our ability to pay dividends or make other distributions to our shareholders in future years is subject to various factors such as having profits and excess funds, which are not required to be retained to fund our business.

For the Financial Years / Period Under Review and up to LPD, we have declared and paid the following dividends:

| | Audited | | | | | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | 1 July 2026 up to LPD |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Dividends declared | 2,025 | 1,300 | 5,800 | [(1)]6,283 | - | - |
| Cash dividends paid | 2,025 | 1,300 | 5,800 | 6,000 | - | - |
| Dividend-in-Specie | - | - | - | 283 | - | - |

**Note:**

[(1)] Inclusive Dividend-in-Specie of RM0.28 million.

On 18 December 2025, SCASB had declared 255,000 ordinary shares in Greneco, representing 51.00% equity interest in Greneco, by way of dividend-in-specie to Tan Cheng Eng and Liong Chian Leek. The Dividend-in-Specie had been completed on 29 December 2025 with Tan Cheng Eng and Liong Chian Leek then held 163,200 ordinary shares (representing 32.64%) and 91,800 ordinary shares (representing 18.36%), respectively in Greneco.

The dividends (save for Dividend-in-Specie) above were funded by internally generated cash.

As at the LPD, there were no outstanding dividends declared and unpaid. Subsequent to LPD, no dividend was declared, made or paid by our Group. Our Group does not intend to declare any dividend prior to our Listing.

Further details on our dividend policy are set out in Section 12.16 of this Prospectus.

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## 4. DETAILS OF OUR IPO

### 4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period for our IPO will open at 10.00 a.m. on 18 November 2026 and close at 5.00 p.m. on 26 November 2026.

**Late applications will not be accepted.**

### 4.2 INDICATIVE TIMETABLE

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

| Events | Tentative Dates |
|---|---|
| Opening date of Applications | 18 November 2026 |
| Closing date of Applications | 26 November 2026 |
| Balloting of Applications | 30 November 2026 |
| Allotment of our IPO Shares to successful applicants | 7 December 2026 |
| Listing on the ACE Market | 9 December 2026 |

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

### 4.3 DETAILS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our Issue Shares are expected to be allocated in the manner described below, and subjected further to the underwriting and placement arrangement as set out in Section 4.9 of this Prospectus and clawback and also the reallocation provisions as set out in Section 4.3.4 of this Prospectus.

#### 4.3.1 Public Issue

A total of 114,000,000 Issue Shares representing approximately 20.01% of our enlarged Shares are offered at our IPO Price. Our Issue Shares will be allocated in the following manner:

**(i) Malaysian Public via balloting**

28,500,000 Issue Shares, representing approximately 5.00% of our enlarged Shares will be made available for application by the Malaysian Public through a balloting process as follows:

(a) 14,250,000 Issue Shares made available to the Bumiputera Malaysian Public; and

(b) 14,250,000 Issue Shares made available to the Malaysian Public.

## 4. DETAILS OF OUR IPO *(Cont'd)*

### (ii) Eligible Persons

5,696,200 Issue Shares, representing approximately 1.00% of our enlarged Shares will be made available for application by Eligible Persons in the following manner:

| Eligible Persons | No. of Eligible Persons | Number of Shares allocated |
|---|---|---|
| Our eligible Directors[(a)] | 4 | 1,400,000 |
| Our Key Senior Management[(b)] | 3 | 1,900,000 |
| Our eligible employees[(b)] | Up to 55 | 2,396,200 |
| **Total** | | **5,696,200** |

**Notes:**

(a) Eligible Directors

The criteria for allocation to our eligible Directors are based on their anticipated contribution to our Group.

Tan Cheng Eng (our Managing Director) and Liong Chian Leek (our Executive Director) will not participate in the Pink Form Allocations. Save for Liong Chian Yie, the other persons connected with our Promoters will not participate in the Pink Form Allocations.

Details of the proposed allocation to our other Directors are as follows:

| Name | Designation | | No. of Issue Shares allocated |
|---|---|---|---|
| Dato' Chan Choy Lin | Independent Chairperson | Non-Executive | 500,000 |
| Ho Kok Keong | Independent Director | Non-Executive | 300,000 |
| Datin Cho Oi Kwan | Independent Director | Non-Executive | 300,000 |
| Jamilah Binti Kamal | Independent Director | Non-Executive | 300,000 |
| | | | **1,400,000** |

(b) Eligible Persons

The Issue Shares will be allocated to eligible employees of our Group based on the following criteria as approved by our Board:

(1) the eligible employee must be a full-time and confirmed employee of our Group;

(2) the eligible employee must be on our Group's payroll;

(3) seniority and position;

(4) length of service;

(5) past performance and respective contribution made to our Group; and

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

(6) the eligible employee must be at least 18 years of age.

Included in the allocations to our Eligible Persons are the proposed allocations to our Key Senior Management as set out below:

| Name | Designation | No. of Issue Shares allocated |
|---|---|---|
| Tan Choon Seng | Director of Greneco | - |
| Pang Kerk Jin | Chief Financial Officer | 500,000 |
| Liong Chian Yie | Technical Director/ Head of Division for Life Safety | 700,000 |
| Lo Weng Hoe | Business Development Director/ Head of Division for HVAC Automation | 700,000 |
| | | **1,900,000** |

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

71,204,000 Issue Shares, representing approximately 12.50% of our enlarged Shares will be made available by way of private placement to identified Bumiputera investors approved by MITI.

**(iv) Private placement to the Selected Investors**

8,599,800 Issue Shares, representing approximately 1.51% of our enlarged Shares will be made available by way of private placement to the Selected Investors.

Our Public Issue is expected to raise gross proceeds of RM31.92 million and will accrue entirely to our Company. The Public Issue will increase our issued Shares from 455,625,400 Shares to 569,625,400 Shares.

Save for the allocation made available for Application as disclosed in Section 4.3.1(ii) of this Prospectus, to the extent known to our Company, none of our substantial shareholders, Directors or Key Senior Management have indicated to us that they intend to subscribe for the IPO Shares and there are no persons who have indicated to us that they intend to subscribe for more than 5.00% of the Issue Shares allocated under Section 4.3.1(i) of this Prospectus for the Malaysian Public.

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## 4. DETAILS OF OUR IPO (*Cont'd*)

### 4.3.2 Offer for Sale

56,900,000 Offer Shares, representing 9.99% of our enlarged issued share capital, are offered by our Selling Shareholders to the Selected Investors by way of private placement at the IPO Price.

The Offer Shares to be offered by our Selling Shareholders and their shareholdings in our Company before and after our IPO are as follows:

| | | As at the LPD / Before our IPO | | Shares offered pursuant to the Offer for Sale | | | After the Offer for Sale and our IPO | |
|---|---|---|---|---|---|---|---|---|
| **Name/ Address** | **Nature of relationship with our Group** | **No. of Shares** | **(1)%** | **No. of Shares** | **(1)%** | **(2)%** | **No. of Shares** | **(2)%** |
| Tan Cheng Eng / No. 18, Jalan Setia Tropika U13/20B Setia Eco Park 40170 Shah Alam Selangor | Promoter, substantial shareholder, Specified Shareholder, Selling Shareholder and Managing Director | 285,813,689 | 62.73 | 36,416,000 | 7.99 | 6.39 | 249,397,689 | 43.78 |
| Liong Chian Leek / No. 7, Jalan Setia Duta U13/21U Setia Eco Park 40170 Shah Alam Selangor | Promoter, substantial shareholder, Specified Shareholder, Selling Shareholder and Executive Director | 160,770,202 | 35.28 | 20,484,000 | 4.50 | 3.60 | 140,286,202 | 24.63 |

**Notes:**

(1) Based on our issued share capital of 455,625,400 Shares as at LPD / before our IPO.

(2) Based on our enlarged issued share capital of 569,625,400 Shares after our IPO.

Our Offer for Sale is expected to raise gross proceeds of RM15.93 million and will accrue entirely to our Selling Shareholders. Our Selling Shareholders shall bear all expenses and fees such as placement fee and other miscellaneous fee relating to the Offer Shares which is estimated to be approximately RM0.24 million. The Offer Shares are not underwritten by our Underwriter. Please refer to Sections 5.1.2 (i) and 5.1.2(ii) of this Prospectus for further details of our Selling Shareholders.

## 4. DETAILS OF OUR IPO (*Cont'd*)

### 4.3.3 Summary of our IPO Shares to be allocated and underwriting

A summary of our IPO Shares to be allocated is as follows:

| | Public Issue | | Offer for Sale | | Total | |
|---|---|---|---|---|---|---|
| | **No. of Shares** | **(1)%** | **No. of Shares** | **(1)%** | **No. of Shares** | **(1)%** |
| Malaysian Public via balloting | 28,500,000 | 5.00 | - | - | 28,500,000 | 5.00 |
| Eligible Persons | 5,696,200 | 1.00 | - | - | 5,696,200 | 1.00 |
| Private placement to Bumiputera investors approved by MITI | 71,204,000 | 12.50 | - | - | 71,204,000 | 12.50 |
| Private placement to the Selected Investors | 8,599,800 | 1.51 | 56,900,000 | 9.99 | 65,499,800 | 11.50 |
| | **114,000,000** | **20.01** | **56,900,000** | **9.99** | **170,900,000** | **30.00** |

**Note:**

(1) Based on the enlarged issued share capital of 569,625,400 Shares after our IPO.

The 28,500,000 Issue Shares made available for Application by the Malaysian Public and the 5,696,200 Issue Shares made available to the Eligible Persons under Sections 4.3.1(i) and 4.3.1(ii) of this Prospectus, respectively are fully underwritten by our Underwriter. Please refer to Section 4.10 of this Prospectus for the salient terms of the Underwriting Agreement.

All the 8,599,800 Issue Shares made available for private placement to the Selected Investors under Section 4.3.1(iv), 56,900,000 Offer Shares under Section 4.3.2 of this Prospectus and the 71,204,000 Issue Shares made available for private placement to the Bumiputera investors approved by the MITI under Section 4.3.1(iii) of this Prospectus will not be underwritten. Irrevocable undertakings will be obtained from these investors to subscribe for the IPO Shares available under the private placement.

### 4.3.4 Clawback and reallocation of Issue Shares

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

**(i) Malaysian Public via balloting**

If our Issue Shares allocated to the Bumiputera Malaysian Public are under-subscribed, such Issue Shares will be made available to the other Malaysian Public. Likewise, if any Issue Shares allocated to the other Malaysian Public are under-subscribed, such Issue Shares will be made available to the Bumiputera Malaysian Public.

In the event that there are Issue Shares which are not subscribed by the Malaysian Public, the remaining portion unsubscribed will be made available for application and offered to the Selected Investors.

Any further Issue Shares which are not subscribed after being allocated and offered to the Selected Investors shall be underwritten by our Underwriter in accordance with the salient terms of the Underwriting Agreement.

## 4. DETAILS OF OUR IPO *(Cont'd)*

### (ii) Eligible Persons

Any Issue Shares under Pink Form Allocations which are not subscribed by any of the Eligible Persons ("**Excess Issue Shares**"), it shall be re-offered to our Group's other Eligible Persons (excluding eligible Directors) who have applied for excess on top of their pre-determined allocation and allocated on a fair and equitable basis and in the following priority:

(a) firstly, allocation on a pro-rata basis to the eligible employees of our Group who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for; and

(b) secondly, to minimise odd lots.

Our Board reserves the right to allot Excess Issue Shares applied in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (a) to (b) above is achieved. Our Board also reserves the right to accept or reject any Excess Issue Shares application, in full or in part, without assigning any reason.

Once completed, the steps involving items (a) to (b) above will not be repeated.

Should there be any balance of Excess Issue Shares thereafter, such balance will be made available to the Malaysian Public and/or Selected Investors by way of private placement.

Thereafter, any remaining Issue Shares under the Pink Form Allocations which are not subscribed for shall be underwritten by our 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 in respect of the allocation by way of private placement to the Selected Investors, the remaining unsubscribed portion will be clawed back and reallocated to the Malaysian Public.

### (iv) Private placement to Bumiputera investors approved by MITI

Any IPO Shares, allocated to, but unsubscribed by the selected Bumiputera Investors approved by MITI will be made available for subscription in the following manner:

(a) Firstly, by Bumiputera public investors as part of the balloting process under Section 4.3.1(i) of this Prospectus on a fair and equitable manner; and

(b) Secondly, by the Malaysian institutional investors.

Thereafter, the remaining unsubscribed portion will be made available for application by the Eligible Persons under Section 4.3.1(ii) of this Prospectus and/or by way of private placement to Selected Investors under Section 4.3.1(iv) of this Prospectus.

The clawback and reallocation provisions will not apply in the event that there is an over-subscription in all of the allocations of our IPO Shares at the closing date of our IPO. The allocation of our IPO Shares shall be in a fair and equitable manner and shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares. The number of Issue Shares offered under the Public Issue will not be increased via any over-allotment or "greenshoe" option.

## 4. DETAILS OF OUR IPO *(Cont'd)*

Salient terms of the Underwriting Agreement are set out in Section 4.10 of this Prospectus.

### 4.3.5 Minimum level of subscription

There is no minimum level of subscription in terms of the proceeds to be raised by us for our IPO.

However, in order to comply with the public spread requirements of Bursa Securities, we are required to have at least 25.00% of our total number of issued Shares to be held by a minimum of 200 public shareholders holding not less than 100 Shares each. This is the minimum subscription level in terms of the number of Shares.

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

If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market. In such an event, we will return in full, without interest, all monies paid in respect of all Applications. If any such monies are not refunded within 14 days after we become liable to do so, the provision of sub-Section 243(2) of the CMSA shall apply accordingly.

### 4.3.6 Price stabilisation mechanism

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

## 4.4 SHARE CAPITAL

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

| Details | No. of Shares | RM |
|---|---|---|
| Existing issued share capital | 455,625,400 | 33,420,740 |
| New Shares to be issued pursuant to the Public Issue | 114,000,000 | 31,920,000 |
| Estimated listing expenses directly attributable to the Public Issue | - | (1,680,724) |
| Enlarged issued share capital upon Listing | **569,625,400** | **63,660,016** |
| Existing Shares to be offered under the Offer for Sale | 56,900,000 | 15,932,000 |
| IPO Price per Share | | 0.28 |
| Market capitalisation upon Listing based on the IPO Price and enlarged number of issued Shares upon the Listing | | 159,495,112 |
| Pro forma NA per Share as at 30 June 2026 after the Public Issue and the intended use of proceeds | | 0.13 |

As at the LPD, SCA has only one class of Shares, being the ordinary shares, all of which rank equally with each other.

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

## 4. DETAILS OF OUR IPO *(Cont'd)*

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

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

At the general meeting of our Company, each of our shareholders shall be entitled to vote (i) in person; (ii) by proxy; (iii) by an attorney; or (iv) by duly authorised representatives. A proxy may but need not be a shareholder of the Company and there shall be no restriction as to the qualification of the proxy.

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

### 4.5 BASIS OF ARRIVING AT THE IPO PRICE

Our IPO Price was determined and agreed upon by our Directors and Promoters, together with Malacca Securities, being our Principal Adviser, Sponsor, Underwriter and Placement Agent after taking into account, amongst others, the following factors:

(i) the PE Multiple of approximately 14.97 times based on our EPS of 1.87 sen for the FYE 2025 calculated based on our PAT for the FYE 2025 of RM10.65 million and our enlarged share capital of 569,625,400 Shares upon Listing;

(ii) the PE Multiple of approximately 10.04 times based on our annualised EPS of 2.79 sen for the FPE 2026 calculated based on our annualised PAT for the FPE 2026 of RM15.90 million and our enlarged share capital of 569,625,400 Shares upon Listing;

(iii) our pro forma consolidated NA per Share as at 30 June 2026 after our IPO of 13.15 sen based on our consolidated NA as at 30 June 2026 of RM74.89 million (after the Public Issue and utilisation of IPO proceeds) and our enlarged share capital of 569,625,400 Shares upon Listing;

(iv) our Group's competitive strengths as well as business strategies and prospects; and

(v) our Group's historical financial track record as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Revenue | 40,762 | 47,242 | 61,634 | 78,007 | 51,330 |
| GP | 9,387 | 12,811 | 17,333 | 25,292 | 18,149 |
| PAT | 2,930 | 5,089 | 7,782 | 10,646 | 7,951 |

You should also note that the market price of our Shares upon Listing is subject to market forces and other uncertainties which may affect the price of our Shares. You are reminded to consider the risk factors as set out in Section 9 of this Prospectus before deciding to invest in our Shares.

## 4. DETAILS OF OUR IPO *(Cont'd)*

### 4.6 OBJECTIVES OF OUR LISTING

The objectives of our Listing are as follows:

(i) to enhance our corporate profile and stature to enable our Group to gain recognition through our listing status and further enhance our corporate profile, reputation and market credibility which is aimed at expanding our customer base; as well as assist us to attract and retain talents;

(ii) to establish liquidity for our Shares by the listing of and quotation for our entire ordinary shares on the ACE Market of Bursa Securities;

(iii) to enable us to access the capital market and to provide us the financial flexibility to pursue growth opportunities;

(iv) to enable us to raise funds for the purposes set out in Section 4.8 of this Prospectus; and

(v) to provide an opportunity for the Malaysian Public and Eligible Persons to participate in our equity.

### 4.7 DILUTION

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

| **Details** | | **RM** |
|---|---|---|
| IPO Price | (A) | 0.28 |
| Pro forma consolidated NA per Share as at 30 June 2026 after subsequent event but before the Public Issue (based on the issued share capital of 455,625,400 Shares) | (B) | 0.10 |
| Pro forma consolidated NA per Share after the Public Issue and the intended utilisation of proceeds (based on the enlarged issued share capital of 569,625,400 Shares) | (C) | 0.13 |
| Increase in the pro forma consolidated NA per Share attributable to the existing shareholders (after the Public Issue and the intended use of proceeds) | (C) – (B) | 0.03 |
| Dilution in the pro forma consolidated NA per Share to new investors | (A) – (C) | 0.15 |
| Dilution in the pro forma consolidated NA per Share to new investors as a percentage of the IPO Price | [(A) – (C)]/(A) | 53.57% |

Further details of our pro forma NA per Share as at 30 June 2026 is set out in Section 12.18 of this Prospectus.

## 4. DETAILS OF OUR IPO *(Cont'd)*

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

| | No. of Shares held before IPO | [1]No. of Shares held from IPO | Total Consideration (RM) | Effective cash cost per Share (RM) |
|---|---|---|---|---|
| **Promoters and substantial shareholders** | | | | |
| Tan Cheng Eng | [2]285,813,689 | - | 20,964,821.06 | 0.0734 |
| Liong Chian Leek | [3]160,770,202 | - | 11,792,712.32 | 0.0734 |
| **Directors** | | | | |
| Dato' Chan Choy Lin | - | 500,000 | 140,000.00 | 0.2800 |
| Ho Kok Keong | - | 300,000 | 84,000.00 | 0.2800 |
| Datin Cho Oi Kwan | - | 300,000 | 84,000.00 | 0.2800 |
| Jamilah Binti Kamal | - | 300,000 | 84,000.00 | 0.2800 |
| **Key Senior Management** | | | | |
| Tan Choon Seng | [4]5,084,212 | - | 372,933.73 | 0.0734 |
| Liong Chian Yie[6] | [5]1,326,827 | 700,000 | 293,324.58 | 0.1447 |
| Lo Weng Hoe[6] | [5]1,326,827 | 700,000 | 293,324.58 | 0.1447 |
| Pang Kerk Jin | - | 500,000 | 140,000.00 | 0.2800 |

**Notes:**

(1) Assuming all Pink Form Allocations are fully subscribed.

(2) Being the existing 1 subscriber's Share (1 Share at RM1.00 each), Shares issued to him pursuant to the Acquisitions (77,246,942 Shares at RM0.2714 each) and Bonus Shares issued to him pursuant to the Bonus Issue (208,566,746 Shares at nil cost), the details of which are set out in Section 6.2 of this Prospectus.

(3) Being the existing 1 subscriber's Share (1 Share at RM1.00 each), Shares issued to him pursuant to the Acquisitions (43,451,405 Shares at RM0.2714 each) and Bonus Shares issued to him pursuant to the Bonus Issue (117,318,796 Shares at nil cost), the details of which are set out in Section 6.2 of this Prospectus.

(4) Being the Shares issued to him pursuant to the Acquisitions (1,374,111 Shares at RM0.2714 each) and Bonus Shares issued to him pursuant to the Bonus Issue (3,710,101 Shares at nil cost), the details of which are set out in Section 6.2 of this Prospectus.

(5) Being the Shares issued to him pursuant to the Acquisitions (358,602 Shares at RM0.2714 each) and Bonus Shares issued to him pursuant to the Bonus Issue (968,225 Shares at nil cost), the details of which are set out in Section 6.2 of this Prospectus.

## 4. DETAILS OF OUR IPO *(Cont'd)*

(6) Liong Chian Yie and Lo Weng Hoe, being our Key Senior Management and existing shareholders, will be offered with Shares under Pink Form Allocations. The effect of dilution without the impact of the Pink Form Allocations is set out below:

| | [(a)]As at the LPD/ Before our IPO | | | | [(b)]After IPO | | | |
|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect | | Direct | | Indirect | |
| Name | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Liong Chian Yie | 1,326,827 | 0.29 | - | - | 1,326,827 | 0.23 | - | - |
| Lo Weng Hoe | 1,326,827 | 0.29 | - | - | 1,326,827 | 0.23 | - | - |

**Notes:**

(a) Based on the share capital of 455,625,400 Shares as at LPD / before our IPO.

(b) Based on the enlarged share capital of 569,625,400 Shares after the IPO.

### 4.8 UTILISATION OF PROCEEDS

We expect to raise gross proceeds of approximately RM31.92 million from our Public Issue and will be utilised by our Group in the following manner:

| Purposes | Notes | RM'000 | % | Estimated timeframe for utilisation of proceeds from the date of the Listing |
|---|---|---|---|---|
| Expansion of our Group's operations comprising the following:- | 4.8.1 | 26,420 | 82.77 | Within 48 months |
| - *Repayment of term financing facility in relation to the Kapar Property* | | *10,000* | *31.33* | *Within 24 months* |
| - *Payment for the Kapar Property* | | *746* | *2.34* | *Within 24 months* |
| - *Renovation for the Kapar Property* | | *4,133* | *12.94* | *Within 24 months* |
| - *Set-up of integrated customer experience centre/ demonstration lab* | | *1,050* | *3.29* | *Within 24 months* |
| - *Working capital for Kapar Property* | | *10,491* | *32.87* | *Within 48 months* |
| Estimated listing expenses | 4.8.2 | 5,500 | 17.23 | Within 3 months |
| | | **31,920** | **100.00** | |

Further details of the utilisation are set out below whilst our business strategies and future plans relating to these plans are set out in Section 7.13 of this Prospectus.

## 4. DETAILS OF OUR IPO *(Cont'd)*

### 4.8.1 Expansion of our Group's operations

We intend to allocate RM26.42 million, representing approximately 82.77% of the gross proceeds from our Public Issue for the purpose of expansion of our Group's operations in Malaysia, within 48 months from the date of our Listing.

For the Financial Years / Period Under Review, our sales in Malaysia contributed 97.65%, 95.24%, 99.24%, 99.08% and 99.12% to our total revenue, respectively. We plan to further expand our business and strengthen our market presence in Malaysia. As part of the expansion plan, our Group had on 29 September 2026 entered into sale and purchase agreement for the acquisition of the Kapar Property with a land area measuring approximately 54,713 sq. ft. and a total built-up area of approximately 30,500 sq. ft. identified as Plot 9 for a purchase consideration of RM12.88 million. For information, the purchase consideration was based on a direct quotation from the developer, Bukit Saujana Jaya Sdn Bhd. We have also taken into consideration the pricing of similar properties in the same vicinity. As at the LPD, the Kapar Property is still under construction and is 45.00% complete based on the certificate from the civil and structure engineering consultant. We do not foresee a delay in the delivery of vacant possession based on communications with the developer. In the event there is any delay in the delivery of vacant possession, we will continue to rent the Shah Alam Workshop and ad-hoc warehouse spaces for our operations.

As at the LPD, the tentative timeline for the Kapar Property to be in operation is as follows:-

| Quarter | Key events | Action required / Pre-requisite licences required |
|---|---|---|
| 2nd quarter of 2027 | Delivery of vacant possession of the Kapar Property to our Group by the property developer subject to CCC being obtained. | - To engage consultants for the renovation drawings as well as submission.<br>- To apply for the relevant licences for its operations, i.e. business licences such as warehouse, office and signage. |
| 3rd quarter of 2027 | - Commencement of renovation works for the Kapar Property upon obtaining relevant approval/permit.<br>- Kick-start the process to recruit additional manpower for the Kapar Property. | - To prepare job vacancy postings/engage with recruitment agency. |
| 1st quarter of 2028 | - Completion of the renovation works at the Kapar Property (including the set-up of customer experience centre/ demonstration lab).<br>- Commencement of operations at the Kapar Property upon obtaining the relevant licences for operation. | - To obtain a new CCC for the renovation work undertaken on the Kapar Property (if applicable).<br>- To apply for fire certificate (if required). |

## 4. DETAILS OF OUR IPO *(Cont'd)*

We intend to segregate the built-up area of Kapar Property as follows:-

| | Estimated built-up area |
|---|---|
| | sq. ft. |
| Greneco's corporate office and engineering workshop[(1)] | 8,000 |
| Logistics and warehouse | 10,000 |
| Office for sales and marketing | 8,000 |
| Integrated customer experience centre/ demonstration lab | 4,500 |
| | **30,500** |

**Note:-**

(1) The engineering workshop is intended to be utilised for Greneco to undertake basic assembly and engineering works which include amongst others, application design and system integration.

The estimated cost for our expansion is as follows:-

| Details | RM'000 | Estimated timeframe for utilisation of proceeds from the date of the Listing |
|---|---|---|
| Repayment of term financing facility in relation to the Kapar Property[(1)] | 10,000 | Within 24 months |
| Payment for the Kapar Property[(1)] | 746 | Within 24 months |
| Renovation for the Kapar Property[(2)] | 4,133 | Within 24 months |
| Set-up of integrated customer experience centre/ demonstration lab[(3)] | 1,050 | Within 24 months |
| Working capital for Kapar Property[(4)] | 10,491 | Within 48 months |
| | **26,420** | |

**Notes:-**

(1) As at LPD, our Group had made a payment of RM1.29 million for the Kapar Property, being 10.00% of the purchase price.

The remaining purchase price of RM11.59 million:-

- RM10.00 million will be financed through a long-term financing facility (with a tenure of 18 years), which the maturity is expected to fall in April 2045;
- RM0.84 million will be financed through the compensation received from the rescission of the sales and purchase agreement for the purchase of a single storey detached factory with 3-storey office as detailed in Section 14.6(iii) of this Prospectus; and
- RM0.75 million will be financed through the proceeds from the Public Issue.

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

As at the LPD, the interest rate for the long-term financing facility is 3.97% per annum. For information, our Company has yet to drawdown any loan from the said facility. We intend to allocate RM10.00 million, representing approximately 31.33% of the gross proceeds from our Public Issue, to repay the said facility upon the full drawdown by our Group. Our Group is expecting savings from the profit margin of approximately RM3.91 million in the event we repay the facility upon full drawdown by us. The repayment of the term financing facility is to provide flexibility to our Group to manage our working capital as well as the Kapar Property will be free from encumbrances which could be used as collateral for operating loans in the future.

For avoidance of doubt, no penalty will be imposed on our Company in connection with the early repayment of the facility.

(2) The vacant possession of the Kapar Property is expected to be delivered by 2nd quarter 2027 and the renovation is estimated to be completed by 1st quarter of 2028.

The estimated cost for the renovation (including the renovation and fitting out of the integrated customer experience centre/demonstration lab) is as follows:-

| **Details** | | **[(a)]Estimated cost** |
|---|---|---|
| | **RM'000** | **RM'000** |
| Preliminaries and demolition works | | 244 |
| Renovation cost | | |
| - Installation of racking system | 280 | |
| - Electrical works | 782 | |
| - Air-conditioning and plumbing works (including sprinkler system) | 428 | |
| - Partition, ceiling and tiling works | 580 | |
| - Glass, aluminium and signage works | 574 | |
| - Painting works | 370 | |
| - Carpentry works | 550 | |
| | | 3,564 |
| Acquisition of plant and equipment | | |
| - Furniture and fittings | 325 | |
| | | 325 |
| | | **4,133** |

**Note:**

*(a) Based on quotations obtained from the contractor and supplier. The actual cost for the renovation work may vary subject to final site measurement. The actual cost for the acquisition of plant and equipment may also differ from the estimated cost if the quotations obtained are being revised by the supplier, or if the other suppliers are able to offer the plant and equipment with the similar specifications at more competitive price before the purchase is made.*

In the event of a surplus/deficit in the allocated amount for renovation of the Kapar Property, such variance will be adjusted to/from the proceeds allocated for general administrative expenses as detailed in Note 4(cc) below.

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

Save for the renovation cost, our Group is also expected to incur the following material cost and/or incidental cost in relation to the Kapar Property:-

| | **Estimated cost RM'000** |
|---|---|
| Memorandum of transfer (including legal fees, stamp duty, registration fees, land search and company searches) | 671 |
| Keyman insurance in relation to the term loan | 150 |
| Design fee and application for necessary pre-requisite licences, including business licences (e.g. warehouse, office and signage) as well as permits required for renovation works | 380 |
| Recruitment-related expenses, including job vacancy postings and engagement of recruitment agencies | 11 |
| | 1,212 |

The aforementioned cost will be funded via internally generated fund, cash and bank balances and/or bank borrowings. Our Group is unable to determine the proportion of funding at this juncture as it will depend on the Group's funding requirements at the material time.

(3) We intend to allocate RM1.05 million, representing approximately 3.29% of the gross proceeds from our Public Issue to set up integrated customer experience centre/ demonstration lab at the Kapar Property.

The estimated set up cost for the customer experience centre/ demonstration lab is as follows:-

| **Details** | **RM'000** |
|---|---|
| Purchase of HVAC and fire safety instrumentation components and accessories[(a)] | 770 |
| Installation costs, engineering, testing and commissioning | 208 |
| Cabling, infrastructure and accessories tools | 72 |
| | **1,050** |

***Note:-***

*(a) This is to feature the complete set of a system combining various HVAC and fire safety instrumentation components and accessories.*

As at the LPD, our Group has a customer experience centre/ demonstration lab at Kayu Ara Office 1 which occupied approximately 1,300 sq. ft. to present and demonstrate our total solution/ integrated solution as well as the products distributed by us, to the existing and potential customers.

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

As part of our expansion plan, we wish to construct additional integrated customer experience centre/ demonstration lab at the Kapar Property to exhibit a selection of functional HVAC and fire safety instrumentation components and accessories that are frequently sought by customers (e.g. fire alarm systems, damper actuators, heating/cooling meters) as well as to present and demonstrate our HVAC and fire safety solutions. The integrated experience centre/ demonstration lab is to provide the existing and potential customers to further understand on our total solutions/ integrated solutions and products.

As at the LPD, our Group is unable to determine the HVAC and fire safety instrumentation components and accessories to be exhibited in the integrated experience centre/ demonstration lab as this will be dependent on the latest technology available at the material time. In the event of a surplus/deficit in the allocated amount for the set-up of the experience centre/ demonstration lab, such surplus/deficit will be adjusted to/from the proceeds allocated for general administrative expenses as detailed in Note 4(cc) below.

(4) We intend to allocate RM10.49 million, representing approximately 32.87% of the gross proceeds from our Public Issue for day-to-day operations of Kapar Property, within 48 months from the date of our Listing, which comprises the following:

| **Details** | **RM'000** |
|---|---|
| Hiring of additional manpower(aa) | 2,325 |
| Purchase of inventories(bb) | 2,000 |
| General administrative expenses(cc) | 4,166 |
| Marketing expenses(dd) | 2,000 |
| | **10,491** |

**Notes:-**

(aa) As at the LPD, we have a total workforce of 42 employees in engineering and operations department, who are assisting in day-to-day operations, including provision of technical support, application design, system integration assistance and project management etc. In view of the expansion of our Group's operations, we intend to recruit additional permanent employees for the Kapar Property to be utilised over a period of 30 months from the commencement of operations of Kapar Property (estimated to be in 1st quarter of 2028) as follows:-

| **Position** | **Headcount** | **Job responsibility** | **Estimated salaries for 30 months** |
|---|---|---|---|
| | | | **RM'000** |
| Application Engineer (for HVAC and fire-safety related products) | 8 | - To provide technical support, application design, and system integration assistance for HVAC and fire safety-related products.<br>- To support customers, system manufacturers, and sales teams, ensuring that product solutions meet performance, quality, and application requirements. | 1,200 |

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

| Position | Headcount | Job responsibility | Estimated salaries for 30 months RM'000 |
|---|---|---|---|
| | | - To prepare technical proposals, detailed quotations, submittals, drawings, bill of quantities, sequences of operation and request for information/ quantities. | |
| Product Manager | 1 | - To understand market trends, drivers, challenges and needs to best prioritise, draft and execute business plans leading to premier solutions in the market.<br><br>- To assist with strategic product plans based on market knowledge and opportunities for growth.<br><br>- To manage the product lifecycle from market introduction to discontinuation.<br><br>- To assist in developing and deploying the new product launch and market introduction plan; works collaboratively with cross-functional teams to develop the necessary communications regarding each of the products, including but not limited to technical, marketing, and sales documentation. | 225 |
| Application Engineer (for water treatment solutions) | 3 | - To provide technical support, application design, and system integration assistance for water treatment solution-related products.<br><br>- To support customers, system manufacturers, and sales teams, ensuring that product solutions meet performance, quality, and application requirements.<br><br>- To prepare technical proposals, detailed quotations, submittals, drawings, bill of quantities, sequences of operation, and request for information/ quantities. | 450 |

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

| Position | Headcount | Job responsibility | Estimated salaries for 30 months |
|---|---|---|---|
| | | | RM'000 |
| Service Engineer | 3 | - To provide technical support and maintenance services to customers. This includes troubleshooting, repairing and maintaining products and systems, providing technical assistance and monitoring performance.<br>- To identify and resolve any technical issues, provide advice and guidance on product use and develop and implement process improvements to ensure compliance with safety regulations. | 450 |
| | **15** | | **2,325** |

In the event the allocated proceeds are insufficient to fund the hiring of additional manpower, we will fund the shortfall from bank borrowings and/or our internally generated funds. In the event of a surplus in the allocated amount for hiring of additional manpower, such variance will be adjusted to the proceeds allocated for general administrative expenses as detailed in Note 4(cc) below.

(bb) As at the LPD, we store instrumentation components and accessories at our Kayu Ara HQ, Kayu Ara Office 1 and Kayu Ara Office 2. Based on our management's estimates for the Financial Years / Period Under Review, the storage areas at these premises, comprising racking and pallet spaces, are utilised at approximately 80.00% to 90.00% at any given point in time and are approaching full capacity. The remaining storage capacity is maintained to accommodate urgent storage requirements as well as temporary inventory movements (which are typically completed within a few days). Hence, to accommodate our storage needs, we also rent ad-hoc warehouse spaces (the size will be depending on our Group's storage space requirements on a month-to-month basis), from third parties located at Shah Alam and Port Klang, Selangor throughout the Financial Years / Period Under Review. For information, our Group's historical warehouse rental cost were RM0.04 million, RM0.09 million, RM0.07 million, RM0.08 million and RM0.05 million for the FYE 2022, FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively. As at 30 June 2026, our inventory balance stood at RM12.56 million which comprises of actuators, sensors for humidifiers and chillers, metering devices, control panels and valves as well as other HVAC and fire safety instrumentation components and accessories. For information, the renting of warehouse spaces is not on contract basis and will only be incurred when our Group requires additional storage space.

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

For information, as at the LPD, our Group's storage space is approximately 9,000 sq. ft. (including the average ad-hoc storage space rented of approximately 5,000 sq. ft. on monthly basis from January 2026 to September 2026). As part of our expansion plan, we had earmarked approximately one-third of the total built-up area i.e. 10,000 sq. ft. of the Kapar Property to be utilised as our additional logistics and warehouse space. Our Group will utilise the said space for inventories storage moving forward upon commencement of the operation of Kapar Property and depending on the demand of our operations, our Group may continue to rent the ad-hoc storage space.

Based on our inventory balance as at 30 June 2026 of RM12.56 million and our Group's existing storage space of approximately 9,000 sq. ft., we intend to allocate RM2.00 million of the gross proceeds from Public Issue for the purchase of inventories such as sensors and controls for air conditioners, heat and water pumps, air handlers, humidifiers and chillers; metering devices, control panels and valves as well as other HVAC and fire safety instrumentation components and accessories to fill up additional approximately 2,000 sq. ft. of the storage space in Kapar Property. We plan to increase our inventories level at the Kapar Property over time depending on the demand.

The breakdown for each type of inventories to be purchased cannot be determined at this juncture as it is dependent on projects that we will be involved.

In the event the allocated proceeds are insufficient to fund the purchase of inventories, we will fund the shortfall from bank borrowings and/or our internally generated funds. In the event of a surplus in the allocated amount for the purchase of inventories, such variance will be adjusted to the proceeds allocated for the general administrative expenses as detailed in Note 4(cc) below.

(cc) Comprises utilities, security charges, insurance, quit rent and assessment fees, postage and courier charges, general upkeep and maintenance to be utilised over a period of 30 months from the commencement of operations of Kapar Property (estimated to be in 1st quarter of 2028).

(dd) As our Group aims to expand our market presence within the Malaysia market, we intend to allocate RM2.00 million, representing approximately 6.27% of the gross proceeds from our Public Issue within 36 months from our Listing, as our marketing expenses.

For information, our Group had incurred total marketing costs of RM0.16 million, RM0.24 million and RM0.11 million in FYE 2024, FYE 2025 and FPE 2026 respectively.

Our Group intends to allocate RM1.20 million to carry out proactive marketing activities. We target to increase our on-ground marketing campaign which includes billboard, distribution of brochures and industry advertisement to engage customers and drive sales growth. We also intend to participate in tradeshows, conference, exhibition, and roadshows in Malaysia as well as organise seminars via collaborations with our principals to promote our products and services. Further, we target to boost brand awareness through digital marketing such as advertisement on social media platforms and search engines. The marketing activities will be carried out by our in-house marketing team, complemented by third-party marketing companies, if required. Besides, with the new integrated customer experience centre/ demonstration lab to be set up in Kapar Property, our Group also intends to organise large scale training programmes.

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

The breakdown of the marketing activities are as follows:-

| Details | RM'000 |
|---|---|
| Tradeshows, conference, exhibition, and roadshows (such as booth rental / set-up, door gifts and printing of brochures) | 400 |
| Digital marketing and advertisement | 200 |
| Seminars and training (such as payment to instructors, rental of venue and equipment, food and beverage and printing of materials etc.) | 600 |
| | **1,200** |

Besides, in order to extend the products and services to our customers, we also intend to allocate RM0.80 million for marketing trips to visit our principals' headquarters / manufacturing facility in oversea together with our major customers to showcase the new products and perform acceptance test for those products to be proposed to our customers. The intention of these trips is to enhance our customers' confidence in our Group's supply chain capabilities and also promote new / enhanced products to our customers and facilitate our customers' assessment on the products as well as address their technical and operation requirements.

In the event the allocated proceeds are insufficient to fund the marketing expenses, we will fund the shortfall from bank borrowings and/or our internally generated funds. In the event of a surplus in the allocated amount for marketing expenses, such variance will be adjusted to the proceeds allocated for the general administrative expenses as detailed in Note 4(cc) above.

Premised on the above marketing initiatives, our Group expects these activities will enhance our Group's market visibility and increase brand recognition across Malaysia, thereby reinforcing our Group's competitive positioning which shall then support our anticipated sales growth in the domestic market.

**4.8.2 Estimated listing expenses**

An amount of RM5.50 million is allocated to meet the estimated expenses of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:-

| Details | RM'000 |
|---|---|
| Professional fees[(1)] | 3,700 |
| Underwriting, placement and brokerage fees | 920 |
| Fees payable to authorities | 180 |
| Printing, advertising fees and contingencies[(2)] | 700 |
| | **5,500** |

## 4. DETAILS OF OUR IPO *(Cont'd)*

**Notes:-**

(1) Including fees for, amongst others, the Principal Adviser, reporting accountants, solicitors, IMR, internal control reviewer, company secretary, tax advisers, share registrar and issuing house.

(2) Including incidental or related expenses in connection with our Listing such as out-of-pocket expenses and contingencies.

Pending the receipt of the proceeds, we may utilise our internally generated funds for the listing expenses. When the IPO proceeds which have been allocated for the listing expenses are received, we will use the proceeds allocated to replenish our internally generated funds.

In the event of a surplus/deficit in the allocated amount for estimated listing expenses, such variance will be adjusted to/from the proceeds allocated for the expansion of our Group's operations. Pending the eventual use of proceeds raised from the Public Issue, the proceeds will be placed in interest-bearing short-term deposits or money market instruments with licensed financial institutions.

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 RM15.93 million will accrue entirely to the Selling Shareholders. The Selling Shareholders shall bear the entire incidental expenses and fees in relation to the Offer for Sale which is estimated to be approximately RM0.24 million.

### 4.9 UNDERWRITING COMMISSION, BROKERAGE AND PLACEMENT FEES

#### 4.9.1 Underwriting commission

On 6 October 2026, we have entered into the Underwriting Agreement with the Underwriter to underwrite 34,196,200 Issue Shares which are available for application by the Malaysian Public and our Eligible Persons.

We will pay an underwriting commission at the rate of 2.50% of the value of Underwritten Shares based on the IPO Price to our Underwriter.

#### 4.9.2 Brokerage fee

We will pay the brokerage fee in respect of our Issue Shares, at the rate of 1.00% of our IPO Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

#### 4.9.3 Placement fee

Our Placement Agent has agreed to place out a total of 79,803,800 Issue Shares available by way of private placement to the Bumiputera investors approved by the MITI as well as the Selected Investors as set out in Sections 4.3.1(iii) and 4.3.1(iv) of this Prospectus respectively.

We will pay our Placement Agent a placement fee at the rate of 2.50% of the total value of the Issue Shares placed out by the Placement Agent at the IPO Price.

Our Placement Agent has also agreed to place out the 56,900,000 Offer Shares available by way of private placement to Selected Investors as set out in Section 4.3.2 of this Prospectus.

The placement fee of 1.50% of the value of Offer Shares placed out by our Placement Agent will be fully borne by our Selling Shareholders.

## 4. DETAILS OF OUR IPO *(Cont'd)*

### 4.10 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

Pursuant to the Underwriting Agreement, our Underwriter has agreed to underwrite the Underwritten Shares subject to the terms and conditions as set out in the Underwriting Agreement. The capitalised terms used in this section shall have the same meanings as ascribed thereto in the Underwriting Agreement.

The following are the salient terms of the Underwriting Agreement:

**4.10.1** The obligation of the Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement is conditional on the performance of our Company of its obligations under the Underwriting Agreement as at the date of the Underwriting Agreement, Issue Date, the last day and time for the acceptance of and payment of the subscription money ("**Closing Date**") and/or prior to the Trading Date (as the case may be) and is conditional on the following ("**Conditions**"):

(i) The Underwriter receiving the certificate in the form or substantially in the prescribed form contained in the Underwriting Agreement, one dated the date of registration of this Prospectus and the other dated the Closing Date, both of which are to be signed by at least one (1) Director of our Company (on behalf of our Board) stating that, to the best of his knowledge and belief, after having made all reasonable enquiries with the Directors and management of our Company:

(a) there has been no material change or any development likely to result in a prospective change in the financial position, cash flows, business or operations or other conditions (financial, operational or otherwise) of our Group taken as a whole and from that set out in this Prospectus which would have or is likely to have a material adverse effect;

(b) there has not occurred any event, or not discovered any facts, circumstances or omission, which would render any undertakings, representations or warranties under the Underwriting Agreement to be untrue or inaccurate, misleading or incorrect, not complied with, failed to be performed in any respect or results in a breach of the Underwriting Agreement by our Company;

(c) there is no occurrence of any change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political, trade policies of major Malaysian trading partners, social or fiscal or economic and other conditions or exchange control or currency exchange rates which in the opinion of the Underwriter would have or is likely to have a material adverse effect (whether in the primary market or in respect of dealings in securities including the Shares in the secondary market). Without limiting the above, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

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

(2) prior to the Closing Date,

lower than 95% 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, it shall be deemed a material adverse change in the stock market condition;

(d) there is no breach by our Company of any of its obligations under the Underwriting Agreement;

## 4. DETAILS OF OUR IPO *(Cont'd)*

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

(f) our Company has satisfied all the conditions as set out in the Underwriting Agreement on its part to be performed and fulfilled.

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

(iii) This Prospectus being in the form and substance satisfactory to the Underwriter;

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

(v) The registration of this Prospectus and such other documents as may be required in accordance with the CMSA, the Act and the Listing Requirements in relation to the IPO with Bursa Securities and its lodgement of the same with the ROC by the Issue Date;

(vi) All necessary approvals referred to in the Underwriting Agreement remaining in full force and effect up to and including the date of listing of and quotation for the entire enlarged issued share capital of our Company comprising 569,625,400 Shares on the ACE Market ("**Trading Date**") and that all conditions to the approvals (except for any which can only be complied with after the Listing has been completed) have been complied with;

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

(viii) The Underwriter being satisfied that our Company will, after the Issue Date and following completion of the Closing Date, be admitted to the Official List and its entire enlarged issued share capital listed and quoted on the ACE Market no later than three (3) months from the date of the Underwriting Agreement unless it is mutually agreed to be extended in writing by the parties;

(ix) The Underwriter receiving a copy duly certified by at least one (1) Director or company secretary of our Company to be a true and accurate copy and in full force and effect, of a resolution of the Directors:

(a) approving this Prospectus and the application forms for the application of the Issue Shares accompanying this Prospectus (collectively, "**Issue Documents**") including this Prospectus for registration with Bursa Securities and lodgement of the same with the ROC (including a confirmation that the Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in this Prospectus), the Underwriting Agreement and the transactions contemplated by it;

(b) authorising the issuance of the Issue Documents including the date of issue of this Prospectus ("**Issue Date**") and the Closing Date;

(c) authorising at least one (1) Director to sign and deliver the Underwriting Agreement on behalf of our Company;

## 4. DETAILS OF OUR IPO *(Cont'd)*

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

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

(x) All the resolutions referred to in Section 4.10.1(ix) of this Prospectus remaining in full force and effect up to and including the Trading Date and none having been rescinded, revoked or varied;

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

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

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

(xiv) There not having occurred on or prior to the Trading Date any breach of and/or failure to perform any of the undertakings by our Company contained in the Underwriting Agreement;

(xv) There not being any investigation, directions or actions or orders by any judicial, governmental, statutory or regulatory body having authority, jurisdiction or control over any party under the Underwriting Agreement (including but not limited to the SC, Bursa Securities and ROC) ("**Relevant Authorities**") in relation to the Listing and/or in connection with compliance with any laws by our Group, Directors and/or its Promoters which is still subsisting or unresolved to the satisfaction of the Underwriter up to and including the Trading Date;

(xvi) There having been, as at the Closing Date, no registration or lodgement of any amendment, supplement, or replacement to this Prospectus with Bursa Securities or the ROC without the prior written approval of the Underwriter;

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

(xviii) The Underwriter being satisfied with the arrangements of our Company for the payment of the fees, commission, costs and expenses set out in the Underwriting Agreement.

## 4. DETAILS OF OUR IPO *(Cont'd)*

**4.10.2** In the event any of the conditions precedent are not fulfilled or waived on or before the date specified in the Underwriting Agreement (or if none is stated, on or before the Closing Date and up to the Trading Date (or, in each case, such date(s) as may be agreed in writing by the Underwriter)), the Underwriter shall be entitled to terminate the Underwriting Agreement and in such event the provisions of Section 4.10.5 of this Prospectus shall apply, but without prejudice to the rights of the Underwriter in respect of the fees and commission ("**Underwriting Commission**") and the costs and expenses under the Underwriting Agreement. In such event, our Company and the Underwriter shall be released and discharged from their respective obligations under the Underwriting Agreement and the Underwriting Agreement shall become null and void and of no further force and effect and none of the parties shall have a claim against the other save for any antecedent breaches.

**4.10.3** Notwithstanding anything contained in the Underwriting Agreement, the Underwriter may at its sole and absolute discretion terminate the Underwriting Agreement and withdraw its commitment to subscribe or procure subscribers for the Underwritten Shares not taken up or subscribed or applied for by the Malaysian Public and Eligible Persons by the Closing Date ("**Underwriting Commitment**") upon the occurrence of any of the following:

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

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

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

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

(v) (i) the Issue Date does not occur within two (2) months from the date of the Underwriting Agreement or such later date as our Company and the Underwriter may mutually agree in writing; or (ii) the Closing Date of the application and subscription of the IPO Shares does not occur within one (1) month from the Issue Date, subject to the extension of the Closing Date which is approved by the Underwriter in consultation with Bursa Securities and/or the SC; or

(vi) the occurrence of any force majeure event or any event or series of events beyond the reasonable control of our Company and the Underwriter, of the nature described in Section 4.10.7 below, which would have or can reasonably be expected to have a material adverse effect or which has or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the IPO by the Closing Date or pursuant to the underwriting of the Underwritten Shares; or

## 4. DETAILS OF OUR IPO *(Cont'd)*

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

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

(b) prior to the Closing Date,

lower than 95% 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, it shall be deemed a material adverse change in the stock market condition; or

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

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

(x) any government requisition or occurrence of any other nature which would have or is likely to have a material adverse effect on the business, operations and/or financial performance and financial condition or business or prospects or operations of our Group or the sale and distribution of the IPO Shares, the success of the IPO or the Listing; or

(xi) the IPO is stopped or delayed by our Company or Bursa Securities or the SC or any other Relevant Authorities for any reason whatsoever (unless such delay has been approved by the Underwriter); or

(xii) any commencement of legal proceedings or action by Relevant Authorities and creditors against any member of our Group or any of our Directors and Promoters which in the opinion of the Underwriter, would have or is likely to have a material adverse effect or make it impracticable to market the IPO or to enforce contracts to allot, issue and/or transfer the IPO Shares; or

(xiii) any one of the Issue Documents (i) having been terminated or rescinded in accordance with its terms; (ii) ceased to have any effect whatsoever, or (iii) varied or supplemented upon terms and such variation or supplementation would have or likely to have a material adverse effect; or

(xiv) any of the resolutions or approvals referred to in the Underwriting Agreement is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is likely to have a material adverse effect; or

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

## 4. DETAILS OF OUR IPO *(Cont'd)*

(xvi) any event in which a material adverse effect has occurred or which in the opinion of the Underwriter is likely to occur; or

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

(xviii) in the event that the Listing is withdrawn or not procured or procured but subject to conditions not acceptable to the Underwriter or does not take place within three (3) months from the date of the Underwriting Agreement or such other extended date as may be agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC (if applicable).

**4.10.4** The term "material adverse effect" is defined in the Underwriting Agreement as any event, development or occurrence or series of events, development or occurrences, which in the opinion of the Underwriter, have or could be expected to have a prospective material adverse effect and/or change, whether individually or in the aggregate, and whether or not arising in the ordinary course of business, on any of the following:

(i) the conditions (financial, operational or otherwise), contractual commitments, general affairs, Board, management, business, assets, liquidity, liabilities, prospects, earnings, shareholders' equity, business undertakings, properties or results or cash flows of operations of our Company and/or our Group; or

(ii) the ability of our Company to perform in any respect its obligations under or with respect to, or to consummate the transactions contemplated by this Prospectus or the Underwriting Agreement; or

(iii) the ability of our Company and/or our Group to conduct its businesses and to own or lease its assets and properties as described in this Prospectus; or

(iv) the IPO including but not limited to the success of the IPO or the distribution or the sale of the IPO Shares pursuant to the IPO.

**4.10.5** Upon the notice as described in Section 4.10.3 of this Prospectus being given, the Underwriter shall be released and discharged of its obligation without prejudice to its rights under the Underwriting Agreement, and where the Underwriter has terminated or withdrawn its Underwriting Commitment pursuant to Section 4.10.2 or Section 4.10.3 of this Prospectus, the Underwriting Agreement shall be of no further force or effect and no party shall be under any liability to any other parties in respect of the Underwriting Agreement, except for the following: (i) our Company shall pay the Underwriting Commission or abort fee, as applicable, together with the costs and expenses payable under the Underwriting Agreement (including those incurred in the event the Closing Date is extended); and (ii) our Company shall continue to be liable to indemnify the Underwriter and the Indemnified Persons as set out in Section 4.10.8 of this Prospectus. Upon the occurrence of any force majeure event described in Section 4.10.3(vi) of this Prospectus, the Underwriting Commission or abort fee, as applicable, and the costs and expenses payable by our Company shall be determined in accordance with the Underwriting Agreement.

## 4. DETAILS OF OUR IPO *(Cont'd)*

**4.10.6** In the event that any of the Underwritten Shares have not been validly applied and paid for in full in accordance with the terms of the Issue Documents ("**Unsubscribed Underwritten Shares**"), the Issuing House shall, not later than 5.00 p.m. on the third (3rd) Market Day following the Closing Date, provide our Company and the Underwriter with a written statement certifying the number of Unsubscribed Underwritten Shares, after completion of all applicable clawback and reallocation procedures. Upon receipt of such certified statement, our Company shall issue to the Underwriter a notice specifying the final number of Unsubscribed Underwritten Shares to be subscribed for or procured to be subscribed for by the Underwriter ("**Underwriting Notice**") within one (1) Market Day of receipt of the Issuing House's certified statement. The Underwriter shall, not later than three (3) Market Days after receipt of the Underwriting Notice, apply for, or procure applications for, the number of Unsubscribed Underwritten Shares specified in the Underwriting Notice, in accordance with all applicable laws and the terms of the Issue Documents, and deliver, or procure the delivery of, the duly completed applications in the prescribed form to the Issuing House, together with the remittance payable for such Unsubscribed Underwritten Shares. Our Company shall as soon as practicable and in any event within eight (8) Market Days after the date of the Underwriting Notice or such other period(s) as may be agreed by our Company and the Underwriter, procure and cause the relevant number of Unsubscribed Underwritten Shares to be credited into the Securities Account(s) of the Underwriter or its nominee(s) in accordance with the written instructions of the Underwriter and/or its nominee(s), and despatch the notice(s) of allotment to the Underwriter and/or its nominee(s). If our Company fails to do so, the Underwriter and/or its nominee(s) shall be entitled to the refund of the full amount of such subscription monies paid to the Issuing House for such number of the Unsubscribed Underwritten Shares together with other interest, costs and expenses as may be incurred resulting from such failure or omission. If the Underwriter fails to comply with its obligation to apply for the Unsubscribed Underwritten Shares, our Company shall be entitled to complete the Underwriter's subscription for the number of the Unsubscribed Underwritten Shares not so taken up as required of the Underwriter and to credit the same (or any part of the Unsubscribed Underwritten Shares) to the Securities Account of the Underwriter or its nominee(s) for the account of the Underwriter, and payment for such number of the Unsubscribed Underwritten Shares will be made by the Underwriter to our Company upon demand thereof by our Company.

**4.10.7** Under the Underwriting Agreement, the occurrence of any force majeure event or any event or series of events beyond the reasonable control of our Company and the Underwriter including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), pandemic, epidemic, acts of terrorism, strikes, national disorder, declaration of a state of emergency, accidents, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, outbreak of diseases or the imposition of lockdowns or similar measures to control the spread of any epidemic or pandemic which would have or can reasonably be expected to have a material adverse effect or which has or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the IPO by the Closing Date or pursuant to the underwriting of the Underwritten Shares.

**4.10.8** In consideration of the Underwriter agreeing to act as the Underwriter and to underwrite the Underwritten Shares, our Company has agreed to indemnify and to hold harmless the Underwriter, its affiliates and each of their directors, employees, officers, agents, and each person who controls the Underwriter and affiliates (collectively, the "**Indemnified Person**") against any losses, claims, actions, damages, liabilities, costs and expenses (including legal fees and taxes) arising from, amongst others:

(i) any untrue, false or misleading statement in the Issue Documents, or which arise out of or are based upon the omission to state therein a material fact necessary to make the statements therein not misleading; and/or

## 4. DETAILS OF OUR IPO *(Cont'd)*

(ii) any breach or failure by our Company to perform our obligations or any breach of our representations, warranties or undertakings under the Underwriting Agreement; and/or

(iii) any breach of the terms of the approvals and any applicable laws resulting from the Underwriting Commitment being made in accordance with the Underwriting Agreement which would have a material adverse effect; and/or

(iv) the proper performance by the Underwriter of its obligations under the Underwriting Agreement or in connection with the distribution or making available of the Issue Documents, except to the extent that such losses arise from the fraud, wilful misconduct or gross negligence of the relevant Indemnified Person; and/or

(v) any failure by our Company to allot and issue the Issue Shares in accordance with the Constitution of our Company and/or the Issue Documents.

The indemnity shall not apply to the extent that the relevant losses are finally determined by a court of competent jurisdiction to have resulted directly from the fraud, wilful misconduct or gross negligence of that Indemnified Person. Such exclusion shall apply only to the Indemnified Person whose conduct resulted in the relevant losses and shall not affect the rights of any other Indemnified Person.

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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

Our Promoters' and substantial shareholders' shareholdings in our Company, as at LPD and after our IPO are as follows:

| | | [1]As at LPD / Before our IPO | | | | [2]After our IPO | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Direct | | Indirect | | Direct | | Indirect | |
| Name | Nationality | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Tan Cheng Eng | Malaysian | 285,813,689 | 62.73 | - | - | 249,397,689 | 43.78 | - | - |
| Liong Chian Leek | Malaysian | 160,770,202 | 35.28 | - | - | 140,286,202 | 24.63 | - | - |

**Notes:**

(1) Based on the share capital of 455,625,400 Shares as at LPD / before our IPO.

(2) Based on the enlarged share capital of 569,625,400 Shares after our IPO.

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

### 5.1.2 Profiles of Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are as follows:

#### (i) Tan Cheng Eng

*Promoter, substantial shareholder, Specified Shareholder and Managing Director*

Tan Cheng Eng, a Malaysian, aged 56, is our Promoter, substantial shareholder, Specified Shareholder and Managing Director. He was appointed to our Board on 10 October 2025 and designated as the Managing Director on 24 December 2025. He is responsible for spearheading and leading our Group's overall business strategy and performance as well as ensuring sustainable growth, continuous development and long-term value creation.

He graduated from the University of Glamorgan, United Kingdom (now known as the University of South Wales, United Kingdom) with a Bachelor of Engineering in Mechanical Engineering in June 1995. He became a Graduate Engineer of the Board of Engineers Malaysia since April 2011.

After returning from the United Kingdom in August 1995, he began his career as a Project Engineer of York (Malaysia) Sales & Service Sdn Bhd (which was then a subsidiary of Hong Leong Management Co. Sdn Bhd (now known as Adjuvant Ace Sdn Bhd), which is a subsidiary of Hong Leong Company (Malaysia) Bhd, a non-listed company), which is involved in sales of air-conditioners and provision of the related technical support services. In January 1997, he was promoted to Manager of the Project, Parts & Service Sales department of York (Malaysia) Sales & Service Sdn Bhd. During his tenure with York (Malaysia) Sales & Service Sdn Bhd, he was responsible for designing and building chiller plantroom, handling the sales of air-conditioners and after-sales service as well as overseeing the profitability of the department for project sales and after-sales service.

He left York (Malaysia) Sales & Service Sdn Bhd in July 2000 and joined Rancang Segar Sdn Bhd ("**RSSB**"), a company principally involved in business as a contractor for building, mechanical, electrical and related work, as General Manager from August 2000 to August 2007. He was responsible for managing the overall operations of RSSB. He was appointed as director of RSSB from September 2000 to February 2002, and was re-appointed as director of RSSB from August 2007 to January 2026. As at the LPD, he remains as the sole shareholder of RSSB, he is not involved in day-to-day operation of RSSB. RSSB has its own management team comprising 2 directors, a Business Development Director and a Project Director who oversee and manage the business and projects of RSSB.

In July 2003, he joined SCASB as a General Manager where he oversaw the overall operations, strategic planning and execution, team leadership, budgeting and financial management, and customer relationship management of SCASB. He was appointed as director of SCASB in April 2010 and designated as the Managing Director of SCASB in November 2015. He was subsequently redesignated to Executive Chairman of SCASB in January 2018 and Executive Director of SCASB in December 2025, a position he holds to date.

In January 2008, he co-founded Greneco. He was appointed as director of Ace Victech in October 2025.

He does not have any family relationships and/or association with any of the Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

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

Save for SCA, he does not sit on the board of directors of any other public companies. Further details of Tan Cheng Eng's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.2 (ii) of this Prospectus.

**(ii) Liong Chian Leek**

*Promoter, substantial shareholder, Specified Shareholder and Executive Director*

Liong Chian Leek, a Malaysian, aged 53, is our Promoter, substantial shareholder, Specified Shareholder and Executive Director. He was appointed to our Board on 10 October 2025. He is responsible for overseeing the implementation of our Group's overall business strategy, operational discipline, and leadership experience to drive sustainable growth, enhance efficiency, and align cross-functional teams towards achieving our Group's long-term goals.

He graduated from the University of Glamorgan, United Kingdom (now known as the University of South Wales, United Kingdom) with a Bachelor of Engineering in Mechanical Engineering in June 1997. He became a Graduate Engineer of the Board of Engineers Malaysia in March 1999.

In August 1997, he began his career as a Project Engineer with Johnson Controls (M) Sdn Bhd, a company engaged in the supply, installation and servicing of automatic temperature and energy management control systems. He was subsequently promoted to Senior Project Engineer in 1999. During his tenure with Johnson Controls (M) Sdn Bhd, he was responsible for system design, project management and execution of security and fire alarm systems.

In July 2002, he left Johnson Controls (M) Sdn Bhd. In August 2002, he joined Industronics Automation Sdn Bhd (now known as Infinite Acquisitions Sdn Bhd, a former subsidiary of Industronics Berhad) as Senior Sales Engineer, where he was involved in the sales and marketing of Belimo products.

He left Industronics Automation Sdn Bhd in July 2003 and joined SCASB in August 2003 as Business Development Manager. He was appointed as director of SCASB in the same month of the year and subsequently redesignated to Managing Director of SCASB in January 2018.

In October 2025, he was appointed as the director of Ace Victech.

Save for his relationship with his brother, Liong Chian Yie (our Specified Shareholder and Technical Director / Head of Division for Life Safety), he does not have any family relationships and/or association with any of the Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

Save for SCA, he does not sit on the board of directors of any other public companies. Further details of Liong Chian Leek's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.2(iii) of this Prospectus.

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

### 5.1.3 Changes in the shareholdings of our Promoters and substantial shareholders in our Company since incorporation

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

| | [(1)]As at 10 October 2025 (Date of incorporation) | | | | [(2)]As at LPD / Before our IPO | | | | [(3)]After our IPO | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect | | Direct | | Indirect | | Direct | | Indirect | |
| Name | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Tan Cheng Eng | 1 | 50 | - | - | 285,813,689 | 62.73 | - | - | 249,397,689 | 43.78 | - | - |
| Liong Chian Leek | 1 | 50 | - | - | 160,770,202 | 35.28 | - | - | 140,286,202 | 24.63 | - | - |

**Notes:**

(1) Based on the share capital of 2 Shares as at the date of incorporation.

(2) Based on the share capital of 455,625,400 Shares as at LPD / before our IPO.

(3) Based on the enlarged share capital of 569,625,400 Shares after our IPO.

The Shares held by our Promoters and substantial shareholders will have the same voting rights with the other shareholders of our Company, and there is no arrangement between our Company, our Promoters and substantial shareholders, with any third parties, which may at a subsequent date result in the change in control of our Company.

Save for our Promoters and substantial shareholders named above, we are not aware of any other persons who is able to, directly or indirectly, jointly or severally, exercise control over our Company.

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

### 5.1.4 Promoters and/or substantial shareholders' remuneration and benefits in kind

Save for the dividends declared and/or paid to our Promoters and/or substantial shareholders as disclosed below and the aggregate remuneration and material benefits in kind paid or proposed to be paid to our Promoters and/or substantial shareholders as disclosed in Section 5.4 of this Prospectus, there are no other amounts or benefits paid and intended to be paid or given to our Promoters and/or substantial shareholders within the Financial Years / Period Under Review and up to LPD:

| | Audited | | | | | Unaudited |
|---|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** | **1 July 2026 up to LPD** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Dividends declared | 2,025 | 1,300 | 5,800 | [(1)]6,283 | - | - |
| Cash dividends paid:- | **2,025** | **1,300** | **5,800** | **6,000** | **-** | **-** |
| - *Tan Cheng Eng* | *1,296* | *832* | *3,712* | *3,840* | - | - |
| - *Liong Chian Leek* | *729* | *468* | *2,088* | *2,160* | - | - |
| Dividend-in-Specie:- | - | - | - | 283 | - | - |
| - *Tan Cheng Eng* | - | - | - | *181* | - | - |
| - *Liong Chian Leek* | - | - | - | *102* | - | - |

**Note:**

(1) Inclusive the Dividend-in-Specie of RM0.28 million.

On 18 December 2025, SCASB had distributed 255,000 ordinary shares in Greneco, representing 51.00% equity interest in Greneco, by way of dividend-in-specie to Tan Cheng Eng and Liong Chian Leek. The Dividend-in-Specie had completed on 29 December 2025 with Tan Cheng Eng and Liong Chian Leek then held 163,200 ordinary shares (representing 32.64%) and 91,800 ordinary shares (representing 18.36%), respectively in Greneco.

### 5.2 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and Key Senior Management are as follows:

**(i) Directors**

Our Board comprises of the following members:

| Name/ Designation | Age | Gender | Nationality | Date of appointment |
|---|---|---|---|---|
| Dato' Chan Choy Lin / Independent Non-Executive Chairperson | 69 | Female | Malaysian | 25 February 2026 |
| Tan Cheng Eng / Managing Director | 56 | Male | Malaysian | 10 October 2025 |
| Liong Chian Leek / Executive Director | 53 | Male | Malaysian | 10 October 2025 |
| Ho Kok Keong / Independent Non-Executive Director | 58 | Male | Malaysian | 6 January 2026 |

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

| Name/ Designation | Age | Gender | Nationality | Date of appointment |
|---|---|---|---|---|
| Datin Cho Oi Kwan / Independent Non-Executive Director | 66 | Female | Malaysian | 24 December 2025 |
| Jamilah Binti Kamal / Independent Non-Executive Director | 64 | Female | Malaysian | 24 December 2025 |

As at the LPD, none of our Directors represents any corporate shareholder on our Board.

As at the LPD and save for Liong Chian Leek and Liong Chian Yie, who are brothers, there are no family relationships and associations among our Promoters, substantial shareholders, Directors and Key Senior Management.

**(ii) Key Senior Management**

Our Key Senior Management comprises of the following:

| Name | Age | Gender | Nationality | Date of first appointment in our Group | Current Designation |
|---|---|---|---|---|---|
| Tan Choon Seng | 67 | Male | Malaysian | 15 April 2008 | Director of Greneco |
| Pang Kerk Jin | 44 | Male | Malaysian | 1 October 2024 | Chief Financial Officer |
| Liong Chian Yie | 50 | Male | Malaysian | 1 July 2005 | Technical Director[(1)] / Head of Division for Life Safety |
| Lo Weng Hoe | 53 | Male | Malaysian | 1 May 2018 | Business Development Director[(2)] / Head of Division for HVAC Automation |

**Notes:**

(1) He was promoted to his current position on 1 August 2018. For further details on his profile, please refer to Section 5.2.3(iii) of this Prospectus.

(2) He was promoted to his current position on 1 January 2019. For further details on his profile, please refer to Section 5.2.3(iv) of this Prospectus.

### 5.2.1 Profiles of our Directors

The profiles of our Directors, namely Tan Cheng Eng and Liong Chian Leek, who are also our Promoters and substantial shareholders, are disclosed in Section 5.1.2 of this Prospectus.

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

The profiles of our other Directors are as follows:

### (i) Dato' Chan Choy Lin

*Independent Non-Executive Chairperson*

Dato' Chan Choy Lin ("**Dato' Carol Chan**"), a Malaysian, aged 69, is our Independent Non-Executive Chairperson. She was appointed to our Board on 25 February 2026.

She was admitted as a member of the Malaysian Institute of Certified Public Accountants (formerly known as the Malaysian Association of Certified Public Accountants) in May 1984. Dato' Carol Chan has been a member of MIA since August 1986 and became a Chartered Accountant in June 2001.

Upon completing her Higher School Certificate in November 1977 and while pursuing her Malaysian Association of Certified Public Accountants qualifications, she began her career in accountancy at Yuen Tang & Co, an accounting firm, as an Audit Clerk from June 1978 to February 1983.

In March 1983, she joined Peat Marwick Mitchell & Co. (now known as KPMG PLT), an accounting firm as an Audit Senior where she assisted the Audit Manager in various audit assignments until her departure in September 1984.

In the same month of September 1984, she joined Innovest Berhad (a public company then listed on the Main Market of Bursa Securities and was delisted in May 2005), an investment holding company and involved in the provision of management and consultancy services while its subsidiaries are involved in property management, as a Management Accountant, where she reported to the Financial Controller of the group. In December 1985, she was appointed as the Assistant Company Secretary of Innovest Berhad group of companies. During her tenure with the Innovest Berhad group of companies, her responsibilities included overseeing the finance functions, accounting, corporate finance and treasury matters, as well as corporate secretarial works. She left Innovest Berhad in December 1991.

In January 1992, she joined MBf Management Sdn Bhd, a wholly-owned subsidiary of MBf Holdings Berhad (a public company then listed on the Main Market of Bursa Securities and was delisted in May 2013), as the company secretary, where she was responsible for handling all the secretarial matters of the MBf group of companies including MBf Capital Berhad (now known as MBF Corporation Berhad, a public company then listed on the Main Market of Bursa Securities and was delisted in August 2007) and MBf Finance Berhad (subsequently acquired and merged with Arab-Malaysian Finance Berhad (now known as AMFB Holdings Berhad)) in 2001, and MBf Finance Berhad changed its name to AmFinance Berhad (now known as AmBank (M) Berhad). She played a key role in the merger of MBf Finance Berhad with Arab-Malaysian Finance Berhad, during which she led the formation of AmBank (M) Berhad and held the position of Head of the Department of AmFinance Berhad. She left AmFinance Berhad in October 2004.

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

In November 2004, Dato' Carol Chan joined Tradewinds Corporation Berhad (a public company then listed on the Main Market of Bursa Securities and was delisted in September 2013), a company that is involved in investment holding, provision of management services, commercial property investment and property development, while its subsidiaries are involved in hotel ownership and management, property investment and development, sale of properties, manufacturing, trading, insurance broking, travel related services, providing integrated security services, leasing and hire purchase financing, as the Group General Manager (Secretarial) where her role included the implementation of strategic corporate exercises to enhance the financial position of the company. She resigned as the Company Secretary of Tradewinds Corporation Berhad in May 2006.

In November 2005, she was appointed as the Company Secretary of Tradewinds (M) Berhad (a public company then listed on the Main Market of Bursa Securities and was delisted in April 2013), an investment holding company and is engaged in plantation, manufacturing and trading, management and investment, and in property business and through its subsidiaries focuses on activities of cultivation of oil palm; processing and sale of palm products; provision of plantation management and advisory services, manufacture and sale of refined sugar, property development and property investment. She resigned in January 2006.

In February 2006, she joined HICOM Holdings Berhad, an investment holding and a wholly-owned subsidiary of DRB-HICOM Berhad, as a Principal Company Secretary. At the same time, Dato' Carol Chan was also appointed as a Principal Company Secretary of DRB-HICOM Berhad, an investment holding company with investments in the automotive (including defence and composite manufacturing), services (including integrated logistics, banking and postal businesses) and property, asset and construction segments, where she was responsible for overseeing the corporate secretarial functions of its group of companies. In June 2011, she was appointed as the Group Director of Corporate Affairs of DRB-HICOM Berhad, with her role expanding to include oversight of legal affairs and corporate responsibility matters. Dato' Carol Chan was also appointed as a director of various companies within DRB-HICOM Berhad. She held both positions until her retirement in December 2017.

Between June 2018 and August 2024, Dato' Carol Chan served as the Independent Non-Executive Director of GHL Systems Berhad (now known as NTT Data Payment Services Sdn Bhd), a public company then listed on the Main Market of Bursa Securities and principally involved in the provision of payment services and solutions. GHL Systems Berhad was delisted in August 2024.

In March 2020, she was appointed as the Independent Non-Executive Director of The Pacific Insurance Berhad, a public non-listed company that is involved in the underwriting of general insurance business. She retired from the position in March 2026.

Presently, Dato' Carol Chan serves as Independent Non-Executive Director on the boards of directors of Ann Joo Resources Berhad, a company listed on the Main Market of Bursa Securities (since June 2018), APM Automotive Holdings Berhad, a company listed on the Main Market of Bursa Securities (since July 2018) and Sumisaujana Group Berhad, a company listed on the ACE Market of Bursa Securities (since April 2024).

She does not have any family relationships and/or associations with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

Further details of Dato' Carol Chan's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.2(i) of this Prospectus.

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

### (ii) Ho Kok Keong

*Independent Non-Executive Director*

Ho Kok Keong, a Malaysian, aged 58, is our Independent Non-Executive Director. He was appointed to our Board on 6 January 2026. He is the Chairperson of our Remuneration Committee and also a member of our Audit and Risk Management Committee and Nomination Committee.

He graduated from Universiti Kebangsaan Malaysia with a Bachelor of Arts in August 1992.

After completing his degree in April 1992, he began his career with Sunrise Sports Sdn Bhd, a company involved in the distribution of sports goods and operating a packing factory for sports products. He joined as Promotion Executive where he handled promotion of sports goods. He was later promoted to Promotion Manager in January 1993 where he led a sales team responsible for promoting the company's products. He left the company in July 1993.

In August 1993, he joined Edaran Otomobil Nasional Berhad, a retailer of Proton motor vehicles and their related spare parts, and servicing of motor vehicles, as Promotions Executive in the Advertising & Promotions Department where he was responsible for advertising and promoting the company, Proton motor vehicles and its spare parts. He was subsequently promoted to Manager of the same department in April 2002, where he was responsible for overseeing the advertising, promotions and marketing support activities of the company until he left the company in November 2004.

In November 2004, he joined RHB Capital Berhad, an investment holding company, as Assistant General Manager in the Group Corporate Communications Division. He oversaw the communications-related operations across RHB Bank Berhad and its subsidiaries, including advertisements, promotions, public relations and events. He was also a committee member involved in the establishment of RHB Islamic Bank Berhad in May 2005. He left RHB Capital Berhad in October 2005.

In November 2005, he moved to EON Bank Berhad (which was later acquired by and transferred to Hong Leong Bank Berhad), a financial services institution, as Vice President, where he was involved in heading the corporate communication functions of the bank. He left the bank in July 2006 and took a month break.

In September 2006, he joined DRB-HICOM Berhad as General Manager of Business Development department. He was responsible for identifying, initiating, planning, implementing and managing projects across the automotive, property, construction and services sectors within the DRB-HICOM Berhad and its group of companies.

In November 2008, he was seconded to Bank Muamalat Malaysia Berhad, a company involved in Islamic banking and related financial services, as Senior Vice President, Business Development until May 2011. During the same period, he was also appointed as Acting Head of Consumer Banking division, where he oversaw the consumer banking functions and initiatives. He returned to DRB-HICOM Berhad in May 2011 as Head, Institutional Liaison & Business Development where he was responsible for bridging institutional stakeholders as well as planning and executing corporate strategy.

In November 2012, he was seconded to Edaran Modenas Sdn Bhd, which is principally involved in distribution of motorcycles and related spare parts and accessories and servicing of motorcycles, as Chief Executive Officer to oversee the overall operations of the company. He left Edaran Modenas Sdn Bhd in June 2013 and took a break from July to November 2013.

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

From December 2013 to November 2015, he served as Chief Business Development Officer of Minetech Resources Berhad (now known as Aizo Group Berhad), an investment holding company whose subsidiaries are principally involved in turnkey and specialised quarry services, civil engineering services, rental of machinery, manufacturing and trading of premix and bituminous products, sales and marketing of quarry products, and trading of heavy and industrial machinery spare parts. He was responsible for implementing business development strategies set by the directors, identifying opportunities for business expansion, and leading the business development team in achieving sales and project-related targets.

He left Minetech Resources Berhad in November 2015 and became an independent consultant providing general business advisory services, which included identifying and exploring new business opportunities as well as facilitating business matching for companies.

In January 2018, he joined Jaks Resources Berhad, a company principally involved in property development and construction, as Senior General Manager where he oversaw the overall implementation of property and construction projects, and led the company's business development strategies until he left the company in April 2022.

In May 2022, he joined Hiap Teck Venture Berhad, a company principally involved in manufacturing and selling of steel products, as Senior Director (non-directorship position) under the Group Business Development Department, where he is responsible for driving the group's business development initiatives.

Aside from our Group, he was appointed as Independent Non-Executive Director of Lum Chang Holdings Limited, a company listed on the Singapore Stock Exchange and principally involved in civil engineering and building construction, in September 2024.

He does not have any family relationships and/or associations with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

Further details of Ho Kok Keong's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.2(iv) of this Prospectus.

### (iii) Datin Cho Oi Kwan

*Independent Non-Executive Director*

Datin Cho Oi Kwan, a Malaysian, aged 66, is our Independent Non-Executive Director. She was appointed to our Board on 24 December 2025. She is the Chairperson of our Audit and Risk Management Committee and also a member of our Nomination Committee and Remuneration Committee.

She was certified as a Public Accountant by the Malaysian Association of Certified Public Accountants (now known as Malaysian Institute of Certified Public Accountants) in May 1984 and became a member of the Malaysian Institute of Accountants (MIA) in July 1987.

She began her career as an Audit Clerk of Turquands Ernst & Whinney, Malaysia (now known as Ernst & Young PLT), an audit firm, in January 1980, where she assisted in audit assignments. She held various positions, i.e. Audit Assistant and Audit Senior, before she was transferred as Audit Senior to Ernst & Whinney's office in Los Angeles, the United States in October 1985 where she handled audit and management consultancy assignments. She was then transferred back to the Malaysian office holding the same position in October 1986. She was subsequently promoted to Audit Assistant Manager in January 1987, where she led and oversaw audit assignments, which position she continued to hold until her resignation in September 1988. She took a career break from October 1988 to December 1988 before joining the banking industry.

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

In January 1989, she joined Malaysian French Bank Berhad (now known as Alliance Bank Malaysia Berhad) as Assistant Manager where she was the team head managing the multinational corporations. She was subsequently promoted to Vice President of Corporate Banking in January 1992 where she was the team head for Corporate Banking managing large listed local corporations.

She left Malaysian French Bank Berhad in July 1996 to join Kewangan Bersatu Berhad (later acquired by Malayan Banking Berhad) as Head of Corporate Banking. In this role, she oversaw marketing, credit assessment and operations of the corporate banking division. She left Kewangan Bersatu Berhad in August 1998.

In September 1998, she joined PhileoAllied Bank Berhad as the First Vice President of Corporate Banking where she was the team head that handled corporate loans for public listed companies in Malaysia. Following the acquisition of PhileoAllied Bank Berhad by Malayan Banking Berhad in September 2000, she was re-assigned as Manager of Malayan Banking Berhad to handle corporate loans for the Business Banking Department and to restructure companies for the Corporate Remedial Management Department. She also headed the Corporate Cards department and successfully acquired the American Express business.

She left Malayan Banking Berhad in January 2007 to head the Private Banking Department at OSK Investment Bank Berhad, where she served as the Head of Private Banking and Wealth Management and she focused on strategic planning, building market presence, client acquisition and department leadership. Following the acquisition of OSK Investment Bank Berhad by RHB Investment Bank Berhad in April 2013, she continued to lead the Private Banking division until December 2013.

In the same month after she left RHB Investment Bank Berhad in December 2013, she moved to Singapore to join Coutts & Co Ltd, which provided private banking services, as Director in South East Asia, where she was responsible for relationship management and new client acquisitions for private banking.

She subsequently left Coutts & Co Ltd in December 2015 and joined Standard Chartered Bank (Singapore) Limited in the same month as Director, Client Advisor, with similar responsibilities, before moving to CTBC Bank Co., Ltd, Singapore in January 2019 as Vice President, Sales (Singapore) & Advisory. At CTBC Bank Co., Ltd, she managed high net worth clients and acquisitions until February 2022, when she returned to Malaysia and took a career break.

In July 2022, she was appointed as an Independent Non-Executive Director of Canna-Global Acquisition Corp, a special purpose acquisition company previously listed on Nasdaq, Inc.. She resigned in October 2024 as the special purpose acquisition company did not complete a successful acquisition.

In February 2023, she was appointed as the Chief Executive Officer (non-directorship) of Portman SPV (A) Sdn Bhd, which is principally involved in the education institution business, on a contract basis where she was responsible for the company's fundraising exercise and due diligence for acquisitions. Her contract ended in January 2025 and she retired.

Aside from our Group, she was appointed as Independent Non-Executive Director of Willownex Berhad (formerly known as Willowglen MSC Berhad), a company listed on the Main Market of Bursa Securities and principally involved in research, development and supply of computer-based control systems, since 1 October 2026.

She does not have any family relationships and/or associations with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

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

Save for our Group and Willownex Berhad (formerly known as Willowglen MSC Berhad), she does not sit on the board of directors of any other public companies. Further details of Datin Cho Oi Kwan's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.2(v) of this Prospectus.

### (iv) Jamilah Binti Kamal

*Independent Non-Executive Director*

Jamilah Binti Kamal, a Malaysian, aged 64, is our Independent Non-Executive Director. She was appointed to our Board on 24 December 2025. She is the Chairperson of our Nomination Committee and also a member of our Audit and Risk Management Committee and Remuneration Committee.

She graduated from Carleton University, Canada with a Bachelor of Arts (Honours) in Economics in November 1985.

After completing her degree in October 1985, she began her career with Tenaga Nasional Berhad ("**TNB**"), a company involved in generation, transmission, distribution and sale of electricity, as an Executive where she was involved in marginal costing and electricity tariff formulation, as well as improving customer service and billing efficiency. In September 2000, she was seconded to the Malaysian Investment Development Authority ("**MIDA**") as Special Officer (TNB's representative), where she dealt with electricity supply matters for both local and foreign investors and participated in international trade and investment missions organised by MIDA, led by MITI, promoting Malaysia's investment opportunities across Europe, the United Kingdom, the United States of America and Australia.

In April 2014, she resumed duties with TNB as General Manager (Regulatory & Stakeholder Engagement), where she assisted in industry and energy analysis to ensure TNB's strategic position and business sustainability, while working closely with government agencies such as MIDA, the Energy Commission, the Ministry of Energy, the Economic Planning Unit and various industry associations including the Federation of Malaysian Manufacturers (FMM), Malaysian International Chamber of Commerce & Industry (MICCI), American Malaysian Chamber of Commerce (AMCHAM), and Malaysian Iron & Steel Industry Federation (MISIF). After an internal restructuring of TNB, she was designated as the Head (Strategy Regulatory Relation) in July 2019 with same responsibilities.

She was subsequently promoted to Lead (Special Project), People Acquisition & Mobility, under TNB's Group Human Resource Division, in September 2020 where she led the implementation of Advanced Metering Infrastructure (AMI) or Smart Meters, including coordination with local councils to accelerate the rollout process. She retired from TNB in January 2022.

Aside from our Group, she has been appointed as Independent Non-Executive Director of NuEnergy Holdings Berhad (formerly known as ILB Group Berhad) on 28 February 2022 and JF Technology Berhad on 30 September 2022, both companies are listed on the Main Market of Bursa Securities. She is also an Independent Non-Executive Director of Delloyd Technology Berhad (a non-listed company) on 1 August 2025.

She does not have any family relationships and/or associations with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

Further details of Jamilah Binti Kamal's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.2(vi) of this Prospectus.

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

### 5.2.2 Principal directorships or principal business activities outside our Group

Save as disclosed below, none of our Directors has any other principal business activities performed outside our Group (including principal directorships) in the past 5 years prior to the LPD:

**(i) Dato' Chan Choy Lin**

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Sumisaujana Group Berhad *(a public company listed on the ACE Market of Bursa Securities)* | Independent Non-Executive Director | 1 April 2024 | Investment holding company with its subsidiaries involved in manufacturing of oil and gas specialty chemicals, trading of oil and gas specialty and industrial chemicals, and provision of related support services | 500,000 | 0.03 | - | - |
| Ann Joo Resources Berhad *(a public company listed on the Main Market of Bursa Securities)* | Independent Non-Executive Director | 1 June 2018 | Investment holding company with its subsidiaries principally involved in trading, retailing, importing, exporting and supplying of all kinds of metal products and building materials, construction, engineering and infrastructure development works, | - | - | - | - |

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

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| | | | steel service centre, manufacturing of transmission line hardware and fittings as well as transmission line steel support structures, wholesale of ferrous and non-ferrous semi-finished metal ores and products, manufacturing and trading of steel beams, sections, bars, wire rods, nails, stretched wire mesh and other steel products as well as hard drawn wires, galvanised steel wires and other wire products, provision of project management, contract services, architecture design, engineering, procurement, construction and commissioning services for solar and other renewable energy business, money lending services, property management and management services, general trading, and | | | | |

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

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| | | | investment holding | | | | |
| APM Automotive Holdings Berhad *(a public company listed on the Main Market of Bursa Securities)* | Independent Non-Executive Director | 31 July 2018 | Investment holding company with its subsidiaries principally involved in manufacturing, assembly and sale of automotive products, parts and components, provision for distribution and after sales services for bus and coach air-conditioning, casting, machining, and assembly of aluminium parts and components, and investment holding | - | - | - | - |

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

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Past Involvement** | | | | | | | |
| NTT Data Payment Services Sdn Bhd (formerly known as GHL Systems Berhad) *(previously a public company listed on the Main Market of Bursa Securities and was delisted in August 2024)* | Independent Non-Executive Director | 25 June 2018 / (8 August 2024) | Investment holding, developing and selling in-house software programmes, sale and rental of electronic data capture equipment and its related software and services, inclusive of installation, training and maintenance | - | - | - | - |
| The Pacific Insurance Berhad *(a public non-listed company)* | Independent Non-Executive Director | 18 March 2020 / (17 March 2026) | Underwriting of general insurance business | - | - | - | - |

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

### (ii) Tan Cheng Eng

| Name of entity / business | Nature of involvement | Directorship Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Rancang Segar Sdn Bhd | Sole Shareholder | - | Contractor for building, mechanical, electrical and related works | 1,250,000 | 100.00 | - | - |
| Food Lovers Sdn Bhd | Director/ Shareholder | 19 October 2011 | Investment holding for property | 500,000 | 50.00 | 500,000(1) | 50.00 |
| Sustained Resources Sdn Bhd | Director/ Shareholder | 5 April 2012 | Operating fish farming and trading in fish | 250,000 | 50.00 | 250,000(2) | 50.00 |
| MRCO (M) Sdn Bhd(3) | Director/ Shareholder | 17 October 2014 | Dormant. Intended to be investment holding company for shares | - | - | 2(4) | 100.00 |
| Jesselton Venture Sdn Bhd | Director/ Shareholder | 9 October 2023 | Property developer | 95,000 | 95.00 | - | - |

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

| Name of entity / business | Nature of involvement | Directorship Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Eonmetall Group Berhad ("**EGB**") *(a public company listed on the Main Market of Bursa Securities)*[5] | Shareholder | - | Investment holding company and its subsidiaries are principally involved in manufacturing and sales of metalwork, industrial process machinery and equipment, steel products, steel racking system and storage solutions, palm oil related products, provider of information technology solutions including software development to related company, property and investment holding, operation of palm fibre oil extraction plants, growing and wholesale of vegetables and agriculture machinery, equipment and supplies, and production of biocoal and technical services | 3,164,230 | 0.71 | - | - |

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

| Name of entity / business | Nature of involvement | Directorship Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Past Involvement** | | | | | | | |
| Rancang Segar Sdn Bhd | Director | 22 August 2007/ (28 January 2026) | Contractor for building, mechanical, electrical and related works | - | - | - | - |
| Venier Asia Pacific (M) Sdn Bhd | Director | 6 October 2003 / (23 November 2023) | Trading of electronic dictionary | - | - | - | - |
| Matrix Icontrol Sdn Bhd | Director/ Shareholder | 29 May 2020 / (4 November 2025) | Trading and distribution of building automation energy efficient technology products and other related products | 15,000[8] | 10.00 | - | - |
| Tech-Wing International Co., Ltd *(a company incorporated under laws of Thailand)* | Director/ Shareholder | 9 June 2004 / (23 January 2025) | Distributing of valves used in air conditioning systems | 2,250[9] | 22.50 | - | - |
| Greneco (Penang) Sdn Bhd[6] | Director/ Shareholder | 9 February 2024 / (8 September 2025) | Purification and distribution of water for water supply purposes and other construction installation | - | - | 700[7] | 70.00 |

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

| Name of entity / business | Nature of involvement | Directorship Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| J Robert Farms Sdn Bhd | Director/ Shareholder | 5 November 2019 / (20 July 2026) | Wholesale of agricultural raw material and live animal, mixed farming and other management consultancy activities | 248,500(10) | 70.00 | - | - |

**Notes:**

(1) Deemed interested by virtue of his shares held in Rancang Segar Sdn Bhd pursuant to Section 8 of the Act.

(2) Deemed interested by virtue of the shares held by his spouse pursuant to Section 8 of the Act.

(3) A wholly-owned subsidiary company of Sustained Resources Sdn Bhd.

(4) Deemed interested by virtue of his shares held in Sustained Resources Sdn Bhd pursuant to Section 8 of the Act.

(5) The trading of securities in EGB on the Main Market of Bursa Securities will be suspended with effect from 4 November 2026 to facilitate the implementation of the selective capital reduction and repayment exercise of EGB pursuant to Section 116 of the Act. The suspension will continue until EGB is delisted from the Official List of Bursa Securities following the completion of the selective capital reduction and repayment exercise.

(6) The company was dissolved on 8 September 2025.

(7) Held through SCASB, which then holds 51% in Greneco pursuant to Section 8 of the Act.

(8) He disposed of his shares on 26 November 2025.

(9) He disposed of his shares on 20 January 2025.

(10) He disposed of his shares on 26 August 2026.

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

### (iii) Liong Chian Leek

| Name of entity / business | Nature of involvement | Directorship Date of appointment / (Resignation date) | Principal activities | Direct No. of shares | Direct % | Indirect No. of shares | Indirect % |
|---|---|---|---|---|---|---|---|
| **Present Involvement** | | | | | | | |
| Food Lovers Sdn Bhd | Director | 19 October 2011 | Investment holding for property | - | - | - | - |
| **Past Involvement** | | | | | | | |
| Food Lovers Sdn Bhd | Shareholder | - | Investment holding for property | - | - | 500,000(1) | 50.00 |
| Greneco (Penang) Sdn Bhd(2) | Shareholder | - | Purification and distribution of water for water supply purposes and other construction installation | - | - | 700(3) | 70.00 |

**Notes:**

(1) Deemed interested by virtue of his shares held in SCASB pursuant to Section 8 of the Act. SCASB disposed of its 500,000 ordinary shares (representing 50%) in Food Lovers Sdn Bhd to Tan Cheng Eng on 13 January 2025.

(2) The company was dissolved on 8 September 2025.

(3) Held through SCASB, which then holds 51% in Greneco pursuant to Section 8 of the Act.

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

### (iv) Ho Kok Keong

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Lum Chang Holdings Limited *(a company listed on the Singapore Stock Exchange)* | Independent Non-Executive Director | 4 September 2024 | Holding of investments and provision of management services and its subsidiaries are principally involved in construction, restoration and interior fit-out, project management, property development for sale and property investment | - | - | - | - |
| **Past Involvement** | | | | | | | |
| Nil | | | | | | | |

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

### (v) Datin Cho Oi Kwan

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Melissa Francis Pte Ltd | Director/ Shareholder | 13 January 2026 | Management consultancy services | 1 | 50.00 | 1[(1)] | 50.00 |
| Portman SPV (A) Sdn Bhd | Shareholder | - | Investment holding companies and business of education institution including colleges and university, secondary schools, training academy and centre of learning | 469 | 0.40 | - | - |
| Willownex Berhad (formerly known as Willowglen MSC Berhad) *(a public company listed on the Main Market of Bursa Securities)* | Independent Non-executive Director | 1 October 2026 | Research, development and supply of computer-based control systems. The principal activities of its subsidiaries include sales, implementation and maintenance of computer-based control systems and integration monitoring systems, computer system integration | - | - | - | - |

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

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| | | | activities and installation of building automation systems for remote monitoring, implementation and maintenance of control room and CCTV solutions, investment holding and design, supply consultancy, installation, engineering services and maintenance of computer hardware and software as well as development and sale of industrial automation products | | | | |
| **Past Involvement** | | | | | | | |
| Canna-Global Acquisition Corp *(a company formerly listed on Nasdaq Stock Market LLC was delisted on 19 July 2024)* | Independent Non-executive Director | 1 July 2022/ (20 October 2024) | To operate as a multinational legalised medical cannabis company including cultivation, production, processing, sales and distribution | - | - | - | - |

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

**Note:**

(1) Deemed interested by virtue of the share held by her child pursuant to Section 7 of the Singapore Companies Act 1967.

**(vi) Jamilah Binti Kamal**

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| NuEnergy Holdings Berhad *(a company listed on Main Market of Bursa Securities)* | Independent Non-Executive Director/ Shareholder | 28 February 2022 | Investment companies; procurement of solar photovoltaic modules and renewable energy-related equipment and activities; and its subsidiaries are principally involved in operating solar power plant, solar power generation and supply, engineering, procurement, construction and commissioning for solar energy, and any other works in such contracts, operation of transmission, distribution and sale of electricity, operation of generation facilities that product electric energy and investment holding | 10,000 | * | - | - |

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

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| JF Technology Berhad *(a company listed on Main Market of Bursa Securities)* | Independent Non-Executive Director/ Shareholder | 30 September 2022 | Investment holding and its subsidiaries are principally involved in the manufacturing and trading of electronic products and components as well as design, development, custom manufacture and sale of integrated circuit test sockets, interconnect, test solutions and equipment for the semi-conductor and electronic assembly markets | 50,000 | * | - | - |
| Delloyd Technology Berhad *(a public non-listed company)* | Independent Non-Executive Director | 1 August 2025 | Activities of holding companies and its subsidiaries are principally involved in the manufacturing & trading of automotive parts, components and accessories | - | - | - | - |

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

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Past Involvement** | | | | | | | |
| IL Energy Sdn Bhd(1) | Director | 1 March 2023/ (10 June 2024) | Activities of holding companies, installation of non-electric solar energy collectors and operation of generation facilities that produce electric energy | - | - | - | - |
| IL Power Sdn Bhd(2) | Director | 3 November 2022/ (10 June 2024) | Activities of holding companies and procurement of solar photovoltaic module | - | - | - | - |
| IL Solar Sdn Bhd(2) | Director | 3 November 2022/ (10 June 2024) | Solar power plant | - | - | - | - |
| EVN Vision Sdn Bhd(2) | Director | 1 March 2023 / (10 June 2024) | Solar power plant | - | - | - | - |

**Notes:**

* Less than 0.01%

(1) A wholly-owned subsidiary of NuEnergy Holdings Berhad, which is listed on the Main Market of Bursa Securities.

(2) A wholly-owned subsidiary of IL Energy Sdn Bhd, which in turn is an indirect subsidiary of NuEnergy Holdings Berhad, which is listed on the Main Market of Bursa Securities.

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

As at the LPD, save as disclosed in Section 11.1 of this Prospectus, none of our Directors and/or substantial shareholders have any interest, direct or indirect, in other businesses or corporations which may give rise to a situation of conflict of interest with our Group.

As at the LPD, save for Rancang Segar Sdn Bhd (a company of which Tan Cheng Eng, our Managing Director, is the sole shareholder) which is our customer, none of the businesses or corporations outside our Group as stated above in which our Directors and/or substantial shareholders have any interest, direct or indirect, is our customer or supplier.

Our Executive Directors, Tan Cheng Eng and Liong Chian Leek, are not involved in the management or day-to-day operations of the other companies outside our Group as stated above. Hence, our Board is of the view that this will not affect their ability to perform their commitment and responsibilities as well as their contribution to our Group in their role as our Directors.

Our Non-Executive Directors' involvement in other principal business activities outside our Group as stated above will not affect their ability to perform their commitment and responsibilities as well as their contribution to our Group in their respective roles as our Directors in view that their involvement in our Group are to the extent of attending meetings as our independent directors. Besides, none of the Non-Executive Directors hold more than 5 directorships in public listed companies in Malaysia.

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

### 5.2.3 Profiles of our Key Senior Management and key technical personnel

The profiles of our Key Senior Management and key technical personnel are as follows:

**(i) Tan Choon Seng**

*Director of Greneco*

Tan Choon Seng, a Malaysian, aged 67, is our director of Greneco. He is responsible for overseeing the daily operations and performance of Greneco's water treatment solutions for the HVAC industry.

He graduated from Tunku Abdul Rahman College, Kuala Lumpur (now known as Tunku Abdul Rahman University of Management and Technology) with a Diploma in Technology (Mechanical and Automotive Engineering) in May 1984.

He began his career in 1984 as a Design Engineer with Group Associated Engineers Sdn Bhd, a company involved in the contracting and distribution of Trane air-conditioning products, where he was responsible for tender and design of air-conditioning systems.

In November 1990, he left Group Associated Engineers Sdn Bhd to join Hong Leong Management Co. Sdn Bhd (now known as Adjuvant Ace Sdn Bhd), which is a subsidiary of Hong Leong Company (Malaysia) Bhd, as Sales Manager of York (Malaysia) Sales & Service Sdn Bhd. He was then promoted to General Manager in January 1996. During his tenure with Hong Leong Management Co. Sdn Bhd, he managed and developed new dealer network, oversaw sales and marketing activities, promoted York HVAC products to end-users and consultants, and managed service operations of the company until he left in December 2001.

In January 2002 he was seconded to Shanghai McQuay Air Conditioning Co., Ltd in China, a company involved in the manufacturing and distribution of McQuay HVAC products as well as a member of the Hong Leong Group Malaysia, as Service Manager, National where he set up service operations and business processes for the China operation, supported branch offices in market development and technical support, and collaborated with the factory research and development team on product quality improvements and product development.

He left Shanghai McQuay Air Conditioning Co., Ltd in November 2004 and returned to Malaysia to join Metronic Engineering Sdn Bhd, a subsidiary of Metronic Global Berhad (listed on the Main Market of Bursa Securities) and is principally involved in providing building automation services, as General Manager in December 2004 where he oversaw the business operation, sales and service functions of the company.

In October 2007, he left Metronic Engineering Sdn Bhd and joined Nihon Spindle Cooling Towers Sdn Bhd, a company involved in the manufacturing and distribution of cooling towers for HVAC and industrial applications, as General Manager where he was responsible for managing its business operations, sales and service until his departure in March 2008.

In April 2008, he joined Greneco as a director, a position that he holds to present.

He does not have any family relationships and/or associations with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

He does not sit on the board of directors of any other public companies. Further details of Tan Choon Seng's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.4(i) of this Prospectus.

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

### (ii) Pang Kerk Jin

*Chief Financial Officer*

Pang Kerk Jin, a Malaysian, aged 44, is our Chief Financial Officer. He is responsible for overseeing our Group's overall accounting and finance functions.

He graduated from the University of Queensland, Australia with a Bachelor of Commerce in July 2004. He was admitted as a member of the Certified Practising Accountant ("**CPA**") of Australia in January 2005 and advanced to the status of CPA in September 2008. He was admitted as a Chartered Accountant of the Malaysian Institute of Accountants in January 2022.

He began his career in September 2004 with Deloitte KassimChan Tax Services Sdn Bhd (now known as Deloitte Tax Services Sdn Bhd) as Tax Assistant, where he was responsible for tax filing for clients.

In November 2004, he left Deloitte KassimChan Tax Services Sdn Bhd to join KPMG PLT as an Audit Assistant, where he was involved in statutory audit assignments until April 2006. He then moved to Singapore to join Horwath First Trust (now known as Crowe Singapore) in May 2006 as an Accountant and was promoted to Audit Senior in September 2006, where he led audit teams, undertook audit procedures and finalised statutory financial statements. He left Horwath First Trust in June 2007 and took a career break.

In September 2007, he joined Sino-Environment Technology Group Limited, a company in Singapore that is engaged in waste water and waste gas recycling, as an Accountant, where he was responsible for preparing financial statements for the company. In November 2007, he left Sino-Environment Technology Group Limited and joined Ernst & Young LLP, Singapore as an Audit Senior where he led audit teams and involved in statutory audit assignments until August 2009. He took a break from September 2009 to November 2009.

After his short break in December 2009, he joined Nano Chemicals Pte Ltd as a Group Financial Controller, a company involved in the manufacture of nano-precipitated calcium carbonate in Singapore, until his departure in June 2011. During his tenure in the company, he was responsible for preparing financial statements for the company.

From July 2011 to November 2012, he returned to Malaysia and worked as an independent consultant, assisting companies in managing financial matters. He also co-founded Pot Luck Enterprise (a partnership), which is involved in food and beverage business in December 2011, which subsequently the partnership ceased business and expired in December 2013.

In December 2012, he joined Grant Thornton Consulting Sdn Bhd where he rose from Assistant Manager to Associate Director (Advisory Services) over a 6-year period until February 2019. He handled advisory engagements covering financial due diligence, business review and valuation, debt restructuring, receivership and judicial management, and mergers and acquisitions.

From February 2019 to February 2022, he was Senior Manager (Corporate Advisory) at Prokhas Sdn Bhd, a company wholly-owned by the Ministry of Finance, Malaysia, principally involved in asset management, consultancy and advisory services, where he provided corporate advisory services covering mergers and acquisitions, debt restructuring, corporate finance, strategy, and operational advisory.

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

In March 2022, he joined EP Manufacturing Bhd, whose subsidiaries are principally involved in the manufacturing and distribution of automotive parts, as General Manager (Finance), where he oversaw the finance functions of the group of companies until June 2024.

From July 2024 to September 2024, he served as Chief Operating Officer of Newston International Group Sdn Bhd, a property development company, where he was involved in the sales and marketing of properties as well as overseeing the overall operations of the group of companies.

In October 2024, he joined SCASB as Chief Financial Officer.

He does not have any family relationships and/or associations with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

He does not sit on the board of directors of any other public companies. Further details of Pang Kerk Jin's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.4(ii) of this Prospectus.

### (iii) Liong Chian Yie

*Specified Shareholder and Technical Director / Head of Division for Life Safety*

Liong Chian Yie, a Malaysian, aged 50, is our Specified Shareholder and Technical Director / Head of Division for Life Safety. He is responsible for overseeing the daily operations and performance of our Group's life safety division.

He graduated from Campbell University, United States of America with a Bachelor of Science in June 2001.

He began his career in April 2001 as a Design Engineer with Sony Electronics (M) Sdn Bhd, a company engaged in the manufacturing of electronic and electrical appliances. He was responsible for the design, research and development in hi-fi systems.

In February 2004, he left Sony Electronics (M) Sdn Bhd and joined Technical System Control Sdn Bhd (now known as AVH Services Sdn Bhd), a company involved in the manufacturing of public addressing systems (PA systems), as a Research & Development Engineer, where he was involved in the research and development of public addressing systems.

He left Technical System Control Sdn Bhd in May 2004 to join TechniAire Sdn Bhd, a company involved in design, research and development of health and usage monitoring systems, where he served as an Engineer from June 2004 to June 2005, focusing on the research and development of health and usage monitoring systems.

In July 2005, he joined SCASB as a Sales Engineer where he was responsible for establishing business partner relationships, exploring and introducing life safety solutions to customers, and developing the sales and technical team for our Group's life safety division. In August 2018, he was promoted to Technical Director to lead our Group's life safety division.

Save for his relationship with his brother, Liong Chian Leek (our Promoter, substantial shareholder, Specified Shareholder and Executive Director), he does not have any family relationships and/or association with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

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

He does not sit on the board of directors of any other public companies. Further details of Liong Chian Yie's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.4(iii) of this Prospectus.

### (iv) Lo Weng Hoe

*Business Development Director / Head of Division for HVAC Automation*

Lo Weng Hoe, a Malaysian, aged 53, is our Business Development Director / Head of Division for HVAC Automation. He is responsible for overseeing the daily operations and performance of our Group's HVAC automation division.

He graduated from Universiti Putra Malaysia with a Bachelor of Science (Honours) in July 1998.

He began his career in June 1998 as a Management Trainee with Commercial Plastic Industries Sdn Bhd, a distributor of plastic resin, where he was responsible for resin sales until he left the company in September 1999.

In October 1999, he joined Abex Medical System Sdn Bhd, a company involved in the sales, marketing, supply, rental, installation, testing, commissioning, maintenance and repair of medical equipment, as a Product Engineer and he was later promoted to Product Executive in January 2003. During his tenure with Abex Medical System Sdn Bhd, he supported the sales team by liaising with product principals, preparing costings, designing marketing materials, preparing technical specifications and tenders, managing budgets, and attending trade shows. He left Abex Medical System Sdn Bhd in January 2004.

In February 2004, he joined Schmidt BioMedTech Sdn Bhd, a company involved in the supply of laboratory and hospital equipment, surgical appliances, and pharmaceutical products, as Product Manager, where he was responsible for sales and marketing of medical equipment.

In May 2006, he left Schmidt BioMedTech Sdn Bhd and co-founded Atlas Precision Sdn Bhd, a company engaged in trading security and telecommunication equipment and undertaking subcontracting works, where he was a director overseeing operations and sales of security and telecommunication equipment until the company ceased operations and was dissolved in April 2021.

In May 2018, he joined SCASB as Senior System Manager where he was responsible for managing the sales and technical teams of our Group's HVAC automation division. He was subsequently promoted to Business Development Director in January 2019 to lead our Group's HVAC automation division.

He does not have any family relationships and/or associations with any of our Directors, Promoters, substantial shareholders and Key Senior Management of our Group.

He does not sit on the board of directors of any other public companies. Further details of Lo Weng Hoe's involvement in principal business activities and directorships outside of our Group are set out in Section 5.2.4(iv) of this Prospectus.

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

### 5.2.4 Principal directorships or principal business activities outside our Group

Save as disclosed below, none of our Key Senior Management has any other principal business activities performed outside our Group (including principal directorships) in the past 5 years prior to the LPD:

**(i) Tan Choon Seng**

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Nil | | | - | - | - | - | - |
| **Past Involvement** | | | | | | | |
| Greneco (Penang) Sdn Bhd[1] | Director/ Shareholder | 9 February 2024 / (8 September 2025) | Purification and distribution of water for water supply purposes and other construction installation | - | - | 700[2] | 70.00 |
| Matrix Icontrol Sdn Bhd | Director/ Shareholder | 29 May 2020 / (4 November 2025) | Trading and distribution of building automation energy efficient technology products and other related products | 25,000[3] | 16.67 | - | - |
| Siegen Offshore Engineering Sdn Bhd[4] | Director/ Shareholder | 8 May 2013 / (22 October 2021) | Oil and gas engineering contractor | 250 | 25.00 | - | - |

**Notes:**

(1) The company was dissolved on 8 September 2025.

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

(2) Held through Greneco pursuant to Section 8 of the Act.

(3) He disposed of his shares on 26 November 2025.

(4) The company was dissolved on 22 October 2021.

**(ii) Pang Kerk Jin**

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Effective Venture Signature Sdn Bhd(1) | Shareholder | - | Construction of buildings, real estate activities with own or leased property, development of building projects for own operation, i.e. for renting of space in these buildings | 300,000 | 30.00 | - | - |
| **Past Involvement** | | | | | | | |
| EP 4Wheeler Sdn Bhd(2) | Director | 29 August 2022 / (3 December 2024) | Manufacture of passenger cars, parts and accessories for motor vehicles, and export and import of passenger cars | - | - | - | - |
| PEPS-JV (Melaka) Sdn Bhd(3) | Director | 29 August 2022 / (5 November 2024) | Develop, manufacture, fabricate, product, buy, sell and distribute automotive modular components and all related parts for use in motor vehicles, and assembly of motor vehicles | - | - | - | - |

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

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| Fundwin Sdn Bhd(4) | Director | 29 August 2022 / (3 December 2024) | Manufacturing of engineering plastic based automotive components such as engine air intake manifold, fuel rail assemblies and automotive accessories parts | - | - | - | - |
| EP Fintech Sdn Bhd(4) | Director | 29 August 2022 / (13 December 2024) | Manufacture of parts and accessories for motor vehicles | - | - | - | - |
| EP Moulds & Dies (M) Sdn Bhd(4) | Director | 29 August 2022 / (3 December 2024) | Casting of steel | - | - | - | - |
| EP Equity Sdn Bhd(4) | Director | 29 August 2022 / (3 December 2024) | Investment holding of companies | - | - | - | - |
| Q9 Capital Sdn Bhd(2) | Director | 17 October 2022 / (25 March 2025) | Money lending services | - | - | - | - |
| M&E Corporate Tax Sdn Bhd | Director | 5 June 2024 / (18 December 2025) | Consultancy and tax advisory | - | - | - | - |
| M&E Corporate Advisory Sdn Bhd | Director | 5 June 2024 / (18 December 2025) | Provide accounting and related services | - | - | - | - |

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

**Notes:**

(1) As at the LPD, Effective Venture Signature Sdn Bhd is dormant. In addition, there is no conflict of interest as Effective Venture Signature Sdn Bhd is involved in a different nature of business from the Group, i.e. construction of buildings, whereas the Group is involved in the provision of HVAC and fire safety instrumentation solutions, the supply and distribution of HVAC and fire safety instrumentation components and accessories, as well as the provision of water treatment solutions.

(2) An indirect wholly-owned subsidiary of EP Manufacturing Bhd, which is listed on the Main Market of Bursa Securities, through EP Fintech Sdn Bhd.

(3) An indirect wholly-owned subsidiary of EP Manufacturing Bhd, which is listed on the Main Market of Bursa Securities, through PEPS-JV (M) Sdn Bhd.

(4) A wholly-owned subsidiary of EP Manufacturing Bhd, which is listed on the Main Market of Bursa Securities.

**(iii) Liong Chian Yie**

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |

**Present Involvement**

Nil

**Past Involvement**

Nil

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

### (iv) Lo Weng Hoe

| Name of entity / business | Nature of involvement | Directorship / Partnership Date of appointment / (Resignation date) | Principal activities | Direct | | Indirect | |
|---|---|---|---|---|---|---|---|
| | | | | No. of shares | % | No. of shares | % |
| **Present Involvement** | | | | | | | |
| Nil | | | | | | | |
| **Past Involvement** | | | | | | | |
| Atlas Precision Sdn Bhd(2) | Director/ Shareholder | 23 May 2006 / (9 April 2021) | Trading in security and telecommunication equipment and other accessories and undertaking various sub-contracts | 80,000 | 80.00 | 20,000(1) | 20.00 |

**Notes:**

(1) Deemed interested by virtue of the shares held by his spouse pursuant to Section 8 of the Act.

(2) The company was dissolved on 9 April 2021.

The involvement of the abovementioned Key Senior Management in other business activities outside our Group will not affect their contributions to our Group and would not be expected to affect the operations of our Group as the abovementioned Key Senior Management's involvement in other business activities does not require their involvement on a day-to-day basis. Further, this does not give rise to any conflict of interest with our business. They have and will continue to ensure that they would be able to fulfil and discharge their respective duties and responsibilities in our Group effectively.

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

### 5.3 BOARD PRACTICES

According to our Constitution, all the Directors shall retire from office at our Company's first AGM. At the AGM in every subsequent year, an election of Directors shall take place and 1/3 of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office and be eligible for re-election provided always that all Directors shall retire from office at least once in every 3 years but shall be eligible for re-election.

The Directors to retire in each year shall be the Directors who have been longest in office since the Directors' last election, but as between persons who became Directors on the same day, the Directors to retire shall be determined by lot, unless they otherwise agreed among themselves. A retiring Director shall be eligible for re-election at the AGM.

The Directors shall have power from time to time to appoint any person to be a Director to fill a casual vacancy and as an addition to the existing Directors, subject to the total number of Directors not exceeding the maximum number fixed by or in accordance with our Constitution.

The Board will oversee the Anti-Bribery and Corruption Policy in accordance with our Group's Code of Conduct and Ethics, which was adopted on 13 January 2026.

Our Board acknowledges and is aware 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 interests of all shareholders and to govern our Group effectively.

Our Company has adopted the recommendations under the MCCG to have a Board comprising 50% or more of Independent Non-Executive Directors, that our chairman of the Board should not be a member of our ARMC, NC or RC, and to have at least 30% female directors on our Board.

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

### 5.3.1 Directors' term of office

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

| Name | Designation | Date of appointment | Date of expiration of the current term of office | No. of years in office |
|---|---|---|---|---|
| Dato' Chan Choy Lin | Independent Non-Executive Chairperson | 25 February 2026 | At the AGM in 2027 | Less than a year |
| Tan Cheng Eng | Managing Director | 10 October 2025 | At the AGM in 2027 | 1 year |
| Liong Chian Leek | Executive Director | 10 October 2025 | At the AGM in 2028 | 1 year |
| Ho Kok Keong | Independent Non-Executive Director | 6 January 2026 | At the AGM in 2028 | Less than a year |
| Datin Cho Oi Kwan | Independent Non-Executive Director | 24 December 2025 | At the AGM in 2029 | Less than a year |
| Jamilah Binti Kamal | Independent Non-Executive Director | 24 December 2025 | At the AGM in 2029 | Less than a year |

### 5.3.2 Audit and Risk Management Committee

Our ARMC was established on 6 January 2026 and our members are appointed by our Board. Our ARMC comprises of the following members:

| Name | Designation | Directorship |
|---|---|---|
| Datin Cho Oi Kwan | Chairperson | Independent Non-Executive Director |
| Ho Kok Keong | Member | Independent Non-Executive Director |
| Jamilah Binti Kamal | Member | Independent Non-Executive Director |

The main function of our ARMC is to assist our Board in fulfilling its oversight responsibilities relating to accounting and reporting practices as well as risk management policies and strategies and sustainability initiatives of our Group. Our ARMC has full access to both internal and external auditors who in turn have access at all times to the chairperson of our ARMC.

The duties and functions of our ARMC stated in the terms of reference, comprise, amongst others, the following:

**(a) Financial Reporting**

To review the quarterly and annual financial statements of our Group prepared by the management, where necessary, together with the external auditor, focusing particularly on:

(i) Any changes in or implementation of major accounting policy changes;

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

(ii) Significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed;

(iii) Significant adjustments arising from the audit;

(iv) Compliance with accounting standards and other legal requirements; and

(v) Going concern assumption and major judgment areas.

**(b) Risk Management and Internal Control**

(i) To consider and recommend such measures as to be taken by the Board on the adequacy and effectiveness of the internal control system and risk management framework adopted within our Group and to be satisfied that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow our Group to mitigate losses and maximise opportunities;

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

(iii) To review and assess the adequacy of our Group's risk management framework, including determining our Group's risk appetite and tolerance levels, and to ensure that management maintains an appropriate balance between risk and return consistent with the Board's approved parameters;

(iv) To review the adequacy of our Group's business continuity and disaster recovery arrangements to ensure preparedness and resilience against potential operational disruptions;

(v) To ensure that the system of internal control is soundly conceived and in place, effectively administered and regularly monitored;

(vi) To cause reviews to be made of the extent of compliance with established internal policies, standards, plans and procedures;

(vii) To obtain assurance that proper plans for control have been developed prior to the commencement of major areas of change within our Group;

(viii) To recommend to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors and from the consultations of the ARMC itself; and

(ix) To report to the Board any suspected frauds or irregularities, serious internal control deficiencies or suspected infringement of laws, rules and regulations which come to its attention and are of sufficient importance to warrant the attention of the Board.

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

**(c) Internal Audit Function**

(i) To review the effectiveness of internal audit function, including the ability, competency and qualification of the internal audit team and/or outsourced internal auditors (if any) to perform its duties;

(ii) To review the adequacy of the scope, functions competency and resources, and that it has the necessary authority to carry out its work;

(iii) To review and approve the internal audit plan and the internal audit report and, where necessary, ensure that appropriate actions are taken on the recommendations made by the internal audit function;

(iv) To receive and review on a regular basis the reports, findings and recommendations of the internal audit team and/or outsourced internal auditors and to ensure that appropriate actions have been taken to implement the audit recommendations;

(v) To ensure the internal audit team and/or outsourced internal auditors has sufficient resources, able to access required information to perform its duties effectively and function independently;

(vi) To review any matters concerning the employment or appointment (and re-appointment) of the in-house and/or the outsourced internal auditors (as the case may be) and the reasons for resignation or termination of either party; and

(vii) To request and review any special audit which the ARMC deems necessary.

**(d) External Audit**

(i) To review the external auditors' audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and co-ordination of the external auditors;

(ii) To review the annual performance assessment, including the suitability and independence of the external auditors and make recommendations to the Board, the appointment or re-appointment of the external auditors;

(iii) To put in place policy and procedures such as the following considerations, in assessing or determining the suitability and independence of the external auditors, on an annual basis:

- the criteria to guide decisions on the appointment and re-appointment of the external auditor. The criteria should include an assessment of the competence, audit quality and resource capacity of the external auditor in relation to the audit. The assessment should also consider the information presented in the annual transparency report of the audit firm. If the annual transparency report is not available, the ARMC may engage the audit firm on matters typically covered in an annual transparency report including the audit firm's governance and leadership structure as well as measures undertaken by the firm to uphold audit quality and manage risks;
- the adequacy of the experience and resources of the external auditors;
- the external auditor's ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;

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

- to obtain written assurance from the external auditor confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements;
- the nature of the non-audit services provided by the external auditor and fees paid for such services relative to the audit fee; and
- whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the external auditor.

(iv) To review any matters arising concerning the appointment and re-appointment, audit fee and any questions of resignation or dismissal of the external auditors;

(v) To review the external auditor's audit report, and management letter and management's response to the management letter;

(vi) To be advised of significant use of the external auditors in performing non-audit services within our Group, considering both the types of services rendered and the fees, such that their position as auditors are not deemed to be compromised;

(vii) To review the external auditors' findings arising from audits, particularly any comments and responses in audit recommendations as well as the assistance given by the employees of our Group in order to be satisfied that appropriate action is being taken; and

(viii) To review with the external auditors for the Statement on Risk Management and Internal Control of our Group for inclusion in the Annual Report.

**(e) Related Party Transactions/ Conflict of Interest Situations**

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

(ii) To ensure that our Group has adequate internal control procedures and processes in place to monitor and track related party transactions and to review these processes;

(iii) To ensure transacted amounts fall within the mandated amount of recurrent related party (if any) transactions approved by shareholders; and

(iv) To ensure all transactions undertaken within our Group is fair, reasonable and undertaken on our Group's normal commercial terms and is in the best interest of our Group and not detrimental to the minority shareholders;

**(f) ARMC Reports**

To prepare the annual ARMC report to the Board for inclusion in the Annual Report and to review the Board's statements on compliance with the MCCG for inclusion in the Annual Report.

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

**(g) Sustainability Reports**

(i) Overseeing the management of principal business risks and significant/material economic, environmental and social risks and opportunities;

(ii) Ensuring resources and processes are in place to enable the organisation to achieve its sustainability commitments and targets; and

(iii) Reviewing disclosures statements relating to management of sustainability matters of our Group in the Annual Reports.

**(h) Other Matters**

(i) To verify the allocation of options pursuant to the share issuance scheme or the allocation of shares pursuant to any incentive plan for employees of our Group at the end of each financial year as being in compliance with the criteria stipulated in the by-laws related to the share issuance scheme of the Company and make a statement in the Annual Report that such allocation has been verified;

(ii) To exercise its powers and carry out its responsibilities as may be required from time to time under the Anti-Bribery and Corruption Policy and Whistleblowing Policy of our Group;

(iii) To carry out any other function that may be mutually agreed upon by the ARMC and the Board; and

(iv) To prepare and review the audit committee report in accordance with Rule 15.15 of the Listing Requirements.

### 5.3.3 Remuneration Committee

Our Remuneration Committee ("**RC**") was established on 6 January 2026 and our members are appointed by our Board. Our RC comprises of the following members:

| Name | Designation | Directorship |
|---|---|---|
| Ho Kok Keong | Chairperson | Independent Non-Executive Director |
| Datin Cho Oi Kwan | Member | Independent Non-Executive Director |
| Jamilah Binti Kamal | Member | Independent Non-Executive Director |

The main function of our RC is to assist our Board in fulfilling its responsibility on matters relating to our Group's compensation, bonuses, incentives and benefits.

The duties and functions of our RC stated in the terms of reference, comprise of, amongst others, the following:

(i) To review and recommend to the Board the framework of remuneration of the Board and the senior management, taking into account the performance of the individual, the inflation price index and information from independent sources on the rates of salary for similar jobs in selected group of comparable companies. The remuneration framework recommended to the Board should be structured competitively, not excessively and should be sufficient to attract and retain the Board and the senior management of calibre required. The framework should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefit in kind.

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

(ii) To review and determine the annual salary increment, performance bonus, and short term/ long term incentives (including share grant and bonus) for Executive Directors and senior management (if any) depending on various performance measurements of our Group.

(iii) To review and determine the other benefits in kind including but not limited to salary, bonuses, allowances, other emoluments for the Executive Directors and/or senior management (if any).

(iv) To review and make recommendations to the Board in respect of fees and benefits payable to the Directors; fees and any non-contractual benefits payable to the Executive Directors (if any), and any compensation for loss of employment of the Director shall be approved at the general meeting pursuant to Section 230(1) of the Act and Listing Requirements. The concerned Directors' and the person connected with the concerned Directors' should abstain from voting during the general meeting.

(v) The RC shall ensure that the remuneration of Independent Directors is structured in a manner that does not compromise their ability to exercise objective and independent judgment.

(vi) To review our Group's compensation policy and ensure alignment of compensation to corporate performance, and compensation offered in line with market practice.

(vii) To recommend the engagement of external professional advisors to assist and/or advise the RC and the Board, on remuneration matters, where necessary.

(viii) To provide a report summarising its activities for the whole financial year in compliance with the MCCG, Listing Requirements and any relevant regulations, for inclusion in the Company's annual report.

(ix) To consider and examine such other matters as the Board considers appropriate.

### 5.3.4 Nomination Committee

Our Nomination Committee ("**NC**") was established on 6 January 2026 and our members are appointed by our Board. Our NC comprises of the following members:

| Name | Designation | Directorship |
|---|---|---|
| Jamilah Binti Kamal | Chairperson | Independent Non-Executive Director |
| Datin Cho Oi Kwan | Member | Independent Non-Executive Director |
| Ho Kok Keong | Member | Independent Non-Executive Director |

The main function of our NC is to assist our Board in fulfilling its responsibility in nominating new directors to our Board and Board committees and ensure their compositions meet the needs of our Company, and to lead the succession planning of our Board members and assess the performance of our Board and individual Directors of our Company on an on-going basis.

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

The duties and functions of our NC stated in the terms of reference, comprise of, amongst others, the following:

(i) To ensure the composition of the Board is refreshed periodically and the appointment of Directors and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender according to the Fit and Proper Policy adopted by the Company;

*(Note: Each Director shall have the character, experience, integrity, competence and time to discharge their role effectively).*

(ii) The NC shall develop, implement and periodically review a Fit and Proper Policy for the appointment and re-election of Directors;

(iii) The NC may deliberate on, assess, and recommend to the Board any proposed suspension or termination of an Executive Director's service, taking into consideration the circumstances, performance, and the best interest of the Company;

(iv) To assist and regularly review the Board's succession plans, taking into consideration, the present size, structure and composition of the Board and Board committees as well as the required mix of skills, experience and competency required and make recommendations to the Board with regard to any adjustments that are deemed necessary;

(v) To facilitate and evaluate the effectiveness of the Board as a whole, the various Board committees and each individual Director's contribution to the effectiveness on the decision-making process of the Board, including an annual assessment of the Board performance in addressing material sustainability risks and opportunities and ensure that such considerations are appropriately integrated into our Group's strategic and operational decision-making;

(vi) To give full consideration to succession planning for Directors and other Key Senior Management in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;

(vii) To identify and make recommendation to the Board on new candidates for election/appointment to the Board or to fill board vacancies as and when they arise;

(viii) To ensure that orientation and education programmes are provided for new members of the Board, where necessary;

(ix) To annually review and assess the performance of the Board and Key Senior Management in addressing our Group's material sustainability risks and opportunities, ensuring that sustainability considerations are effectively integrated into our Group's strategy, governance, and decision-making processes;

(x) To recommend to the Board concerning the re-election/re-appointment of Director to the Board pursuant to the provisions in the Company's constitution and such re-election/re-appointment of Director shall be contingent on satisfactory evaluation of the director's performance and contribution to the Board;

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

(xi) In determining the process for the identification of suitable candidates, the NC will ensure that an appropriate review is undertaken to ensure the requirement and qualification of the candidate nominated based on a prescribed set of criteria comprising but not limited to the following:

(a) skills, knowledge, expertise and experience;

(b) professionalism;

(c) integrity;

(d) existing number of directorships held;

(e) confirmation of not being an undischarged bankrupt or involved in any court proceedings in connection with the promotion, formation or management of a corporation or involving fraud or dishonesty punishable on conviction with imprisonment or subject to any investigation by any regulatory authority under any legislation;

(f) in the case of candidates being considered for the position of independent director, such potential candidates have the ability to discharge such responsibilities/functions as expected from independent non-executive directors. Amongst others, the potential candidates must fulfil the criteria used in the definition of "independent directors" prescribed by the Listing Requirements and being able to bring independent and objective judgement to the Board; and

(g) if the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the NC should explain why these source(s) suffice and other sources were not used

Where required, the members of the NC would meet up with potential candidates for the position of director to conduct an assessment of the suitability.

*(Note: Our Group practices non-discrimination in any form whether based on age, gender, ethnicity or religion throughout the organisation and this includes the selection of directors).*

(xii) To undertake an annual review of the training programmes attended by the Directors for each financial year as well as the training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends; and

(xiii) To assess on an annual basis, the appointment and re-appointment of independent directors. The tenure of an independent director should not exceed a cumulative term of 9 years according to the MCCG and maximum of 12 years according to the Listing Requirements. After a cumulative term of 9 years, an independent director may continue to serve on the Board as a non-independent director. However, if the Board intends to retain an independent director beyond 9 years, it should provide justification and seek shareholders' approval annually through a two-tier voting process. If in any event, the cumulative term exceeds 12 years, the independent director has to re-designate as non-independent director;

(xiv) To provide a report summarising its activities for the year in compliance with the MCCG, Listing Requirements and any relevant regulations. The report can be incorporated into the corporate governance statement in the annual report or included as a separate report.

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

(xv) The NC shall review the term of office and performance of the ARMC of our Company and each of its members annually to determine whether such committee have carried out their duties in accordance with their terms of reference.

(xvi) To consider and examine such other matters as the Board considers appropriate.

### 5.3.5 Service Contracts

As at the LPD, there are no existing and proposed service contracts entered into or to be entered into between our Group and our Directors or Key Senior Management, which provide for benefits upon termination of employment.

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

### 5.3.6 Shareholdings in our Company

#### (i) Directors

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

| | As at LPD / Before our IPO | | | | After our IPO | | | |
|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect | | Direct | | Indirect | |
| Name | No. of Shares | % [1] | No. of Shares | % | No. of Shares | % [2] | No. of Shares | % |
| Tan Cheng Eng | 285,813,689 | 62.73 | - | - | 249,397,689 | 43.78 | - | - |
| Liong Chian Leek | 160,770,202 | 35.28 | - | - | 140,286,202 | 24.63 | - | - |
| Dato' Chan Choy Lin | - | - | - | - | [3]500,000 | 0.09 | - | - |
| Ho Kok Keong | - | - | - | - | [3]300,000 | 0.05 | - | - |
| Datin Cho Oi Kwan | - | - | - | - | [3]300,000 | 0.05 | - | - |
| Jamilah Binti Kamal | - | - | - | - | [3]300,000 | 0.05 | - | - |

**Notes:**

[1] Based on our issued share capital of 455,625,400 Shares as at LPD / before our IPO.

[2] Based on our enlarged issued share capital of 569,625,400 Shares after our IPO.

[3] Assuming he/she fully subscribes for the Pink Form Shares allocated to him/her.

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

### (ii) Key Senior Management

The direct and indirect shareholdings of our Key Senior Management, before and after our IPO are as follows:

| | As at LPD / Before our IPO | | | | After our IPO | | | |
|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect | | Direct | | Indirect | |
| **Name** | **No. of Shares** | **% [1]** | **No. of Shares** | **%** | **No. of Shares** | **% [2]** | **No. of Shares** | **%** |
| Tan Choon Seng | 5,084,212 | 1.12 | - | - | 5,084,212 | 0.89 | - | - |
| Pang Kerk Jin | - | - | - | - | [3]500,000 | 0.09 | - | - |
| Liong Chian Yie | 1,326,827 | 0.29 | - | - | [3]2,026,827 | 0.36 | - | - |
| Lo Weng Hoe | 1,326,827 | 0.29 | - | - | [3]2,026,827 | 0.36 | - | - |

**Notes:**

[1] Based on our issued share capital of 455,625,400 Shares as at LPD / before our IPO.

[2] Based on our enlarged issued share capital of 569,625,400 Shares after our IPO.

[3] Assuming he fully subscribes for the Pink Form Shares allocated to him.

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## 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 details of the remuneration and material benefits in kind paid and proposed to be paid to our Directors for services rendered to our Group in all capacities for the FYE 2024, FYE 2025, FYE 2026 and FYE 2027 are as follows:

| FYE 2024 (Paid) | Directors' Fee RM'000 | Salary RM'000 | Other emolument [(1)] RM'000 | Bonus RM'000 | Benefits in kind RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| Tan Cheng Eng | - | 321 | 40 | - | - | 361 |
| Liong Chian Leek | - | 321 | 40 | 2 | - | 363 |
| Dato' Chan Choy Lin[(2)] | - | - | - | - | - | - |
| Ho Kok Keong[(3)] | - | - | - | - | - | - |
| Datin Cho Oi Kwan[(4)] | - | - | - | - | - | - |
| Jamilah Binti Kamal[(4)] | - | - | - | - | - | - |

**Notes:**

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

(2) Appointed as an Independent Non-Executive Chairperson of our Company on 25 February 2026.

(3) Appointed as an Independent Non-Executive Director of our Company on 6 January 2026.

(4) Appointed as an Independent Non-Executive Director of our Company on 24 December 2025.

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

| FYE 2025 (Paid) | Directors' Fee RM'000 | Salary RM'000 | Other emolument [1] RM'000 | Bonus RM'000 | Benefits in kind RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| Tan Cheng Eng | - | 328 | 194 | 273 | 21 | 816 |
| Liong Chian Leek | - | 328 | 200 | 326 | 21 | 875 |
| Dato' Chan Choy Lin | - | - | - | - | - | - |
| Ho Kok Keong | - | - | - | - | - | - |
| Datin Cho Oi Kwan | - | - | - | - | - | - |
| Jamilah Binti Kamal | - | - | - | - | - | - |

**Note:**

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

| FYE 2026 (Proposed) | Directors' Fee RM'000 | Salary RM'000 | Other emolument[1] RM'000 | Bonus[2] RM'000 | Benefits in kind RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| Tan Cheng Eng | - | 459 | 177 | 303 | 21 | 960 |
| Liong Chian Leek | - | 433 | 173 | 363 | 21 | 990 |
| Dato' Chan Choy Lin | 18 | - | 4 | - | - | 22 |
| Ho Kok Keong | 15 | - | 5 | - | - | 20 |
| Datin Cho Oi Kwan | 15 | - | 6 | - | - | 21 |
| Jamilah Binti Kamal | 15 | - | 6 | - | - | 21 |

**Notes:**

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

(2) Inclusive bonuses accrued in year 2026 but remain unpaid.

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

| FYE 2027 (Proposed) | Directors' Fee RM'000 | Salary RM'000 | Other emolument[(1)] RM'000 | Bonus[(2)] RM'000 | Benefits in kind RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| Tan Cheng Eng | - | 510 | 197 | - | 21 | 728 |
| Liong Chian Leek | - | 481 | 193 | - | 21 | 695 |
| Dato' Chan Choy Lin | 72 | - | 6 | - | - | 78 |
| Ho Kok Keong | 60 | - | 6 | - | - | 66 |
| Datin Cho Oi Kwan | 60 | - | 6 | - | - | 66 |
| Jamilah Binti Kamal | 60 | - | 6 | - | - | 66 |

**Notes:**

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

(2) Bonuses for the FYE 2027 are not included. Such bonuses, if any, will be determined later depending on the performance of our Group, subject to the recommendation of the RC and approved by our Board.

The remuneration of our Directors, which includes Directors' fees, bonuses and such other allowances as well as other benefits of our Directors, must be considered and recommended by our NC and RC and subsequently be approved by our Board. Our Directors' fees must be further approved / endorsed by our shareholders in a general meeting.

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## 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 (including any contingent or deferred compensation accrued for the year) paid and proposed to be paid to the Key Senior Management for their services rendered in all capacities within our Group for the FYE 2024, FYE 2025, FYE 2026 and FYE 2027 are as follows:

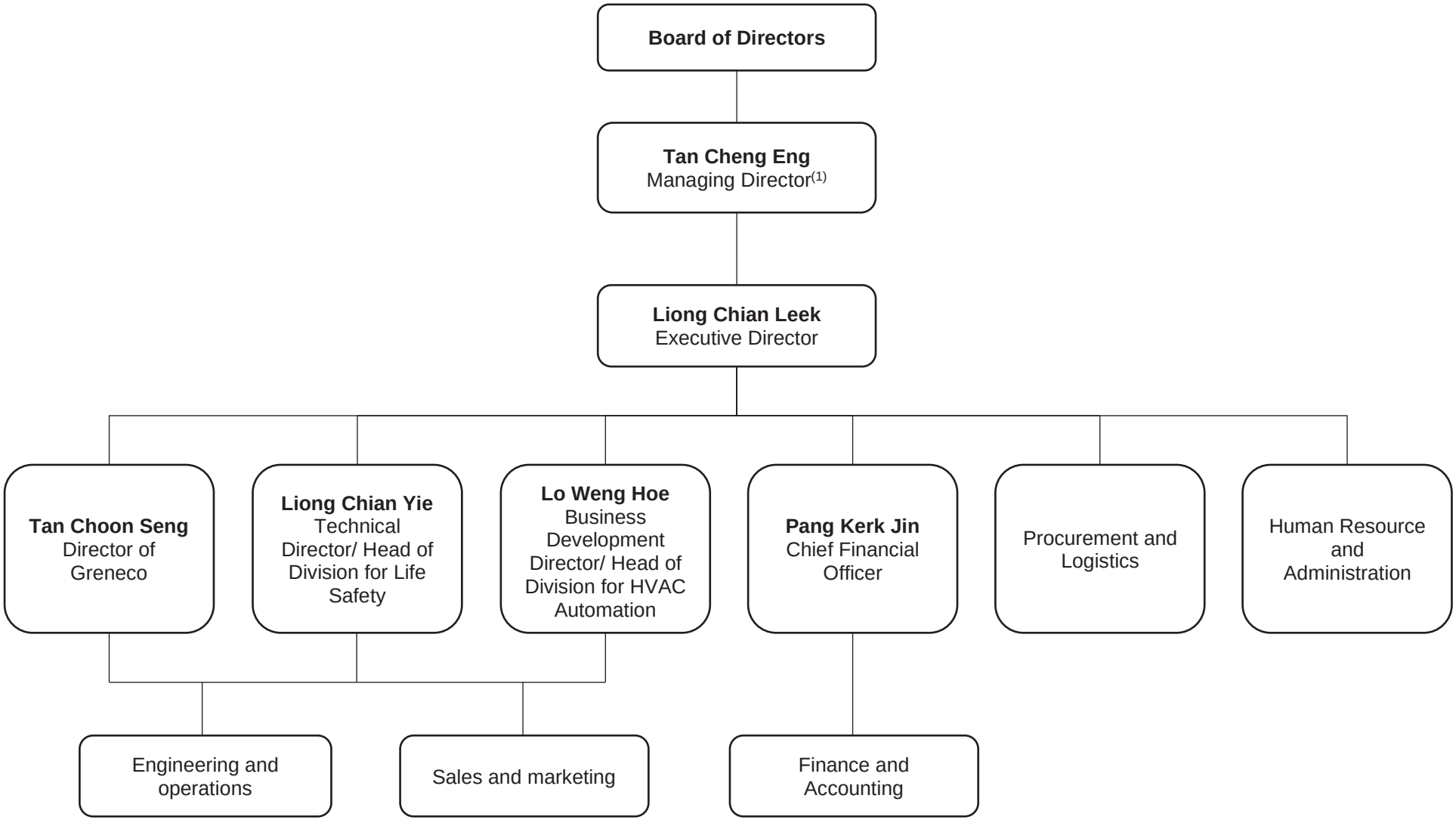
| | Remuneration band (in bands of RM50,000) | | | |
|---|---|---|---|---|
| | FYE 2024 (Paid) | FYE 2025 (Paid) | FYE 2026 (Proposed) | FYE 2027 (Proposed) |
| **Key Senior Management** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Tan Choon Seng | 100 - 150 | 100 - 150 | 100 - 150 | 100 - 150 |
| Pang Kerk Jin | 50 - 100 | 250 - 300 | 300 - 350 | 350 - 400 |
| Liong Chian Yie | 500 - 550 | 550 - 600 | 700 - 750 | 800 - 850 |
| Lo Weng Hoe | 400 - 450 | 500 - 550 | 650 - 700 | 750 - 800 |

There are no material benefits in kind (including any contingent or deferred compensation accrued for the year) paid and proposed to be paid to the Key Senior Management for their services rendered in all capacities within our Group for the FYE 2024, FYE 2025, FYE 2026 and FYE 2027.

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

### 5.5 MANAGEMENT REPORTING STRUCTURE



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

**Note:-**

(1) The Managing Director holds the primary executive responsibility for our Group's internal controls, governance, compliance and risk and the Human Resource and Administration department is assisting him on this.

In addition, the Audit and Risk Management Committee had been set up as at the LPD to monitor the internal control, governance, compliance and risk matters.

### 5.6 DECLARATION FROM OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors and Key Senior Management is or has been involved in any of the following events (whether in or outside Malaysia):

(i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership of which he/she was a partner or any corporation of which he/she was a director or member of Key Senior Management in the last 10 years;

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

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

(iv) any judgment was entered against him/her, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his/her 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/her 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/her from engaging in any type of business practice or activity;

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

(viii) any unsatisfied judgment against him/her.

### 5.7 FAMILY RELATIONSHIPS AND/OR ASSOCIATIONS BETWEEN OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD and save for the relationship between Liong Chian Leek (our Executive Director) and Liong Chian Yie (our Technical Director/ Head of Division for Life Safety), there are no family relationships and associations among our Promoters, substantial shareholders, Directors and Key Senior Management.

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

### 5.8 MANAGEMENT SUCCESSION PLAN

Our Group has implemented a formalised Succession Planning Policy, where we have put in place a process to groom successors to gradually assume the responsibilities of Key Senior Management.

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

- managing financial activities;
- providing leadership and guidance to employees;
- communicating effectively to create and develop relationships;
- knowledge of our Group's industry and business; and
- purchasing and planning.

The NC will review and update the Succession Planning Policy as and when required, and at least once every 3 years. The updated Succession Planning Policy will be tabled to the Board for review and approval.

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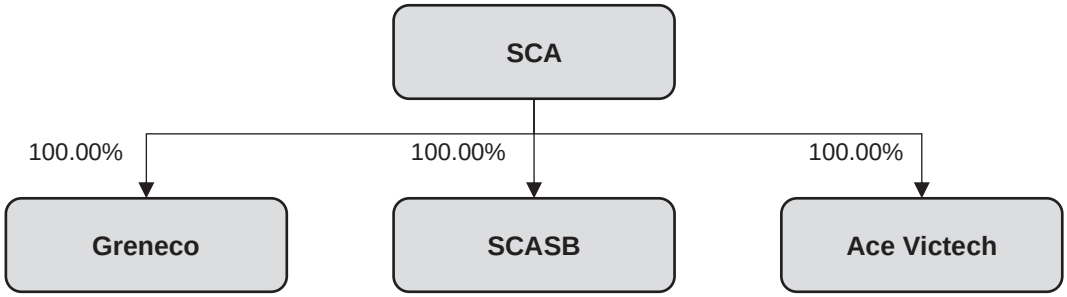
## 6. INFORMATION ON OUR GROUP

### 6.1 HISTORY AND BACKGROUND

Our Company was incorporated in Malaysia under the Act on 10 October 2025 as a private limited company under the name of SCA Solutions Sdn Bhd. On 30 December 2025, our Company was converted into a public limited company and assumed our present name to facilitate our Listing.

Our Company is involved in the activities of holding companies, whilst through our Subsidiaries, our Group is principally involved in the provision of HVAC and fire safety instrumentation solutions as well as supply and distribution of HVAC and fire safety instrumentation components and accessories. Further, our Group is also involved in the provision of water treatment solutions.

Our corporate Group structure after the completion of the Acquisitions and Dividend-in-Specie is as follows:




As at the LPD, our Kayu Ara HQ and our offices are located in Petaling Jaya and Shah Alam, both in Selangor.

Please refer to Section 6.4 of this Prospectus for detailed information on our Subsidiaries.

### 6.2 FORMATION OF OUR GROUP

In conjunction with our Listing, our Group had completed the following pre-IPO restructuring:-

**(i) Dividend-in-Specie**

On 18 December 2025, SCASB had declared 255,000 ordinary shares in Greneco, representing 51.00% equity interest in Greneco, by way of dividend-in-specie to Tan Cheng Eng and Liong Chian Leek.

The said dividend-in-specie had been completed on 29 December 2025 with Tan Cheng Eng and Liong Chian Leek then held 163,200 ordinary shares (representing 32.64%) and 91,800 ordinary shares (representing 18.36%) respectively in Greneco.

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

### (ii) Acquisition of SCASB

On 12 January 2026, SCA entered into the SSA with Tan Cheng Eng and Liong Chian Leek for the acquisition of the entire equity interest in SCASB comprising 500,000 ordinary shares for a total purchase consideration of RM31,977,875.17, which was fully satisfied via the issuance of 117,825,627 new Shares at approximately RM0.2714 per Share in the following proportions:

| Vendors | No. of SCASB shares | Shareholdings in SCASB | Purchase consideration | No. of Shares issued |
|---|---|---|---|---|
| | | % | RM | |
| Tan Cheng Eng | 320,000 | 64.00 | 20,465,840.03 | 75,408,401 |
| Liong Chian Leek | 180,000 | 36.00 | 11,512,035.14 | 42,417,226 |
| **Total** | **500,000** | **100.00** | **31,977,875.17** | **117,825,627** |

The total purchase consideration of RM31,977,875.17 representing approximately the audited net assets of SCASB as at FYE 31 December 2024 of RM31,981,041.00.

The new Shares issued pursuant to the Acquisition of SCASB rank equally in all respects with our existing Shares.

The Acquisition of SCASB had been completed on 23 January 2026 and SCASB is a wholly-owned subsidiary of our Company.

### (iii) Acquisition of Greneco

On 12 January 2026, SCA entered into the SSA with Tan Cheng Eng, Liong Chian Leek, Tan Choon Seng and We Her Shoei for the acquisition of the entire equity interest in Greneco comprising 500,000 ordinary shares for a total purchase consideration of RM956,240.18, which was fully satisfied via the issuance of 3,523,361 new Shares at approximately RM0.2714 per Share in the following proportions:

| Vendors | No. of Greneco shares | Shareholdings in Greneco | Purchase consideration | No. of Shares issued |
|---|---|---|---|---|
| | | (%) | RM | |
| Tan Cheng Eng | 163,200 | 32.64 | 312,116.79 | 1,150,025 |
| Liong Chian Leek | 91,800 | 18.36 | 175,565.67 | 646,889 |
| Tan Choon Seng | 195,000 | 39.00 | 372,933.73 | 1,374,111 |
| We Her Shoei | 50,000 | 10.00 | 95,623.99 | 352,336 |
| **Total** | **500,000** | **100.00** | **956,240.18** | **3,523,361** |

The total purchase consideration of RM956,240.18 representing approximately the audited net assets of Greneco as at FYE 31 December 2024 of RM956,335.00.

The new Shares issued pursuant to the Acquisition of Greneco rank equally in all respects with our existing Shares.

The Acquisition of Greneco had been completed on 23 January 2026 and Greneco is a wholly-owned subsidiary of our Company.

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

### (iv) Acquisition of Ace Victech

On 12 January 2026, SCA entered into the SSA with Tan Cheng Eng, Liong Chian Leek, Lo Weng Hoe and Liong Chian Yie for the acquisition of the entire equity interest in Ace Victech comprising 100,000 ordinary shares for a total purchase consideration of RM486,622.91, which was fully satisfied via the issuance of 1,793,010 new Shares at approximately RM0.2714 per Share in the following proportions:

| Vendors | No. of Ace Victech shares | Shareholdings in Ace Victech | Purchase consideration | No. of Shares issued |
|---|---|---|---|---|
| | | (%) | RM | |
| Tan Cheng Eng | 38,400 | 38.40 | 186,863.24 | 688,516 |
| Liong Chian Leek | 21,600 | 21.60 | 105,110.51 | 387,290 |
| Lo Weng Hoe | 20,000 | 20.00 | 97,324.58 | 358,602 |
| Liong Chian Yie | 20,000 | 20.00 | 97,324.58 | 358,602 |
| **Total** | **100,000** | **100.00** | **486,622.91** | **1,793,010** |

The total purchase consideration of RM486,622.91 representing approximately the audited net assets of Ace Victech as at FYE 31 December 2024 of RM486,671.00.

The new Shares issued pursuant to the Acquisition of Ace Victech rank equally in all respects with our existing Shares.

The Acquisition of Ace Victech had been completed on 23 January 2026 and Ace Victech is a wholly-owned subsidiary of our Company.

### (v) Bonus Issue

On 23 January 2026, our Company had undertaken a bonus issue on the basis of 27 Shares for every 10 existing Shares held. The Bonus Issue had been completed on even date with our share capital increased to RM33,420,740 comprising of 455,625,400 Shares.

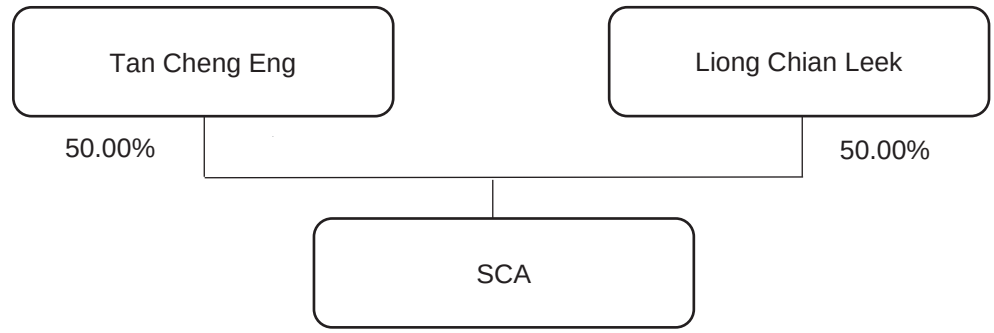
The shareholdings structure of our Company before and after the Bonus Issue is as follows:-

| | Before the Bonus Issue | | After the Bonus Issue | |
|---|---|---|---|---|
| | No. of Shares | % | No. of Shares | % |
| Tan Cheng Eng | 77,246,943 | 62.73 | 285,813,689 | 62.73 |
| Liong Chian Leek | 43,451,406 | 35.28 | 160,770,202 | 35.28 |
| Tan Choon Seng | 1,374,111 | 1.12 | 5,084,212 | 1.12 |
| We Her Shoei | 352,336 | 0.29 | 1,303,643 | 0.29 |
| Lo Weng Hoe | 358,602 | 0.29 | 1,326,827 | 0.29 |
| Liong Chian Yie | 358,602 | 0.29 | 1,326,827 | 0.29 |
| | **123,142,000** | **100.00** | **455,625,400** | **100.00** |

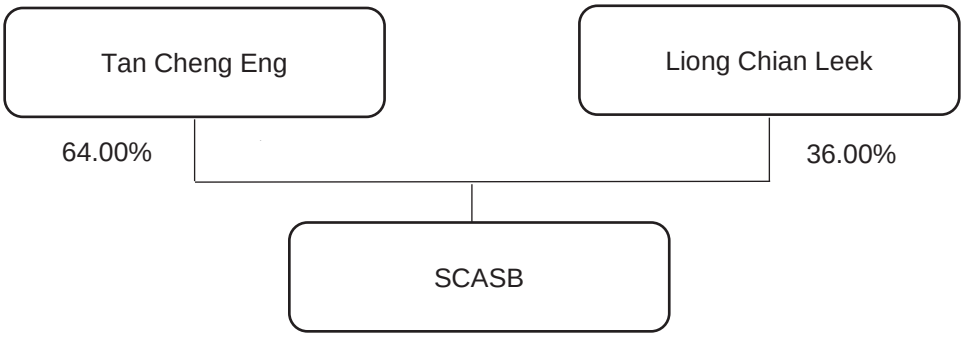
## 6. INFORMATION ON OUR GROUP *(Cont'd)*

An overview of our Group structure before the Acquisitions and Bonus Issue is as follows:-

**SCA**

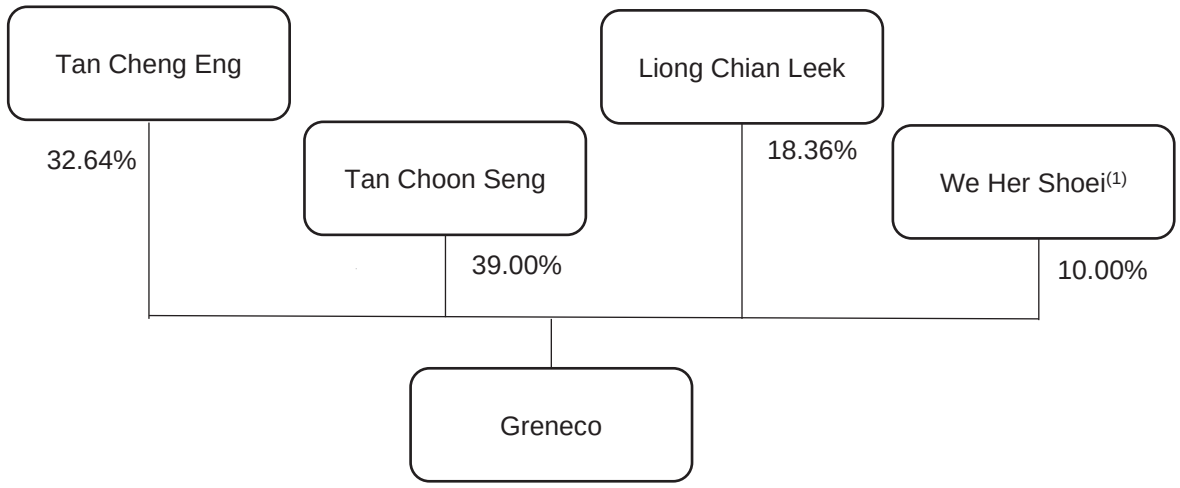



**SCASB**




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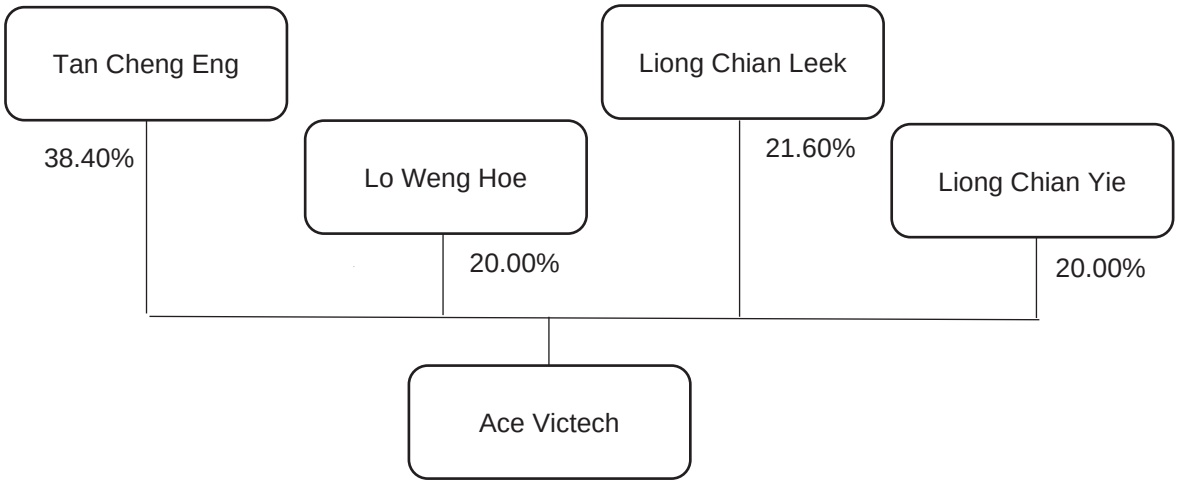
**GRENECO**




**Note:**

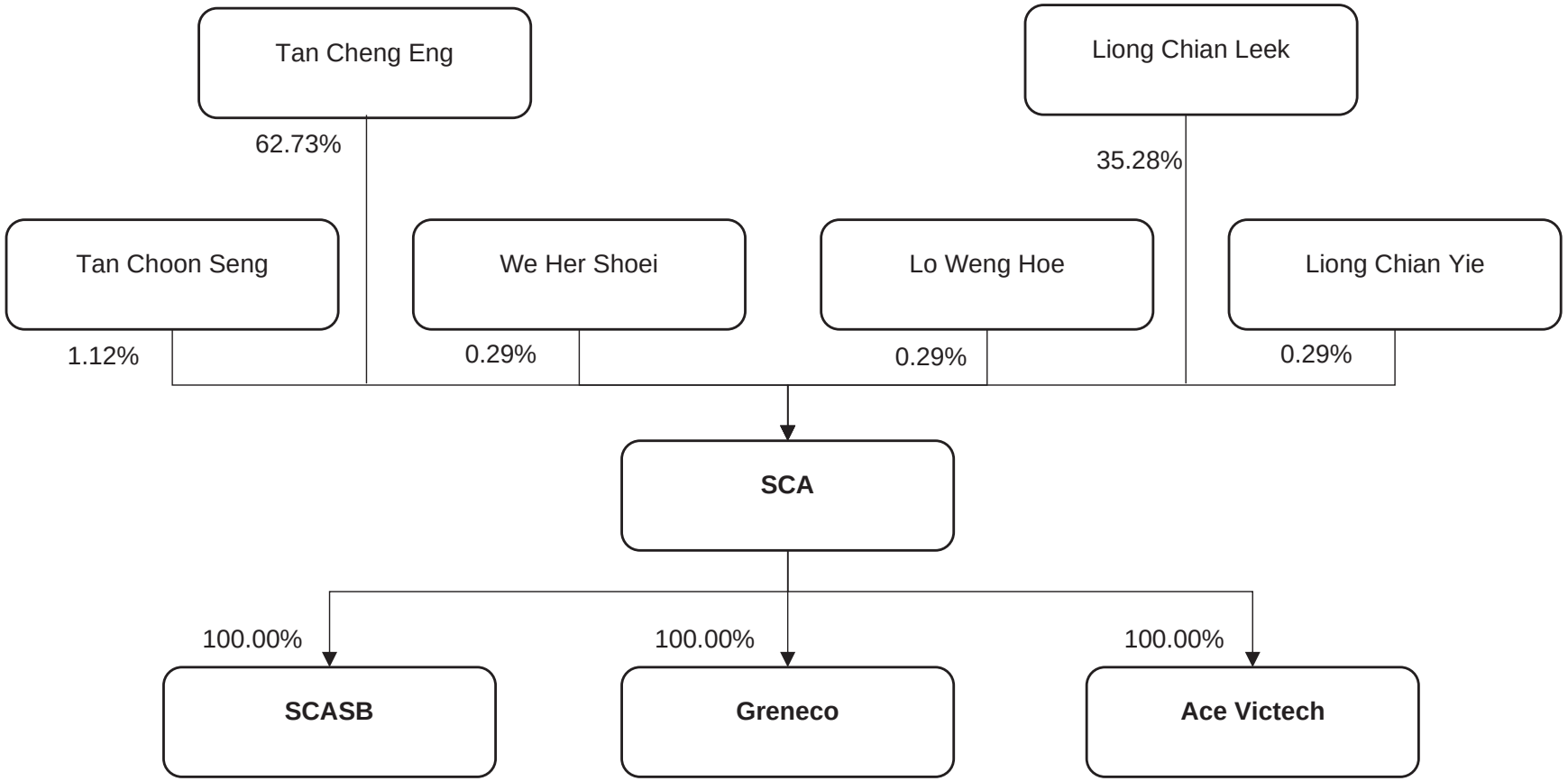
(1) We Her Shoei is a shareholder and employee of Greneco and he does not hold any directorship in our Group.

**ACE VICTECH**



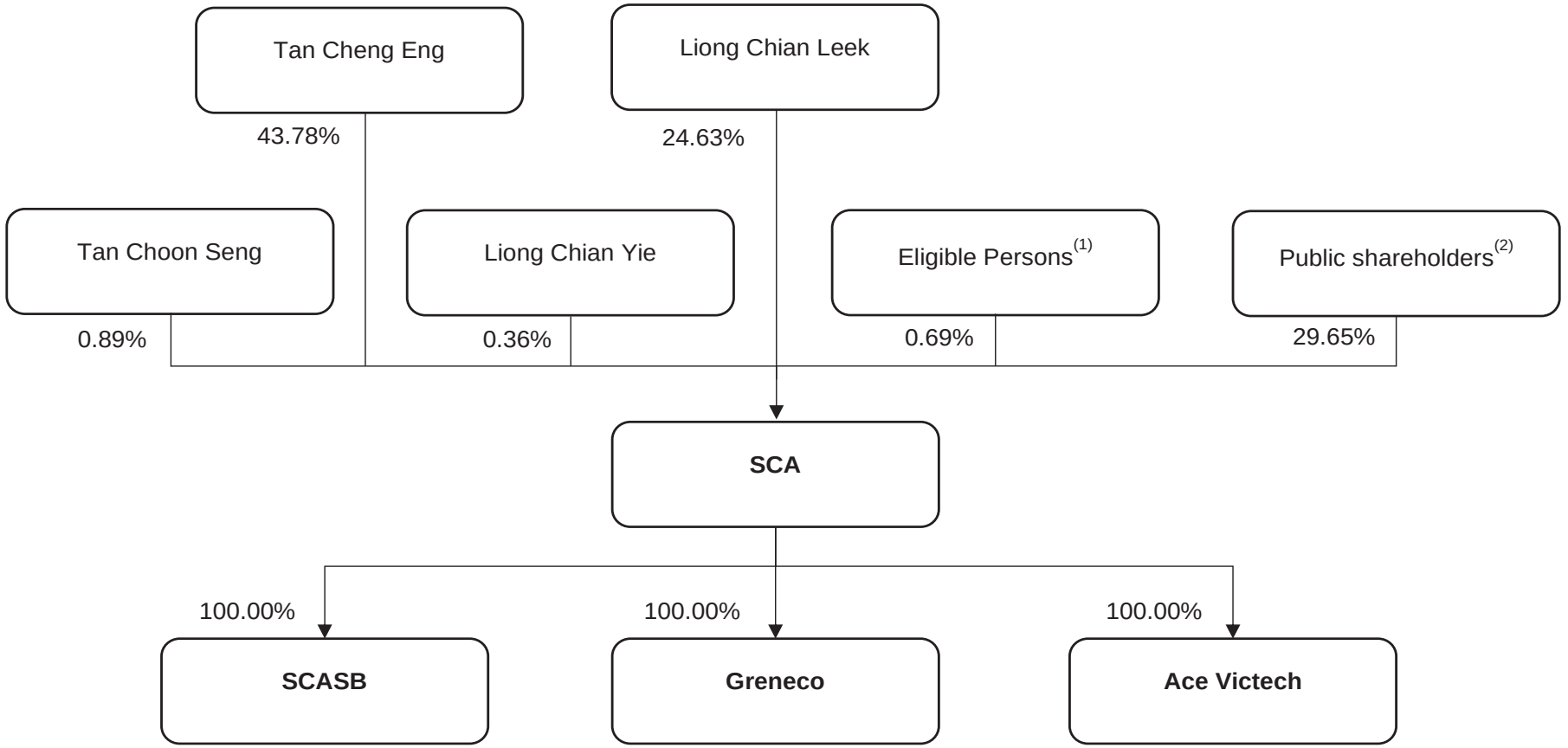
## 6. INFORMATION ON OUR GROUP *(Cont'd)*

An overview of our Group structure after the Acquisitions and Bonus Issue but before the Listing is as follows:-



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

An overview of our Group structure upon the Listing is as follows:-




**Notes:**

(1) Assuming all Eligible Persons will subscribe for the Pink Form Allocations.

(2) Comprising the Malaysian Public, selected Bumiputera investors approved by the MITI and Selected Investors, including We Her Shoei.

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

### 6.3 SHARE CAPITAL

As at the LPD, our issued share capital is RM33,420,740 comprising 455,625,400 Shares, all of which have been issued and fully paid-up.

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

| Date of allotment | No. of Shares allotted | Consideration | Nature of transaction | Cumulative issued share capital | |
|---|---|---|---|---|---|
| | | | | RM | No. of Shares |
| 10 October 2025 | 2 | Cash | Allotment of subscriber's shares | 2 | 2 |
| 22 January 2026 | 123,141,998 | Otherwise than cash | Shares issued as consideration for the Acquisitions | 33,420,740 | 123,142,000 |
| 23 January 2026 | 332,483,400 | Otherwise than cash | Bonus Issue | 33,420,740 | 455,625,400 |

As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital. There were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

Upon Listing, our enlarged issued share capital will be RM63,660,016[(1)] comprising 569,625,400 Shares.

**Note**:

(1) After deducting the estimated listing expenses of approximately RM1.68 million which are directly attributable to the Public Issue.

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

### 6.4 INFORMATION ON OUR SUBSIDIARIES

As at the LPD, the details of our Subsidiaries are as follows:

| Name and Registration No. | Date / Place of incorporation | Issued share capital / RM | Equity interest | Principal activities |
|---|---|---|---|---|
| SCASB (200301019875 (622295-W)) | 21 July 2003/ Malaysia | 500,000 ordinary shares / RM500,000 | 100.00% | Provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories(1) |
| Ace Victech (201801009910 (1271924-A)) | 13 March 2018/ Malaysia | 100,000 ordinary shares / RM100,000 | 100.00% | Provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories(2) |
| Greneco (200801001729 (803013-U)) | 16 January 2008 / Malaysia | 500,000 ordinary shares / RM500,000 | 100.00% | Provision of water treatment solutions |

**Notes:-**

(1) SCASB is primarily involved in larger-scale projects as well as carrying a broader range of higher-specification instrumentation components and accessories for more complex applications.

(2) Ace Victech is primarily involved in smaller-scale projects as well as carrying a more budget-friendly range of instrumentation components and accessories for less complex applications.

As at LPD, our Company does not have any associate companies.

#### 6.4.1 SCASB

SCASB was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 21 July 2003 and is deemed registered under the Act.

It commenced business operations since 2003 and as at LPD, its principal place of business are in Kayu Ara HQ, Kayu Ara Office 1 and Kayu Ara Office 2.

SCASB is principally involved in the provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories.

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

As at the LPD, the issued share capital of SCASB is RM500,000 comprising 500,000 ordinary shares. The movements of SCASB's issued share capital since incorporation are as follows:

| | | | | Cumulative issued share capital | |
|---|---|---|---|---|---|
| **Date of allotment** | **No. of shares allotted** | **Consideration** | **Nature of transaction** | **RM** | **No. of shares** |
| 21 July 2003 | 2 | Cash | Allotment of subscriber's shares | 2 | 2 |
| 6 August 2003 | 99,998 | Cash | Allotment of subscriber's shares | 100,000 | 100,000 |
| 27 April 2006 | 100,000 | Otherwise than cash | Capitalisation from the amount owing to directors | 200,000 | 200,000 |
| 15 November 2007 | 300,000 | Cash | Allotment of subscriber's shares | 500,000 | 500,000 |

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in SCASB.

SCASB is our wholly-owned subsidiary. As at the LPD, SCASB does not have any subsidiary, joint venture or associated company. The directors of SCASB are Tan Cheng Eng and Liong Chian Leek.

### 6.4.2 Ace Victech

Ace Victech was incorporated in Malaysia as a private limited company under the Act on 13 March 2018.

It commenced business operations since 2018 and as at LPD, its principal place of business is in Kayu Ara HQ.

Ace Victech is principally involved in the provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories.

As at the LPD, the issued share capital of Ace Victech is RM100,000 comprising 100,000 ordinary shares.

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

The movements of Ace Victech's issued share capital since incorporation are as follows:

| Date of allotment | No. of shares allotted | Consideration | Nature of transaction | Cumulative issued share capital | |
|---|---|---|---|---|---|
| | | | | RM | No. of shares |
| 13 March 2018 | 2 | Cash | Allotment of subscriber's shares | 2 | 2 |
| 16 April 2018 | 98 | Cash | Allotment of subscriber's shares | 100 | 100 |
| 11 July 2018 | 99,900 | Cash | Allotment of shares | 100,000 | 100,000 |

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Ace Victech.

Ace Victech is our wholly-owned subsidiary. As at the LPD, Ace Victech does not have any subsidiary, joint venture or associated company. The directors of Ace Victech are Tan Cheng Eng and Liong Chian Leek.

### 6.4.3 Greneco

Greneco was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 16 January 2008 and is deemed registered under the Act.

It commenced business operations since 2008 and as at LPD, its principal place of business is in Shah Alam Workshop.

Greneco is principally involved in the provision of water treatment solutions.

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

As at the LPD, the issued share capital of Greneco is RM500,000 comprising 500,000 ordinary shares. The movements of Greneco's issued share capital since incorporation are as follows:

| Date of allotment | No. of shares allotted | Consideration | Nature of transaction | Cumulative issued share capital | |
|---|---|---|---|---|---|
| | | | | RM | No. of shares |
| 16 January 2008 | 3 | Cash | Allotment of subscriber's shares | 3 | 3 |
| 15 April 2008 | 299,997 | Cash | Allotment of subscriber's shares | 300,000 | 300,000 |
| 17 October 2008 | 200,000 | Cash | Allotment of subscriber's shares | 500,000 | 500,000 |

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Greneco.

Greneco is our wholly-owned subsidiary. As at the LPD, Greneco does not have any subsidiary, joint venture or associated company. The directors of Greneco are Tan Cheng Eng and Tan Choon Seng.

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## 7. BUSINESS OVERVIEW

### 7.1 INCORPORATION, HISTORY AND MILESTONES

Our Company was incorporated in Malaysia under the Act on 10 October 2025 as a private limited company under the name SCA Solutions Sdn Bhd. On 30 December 2025, our Company was converted into a public limited company and assumed our present name to facilitate our Listing.

The key events and milestones of our history and development of our business since our incorporation in 2003 are as follows:

| Year | Key events and milestones |
|---|---|
| 2003 | • SCASB was incorporated on 21 July 2003 by Goh Suan Mei and Ching Kah Hing. Goh Suan Mei is the spouse of our Managing Director, Tan Cheng Eng, and was not involved in our business operations; whereas Ching Kah Hing was involved in our business operations until his resignation in 2018.<br><br>• Shortly later on 6 August 2003, our Executive Director, Liong Chian Leek, became a shareholder of SCASB. Please refer to Section 5.1.2(ii) of this Prospectus for the profile of Liong Chian Leek.<br><br>• Led by Liong Chian Leek and Ching Kah Hing, SCASB commenced the distribution of HVAC instrumentation components and accessories in Malaysia, operating out of a space within a shop lot located in Subang Jaya, Selangor, with an approximate built-up area of 2,000 sq. ft. |
| 2006 | • We expanded our range of product offerings as we began to distribute fire safety instrumentation components and accessories. |
| 2007 | • After accumulating several years of experience in distributing HVAC and fire safety instrumentation components and accessories, we expanded our expertise when we were involved in providing HVAC and fire safety instrumentation components and accessories for a commercial building project in Kuala Lumpur, whereby our involvement also included technical consulting where we proposed, procured and supplied the required instrumentation components and accessories in accordance with customer and building/project requirements and specifications, as well as performing testing and commissioning works.<br><br>• As we continued to grow our business, we relocated our business operations from the shop lot in Subang Jaya that we had occupied since 2003, to a larger four-storey shop office in Kayu Ara, Selangor, purchased by us in the same year, with a total built-up area of approximately 6,116 sq. ft. The Kayu Ara HQ has served as our headquarters since the commencement of operations in 2008. |

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## 7. BUSINESS OVERVIEW *(Cont'd)*

| Year | Key events and milestones |
|---|---|
| 2008 | • On 16 January 2008, Greneco was incorporated by Tan Cheng Eng, Kee Hai Lim (who ceased his shareholdings in 2023) and SCASB, to expand our offerings in the M&E segment to provide water treatment solutions for HVAC applications in Malaysia.<br><br>• Shortly later on 15 April 2008, our Director of Greneco, Tan Choon Seng, became a shareholder of Greneco. Please refer to Section 5.2.3(i) of this Prospectus for the profile of Tan Choon Seng. Led by Tan Cheng Eng and Tan Choon Seng, Greneco commenced operations out of a space within a shop office located in Kayu Ara, Selangor with a built-up area of approximately 1,400 sq. ft.<br><br>• On 1 August 2008, SCASB disposed its equity interest in Greneco to Tan Choon Seng, in order to streamline its business, focusing on HVAC and fire safety solutions. |
| 2009 | • We expanded our project portfolio when we were involved in the provision of fire safety instrumentation solutions for an institutional building project, i.e. a government administrative tower in Putrajaya. |
| 2010 | • On 15 April 2010, Tan Cheng Eng became a shareholder of SCASB through the acquisition of equity interest from his spouse, Goh Suan Mei, and Ching Kah Hing, thereby holding 64.00% equity interest of SCASB. The remaining 36.00% was held by Liong Chian Leek, following his acquisition of an additional 12.00% equity interest from Ching Kah Hing on the same day. Following these acquisitions, Tan Cheng Eng and Liong Chian Leek became the sole shareholders of SCASB. Please refer to Section 5.1.2(i) of this Prospectus for the profile of Tan Cheng Eng. |
| 2011 | • We further expanded our project portfolio to the industrial segment when we were involved in providing fire safety instrumentation solutions for an oil and gas processing plant project in Kerteh, Terengganu. |
| 2013 | • As part of our business expansion, we further broadened our project portfolio to the infrastructure segment when we provided fire safety instrumentation solutions for a railway tunnel project in Perak. |
| 2017 | • In line with our business expansion, we acquired an additional four-storey shop office in Kayu Ara, Selangor, known as "Kayu Ara Office 1" with a total built-up area of approximately 6,820 sq. ft. located in close proximity to our Kayu Ara HQ. It provided us with greater space to accommodate our business operations, including product storage and administration operations as we commenced operations in November 2018.<br><br>• We began providing water treatment solutions for HVAC applications to overseas customers in Singapore, marking our first overseas venture. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

| Year | Key events and milestones |
|---|---|
| 2018 | • On 13 March 2018, Ace Victech was incorporated by Goh Suan Mei and Tan Phey Theng, to also undertake the provision of fire safety instrumentation solutions as well as the supply and distribution of fire safety instrumentation components and accessories, primarily focusing on carrying a more budget-friendly range of instrumentation components and accessories for less complex applications. Goh Suan Mei was not involved in our business operations; whereas Tan Phey Theng is the spouse of Liong Chian Leek, and was also not involved in our business operations.<br><br>• Led by Tan Cheng Eng and Liong Chian Leek, Ace Victech began operations from a shop office in Setia Alam, Selangor with an approximate built-up area of 1,500 sq. ft. |
| 2020 | • As our water treatment solution business expanded, we relocated our operations from the office in Kayu Ara that Greneco had occupied since 2008, to a larger shop lot in Shah Alam, Selangor with a total built-up area of approximately 2,700 sq. ft. With greater space, we began to perform in-house assembly works for our provision of water treatment systems. |
| 2021 | • We temporarily moved our Ace Victech operations to another shop office in Setia Alam, Selangor, before subsequently relocating to a shop office in Bukit Jalil, Kuala Lumpur with an approximate built-up area of 1,600 sq. ft. |
| 2023 | • We began providing water treatment solutions for HVAC applications to overseas customers in Indonesia.<br><br>• On 28 November 2023, SCASB became a majority shareholder of Greneco and since then, Greneco has been operating as a subsidiary of SCASB. |
| 2024 | • We expanded our offices in Kayu Ara by acquiring another four-storey shop unit adjacent to Kayu Ara Office 1, known as "Kayu Ara Office 2" with a total built-up area of approximately 6,688 sq. ft to provide us with further space to grow our business. |
| 2025 | • As our water treatment solutions business expanded, we relocated our operations from the shop lot in Shah Alam, Selangor that Greneco had occupied since 2020, to a larger one and a half-storey link factory within the vicinity of Shah Alam, Selangor with a built-up area of approximately 3,132 sq. ft. This relocation has provided us with greater space to facilitate and support the growth of our water treatment solutions business operations.<br><br>• On 6 October 2025, the existing shareholders namely Chew Tong Chee (38.40%)[(1)] and Soh Soon Keong (61.60%)[(2)] transferred their equity interest to Tan Cheng Eng, Liong Chian Leek as well as our Business Development Director/Head of Division for HVAC Automation and Technical Director/Head of Division for Life Safety, namely Lo Weng Hoe and Liong Chian Yie. Following the transfers, Tan Cheng Eng, Liong Chian Leek, Lo Weng Hoe and Liong Chian Yie held equity interests of 38.40%, 21.60%, 20.00% and 20.00%, respectively. Please refer to Sections 5.2.3(iii) and (iv) of this Prospectus for the profiles of Liong Chian Yie and Lo Weng Hoe. In addition, we relocated Ace Victech's operations from the shop office in Bukit Jalil to our Kayu Ara HQ. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

| Year | Key events and milestones |
|---|---|

***Note:-***

(1) *Chew Tong Chee had on 12 August 2025 acquired 38,400 ordinary shares in Ace Victech from Goh Suan Mei. The acquisition was subsequently terminated on 6 October 2025 as Chew Tong Chee was unable to settle the purchase price. The 38,400 ordinary shares in Ace Victech were thereafter transferred back to Goh Suan Mei's spouse, Tan Cheng Eng on 6 October 2025 as part of our Group's effort to streamline our equity structure in preparation for our Listing.*

(2) *Soh Soon Keong had on 12 August 2025 acquired 61,600 ordinary shares in Ace Victech from Tan Phey Theng, Yeon Kai Li and Lo Weng Hoe. The acquisition was subsequently terminated on 6 October 2025 as Soh Soon Keong was unable to settle the purchase price. The 61,600 ordinary shares in Ace Victech were thereafter transferred back to their respective spouses, namely Liong Chian Leek (Tan Phey Theng's spouse) (21,600 ordinary shares), Liong Chian Yie (Yeon Kai Li's spouse) (20,000 ordinary shares) and Lo Weng Hoe (20,000 ordinary shares) on 6 October 2025 as part of our Group's effort to streamline our equity structure in preparation for our Listing.*

In addition to the above key events and milestones, our Group has, since incorporation, gradually entered into and/or obtained distributorship agreements/certificates from principals and authorised distributors, which grant our Group the rights to distribute HVAC and/or fire safety instrumentation components and accessories under the brands of the respective principals or carried by the respective authorised distributors, as detailed below:

| Year obtained | Company | Principal / authorised distributor | Brand | HVAC / fire safety |
|---|---|---|---|---|
| 2003 | Belimo Automation AG | Principal | Belimo | HVAC |
| 2006 | Honeywell International Inc | Principal | Notifier | Fire safety |
| 2006 | Honeywell International Inc | Principal | System Sensor | Fire safety |
| 2007 | Kamstrup Asia Pacific Sdn Bhd | Principal | Kamstrup | HVAC |
| 2011 | ABB Malaysia Sdn Bhd | Principal | ABB | HVAC |
| 2012 | Supplier S | Principal | Supplier S brand | HVAC |
| 2017 | AP Sensing GmbH | Principal | AP Sensing | Fire safety |
| 2017 | Ningbo Siterwell Import & Export Co Ltd | Principal | Siterwell | Fire safety |
| 2018 | Belven Controls Pte Ltd | Principal | Belven | HVAC |
| 2018 | United Protection International Company Limited | Authorised distributor | Protectwell | Fire safety |
| 2020 | Weihai Ploumeter Co Ltd | Principal | Ploumeter | HVAC |
| 2021 | Honeywell International Inc | Principal | Xtralis | Fire safety |
| 2025 | Geartech Automation (M) Sdn Bhd | Authorised distributor | Revcon | HVAC |

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.2 PRINCIPAL BUSINESS ACTIVITIES

We are an M&E solution provider, specialising in the provision of HVAC and fire safety instrumentation solutions as well as supply and distribution of HVAC and fire safety instrumentation components and accessories. We are also involved in the provision of water treatment solutions for HVAC applications. Our principal business activities are segmented as follows:

#### I. HVAC and fire safety solutions

Under our HVAC and fire safety segment, we are involved in the:

- Provision of HVAC and fire safety instrumentation solutions; and
- Supply and distribution of HVAC and fire safety instrumentation components and accessories.

HVAC refers to a system used in buildings or infrastructures to control ambient environment such as regulating temperature, humidity level as well as air quality which are crucial for comfort, health and safety of occupants. A HVAC system typically consists of a network of components and accessories including air conditioners, heat and water pumps, air handlers, humidifiers, chillers, metering devices, control panels and valves, as well as other HVAC components and accessories. Our HVAC solutions encompass the provision of instrumentation components and accessories intended for temperature as well as water flow detection, measurement, monitoring and control within a HVAC system.

Fire safety refers to a system used in buildings or infrastructures to detect, signal and suppress fire-related emergencies as well as to facilitate evacuation, which are crucial to safeguard the lives of occupants as well as minimise property damages. A fire safety system typically consists of a network of components and accessories including heat/smoke detectors, fire alarms, fire alarm control panels, pumps, fire sprinkler systems as well as other fire safety components and accessories. Our fire safety solutions encompass the provision of instrumentation components and accessories intended for the detection and alarm of fire hazards within a fire safety system.

Instrumentation components and accessories supplied by our Group as part of our instrumentation solutions are provided to our customers undertaking building or infrastructure projects, whereas instrumentation components and accessories provided by our Group as part of our supply and distribution business are on a standalone basis, both of which are undertaken primarily through purchase orders secured from customers.

For our instrumentation solutions, throughout our customers' project period, we may continue to receive additional purchase orders for the supply of instrumentation components and accessories as well as testing and commissioning works, which leads to the continuation as well as the increase in total order value of our respective HVAC and/or fire safety instrumentation solution projects. However, there is no assurance that we will continue to receive purchase orders from our customers despite the continuation of their projects, as they are not obliged to source the necessary components and accessories from us in view of the absence of a formal contract or letter of award. Nevertheless, as we are already supplying instrumentation components and accessories for these projects, it provides us with a competitive edge to continue securing purchase orders from these customers to support their projects, as continuing to source from an existing supplier may streamline their sourcing process and facilitate the overall coordination of subsequent testing and commissioning works.

Please refer to Section 7.2.1 of this Prospectus for details of our solutions and product/service offerings.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### II. Water treatment solutions

We also provide water treatment solutions, which, as at the LPD, are for HVAC applications. HVAC water treatment involves the process of managing and maintaining the quality of circulating water within HVAC systems, which is essential for the removal of impurities such as dirt, debris and contaminants/microorganisms from circulating water to maximise heat transfer efficiency, minimise energy and water consumption as well as to prevent water corrosion, thereby ensuring optimal operational efficiency and performance. Our water treatment solutions include the provision of water treatment systems, supply of chemical solutions for water treatments as well as water treatment system maintenance services.

As an M&E solution provider covering HVAC and fire safety as well as water treatment solutions segments, our solutions encompass our Group's technical capabilities in understanding and analysing our customers' needs to deliver HVAC, fire safety and water treatment solutions according to our customers' requirements and specifications. Our business activities can be summarised as below:

| | **HVAC and fire safety segment** | | **Water treatment solutions segment** *(for HVAC applications)* |
|---|---|---|---|
| | Provision of HVAC and fire safety instrumentation solutions | Supply and distribution of HVAC and fire safety instrumentation components and accessories | |
| **Expertise / Product and services** | • Technical consulting<br>• Procurement and supply<br>• Testing and commissioning | • HVAC and fire safety instrumentation components and accessories on a standalone basis | • Provision of water treatment systems<br>• Supply of chemical solutions for water treatments<br>• Water treatment system maintenance services |
| **Customers** | • M&E contractors | • HVAC and fire safety product manufacturers<br>• M&E contractors<br>• Distributors | • M&E contractors<br>• Property operators/owners |
| **Geographical market** | • Malaysia | • Malaysia | • Malaysia<br>• Singapore<br>• Indonesia |

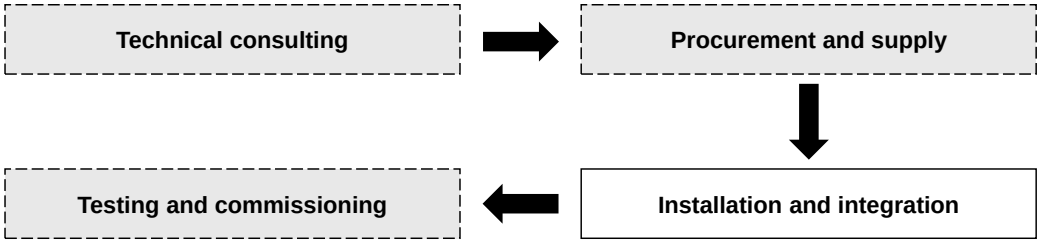
### 7.2.1 Details of our solutions

#### (I) Provision of HVAC and fire safety instrumentation solutions

We are involved in the technical consulting, procurement and supply, as well as testing and commissioning of HVAC and fire safety instrumentation in accordance with our customers' specifications and project/building requirements. For the Financial Years / Period Under Review, the sales from our provision of HVAC and fire safety instrumentation solutions contributed 62.40%, 60.30%, 69.44%, 71.44% and 74.40% to our total revenue, respectively. Please refer to Section 7.3.1 of this Prospectus for details of our revenue segmentation by principal business activities.

## 7. BUSINESS OVERVIEW *(Cont'd)*

Our expertise in our provision of HVAC and fire safety instrumentation solutions are as set out below:




**Note:**

- ⌜ ⌝ denotes the segments of involvement of our Group

(i) Technical consulting

We leverage on our technical expertise to analyse the preliminary system design drawings, design requirements and technical specifications provided by project consultants, which define the functional and performance requirements of HVAC and fire safety systems based on the operational needs of different buildings or infrastructure projects. While we are not involved in the design of HVAC and fire safety systems, we provide technical consulting to project consultants to support the preparation of their system design, including proposing the required instrumentation components and accessories, preparing the system layout and installation/integration plan with other components where necessary, to ensure operational efficiency and alignment with our customers' expectations.

Our provision of technical consulting does not require any certifications or qualifications, but is backed by our extensive knowledge and experience accumulated over the years. Technical consulting is carried out in-house by our engineering and operations department at the pre-sales stage, led by our Managing Director, Tan Cheng Eng and our Executive Director, Liong Chian Leek. Please refer to Sections 7.5.1 and 5.1.2 for details of our operational process flow and profiles of Tan Cheng Eng and Liong Chian Leek respectively. As at the LPD, our engineering and operations department comprises 42 employees, of whom 37 hold engineering degrees or certifications.

(ii) Procurement and supply

We procure the required HVAC and fire safety instrumentation components and accessories from our network of suppliers, comprising principals (i.e. product brand owners), authorised distributors that are appointed by principals to distribute and sell their products, as well as general parts and components suppliers for the supply of general parts and components including electrical components, mimic panels, thermometers and pipes. Please refer to Section 7.2.1(II) for further details of our network of suppliers whom we have entered into and/or obtained distributorship agreements/certificates from, for the distribution of HVAC and fire safety instrumentation components and accessories.

The procurement of HVAC and fire safety instrumentation components and accessories is based on our proposal during the technical consulting stage and agreed upon with customers. These HVAC and fire safety instrumentation components and accessories are then supplied to our customers for installation and integration, which we are not involved in.

**7. BUSINESS OVERVIEW *(Cont'd)***

The procurement of HVAC and fire safety instrumentation components and accessories is primarily carried out based on our customers' project requirements, according to the quantities of instrumentation components and accessories required, which are primarily based on purchase orders received from customers. Nonetheless, we also maintain an inventory of frequently purchased HVAC and fire safety instrumentation components and accessories at our premises. Having an inventory of ready stock enables our Group to fulfil our customers' orders promptly.

We generally procure HVAC and fire safety instrumentation components and accessories in line with our customers' project timelines, with the components and accessories delivered to our premises prior to delivery to our customers' building/project sites, or directly from suppliers to our customers' building or project sites. The lead time from procurement to product delivery typically ranges from 2 to 3 months.

(iii) Testing and commissioning

We undertake testing and commissioning works upon the completion of installations/integrations works by our customers. Testing works are carried out to ensure that our HVAC and fire safety instrumentations are fully operational and function in accordance with our customers' as well as building/project requirements. Our testing activities include functional tests, as well as integration tests with other M&E systems and components, which are generally conducted in-house by our Group. Depending on delivery timelines, if required, we may also engage subcontractors to conduct testing works along with our in-house personnel to ensure timely completion. In the event of any failures during testing and commissioning, we will investigate the causes of such failures with our customers. If the failures are due to defects in the components and accessories provided by us, we will liaise with the respective suppliers to arrange for the replacement of the defective products for our customers. Please refer to Section 7.2.5 for further details of warranty provided by our Group. On the other hand, if the failures are attributed to installation/integration defects by our customers, our customers will be responsible for such failures.

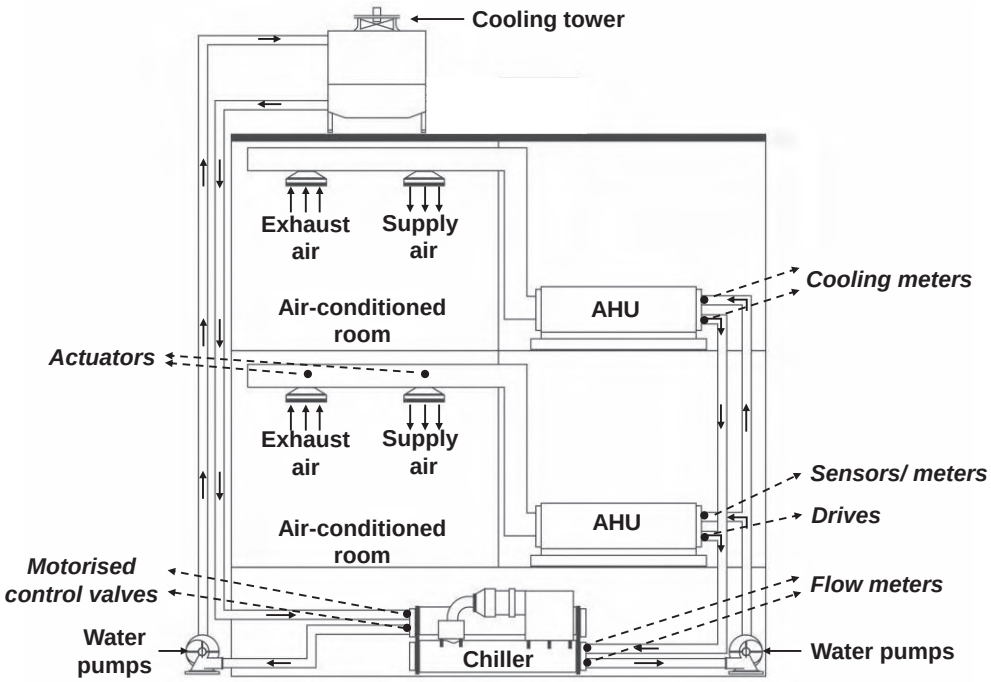
Upon successful completion of instrumentation testing, the HVAC and fire safety instrumentations are commissioned and handed over to our customers. Our HVAC and fire safety instrumentations do not require approvals or inspections from authorities for the commissioning of HVAC and fire safety systems.

Our HVAC and fire safety instrumentation solutions may be provided to customers either as an integrated package or as standalone solutions, depending on customers' and their project requirements.

For illustration purposes, the followings set out simplified layout examples of a HVAC system and a fire safety system, with indication of HVAC and fire safety instrumentation components and accessories which we can supply as part of our HVAC and fire safety instrumentation solutions.

## 7. BUSINESS OVERVIEW *(Cont'd)*

- HVAC system



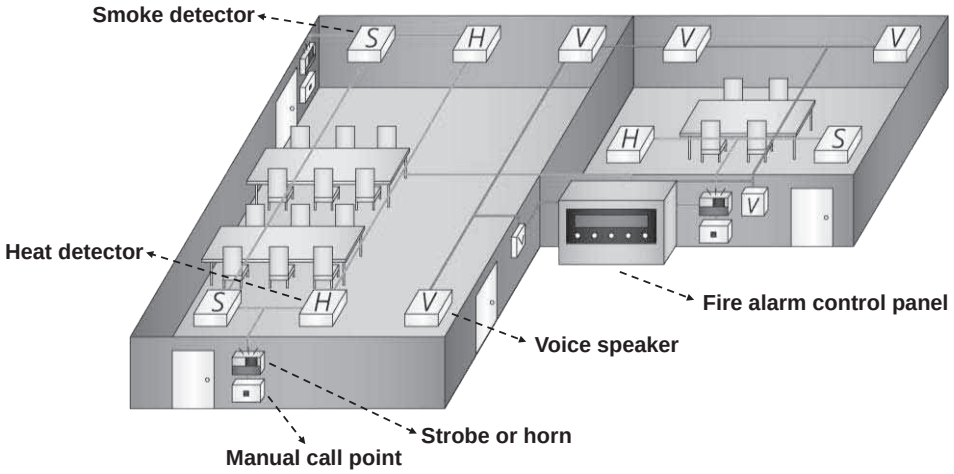

**Notes:**

⇢ illustrates the locations within a HVAC system where our HVAC instrumentation components and accessories may be installed.

- The HVAC instrumentation components and accessories illustrated above are examples of the products supplied by us and are not intended to be exhaustive.

The HVAC system comprises key HVAC instrumentation components and accessories, including but not limited to, actuators, motorised control valves, flow meters, cooling meters, drives as well as other sensors and meters. Please refer to Sections 7.2.1(II) of this Prospectus for further details of HVAC instrumentation components and accessories that we supply.

- Fire safety system



## 7. BUSINESS OVERVIEW *(Cont'd)*

**Notes:**

⇢ illustrates the locations within a fire safety system where our fire safety instrumentation components and accessories may be installed.

- The fire safety instrumentation components and accessories illustrated above are examples of the products supplied by us and are not intended to be exhaustive.

The fire safety system comprises key fire safety instrumentation components and accessories, including but not limited to, fire alarm control panel, heat detectors, smoke detectors, strobes or horns, manual control points and voice speakers. Please refer to Section 7.2.1(II) of this Prospectus for further details of fire safety instrumentation components and accessories that we supply.

### (II) Supply and distribution of HVAC and fire safety instrumentation components and accessories

Apart from our involvement in the provision of HVAC and fire safety instrumentation solutions for our customers' projects (i.e. primarily based on purchase orders received from customers for each project), we also supply and distribute a wide variety of HVAC and fire safety instrumentation components and accessories on a standalone basis. These instrumentation components and accessories are sold independently to our customers, for the manufacturing of HVAC and fire safety products as well as to intermediaries for onward sales to their customers and to end-users for construction, renovation and retrofitting activities. Please refer to Section 7.2.2 of this Prospectus for details of our customers. For the Financial Years / Period Under Review, the sales from our supply and distribution of HVAC and fire safety instrumentation components and accessories contributed 28.15%, 30.18%, 24.06%, 20.32% and 16.52% to our total revenue, respectively. Please refer to Section 7.3.1 of this Prospectus for details of our revenue segmentation by principal business activities.

We source HVAC and fire safety instrumentation components and accessories primarily from principals (i.e. product brand owners), who are mostly multinational companies that design, develop and manufacture the instrumentation components and accessories. Additionally, we also source HVAC and fire safety instrumentation components and accessories from authorised distributors who are appointed by principals to distribute and sell their products. Our Group enters into distributorship agreements and/or obtains distributorship certificates to distribute products of our principals and authorised distributors. Certain principals and authorised distributors require our Group to enter into distributorship agreements to confer the rights to distribute their products, while others grant such rights solely through the issuance of distributorship certificates. As at the LPD, we entered into and/or obtained non-exclusive distributorship agreements/certificates from 11 principals and 2 authorised distributors, under which we are granted the rights to distribute their products. Our distributorship agreements/certificates with these principals and authorised distributors of HVAC and fire safety instrumentation components and accessories generally have a validity period of 1 to 3 years, which are subject to annual renewal upon expiry, or continue to remain valid until termination by either party.

## 7. BUSINESS OVERVIEW *(Cont'd)*

The details of these principals and authorised distributors are as follows:

| Brands | Products carried |
|---|---|
| **HVAC** | |
| **Belimo**<br><br>Headquarter: Switzerland<br><br>Our Group has been an authorised distributor of the principal since 2003. | • Damper actuators<br><br>Instrumentations that control the movement and positioning of dampers to regulate and control the rate and direction of airflow in a HVAC system. We offer several types of damper actuators under Belimo brand, such as non-fail-safe damper actuators, fail-safe damper actuators, outdoor protected damper actuators, quick running damper actuators, linear damper actuators as well as fire and smoke damper actuators.<br><br>• Motorised control valves<br><br>Instrumentations that regulate and control the flow rate and direction of fluids in a HVAC system. We offer several types of motorised control valves under Belimo brand, such as characterised as well as pressure independent control valves, motorised butterfly valves, motorised ball valves, motorised globe valves and energy valves.<br><br>• Sensors/meters<br><br>Instrumentations that detect and measure changes in temperature, humidity, air pressure, water leaks, carbon dioxide level or volatile organic compounds in a HVAC system. We offer several types of sensors/meters under Belimo brand, such as duct sensors, pipe sensors, outdoor sensors, room sensors, thermal energy sensors and gas monitors. |
| **Kamstrup**<br><br>Headquarter: Denmark<br><br>Our Group has been an authorised distributor of the principal from 2007 until 2020 and subsequently re-appointed as an authorised distributor in 2024. | • Heat/cooling meters<br><br>Instrumentations that use ultrasonic technology to measure the energy consumption level in a HVAC system. We offer one type of heat/cooling meter under Kamstrup brand.<br><br>• Digital water meters<br><br>Instrumentations that use ultrasonic technology to measure the flow rate and consumption level of water in a HVAC system. We offer one type of digital water meter under Kamstrup brand. |
| **ABB**<br><br>Headquarter: Switzerland<br><br>Our Group has been an authorised distributor of the principal since 2011. | • Drives<br><br>Also referred to as variable speed drives, are instrumentations that control the speed and power consumption of electric motors used in a HVAC system, with the aim to optimise energy consumption and enhance energy efficiency. We offer one type of drive under ABB brand. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

| Brands | Products carried |
|---|---|
| **Supplier S brand**<br><br>Headquarter: Germany<br><br>Our Group has been an authorised distributor of the principal since 2012. | • Electromagnetic flow sensors and transmitters<br><br>Instrumentations that use electromagnetic technology to measure the rate of water flow in a HVAC system. We offer one type of electromagnetic flow sensor and transmitter under Supplier S' brand. |
| **Belven**<br><br>Headquarter: Belgium<br><br>Our Group has been an authorised distributor of the principal since 2018. | • Mechanical valves<br><br>Instrumentations that regulate and control the flow rate and direction of fluids in a HVAC system. We offer several types of valves under Belven brand, such as butterfly valves, ball valves, check valves and gate valves. |
| **Ploumeter**<br><br>Headquarter: China<br><br>Our Group has been an authorised distributor of the principal since 2020. | • Digital water meters<br><br>Instrumentations that use ultrasonic technology to measure the flow rate and consumption level of water in a HVAC system. We offer one type of digital water meter under Ploumeter brand. |
| **Revcon**<br><br>Headquarter: Germany<br><br>Our Group has been an authorised sub-distributor of Geartech Automation (M) Sdn Bhd, which is an authorised distributor that grants us distribution rights for Revcon-branded HVAC instrumentation components and accessories since 2025. | • Harmonic filters<br><br>Instrumentations that minimise or eliminate electrical frequency distortion in power systems of HVAC systems from interferences or damages, by filtering out unwanted harmonic currents. We offer several types of harmonic filters under Revcon brand, such as active harmonic filters and passive harmonic filters. |
| **Fire safety** | |
| **Notifier**<br><br>Headquarter: United States of America ("**USA**")<br><br>Our Group has been an authorised distributor of the principal since 2006. | • Addressable fire alarm and voice evacuation systems<br><br>Systems that comprise instrumentations that detect and identify the exact location of a triggered alarm and utilise live voice messages to guide and facilitate evacuation during fire emergencies. We offer several types of components and accessories for addressable fire alarm and voice evacuation systems under Notifier brand, such as duct smoke detectors, photoelectric smoke detectors, heat detectors, manual call points, fire alarm control panels, smoke control stations, horns, strobes and dome bells. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

| Brands | Products carried |
|---|---|
| **System Sensor**<br><br>Headquarter: USA<br><br>Our Group has been an authorised distributor of the principal since 2006. | • Conventional fire safety detectors<br><br>Instrumentations that detect and indicate the general zone of a building where smoke is detected. We offer several conventional fire safety detectors under System Sensor brand, such as audios visual notification devices, beam smoke detectors, carbon monoxide detectors, heat detectors and spot smoke detectors. |
| **Siterwell**<br><br>Headquarter: China<br><br>Our Group has been an authorised distributor of the principal since 2017. | • Battery-powered smoke alarms<br><br>Instrumentations that operate on batteries which sound a loud warning when smoke is detected. We offer several types of battery-powered smoke alarms under Siterwell brand, such as photoelectric battery powered smoke alarms and 10-year wireless battery powered smoke alarms. |
| **AP Sensing**<br><br>Headquarter: Germany<br><br>Our Group has been an authorised distributor of the principal since 2017. | • Linear heat detectors (fibre optic type)<br><br>Instrumentations that monitor and detect changes in temperature along the length of fibre optic cables. We offer one type of linear heat detector under AP Sensing brand.<br><br>• Distribute acoustic sensing ("**DAS**") detectors (fibre optic type)<br><br>Instrumentations that monitor and detect changes in acoustic vibrations, such as sounds, movements and pressure changes, along the length of fibre optic cables. We offer one type of DAS detector under AP Sensing brand. |
| **Protectwell**<br><br>Headquarter: China<br><br>Our Group has been an authorised sub-distributor of United Protection International Company Limited, which is an authorised distributor that grants us distribution rights for Protectwell-branded fire safety instrumentation components and accessories since 2018. | • Addressable fire alarm and voice evacuation systems<br><br>Systems that comprise instrumentations that detect and identify the exact location of a triggered alarm and utilise live voice messages to guide and facilitate evacuation during fire emergencies. We offer several types of components and accessories for addressable fire alarm and voice evacuation systems under Protectwell brand, such as fire alarm control panels, duct smoke detectors, beam detectors, flame detectors, linear heat detectors, fireman intercoms, manual call points, fire audible and visual alarms. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

| Brands | Products carried |
|---|---|
| **Xtralis**<br><br>Headquarter: Ireland<br><br>Our Group has been an authorised distributor of the principal since 2021. | • Aspirating smoke detection systems<br><br>Also referred to as high sensitivity smoke detection systems that continuously draw in air samples to detect smoke particles before they become visible. We offer one type of aspirating smoke detection system under Xtralis brand, which is available in various sensitivity, coverage areas, panel and pipe configurations, amongst others. |

Furthermore, if required, we may also source HVAC and fire safety instrumentation components and accessories that we do not carry or which we are not appointed as an authorised distributor or sub-distributor, to which we will source the instrumentation components and accessories from the respective authorised distributors or suppliers.

The procurement of HVAC and fire safety instrumentation components and accessories sold on a standalone basis is primarily carried out on a per-order basis, according to the quantities of instrumentation components and accessories required by our customers. Nonetheless, we also maintain an inventory of frequently purchased HVAC and fire safety instrumentation components and accessories at our premises which we may deliver directly to our customers subject to availability of the required quantities. Having an inventory of ready stock enables our Group to fulfil our customers' orders promptly.

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## 7. BUSINESS OVERVIEW *(Cont'd)*

### (III) Provision of water treatment solutions

Our Group is also involved in the provision of water treatment solutions, which, as at the LPD, are for HVAC applications. Our water treatment solutions comprise the provision of water treatment systems, supply of chemical solutions for water treatments as well as water treatment system maintenance services. For the Financial Years / Period Under Review, the sales from our provision of water treatment solutions contributed 9.45%, 9.52%, 6.50%, 8.24% and 9.08% to our total revenue, respectively. Please refer to Section 7.3.1 of this Prospectus for details of our revenue segmentation by principal business activities.

We are involved in the provision of water treatment systems, offering end-to-end services which include the design, procurement, assembly, installation and commissioning of water treatment systems for integration into both new and existing HVAC systems for our customers. We leverage on our technical expertise to analyse and assess our customers' requirements and HVAC system specifications, to design and assemble water treatment systems tailored to best suit our customers' needs. We procure the necessary components and accessories for assembly and installation, as well as conduct system testing such as functional tests and integration tests within HVAC systems to ensure proper functionality of our water treatment systems prior to commissioning.

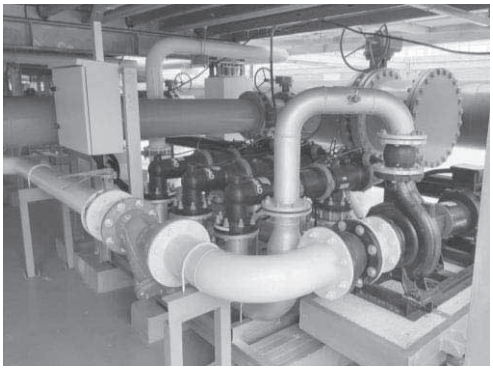
In addition, we provide our water treatment systems along with a data logger software, for real-time data collection, system monitoring and performance tracking to monitor the quality of circulating water within HVAC systems.

For the Financial Years / Period Under Review, we have been involved in the provision of water treatment systems for HVAC applications at various facilities, with examples and pictures shown below:

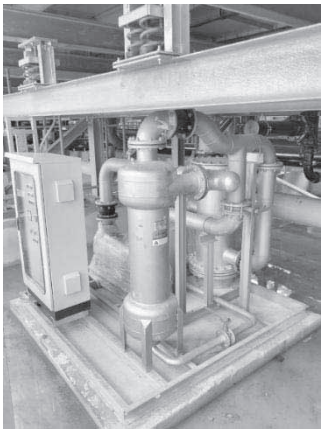
Data centre in Johor



Industrial plant in Singapore



Institutional building in Singapore

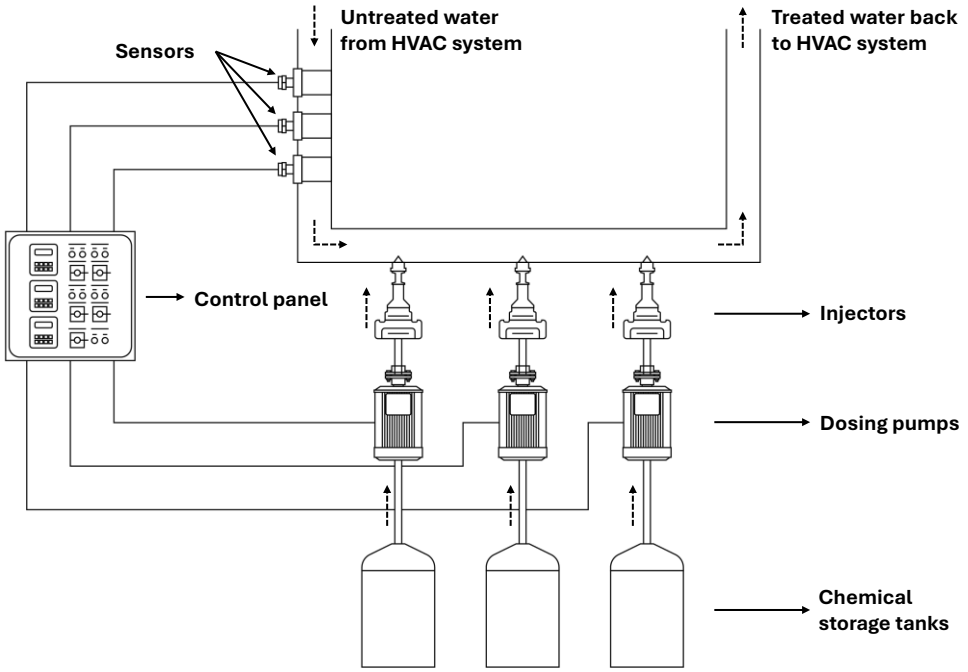


Commercial building in Penang



## 7. BUSINESS OVERVIEW *(Cont'd)*

For illustration purposes, the following sets out a simplified layout example of a water treatment system.




**Note:**

- The components and accessories illustrated above represent examples of products that may be included in a water treatment system and are not intended to be exhaustive.

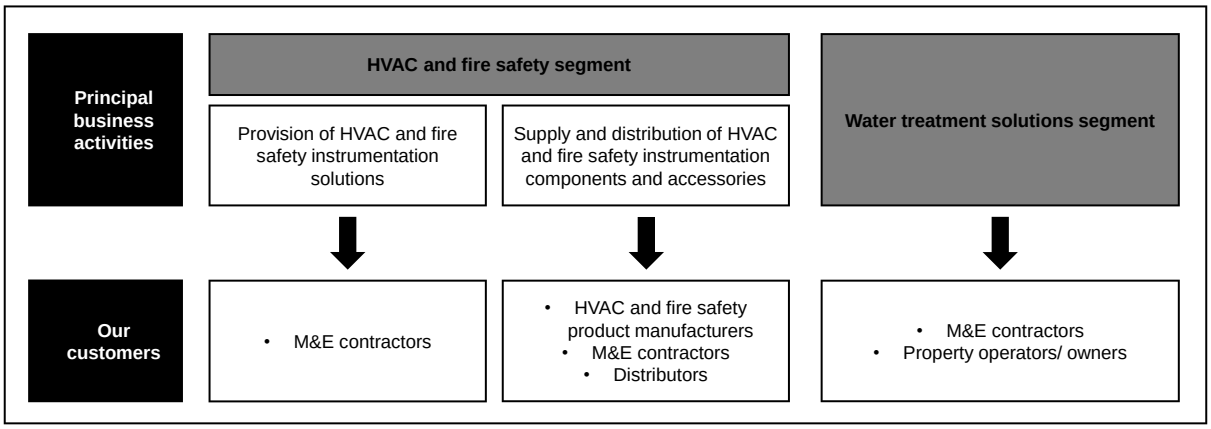
The water treatment system comprises key components and accessories, including but not limited to, sensors for monitoring water properties (e.g. pH value, total dissolve solids and oxygen-reduction potential), control panel, chemical storage tanks for water treatments solutions (e.g. corrosion inhibitor solutions, oxidative and non-oxidative biocide solutions and pH adjustors) as well as injectors and dosing pumps for regulating and pumping the appropriate dosage of water treatment solutions into the circulating water, all of which are integral to form an operational water treatment system.

Further, as part of our provision of water treatment solutions, we also supply chemical solutions for use in water treatment processes within HVAC systems, which include non-toxic food-grade cleaning aid solutions, corrosion inhibitor solutions as well as oxidative and non-oxidative biocide solutions, all of which are sourced from third-party suppliers. In addition, we also provide water treatment system maintenance services, which involve the analysis and treatment of circulating water within HVAC systems such as monitoring and eliminating contaminants/microorganisms as well as regulating pH levels of circulating water. Where necessary, we may also carry out the replacement of water treatment system components and accessories as part of our water treatment system maintenance services.

Our water treatment systems are generally provided to our customers along with the supply of chemical solutions for water treatments and water treatment system maintenance services as a package. Following the delivery of our water treatment systems, we provide the respective chemical solutions and maintenance services throughout the agreed upon period which ranges from 1 year to 5 years. Nonetheless, upon request, we also supply chemical solutions and provide system maintenance services on an ad-hoc basis.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.2.2 Our customers / distribution channels




**HVAC and fire safety solutions**

Our HVAC and fire safety instrumentation solutions are primarily provided to M&E contractors who secure projects from property developers or main contractors for the construction or retrofitting of institutional, commercial and industrial buildings as well as infrastructure projects. Since the commencement of our business, we have been involved in the provision of HVAC and fire safety instrumentation solutions for a range of facilities, with examples as follows:

| Buildings/Projects | Facilities |
|---|---|
| Institutional | • Government premises<br>• Hospitals<br>• Educational institutions<br>• Financial institutions |
| Commercial | • Shopping malls<br>• Hotels<br>• Warehouses<br>• Office and residential buildings<br>• Restaurants<br>• Exhibition hall |
| Industrial | • Oil and gas refinery plants<br>• Semiconductor plants<br>• Data centres<br>• Petrochemical/ chemical plants<br>• Pharmaceutical manufacturing plant<br>• Recycling plant |
| Infrastructure | • Tunnels (i.e. road, train and utility)<br>• Public transportation facilities (i.e. train stations, bus depot and airports) |

We provide our HVAC and fire safety instrumentation solutions to local M&E contractors in Malaysia involved in building and infrastructure projects, whereby each project typically consists of multiple purchase orders issued to us by the respective M&E contractors; and we do not enter into long-term agreements with these M&E contractors.

## 7. BUSINESS OVERVIEW *(Cont'd)*

We also supply and distribute a wide variety of HVAC and fire safety instrumentation components and accessories on a standalone basis. These HVAC and fire safety instrumentation components and accessories are sold directly to end-users such as HVAC and fire safety product manufacturers, whereby instrumentation components and accessories supplied by us are incorporated in the manufacturing of certain parts of a HVAC or fire safety system. For example, we supply damper actuators for installation in dampers, which enable the control of damper movement and positioning to regulate the rate and direction of airflow within HVAC systems. We also supply HVAC and fire safety instrumentation components and accessories on a standalone basis to M&E contractors for construction, renovation and retrofitting activities. Additionally, we supply and distribute to intermediaries such as distributors for onward sales to their customers, whereby these distributors typically procure instrumentation components and accessories in smaller quantities, which may not be commercially viable to source directly from principals or may not meet the minimum order quantities imposed by principals. We sell our HVAC and fire safety instrumentation components primarily to local customers in Malaysia, on a purchase order basis and we do not enter into long-term sales agreements with our customers.

**Water treatment solutions segment**

Our water treatment solutions are provided to M&E contractors who secure contracts from property developers and property operators/ owners of amongst others, data centres, industrial plants, institutional and commercial buildings as well as directly to property operators/ owners, who require water treatment solutions for their projects or properties. For M&E contractors and property operators/ owners who are our existing customers, we maintain regular communications with them to proactively update them on our water treatment solutions and to identify new business opportunities to secure more sales. We also secure customers, both local and international including Singapore and Indonesia, through referral from business associates. Please refer to Section 7.11 of this Prospectus for details of our sales and marketing strategies.

Our water treatment solutions are provided to local customers in Malaysia as well as to overseas customers in Singapore and Indonesia, mainly through purchase order, with revenue recognised on a milestone basis in accordance with the completion of work. Additionally, we may also enter into contractual agreements with customers for the provision of water treatment solutions.

### 7.2.3 Our past and ongoing involvement in projects

The following table sets out our involvement in notable HVAC and/or fire safety instrumentation, as well as water treatment projects, with total order values above RM2.00 million, based on purchase orders received from customers for each project, during the Financial Years / Period Under Review:

| Project | Scope of works | Project period | Total order value (RM'000) |
|---|---|---|---|
| An industrial project involving the construction of a data centre in Johor | Provision of HVAC and fire safety instrumentation solutions as well as water treatment solutions | July 2024 – March 2026 | 6,619 |
| A commercial project involving the construction of a mixed development at the Kuala Lumpur city centre | Provision of HVAC and fire safety instrumentation solutions | October 2021 – August 2025 | 6,646 |

**7. BUSINESS OVERVIEW *(Cont'd)***

| Project | Scope of works | Project period | Total order value (RM'000) |
|---|---|---|---|
| A commercial project involving the construction of a mixed development in Selangor | Provision of HVAC and fire safety instrumentation solutions | August 2023 – August 2025 | 3,828 |
| An infrastructure project involving the construction of a tunnel in Kuala Lumpur city centre | Provision of HVAC and fire safety instrumentation solutions | April 2018 – March 2022 | 3,617 |
| An industrial project involving the construction of a semiconductor plant in Penang | Provision of HVAC and fire safety instrumentation solutions as well as water treatment solutions | January 2022 – November 2024 | 3,368 |
| An infrastructure project involving the construction of multiple Mass Rapid Transit (MRT) stations in Kuala Lumpur | Provision of fire safety instrumentation solutions | November 2020 – October 2023 | 3,181 |
| An institutional project involving the construction of a hospital in Selangor | Provision of HVAC and fire safety instrumentation solutions | August 2020 – June 2023 | 2,697 |
| An industrial project involving the construction of a data centre in Johor | Provision of HVAC and fire safety instrumentation solutions | September 2024 – March 2026 | 2,554 |
| An infrastructure project involving the retrofitting of an airport in Sepang, Selangor | Provision of HVAC instrumentation solutions | October 2022 – May 2023 | 2,517 |
| An industrial project involving the construction of a data centre in Johor | Provision of fire safety instrumentation solutions | October 2023 – April 2026 | 2,424 |
| A commercial project involving the construction of a shopping mall in Damansara, Kuala Lumpur | Provision of HVAC instrumentation solutions | November 2019 – February 2025 | 2,047 |

## 7. BUSINESS OVERVIEW *(Cont'd)*

For the Financial Years / Period Under Review, we have been involved in a total of 1,063 projects that have been completed, each of which may involve the provision of multiple scope of works (i.e. solutions across different business segments). The total order value of these completed projects, recognised during the Financial Years / Period Under Review, amounted to RM108.73 million as detailed below:

| Range of revenue recognised | Number of projects involved[(a)] | Aggregate revenue recognised | Percentage over total revenue recognised | Total order value[(b)] |
|---|---|---|---|---|
| | | RM'million | % | RM'million |
| RM1.00 million to RM4.00 million | 17 | 35.39 | 32.55 | 54.95 |
| RM0.50 million to less than RM1.00 million | 28 | 19.45 | 17.89 | 19.97 |
| RM0.10 million to less than RM0.50 million | 165 | 34.89 | 32.09 | 35.33 |
| Less than RM0.10 million | 853 | 19.00 | 17.47 | 19.00 |
| | **1,063** | **108.73** | | **129.25** |

**Notes:**

(a) The tenure of the completed projects in which the Group was involved in and the corresponding total order value recognised (i.e. based on all purchase orders received from customers for each project) are as follows:-

| Tenure | Number of projects involved | Total order value |
|---|---|---|
| | | RM'million |
| 7 Years | 1 | 2.05 |
| 5 Years | 6 | 15.18 |
| 4 Years | 56 | 29.07 |
| 3 Years | 80 | 33.39 |
| 2 Years | 204 | 22.13 |
| Up to 1 Year | 716 | 27.43 |
| | **1,063** | **129.25** |

**7. BUSINESS OVERVIEW *(Cont'd)***

(b) We were involved in some of the projects prior to the commencement of the Financial Years / Period Under Review. Accordingly, when taking into account of the full order values for these projects that have been completed, the aggregate total order value (i.e. based on all purchase orders received from customers for each particular project) amounts to RM129.25 million. The total order value recognised prior to FYE 2022 and for each Financial Years / Period Under Review are as follows:-

| Range of revenue recognised | Number of projects involved | Prior to FYE 2022 | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | Total order value |
|---|---|---|---|---|---|---|---|---|
| | | RM'million | RM'million | RM'million | RM'million | RM'million | RM'million | RM'million |
| RM1.00 million to RM4.00 million | 17 | 19.56 | 7.09 | 6.97 | 8.68 | 11.26 | 1.39 | 54.95 |
| RM0.50 million to less than RM1.00 million | 28 | 0.52 | 3.58 | 3.81 | 6.66 | 4.09 | 1.31 | 19.97 |
| RM0.10 million to less than RM0.50 million | 165 | 0.44 | 7.43 | 9.64 | 8.47 | 6.21 | 3.14 | 35.33 |
| Less than RM0.10 million | 853 | - | 4.06 | 3.99 | 4.18 | 4.63 | 2.14 | 19.00 |
| | **1,063** | **20.52** | **22.16** | **24.41** | **27.99** | **26.19** | **7.98** | **129.25** |

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## 7. BUSINESS OVERVIEW *(Cont'd)*

The following table sets out our involvement in notable HVAC and/or fire safety instrumentation, as well as water treatment projects that are on-going, with total order values recognised (i.e. based on purchase orders received from customers for each project) above RM2.00 million, as at FPE 2026:

| Project | Scope of works | Commencement period | [(a)]Total order value (RM'000) | Estimated completion period |
|---|---|---|---|---|
| An industrial project involving the construction of a data centre in Johor | Provision of HVAC and fire safety instrumentation solutions | October 2023 | 31,742 | 2nd quarter 2027 |
| An industrial project involving the construction of a data centre in Johor | Provision of HVAC and fire safety instrumentation solutions | August 2025 | 5,127 | 2nd quarter 2027 |
| A commercial project involving the construction of a mixed development in Kuala Lumpur city centre | Provision of HVAC and fire safety instrumentation solutions | September 2022 | 4,953 | 1st quarter 2027 |
| An infrastructure project involving the construction of multiple metro rail stations in Johor | Provision of HVAC and fire safety instrumentation solutions | April 2024 | 4,195 | 1st quarter 2027 |
| An industrial project involving the construction of a data centre in Johor | Provision of HVAC and fire safety instrumentation solutions | November 2025 | 2,411 | [(b)]3rd quarter 2026 |

**Notes:-**

(a) These order value includes both fulfilled and unfulfilled purchase orders as at FPE 2026.

(b) This project was completed in September 2026, which was after the FPE 2026.

The Group's order book is largely supported via purchase orders whereby a project can have multiple purchase orders. As at the LPD, we are involved in a total of 153 on-going projects, each of which may involve the provision of multiple scope of works (i.e. solutions across different business segments). For these on-going projects, the value of purchase orders that are yet to be completely fulfilled, comprising both recognised and unrecognised portions, amounts to approximately RM118.07 million, as at the LPD. For clarification, the aforementioned value of RM118.07 million excludes purchase orders that have been completely fulfilled as at the LPD.

The duration of our projects depends on the timelines of our customers' projects, whereby our HVAC and fire safety instrumentation and/or water treatment solutions are delivered progressively over the period of the project timeframe. Our involvement in a project generally ranges from 1 year to 3 years.

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## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.2.4 Our business locations

Our business operations are based in Malaysia at the following locations:

| Property | Location | Function | Date of commencement of operation | Status of Property | Land area / Built-up area sq. ft. |
|---|---|---|---|---|---|
| Kayu Ara HQ | No. 10, Jalan PJU 6A/3A, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor | Headquarters, management office and storage | June 2008 | Owned[(1)] | 1,625/ 6,116 |
| Kayu Ara Office 1 | No. 11A, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor | Engineering office, demonstration and training room as well as storage | November 2018[(2)] | Owned[(1)] | 1,733/ 6,820 |
| Kayu Ara Office 2 | No. 11, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor | Management office and storage | June 2024[(2)] | Owned[(1)] | 1,733/ 6,688 |
| Shah Alam Workshop | No. 7, Jalan Injap 34/4, Seksyen 34, 40470 Shah Alam, Selangor | Selling, servicing, wholesaling and storage for mechanical and electrical equipment, preparing and processing electronic equipment as well as management office | August 2025 | Rented[(3)] | 2,400/ 3,132 |

**Notes:**

(1) Property owned by SCASB.

(2) SCASB entered into a sale and purchase agreement dated 7 July 2017 with DURSB to acquire Kayu Ara Office 1 and commenced operation at Kayu Ara Office 1 in November 2018. SCASB subsequently noted an error in the registration of title whereby SCASB was given the title of Kayu Ara Office 2 instead of Kayu Ara Office 1. As SCASB also required additional office space at the material time, SCASB had on 26 April 2024 entered into another sale and purchase agreement with DURSB to acquire Kayu Ara Office 2. SCASB commenced operation at Kayu Ara Office 2 in June 2024 and the title of Kayu Ara Office 1 was transferred to SCASB in August 2024.

For information, there is no disputes, claims and/or encumbrances against SCASB in occupying the Kayu Ara Office 1 since the date of commencement of SCASB's operation up to the date of registration of title in August 2024.

(3) Tenancy Agreement dated 19 June 2025 made between Tang Koo Chee @ Tan Khoo Chee (as landlord) and Greneco (as tenant) from 1 July 2025 to 30 June 2027.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.2.5 Warranty

Our Group provides a warranty of up to 2 years to our customers for our provision of HVAC and fire safety instrumentation solutions, covering the replacement of faulty HVAC and fire safety instrumentation components and accessories due to manufacturing defects, which is generally backed by the warranty provided to us by the respective suppliers. Although certain components and accessories may remain in our inventory for extended periods due to lower demand, the warranty period provided by our Group is generally sufficient to ensure that such products remain covered under the corresponding supplier warranties at the point of sale and throughout the applicable warranty period, as we adopt a first-in, first-out inventory management policy to minimise the holding period of inventories and reduce our exposure to slow-moving inventories. Inventories that remain unsold for more than 1 year are classified as slow-moving inventories and are fully impaired, with the impairment subsequently reversed when the inventories are sold or consumed. Please refer to Section 12.8.3 of this Prospectus for further details of our inventory turnover and policy. Nevertheless, in the event that certain components and accessories remain in our inventory for a period exceeding the back-to-back warranty provided by the respective suppliers at the point of sale, our Group will bear the cost of replacing such products if they are found to be defective and the defects are covered under the warranty provided to our customers.

In the event where our customers notify us of manufacturing defects, we will conduct investigations to identify the root causes. If the defects are determined to be manufacturing-related, we will notify the relevant suppliers to arrange for the replacement of the defective products for our customers. A similar warranty arrangement is also applicable to our provision of water treatment solutions. However, our warranty for water treatment solutions does not extend to consumables (e.g. chemical solutions) that are supplied by us. For the Financial Years / Periods under review, we have generally been able to claim such manufacturing related defects from our suppliers.

Additionally, for our supply and distribution of HVAC and fire-safety instrumentation components and accessories on a standalone basis, we provide a warranty of up to 1 year to our customers.

For the Financial Years / Period Under Review, we did not incur any product replacement costs save for the FYE 2025, we incurred product replacement costs amounting to approximately RM0.02 million for our provision of water treatment solutions, representing less than 0.03% of our revenue. This was attributable to product damage arising from a vehicular accident during delivery. Nonetheless, the full amount has been recovered through an insurance claim.

## 7.3 PRINCIPAL MARKETS AND SEGMENTS

Our segmentation by business activities is as follows:

| | | |
|---|---|---|
| HVAC and fire safety segment | : | Provision of HVAC and fire safety instrumentation solutions, whereby our Group is involved via multiple purchase orders issued by the respective customers undertaking building or infrastructure projects; as well as supply and distribution of HVAC and fire safety instrumentation components and accessories which is typically on a purchase order basis |
| Water treatment solutions segment | : | Provision of water treatment solutions |

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.3.1 Business Segments

Our HVAC and fire safety solutions segment was the largest revenue contributor as it accounted for 90.55%, 90.48%, 93.50%, 91.76% and 90.92% of our total revenue for the Financial Years / Period Under Review, respectively.

The breakdown of our Group's revenue by business segments for the Financial Years / Period Under Review is as follows:

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **HVAC and fire safety segment** | **36,909** | **90.55** | **42,746** | **90.48** | **57,626** | **93.50** |
| HVAC | 26,460 | 64.91 | 27,799 | 58.84 | 30,912 | 50.15 |
| ➢ Provision of HVAC instrumentation solutions | 16,150 | 39.62 | 15,598 | 33.02 | 18,677 | 30.30 |
| ➢ Supply and distribution of HVAC instrumentation components and accessories | 10,310 | 25.29 | 12,201 | 25.82 | 12,235 | 19.85 |
| Fire safety | 10,449 | 25.64 | 14,947 | 31.64 | 26,714 | 43.35 |
| ➢ Provision of fire safety instrumentation solutions | 9,283 | 22.78 | 12,889 | 27.28 | 24,121 | 39.14 |
| ➢ Supply and distribution of fire safety instrumentation components and accessories | 1,166 | 2.86 | 2,058 | 4.36 | 2,593 | 4.21 |
| **Water treatment solutions segment** | **3,853** | **9.45** | **4,496** | **9.52** | **4,008** | **6.50** |
| **Total revenue** | **40,762** | **100.00** | **47,242** | **100.00** | **61,634** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **HVAC and fire safety segment** | **71,578** | **91.76** | **35,768** | **93.81** | **46,670** | **90.92** |
| HVAC | 33,200 | 42.56 | 15,868 | 41.62 | 22,696 | 44.22 |
| ➢ Provision of HVAC instrumentation solutions | 20,474 | 26.25 | 9,642 | 25.29 | 15,912 | 31.00 |
| ➢ Supply and distribution of HVAC instrumentation components and accessories | 12,726 | 16.31 | 6,226 | 16.33 | 6,784 | 13.22 |
| Fire safety | 38,378 | 49.20 | 19,900 | 52.19 | 23,974 | 46.70 |
| ➢ Provision of fire safety instrumentation solutions | 35,248 | 45.19 | 18,453 | 48.40 | 22,277 | 43.40 |
| ➢ Supply and distribution of fire safety instrumentation components and accessories | 3,130 | 4.01 | 1,447 | 3.79 | 1,697 | 3.30 |
| **Water treatment solutions segment** | **6,429** | **8.24** | **2,359** | **6.19** | **4,660** | **9.08** |
| **Total revenue** | **78,007** | **100.00** | **38,127** | **100.00** | **51,330** | **100.00** |

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.3.2 Geographical markets

Our Group's principal market is in Malaysia, which accounted for 97.65%, 95.24%, 99.24%, 99.08% and 99.12% of our total revenue for the Financial Years / Period Under Review, respectively.

The breakdown of our Group's revenue segmentation by geographical location is as follows:

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **Malaysia** | **39,803** | **97.65** | **44,991** | **95.24** | **61,168** | **99.24** |
| **Overseas** | **959** | **2.35** | **2,251** | **4.76** | **466** | **0.76** |
| ➢ *Singapore* | *839* | *2.06* | *1,853* | *3.92* | *412* | *0.67* |
| ➢ *Indonesia* | *67* | *0.16* | *398* | *0.84* | *54* | *0.09* |
| ➢ *Thailand* | *53* | *0.13* | *-* | *-* | *-* | *-* |
| **Total revenue** | **40,762** | **100.00** | **47,242** | **100.00** | **61,634** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **Malaysia** | **77,289** | **99.08** | **37,565** | **98.53** | **50,880** | **99.12** |
| **Overseas** | **718** | **0.92** | **562** | **1.47** | **450** | **0.88** |
| ➢ *Singapore* | *361* | *0.46* | *233* | *0.61* | *293* | *0.57* |
| ➢ *Indonesia* | *357* | *0.46* | *329* | *0.86* | *157* | *0.31* |
| ➢ *Thailand* | *-* | *-* | *-* | *-* | *-* | *-* |
| **Total revenue** | **78,007** | **100.00** | **38,127** | **100.00** | **51,330** | **100.00** |

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## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.4 OPERATING CAPACITY AND OUTPUT

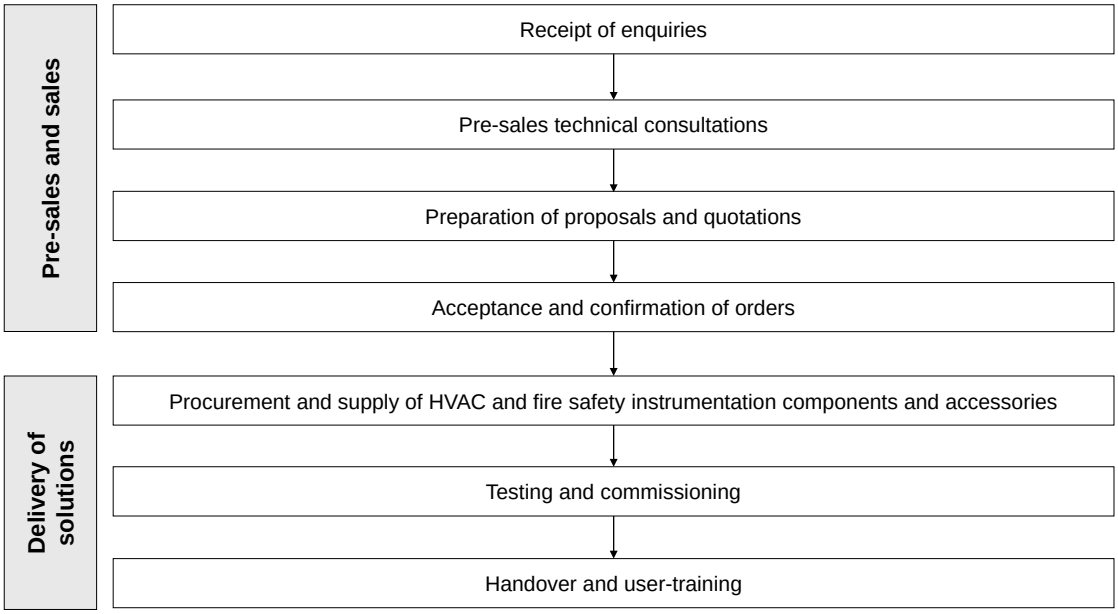
Due to the nature of our business in the provision of HVAC and fire safety instrumentation solutions, supply and distribution of HVAC and fire safety instrumentation components and accessories as well as provision of water treatment solutions, the computation of operating capacity and output are not applicable to us.

### 7.5 PROCESS FLOW

The operational process flows of our business activities in our principal business segment, i.e. HVAC and fire safety segment are as follows:

#### 7.5.1 Provision of HVAC and fire safety instrumentation solutions

The following diagram shows the typical operational process of our provision of HVAC and fire safety instrumentation solutions:




**Pre-sales and sales**

Our Group receives enquiries on our HVAC and fire safety instrumentation solutions generally from project consultants of construction or retrofitting projects of institutional, commercial and industrial buildings, or infrastructure projects. Upon receiving enquiries from project consultants, we conduct pre-sales technical consultations to analyse the HVAC and fire safety design requirements and technical specifications based on the preliminary system design drawings provided, along with the operational needs, project/building requirements and budgets.

Based on our analysis, we propose the required instrumentation components and accessories as well as prepare the system layout and installation/integration plan with other components where necessary. We will then prepare cost estimates for the project consultants' budgetary assessments, which are conveyed to M&E contractors for inclusion in their proposals to the project owners. Where necessary, we may also invite the project consultants and M&E contractors to our demonstration and training room for product demonstrations and solution presentations. Please refer to Section 7.2.1(I) for details of our expertise in technical consulting.

## 7. BUSINESS OVERVIEW *(Cont'd)*

Following which, upon confirmation of the M&E contractors' proposals by project owners, we will prepare and submit quotations to the M&E contractors. Once the quotations are agreed by the M&E contractors, we will be issued purchase orders as confirmation for the supply of the relevant instrumentation components and accessories as well as subsequent testing and commissioning works for the respective construction/retrofitting projects. Throughout the construction/retrofitting project period, we may continue to receive additional purchase orders for the supply of instrumentation components and accessories as well as testing and commissioning works, which leads to the continuation as well as the increase in total order value of our respective HVAC and/or fire safety instrumentation solution projects.

For information, it is an industry norm for companies operating in similar business as our Group to undertake HVAC and/or fire safety instrumentation solution projects primarily through purchase orders rather than formal contracts or letters of awards. This is mainly due to businesses like our Group generally act as suppliers to M&E contractors to support their construction/retrofitting project requirements, rather than acting as contractors responsible for the overall execution of the construction/retrofitting projects. Accordingly, the specific quantities of instrumentation components and accessories required by the M&E contractors may vary from time to time depending on the progress and requirements of the respective construction/retrofitting projects. In this regard, purchase orders issued from time to time provide greater flexibility to accommodate changes in the quantities of instrumentation components and accessories required throughout the construction/retrofitting project period, as compared to a fixed formal contract which may provide less flexibility.

Nonetheless, on some rare circumstances, some M&E contractors may call for tenders upon confirmation of proposals by project owners, in which our Group participates in the tenders by submitting quotations. In the event that we are awarded the tender, the M&E contractors will issue a letter of award to our Group as confirmation of the successful tender. Notwithstanding this, the supply and delivery of instrumentation components and accessories remain based on delivery instructions received from customers from time to time throughout the construction/retrofitting project period, which are similar in nature to purchase orders by specifying the instrumentation components and accessories required by them at the respective stages of the project depending on their project requirements. Accordingly, our Group will supply the relevant instrumentation components and accessories based on the delivery instructions received and bill the customers based on the instrumentation components and accessories supplied under each delivery instruction.

**Delivery of solutions**

Upon confirmation of orders, we will procure the required HVAC and fire safety instrumentation components and accessories from our network of suppliers which are delivered to our premises prior to delivery to our customers' building/project sites, or directly to the building/project sites for installation and integration by our customers (i.e. M&E contractors).

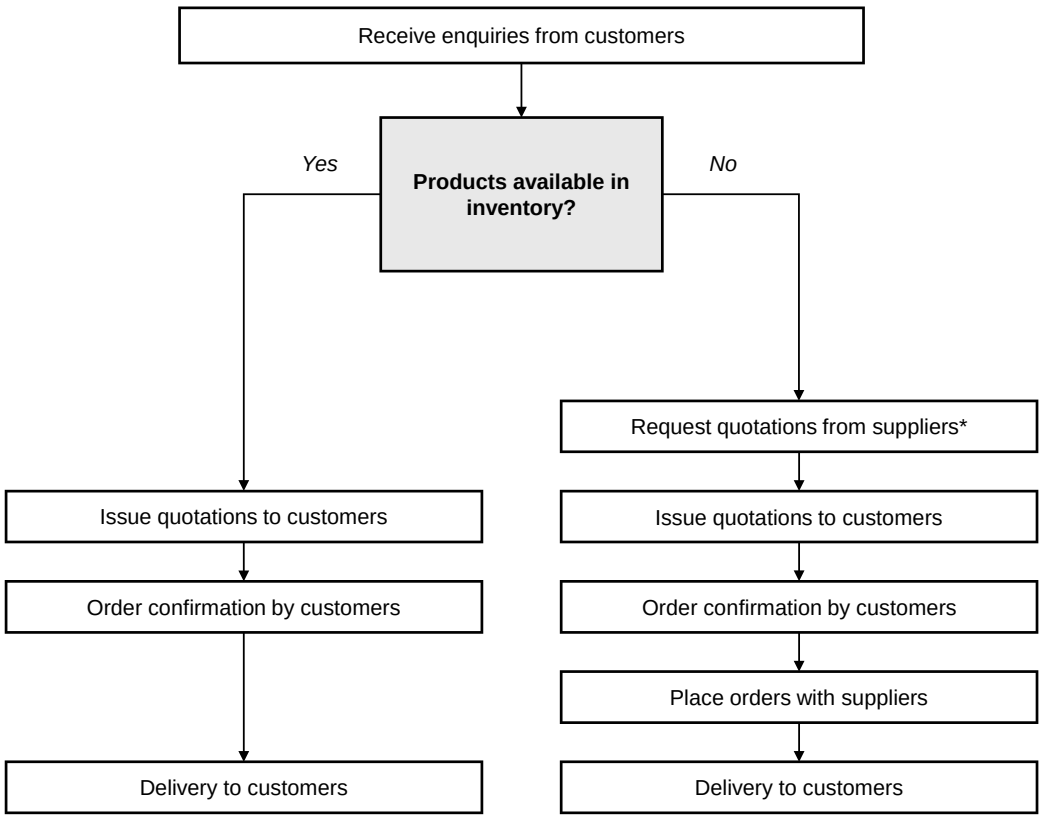
## 7. BUSINESS OVERVIEW *(Cont'd)*

Following the completion of installation and integration by our customers, we will conduct testing (e.g. functional tests and integration tests) to ensure that the HVAC and fire safety instrumentation components and accessories are fully operational and function in accordance with our customers' as well as building/project requirements. Depending on delivery timelines, if required, we may also engage subcontractors to conduct testing alongside our in-house personnel to ensure timely completion. Subsequently, we will proceed with the commissioning of the HVAC and fire safety instrumentations as specified. The testing and commissioning of HVAC instrumentation components and accessories typically take a relatively short period of 2 to 3 days, as these components and accessories are generally less complex and relatively straightforward to test. In addition, suitability assessment, technical support services and installation guidance are provided on an ongoing basis throughout the sales and our project execution process, thereby shortening the testing and commissioning process upon completion of the installation works. On the other hand, the testing and commissioning of fire safety instrumentation components and accessories are generally performed over a longer period of 3 to 4 weeks, as these activities are typically carried out at a distinct stage upon completion of the installation works by our customers. Given the critical safety functions performed by these components and accessories, they are generally more complex and require more comprehensive testing and verification to ensure compliance with the relevant safety and performance requirements.

Upon completion of commissioning, we will conduct handover and on-site user-trainings to our customers, which include operation briefings as well as guidance on basic maintenance procedures. The lead time from order confirmation to handover varies depending on several factors including, project timelines, M&E contractors' delivery timelines, the complexity of the solutions and delivery timeline of the HVAC and fire safety instrumentation components and accessories from our suppliers.

### 7.5.2 Supply and distribution of HVAC and fire safety instrumentation components and accessories

The following diagram shows the operational process of our supply and distribution of HVAC and fire safety instrumentation components and accessories:



## 7. BUSINESS OVERVIEW *(Cont'd)*

**Note:**

* This process is applicable when the pricing for the requested products is not provided by our principals or authorised distributors

Upon receiving enquiries for HVAC and fire safety instrumentation components and accessories on a standalone basis, we will determine whether the requested products are within the range of products where we are granted the rights to distribute under distributorship agreements/certificates entered into and/or obtained from the respective principals or authorised distributors. For product enquiries that we do not have distributorship agreements/certificates with the respective principals or authorised distributors, we will propose the customers with alternative products with comparable specifications which we are granted the rights to distribute under distributorship agreements/certificates entered into and/or obtained from the respective principals or authorised distributors.

For product enquiries that we are granted with the rights to distribute, we will review our inventory to assess the availability of the requested products. Our inventory is maintained and managed by our procurement and logistics personnel, who are mainly responsible for the record of stock movement in our accounting system, as well as manage the receipt of stocks from suppliers and dispatch of stocks for the provision of our HVAC and/or fire safety instrumentation solutions to projects or for delivery to customers.

***Products available in our inventory***

If our inventory is sufficient to meet the customers' orders, we will prepare and issue quotations based on types of products, quantity required and delivery instructions. Upon the agreement of quotations by the customers, we will be issued purchase orders as confirmation of the orders. Thereafter, delivery orders will be issued and the products will be visually checked to ensure that the product packaging are in good condition before delivered to the customers.

***Products not available in our inventory***

In cases where our inventory is insufficient to fulfil customers' orders, we will prepare quotations to the customers according to the pricing list provided by the respective principals or authorised distributors, inclusive of mark-ups. In cases where we do not have the pricing for the requested products, we will request quotations from the respective principals or authorised distributors, and subsequently issue quotations to the customers.

Following order confirmation by our customers, we will issue purchase orders to the respective principals or authorised distributors for product purchases. They will then confirm our purchase orders and proceed with order fulfilment, whereby the products will be delivered to our storage areas at our offices. Thereafter, we conduct visual inspections to ensure that the product packaging are in good condition prior to delivery to the customers.

The lead time between order confirmation to delivery of products to our customers varies depending on factors including, product availability from the respective principals or authorised distributors, order quantities and delivery timelines, which are agreed upon with our customers prior to placing orders with us.

### 7.6 RESEARCH AND DEVELOPMENT

Due to the nature of our business, we do not engage in research and development and thus have not undertaken any research and development activities. Nevertheless, we provide HVAC and fire safety instrumentation solutions as well as water treatment solutions that are tailored in accordance with our customers' project/building requirements. Please refer to Section 7.2 of this Prospectus for further details of our principal business activities.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.7 TECHNOLOGY USED

As at the LPD, we use the following technologies/ software in our business operations:

| Technology | Description |
|---|---|
| Computer-aided design ("**CAD**") software tools | Our Group utilises various CAD software tools, including AutoCAD and DraftSight, for the design of HVAC, fire safety and/or water treatment system layouts.<br><br>These CAD software tools enable our engineers to create and model detailed system specifications for our HVAC and fire safety instrumentation solutions as well as water treatment systems according to our customer's requirements and specifications as well as building/project requirements, where applicable. |
| Data logger software for water treatment systems | A data logger software for water treatment systems, developed in-house, for real-time data collections, system monitoring and performance tracking to monitor the quality of circulating water within HVAC systems. |
| Internet of Things ("**IoT**") platform for HVAC and fire safety systems | A customised cloud-based system platform for HVAC and fire safety systems, developed by a third-party software provider. The IoT platform for HVAC and fire safety systems enables real-time data collections, monitoring and performance tracking, to analyse the energy consumption and enhance the operational reliability of our HVAC and fire safety instrumentations.<br><br>As at the LPD, we have successfully developed the IoT platform for HVAC and fire safety systems. The IoT platform is currently in the early stages of commercialisation, and we have begun offering it to our customers.<br><br>Some of the features of our IoT platform for HVAC and fire safety systems are illustrated as follows:<br><br>**HVAC systems**<br><br> |

## 7. BUSINESS OVERVIEW *(Cont'd)*

| Technology | Description |
|---|---|
| **Fire safety systems** | |




### 7.8 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

Our purchases primarily comprise components and accessories, which accounted for 95.43%, 95.93%, 97.06%, 96.81% and 96.38% for the Financial Years / Period Under Review, respectively.

The breakdown of our supplies are as follows:

| | FYE 2022 | | FYE 2023 | | FYE 2024 | | FYE 2025 | | FPE 2026 | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Supplies** | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** |
| Components and accessories | 28,287 | 95.43 | 33,161 | 95.93 | 39,422 | 97.06 | 45,685 | 96.81 | 31,350 | 96.38 |
| - *HVAC* | *18,798* | *63.42* | *21,365* | *61.81* | *22,123* | *54.47* | *22,690* | *48.08* | *16,276* | *50.04* |
| - *Fire safety* | *6,624* | *22.35* | *8,318* | *24.06* | *13,599* | *33.48* | *17,880* | *37.89* | *10,897* | *33.50* |
| - *Others*[(1)] | *2,865* | *9.66* | *3,478* | *10.06* | *3,700* | *9.11* | *5,115* | *10.84* | *4,177* | *12.84* |
| Transportation costs[(2)] | 614 | 2.07 | 626 | 1.81 | 745 | 1.83 | 907 | 1.92 | 402 | 1.24 |
| Subcontractor costs[(3)] | 740 | 2.50 | 782 | 2.26 | 450 | 1.11 | 597 | 1.27 | 774 | 2.38 |
| **Total purchases** | **29,641** | **100.00** | **34,569** | **100.00** | **40,617** | **100.00** | **47,189** | **100.00** | **32,526** | **100.00** |

**Notes:**

(1) Include general components and accessories, such as electrical components, mimic panels, thermometers and pipes.

(2) Comprise logistic costs as well as import and export duties.

(3) Comprise testing, commissioning and related works for our provision of HVAC and fire safety instrumentation solutions as well as engineering works for our water treatment solutions, which we may outsource to subcontractors if required.

We have not encountered any major disruptions or shortages in our purchase for the Financial Years / Period Under Review.

## 7. BUSINESS OVERVIEW *(Cont'd)*

The prices of our components and accessories are subject to fluctuations depending on the prices charged by our principals and suppliers. Accordingly, our financial performance may be adversely affected if we are unable to pass on increases in the cost of components and accessories to our customers. In cases where there are increases in cost of component and accessories, our Group will generally adjust our selling prices to reflect the increase in component and accessories costs. For the Financial Years / Period Under Review, we have generally been able to pass on the increase in cost of component and accessories to our customers, hence no material impact to our Group's financial performance.

Further, as the majority of our components and accessories are procured from local entities in Malaysia, we are not materially impacted by changes in import duties or tariffs imposed by other nations.

### 7.9 SEASONALITY AND CYCLICALITY

Due to the nature of our business, there are no significant seasonality or cyclical patterns in the revenue of our Group for the Financial Years / Period Under Review.

### 7.10 INTERRUPTIONS TO BUSINESS AND OPERATIONS

Our Group had not experienced any interruptions in our business and operations in the Financial Years / Period Under Review and last 12 months up to LPD which had an adverse impact on our operations.

### 7.11 SALES AND MARKETING STRATEGIES

As at the LPD, our sales and marketing team comprises 18 employees, out of which 11 employees are dedicated to the HVAC segment, 3 employees are dedicated to the fire safety segment, 1 employee is dedicated to the water treatment solutions segment, with each individual responsible for the sales and marketing activities of their respective business segments. The remaining 3 employees are responsible for general sales and marketing functions, including attending to preliminary enquiries received from potential customers, coordinating the organisation of seminars and training programmes, as well as maintaining our corporate websites and social media pages.

Our Group's sales and marketing activities are as follows:

**(i) Direct approach**

We secure orders from both existing and potential customers through direct approach whereby we directly engage with these customers as well as project consultants to promote our technical capabilities and introduce our offerings, which include demonstration of our solutions in meeting the operational needs of different buildings or infrastructure projects. We also maintain regular communication with our existing customers to inform and keep them updated on our latest product and service offerings as well as to identify new business opportunities to secure more sales.

**(ii) Referral from business associates**

Our consistent track record in providing quality HVAC, fire safety and water treatment solutions has brought in referrals and enquiries from potential customers through recommendations by our business associates (e.g. existing customers, project consultants, principals and authorised distributors). We engage with these referred customers regularly to introduce our offerings and values that we can bring to these potential customers, as we believe that consistently building business relationships with potential customers is crucial in contributing to our Group's future growth.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### (iii) Solution demonstrations, seminars and training programmes

We organise seminars to introduce and promote our product and service offerings to the market, including our potential customers and project consultants. These seminars serve as a platform for direct engagement with them, whilst allowing our Group to demonstrate our technical capabilities and solutions.

We established a demonstration and training room located at our Kayu Ara Office 1 to exhibit a selection of functional HVAC and fire safety instrumentation components and accessories that are frequently sought by customers (e.g. fire alarm systems, damper actuators, heating/cooling meters as well as other HVAC and fire safety instrumentation components and accessories). This facility is used for our product demonstrations and solution presentations during our seminar sessions.

During seminar sessions, we simulate operational scenarios using our HVAC and fire safety instrumentation components and accessories. These simulations enable us to highlight and showcase the features, functionality, capabilities as well as applications of our product offerings to potential customers and project consultants, thereby allowing them to gain better understanding of our expertise as well as product and service offerings. Furthermore, we are available to attend and address any enquiries and concerns raised, thereby providing potential customers and project consultants with better and more comprehensive insights and understandings of our product and service offerings.

We also conduct seminar sessions for potential customers and project consultants in various cities/states. During the Financial Years / Period Under Review, we held seminar sessions in Selangor, Malacca, Johor Bahru, Penang, Kuching and Kota Kinabalu.

Additionally, our demonstration and training room is also utilised to conduct training programmes related to building energy efficiency and fire protection, for external participants such as chartered engineers. These training programmes are conducted by external trainers, primarily from our principals, and are recognised as Continuing Professional Development ("**CPD**") programmes endorsed by the Malaysian Society for Engineering and Technology ("**MySET**"). CPD programmes are intended to enhance the knowledge and skills of participants by ensuring that they remain updated with the latest engineering practices, technological advancements and regulatory requirements.

Our demonstration and training room is provided free of charge for the organisation of such training programmes. The organisation of such training programmes does not only support the professional development of participants but also strengthen the reputation and awareness of our Group within the industry, which may in turn contribute to the generation of additional business opportunities. For the Financial Years / Period Under Review, we have hosted a total of 514 external participants in training programmes related to building energy efficiency and fire protection.

### (iv) Tender bidding

On some rare circumstances, we participate in direct tenders from M&E contractors, for our provision of HVAC and fire safety instrumentation solutions as well as provision of water treatment solutions. For the Financial Years / Period Under Review, our Group only participated in direct tenders under our HVAC instrumentation solutions and water treatment solutions segments.

## 7. BUSINESS OVERVIEW *(Cont'd)*

We believe that our proven track record, industry reputation and technical expertise are key factors contributing to our success in continuing securing orders for the provision of HVAC and/or fire safety instrumentation solutions and new water treatment projects, as well as supporting our long-term business growth. When enquiries and tender opportunities arise, we engage with the potential customers to understand the project scopes and requirements. Once we determined our capacity and capability to meet the projects' parameters and deliverables, we will submit our tender applications and quotations to the respective M&E contractors.

**(v) Corporate website and social media**

We have established our corporate website at www.scasolutions.com.my that provides comprehensive information regarding our Group, as well as a website for each of our subsidiaries that provide detailed information about our product and service offerings, as follows:

| Subsidiary | Website |
|---|---|
| SCASB | www.sca.com.my |
| Greneco | www.greneco.com |
| Ace Victech | www.acevictech.com |

Any parties who are interested in our offerings are able to contact us through our website enquiry, and we will attend to the enquiries accordingly. The current widespread use of the internet as a source of information enables us to enhance our potential market reach and exposure.

We also have a social media account on LinkedIn, Facebook, YouTube and Instagram where we showcase our product and service offerings. This helps to increase the exposure of our Group as well as our expertise and offerings to a wide range of netizens, which could be our potential customers.

### 7.12 COMPETITIVE STRENGTHS

The success and potential for future growth are attributable to our Group's competitive strengths set out below:

#### 7.12.1 We have an established and proven track record in the M&E industry focusing on HVAC and fire safety segment, with over 20 years of experience

Since 2003, our Group has been actively involved in the supply and distribution of HVAC instrumentation components and accessories on a standalone basis to local customers in Malaysia; and subsequently expanded our range of offerings to cover fire safety instrumentation components and accessories in 2006. Furthermore, we expanded our business in 2007 as we began to undertake HVAC and fire safety instrumentation solutions, under which we provide technical consultation to propose, procure and supply the necessary HVAC and fire safety instrumentation components and accessories in accordance with customer and building/project requirements and specifications, as well as perform testing and commissioning works. In addition, we expanded into the provision of water treatment solutions for HVAC applications in 2008 following the establishment of Greneco, which include the provision of water treatment systems, supply of chemical solutions for water treatments as well as water treatment system maintenance services for HVAC applications. This strategic move has allowed us to expand our scope of offerings within the M&E industry.

Additionally, we have also laid the groundwork in positioning ourselves as a trusted and reliable HVAC and fire safety solutions specialist through the supply of instrumentation components and accessories as well as the relevant testing and commissioning works for multiple projects covering institutional, commercial and industrial buildings, as well as infrastructure projects. For the Financial Years / Period Under Review and up to the LPD, we have been involved in several notable projects of properties and landmarks in Malaysia, including, amongst others, an institutional project involving a private hospital in Subang Jaya, Selangor, an infrastructure project involving an airport in Sepang, Selangor, and a commercial project involving a shopping centre in Kuala Lumpur. Our involvement in these notable projects reflects the quality of our solutions and serves as evidence of our track record. This, in turn, will support our Group's future growth and expansion plans by building our credentials and enhancing our reputation to secure sales opportunities.

**7.12.2 Our industry knowledge and technical expertise enable us to propose customised HVAC and fire safety as well as water treatment solutions tailored to our customers' requirements**

With over 20 years of experience in the HVAC and fire safety business and approximately 18 years of experience in the provision of water treatment solutions through Greneco, our Group has garnered substantial industry knowledge and technical expertise which enable us to thoroughly understand our customers' and differing building/project requirements, allowing us to customise, propose and optimise HVAC, fire safety and water treatment solutions that are tailored to meet our customer's needs. We are capable of providing HVAC and fire safety solutions across a wide range of facilities, such as institutional, commercial, industrial buildings as well as infrastructure projects. Further, we are also capable of providing water treatment solutions for HVAC applications in different types of facilities which pose different requirements for water treatment. Our ability in the development of customised HVAC, fire safety and water treatment solutions is backed by our in-house engineering and operations department, which comprises 42 employees as at the LPD, of whom 37 hold engineering degrees or certifications.

Additionally, the experience that we have accumulated over the years has enabled us to gain extensive knowledge to continuously provide HVAC, fire safety and water treatment solutions that meet our customers' requirements and specifications, positioning us as one of the preferred solution providers for our customers. Amongst our major customers detailed in Section 7.14 of this Prospectus, 9 out of 15 of these major customers have at least 10 years of business relationships with our Group as at the LPD, and they have repetitively engaged us for multiple projects or sourced from our Group over the years. In addition, we also constantly engage with our customers to gather valuable feedback on our solutions as well as industry insights, allowing us to refine our solutions to better serve our customers and to maintain our competitiveness in the industry.

Our Group believes that with our in-depth industry knowledge and extensive technical expertise, we will be able to continue meeting the requirements and expectations of our customers for HVAC, fire safety and water treatment solutions. Further, our industry experience and understanding on customer needs will continue to drive our business expansion.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.12.3 We carry a comprehensive range of HVAC and fire safety instrumentation components and accessories, allowing us to fulfil our customers' HVAC and fire safety needs

We carry a comprehensive range of HVAC and fire safety instrumentation components and accessories from numerous brands, focusing on temperature detection, water flow detection, measurement, monitoring and control within HVAC systems; as well as the detection and alarm of fire hazards within fire safety systems. Our Group's extensive product range is attested by the number of SKUs that we sold. For the Financial Years / Period Under Review, our Group sold a total of 977, 985, 1,109, 1,023 and 856 SKUs of HVAC and fire safety instrumentation components and accessories. Further, if required, we may also source other HVAC and fire safety instrumentation components and accessories that we do not carry or which we are not appointed as an authorised distributor or sub-distributor, to which we will source the components and accessories from the respective authorised distributors or suppliers.

Our capability to source and distribute a comprehensive range of HVAC and fire safety instrumentation components and accessories provides us with operational flexibility to cater to the needs of a wide spectrum of customers. This is evident by our customer portfolio as we serve M&E contractors who secure projects from property developers or main contractors for the construction or retrofitting of institutional, commercial and industrial buildings as well as infrastructure projects for our provision of HVAC and fire safety instrumentation solutions; and we also serve customers requiring individual HVAC and fire safety instrumentation components and accessories such as HVAC and fire safety product manufacturers, M&E contractors, and distributors for onward sales to their customers.

We believe that carrying an extensive range of HVAC and fire safety instrumentation components and accessories enable us to effectively fulfil our customers' HVAC and fire safety instrumentation needs, thereby enhancing our competitive advantage and improving customer retention by capitalising on the convenience factor, as customers often prefer the ease of obtaining all their required HVAC and fire safety instrumentation components and accessories from a single supplier whenever possible, enabling our Group to fulfil our customers' differing requirements.

### 7.12.4 We have an established network of suppliers and maintain long-term relationships with our principals

We have developed our network of suppliers, primarily principals of HVAC and fire safety instrumentation components and accessories, which is crucial in our business growth and continuous operations. As at the LPD, we entered into and/or obtained distributorship agreements/certificates from 11 principals and 2 authorised distributors for brands with headquarters in Switzerland, Germany, Belgium, China, USA, Denmark and Ireland. Being an authorised distributor or sub-distributor of a wide network of principals or authorised distributor respectively enables us to source and distribute a wide selection of HVAC and fire safety instrumentation components and accessories, which is crucial in forming functional HVAC or fire safety systems of varied requirements, thereby allowing us to offer our customers the most suitable solutions according to their requirements and specifications.

We have actively entered into and/or obtained distributorship agreements/certificates from multiple principals since our incorporation in 2003. Over the years, we have consistently expanded our principal network while maintaining long-term relationships with each of the principals. Amongst 11 of our principals as detailed in Section 7.2.1(II) of this Prospectus, all of them have at least 5 years of business relationships with our Group as at the LPD.

## 7. BUSINESS OVERVIEW *(Cont'd)*

Additionally, as a testament to the strength of business relationships with our principals, we have through our subsidiary (i.e. SCASB), received various awards and recognitions from them for the Financial Years / Period Under Review and up to LPD, certain notable awards are as follows:

| Year | Awards and recognitions | Awarding Supplier |
|---|---|---|
| 2022 | Most Resilient Distributor 2022 – Asia Pacific | AP Sensing |
| | Channel Partner Best Growth Award 2022 | ABB |
| 2023 | Certificate of Excellence – The Million Dollar Club 2023 | Honeywell |
| | Partner of the Year 2023 | Honeywell |
| 2024 | Certificate of Excellence – The Million Dollar Club 2024 | Honeywell |
| 2025 | Best Communication Award 2025 | Belimo |
| | Annual Partner Conference 2025 – Partner of the Year – Building Automation ASEAN | Honeywell |
| | 2025 Catalyst (AEA – ASEAN FIRE) Programme Platinum Partner | Honeywell |
| | Certificate of Excellence – The Million Dollar Club 2025 | Honeywell |
| 2026 | 2026 Catalyst A&EA Fire Programme Diamond Partner | Honeywell |
| | Annual Partner Conference 2026 – Partner of the Year – Fire – Malaysia | Honeywell |
| | Annual Partner Conference 2026 – Partner of the Year – Fire ENT – ASEAN | Honeywell |
| | Certificate of Excellence – The Million Dollar Club 2026 | Honeywell |
| | Best Communication Award 2026 | Belimo |

With our established network of suppliers and long-standing relationship with our principals, we have access to the up-to-date HVAC and fire safety instrumentation components and accessories made available by them, allowing us to stay updated with the latest offerings and technological advancement, as well as to offer the latest HVAC and fire safety instrumentation components and accessories to our customers.

### 7.12.5 Our Group has experienced Executive Directors and Key Senior Management team

Our Executive Directors and Key Senior Management team have accumulated years of experience in their respective fields of expertise, industrial knowledge and in-depth understanding of our business operations. Under their leadership, we have established our industry reputation as a HVAC and fire safety solution specialist. The industry reputation that we have established over the years have been crucial to our Group in attracting new customers and retaining our business relationships with existing customers.

The table below sets out our Executive Directors and Key Senior Management team and the years of relevant working experience:

| Name | Designation | Years of relevant working experience |
|---|---|---|
| Tan Cheng Eng | Managing Director | 31 |
| Liong Chian Leek | Executive Director | 29 |
| Tan Choon Seng | Director of Greneco | 42 |
| Pang Kerk Jin | Chief Financial Officer | 22 |
| Lo Weng Hoe | Business Development Director/ Head of Division for HVAC Automation | 28 |
| Liong Chian Yie | Technical Director/ Head of Division for Life Safety | 25 |

## 7. BUSINESS OVERVIEW *(Cont'd)*

Please refer to Sections 5.1.2 and 5.2.3 of this Prospectus for the profiles of our Executive Directors and Key Senior Management. Our Executive Directors and Key Senior Management team have strong industry and functional expertise as a result of years of experience in their respective fields. Further, they take an active, hands-on role in spearheading their respective departments to support the growth of our Group, thus demonstrating their strong commitment to our growth as we continue to expand.

### 7.13 FUTURE PLANS AND STRATEGIES

#### 7.13.1 We intend to establish a new corporate office for Greneco, logistics and warehouse, office for sales and marketing, as well as experience centre in Kapar, Selangor to accommodate our growing business

As at the LPD, our Group operates from 4 premises in Selangor, namely Kayu Ara HQ, Kayu Ara Office 1, Kayu Ara Office 2 and Shah Alam Workshop. In line with our growth strategy and expanding operational requirements, our Group intends to establish an additional integrated facility in Kapar, Selangor, comprising new corporate office for Greneco, warehouse facility, sales and marketing office as well as an integrated customer experience centre/ demonstration lab. The establishment of this facility is intended to support our growing business and increasing scale of operations, as well as to strengthen our market presence in Malaysia.

As part of our expansion plan, our Group had on 29 September 2026 entered into a sale and purchase agreement to acquire the Kapar Property with a land area measuring approximately 54,713 sq. ft. and a total build-up area of approximately 30,500 sq. ft. identified as Plot 9 for a purchase consideration of RM12.88 million. As at the LPD, the construction status of the Kapar Property was at 45.00% completion. The vacant possession of the Kapar Property is expected to be delivered by 2nd quarter of 2027, with renovation works targeted for completion by 1st quarter of 2028.

We intend to allocate approximately RM22.42 million from our IPO proceeds for the establishment of the Kapar Property, with the breakdown as follows:

| Details | RM'000 |
|---|---|
| Repayment of term financing facility in relation to our Kapar Property | (1)10,000 |
| Payment for the remaining purchase consideration of our Kapar Property | (1)746 |
| General administrative expenses | 4,166 |
| Renovation for our Kapar Property | 4,133 |
| Hiring of additional manpower | 2,325 |
| Setup of an integrated customer experience centre/ demonstration lab | 1,050 |
| | **22,420** |

## 7. BUSINESS OVERVIEW *(Cont'd)*

**Note:**

(1) The purchase consideration of the Kapar Property is amounted to RM12.88 million, of which RM1.29 million had been paid as at the LPD. As for the remaining RM11.59 million, RM10.00 million will be funded via term financing facility, RM0.75 million will be funded via our IPO proceeds and RM0.84 million will be funded via the compensation received from the rescission of the sale and purchase agreement for the purchase of a single storey detached factory with 3-storey office as detailed in Section 14.6(iii) of this Prospectus.

As at the LPD, the tentative timeline for the Kapar Property to commence operations is as follows:

| Estimated timeline | Description |
|---|---|
| 2nd quarter 2027 | - Completion of construction and delivery of vacant possession of the Kapar Property by the property developer.<br>- Engagement with consultants for renovation drawings as well as submission.<br>- Application of relevant licences and/or approvals for operations. |
| 3rd quarter 2027 | - Commencement of renovation works for the Kapar Property upon obtaining relevant approval/permit.<br>- Kick-start the process to recruit additional manpower for the Kapar Property. |
| 1st quarter of 2028 | - Completion of the renovation works at the Kapar Property (including the set-up of customer experience centre/ demonstration lab).<br>- Obtaining the new CCC, if required, as well as other relevant approvals in respect of the renovation works for the Kapar Property.<br>- Commencement of operations at the Kapar Property. |

Please refer to Section 4.8 of this Prospectus for further details in relation to the cost in relation to the Kapar Property as well as our utilisation of proceeds.

Our Group intends to allocate the built-up area of the Kapar Property as follows:

| | **Estimated built-up area** |
|---|---|
| | sq. ft. |
| Greneco's corporate office and engineering workshop | 8,000 |
| Logistics and warehouse | 10,000 |
| Office for sales and marketing | 8,000 |
| Integrated customer experience centre/ demonstration lab | 4,500 |
| | **30,500** |

## 7. BUSINESS OVERVIEW *(Cont'd)*

We intend to relocate the operations of our water treatment solutions to the Kapar Property. As at the LPD, our water treatment solutions business is operated from our rented Shah Alam Workshop, with an approximate built-up area of 3,132 sq. ft. The allocation of approximately 8,000 sq. ft. at the Kapar Property will provide our Group with greater space for the operations of our water treatment solutions, allowing us to better facilitate and support our business operations for the continued growth of our water treatment solutions business. Following the relocation, we will terminate the rental of our Shah Alam Workshop while continuing our operations at our other 3 premises, namely Kayu Ara HQ, Kayu Ara Office 1 and Kayu Ara Office 2.

In addition, we plan to increase our inventory levels of HVAC and fire safety instrumentation components and accessories to ensure sufficient ready stock to meet customer demand, as detailed in Section 7.13.2 of this Prospectus. Accordingly, we intend to allocate approximately 10,000 sq. ft for logistics and warehouse to store more readily available stocks, which will enable us to meet customer demands and purchase orders for projects more promptly, thereby providing us with the competitive advantage to capture more sales opportunities from customers.

As at the LPD, our sales and marketing department operates from our Kayu Ara HQ. In line with our business expansion plans, we intend to strengthen our sales and marketing capabilities to support the growth of our business. Accordingly, we plan to allocate approximately 8,000 sq. ft of space at the Kapar Property for the establishment of an additional sales and marketing office. The new sales and marketing office is expected to provide our Group with improved facilities such as additional meeting rooms, discussion areas and collaborative workstations to support sales and marketing planning and related activities.

As at the LPD, our Group operates a demonstration lab at our Kayu Ara Office 1 for the presentation and demonstration of our HVAC and fire safety instrumentation solutions, as well as the components and accessories distributed by our Group to existing and potential customers. As part of our expansion plan, we intend to establish an additional integrated customer experience centre/ demonstration lab at the Kapar Property with an estimated build-up area of approximately 4,500 sq. ft. The additional integrated customer experience centre/ demonstration lab will enable us to showcase a wider range of functional HVAC and fire safety instrumentation components and accessories (e.g. fire alarm systems, damper actuators, heating/cooling meters) as well as to serve as an additional platform for more HVAC and fire safety system simulations and live demonstrations. The additional integrated customer experience centre/ demonstration lab is expected to enhance our pre-sales engagement by allowing our customers to gain a better understanding of the products and services that we offer.

We believe that the establishment of the new integrated facility at the Kapar Property will enhance our operational efficiency and strengthen customer engagement capabilities, which is expected to contribute positively to our future business growth and financial performance.

### 7.13.2 We intend to increase our inventory levels for the on-going expansion of our HVAC and fire safety business

From FYE 2022 to 2025, revenue generated from our provision of HVAC and fire safety segment recorded a CAGR of 24.70% from RM36.91 million to RM71.58 million. For FPE 2026, revenue generated from our HVAC and fire safety segment amounted to RM46.67 million. Our Group intends to continue expanding our HVAC and fire safety business to fuel our business growth, and as such it is crucial that we increase our inventory levels to have sufficient and readily available inventory to meet customer demand.

Through higher inventory levels, we will be able to drive our revenue growth by increasing our sales volume to our existing customers as well as securing new customers. Further, by having higher inventory levels on hand, we will be well-equipped to offer products in larger quantities to promptly meet the demand from our customers as well as purchase orders for projects. Higher inventory levels also ensure consistent availability and timely order fulfilment, in turn allowing us to seek and secure new customers.

We intend to allocate approximately RM2.00 million of the gross proceeds from Public Issue for the purchase of inventories such as sensors and controls for air conditioners, heat and water pumps, air handlers, humidifiers and chillers; metering devices, control panels and valves as well as other HVAC and fire safety instrumentation components and accessories. Our Group believes that by increasing our inventory levels, we will be better positioned to support the expansion of our HVAC and fire safety business, which will subsequently enhance our financial performance.

**7.13.3 We intend to intensify our sales and marketing activities to grow our sales in Malaysia**

As at the LPD, we secure new customers primarily through direct approach with potential customers and project consultants, referrals from business associates and enquiries received via our corporate website. We intend to allocate RM1.20 million from the IPO proceeds to intensify our sales and marketing activities in Malaysia, which include:

(i) increasing on-ground marketing campaigns, including billboards, distribution of brochures and industry advertisements to engage customers and promote our HVAC and fire safety instrumentation solutions;

(ii) participating in tradeshows, conferences, exhibition and roadshows in Malaysia as well as organise seminars via collaborations with our principals to promote our product and service offerings; and

(iii) adopting digital marketing through advertisement on social media platforms and search engine to enhance our brand visibility.

Besides, in order to extend the products and services to our customers, we also intend to allocate RM0.80 million for marketing trips to visit our principals' headquarters / manufacturing facility in oversea together with our major customers to showcase the new products and perform acceptance test for those products to be proposed to our customers. The intention of these trips is to enhance our customers' confidence in our Group's supply chain capabilities and also promote new / enhanced products to our customers and facilitate our customers' assessment on the products as well as address their technical and operation requirements.

These sales and marketing activities will be carried out within 36 months from the date of our Listing using the allocated IPO proceeds, by our in-house sales and marketing team, complemented by third-party marketing companies if required.

We believe that these sales and marketing activities will increase our brand awareness and enhance our brand recognition amongst our potential customers. All of which are expected to contribute to the growth of our customer base and sales, thereby enhancing our business and financial performance.

**7.13.4 We intend to venture into the provision of other related M&E solutions**

As at the LPD, our scope of M&E solution offerings focuses on the areas of HVAC instrumentation, fire safety instrumentation and water treatment. We plan to expand our business horizontally within the M&E segment by leveraging our existing capabilities in the procurement, supply, testing and commissioning of parts and components to undertake other M&E solutions.

## 7. BUSINESS OVERVIEW *(Cont'd)*

In August 2026, we received a request for quotation from a potential customer in relation to the provision of supply, testing, commissioning and maintenance services for solar street lighting for an educational institution in Sabah. Solar street lighting forms part of the M&E segment, typically comprising solar-powered lighting components equipped with batteries, poles in varying lengths and/or materials, controllers and associated electrical components, which work together to capture and store solar energy and convert it into electricity to power outdoor lighting.

In response to the request for quotation, we submitted our quotation to the potential customer in August 2026, with a total order value of approximately RM13.70 million. As at the LPD, we are in the midst of negotiating and discussing the quotation, terms and timeline in relation to this potential sales order. If this materialises, it is estimated to contribute to our order book for approximately 6 months starting from 1st quarter of 2027. It will also mark the expansion of our solution offerings to another M&E segment; as well as further expanding our business in Sabah, where we have been serving mainly through our provision of HVAC instrumentation solutions as well as HVAC instrumentation components and accessories. This potential sale order, if secured, may contribute relatively substantially to our revenue particularly for FYE 2027. At present, we have not received any other similar enquiries or secured any other solar street lighting orders save for the potential sales order. Our existing business (i.e. the HVAC and fire safety instrumentation solutions and water treatment solutions) are growing and expected to grow moving forward. Accordingly, we do not expect solar street lighting to become a material revenue contributor to our Group on a recurring basis. Further, we do not expect this business venture will require a substantial upfront capital investment, and hence it will be funded by our Group's internally generated funds.

The undertaking of this potential sale order will be overseen by our Managing Director, Tan Cheng Eng, who has approximately 31 years of experience in the M&E sector. This potential sale order will also involve the sourcing of solar street lighting parts and components from established principals/ suppliers. Such sourcing arrangement will also include technical expertise and support from the established principals/ suppliers, including assistance with technical consulting and system design, where required; as well as testing and commissioning works, particularly for works related to electrical and wiring activities which are required to be carried out by licensed personnel. On the other hand, our Group will be involved in the overall coordination, monitoring and management throughout the delivery of products up to handover, including managing the testing and commissioning works to be undertaken by the principals/ suppliers, to ensure compliance with customers' specifications and timely completion of the works. Further, our Group will not be involved in the installation works and, accordingly, will not be required to obtain any specific licences, permits, approvals or registrations from the relevant authorities in Sabah, as such licences, permits, approvals or registrations as regulated under Electricity Supply Enactment 2024 and Electricity Supply Regulations 2024 by the Energy Commission of Sabah, shall be obtained by the potential customer or its appointed contractors responsible for carrying out the respective installation works. As for the subsequent maintenance services, we intend to engage the respective parts and components principals/ suppliers to carry out the necessary maintenance works, while our Group will coordinate and monitor the progress of such works on behalf of the potential customer.

Moving forward, while we intend to maintain our focus on the provision of HVAC and fire safety instrumentation solutions as well as water treatment solutions, we will continue to pursue opportunities to expand our business offerings, including but not limited to, the supply, testing and commissioning of parts and components for other M&E solutions when suitable opportunities arise. We intend to pursue such opportunities, if any, on a relatively smaller scale and on a staggered basis, by leveraging our existing procurement, supply, testing and commissioning capabilities, without significantly changing our existing business model and focus. This represents an extension of our existing M&E solution offerings and is expected to provide additional avenues for business growth and contribute to the long-term sustainability of our business.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.14 MAJOR CUSTOMERS

Our Group's top 5 customers for the Financial Years / Period Under Review are as follows:

**FYE 2022**

| Major customers | Solutions provided / products sold | Length of relationship as of FYE 2022 (Years)[1] | Revenue (RM'000) | % of our Group's revenue |
|---|---|---|---|---|
| Syarikat Ong Yoke Lin Sdn Bhd | - Provision of HVAC instrumentation solutions;<br>- Supply and distribution of HVAC instrumentation components and accessories; and<br>- Provision of water treatment solutions. | 16 | 3,027 | 7.43 |
| Customer Group D | - Provision of HVAC instrumentation solutions; and<br>- Supply and distribution of HVAC instrumentation components and accessories. | 16 | 2,174 | 5.33 |
| Fitters Engineering Services Sdn Bhd | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 15 | 1,967 | 4.83 |
| Veenco Switchgears Engineering Sdn Bhd | - Provision of HVAC instrumentation solutions; and<br>- Supply and distribution of HVAC instrumentation components and accessories. | 3 | 1,871 | 4.59 |
| Customer Group S | - Provision of HVAC and fire safety instrumentation solutions; and<br>- Supply and distribution of HVAC instrumentation components and accessories. | 7 | 1,684 | 4.13 |
| | | **Sub-total** | **10,723** | **26.31** |
| | | **Total revenue** | **40,762** | **100.00** |

**7. BUSINESS OVERVIEW *(Cont'd)***

**FYE 2023**

| Major customers | Solutions provided / products sold | Length of relationship as of FYE 2023 (Years)[1] | Revenue (RM'000) | % of our Group's revenue |
|---|---|---|---|---|
| Customer Group D | - Provision of HVAC instrumentation solutions; and<br>- Supply and distribution of HVAC instrumentation components and accessories. | 17 | 2,358 | 4.99 |
| Pentronic Engineering Sdn Bhd | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 16 | 1,933 | 4.09 |
| Fitters Engineering Services Sdn Bhd | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 16 | 1,868 | 3.95 |
| Safe Controls Sdn Bhd | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 1 | 1,859 | 3.94 |
| Customer T | - Provision of HVAC instrumentation solutions. | 1 | 1,810 | 3.83 |
| | | **Sub-total** | **9,828** | **20.80** |
| | | **Total revenue** | **47,242** | **100.00** |

**7. BUSINESS OVERVIEW *(Cont'd)***

**FYE 2024**

| Major customers | Solutions provided / products sold | Length of relationship as of FYE 2024 (Years)[1] | Revenue (RM'000) | % of our Group's revenue |
|---|---|---|---|---|
| Fitters Engineering Services Sdn Bhd | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 17 | 5,386 | 8.74 |
| Deluge Fire Protection Services Sdn Bhd | - Provision of fire safety instrumentation solutions. | 1 | 3,733 | 6.06 |
| Samsung C&T (KL) Sdn Bhd | - Provision of HVAC and fire safety instrumentation solutions; and<br>- Supply and distribution of HVAC and fire safety instrumentation components and accessories. | 1 | 2,982 | 4.84 |
| Globe group of companies[2] | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 10 | 1,876 | 3.04 |
| Syarikat Ong Yoke Lin Sdn Bhd | - Provision of HVAC instrumentation solutions;<br>- Supply and distribution of HVAC instrumentation components and accessories; and<br>- Provision of water treatment solutions. | 18 | 1,777 | 2.88 |
| | | **Sub-total** | **15,754** | **25.56** |
| | | **Total revenue** | **61,634** | **100.00** |

**7. BUSINESS OVERVIEW *(Cont'd)***

**FYE 2025**

| Major customers | Solutions provided / products sold | Length of relationship as of FYE 2025 (Years)[1] | Revenue (RM'000) | % of our Group's revenue |
|---|---|---|---|---|
| STI Fire Safety Sdn Bhd | - Provision of fire safety instrumentation solutions. | 18 | 6,013 | 7.71 |
| Deluge Fire Protection Services Sdn Bhd | - Provision of fire safety instrumentation solutions. | 2 | 3,914 | 5.02 |
| Globe group of companies[2] | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 11 | 3,667 | 4.70 |
| Fitters Engineering Services Sdn Bhd | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 18 | 3,439 | 4.40 |
| UMJ Engineering Sdn Bhd | - Provision of fire safety instrumentation solutions. | 11 | 3,212 | 4.12 |
| | | **Sub-total** | **20,245** | **25.95** |
| | | **Total revenue** | **78,007** | **100.00** |

**7. BUSINESS OVERVIEW *(Cont'd)***

**FPE 2026**

| Major customers | Solutions provided / products sold | Length of relationship as of FPE 2026 (Years)[1] | Revenue (RM'000) | % of our Group's revenue |
|---|---|---|---|---|
| Globe group of companies[2] | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 12 | 2,720 | 5.30 |
| Progress Centre Engineering Sdn Bhd | - Provision of HVAC and fire safety instrumentation solutions; and<br>- Supply and distribution of HVAC instrumentation components and accessories. | 15 | 2,561 | 4.99 |
| Fitters Engineering Services Sdn Bhd | - Provision of HVAC and fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 19 | 2,391 | 4.66 |
| Deluge Fire Protection Services Sdn Bhd | - Provision of HVAC and fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | 3 | 2,296 | 4.47 |
| Customer H | - Provision of fire safety instrumentation solutions; and<br>- Supply and distribution of fire safety instrumentation components and accessories. | Less than 1 year | 2,183 | 4.25 |
| | | **Sub-total** | **12,151** | **23.67** |
| | | **Total revenue** | **51,330** | **100.00** |

**Notes:**

(1) The length of relationship was calculated based on the date of the first business transaction with the respective customers to the respective FYEs and FPE.

(2) Comprise of Globe Engineering Sdn Bhd and Globe Express Services Sdn Bhd.

**7. BUSINESS OVERVIEW *(Cont'd)***

For the Financial Years / Period Under Review, our top 5 major customers contributed approximately 26.31%, 20.80%, 25.56%, 25.95% and 23.67% of our Group's total revenue respectively.

The revenue contribution from our major customers were mainly derived from the provision of HVAC or fire safety instrumentation solutions which are provided to our customers undertaking building or infrastructure projects, whereby each project typically consists of multiple purchase orders issued by the respective customers. The value of each project generally varies, depending on factors including required quantities of instrumentation components and accessories as well as customer requirements. Further, the duration of our HVAC and fire safety instrumentation solution projects depends on the timeline of our customers' projects, whereby our HVAC and fire safety instrumentation solutions are generally delivered progressively over the period of our customers' project timeframe. In addition, the revenue contributions from each of the major customers during the Financial Years / Period Under Review were not substantial. As such, we are not dependent on any of our major customers.

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## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.15 MAJOR SUPPLIERS

Our Group's top 5 suppliers for the Financial Years / Period Under Review are as follows:

**FYE 2022**

| Major suppliers | Brands | Country | Length of relationship as of FYE 2022 (Years)[1] | Purchases (RM'000) | % of our Group's purchases |
|---|---|---|---|---|---|
| Belimo Automation Malaysia Sdn Bhd | Belimo | Malaysia | 20 | 11,756 | 39.66 |
| Honeywell International Sdn Bhd | Notifier and System Sensor | Malaysia | 17 | 6,126 | 20.67 |
| ABB Malaysia Sdn Bhd | ABB | Malaysia | 12 | 3,514 | 11.85 |
| Supplier S | Supplier S' brand | Malaysia | 11 | 1,838 | 6.20 |
| Geartech Automation (M) Sdn Bhd | Revcon | Malaysia | 1 | 1,306 | 4.41 |
| | | | **Sub-total** | **24,540** | **82.79** |
| | | | **Total purchases** | **29,641** | **100.00** |

**FYE 2023**

| Major suppliers | Brands | Country | Length of relationship as of FYE 2023 (Years)[1] | Purchases (RM'000) | % of our Group's purchases |
|---|---|---|---|---|---|
| Belimo Automation Malaysia Sdn Bhd | Belimo | Malaysia | 21 | 15,285 | 44.22 |
| Honeywell International Sdn Bhd | Notifier and System Sensor | Malaysia | 18 | 7,157 | 20.70 |
| ABB Malaysia Sdn Bhd | ABB | Malaysia | 13 | 4,025 | 11.64 |
| United Protection International Company Limited | Protectwell | Hong Kong | 5 | 1,178 | 3.41 |
| Belven Controls (China) Co., Ltd | Belven | China | 5 | 745 | 2.16 |
| | | | **Sub-total** | **28,390** | **82.13** |
| | | | **Total purchases** | **34,569** | **100.00** |

**7. BUSINESS OVERVIEW *(Cont'd)***

**FYE 2024**

| Major suppliers | Brands | Country | Length of relationship as of FYE 2024 (Years)[1] | Purchases (RM'000) | % of our Group's purchases |
|---|---|---|---|---|---|
| Belimo Automation Malaysia Sdn Bhd | Belimo | Malaysia | 22 | 14,185 | 34.93 |
| Honeywell International Sdn Bhd | Notifier and System Sensor | Malaysia | 19 | 12,891 | 31.74 |
| ABB Malaysia Sdn Bhd | ABB | Malaysia | 14 | 3,413 | 8.40 |
| Kamstrup Asia Pacific Sdn Bhd | Kamstrup | Malaysia | 18 | 2,248 | 5.53 |
| Supplier S | Supplier S' brand | Malaysia | 13 | 1,340 | 3.30 |
| | | | **Sub-total** | **34,077** | **83.90** |
| | | | **Total purchases** | **40,617** | **100.00** |

**FYE 2025**

| Major suppliers | Brands | Country | Length of relationship as of FYE 2025 (Years)[1] | Purchases (RM'000) | % of our Group's purchases |
|---|---|---|---|---|---|
| Honeywell International Sdn Bhd | Notifier and System Sensor | Malaysia | 20 | 16,133 | 34.19 |
| Belimo Automation Malaysia Sdn Bhd | Belimo | Malaysia | 23 | 14,136 | 29.96 |
| ABB Malaysia Sdn Bhd | ABB | Malaysia | 15 | 3,824 | 8.10 |
| Kamstrup Asia Pacific Sdn Bhd | Kamstrup | Malaysia | 19 | 2,164 | 4.59 |
| Supplier S | Supplier S' brand | Malaysia | 14 | 1,908 | 4.04 |
| | | | **Sub-total** | **38,165** | **80.88** |
| | | | **Total purchases** | **47,189** | **100.00** |

**7. BUSINESS OVERVIEW *(Cont'd)***

**FPE 2026**

| Major suppliers | Brands | Country | Length of relationship as of FPE 2026 (Years)[1] | Purchases (RM'000) | % of our Group's purchases |
|---|---|---|---|---|---|
| Honeywell International Sdn Bhd | Notifier and System Sensor | Malaysia | 21 | 10,036 | 30.86 |
| Belimo Automation Malaysia Sdn Bhd | Belimo | Malaysia | 23 | 7,986 | 24.55 |
| ABB Malaysia Sdn Bhd | ABB | Malaysia | 16 | 2,861 | 8.80 |
| Supplier S | Supplier S' brand | Malaysia | 15 | 2,195 | 6.75 |
| Kamstrup Asia Pacific Sdn Bhd | Kamstrup | Malaysia | 20 | 1,718 | 5.28 |
| | | | **Sub-total** | **24,796** | **76.23** |
| | | | **Total purchases** | **32,526** | **100.00** |

**Note:**

(1) The length of relationship was calculated based on the date of receipt of the distributorship agreement/certificate or the first business transaction with the respective suppliers to the respective FYEs and FPE.

For the Financial Years / Period Under Review, our Group's total purchases from our top 5 major suppliers, who are mainly the principals of HVAC and fire safety instrumentation components and accessories carried by our Group, collectively contributed 82.79%, 82.13%, 83.90%, 80.88% and 76.23% to our Group's total purchases respectively. In particular, for the same period, our Group's cumulative purchases from our top 2 largest suppliers (i.e. Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd) amounted to 60.33%, 64.92%, 66.67%, 64.15% and 55.41% respectively.

**7. BUSINESS OVERVIEW *(Cont'd)***

The substantial purchases from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd are attributable to the HVAC and fire safety instrumentation components and accessories procured from them, which are commonly sought by our customers. As such, we are dependent on Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd for the sourcing of their HVAC and fire safety instrumentation components and accessories. As at the LPD, our Group has entered into and/or obtained distributorship agreements/certificates from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, which are valid until 31 December 2026 and 31 March 2028 respectively. Notwithstanding this, there can be no assurance that we can continue to be their authorised distributor in the future through continuous renewal of the distributorship agreements/certificates. In the event that we cease to be an authorised distributor of Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, we will be unable to purchase HVAC and fire safety instrumentation components and accessories directly from these principals and we may lose our competitive edge. Notwithstanding that we may be able to purchase similar products from other authorised distributors of Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, we may not be able to purchase in similar commercial term as compared to our direct purchases from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd. Further, while we can suggest alternative brands of HVAC and fire safety instrumentation components and accessories from other principals to our customers, there is no assurance that our customers will accept the alternative brands. In such circumstances, we will lose our competitive edge, which may consequently lead to loss of sales and negative impact on our financial performance.

Nevertheless, we believe that our long-standing relationships of 23 years and 21 years with Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd respectively as of 30 June 2026, will support the continuity of our distributorship status as their authorised distributor. Further, we also believe that our relationships with Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd are mutually beneficial as we continue to procure their products to be used in our solutions and assist them in expanding their customer reach in Malaysia, thus mitigating our risk of dependency on them.

In addition to Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, our purchase contributions from ABB Malaysia Sdn Bhd also exceeded 10.00% in the FYE 2022 and 2023, at 11.85% and 11.64% respectively. However, we are not dependent on ABB Malaysia Sdn Bhd as purchase contributions from them reduced to below 10.00% in the FYE 2024, FYE 2025 and FPE 2026 at 8.40%, 8.10% and 8.80% respectively. Further, products that we procure from ABB Malaysia Sdn Bhd are available in the market and can be sourced from other suppliers.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.16 EMPLOYEES

The table below sets out the breakdown of our employees by business function or department in our Group as at 30 June 2026:

| Business function/ Department | Permanent employees | Contract/ temporary employees |
|---|---|---|
| Directors | 2 | - |
| Key Senior Management | 4 | - |
| Sales and marketing | 17 | - |
| Engineering and operations | 40 | (1)1 |
| Procurement and logistics | 10 | - |
| Human resource and administration, finance and accounting | 10 | - |
| **Total** | **83** | **1** |

**Note:**

(1) Refers to an employee hired under contract basis.

The table below sets out the breakdown of our employees by business function or department as at the LPD:

| Business function/ Department | Permanent employees | Contract/ temporary employee |
|---|---|---|
| Directors | 2 | - |
| Key Senior Management | 4 | - |
| Sales and marketing | 18 | - |
| Engineering and operations | 42 | - |
| Procurement and logistics | 10 | - |
| Human resource and administration, finance and accounting | 10 | - |
| **Total** | **86** | **-** |

As at the LPD, we have a total workforce of 86 employees, all of which are local employees.

None of our Group's employees, whether permanent or contractual, belong to any labour union. During the Financial Years / Period Under Review and up to the LPD, we have not experienced any strikes or other disruptions due to labour and/or industrial disputes. In addition, our Group's management has had and expects to continue their good working relationships with its employees.

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## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.17 MATERIAL PROPERTIES AND LOCATION OF OUR BUSINESS

#### 7.17.1 Properties owned

A summary of the material land and buildings owned by our Group for our business operations as at the LPD is as follows:

| No. | Registered / Beneficial owner | Title details / Property address | Description / Existing use / Intended use | Category of land use / Express condition / Tenure of property | Restrictions in interest / Material encumbrances | Date of CF or CCC | Land / Gross built-up area | Audited NBV as at 30 June 2026 (RM'000) |
|---|---|---|---|---|---|---|---|---|
| 1. | Registered owner/ Developer<br>Bukit Saujana Jaya Sdn Bhd<br><br>Beneficial owner<br>SCASB[1] | Title particulars<br>HSD 319553, PT 165641, Mukim Kapar, Daerah Klang, Negeri Selangor<br><br>Postal address<br>Not applicable | Description<br>A single storey detached factory with 3-storey office building known as Plot No. 9, West Coast Industrial Park @ Kapar, Klang, Selangor[2]<br><br>Intended use<br>Kapar Property comprising new corporate office for Greneco, engineering workshop, logistics and warehouse, office for sales and marketing as well as integrated customer experience centre/ demonstration lab | Category of land use<br>Industry<br><br>Express condition<br>Medium industry<br><br>Tenure<br>Freehold | Restrictions in interest<br>None<br><br>Encumbrance<br>Nil[3] | Not applicable[2] | Land size:<br>Approximately 54,713 sq. ft.<br><br>Built-up area:<br>Approximately 30,500 sq. ft. | Not applicable[2] |

**7. BUSINESS OVERVIEW *(Cont'd)***

| No. | Registered / Beneficial owner | Title details / Property address | Description / Existing use / Intended use | Category of land use / Express condition / Tenure of property | Restrictions in interest / Material encumbrances | Date of CF or CCC | Land / Gross built-up area | Audited NBV as at 30 June 2026 (RM'000) |
|---|---|---|---|---|---|---|---|---|
| 2. | SCASB | Title particulars<br>Pajakan Mukim No. 3949, Lot 90, Tempat Kg Sg Kayu Ara, Pekan Kayu Ara, Daerah Petaling, Negeri Selangor<br><br>Postal address<br>No. 10, Jalan PJU 6A/3A, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor | Description<br>One unit of 4- storey shop office<br><br>Existing use<br>Kayu Ara HQ comprising management office[4] and storage | Category of land use<br>Building<br><br>Express condition<br>Commercial centre<br><br>Tenure<br>99-year leasehold expiring on 19 March 2091 | Restrictions in interest<br>The land cannot be sold, leased, charged or transferred in any way except with the approval of the State authority.<br><br>Encumbrance<br>Charged to Hong Leong Bank Berhad by SCASB | 29 August 2025 | Land size:<br>Approximately 1,625 sq. ft.<br><br>Built-up area:<br>Approximately 6,116 sq. ft. | 610 |
| 3. | SCASB | Title particulars<br>Pajakan Mukim No. 3922, Lot 69, Tempat Kg Sg Kayu Ara, Pekan Kayu Ara, Daerah Petaling, Negeri Selangor<br><br>Postal address<br>No. 11, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor | Description<br>One unit of 4-storey shop office<br><br>Existing use<br>Kayu Ara Office 2 comprising management office and storage | Category of land use<br>Building<br><br>Express condition<br>Commercial centre<br><br>Tenure<br>99-year leasehold expiring on 19 March 2091 | Restrictions in interest<br>The land cannot be sold, leased, charged or transferred in any way except with the approval of the State authority<br><br>Encumbrance<br>Charged to Alliance Bank Malaysia Berhad by SCASB | 3 April 2024 | Land size:<br>Approximately 1,733 sq. ft.<br><br>Built-up area:<br>Approximately 6,688 sq. ft. | 1,400 |

**7. BUSINESS OVERVIEW *(Cont'd)***

| No. | Registered / Beneficial owner | Title details / Property address | Description / Existing use / Intended use | Category of land use / Express condition / Tenure of property | Restrictions in interest / Material encumbrances | Date of CF or CCC | Land / Gross built-up area | Audited NBV as at 30 June 2026 (RM'000) |
|---|---|---|---|---|---|---|---|---|
| 4. | SCASB | Title particulars<br>Pajakan Mukim No. 3921, Lot 68, Tempat Kg Sg Kayu Ara, Pekan Kayu Ara, Daerah Petaling, Negeri Selangor<br><br>Postal address<br>No. 11A, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor | Description<br>One unit of 4-storey shop office<br><br>Existing use<br>Kayu Ara Office 1 comprising engineering office, demonstration and training room as well as storage | Category of land use<br>Building<br><br>Express condition<br>Commercial centre<br><br>Tenure<br>99-year leasehold expiring on 19 March 2091 | Restrictions in interest<br>The land cannot be sold, leased, charged or transferred in any way except with the approval of the State authority<br><br>Encumbrance<br>Charged to Alliance Islamic Bank Berhad by SCASB | 7 August 2025 | Land size:<br>Approximately 1,733 sq. ft.<br><br>Built-up area:<br>Approximately 6,820 sq. ft. | 1,399 |

**Notes:**

(1) SCASB has entered into a sale and purchase agreement dated 29 September 2026 with Bukit Saujana Jaya Sdn Bhd (as vendor and developer) to acquire the Kapar Property at the cash consideration of RM12,880,000. As at the LPD, SCASB has paid RM1,288,000, being 10% of the purchase price, to the developer and the sale and purchase of the Kapar Property is pending completion. Further details of the sale and purchase agreement is set out in Section 14.6(vii) of this Prospectus.

(2) As at the LPD, the property is currently under construction and is 45.00% complete based on the certificate from the civil and structure engineering consultant. For information, SCASB has paid RM1,288,000, being 10% of the purchase price as at the LPD. SCASB has yet to receive the remaining progress billings. Our Group expects the vacant possession of the Kapar Property to be delivered by 2nd quarter of 2027 and the renovation is estimated to be completed by 1st quarter of 2028.

(3) Kapar Property will be charged by SCASB in favour of Hong Leong Islamic Bank Berhad pursuant to the banking facilities obtained to part-finance the acquisition of Kapar Property via a supplementary letter of offer dated 26 October 2026.

(4) Ace Victech also operates from the Kayu Ara HQ.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.17.2 Properties rented

As at the LPD, there are no other material land or buildings rented or leased by our Group for our business operations, save as disclosed below:-

| Landlord | Tenant | Postal address | Description / Existing use | Date of CF / CCC or equivalent | Land area / Built-up area | Tenure | Monthly rental (RM) |
|---|---|---|---|---|---|---|---|
| Tang Koo Chee @ Tan Khoo Chee | Greneco | No. 7, Jalan Injap 34/4, Seksyen 34, 40470 Shah Alam, Selangor | Description of building:<br>1½ storey terraced factory<br><br>Existing use:<br>Shah Alam Workshop for selling, servicing, wholesaling and storage for mechanical and electrical equipment, preparing and processing electronic equipment as well as management office | 6 October 2021 | 2,400 sq. ft. / 3,132 sq. ft. | 1 July 2025 to 30 June 2027<br><br>Option to renew<br>1 year | 5,500 |

As at the LPD, our Group is not in breach of any relevant laws, regulations, rules and requirements in respect of the above material properties owned, leased and tenanted by our Group, which will have a material adverse impact on our operations.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.18 MAJOR APPROVALS, LICENCES AND PERMITS

As at the LPD, details of our major approvals, licences and permits for our operations are as follows:

| No. | Name of licensee | Approving authority / issuer | Description of licence / permit / approval | Validity Period | Major conditions imposed | Status of compliance |
|---|---|---|---|---|---|---|
| 1. | Ace Victech | Petaling Jaya City Council ("**MBPJ**") | **Trade, business and industrial licence**<br>For management office at No. 10-1, Jalan PJU 6A/3A, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor<br><br>Account no.<br>L2540000690475 | 13 October 2025 to 31 December 2026<br><br>Renewed period:<br>1 January 2027 to 31 December 2027(1) | • Not permitted to employ foreign workers without authorisation. | Complied. As at the LPD, our Group does not have any foreign employees. |
| | | | | | • Premises are not allowed to be used as worker accommodation. | Noted. |
| | | | | | • Any alteration to the building shall subject to the prior approval from the MBPJ. | Noted. |
| | | | | | • Renewal application shall be made 3 months prior to the expiry date of the licence to the MBPJ. | Noted. |
| 2. | SCASB | MBPJ | **Trade, business and industrial licence**<br>For management office, store and 2 signages at No. 10-1, 10-2, 10-3 & 10-3A Jalan PJU 6A/3A, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor<br><br>Account no.<br>L950000107612 | 1 January 2026 to 31 December 2026<br><br>Renewed period:<br>1 January 2027 to 31 December 2027(2) | • Not permitted to employ foreign workers without authorisation. | Complied. As at the LPD, our Group does not have any foreign employees. |
| | | | | | • Premises are not allowed to be used as worker accommodation. | Noted. |

**7. BUSINESS OVERVIEW *(Cont'd)***

| No. | Name of licensee | Approving authority / issuer | Description of licence / permit / approval | Validity Period | Major conditions imposed | Status of compliance |
|---|---|---|---|---|---|---|
| | | | | | • Any alteration to the building shall subject to the prior approval from the MBPJ. | Noted. |
| | | | | | • Renewal application shall be made 3 months prior to the expiry date of the licence to the MBPJ. | Noted. |
| 3. | SCASB | MBPJ | **Trade, business and industrial licence**<br>For management office, store and 1 signage at No. 11-1, 11-2, 11-3, 11-3A, 11A-1, 11A-2, 11A-3 & 11A-3A, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor<br><br>Account no.<br>L950000213534 | 1 January 2026 to 31 December 2026<br><br>Renewed period:<br>1 January 2027 to 31 December 2027(3) | • Not permitted to employ foreign workers without authorisation. | Complied. As at the LPD, our Group does not have any foreign employees. |
| | | | | | • Premises are not allowed to be used as worker accommodation. | Noted. |
| | | | | | • Any alteration to the building shall subject to the prior approval from the MBPJ. | Complied. Our Group has obtained partition permit valid from 15 January 2026 to 31 December 2026. |
| | | | | | • Renewal application shall be made 3 months prior to the expiry date of the licence to the MBPJ. | Noted. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

| No. | Name of licensee | Approving authority / issuer | Description of licence / permit / approval | Validity Period | Major conditions imposed | Status of compliance |
|---|---|---|---|---|---|---|
| 4. | Greneco | Shah Alam City Council | **Business licence**<br>Selling, servicing, wholesaling and storage for mechanical and electrical equipment, preparing and processing electronic equipment as well as management office at No. 7, Jalan Injap 34/4, Seksyen 34, 40470 Shah Alam, Selangor<br><br>Account no.<br>L034114420250002 | 1 September 2026 to 31 August 2027 | • Renewal application shall be made 3 months prior to the expiry date of the licence to the Shah Alam City Council. | Noted. |
| 5. | Greneco | CIDB | **Certificate of Registration**<br><br>Registration No.:<br>0120210219-WP069327<br><br>Status:<br>Active<br><br>Certificate of Registration was issued by the CIDB certifying Greneco has been registered as a contractor with the CIDB in accordance with the CIDB Act as follows:<br><br>**Grade** / **Category** / **Specialisation**<br>G6 / B / B04<br>G6 / CE / CE21<br>G6 / ME / M15 | Date of Registration:<br>25 February 2021<br><br>Commencement Date:<br>11 September 2025<br><br>Expiry Date:<br>3 August 2027 | (a) The registration certificate issued is not transferrable.<br><br>(b) The contractor is not allowed to undertake and build any construction project that exceeds the value of the construction work as specified under this registration grade and to carry any construction project outside this registration category. | Noted<br><br>Complied |

**7. BUSINESS OVERVIEW *(Cont'd)***

| No. | Name of licensee | Approving authority / issuer | Description of licence / permit / approval | Validity Period | Major conditions imposed | Status of compliance |
|---|---|---|---|---|---|---|
| | | | Notes:<br>G6 - Contract value not exceeding RM10 million<br>B - Buildings<br>CE - Civil engineering<br>ME - Mechanical and electrical engineering<br>B04 - Construction work on buildings<br>CE21 - Civil engineering construction works<br>M15 - Miscellaneous mechanical equipment | | (c) The contractor must submit information on any construction work or contract within 14 days after being awarded or before commencement of the work, whichever is earlier. | Complied. |
| | | | | | (d) The contractor must appoint skilled construction workers and site supervisors who are accredited and certified by CIDB. | Noted. |
| | | | | | (e) The contractor must apply for renewal of the registration within 60 days before the expiry date as stated in the certificate. | Complied. |
| | | | | | (f) All construction site workers must have a valid construction personnel card. | Complied. |

**7. BUSINESS OVERVIEW *(Cont'd)***

| No. | Name of licensee | Approving authority / issuer | Description of licence / permit / approval | Validity Period | Major conditions imposed | Status of compliance |
|---|---|---|---|---|---|---|
| 6. | Greneco | Energy Commission | **Certificate of Registration as Electrical Contractor**<br><br>Registration No.:<br>ST(TKL)SGR/C/KE/05730/2025<br><br>Certificate of Registration was issued by the Energy Commission certifying Greneco has been registered as an electrical contractor under Class D at No. 7, Jalan Injap 34/4, Seksyen 34, 40470 Shah Alam, Selangor | 19 January 2026 to 18 January 2029 | None. | Not applicable. |

**Notes:**

(1) The trade, business and industrial licence was renewed on 11 September 2026 and shall be effective from 1 January 2027.

(2) The trade, business and industrial licence was renewed on 21 September 2026 and shall be effective from 1 January 2027.

(3) The trade, business and industrial licence was renewed on 9 September 2026 and shall be effective from 1 January 2027.

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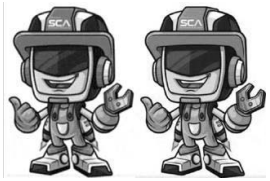
## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.19 INTELLECTUAL PROPERTY

As at the LPD, save for the trademark registrations below, we do not have any other intellectual property right registered and/or in the process of registration:

| Trademark | Registered owner | Authority | Registration No. | Validity period | Class of trademark | Status |
|---|---|---|---|---|---|---|
|   | SCASB[(1)] | MyIPO/ Malaysia | 2018011509 | 12 September 2018 to 12 September 2028 | Class 35<br>Retailing and distribution connecting to building automation products and fire alarm systems and all related products, all included in Class 35 | Registered |
|   | SCASB | MyIPO/ Malaysia | 2018070899 and 2018070902 | 9 October 2018 to 9 October 2028 | Class 7<br>Air delivery valves; control valves (parts of machines); electric valves (other than thermionic); electromagnetic valves; mechanical control valves; motorized valves; valves (parts of machine); valves for compressor; valves for engines; valves for measuring fluid flow; valves of metal (parts of machine); all included in Class 7.<br><br>Class 9<br>Digital thermometers, other than for medical purposes; electronic thermometers, other than for medical purposes; gauges; household thermometers; mercury thermometers (other than for medical use); thermometers, not for medical purposes; pressure controller (gauges); pressure gauges; pressure regulators (gauges); all included in Class 9. | Registered |

**7. BUSINESS OVERVIEW *(Cont'd)***

| Trademark | Registered owner | Authority | Registration No. | Validity period | Class of trademark | Status |
|---|---|---|---|---|---|---|
|  | SCASB | MyIPO/ Malaysia | 2021027746 | 6 October 2021 to 6 October 2031 | Class 16<br>Advertising pamphlets; brochures; business cards; cardboard articles; cardboard boxes; cardboard cartons; catalogues; note books; note paper; note pads; packaging boxes of cardboard; packaging boxes of paper; paper and cardboard; pamphlets; printed advertising boards of paper or cardboard; printed flyers. | Registered |
|  | Greneco | MyIPO/ Malaysia | 09014145 | 20 August 2009 to 20 August 2029 | Class 11<br>Evaporative cooling towers included in class 11. | Registered |

**Note:**

(1) Under the Deed of Assignment dated 7 July 2025, Tan Cheng Eng and Liong Chian Leek have assigned, transferred and delivered the right, title and interest in and to the said trademark to SCASB including all goodwill associated with the said trademark to SCASB and Tan Cheng Eng and Liong Chian Leek shall cease to use the said trademark immediately upon execution of the Deed of Assignment. On 14 April 2026, the assignment of the registered trademark to SCASB was recorded and registered with MyIPO with effect from 7 July 2025.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### 7.20 DEPENDENCY ON CONTRACTS, PRODUCTION OR BUSINESS PROCESSES, LICENCES AND PERMITS AND INTELLECTUAL PROPERTY RIGHTS

For the Financial Years / Period Under Review, our Group's total purchases from our top 5 major suppliers, who are mainly the principals of HVAC and fire safety instrumentation components and accessories carried by our Group, collectively contributed 82.79%, 82.13%, 83.90%, 80.88% and 76.23% to our Group's total purchases respectively. In particular, for the same period, our Group's cumulative purchases from our top 2 largest suppliers (i.e. Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd) amounted to 60.33%, 64.92%, 66.67%, 64.15% and 55.41% respectively.

The substantial purchases from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd are attributable to the HVAC and fire safety instrumentation components and accessories procured from them, which are commonly sought by our customers. As such, we are dependent on Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd for the sourcing of their HVAC and fire safety instrumentation components and accessories. As at the LPD, our Group has entered into and/or obtained distributorship agreements/certificates from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, which are valid until 31 December 2026 and 31 March 2028 respectively. Notwithstanding this, there can be no assurance that we can continue to be their authorised distributor in the future through continuous renewal of the distributorship agreements/certificates. In the event that we cease to be an authorised distributor of Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, we will be unable to purchase HVAC and fire safety instrumentation components and accessories directly from these principals and we may lose our competitive edge. Notwithstanding that we may be able to purchase similar products from other authorised distributors of Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, we may not be able to purchase in similar commercial term as compared to our direct purchases from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd. Further, while we can suggest alternative brands of HVAC and fire safety instrumentation components and accessories from other principals to our customers, there is no assurance that our customers will accept the alternative brands. In such circumstances, we will lose our competitive edge, which may consequently lead to loss of sales and negative impact on our financial performance.

Save for the major approvals, licences and permits as disclosed in Section 7.18 of this Prospectus and the contracts and agreements as disclosed below, as at the LPD, our Group's business or profitability is not materially dependent on any other contracts, agreements and/or arrangements, production or business processes, licences and permits, and intellectual property rights:

(a) **Distribution agreement dated 24 February 2026 between Belimo Automation Malaysia Sdn Bhd ("Belimo") and SCASB ("Belimo Agreement")**

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| **Purpose** | Belimo appoints SCASB as an authorised Belimo distributor with a non-exclusive right to distribute and sell Belimo's products ("**Belimo Products**") in Malaysia. |
| **Tenure** | 1 January 2026 and renewal annually(1) until and unless terminated by both parties by providing no less than 30-day written notice prior to the expiration of the initial or any renewal term. If a renewed agreement is not signed by both parties on or before 31 March, the Belimo Agreement shall be deemed withdrawn without further notice.<br><br>*Note*<br><br>*(1) The parties expect to renew the Belimo Agreement on or before 31 March 2027. The Belimo Agreement had in the past renewed during the 1st quarter of the year.* |

## 7. BUSINESS OVERVIEW *(Cont'd)*

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| **Contract value** | There are no fixed prices for Belimo Products as the prices of the products are based on the regularly updated Belimo Products' price lists. |
| **Termination** | In the event of SCASB failing to make any payment in accordance with Belimo's terms of sale, Belimo reserves the right to:<br>(i) suspend delivery of any further Belimo Products to SCASB relating to existing orders until all outstanding monies due to Belimo have been paid in full; and/or<br>(ii) refuse to accept or implement future orders placed by SCASB; and/or<br>(iii) only accept any future order(s) from SCASB if accompanied by full payment; and/or<br>(iv) terminate the Belimo Agreement immediately without notice to SCASB.<br><br>For information, If SCASB fails to make payment to Belimo for the purchase of Belimo Products, Belimo can exercise its right to, among others, terminate the Belimo Agreement.<br><br>SCASB has the right to terminate the Belimo Agreement by giving at least 30-day written notice to Belimo, as set out under "Tenure" in the salient terms of the Belimo Agreement. |
| **Assignment and sub-contract** | The rights and benefits conferred under the Belimo Agreement on SCASB are personal to SCASB and shall not be assigned or transferred, in whole or in part, to any other person. SCASB shall not sub-contract or delegate performance of any of its duties or the discharge of any of its liabilities to any other person without the express written consent of Belimo. |
| **Confidentiality** | During the term of the Belimo Agreement and for a period of 2 years thereafter, SCASB shall not disclose to any person, or use for its benefit or for that of any other person, any information relating to Belimo or any Belimo Products, save for information in the public domain, except for the purposes of the Belimo Agreement provided that disclosure of such information may be made by SCASB to those of its employees who have a reasonable need to know the same for the proper performance of their duties.[(2)]<br><br>*Note*<br><br>*[(2)] On 26 November 2025, our Group has obtained consent from Belimo in respect of the disclosure of the salient terms in this Prospectus.* |
| **Other salient terms** | Target sales<br>Belimo and SCASB shall mutually agree on the revenue targets and sales objectives on an annual basis.[(3)] SCASB shall use its best efforts to achieve all such sales objectives and acknowledges that failure to meet such sales objectives may constitute grounds for variation or non-renewal of the Belimo Agreement. Until new sales objectives have been established, the agreed ones shall remain in effect for the next period. A business review should take place at least once a year.<br><br>*Note* |

**7. BUSINESS OVERVIEW *(Cont'd)***

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| | (3) *The annual revenue targets and sales objectives are for supply planning purposes and to ensure timely and adequate product availability for our Group's customers. SCASB achieved the annual revenue targets and sales objectives for FYE 2022 and FYE 2023, except FYE 2024 and FYE 2025.*<br><br>*Throughout the Financial Years / Period Under Review, Belimo did not impose any penalties, terminate or vary the terms of the distributorship arrangement, or elect not to renew the distribution agreement. SCASB has continued to maintain its distributorship relationship with Belimo as at the LPD.*<br><br><u>Non-Competition</u><br>Neither SCASB nor (as it shall procure) any of its officers, employees, agents or any other entity or person over whom SCASB has any control (directly or indirectly) shall promote, sell, supply, develop, manufacture, distribute or in any other way deal with, products which are or may be, directly or indirectly, compete with Belimo Products or provide to any such person and/or entity services which are the same or similar to those provided pursuant to the Belimo Agreement.<br><br><u>Change of shareholdings</u><br>In the event of any material change of ownership or management of SCASB, SCASB shall first provide written notice of such proposed material change to Belimo, and Belimo shall have approved the same in writing.(4)<br><br><u>*Note*</u><br><br>(4) *No consent is required since there is no material change of ownership and management in SCASB resulting from the Acquisition of SCASB.*<br><br><u>Use of Belimo name and trademark of Belimo</u><br>SCASB may identify itself as an "Authorised" Belimo distributor but acknowledges that the right to so identify itself does not confer on SCASB any licence or franchise and SCASB shall not have or acquire any right, title or interest in any trade name, trademark or other proprietary right or material owned or claimed by Belimo. Save as aforesaid, SCASB shall not use the name "Belimo" or any other trademark, trade name or proprietary right or material of Belimo without the prior written consent of Belimo. For clarification purposes, nothing in the Belimo Agreement shall be construed to confer any rights to SCASB by implication, estoppels, or otherwise as to any technology or patent rights or any trade name, trademark or other proprietary right of Belimo. SCASB shall not represent itself as an agent of Belimo for any purposes and is strictly prohibited from giving any warranties or make any representations on behalf of Belimo.<br><br><u>Governing laws</u><br>The Belimo Agreement shall be governed under the laws of Malaysia. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

(b) **Honeywell Building Automation Distributor Agreement dated 3 June 2025 between Honeywell International Sdn Bhd ("Honeywell") and SCASB ("Honeywell Agreement")**

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| **Purpose** | Honeywell to appoint SCASB as a non-exclusive distributor within Malaysia (the "**Territory**") and grants SCASB a non-assignable, non-transferrable right to offer, market, promote, distribute and sell (collectively, "**Sales Activities**") in such Territory(1).<br><br>*Note*<br><br>*(1) Honeywell sets the annual revenue targets for supply planning purposes and to ensure timely and adequate product availability for our Group's customers. SCASB achieved the targets set by Honeywell for FYE 2024 and FYE 2025, except FYE 2022 and FYE 2023.*<br><br>*Throughout the Financial Years / Period Under Review, Honeywell did not impose any penalties, terminate or vary the terms of the distributorship arrangement, or elect not to renew the distribution agreement. SCASB has continued to maintain its distributorship relationship with Honeywell as at the LPD.* |
| **Tenure** | From 3 June 2025 to 31 March 2028. |
| **Contract value** | All prices for Honeywell products ("**Honeywell Products**") are as provided under the Honeywell price book at the time an order is accepted. Prices, terms, conditions, and Honeywell Products or service specifications are subject to change without notice; provided, however, that Honeywell will endeavor to provide at least 30 days' written notice of any changes. Pricing is subject to immediate change upon announcement of Honeywell Products' discontinuance. |
| **Termination** | (i) The Honeywell Agreement may be terminated by either party for convenience with a minimum of 30 days' advance notice to the other party, unless terminated sooner as set forth below. Honeywell may also, in its sole discretion, terminate a specific portion of the Territory or a specific Honeywell Product line from the Honeywell Agreement with a minimum of 30 days' prior notice to SCASB.<br><br>(ii) Honeywell may immediately terminate the Honeywell Agreement (or a specific portion of the Territory (i.e. certain location within Malaysia) or a specific Honeywell Product line) for breach of contracts except for a failure to pay within 3 business days (which shall be subject to the notice and cure provision under the Honeywell Agreement). |
| **Assignment and sub-contract** | Honeywell may assign or transfer the Honeywell Agreement, and assign its rights and delegate its obligations. SCASB may not, directly or indirectly, assign or transfer the Honeywell Agreement, or assign its rights or delegate any of its obligations without Honeywell's prior written consent, and any attempt to do so will be void. For avoidance of doubt, Honeywell reserves the right to terminate the Honeywell Agreement in the event of an unauthorised assignment. |

## 7. BUSINESS OVERVIEW *(Cont'd)*

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| **Confidentiality** | Neither party shall issue press release or make any public announcement relating to Honeywell Agreement without the prior written approval of the other party, except in good faith is required by applicable law or any listing or trading agreement concerning its or its affiliates' publicly traded securities.(2)<br><br>*Note*<br><br>*(2) On 15 December 2025, our Group has obtained consent from Honeywell in respect of the disclosure of the salient terms in this Prospectus.*<br><br>Notwithstanding the foregoing, if either party, or a third party, makes a public disclosure related to the Honeywell Agreement that is false or damaging to a party, the aggrieved party will have the right to make a public response reasonably necessary to correct any misstatement, inaccuracies or material omissions in the initial and wrongful affirmative disclosure without prior approval of the other party. Neither party will be required to obtain consent for any proposed release or announcement that is consistent with information that has previously been made public without breach of its obligations under the Honeywell Agreement.<br><br>Notwithstanding the foregoing, Honeywell may list SCASB and its logo as a customer on Honeywell's website and in marketing materials. |
| **Other salient terms** | Minimum order quantities<br>Depending on SCASB's local region and the Honeywell Products being purchased, Honeywell may impose a minimum order value and processing fees for custom orders or orders below the imposed thresholds. Honeywell may also charge processing fees for orders placed manually and not through its ecommerce website.<br><br>Assignment in majority interest<br>Honeywell may terminate the Honeywell Agreement, inter alia, for any attempted assignment of the Honeywell Agreement by SCASB or any rights under the Honeywell Agreement without Honeywell's prior written consent, which includes a sale or transfer of substantially all of SCASB's assets, a majority interest in its voting stock, or a merger or consolidation with one or more entities.(3)<br><br>*Note*<br><br>*(3) Consent from Honeywell was sought and was granted on 15 December 2025 for the change of the majority interest in the voting rights resulting from the Acquisition of SCASB.*<br><br>Use of Honeywell name and trademark<br>Honeywell grants SCASB a non-exclusive, royalty free licence during the term of the Honeywell Agreement, to use the trademarks as stated in the Honeywell Agreement for the Honeywell Products in the Territory for and in connection with its Sales Activities. Honeywell may terminate the licence in its sole discretion, to the extent it believes that SCASB has acted in any manner that violates the Honeywell Agreement or negatively impacts Honeywell's good will. Upon expiration or termination of the Honeywell Agreement, SCASB shall immediately cease any and all use of the trademarks; provided, however, that SCASB may continue to use the trademarks to sell any remaining inventory of the Honeywell Products. |

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| | Governing laws<br>The Honeywell Agreement shall be governed under the laws of Malaysia. |

## 7.21 GOVERNING LAWS AND REGULATIONS

Save as disclosed below, as at the LPD, there are no other laws, regulations, rules or requirements governing the conduct of our business and environmental issues which may materially affect our Group's business or operations.

### (a) Local Government Act 1976 ("LGA")

The LGA and the by-laws of the respective local councils and authorities set out the requirements to obtain business and signage licences. Every licence or permit granted by the local authority may be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason.

Our Kayu Ara HQ, Kayu Ara Office 1, Kayu Ara Office 2 and Shah Alam Workshop located in Petaling Jaya and Shah Alam, Selangor, which falls under the jurisdiction of MBPJ and Shah Alam City Council. Our Group is required to comply with the Licensing of Trades, Businesses and Industries (Petaling Jaya City Council) By-Laws 2007 and Licensing of Trades, Businesses and Industries (Shah Alam City Council) By-Laws 2007 ("**By-Laws**").

These By-Laws provide that no person shall operate any activity of trade, business and industry or use any place or premises in the local area of the council for any activity of trade, business and industry without a licence issued by the local licensing authority. These By-Laws further provide that any person who fails to produce such a licence shall, upon conviction, be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or both.

As at the LPD, our Group holds valid business licences issued by the MBPJ and Shah Alam City Council as disclosed in Section 7.18 of this Prospectus therefore we have complied with the LGA and the By-Laws.

There have been no past non-compliances by our Group under LGA and/or By-Laws during the Financial Years / Period Under Review and up to LPD. As at the LPD, our Group has not been fined, penalised or issued with any notice of non-compliance under the LGA and/or the By-Laws.

### (b) Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 ("CIDB Act") and Registration of Contractors (Construction Industry) Regulations 1995 ("Registration of Contractors Regulations 1995")

The CIDB Act and the regulations made under the CIDB Act are established to govern CIDB and its functions in relation to the construction industry and all matters in connection therewith.

## 7. BUSINESS OVERVIEW *(Cont'd)*

Registration as a contractor

The CIDB Act prescribes that a contractor must register with the CIDB and hold a valid certificate of registration issued by the CIDB under the CIDB Act in order to carry out or complete, undertake to carry out or complete any construction works or hold himself as a contractor. Failure to comply with such provision may render a person liable to a fine of not less than RM10,000 but not more than RM100,000.

As at the LPD, our subsidiary, namely Greneco, maintains a valid Grade G6 certificate of registration as a contractor with CIDB as disclosed in Section 7.18(5) of this Prospectus.

According to the terms and conditions of the CIDB licence issued, Greneco is required to appoint a site supervisor who is accredited and certified by CIDB. Failure to comply with such a requirement may result in the CIDB licence being cancelled and revoked by CIDB. During the tenure of the CIDB licence, our Group has not appointed any site supervisor who is accredited and certified by CIDB, as we were of the view that our clients/main contractor has placed their own site project manager at the project site.

As at the LPD, our Group has employed 1 site supervisor who is accredited and certified by CIDB which is in compliance with the CIDB requirements.

Save as disclosed above, there have been no other past non-compliances by our Group under CIDB Act and Registration of Contractors Regulations 1995 during the Financial Years / Period Under Review and up to LPD. As at the LPD, our Group has not received any notification from CIDB or any disciplinary action for the failure to employ a site supervisor who is accredited and certified by CIDB.

To reinforce compliance, our Group has established an internal compliance committee (comprising a Senior Service Manager, Senior Finance Manager and Senior Personal Assistant cum Human Resource Executive) dedicated to strengthening adherence to CIDB requirements. This committee will be reporting to our Managing Director, Tan Cheng Eng and is responsible for ensuring full compliance with CIDB requirements, involving renewal CIDB Green Cards as well as to oversee the declaration of projects within CIDB's stipulated timeframe. Additionally, our Group undertakes to promote continuous training and certification for our employees in alignment with CIDB requirements as well as accredited personnel employment guidelines.

Imposition of Levy

The CIDB Act also provides that every contractor shall declare and submit to CIDB any contract on any construction works which it has been awarded no less than 14 days after the date of execution of the contract or no less than 14 days before the commencement of the construction works, whichever date is earlier. Failure to do so may render a contractor liable to a fine of not exceeding RM50,000.

The CIDB Act and the Lembaga Pembangunan Industri Pembinaan Malaysia (Imposition of Levy) Order 2024 require that a contractor shall be liable to pay to CIDB a levy at the rate of 0.125% of the contract sum, for every contract having a contract sum of above RM500,000. Failure to pay any levy due within the prescribed period by CIDB shall be guilty of an offence and on conviction, be liable to a fine of not exceeding RM50,000 or 4 times the amount of such levy payable, whichever is higher.

As at the LPD, our Group has declared and submitted all the existing contracts which have been awarded to our Group, and no levies are payable by our Group as such levies are required to be paid by the main contractors and therefore our Group is in compliance with the abovementioned provision under the CIDB Act and the Lembaga Pembangunan Industri Pembinaan Malaysia (Imposition of Levy) Order 2024.

## 7. BUSINESS OVERVIEW *(Cont'd)*

Notification of change of particulars under Regulation 13 of the Registration of Contractors Regulations 1995

Under Regulation 13 of the Registration of Contractors Regulations 1995, it provides that a person registered under the CIDB Act shall notify CIDB from time to time, whenever there is any change, inter alia, in the capital, particulars relating to ownership, or the board of directors or management, of the company, within 30 days of the change.

On 4 February 2026, our Group has informed CIDB via its portal on the change of ownership pursuant to the completion of the Acquisitions and therefore, our Group has fulfilled the requirement under Regulation 13 of the Registration of Contractors Regulations 1995.

**(c) Street, Drainage and Building Act 1974 ("SDBA") and Uniform Building By-Laws 1984 ("UBBL")**

CCC or certificate of fitness for building

The SDBA is enforced by the local authorities of Peninsular Malaysia and it provides for the requirement of having a CCC for the occupation of any building or any part of a building.

Pursuant to the SDBA, any person who occupies or permits to be occupied any building or any part of a building without a CCC may be liable to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

In the past, our Group has occupied the Kayu Ara HQ and Kayu Ara Office 1 as our offices and storage space without CCCs. Subsequently, our Group has obtained respective CCCs in August 2025 for its Kayu Ara HQ and Kayu Ara Office 1.

As at the LPD, all the buildings owned and rented by our Group, i.e. Kayu Ara HQ, Kayu Ara Office 1, Kayu Ara Office 2 and Shah Alam Workshop have been issued with valid CCCs as mentioned in Sections 7.17.1 and 7.17.2 of this Prospectus.

Erection of partitions in buildings

The SDBA provides that no person shall erect or permit to be erected in any building any partition without having the prior written permission from the local authority. The local authority may enter such buildings and remove any partition which has been erected without the prior written permission of the local authority, and in such event, the person in default or the owner shall pay the local authority the cost and expenses of such removal of partition.

Further, if upon conviction of such non-compliance, such person shall be liable to a fine not exceeding RM500 and shall be liable further for a fine not exceeding RM100 for every day during which the offence continues after conviction.

**7. BUSINESS OVERVIEW *(Cont'd)***

Our Group renovated and erected multiple partitions inside our Kayu Ara Office 2 after obtaining its CCC in April 2024. However, our Group was unaware that the erection of such partitions in any buildings requires a permit to be issued by the local authority, hence no partition permit was obtained for our Kayu Ara Office 2. On 4 December 2025, our Group submitted an application to MBPJ to procure the partition permit, and as at the LPD, our Group has obtained the partition permit with a validity period from 15 January 2026 to 31 December 2026. The partition permit is renewable annually and the renewal application is to be submitted 30 days before its expiry.

Save as disclosed above in relation to the CCCs and partition permit, there have been no other past non-compliances by our Group under SDBA and UBBL during the Financial Years / Period Under Review and up to LPD. As at the LPD, SCASB has not been fined, penalised or issued with any notice of non-compliance under the SDBA and UBBL, and our Group has since been in compliance with the SDBA and UBBL.

**(d) Electricity Supply Act 1990 ("ESA") and Electricity Regulations 1994 ("ER")**

The ESA was established to regulate, inter alia, the electricity supply industry, the licensing of any electrical installation, the control of any electrical installation, plant and equipment with respect to matters relating to the safety of persons and for purposes connected therewith.

Under the ESA, it provides that no person, other than a supply authority shall, amongst others, work or operate or permit to be used, worked or operated any installation unless being prescribed by a licence to be issued by the Energy Commission ("**EC**") subject to the terms and conditions as may be imposed on the licensee.

Any person who works or operates, or worked or operated any installation without such licence, commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 and to a further fine not exceeding RM1,000 for every day or part of a day during which the offence continues after conviction. If such an offence is committed by a body corporate, any person who at the time was a director, chief executive officer, chief operating officer, manager, secretary or other similar officer of the body corporate may be charged severally or jointly in the same proceedings with such body corporate.

The ER, on the other hand, regulates, amongst others, matters relating to registration and licensing requirements for installation, requirements of a competent person and licensing requirements for electrical contractors.

Under Regulation 75 of the ER, it provides that no person shall perform or carry out any electrical work unless he holds a valid Certificate of Registration as an Electrical Contractor (whether under Class A, Class B, Class C or Class D) issued under the ER. The ER also provides that any electrical services engineer, competent electrical engineer, electrical supervisor, chargeman, wireman or cable shall possess a valid Certificate of Competency. As at the LPD, Greneco has 1 competent wireman to manage and oversee all the electrical work undertaken by Greneco.

Failure to obtain a Certificate of Registration as an Electrical Contractor or Certificate of Competency by any person shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to imprisonment for a term not exceeding 1 year or to both.

Previously, Greneco has not registered itself with EC as an Electrical Contractor for undertaking work relating to the installation of control boards/switchboards, nor has it hired a competent wireman as certified by EC. After an inquiry was made to the EC on the requirement, on 14 January 2026, Greneco has submitted an application to EC to register itself as the electrical contractor as well as to register its competent wireman. As at the LPD, Greneco has been registered as the electrical contractor with the EC.

**7. BUSINESS OVERVIEW *(Cont'd)***

Save as disclosed above, there have been no other past non-compliances by our Group under ESA and ER during the Financial Years / Period Under Review and up to LPD. As at the LPD, our Group has not been fined, penalised or issued with any notice of non-compliance under the ESA and/or ER, and our Group has since been in compliance with the ESA and/or ER.

**(e) Occupational Safety and Health Act 1994 ("OSHA") and Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000 ("USECHH")**

The OSHA provides that it shall be the duty of every employer to ensure, so far as is practicable, the safety, health and welfare at work of all his employees as well as to protect others from risks to safety or health related to the activities of persons at work. The employer shall formulate a written safety and health policy with respect to the safety and health at work of his employees. Any failure to comply with the general duties of employers as prescribed under the OSHA constitutes an offence and the employer may be liable to a fine not exceeding RM50,000.00 or to imprisonment for a term not exceeding 2 years or to both.

The employer shall establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work. A person who contravenes such provisions may be liable to a fine not exceeding RM100,000.00 or to imprisonment for a term not exceeding 1 year or to both.

The employer whose work of place is not included in any class or description of place of work which requires a safety and health officer shall appoint 1 of his employees to act as an occupational safety and health coordinator if he employs 5 or more employees at his place of work. A person who contravenes such provisions may be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 6 months or to both.

As at the LPD, our Group has formulated a written safety and health policy, established a safety and health committee and appointed 1 of our employees to act as an occupational safety and health coordinator to monitor the safety and health related matters at our premises.

The USECHH provides that an employer shall not carry out any work which may expose or is likely to expose any employee to any chemical hazardous to health unless he has made a written assessment of the risks created by the chemical to the health of the employee. The employer shall ensure that any assessment is conducted by an assessor, who is an employee or any other person appointed by the employer and registered with the Director General of the Department of Occupational Safety and Health Malaysia to carry out assessment of risks to health. Greneco has on its own volition conducted a chemical health risk assessment ("**CHRA**") on the chemicals used for the provision of water treatment solutions to evaluate risks posed by the chemicals at the workplace. As at the LPD, Greneco has complied with the recommendations made by the assessor in the CHRA report in handling the chemicals for its provision of water treatment solutions.

There have been no past non-compliances by our Group under OSHA and USECHH during the Financial Years / Period Under Review and up to LPD. As at the LPD, our Group has complied with the OSHA and USECHH and our Group has not been fined, penalised or issued with any notice of non-compliance under the OSHA and/or USECHH.

Based on the above past non-compliance, our Board is of the view that there is no material impact on the business and operation of our Group since it has been rectified.

Details of our major approvals and licences issued to our Group in order for us to carry out our operations are set out in Section 7.18 of this Prospectus.

## 7. BUSINESS OVERVIEW *(Cont'd)*

Save as disclosed above, as at the LPD, there are no breach of laws, regulations, rules or requirements governing the conduct of our business and environmental issues which may materially affect our Group's business or operations and usage of properties owned by our Group.

### 7.22 EXCHANGE CONTROLS/ REPATRIATION OF CAPITAL AND REMITTANCE OF PROFITS

As at the date of this Prospectus, we do not have any foreign subsidiary, associated company or branch office outside of Malaysia and are not subject to any governmental laws, decrees, regulations and/ or other requirements which may affect the repatriation of capital and remittance of profits by or to our Group.

### 7.23 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES AND INITIATIVES

We recognise the importance of adopting sound environmental, social and governance ("**ESG**") practices, including environmentally responsible operations, providing a safe and conducive workplace for our employees, and maintaining a high standard of corporate governance, as part of our commitment to sustainable value creation and to maintaining the confidence of our shareholders and other stakeholders.

In this regard, our Group has adopted a Sustainability Policy that sets out our Group's ESG commitments and guides the integration of sustainability considerations into our Group's strategies, operations and decision-making processes. Below is an overview of our Group's ESG practices.

#### (a) Environmental

In recognition of its responsibility towards the environment, our Group is committed to adopting environmentally responsible practices aimed at minimising adverse environmental impacts arising from its operations. These practices include, but are not limited to, the following:

(i) Regulatory Compliance – complying with applicable environmental laws, regulations and guidelines issued by relevant authorities.

(ii) Energy Conservation – promoting the efficient use of energy and encouraging employees to adopt energy-saving practices across our Group's operations and premises.

(iii) Water Conservation – encouraging prudent water usage by promoting water conservation practices among employees, as well as monitoring water consumption where practicable.

(iv) Reduce, Reuse and Recycle – promoting the reduction of office supply consumption by leveraging digital systems and data, encouraging paperless processes where practicable, and promoting the reuse and recycling of materials where feasible.

(v) Waste Management and Disposal – implementing appropriate waste management and disposal practices in accordance with applicable regulatory requirements, including the segregation of recyclable materials and arranging for such materials to be sent to recycling centres, where appropriate.

## 7. BUSINESS OVERVIEW *(Cont'd)*

(vi) Green Products and Solutions – offering water treatment solutions for use in HVAC systems' water treatment processes, including eco-friendly, non-toxic and food-grade cleaning aid solutions, which are designed to support effective water treatment while minimising potential environmental and health impacts, where applicable.

**(b) Social**

Our Group strives to act responsibly towards its stakeholders and places emphasis on maintaining positive and constructive relationships with its stakeholders and the wider community. Our Group's social practices include, but are not limited to, the following:

(i) Diversity and Inclusion - fostering a diverse and inclusive workplace culture that values individuality, mutual respect and open, constructive two-way communication.

(ii) Fair and Equal Opportunity - promoting fair and equitable access to employment and career opportunities, with no tolerance for discrimination based on race, colour, age, gender, ethnicity, disability, pregnancy, religion, political affiliation or marital status.

(iii) Human Rights and Labour Standards – respecting and upholding fundamental human rights and workers' rights across our Group's operations, including compliance with applicable labour laws and regulations such as the Employment Act 1955, fair working hours, competitive remuneration and benefits, and zero tolerance for child labour and forced labour.

(iv) Safety and Health - providing a safe, healthy and conducive working environment for all employees in compliance with applicable occupational safety and health requirements, supported by Safety and Health Policy, appointment of dedicated employees as Safety and Health Coordinator, and promoting employee well-being through workplace health initiatives and employee engagement activities such as sports and wellness programmes, where appropriate.

(v) Employee Welfare and Benefits – providing employees with medical benefits and insurance coverage in accordance with our Group's employment policies and supporting employee well-being and morale through appropriate welfare and recognition initiatives, where practicable.

(vi) Proper Workplace Conduct - maintaining a workplace free from improper conduct and practices, including but not limited to bullying, discrimination, harassment, intimidation and victimisation, supported by appropriate internal policies and procedures.

(vii) Employee Personal Development - empowering our workforce by supporting their personal and professional development through appropriate training and development initiatives, which include in-house training and on-the-job training to familiarise employees with workplace safety and quality practices, operating procedures, as well as project management skills. Relevant engineers involved in fire safety attend manufacturer-certified training and periodic re-certification programmes, while employees are also provided with development opportunities such as public speaking and presentation skills training to strengthen communication and stakeholder engagement capabilities.

## 7. BUSINESS OVERVIEW *(Cont'd)*

### (c) Governance

Sound corporate governance forms the foundation of our Group's business and operations. Our Group believes that establishing and implementing sound corporate governance practices is essential in enhancing investment value and delivering long-term sustainable returns to shareholders. Accordingly, our Group places priority on conducting our business in an ethical, accountable, transparent and sustainable manner.

Our Board strives to uphold sound corporate governance practices in line with the MCCG and Chapter 15 of the Listing Requirements. In this regard, our Group has adopted, among others, the following corporate governance practices:

(i) Board Charter and Board Committees' Terms of Reference – The Board has established a Board Charter setting out the roles and responsibilities of the Board and its members, as well as matters reserved for the Board's decision. The ARMC, NC and RC each have their own Terms of Reference defining their respective authority, roles and responsibilities. The Board Charter and the respective Terms of Reference are available on our corporate website.

(ii) Separation of Roles of Chairman and Chief Executive Officer - In accordance with Practices 1.3 and 1.4 of the MCCG, the roles of the Chairman and the Chief Executive Officer are held by different individuals to ensure an appropriate balance of power and authority. As at the LPD, the Chairperson and the Managing Director are two separate individuals with distinct roles and responsibilities. In addition, the Chairperson is not a member of the ARMC, NC or RC and does not participate in any meetings of these Board Committees, including by way of invitation.

(iii) Code of Ethics and Conduct - In line with Practice 3.1 of the MCCG, our Board has adopted a Code of Ethics and Conduct applicable to Directors, Senior Management, employees and business associates. The Code of Ethics and Conduct sets out principles and standards governing ethical behaviour and decision-making, including the management of conflicts of interest and the prevention of abuse of power, corruption, insider trading and money laundering. Our Group has also established a Conflict of Interest and Related Party Transactions Policy to further strengthen governance controls.

(iv) Board Independence - Pursuant to Practice 5.2 of the MCCG, at least half of the Board comprises Independent Directors. Under the Board Charter, an Independent Director's tenure shall not exceed twelve years. Upon completing nine years of service, the Director may continue to serve as an Independent Director, subject to a rigorous assessment and annual shareholders' approval through a Two-tier Voting Process in accordance with the MCCG or be redesignated as a Non-Independent Director. As at the LPD, 4 out of 6 Directors on our Board are Independent Directors, none of whom has served for more than nine years.

(v) Board Gender Diversity - In line with Practice 5.9 of the MCCG and our Group's Boardroom Diversity Policy, which promotes diversity in terms of board mix, skill and experience, gender, ethnicity/nationality and age at the Board level, the Board aims to have at least 30% women directors. As at the LPD, 3 out of 6 Directors on our Board are female Directors, meeting the MCCG's 30% recommendation and the requirement to have at least one female director under the Listing Requirements.

## 7. BUSINESS OVERVIEW *(Cont'd)*

(vi) Fit and Proper Policy – The Board has adopted a Fit and Proper Policy to assess the suitability of candidates for appointment as Directors and Directors seeking re-election to the Board, based on their character and integrity, experience and competence, and time commitment. The Policy guides the NC and the Board in assessing the suitability of Directors to discharge their duties and responsibilities effectively and is available on our corporate website.

(vii) ARMC Composition and Responsibilities – The ARMC complies with Rule 15.09 of the Listing Requirements and Step-Up Practice 9.4 of the MCCG, comprising solely Independent Directors to ensure independent oversight of financial reporting, sustainability management, risk management and internal control matters. In line with Practice 9.1 of the MCCG, the ARMC Chairperson is not the Chairman of the Board. The ARMC's Terms of Reference also provide for a three-year cooling-off period for former partners of the external audit firm in accordance with Practice 9.2 of the MCCG.

(viii) NC Composition and Responsibilities – The NC comprises exclusively Non-Executive Directors and, in line with Practice 5.8 of the MCCG, is chaired by an Independent Director. The Chairperson of the Board is not a member of the NC. The NC is responsible for reviewing the composition and performance of the Board and Board Committees, assessing the suitability and independence of Directors, and making recommendations on the appointment and re-election of Directors.

(ix) RC Composition and Responsibilities – In line with Practices 7.1 and 7.2 of the MCCG, the Board has established RC and adopted a Remuneration Policy for Directors and Senior Management to guide the determination of their remuneration. The RC is responsible for implementing the Board-approved Remuneration Policy. The Chairperson of the Board is not a member of the RC. The Remuneration Policy and the RC's Terms of Reference are subject to periodic review and are available on our corporate website.

(x) Sustainability Oversight – The Board is ultimately responsible for overseeing the Group's sustainability management, including its sustainability strategies, material sustainability matters, targets and performance. The ARMC performs the oversight functions delegated by the Board. The governance structure and respective roles and responsibilities are set out in the Board Charter, the ARMC's Terms of Reference and the Board-approved Sustainability Policy, in line with Practices 4.1, 4.2 and 4.3 of the MCCG.

(xi) Risk Management and Internal Control System – The Board is ultimately responsible for overseeing the adequacy and effectiveness of the Group's risk management and internal control systems, with the ARMC assisting in its oversight. The Group's risk management processes, as set out in the Board-approved Risk Management Policy, cover risk identification, assessment, mitigation, monitoring and reporting. Management implements internal controls to manage risks, safeguard assets, support reliable reporting and ensure compliance with applicable laws and regulations. These arrangements are established in line with Practices 10.1 and 10.2 of the MCCG.

(xii) Anti-Bribery and Corruption and Whistleblowing – Our Group adopts a zero-tolerance approach towards any form of bribery and corruption in its business operations through the implementation of the Anti-Bribery and Corruption Policy. Our Group has also established a Whistleblowing Policy and Procedures, which provides confidential and protected channels for employees and stakeholders to report suspected misconduct, unethical behaviour or non-compliance. Both policies are available on our corporate website.

## 7. BUSINESS OVERVIEW *(Cont'd)*

(xiii) Data Privacy and Confidentiality - Our Group safeguards the confidentiality, security and privacy of information relating to its customers, vendors, suppliers, service providers and employees through the adoption of a Privacy and Personal Data Protection Policy, in compliance with applicable data protection laws and regulations. The Policy is available on our corporate website.

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## 8. INDEPENDENT MARKET RESEARCH REPORT

SMITH ZANDER INTERNATIONAL SDN BHD (201301028298 (1058128-V))
15-01, Level 15, Menara MBMR, 1 Jalan Syed Putra, 58000 Kuala Lumpur, Malaysia
T : +603 2732 7537 W : www.smith-zander.com

SMITH ZANDER

Date: 30 October 2026

The Board of Directors

**SCA Solutions Berhad**
No. 10, Jalan PJU 6A/3A
Kayu Ara Business Park
47400 Petaling Jaya
Selangor

Dear Sirs / Madams,

**Independent Market Research Report on the Heating, Ventilation and Air Conditioning ("HVAC") and Fire Safety Instrumentation Industry in Malaysia ("IMR Report")**

This IMR Report has been prepared by SMITH ZANDER INTERNATIONAL SDN BHD ("**SMITH ZANDER**") for inclusion in the Prospectus in conjunction with the listing of SCA Solutions Berhad on the ACE Market of Bursa Malaysia Securities Berhad.

The objective of this IMR Report is to provide an independent view of the industry in which SCA Solutions Berhad and its subsidiaries ("**SCA Group**") operate and to offer a clear understanding of the industry dynamics. SCA Group is principally involved in the provision of HVAC and fire safety instrumentation solutions, the supply and distribution of HVAC and fire safety instrumentation components and accessories, as well as the provision of water treatment solutions for HVAC applications. The scope of work for this IMR Report will focus on the following areas:

(i) The HVAC and fire safety instrumentation industry in Malaysia;

(ii) Key industry drivers, risks and challenges; and

(iii) Competitive landscape.

The research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research when required, which involves discussing the status of the industry with leading industry participants. Quantitative market information could be sourced from interviews by way of primary research and therefore, the information is subject to fluctuations due to possible changes in business, industry and economic conditions.

SMITH ZANDER has prepared this IMR Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this IMR Report presents a balanced view of the industry within the limitations of, amongst others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in this IMR Report. SMITH ZANDER shall not be held responsible for the decisions and/or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies mentioned in this report.

For and on behalf of SMITH ZANDER:

DENNIS TAN
MANAGING DIRECTOR

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The research for this IMR Report was completed on 26 October 2026.

For further information, please contact:

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***About SMITH ZANDER INTERNATIONAL SDN BHD***

*SMITH ZANDER is a professional independent market research company based in Kuala Lumpur, Malaysia, offering market research, industry intelligence and strategy consulting solutions. SMITH ZANDER is involved in the preparation of independent market research reports for capital market exercises, including initial public offerings, reverse takeovers, mergers and acquisitions, and other fund-raising and corporate exercises.*

***Profile of the signing partner, Dennis Tan Tze Wen***

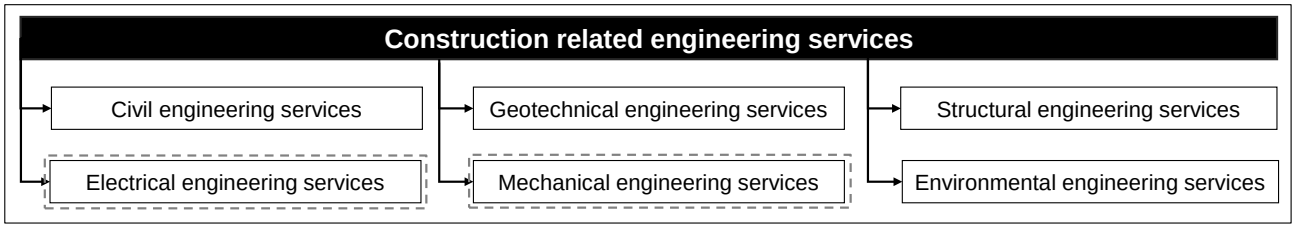
*Dennis Tan is the Managing Director of SMITH ZANDER. Dennis Tan has over 28 years of experience in market research and strategy consulting, including over 23 years in independent market research and due diligence studies for capital markets throughout the Asia Pacific region. Dennis Tan has a Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada.*

# 1 THE HVAC AND FIRE SAFETY INSTRUMENTATION INDUSTRY IN MALAYSIA

## 1.1 Overview

HVAC and fire safety solutions form part of the broader mechanical and electrical ("**M&E**") engineering services, which encompass the design, installation and maintenance of M&E systems in buildings and infrastructure. Alongside other construction-related disciplines such as civil, geotechnical, structural and environmental engineering, M&E engineering services constitute a fundamental component of building and infrastructure development, comprising commercial, industrial and residential properties as well as roads, highways, bridges and public transit systems.

In particular, mechanical engineering services focus on the control and regulation of temperature, humidity, air quality, and the flow of water and air; while electrical engineering services focus on electrical connectivity, wiring and power distribution, both of which are essential to the effective operations of HVAC and fire safety systems. Additionally, mechanical engineering services also encompass vertical transportation systems (e.g. elevators and escalators), which facilitate the movement of people and goods within buildings and infrastructure.




*Note:*

- *Indicates the type of construction related engineering services SCA Group is involved in.*

*Source: SMITH ZANDER*

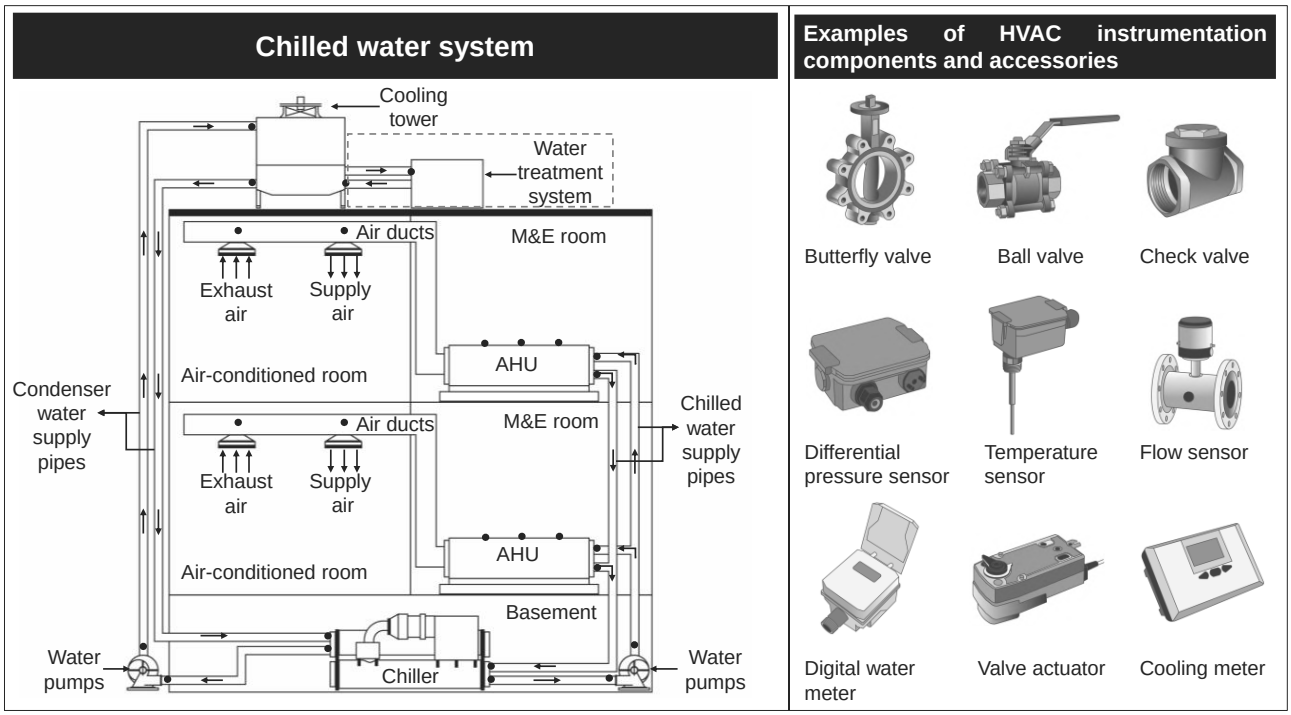
As SCA Group operates within the M&E segment and is principally involved in the provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories, this IMR Report will focus on the HVAC and fire safety instrumentation industry.

**HVAC systems** are designed to regulate and control the environment of an enclosed space by managing temperature, humidity, air quality and airflow (which includes ventilation and pressure control). This is achieved through the removal or addition of heat and/or moisture, the circulation and ventilation of air, as well as the filtration of odours, smoke, dust, airborne bacteria and other contaminants.

HVAC systems are installed across various types of buildings to provide a comfortable and safe environment for occupants. There are several types of HVAC systems designed to suit different building types and factors such as usage requirements, external climate conditions and energy efficiency considerations. Despite the type of HVAC systems, the fundamental operating principles remain similar, with variations mainly in system design and the capacity of the components and parts installed. For the purpose of this IMR Report, the following illustration depicts a chilled water system, which is a common type of HVAC system used in retail, commercial and industrial buildings in Malaysia.

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**Illustration of a chilled water system and examples of HVAC instrumentation components and accessories**



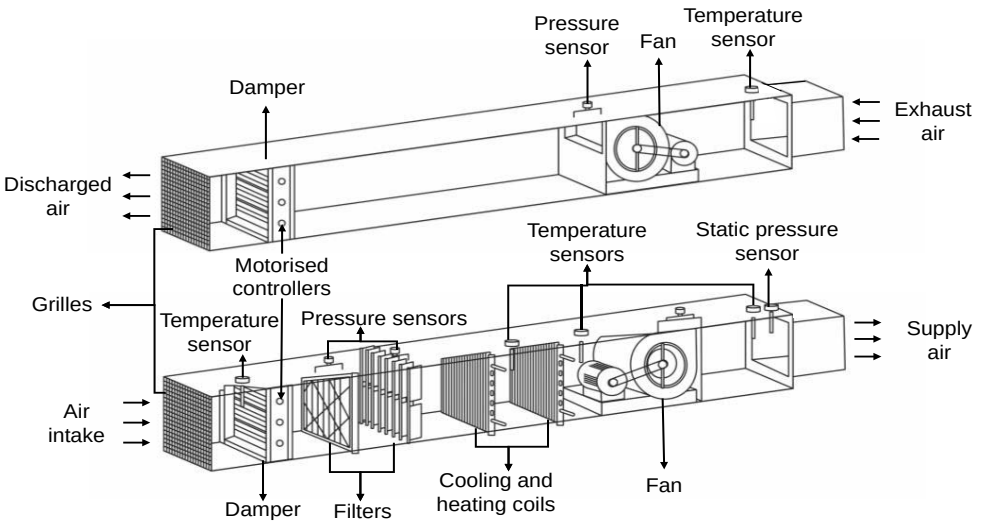

*Notes:*

- *'●' illustrates locations within a chilled water system where HVAC instrumentation components and accessories are installed, including the types of HVAC instrumentation components and accessories supplied and distributed by SCA Group.*
- *→ Represents the direction of water flow within the chilled and condenser water supply pipes.*
- *The examples of HVAC instrumentation components and accessories above are all supplied and distributed by SCA Group, and the examples are not exhaustive.*
- *illustrates the location within a chilled water system where a water treatment system is installed to perform water treatment, including filtration and chemical dosing processes, which are part of the water treatment solutions provided by SCA Group.*

*Source: SMITH ZANDER*

A chilled water system consists of two main water supply pipes, namely the chilled water supply pipes and the condenser water supply pipes. Through the circulation of water by pumps within these water supply pipes, heat transfer takes place by absorbing heat from conditioned spaces within the building and subsequently dissipating into the atmosphere. This process is facilitated by three main components in a chilled water system, namely:

- Chiller, which acts as the primary heat exchanger by absorbing heat from the chilled water supply pipes, cooling the water, and transferring the absorbed heat to the condenser water supply for rejection.
- Air distribution system, which supplies conditioned air to the respective air-conditioned rooms and draws in return air for reconditioning or discharge into the atmosphere. An air distribution system typically comprises air ducts and air handling units ("**AHU**") which typically include grilles, dampers, filters, cooling and/or heating coils, humidifiers and/or dehumidifiers as well as fans for both air supply and exhaust. Additionally, HVAC instrumentation components and accessories such as temperature sensors, motorised controllers, pressure sensors and static pressure sensors are also installed within the air distribution system to enable precise control and monitoring of air quality and system performance, as illustrated in the chilled water diagram above and the AHU diagram below:




*Source: SMITH ZANDER*

- Cooling tower, which acts as the primary heat rejector by dissipating heat from the condenser water supply pipe into the atmosphere, typically through an evaporation process assisted by fans. The cooled water in the condenser water supply pipe is then recirculated back to the chiller to absorb heat, thus completing the cooling cycle. Further, the cooling tower is typically connected to a water treatment system, which treats the cooled water through filtration and/or chemical dosing processes to remove impurities such as dirt, debris and contaminants/microorganisms, thereby maintaining the water quality prior to recirculation to the chiller.

HVAC systems rely on precise control of water and air flow regulated at specific temperature setpoints. HVAC instrumentation components and accessories such as valves (e.g. butterfly valves, check valves and motorised valves), pressure gauges, humidity sensors, temperature sensors, flow meters and differential pressure sensors are installed throughout the system to measure, monitor and control key parameters including the pressure, flow and temperature of water and air. These instrumentation components and accessories enable the smooth regulation of water and air flow, as well as real time detection of abnormal conditions that may indicate issues such as clogged filters, malfunctioning coils, airlocks or pipe leakages, thus facilitating timely maintenance and uninterrupted system performance. These instruments also play a critical role in cleanroom systems which are typically installed in semiconductor, pharmaceutical and medical device manufacturing facilities, as well as isolation room ventilation systems which are typically installed in hospitals and healthcare facilities, where strict and precise environmental control is essential to ensure product quality and/or to contain airborne diseases.

**Fire safety systems** are designed to detect, signal, and suppress fire-related emergencies such as smoke, open flames and explosions. These systems are crucial to protect lives, facilitate safe evacuation and minimise fire-related damage. Early detection and notification enable prompt response by emergency services, thereby reducing risks and potential losses. While fire safety system designs may vary depending on the type of building or facility to meet specific regulatory requirements, a fire safety system typically comprises four sub-systems, namely fire detection, fire alarm, fire suppression and smoke management systems, which are seamlessly integrated for efficient operations. The description of each sub-system is as follows:

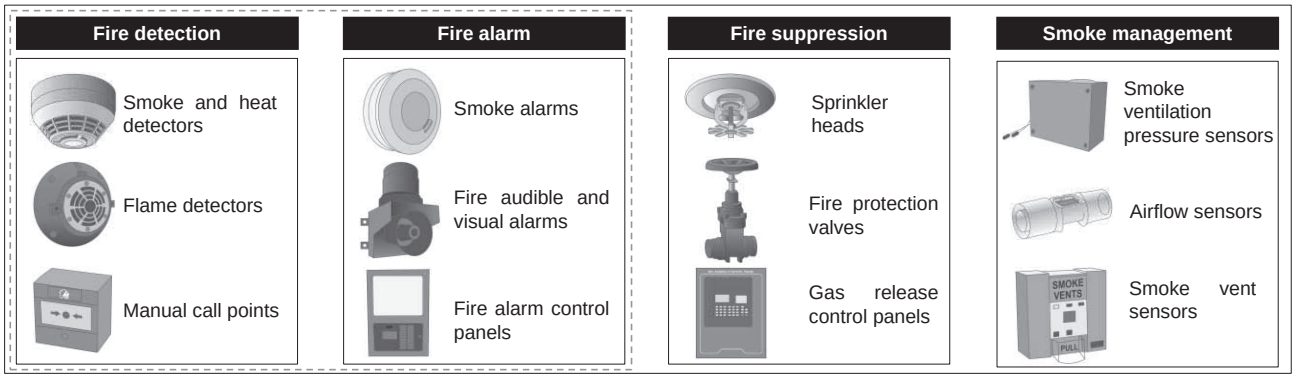
(i) Fire detection system – to detect and identify fire-related emergencies through instrumentation components and accessories such as smoke and heat detectors, flame detectors and manual call points;

(ii) Fire alarm system – to notify occupants via instrumentation components and accessories such as smoke alarms, fire audible and visual alarms, and fire alarm control panels;

(iii) Fire suppression system – to extinguish flames using suppression agents such as water, foam, gaseous or dry chemicals, delivered through instrumentation components and accessories such as sprinkler heads, fire protection valves and gas release control panels; and

(iv) Smoke management system – to control smoke movement and maintain safe evacuation routes using instrumentation components and accessories such as smoke ventilation pressure sensors, airflow sensors and smoke vent sensors.

**Examples of fire safety instrumentation components and accessories**




*Notes:*

- *The examples above are not exhaustive.*
- ⬚ *are fire safety instrumentation components and accessories supplied by SCA Group.*

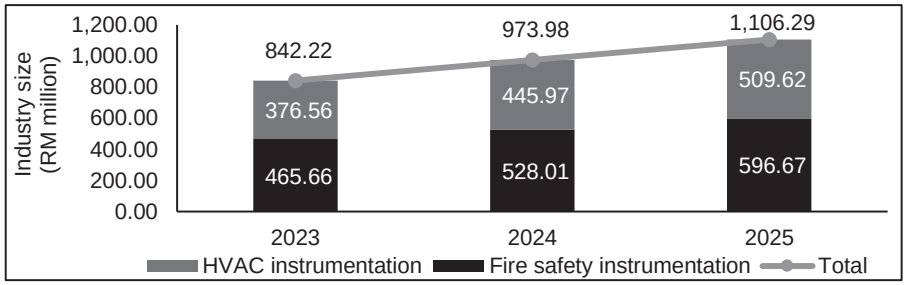
*Source: SMITH ZANDER*

Furthermore, advancements in Internet of Things ("**IoT**") technologies are transforming the operation of HVAC and fire safety systems. IoT-enabled devices, including smart sensors and controllers, are integrated into HVAC and fire safety instrumentation components and accessories to enhance operational efficiency, improve reading accuracy and promote energy conservation. For example, the integration of IoT-enabled devices in HVAC systems enables real-time and remote monitoring of temperature, humidity, air quality and airflow, allowing for automated adjustments and optimised energy consumption. On the other hand, for fire safety systems, smoke and heat detectors as well as fire alarm control panels integrated with IoT can provide real-time alerts and remote monitoring, facilitating quicker responses to fire-related emergencies. Through the use of IoT, HVAC and fire safety systems are also able to perform data collection and analytics to support and improve building/facility management, ensure regulatory compliance and detect operational anomalies, thus enabling proactive preventive maintenance and reduced system downtime.

### 1.2 Industry Performance, Size and Growth

From 2023 to 2025, the HVAC and fire safety instrumentation industry grew from RM842.22 million in 2023 to RM1,106.29 million in 2025, at a compound annual growth rate ("**CAGR**") of 14.61%. Moving forward, the HVAC and fire safety instrumentation industry in Malaysia is expected to continue to be driven by the key industry drivers as shown in Chapter 2 of this IMR Report.

**HVAC and fire safety instrumentation industry size (Malaysia), 2023 – 2025**




*Sources: Department of Statistics Malaysia ("**DOSM**"), SMITH ZANDER*

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# 2 KEY INDUSTRY DRIVERS, RISKS AND CHALLENGES

## 2.1 Key Industry Drivers

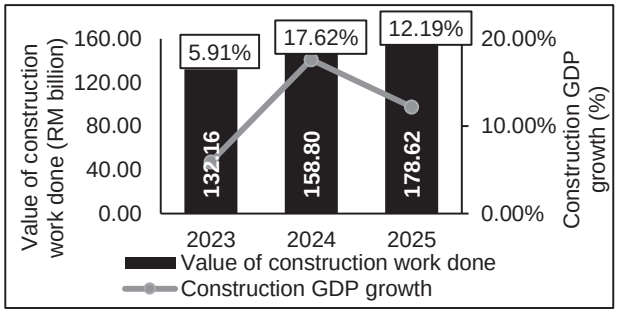
- **Continuous growth of the construction industry drives demand for M&E engineering services, which include HVAC and fire safety instrumentations**

The HVAC and fire safety instrumentation industry is driven by construction activities as HVAC and fire safety systems are essential parts of buildings/facilities, providing safe and comfortable environment for occupants.

The performance of the construction industry in Malaysia, as measured by the value of construction work done, grew from RM132.16 billion in 2023 to RM178.62 billion in 2025 at a CAGR of 16.26%. The construction gross domestic product ("**GDP**") also moved in tandem with the value of construction work done, whereby it grew by 5.91% in 2023 and followed by continuous growth in both 2024 and 2025 at 17.62% and 12.19% respectively.

Additionally, according to the Economic Outlook 2027 published by the Ministry of Finance, Malaysia ("**MOF**") in October 2026, the construction GDP is estimated to increase by 6.44% in 2026, and is forecasted to further increase by 5.69% in 2027.

**Value of construction work done and construction GDP growth (Malaysia), 2023 – 2025**




*Sources: DOSM, SMITH ZANDER*

The forecast growth of the construction industry is premised on the continuous demand for construction activities for building construction (i.e. commercial, industrial and residential properties), which in turn drives the demand for HVAC and fire safety instrumentations.

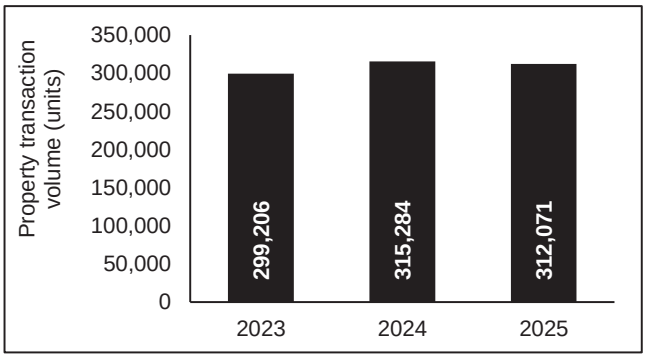
- **Continuous demand for properties (i.e. residential, commercial and industrial) creates demand for HVAC and fire safety instrumentations**

Construction activities is driven by the demand for new residential, commercial and industrial properties.

Property transaction volume increased by 5.37% from 299,206 transactions in 2023 to 315,284 transactions in 2024, followed by a slight decline of 1.02% to 312,071 transactions in 2025 as market participants adopting a more cautious and selective approach in residential properties[1].

Moving forward in 2026, NAPIC expects the property market's trajectory to remain resilient, underpinned by market activity, stable price movement and variation of construction activity[1], thus continue to sustain the demand for HVAC and fire safety systems and instrumentations.

**Number of property transactions (Malaysia), 2023 – 2025**




*Sources: National Property Information Centre ("**NAPIC**")*

The demand for properties is further driven by various factors, including economic growth and rising affluence, as well as a growing commercial and industrial sectors, with further details below:

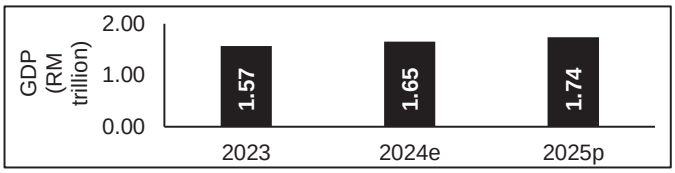
- **Economic growth and rising affluence**

  Economic growth generally leads to an increase in the population's disposable income. This leads to increased demand for residential, commercial and industrial properties, which in turn drives the demand for construction activities and creates demand for HVAC and fire safety instrumentations.

[1] *Source: NAPIC*

Malaysia's GDP grew by 3.29% in 2023 and further grew by 5.10% and 5.45% in 2024 and 2025 respectively. Additionally, according to the Economic Outlook 2027 published by the MOF, the Government estimates the GDP to grow between 4.80% and 5.30% in 2026, and forecasts the GDP to grow between 4.20% and 5.20% in 2027.

**Malaysia's GDP, 2023 – 2025p**

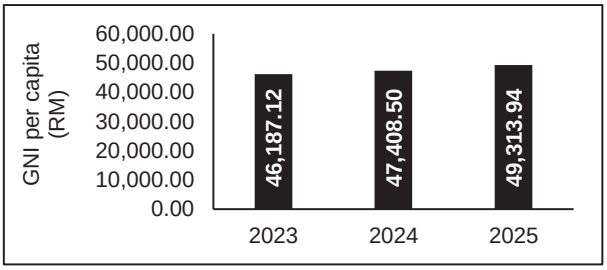



*Note: e – estimates; p – preliminary*

*Sources: DOSM*

Further, Malaysia is an upper-middle income developing country with a growing economy and increasing wealth. The gross national income ("**GNI**") per capita grew from RM46,187.12 in 2023 to RM49,313.94 in 2025 at a CAGR of 3.33%. The increasing GNI per capita indicates a more affluent population with improved standards of living and greater propensity to spend. This may, in turn, contribute to more property purchases, thus driving the demand for HVAC and fire safety instrumentations.

**GNI per capita (Malaysia), 2023 – 2025**



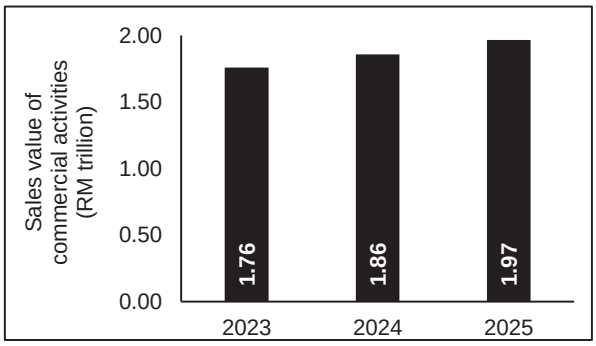

*Sources: DOSM, SMITH ZANDER*

- **Growing commercial sector**

Overall economic growth also leads to growth in the commercial sector, which will drive business expansion and encourage new business establishments. This is expected to subsequently drive the demand for commercial properties, thereby creating demand for HVAC and fire safety instrumentations.

The growth of commercial activities can be measured by the sales value of various commercial activities (i.e. wholesale and retail trade, food and beverages as well as accommodation). The sales value of these commercial activities rose at a CAGR of 5.80% from RM1.76 trillion in 2023 to RM1.97 trillion in 2025.

**Commercial sector (Malaysia), 2023 – 2025**



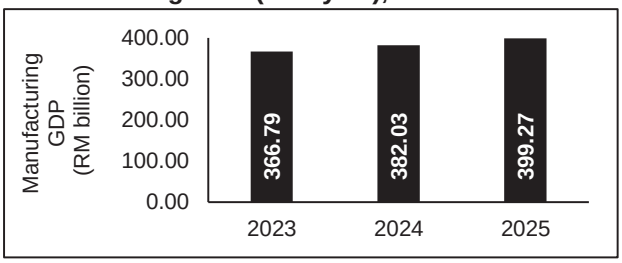

*Sources: DOSM, SMITH ZANDER*

- **Growing industrial sector**

The growth of the industrial sector in Malaysia is represented by the GDP from manufacturing sector. The manufacturing GDP grew from RM366.79 billion in 2023 to RM399.27 billion in 2025 at a CAGR of 4.33%.

The growth in manufacturing activities is expected to support the demand for industrial properties by businesses and corporations as their businesses grow and expand, which is expected to drive the demand for HVAC and fire safety instrumentations.

**Manufacturing GDP (Malaysia), 2023 – 2025**




*Sources: DOSM*

► **Development of advanced manufacturing and digital infrastructure facilities creates demand for HVAC and fire safety instrumentations**

The development of manufacturing and digital infrastructure facilities in Malaysia is supported by both domestic investments ("**DI**") and foreign investment ("**FI**"). In particular, advanced manufacturing facilities such as semiconductor, pharmaceutical and medical device manufacturing plants; as well as digital infrastructure facilities such as data centres, require higher specification HVAC and fire safety systems. This is because many of these advanced manufacturing and digital infrastructure facilities operate under strict environmental requirements and

demand precise environment control. For example, semiconductor manufacturing plants depend heavily on cleanroom HVAC systems, where temperature, humidity and air quality are tightly regulated in order for the semiconductor products to maintain its quality and comply with international standards. Similarly, data centres, which generate a significant amount of heat, require specialised cooling towers to prevent the data centre from overheating and ensure uninterrupted performance. Additionally, fire safety systems are equally critical to these advanced manufacturing and digital infrastructure facilities, as these facilities house specialised equipment and operate in sensitive environments.

According to Malaysian Investment Development Authority ("**MIDA**"), in 2025, there were:

- 59 approved semiconductor projects, amounting to RM14.6 billion FI and RM2.3 billion DI; and
- 15 approved pharmaceutical projects, amounting to RM24.8 million FI and RM700.0 million DI; and
- 46 approved medical device projects, amounting to RM3.4 billion FI and RM0.6 billion DI; and
- 620 approved digital service projects, amounting to RM90.5 billion FI and RM59.6 billion DI, which includes digital infrastructure projects such as the development of data centres[2].

The development of advanced manufacturing and digital infrastructure facilities is further supported by various government policies and incentives such as the Malaysia Digital Economy Blueprint (2021-2030), the National Fourth Industrial Revolution Policy and the New Industrial Master Plan ("**NIMP**") 2030. These policies and incentives include tax exemptions, grants and infrastructure support, which aim to strengthen Malaysia's position as a competitive manufacturing and digital infrastructure hub, thus attracting foreign investments. As Malaysia continues development of these facilities, the demand for higher specification HVAC and fire safety systems as well as instrumentations is expected to increase.

► **Increased awareness and requirement on sustainability drive the demand for energy efficient HVAC systems and instrumentations**

Driven by the National Energy Transition Roadmap and the NIMP 2030, Malaysia has committed to achieving net-zero carbon emissions by 2050. As HVAC systems are amongst the largest energy consumption components in residential, commercial and industrial properties, there is a growing demand for energy efficient HVAC systems, which supports environmental and sustainability goals, while also reducing operating costs (i.e. electricity).

Property developers, building owners and facility operators are increasingly adopting or retrofitting to energy efficient HVAC systems, such as high-efficiency chillers, hybrid cooling towers and district cooling systems to reduce energy consumption. These HVAC systems are often complemented by monitoring and control systems, which ensures optimal climate regulation and minimises energy wastage. Moving forward, technological advancements in automation, IoT and smart systems are expected to further improve the energy efficiency of HVAC systems, providing enhanced energy optimisation features. Additionally, HVAC systems may also be integrated with water treatment systems to ensure that the system operates efficiently throughout its lifecycle.

Therefore, as businesses strive to improve operational performance, comply with stricter environmental and sustainability regulations, as well as obtain relevant green building certifications (e.g. Green Building Index, MyCREST and GreenRE), the demand for energy efficient HVAC systems and instrumentations is expected to increase.

► **Government regulations on fire safety requirements in buildings drive the demand for fire safety systems and instrumentations**

In Malaysia, all residential, commercial and industrial buildings are regulated under Street, Drainage and Building Act 1974 ("**SDBA**"), the Uniform Building By-Laws 1984 ("**UBBL**") and the Fire Services Act 1988 ("**FSA**"), which are governed by the Ministry of Housing and Local Government. The SDBA mandates provisions for the prevention of fire spread and the extinguishment of fire, while the UBBL focuses on building requirements, including the use of fire-resistant building materials and the installation of fire safety systems. Additionally, the FSA requires that certain premises, which include houses and buildings, must obtain and renew an annual Fire Certificate from the Fire and Rescue Department of Malaysia. As such, to obtain the necessary approvals and certificates from local authorities and the Fire and Rescue Department of Malaysia, the design and construction of buildings must comply with SDBA, UBBL and FSA.

[2] *The breakdown for FI and DI for the development of data centres is not publicly available.*

With continued growth in the development of residential, commercial and industrial buildings, the demand for fire safety systems and instrumentations is expected to increase in tandem. Additionally, building management of older or repurposed buildings may be required to upgrade or retrofit existing fire safety systems to maintain compliance with the UBBL and renew the annual Fire Certificate, which could further increase the demand for fire safety instrumentation components and accessories.

### 2.2 Key Industry Risks and Challenges

- **Dependence on the construction industry**

The business operations and financial performance of the HVAC and fire safety industry players are dependent on the performance of the construction industry. The outlook of the construction sectors may be affected by government policies, supply and demand condition of properties, government budgets and investments, economic growth, interest rates and inflation. Other factors beyond the control of industry players such as changes in political environment or outbreak of diseases (e.g. Coronavirus disease (COVID-19) pandemic) may also impact construction activities.

For example, the property market in Malaysia is subject to government policies whereby any adverse changes in government policies in relation to the property market could adversely affect the sale of properties. The changes in the overnight policy rate by Bank Negara Malaysia may affect the interest rates for property loans, which may subsequently impact the total purchasing cost of properties. This may eventually affect market sentiment and demand for properties, which in turn reducing the demand for HVAC and fire safety systems and instrumentations.

- **Availability of skilled technical professionals to deliver quality construction related M&E engineering services, including HVAC and fire safety systems and instrumentations**

The design, engineering and installation of HVAC and fire safety systems and instrumentations can be complex and require skilled technical professionals to ensure the functionality of such systems and instrumentations as well as the safety of buildings and infrastructure. These skilled technical professionals include, amongst others, M&E engineers and technicians. During the design and installation process, they must consider factors such as project requirements, capacity and types of instrumentation components and accessories used, environmental impact and compliance with building codes and fire safety standards.

Industry players have to ensure their workforce possess suitable and relevant skills and competencies in areas pertinent to the HVAC and fire safety systems and instrumentations, in order to remain competitive in the market. This involves continuously attracting and retaining suitable talents through providing conducive work environments, attractive employee benefits and remunerations, technical training as well as clear and transparent career development paths. Failure to hire and/or retain talents with suitable skills and capabilities may adversely affect an industry player's ability to secure new customers and/or sustain revenue growth, which could lead to challenges in improving their financial performance.

# 3 COMPETITIVE LANDSCAPE OF THE HVAC AND FIRE SAFETY INSTRUMENTATION INDUSTRY IN MALAYSIA

### 3.1 Overview

HVAC and fire safety systems consist of multiple instrumentation components and accessories which are supplied by a wide range of industry players. While there are many suppliers in the HVAC and fire safety industry, their product portfolios vary, reflecting differences in the types of instrumentation components and accessories offered. For example, some HVAC industry players may focus on supplying primary HVAC parts such as air handling units, chillers and ducting systems, while others (including SCA Group) focus on supplying HVAC instrumentation components and accessories such as sensors, meters and valves. Similarly, some fire safety industry players may focus on supplying fire suppression and/or smoke management instrumentation components and accessories, while others (including SCA Group) focus on supplying fire detection and/or alarm instrumentation components and accessories. Additionally, these HVAC and fire safety industry players may also provide consultancy, design, installation, testing and commissioning services as complementary offerings or as their principal business activities.

Given that SCA Group is principally involved in the provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories, the competitive landscape of this IMR Report focuses on industry players offering similar products and services, whereby these industry players may also offer products and services not provided by SCA Group. Furthermore, industry players who focus primarily on HVAC and fire safety system design, installation, testing and commissioning services (i.e. industry players who are not involved in the supply and distribution of HVAC and fire safety instrumentation components and accessories) will not be considered as competitors to SCA Group due to the difference in principal business activity. The HVAC and fire safety instrumentation industry in Malaysia is competitive, with the key industry players listed below. These industry players compete in terms of, amongst others, pricing, quality of products and services, timeliness of delivery and reputation, to secure projects across the country.

The barriers to entry are moderate, as upfront capital may be required for the inventory purchase and storage of HVAC and fire safety instrumentation components and accessories, with larger players benefiting from economies of scale compared to new entrants. Industry players also compete in hiring and retaining skilled engineers and technicians, who possess the required technical know-how in design, testing and commissioning works, while also keeping abreast with evolving regulations and technologies.

### 3.2 Key Industry Players

As SCA Group is principally involved in the provision of HVAC and fire safety instrumentation solutions as well as supply and distribution of HVAC and fire safety instrumentation components and accessories in Malaysia, the basis for selection of the competitors to SCA Group is as follows:

- Companies which supply HVAC and/or fire safety instrumentation components and accessories, whereby these companies may also perform system design, testing and commissioning works; and
- Companies which recorded more than RM10.00 million in revenue based on their respective latest available financial years.

The list of key industry players in the HVAC and/or fire safety instrumentation industry in Malaysia is as follows:

| Company name | Principal activities | Latest financial year | Revenue (RM million)[(1)] | Gross profit/ (loss) (RM million) | Gross profit/ (loss) margin (%) | Profit/ (loss) after tax (RM million) | Profit/ (loss) after tax margin (%) |
|---|---|---|---|---|---|---|---|
| Valmatic Engineering Sdn Bhd | Supplies HVAC and fire safety instrumentation components and accessories, which are also used for industrial and plumbing applications | 31 December 2024 | 89.03 | N/A | N/A | 12.59 | 14.14 |
| SCA Group | Supplies HVAC and fire safety instrumentation components and accessories for projects as part of its solutions and on a standalone basis, as well as provides water treatment solutions | 31 December 2025 | 78.01 | 25.29 | 32.42 | 10.65 | 13.65 |
| VIC Engineering Sdn Bhd | Supplies fire detection, alarm and fire suppression instrumentation components and accessories | 31 March 2025 | 70.25 | 23.22 | 33.05 | 6.98 | 9.94 |
| Envalco Sdn Bhd | Supplies HVAC and fire safety instrumentation components and accessories | 31 December 2024 | 52.51 | 15.96 | 30.39 | 5.48 | 10.44 |
| KM Super Sdn Bhd | Supplies primary HVAC parts as well as HVAC instrumentation components and accessories | 31 December 2024 | 43.76 | 3.06 | 6.99 | 0.48 | 1.10 |
| Metrosis Sdn Bhd | Supplies fire detection and alarm instrumentation components and accessories | 31 December 2025 | 23.91 | 12.69 | 53.07 | 7.61 | 31.83 |

## 8. INDEPENDENT MARKET RESEARCH REPORT *(Cont'd)*



| Company name | Principal activities | Latest financial year | Revenue (RM million)[1] | Gross profit/ (loss) (RM million) | Gross profit/ (loss) margin (%) | Profit/ (loss) after tax (RM million) | Profit/ (loss) after tax margin (%) |
|---|---|---|---|---|---|---|---|
| Ultimate Control Engineering Sdn Bhd | Supplies HVAC instrumentation components and accessories as well as provides HVAC system upgrade services | 31 March 2026 | 23.06 | 3.73 | 16.18 | 0.83 | 3.60 |
| DPStar Holdings Sdn Bhd | Designs, manufactures and supplies industrial heating components and systems, as well as supplies industrial automation components and HVAC instrumentation components and accessories | 31 December 2025 | 19.75 | 4.82 | 24.41 | 0.89 | 4.51 |
| AITO Firework Holding Sdn Bhd | Supplies, installs as well as performs test and maintenance for fire detection, alarm and fire suppression instrumentation components and accessories | 31 December 2025 | 19.02 | 9.42 | 49.53 | 0.11 | 0.58 |
| Saffire Sdn Bhd | Supplies fire detection, alarm and fire suppression instrumentation components and accessories | 30 June 2025 | 17.45 | 4.81 | 27.56 | 2.38 | 13.64 |
| NYKK Engineering Group Sdn Bhd | Supplies HVAC and fire safety instrumentation components and accessories | 31 December 2025 | 13.75 | 1.73 | 12.58 | (0.51) | (3.71) |
| Culmi Air-Cond & Refrigeration Parts Supply Sdn Bhd | Supplies primary HVAC parts as well as HVAC instrumentation components and accessories | 31 December 2025 | 11.90 | 2.06 | 17.31 | 0.65 | 5.46 |
| Green Simex Engineering Sdn Bhd | Supplies fire detection, alarm and fire suppression instrumentation components and accessories, as well as installs, tests and maintains fire safety systems | 31 March 2025 | 10.99 | 3.25 | 29.57 | 0.44 | 4.00 |

*Notes:*

- *Latest available as date of research completion.*
- *The identified key industry players include all industry players that were identified by SMITH ZANDER based on sources available, such as the internet, published documents and industry directories. However, there may be companies that have no online and/or published media presence, or are operating with minimal public advertisement, and hence SMITH ZANDER is unable to state conclusively that the list of industry players is exhaustive.*
- *N/A – Not available.*

*(1) Revenue of industry players may include revenue derived from the supply and distribution of other products that are not offered by SCA Group, the provision of business activities that are not offered by SCA Group, as well as revenue derived from countries outside Malaysia.*

*Sources: SCA Group, various company websites, Companies Commission of Malaysia, SMITH ZANDER*

Additionally, as SCA Group is also involved in the provision of water treatment solutions for HVAC application, SCA Group may face competition from companies that offer water treatment solutions for HVAC applications, either as part of their overall HVAC offerings, or as part of a broader suite of water treatment solutions such as wastewater management and industrial water treatment solutions. For the purpose of this IMR Report, SMITH ZANDER has identified several examples of the companies that offer water treatment solutions as part of their overall HVAC offerings, as listed in the table below:

| Company name | Principal activities | Latest financial year | Revenue (RM million)[1] | Gross profit/ (loss) (RM million) | Gross profit/ (loss) margin (%) | Profit/ (loss) after tax (RM million) | Profit/ (loss) after tax margin (%) |
|---|---|---|---|---|---|---|---|
| SCA Group | Supplies HVAC and fire safety instrumentation components and accessories for projects as part of its solutions and on a standalone basis, as well as provides water treatment solutions | 31 December 2025 | 78.01[2] | 25.29 | 32.42 | 10.65 | 13.65 |
| Ongbros HVAC Engineering Sdn Bhd | Designs, installs and commissions HVAC systems, as well as provides HVAC systems maintenance and refurbishment services | 31 July 2025 | 10.30 | 2.45 | 23.79 | 0.18 | 1.75 |
| Assured Engineering Sdn Bhd | Designs and installs HVAC systems, provides HVAC systems maintenance services, as well as supplies industrial specialty cleaning products and HVAC primary parts | 30 June 2025 | 4.92 | 3.95 | 80.28 | 0.86 | 17.48 |
| Pure Cooling Engineering & Services Sdn Bhd | Designs and installs HVAC systems, as well as provides HVAC systems repair and maintenance services | 31 May 2025 | 1.32 | 0.37 | 28.03 | (0.03) | (2.27) |

*Notes:*

- *Latest available as date of research completion.*
- *The examples above are not exhaustive.*

*(1) Revenue of industry players may include revenue derived from the supply and distribution of other products that are not offered by SCA Group, the provision of business activities that are not offered by SCA Group, as well as revenue derived from countries outside Malaysia.*

*(2) Refers to the total revenue of SCA Group. Segmental revenue contributed from the provision of water treatment solutions amounted to RM6.43 million for the FYE 31 December 2025.*

*Sources: SCA Group, various company websites, Companies Commission of Malaysia, SMITH ZANDER*

### 3.3 Market Share

SCA Group captured a market share of 6.47% in 2025, based on its segmental revenue for the provision of HVAC and fire safety solutions, which amounted to RM71.58 million for the FYE 2025, computed against the HVAC and fire safety instrumentation industry size in Malaysia of RM1,106.29 million in 2025. Further, within the HVAC instrumentation industry and fire safety instrumentation industry respectively, SCA Group captured a market share of 6.51% and 6.43% based on its segmental revenue for the provision of HVAC and fire safety solutions respectively, which amounted to RM33.20 million and RM38.38 million for the FYE 2025, computed against the HVAC instrumentation industry size and fire safety instrumentation industry size in Malaysia of RM509.62 million and RM596.67 million respectively in 2025.

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## 9. RISK FACTORS

**NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.**

### 9.1 RISKS RELATING TO OUR BUSINESS AND OUR OPERATIONS

#### 9.1.1 We are highly dependent on the continuous supply of HVAC and fire safety instrumentation components and accessories from principals and authorised distributors, particularly from 2 of our major suppliers, i.e. Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd

As our Group does not manufacture or develop HVAC and fire safety instrumentation components and accessories, our Group relies on the distributorship status with the principals and authorised distributors of HVAC and fire safety instrumentation components and accessories. The distributorship status allows us to be their authorised distributor or sub-distributor, for us to offer a range of HVAC and fire safety instrumentation components and accessories required to meet our customers' demands, for our HVAC and fire safety solutions.

As at the LPD, we have entered into non-exclusive distributorship agreements with, and/or obtained non-exclusive distributorship certificates from, 11 principals and 2 authorised distributors. These distributorship agreements/certificates generally have a validity period of 1 year to 3 years that are subject to renewal upon expiry, or continue to remain valid until termination by either party. Please refer to Section 7.2.1(II) of this Prospectus for details of products that we carry and the corresponding principals and authorised distributors. There is no guarantee that these principals and authorised distributors will agree to renew the distributorship agreements/certificates with us upon expiry or will not terminate the relationships with us. In such circumstances, we may not be able to source certain HVAC and fire safety instrumentation components and accessories from the relevant principals or authorised distributors, which may negatively affect our sales and financial performance if we are unable to source similar products from other distributors or principals at commercially acceptable terms.

Amongst the principals whom we have entered into distributorship agreements or obtained distributorship certificates, we are particularly dependent on Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd, who were our top 2 major suppliers during the Financial Years / Period Under Review. The substantial purchases from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd are attributable to the HVAC and fire safety instrumentation components and accessories procured from them, which are commonly sought by our customers. For the Financial Years / Period Under Review, our Group's purchases from Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd aggregately contributed 60.33%, 64.92%, 66.67%, 64.15% and 55.41% to our total purchases respectively. Although we have established long-standing relationships of 23 years and 21 years with Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd respectively as of 30 June 2026, there can be no assurance that our business relationships with them will remain unchanged moving forward. Should Belimo Automation Malaysia Sdn Bhd and/or Honeywell International Sdn Bhd choose to not renew or terminate our distributorship status, our business and financial performance may be adversely affected if we are unable to source similar products from alternative principals or distributors timely at commercially acceptable terms. Further, our distribution agreement with Belimo Automation Malaysia Sdn Bhd is valid until 31 December 2026; and is renewed annually until and unless terminated by both parties by providing no less than 30-day written notice prior to the expiration of the initial or any renewal term. If a renewed agreement is not signed by both parties on or before 31 March 2027, the distribution agreement with Belimo Automation Malaysia Sdn Bhd shall be deemed withdrawn without further notice. In such circumstances, we may not be able to source Belimo-branded HVAC instrumentation components and accessories, which may negatively affect our sales and financial performance. Since securing the distribution agreement with Belimo Automation Malaysia Sdn Bhd in 2003, we have renewed the distribution agreement

**9. RISK FACTORS *(Cont'd)***

upon each expiry and have generally secured each renewal in the first quarter of the respective year. Please refer to Sections 7.15 and 7.20 of this Prospectus for details of our purchase arrangements with Belimo Automation Malaysia Sdn Bhd and Honeywell International Sdn Bhd.

Further, in the event that any of our HVAC and fire safety instrumentation components and accessories principals and authorised distributors decide to cease producing and/or offering certain instrumentation components and accessories due to a change in their business strategies or directions, our Group may need to source alternate HVAC and fire safety instrumentation components and accessories from other principals or authorised distributors. This may cause delays in our delivery timelines and could negatively affect our ability to meet customers' demands should we fail to procure similar products.

Between 2020 and 2024, our distributorship status with Kamstrup Asia Pacific Sdn Bhd was temporarily ceased due to changes in its business strategies, before we were re-appointed as an authorised distributor in 2024. Notwithstanding this, our business and financial performance were not adversely affected by such temporary cessation of distributorship. Save for this instance, we have not faced any other material challenges in renewing distributorship agreements/certificates with principals and authorised distributors, or in sourcing HVAC and fire safety instrumentation components and accessories from them for the Financial Years / Period Under Review and up to the LPD. However, there is no assurance that such events will not occur in the future and will not materially affect our business operations and financial performance.

**9.1.2 We are dependent on our Executive Directors and Key Senior Management for the continued success and growth of our business**

The continued success and future growth of our Group largely depend on the continuous contributions and involvement of our Executive Directors and Key Senior Management. Our Managing Director, Tan Cheng Eng, together with our Executive Director, Liong Chian Leek, are responsible for steering the overall strategic direction of our Group. With their experience as well as technical and industry knowledge, they play a pivotal role in formulating and implementing business strategies to drive the future development and growth of our Group. Further, our Key Senior Management, namely Tan Choon Seng, Pang Kerk Jin, Lo Weng Hoe and Liong Chian Yie, are equipped with the relevant knowledge and skills in their respective fields of work to ensure smooth operation of our business. Please refer to Sections 5.1.2 and 5.2.3 of this Prospectus for the profiles of our Executive Directors and Key Senior Management.

We recognise that our Group's continued success and future growth depend significantly on the capabilities and efforts of our Executive Directors and Key Senior Management. Therefore, the loss of any of our Executive Directors and Key Senior Management simultaneously or within a short period of time may have an unfavourable impact on our Group's operations and the future growth of our business. If we are unable to attract suitable replacement in a timely manner, it may have an adverse and material impact on our Group's business operations and may eventually affect our ability to maintain and/or improve our business performance. This may in turn adversely affect our financial performance and prospects.

## 9. RISK FACTORS *(Cont'd)*

### 9.1.3 Our Group's involvement in building and infrastructure projects, which is mainly undertaken through purchase orders secured from customers, may result in the fluctuation of our Group's performance

Our main revenue contributor is in the provision of HVAC and fire safety instrumentation solutions to our customers' building and infrastructure projects, whereby each project typically consists of multiple purchase orders issued by the respective customers. Throughout our customers' project period, we may continue to receive additional purchase orders for the supply of instrumentation components and accessories as well as testing and commissioning works, which leads to the continuation as well as the increase in total order value of our respective HVAC and/or fire safety instrumentation solution projects. However, there is no assurance that we will continue to receive purchase orders from our customers despite the continuation of their projects, as they are not obliged to source the necessary components and accessories from us in view of the absence of a formal contract or letter of award.

Further, the value of orders received for our HVAC and/or fire safety instrumentation solution projects generally vary, depending on factors including required quantities of instrumentation components and accessories as well as project and customer requirements. Accordingly, there is no assurance that we will be able to continuously be involved in projects of similar size from our existing or potential customers in the future. As a result, it may lead to fluctuations in our revenue and result in uncertainties over our overall financial performance.

In addition, due to the nature of our customers' projects which typically involve construction of new buildings or infrastructure development as well as retrofitting of existing buildings or infrastructure, these projects are generally non-recurring. As such, we do not enter into long-term agreements with our customers, as the provision of our solutions and products are subject to our customers' needs as and when required. Thus, we are exposed to the risk of losing our customers as there is no guarantee that they will continue to secure projects that require our solutions, and they are also not obliged to continue procuring our solutions and products. In the event of a loss of a substantial amount of our customers, as well as being unable to secure purchase orders for projects from existing customers or new customers in a timely manner, our financial performance may be adversely affected.

While our Group continuously seeks to ensure customers' satisfactions by maintaining and strengthening our existing business relationships as well as establishing relationships with new customers to grow our customer base, our business operations and financial performance may still be affected by various factors beyond our control, including the performance of the construction industry, competitive dynamics and economic conditions in Malaysia. Any unfavourable development of these factors may result in a decline in the demand for HVAC and fire safety instrumentation solutions, which may consequently affect our pipeline, hence adversely impacting our growth and profitability.

### 9.1.4 We are dependent on our engineering and operations department

Our Group is dependent on our engineering and operations department to carry out our business operations, who are primarily responsible for technical consulting as well as testing and commissioning of HVAC and fire safety instrumentation solutions as well as the design, assembly, installation and commissioning of water treatment solutions. As at the LPD, our engineering and operations department comprises 42 employees, of whom 37 hold engineering degrees or certifications. We are dependent on their expertise and in-depth industry knowledge to continuously deliver customised HVAC, fire safety and water treatment solutions that meet our customers' requirements, which is one of the key factors driving our business growth.

## 9. RISK FACTORS *(Cont'd)*

We compete with other industry players to recruit and retain employees within our engineering and operations department. A substantial loss of employees in our engineering and operations department within a short period of time and without any suitable and timely replacements, or our inability to attract or retain qualified and competent employees under our engineering and operations department, may cause disruptions to our operations, thereby adversely affecting our competitive edge in the industry. While we have not encountered any shortage of employees in our engineering and operations department that has caused major disruptions to our operations during the Financial Years / Period Under Review and up to the LPD, there can be no assurance that we will be able to retain and/or recruit adequate number of employees in our engineering and operations department to support the future growth and expansion of our Group.

### 9.1.5 Our business is capital intensive and is subject to availability of financing for working capital requirements

Our provision of HVAC and fire safety instrumentation solutions as well as water treatment solutions to our customers' building and infrastructure projects require substantial upfront working capital for the purchase and/or stocking of instrumentation components and accessories as well as system parts to meet our customers' project requirements. As such, we may incur negative operating cash flows arising from cash outlays for the procurement of components and accessories as well as expenditures incurred in securing purchase orders for projects. Accordingly, the availability of adequate financing is crucial to our ability in securing purchase orders for projects and may influence the scale and size of projects that we are able to be involved in. Our working capital requirements are funded through internally generated funds and bank borrowings.

Our ability to obtain bank borrowings are subject to various factors and uncertainties, including our results of operations, financial conditions, cash flows, gearing level, the performance of the Malaysian economy and the markets for our product and services, the cost of financing, the condition of financial markets, and the continued willingness of banks to provide new loans. There can be no assurance that any required financing, either on a short-term or long-term basis, will be made available to us on terms satisfactory to us or at all. Any inability to secure adequate financing at competitive rates may result in higher interest costs or reduced access to borrowings, which could negatively impact our cash flows, operations, growth and expansion plans.

For the Financial Years / Period Under Review and up to the LPD, we did not experience any clawback or reduction in the facility limits granted to us by our lenders, nor have we encountered difficulties in securing credit facilities from financial institutions. Although our borrowings were not affected during the Financial Years / Period Under Review and up to the LPD, there can be no assurance that it will not be affected in the future as a result of unfavourable market conditions or adverse socioeconomic conditions.

### 9.1.6 We are exposed to credit risk and default payment by customers

Our financial performance is dependent, to a certain extent, on the creditworthiness of our customers. If circumstances arise that affect our customers' ability or willingness to pay us, we may experience payment delays or in worst cases, we may not be able to collect payment from our customers. We generally grant our customers a credit period of 60 days to 90 days upon issuance of invoices. Should there be a delay or default in payment by our customers, our operating cash flows and financial results may be adversely affected.

## 9. RISK FACTORS *(Cont'd)*

Further, any delay or default in payment by our customers may also lead to impairment losses on trade receivables or the writing-off of trade receivables as bad debts, which may adversely affect our financial performance.

Our impairment losses on trade receivables, bad debts written off, reversal of impairment losses on trade receivables and reversal of bad debts written off for the Financial Years / Period Under Review are as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Impairment losses on trade receivables | - | - | 137 | - | 497 |
| Bad debts written off | 13 | 5 | 17 | 11 | - |
| Reversal of impairment losses on trade receivables | - | - | - | (62) | (25) |
| Bad debts recovered | - | - | - | (17) | - |

In FYE 2024 and FPE 2026, our Group recognised impairment losses on trade receivables of approximately RM0.14 million and RM0.50 million respectively, accounting for approximately 1.76% and 6.25% respectively of our PAT. Such impairment losses on trade receivables did not have a material impact on our financial performance. Subsequent to FPE 2026, our Group recognised additional impairment losses of RM0.96 million on outstanding trade receivables, accounting for approximately 12.12% of our PAT for FPE 2026. Please refer to Section 12.8.1 of this Prospectus for further details on our net impairment losses on trade receivables as well as bad debts written off and recovered for the Financial Years / Period Under Review.

### 9.1.7 Any disruption in the supply of products from our suppliers as well as unexpected logistics or freight disruptions, may have an adverse business and financial impact on our business

The occurrence of unexpected crises such as political unrest, natural disasters and disease outbreaks, amongst others, in countries of origin for our supplies, may temporarily disrupt the supply chain of our purchases. Such crises could cause shipments of our products to be delayed or halted due to disruptions in transportation networks such as the closure of seaports, airports and other transportation hubs. As a substantial portion of our purchases of HVAC and fire safety instrumentation components and accessories are supplied by overseas principals mainly through their local subsidiaries/branches in Malaysia, we remain exposed to the risk of supply disruptions originating from these overseas principals. Any such disruptions may result in delays in delivery to our customers, which could adversely affect our ability to fulfil customer orders and lead to order cancellations, thereby impacting our financial performance.

Should the disruptions persist for a prolonged period, we may be required to source products from alternative suppliers, which may not be allowed for certain products as some principals and authorised distributors may prohibit us from distributing competing products as stated in the respective distributorship agreements/certificates. Further, while we may be able to do so to fulfil customer orders, there is no assurance that the pricing and/or quality of products from these alternative suppliers will be consistent with our current purchases. This could lead to margin compression and/or reduced customer acceptance, thereby affecting our business reputation and sales performance.

## 9. RISK FACTORS *(Cont'd)*

For the Financial Years / Period Under Review and up to the LPD, we have not experienced any significant disruptions in sourcing products from our principals and authorised distributors that have adversely affected our ability to fulfil customer orders in a timely manner. However, there can be no assurance that such events will not occur in the future.

Further, the recent conflicts in the Middle East since February 2026, arising from joint military actions by the United States and Israel against Iran, have intensified regional instability and heightened concerns over the security of key oil supply routes, particularly the Strait of Hormuz. As a result, global oil prices have experienced upward pressure due to potential supply disruptions and market uncertainty, which have led to an increase in shipping costs. In addition, the conflicts have disrupted global supply chains and logistics networks, particularly for shipping routes that transit through or operate in proximity to the Middle East region. Following the conflicts, we have not experienced a substantial increase in our cost of sales that negatively impact our financial performance, or any logistics disruptions / delays in receiving our supplies as we typically maintain inventory levels sufficient to meet anticipated customer demand, and many of our supplies are manufactured in Asia, primarily in China and India. However, if such conflicts prolong and lead to a substantial increase in our cost of sales as a result of increase in shipping cost, our margins and financial performance may be adversely affected if we are unable to pass on such increment in cost to our customers. Further, any prolonged logistics disruptions may also lead to delays in receiving supplies from principals, which could adversely affect our ability to timely fulfil customer orders. If the situation worsens, we may experience order cancellations from customers, thereby impacting our financial performance.

### 9.1.8 We may face liabilities arising from product liability claims

As part of our HVAC and fire safety instrumentation solutions, we undertake testing and commissioning works upon the completion of installations/integrations works by our customers. In relation to our water treatment solutions, we are involved in the design, procurement, assembly, installation and commissioning of water treatment systems for integration into both new and existing HVAC systems for our customers. Therefore, should our HVAC and fire safety instrumentation components and accessories or water treatment systems be proven defective due to failure or oversight during assembly, installation, testing and/or commissioning stages by our Group which result in injury, loss, or damage to customers during operations, our Group may be subject to product liability claims. In such circumstances, we may be subject to penalties, fines and/or losses arising from any such claims. While we may be able to pursue claims against our suppliers in cases where defects are determined to be manufacturing-related, our Group's business and reputation in the industry may be adversely affected, which may then negatively impacted our financial performance.

Further, even if we are able to successfully defend any such claims, there can also be no assurance that we will not face a loss of confidence in our HVAC and fire safety instrumentation solutions or water treatment solutions by our customers. For the Financial Years / Period Under Review and up to the LPD, save for the FYE 2025 which we incurred product replacement costs amounting to RM0.02 million for our provision of water treatment solutions due to damaged goods, there were no product liability claims against our Group.

### 9.1.9 We may not be able to successfully implement our future plans and strategies

We plan to expand our business through our future plans and strategies as follows:

- to establish a new corporate office for Greneco, logistics and warehouse, office for sales and marketing, as well as experience centre in Kapar, Selangor to accommodate our growing business;
- to increase our inventory levels for the on-going expansion of our HVAC and fire safety business;
- to intensify our sales and marketing activities to grow our sales in Malaysia; and
- to venture into the provision of other related M&E solutions.

## 9. RISK FACTORS *(Cont'd)*

Please refer to Section 7.13 of this Prospectus for further details of our future plans and strategies.

The implementation of our future plans and strategies is subject to additional expenditures including capital and operational expenditures as well as other working capital requirements, which will increase our Group's overall operational cost, including overhead costs and cost of sales. This may result in an adverse impact on our profit margin if we are unable to gain sufficient revenue following the execution of our future plans and strategies. Furthermore, the implementation of our future plans and strategies may be influenced by factors beyond our control, such as changes in the general market and economic conditions, as well as the political environment in the markets that we serve. This may affect the commercial viability of our future plans and strategies.

Further, while our Executive Directors and Key Senior Management have years of experience in our business operations, there can be no assurance that the effort and expenditures spent on the execution of our future plans and strategies will yield expected results in expanding our business. We are also not able to guarantee the successful implementation of our future plans and strategies, nor can we assure that we will be able to anticipate the business and operational risks arising from our future plans and strategies.

### 9.1.10 Our business is exposed to interruptions and delays caused by unexpected events such as fire, natural disasters, power outages and/or theft or burglary, which may be beyond our control

We maintain an inventory of frequently purchased HVAC and fire safety instrumentation components and accessories at our premises, namely our Kayu Ara HQ, Kayu Ara Office 1 and Kayu Ara Office 2. The occurrence of unexpected events such as fire or natural disasters (e.g. floods) at these premises could disrupt our business operations by causing damage to our inventory and our facilities. Further, our business operations may be interrupted in the event of power outage, potentially disrupting our inventory management and order fulfilment. Our inventory is also exposed to the risks of theft or burglary, which may lead to loss of inventory and consequently cause adverse impact on our business operations and financial performance.

Further, as part of our provision of water treatment solutions, we are involved in the provision of water treatment systems which include the design, procurement, assembly, installation and commissioning of water treatment systems for our customers. The occurrence of unexpected events such as fire, natural disasters and/or power outages may cause interruptions to our business operations. Consequently, we may not be able to fulfil customer orders in a timely manner.

Any prolonged interruptions in our business operations arising from these unexpected events that are beyond our control may adversely affect our delivery schedules, potentially leading to order cancellations. All of these may eventually impact our business relationships with our customers, reputations as well as financial performance. For the Financial Years / Period Under Review and up to the LPD, we have not experienced any major interruptions to our business operations due to the abovementioned unexpected events. However, there can be no assurance that such incidents will not happen in the future.

### 9.1.11 Our insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with our operations

We maintain insurance at levels that are customary in our industry to protect against various losses and liabilities. As at the LPD, the insurance policies which our Group has taken up include fire, burglary, all risks, comprehensive general liability and public liability as well as goods-in-transit insurance, amongst others. However, there is no assurance that our insurance coverage is sufficient to cover all damages to our Group or business operations.

## 9. RISK FACTORS *(Cont'd)*

Moreover, we will be subject to the risk that, in the future, we may not be able to maintain or obtain insurance of the type and amount desired at reasonable rates. If we were to incur a significant liability for which we were not fully insured, it may result in us incurring additional costs that may adversely affect our business operations and financial performance.

For the Financial Years / Period Under Review and up to the LPD, we have not experienced any claims arising from mishaps or accidents which are not sufficiently covered by insurance and having a material adverse impact on our business operations and financial performance.

### 9.1.12 We are dependent on various licences, permits and approvals issued by relevant authorities to operate our business

We are required to obtain and hold various licences, permits and approvals issued by the relevant government authorities in Malaysia, particularly CIDB certificate of registration, electrical contractor licence by Energy Commission and business licence to conduct our business. Please refer to Section 7.18 of this Prospectus for further details of our licences, permits and approvals obtained, including the respective issuing authorities, expiration dates and status of compliance.

Our licences, permits and approvals are generally subject to a variety of conditions which are either stipulated within the licences, permits and approvals themselves, or under the respective legislations and/or regulations governing the issuing authorities. Certain licences, permits and approvals need to be renewed or reassessed by the relevant authorities on a periodic basis.

As at the LPD, we have obtained all licences, permits and approvals required to operate our business. We must continue to comply with the restrictions and conditions imposed by the relevant authorities for us to maintain the validity of such licences, permits and approvals. Nevertheless, any unfavourable changes in the conditions and/or requirements stipulated within the licences, permits and approvals may affect our ability to renew and/or maintain the validity of our licences, permits and approvals.

While we have not encountered any issues in renewing or obtaining any of the required licences, permits and approvals to operate our business for the Financial Years / Period Under Review and up to the LPD, there can be no assurance that we will be able to renew or obtain such licences, permits and approvals in the future or that we will not be subject to suspension, withdrawal or termination of our licences, permits and approvals. Any such failure to secure renewal or obtain the required licences, permits or approvals would adversely affect our financial performance, results of operations and prospects.

## 9.2 RISKS RELATING TO OUR INDUSTRY

### 9.2.1 We are dependent on the construction industry in Malaysia

The performance of our business is dependent on the construction industry as we primarily provide HVAC and fire safety instrumentation solutions (being our largest revenue contributor) for construction/ retrofitting projects. Accordingly, our financial performances are likely to move in tandem with the performance of the construction industry in Malaysia. According to the IMR Report, the performance of the construction industry in Malaysia, as measured by the value of construction work done, grew from RM132.16 billion in 2023 to RM178.62 billion in 2025 at a CAGR of 16.26%. The construction GDP also moved in tandem with the value of construction work done, whereby it grew by 5.91% in 2023 and followed by continuous growth in both 2024 and 2025 at 17.62% and 12.19% respectively. For further details on the performance of the construction industry in Malaysia, please refer to Section 8 of this Prospectus.

## 9. RISK FACTORS *(Cont'd)*

The performance of the construction industry may be materially affected by factors such as government policies, supply and demand conditions of properties, government budgets and investments, economic growth, interest rates and inflation, amongst others, which could negatively impact the demand for construction services. Any slowdown in the construction industry may, in turn, reduce the demand for HVAC and fire safety instrumentation solutions, thereby adversely affecting our Group's business operations and financial performance.

### 9.2.2 We face competition from other industry players

According to the IMR Report, the HVAC and fire safety instrumentation industry in Malaysia is competitive. We generally compete with other industry players in terms of pricing, quality of products and services, timeliness of delivery and reputation, to secure orders across Malaysia. Please refer to the IMR Report in Section 8 of this Prospectus for further details on the competitive landscape of the HVAC and fire safety instrumentation industry in Malaysia.

The competition that we face from other industry players may impact our revenue and profitability as we may be forced to be more price-competitive to secure orders. Further, we must strive to ensure consistency in providing solutions and products in accordance with the specifications required by our customers. It is also important that we are able to consistently deliver our products to our customers based on their timing requirements. Our Group must continuously ensure that we meet the above requirements, as failure to do so may negatively impact our Group's track record and industry reputation, leading to a loss of business to our competitors and damage to our overall business performance.

### 9.2.3 We are exposed to risks relating to the economic, political, legal and regulatory environments in markets in which we serve

Our Group mainly conducts our business operations and serves customers in Malaysia. Further, we also provide water treatment solutions to overseas countries, namely Singapore and Indonesia. Therefore, any adverse changes in the economic conditions, political environments as well as legal and regulatory requirements in these countries could have an adverse impact on our business operations, financial performance and prospects. These unfavourable changes include changes in political leadership, geopolitical events, overall economic conditions, fluctuations in interest rates, acts of terrorism, warfare, or sanctions, fiscal and monetary policies set forth by the government such as inflation and deflation, tax methodologies and policies, deterioration of international relations, and other factors which may adversely impact customer confidence and our business operations.

Any adverse changes in economic, political, legal and regulatory such as changes in government policies and widespread and/or prolonged economic slowdowns in markets in which we serve may cause a decline in the demand for our Group's products, which may have an adverse effect on our business operations and financial performance. For the Financial Years / Period Under Review and up to the LPD, we have not experienced any substantial and unfavourable changes in the abovementioned factors that negatively impacted our business operations and financial results.

## 9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

### 9.3.1 The offering of our Shares may not result in an active and liquid market for our Shares

There can be no assurance as to the liquidity of the market that may develop for our Shares, the ability of shareholders to sell our Shares or the prices at which shareholders would be able to sell our Shares. Neither we nor our Promoters have an obligation to make a market for our Shares or, if such a market does develop, to sustain it. In addition, there can be no assurance that the trading price of our Shares will reflect our operations and financial condition, our growth prospects or the growth prospects of the industry in which we operate.

## 9. RISK FACTORS *(Cont'd)*

### 9.3.2 Our Listing is exposed to the risk that it may be aborted or delayed

Our Listing may be aborted or delayed should any of the following occur:

(i) The Selected Investors fail to subscribe for or purchase their allocation of our IPO Shares;

(ii) Our Underwriter exercises its rights under the Underwriting Agreement to discharge itself from its obligations therein;

(iii) We are unable to meet the public shareholding spread requirement set by Bursa Securities, whereby at least 25.0% of our total number of Shares for which listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares upon the completion of our IPO and at the point of our Listing; and

(iv) The revocation of the approvals from the relevant authorities for our Listing for whatever reason.

If any of these events occur, investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the Application within 14 days, failing which the provisions of Section 243(2) of the CMSA will apply.

Further, prior to the issuance and allotment or transfer of our IPO Shares, the SC may issue a stop order under Section 245(1) of the CMSA. In such event, the Applications shall be deemed to be withdrawn and cancelled, and we will repay all monies in respect of the Applications within 14 days of the stop order, failing which the provisions of Section 245(7)(a) of the CMSA will apply.

If our Listing is aborted and/or terminated, and our Shares have been allotted to the investors, a return of monies to the investors could only be achieved by way of cancellation of share capital as provided under Sections 116 or 117 of the Act and its related rules.

Such cancellation requires the approval of shareholders by special resolution in a general meeting, with sanction of the High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and ROC within 7 days of the date of the special resolution, and us meeting the solvency requirements under Section 117(3) of the Act.

There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

### 9.3.3 The trading price and trading volume of our Shares following our Listing may be volatile

The market price of our Shares could be affected by numerous factors, some of which may not be within our control and may be unrelated or disproportionate to our financial results including general market, political and economic conditions, perceived prospects of our business and the industry in which we operate, changes in government policy, legislation or regulation, and general operational and business risks. Many of the risks described in this Section could materially and adversely affect the market price of our Shares.

Over the past few years, the Malaysia, regional and global equity markets have experienced significant price and volume volatility that has affected the share prices of many companies. Share prices of many companies have experienced wide fluctuations that were not always related to the operating performance of such companies, including fluctuations as a result of developments in other markets. There can be no assurance that the price and trading of our Shares will not be subject to fluctuations.

## 9. RISK FACTORS *(Cont'd)*

### 9.3.4 We may not be able to pay dividends

Our ability to pay dividends or make other distributions to our shareholders is not guaranteed. Our Board may decide, at its absolute discretion, at any time and for any reason whatsoever, not to pay dividends. We are an investment holding company and our income mainly derives from dividends received from our subsidiaries. Therefore, our ability to pay dividends and sustain our dividend policy in the future is largely dependent on the financial performance of our subsidiaries.

In considering the level of dividend, if any, upon recommendation by our Directors, we will consider various factors, including but not limited to our financial performance, cash flow requirements, level of indebtedness, loan covenants and future expansion plans. The market price of our Shares may be adversely affected and resulting in a reduction in the value of any investment in our Shares if we are unable to pay dividends at levels anticipated by our shareholders.

## 9.4 OTHER RISKS

### 9.4.1 Forward-looking statements in this Prospectus are subject to uncertainties and contingencies

Certain statements or expectations or forecasts in this Prospectus are based on historical data which may not be reflective of future results. Forward-looking statements in this Prospectus are based on assumptions and subject to uncertainties and contingencies.

Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure you that such expectations will subsequently materialise.

### 9.4.2 Our post-Listing profitability for FYE 2026 may be affected by the one-off Listing expenses for our IPO

We recorded revenue of RM61.63 million and RM78.01 million for FYE 2024 and FYE 2025 respectively, while our PAT increased from RM7.78 million in FYE 2024 to RM10.65 million in FYE 2025. The increase in profitability was primarily attributable to higher customer demand across our HVAC, fire safety and water treatment solutions segments as well as the upward revision of selling prices for our HVAC and fire safety instrumentation components and accessories.

In view of our on-going IPO exercise in FYE 2026, we will continue to incur Listing expenses during the financial year. As set out in Section 4.8 of this Prospectus, the estimated expenses relating to our Listing are approximately RM5.50 million. Upon Listing, the portion of such professional fees and expenses that is not directly attributable to the issuance of our Shares amounting to RM3.82 million will be recognised as expenses in our statement of profit or loss, while expenses that are directly attributable to the issuance of our Shares amounting to RM1.68 million will be debited against share capital in accordance with the applicable accounting standards.

Accordingly, our financial performance for FYE 2026 is expected to be partially affected by these one-off Listing expenses recognised in our statement of profit or loss pursuant to the IPO exercise. As these expenses are non-recurring in nature, they may affect the comparability of our financial performance for the financial year against prior and subsequent financial years.

## 10. RELATED PARTY TRANSACTIONS

### 10.1 RELATED PARTY TRANSACTIONS

#### 10.1.1 Related party transactions entered into by our Group

Save as disclosed below, there were no transactions, existing and/or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them which are material to our Group during the Financial Years / Period Under Review and the subsequent period up to the LPD:

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 1. | SCASB | Rancang Segar Sdn Bhd ("**RSSB**") | • Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>• Tan Cheng Eng is the sole shareholder of RSSB<br>• He was a director of RSSB. | Supply, testing and commissioning of HVAC and fire safety products by SCASB to RSSB[2] | 231 (0.57% of our Group's revenue) | 271 (0.57% of our Group's revenue) | 251 (0.41% of our Group's revenue) | 657 (0.84% of our Group's revenue) | 857 (1.67% of our Group's revenue) | 216 (not applicable) |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 2. | Ace Victech | RSSB | • Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>• Tan Cheng Eng is the sole shareholder of RSSB<br>• He was a director of RSSB. | Supply of fire safety products by Ace Victech to RSSB[2] | - | - | - | 1 (*less than 0.01% of our Group's revenue) | 11 (0.02% of our Group's revenue) | 72 (not applicable) |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 3. | Greneco | RSSB | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>● Tan Cheng Eng is the sole shareholder of RSSB<br>● He was a director of RSSB. | Supply of water treatment and maintenance services by Greneco to RSSB[2] | 32 (0.08% of our Group's revenue) | 31 (0.07% of our Group's revenue) | 28 (0.05% of our Group's revenue) | - | - | - |
| 4. | SCASB | RSSB | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director. | Advances made from SCASB to RSSB for working capital purposes[3] | - | 420 (1.35% of our Group's NA) | - | - | - | - |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | ● Tan Cheng Eng is the sole shareholder of RSSB<br>● He was a director of RSSB. | | | | | | | |
| 5. | SCASB | RSSB | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>● Tan Cheng Eng is the sole shareholder of RSSB<br>● He was a director of RSSB. | Repayment of advances by RSSB to SCASB[3] | - | - | 420 (1.27% of our Group's NA) | - | - | - |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 6. | SCASB | Matrix Icontrol Sdn Bhd ("**MISB**") | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>● Tan Choon Seng is a director and was a shareholder of Greneco.<br>● Tan Cheng Eng and Tan Choon Seng were the directors and shareholders of MISB. | Supply of HVAC products by SCASB to MISB[2] | 12 (0.03% of our Group's revenue) | - | - | - | - | - |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 7. | Greneco | Tan Choon Seng | ● Tan Choon Seng is a director and was a shareholder of Greneco.<br>● Tan Choon Seng is our Key Senior Management and shareholder. | Repayment of advances by Greneco to Tan Choon Seng[4] | 20 (0.07% of our Group's NA) | 40 (0.13% of our Group's NA) | - | 135 (0.36% of our Group's NA) | - | - |
| 8. | Greneco | Tan Cheng Eng | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>● Tan Cheng Eng is a director and was a shareholder of Greneco | Advances made from Tan Cheng Eng to Greneco for working capital purposes[4] | - | 50 (0.16% of our Group's NA) | - | - | - | - |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 9. | Greneco | Tan Cheng Eng | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>● Tan Cheng Eng is a director and was a shareholder of Greneco | Repayment of advances by Greneco to Tan Cheng Eng[4] | 20 (0.07% of our Group's NA) | - | 30 (0.09% of our Group's NA) | 175 (0.46% of our Group's NA) | - | - |
| 10. | SCASB | Tan Cheng Eng | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director. | Disposal of investment in Food Lovers Sdn Bhd by SCASB to Tan Cheng Eng[5] | - | - | * | - | - | - |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[(1)] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | • Liong Chian Leek is our Promoter, substantial shareholder and Executive Director.<br>• Tan Cheng Eng is a director and shareholder of Food Lovers Sdn Bhd.<br>• Liong Chian Leek is a director of Food Lovers Sdn Bhd. | | | | | | | |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[(1)] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 11. | SCASB | Food Lovers Sdn Bhd | • Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>• Liong Chian Leek is our Promoter, substantial shareholder and Executive Director.<br>• Tan Cheng Eng is a director and shareholder of Food Lovers Sdn Bhd. | Advances made from SCASB to Food Lovers Sdn Bhd for working capital purposes[(6)] | 60 (0.22% of our Group's NA) | 60 (0.19% of our Group's NA) | 50 (0.15% of our Group's NA) | - | - | - |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | ● Liong Chian Leek is a director of Food Lovers Sdn Bhd. | | | | | | | |
| 12. | SCASB | Food Lovers Sdn Bhd | ● Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director.<br>● Liong Chian Leek is our Promoter, substantial shareholder and Executive Director. | Repayment of advances from Food Lovers Sdn Bhd to SCASB[6] | - | - | 2,372 (7.18% of our Group's NA) | - | - | - |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No. | Companies within our Group | Transacting parties | Nature of relationship | Nature of transaction | Transaction value | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 up to the LPD[1] |
| | | | | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | • Tan Cheng Eng is a director and shareholder of Food Lovers Sdn Bhd.<br>• Liong Chian Leek is a director of Food Lovers Sdn Bhd. | | | | | | | |
| 13. | SCASB | Liong Chian Leek | • Liong Chian Leek is our Promoter, substantial shareholder and Executive Director. | Sale of air purifiers by SCASB to Liong Chian Leek[2] | - | - | - | - | - | 4 (not applicable) |

**Notes:**

* Less than RM1,000

(1) Percentage of contributions are not available as there is no audited financial statements for the period from 1 July 2026 up to the LPD.

## 10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(2) The transactions were conducted on an arm's length basis and based on the terms and conditions which were not unfavourable to our Group as the transactions were transacted at the prevailing market price of the products and services as at the transaction dates.

(3) The advance made was not on an arm's length and was not in the best interest of our Group as it was free from interest. The advance had been fully paid and settled on 30 December 2024. Our Group undertakes that there will be no such transactions entered into in the future.

(4) The advances made were not on an arm's length as they were free from interest. However, this was not detrimental to the interest of our Group as the advances were for Greneco's working capital purposes which Greneco is part of our Group. The advances had been fully paid and settled on 7 November 2025. Our Group undertakes that there will be no such transactions entered into in the future.

(5) The transaction entails the disposal of the 500,000 ordinary shares in Food Lovers Sdn Bhd, representing 50.00% equity interest in Food Lovers Sdn Bhd for a disposal consideration of RM1 which was satisfied via cash. The disposal was made on an arm's length and was not detrimental to the interest of our Group as the disposal consideration of RM1 was derived after taking into consideration of the adjusted net liabilities of Food Lovers Sdn Bhd as at 31 December 2023 of RM2.20 million.

(6) The advance made was not on an arm's length and was not in the best of our Group as it was free from interest. The advance had been fully paid and settled on 29 December 2024. Our Group undertakes that there will be no such transactions entered into in the future.

Save for the transactions of supply, testing and commissioning of HVAC and fire safety products as well as supply of water treatment and maintenance services with RSSB, the other related party transactions are not expected to be recurring.

Our Directors also confirm that there are no other 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 to them but not yet effected up to the date of this Prospectus.

Our Directors (save for Tan Cheng Eng and Liong Chian Leek, who abstained from deliberation as they were interested in the transactions) are of the view that the related party transactions entered into by our Group were carried out on an arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment to our Group for the items 1, 2, 3, 6, 10 and 13 above as these cost were based on prevailing market rates.

After the 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. Our ARMC will review the terms of all related party transactions.

## 10. RELATED PARTY TRANSACTIONS *(Cont'd)*

### 10.2 RELATED PARTY TRANSACTIONS THAT ARE UNUSUAL IN NATURE OR CONDITION

Our Board has confirmed that there are no related party transactions that were unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party in respect of the Financial Years / Period Under Review and up to the LPD.

### 10.3 LOANS AND/OR FINANCIAL ASSISTANCE MADE TO OR FOR THE BENEFIT OF RELATED PARTIES

Our Board has confirmed, there are no outstanding loans and/or financial assistance (including guarantees of any kind) made by our Group to or for the benefit of any related parties or granted by any related parties for the benefit of our Group, save as disclosed in Section 10.1.1 of this Prospectus, for the Financial Years / Period Under Review and up to the LPD.

Moving forward, if there are potential related party transactions, the related parties must first inform our Group's ARMC of their interests in the transaction and the nature of the transaction before the transaction is entered into. The ARMC is responsible for the review of all related party transactions to ensure that there is no conflict of interest.

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## 10. RELATED PARTY TRANSACTIONS *(Cont'd)*

### 10.4 LOANS AND/OR FINANCIAL ASSISTANCE FROM RELATED PARTIES FOR THE BENEFIT OF OUR GROUP

Save as disclosed below, there were no outstanding loans and guarantees made to/by us to or for the benefit of any related party for the Financial Years/Period Under Review and up to the LPD:

(i) Personal guarantees

Our Promoters and Executive Directors, namely, Tan Cheng Eng and Liong Chian Leek as well as our Key Senior Management, namely, Tan Choon Seng (Director of Greneco), have individually provided personal guarantees for banking and hire purchase facilities extended by the following financial institutions ("**Financiers**") to our Group:

| No | Company | Guarantor | Financial institution | Type of facility / Purpose | Facility limit RM'000 | Outstanding amount as at the LPD RM'000 |
|---|---|---|---|---|---|---|
| 1. | SCASB | Tan Cheng Eng and Liong Chian Leek | Hong Leong Bank Berhad | Facility<br>Overdraft/ Trade Facilities / Forward Exchange Contract<br><br>Purpose<br>For working capital | 4,500 | Nil |
| 2. | SCASB | Tan Cheng Eng and Liong Chian Leek | Hong Leong Islamic Bank Berhad | Facility<br>Commodity Murabahah Flexi Term Financing-i<br><br>Purpose<br>To part finance the purchase of Kapar Property(1) | 10,000 | (1)Nil |
| 3. | SCASB | Tan Cheng Eng and Liong Chian Leek | Alliance Bank Malaysia Berhad | Facility<br>Trade Facilities / Term Loan / Business Credit Card | 5,230 | 1,246 |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No | Company | Guarantor | Financial institution | Type of facility / Purpose | Facility limit RM'000 | Outstanding amount as at the LPD RM'000 |
|---|---|---|---|---|---|---|
| | | | | Purpose<br>For working capital and to part finance the purchase of Kayu Ara Office 2 | | |
| 4. | SCASB | Tan Cheng Eng and Liong Chian Leek | Alliance Islamic Bank Malaysia Berhad | Facility<br>Commodity Murabahah Cashline Facility / Commodity Murabahah Term Financing-i | 3,255 | 1,215 |
| | | | | Purpose<br>For working capital and to part finance the purchase of Kayu Ara Office 1 | | |
| 5. | SCASB | Tan Cheng Eng and Liong Chian Leek | CIMB Bank Berhad | Facility<br>Term Loan | 2,227 | 980 |
| | | | | Purpose<br>To part finance the purchase of 3-storey semi detached factory with postal address No. 19, Jalan Astaka U8/84A, iParc Bukit Jelutong, 40150 Shah Alam, Selangor | | |
| 6. | SCASB | Liong Chian Leek | Public Bank Berhad | Facility<br>Hire purchase facility | 103 | 71 |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

| No | Company | Guarantor | Financial institution | Type of facility / Purpose | Facility limit RM'000 | Outstanding amount as at the LPD RM'000 |
|---|---|---|---|---|---|---|
| | | | | Purpose<br>To finance the purchase of motor vehicle | | |
| 7. | Greneco | Tan Choon Seng | Public Bank Berhad | Facility<br>Hire purchase facilities | 158 | 84 |
| | | | | Purpose<br>To finance the purchase of 2 motor vehicles | | |
| 8. | Greneco | Tan Cheng Eng and Tan Choon Seng | BMW Credit (Malaysia) Sdn Bhd | Facility<br>Hire purchase facility | 50 | 30 |
| | | | | Purpose<br>To finance the purchase of motor vehicle | | |

**10. RELATED PARTY TRANSACTIONS *(Cont'd)***

**Note:**

(1) The bank facility has not been drawn down as at the LPD.

For information, the bank facility was previously obtained for the acquisition of a single storey detached factory with 3-storey office known as Lot 12, Golden Valley Industrial Park I @ Kapar. However, the said acquisition was mutually terminated pursuant to the deed of rescission dated 29 September 2026 upon the request of the developer.

The Group had on 29 September 2026 entered into a sale and purchase agreement to acquire the Kapar Property. In view of this, the said bank facility had been obtained for the acquisition of the Kapar Property via a supplementary letter of offer dated 26 October 2026. The Kapar Property will be charged by SCASB in favour of Hong Leong Islamic Bank Berhad pursuant to the banking facility.

Until such release and/ or discharge are obtained from the respective Financiers, Tan Cheng Eng, Liong Chian Leek and/or Tan Choon Seng will continue to guarantee and the personal guarantees will remain intact as security for the banking facilities and hire purchase facilities extended to our Group.

As at the LPD, our Group has received a conditional approval from all the aforementioned Financiers (subject to the Listing) to discharge the above guarantees by substituting the same with a corporate guarantee from our Company and/ or other securities from our Group acceptable to the financial institutions.

(ii) Loan/ guarantee made by our Group for the benefit of its related parties or third parties

There is no loan/ guarantee made by our Group for the benefit of its related parties or third parties.

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## 10. RELATED PARTY TRANSACTIONS *(Cont'd)*

### 10.5 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

#### 10.5.1 Audit and Risk Management Committee review

Our ARMC assess the financial risk and matters relating to related party transactions and conflicts of interest situations 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 Company 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 Company 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 basis and are not to the detriment of the interest of our Company's minority shareholders. Amongst 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.

Any reviews on the related party transactions by our ARMC are reported to our Board for its further deliberation.

#### 10.5.2 Our Group's policy on related party transactions and conflicts of interest

Related party transactions by their nature, involve a conflict of interest between our Group and the related parties with whom our Group has entered into such transactions. As disclosed in this Prospectus, certain Directors and/or major shareholders of our Group who are also the directors and/or shareholders of the related parties of our Group, and in respect of these related party transactions, may individually and collectively, give rise to potential conflicts of interest.

It is the policy of our Group that all related party transactions and conflicts of interest (including potential 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 Company 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 to the detriment of the interest of our Company's minority shareholders.

In addition, in line with the Listing Requirements and MCCG and the Corporate Governance Guide, 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 conflicts 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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## 11. CONFLICT OF INTEREST

### 11.1 INTEREST IN ENTITIES CARRYING ON A SIMILAR TRADE OR CUSTOMERS OR SUPPLIERS OF OUR GROUP

Save as disclosed in Section 10.1.1 of this Prospectus under items 1, 2, 3, 4 and 5, none of our Directors and/or substantial shareholders have any interest, whether direct or indirect, in any entities which are carrying on a similar or related trade as our Group or which are customers, suppliers and/ or subcontractors of our Group as at the LPD.

The details of our Group's customer, namely RSSB as well as the nature of the interest of our interested directors and substantial shareholder are as follows:

| Company | Principal activity | Nature of Interest |
|---|---|---|
| RSSB | Contractor for building, mechanical, electrical and related work. | Tan Cheng Eng is the sole shareholder of RSSB.<br><br>Tan Cheng Eng was a director of RSSB from September 2000 to February 2002 and reappointed as director of RSSB from August 2007 to January 2026.<br><br>Tan Cheng Eng is our Promoter, substantial shareholder and Managing Director. |

Notwithstanding the business transactions between our Group with RSSB as mentioned in Section 10.1.1 of this Prospectus under items 1, 2 and 3, the Board is of the view that such conflict of interest between our Group and RSSB is mitigated by the following:

(a) Business activities:

Our Group is operating in a different segment of mechanical and electrical engineering as compared to the RSSB. RSSB is a contractor for building, mechanical, electrical and related work. Arising from these different business activities, our Group's revenue is derived from our involvement in the provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories, while RSSB derives its revenue from the construction work as a holder of CIDB's Grade G7 certificate of registration.

For information, the transactions between SCASB and RSSB arose from the specific requirements by RSSB's customers and that SCASB's ability to offer a comprehensive range of HVAC and fire safety instrumentation components and accessories. In addition, SCASB is the only distributor of certain products in Malaysia.

(b) Business operations:

Our Group operates its business independently from RSSB. RSSB has its own management team, comprising 2 directors, a Business Development Director and a Project Director and there are no common Key Senior Management between RSSB and our Group.

As such, there is no dependency between our Group and RSSB in terms of common management, resources and operations.

**11. CONFLICT OF INTEREST *(Cont'd)***

(c) Interested persons' role in our Group:

The directors and shareholder of RSSB and the shareholder's shareholding in RSSB as at the LPD are as set out below:

| | | Direct | | Indirect | |
|---|---|---|---|---|---|
| **Name** | **Involvement** | **No. of shares** | **%** | **No. of shares** | **%** |
| Tan Cheng Eng[(1)] | Shareholder | 1,250,000 | 100.00 | - | - |
| Zakaria Bin Ahmad[(2)] | Director | - | - | - | - |
| Yap Choon Kit[(3)] | Director | - | - | - | - |
| Wong Chu Earn[(4)] | Director | - | - | - | - |

**Notes:**

(1) Resigned as a director on 28 January 2026. For his past appointment dates, please refer to Section 5.2.2(ii) of this Prospectus.

(2) Appointed on 4 July 2006.

(3) Appointed on 28 January 2026.

(4) Appointed on 20 July 2026.

Save for Tan Cheng Eng, who is the sole shareholder of RSSB as well as our Managing Director and substantial shareholder, Tan Cheng Eng is not involved in the day-to-day operations of RSSB. His focus and commitment are towards our Group.

In addition, Tan Cheng Eng will not participate in the deliberations and decisions in relation to transactions between the Group and RSSB.

In addition, RSSB's profitability is not significant as compared to SCASB. For information, the revenue, gross profit and profit after tax of RSSB for the past 4 financial years ended 31 August 2022 to 31 August 2025 are as follows:-

| | **FYE 31 August 2022** | **FYE 31 August 2023** | **FYE 31 August 2024** | **FYE 31 August 2025** |
|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 25,887 | 17,952 | 28,033 | 36,900 |
| Gross profit | 4,598 | 3,803 | 4,077 | 2,860 |
| PAT | 110 | 29 | 168 | 67 |

(d) Related party transactions and dependency:

Save for the supply, testing and commissioning of HVAC and fire safety products as well as provision of water treatment and maintenance services by our Group to RSSB as well as the advances to RSSB, there are no other transactions involving our Group and RSSB. In terms of revenue contributed by RSSB to our Group, the highest revenue contribution from RSSB accounts for only 1.69% of our Group's total revenue in FPE 2026. As such, our Group has no business dependency on RSSB.

**11. CONFLICT OF INTEREST *(Cont'd)***

For information, the sales to RSSB in the Financial Years / Period Under Review are mostly recognised as revenue under the provision of HVAC instrumentation solutions, provision of fire safety instrumentation solutions and/or provision of water treatment solutions, as our Group is involved in the projects secured by RSSB, whereby each project typically consists of multiple purchase orders issued by RSSB. Under the scope of these projects, our Group generally supplies the necessary HVAC and/or fire safety instrumentation components and accessories along with testing and commissioning upon the completion of installation by RSSB, and/or the necessary water treatment solutions. For avoidance of doubt, there is no formal sub-contract or project agreement between our Group and RSSB in respect of these projects.

Notwithstanding that the transactions were conducted through purchase orders, they were classified under the Group's provision of HVAC and fire safety instrumentation solutions sub-segment due to the scope of work always includes technical consulting as well as testing and commissioning services.

| | **FYE 2022** | | **FYE 2023** | | **FYE 2024** | |
|---|---|---|---|---|---|---|
| | **RM'000** | **% of total revenue** | **RM'000** | **% of total revenue** | **RM'000** | **% of total revenue** |
| SCASB | 231 | 0.57 | 271 | 0.57 | 251 | 0.41 |
| Greneco | 32 | 0.08 | 31 | 0.07 | 28 | 0.05 |
| Ace Victech | - | - | - | - | - | - |
| | **263** | **0.65** | **302** | **0.64** | **279** | **0.46** |

| | **FYE 2025** | | **FPE 2026** | |
|---|---|---|---|---|
| | **RM'000** | **% of total revenue** | **RM'000** | **% of total revenue** |
| SCASB | 657 | 0.84 | 857 | 1.67 |
| Greneco | - | - | - | - |
| Ace Victech | 1 | * | 11 | 0.02 |
| | **658** | **0.84** | **868** | **1.69** |

**Note:**

* Less than 0.01%

Premised on the above, our Board is of the view that the abovementioned conflict of interest situations involving our Group are sufficiently mitigated.

Moving forward, the ARMC will continue to supervise any actual or potential conflict of interest situation and review our Group's current and future related party transactions and ensure that such transactions will be carried out on an arm's length basis and on commercial terms in the best interest of our Group. Our Group will also seek such relevant shareholders' approval where required. We will also make disclosures in our annual report of the aggregate value of any recurrent related party transactions to be entered into by us (where required) based on the nature of the transactions made, names of the related parties involved and their relationship with our Group. Please refer to Section 10.5.2 of this Prospectus for further details of our monitoring and oversight policy on conflicts of interest.

## 11. CONFLICT OF INTEREST *(Cont'd)*

### 11.2 DECLARATION BY THE ADVISERS ON CONFLICT OF INTEREST

#### 11.2.1 Principal Adviser, Sponsor, Underwriter and Placement Agent

Malacca Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sponsor, Placement Agent and Underwriter for our Listing.

#### 11.2.2 Due Diligence Solicitors

Olivia Lim & Associates has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Due Diligence Solicitors to our Group in relation to our Listing.

#### 11.2.3 Auditors and Reporting Accountants

Baker Tilly Monteiro Heng PLT has given its written confirmation that 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.

#### 11.2.4 Independent Market Researcher

Smith Zander has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the IMR to our Group in relation to our Listing.

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## 12. FINANCIAL INFORMATION

### 12.1 HISTORICAL FINANCIAL INFORMATION

Our historical financial information for Financial Years / Period Under Review has been prepared in accordance with MFRS and IFRS. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

Our Company was incorporated on 10 October 2025 and involved in activities of holding companies. All companies acquired by SCA pursuant to the Acquisitions have been under the common control of our Promoters throughout the Financial Years / Period Under Review and are regarded as continuing entities. As such, the historical financial information of our Group for the Financial Years / Period Under Review is presented based on the audited combined financial statements of our Group.

#### 12.1.1 Combined statements of comprehensive income

The following table sets out a summary of our combined statements of comprehensive income for Financial Years / Period Under Review, which have been extracted from the Accountants' Report as set out in Section 13 of this Prospectus. It should be read with the "Management's Discussion and Analysis of Results of Operations and Financial Condition" and the Accountants' Report set out in Section 12.2 and Section 13 of this Prospectus.

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Revenue | 40,762 | 47,242 | 61,634 | 78,007 | 38,127 | 51,330 |
| Cost of sales | (31,375) | (34,431) | (44,301) | (52,715) | (25,178) | (33,181) |
| **GP** | **9,387** | **12,811** | **17,333** | **25,292** | **12,949** | **18,149** |
| Other income | 314 | 451 | 448 | 731 | 363 | 430 |
| Selling and distribution expenses | (2,161) | (2,450) | (2,959) | (3,580) | (1,537) | (2,135) |
| Administrative expenses | (3,229) | (3,718) | (4,017) | (7,411) | (3,388) | (5,377) |
| **Operating profit** | **4,311** | **7,094** | **10,805** | **15,032** | **8,387** | **11,067** |
| Finance costs | (210) | (210) | (300) | (304) | (170) | (141) |
| **PBT** | **4,101** | **6,884** | **10,505** | **14,728** | **8,217** | **10,926** |
| Income tax expense | (1,171) | (1,795) | (2,723) | (4,082) | (2,305) | (2,975) |
| **PAT/Total comprehensive income** | **2,930** | **5,089** | **7,782** | **10,646** | **5,912** | **7,951** |
| **PAT/Total comprehensive income attributable to:** | | | | | | |
| Owners of the Company | 2,917 | 5,018 | 7,782 | 10,646 | 5,912 | 7,951 |
| Non-controlling interests | 13 | 71 | - | - | - | - |
| | **2,930** | **5,089** | **7,782** | **10,646** | **5,912** | **7,951** |
| EBIT[(1)] | 4,197 | 6,905 | 10,577 | 14,753 | 8,271 | 10,939 |
| EBITDA[(1)] | 4,651 | 7,376 | 11,136 | 15,402 | 8,563 | 11,211 |
| GP margin (%)[(2)] | 23.03 | 27.12 | 28.12 | 32.42 | 33.96 | 35.36 |
| PBT margin (%)[(3)] | 10.06 | 14.57 | 17.04 | 18.88 | 21.55 | 21.29 |
| PAT margin (%)[(3)] | 7.19 | 10.77 | 12.63 | 13.65 | 15.51 | 15.49 |
| Effective tax rate (%)[(4)] | 28.55 | 26.07 | 25.92 | 27.72 | 28.05 | 27.23 |
| Basic/Diluted EPS (sen)[(5)] | 0.51 | 0.89 | 1.37 | 1.87 | 1.04 | 1.40 |

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Notes:**

(1) EBIT and EBITDA are calculated as follows:

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| PAT | 2,930 | 5,089 | 7,782 | 10,646 | 5,912 | 7,951 |
| Less: | | | | | | |
| Finance income | (114) | (189) | (228) | (279) | (116) | (128) |
| Add: | | | | | | |
| Finance costs | 210 | 210 | 300 | 304 | 170 | 141 |
| Income tax expenses | 1,171 | 1,795 | 2,723 | 4,082 | 2,305 | 2,975 |
| **EBIT** | **4,197** | **6,905** | **10,577** | **14,753** | **8,271** | **10,939** |
| Add: | | | | | | |
| Depreciation | 454 | 471 | 559 | 649 | 292 | 272 |
| **EBITDA** | **4,651** | **7,376** | **11,136** | **15,402** | **8,563** | **11,211** |

(2) GP margin is calculated based on GP over revenue.

(3) PBT or PAT margin is calculated based on PBT or PAT over revenue.

(4) Effective tax rate is calculated based on tax expenses divided by PBT.

(5) Basic and diluted EPS is calculated based on PAT for the Financial Years / Period Under Review over the enlarged share capital of 569,625,400 Shares after Public Issue and Offer for Sale. There are no potential dilutive securities in issue during the respective financial year/period.

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## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.1.2 Combined statements of financial position

The following table sets out the combined statements of financial position of our Group as at 31 December 2022 to 2025 and 30 June 2026, which have been extracted from the Accountants' Report as set out in Section 13 of this Prospectus. It should be read with the "Management's Discussion and Analysis of Results of Operations and Financial Condition" and the Accountants' Report set out in Section 12.2 and Section 13 of this Prospectus.

| | Audited | | | | |
|---|---|---|---|---|---|
| | As at 31 December | | | | As at 30 June |
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| **ASSETS** | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 2,887 | 3,260 | 4,550 | 4,604 | 4,571 |
| Investment properties | 3,855 | 3,973 | 3,929 | 3,862 | 3,829 |
| Investment in an associate | * | * | - | - | - |
| Deferred tax assets | - | - | 27 | 10 | 54 |
| Other investments | 2,090 | 3,121 | 3,803 | 361 | 4,394 |
| **Total non-current assets** | **8,832** | **10,354** | **12,309** | **8,837** | **12,848** |
| **Current assets** | | | | | |
| Inventories | 8,634 | 11,588 | 11,521 | 10,687 | 12,555 |
| Current tax assets | 22 | - | - | 145 | - |
| Trade and other receivables[1] | 14,601 | 16,867 | 18,921 | 23,400 | 28,506 |
| Contract assets | 697 | 766 | 871 | 778 | 1,396 |
| Cash and short-term deposits | 7,666 | 5,505 | 10,428 | 11,821 | 15,948 |
| **Total current assets** | **31,620** | **34,726** | **41,741** | **46,831** | **58,405** |
| **Total assets** | **40,452** | **45,080** | **54,050** | **55,668** | **71,253** |
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity attributable to owners of the Company** | | | | | |
| Invested equity | 995 | 600 | 600 | 1,100 | - |
| Share capital | - | - | - | * | 33,421 |
| Reorganisation reserve | - | 217 | 217 | (283) | (32,604) |
| Retained earnings | 26,429 | 30,218 | 32,200 | 36,846 | 44,797 |
| | **27,424** | **31,035** | **33,017** | **37,663** | **45,614** |
| Non-controlling interests[2] | 105 | - | - | - | - |
| **Total equity** | **27,529** | **31,035** | **33,017** | **37,663** | **45,614** |
| **Non-current liabilities** | | | | | |
| Loans and borrowings | 3,571 | 3,520 | 4,221 | 3,798 | 3,544 |
| Deferred tax liabilities | 43 | 54 | 40 | 30 | 83 |
| **Total non-current liabilities** | **3,614** | **3,574** | **4,261** | **3,828** | **3,627** |
| **Current liabilities** | | | | | |
| Loans and borrowings | 1,624 | 1,587 | 3,311 | 2,454 | 4,021 |
| Current tax liabilities | 6 | 746 | 1,225 | 56 | 1,195 |
| Trade and other payables[3] | 7,007 | 7,669 | 11,466 | 10,529 | 15,340 |
| Contract liabilities | 672 | 469 | 770 | 1,138 | 1,456 |
| **Total current liabilities** | **9,309** | **10,471** | **16,772** | **14,177** | **22,012** |
| **Total liabilities** | **12,923** | **14,045** | **21,033** | **18,005** | **25,639** |
| **Total equity and liabilities** | **40,452** | **45,080** | **54,050** | **55,668** | **71,253** |

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Notes:**

* Less than RM1,000.

(1) The breakdown of trade and other receivables as at 31 December 2022 to 2025 and 30 June 2026 is as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | As at 31 December | | | | As at 30 June |
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **Trade** | | | | | |
| Trade receivables | | | | | |
| - Third parties | 11,700 | 13,494 | 18,620 | 20,976 | 26,980 |
| - Related parties | - | - | 3 | - | 37 |
| - Retention sum | 48 | 48 | 48 | 37 | 37 |
| | 11,748 | 13,542 | 18,671 | 21,013 | 27,054 |
| Less: Impairment losses on trade receivables | - | - | (137) | (48) | (520) |
| | 11,748 | 13,542 | 18,534 | 20,965 | 26,534 |
| **Non-trade** | | | | | |
| Other receivables | 47 | 23 | 18 | (a)1,625 | (b)1,249 |
| Advanced payments to suppliers(c) | 491 | 457 | 274 | 310 | 189 |
| Deposits | 53 | 82 | 90 | 71 | 69 |
| Prepayments | - | 12 | 5 | (d)429 | (d)465 |
| Amount owing by an associate company(e) | 2,262 | 2,322 | - | - | - |
| Amount owing by related parties(f) | - | 429 | - | - | - |
| | 2,853 | 3,325 | 387 | 2,435 | 1,972 |
| **Total trade and other receivables** | **14,601** | **16,867** | **18,921** | **23,400** | **28,506** |

(a) Comprised primarily of a bank guarantee of RM0.46 million as a performance bond for an industry project involving a data centre in Johor, which was cancelled and refunded subsequent to FYE 2025, and RM1.13 million as the 10% payment paid for the purchase of a single storey detached factory with 3-storey office located known as Lot 12, Golden Valley Industrial Park I @ Kapar to be erected on part of the freehold industrial land held under the master title H.S. (D) 165121, PT 84458, Mukim Kapar, Daerah Klang, Selangor ("**Old Kapar Property**") (which was subsequently rescinded on 29 September 2026).

(b) Comprised primarily of RM1.13 million as the 10% payment paid for the purchase of Old Kapar Property (which was subsequently rescinded on 29 September 2026).

(c) Comprised primarily of advanced payments to suppliers to secure the products supplies/services.

(d) Comprised mainly of prepaid listing expenses, which are to be offset against share capital upon the completion of the Public Issue.

(e) Comprised advances to an associated company for its working capital purposes, and the amount owing was fully settled in FYE 2024.

(f) Comprised advances to related parties for their working capital purposes, and the amounts owing were fully settled in FYE 2024.

## 12. FINANCIAL INFORMATION *(Cont'd)*

(2) The non-controlling interests comprise 21% of the equity interests in Greneco owned by a third party as at 31 December 2022. SCA Group acquired the entire 21% non-controlling interest in Greneco during FYE 2023.

(3) The breakdown of trade and other payables as at 31 December 2022 to 2025 and 30 June 2026 is as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | As at 31 December | | | | As at 30 June |
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **Trade** | | | | | |
| Trade payables | 4,835 | 5,091 | 8,567 | 7,683 | 12,743 |
| **Non-trade** | | | | | |
| Other payables[(a)] | 235 | 249 | 580 | 277 | 477 |
| Accruals[(b)] | 1,538 | 1,940 | 2,083 | 2,522 | 2,067 |
| Deposits | 44 | 44 | 61 | 47 | 53 |
| Amount owing to directors[(c)] | 355 | 345 | 175 | - | - |
| Amount owing to related parties | - | - | * | - | - |
| | 2,172 | 2,578 | 2,899 | 2,846 | 2,597 |
| **Total trade and other payables** | **7,007** | **7,669** | **11,466** | **10,529** | **15,340** |

* Less than RM1,000.

(a) Comprised mainly of warehouse rental expenses, carriage outwards payable as well as advances from a subsidiary director who is also a key senior management of our Group to finance the working capital requirements of Greneco.

(b) Comprised primarily of accrued bonuses and the related statutory payments.

(c) Comprised advances from directors for our Group's working capital purposes. The amounts owing were fully settled on 7 November 2025.

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## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.1.3 Combined statements of cash flows

The following table sets out the combined statements of cash flows of our Group for Financial Years / Period Under Review, which have been extracted from the Accountants' Report as set out in Section 13 of this Prospectus. It should be read with the "Management's Discussion and Analysis of Results of Operations and Financial Condition" and the Accountants' Report set out in Section 12.2 and Section 13 of this Prospectus.

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| **Cash flows from operating activities** | | | | | |
| PBT | 4,101 | 6,884 | 10,505 | 14,728 | 10,926 |
| Adjustments for: | | | | | |
| Depreciation of property, plant and equipment | 395 | 410 | 497 | 582 | 239 |
| Depreciation of investment properties | 59 | 61 | 62 | 67 | 33 |
| Bad debts written off | 13 | 5 | 17 | 11 | - |
| Other receivables written off | - | - | - | - | 17 |
| Impairment losses on trade receivables | - | - | 137 | - | 497 |
| Reversal of impairment losses on trade receivables | - | - | - | (62) | (25) |
| Bad debts recovered | - | - | - | (17) | - |
| Property, plant and equipment written off | 2 | * | - | - | - |
| Loss/(gain) on disposal of property, plant and equipment | - | * | (60) | (6) | - |
| Gain on lease modification | - | - | - | (7) | - |
| Impairment losses on slow moving inventories | 477 | - | - | 684 | - |
| Reversal of impairment losses on slow-moving inventories | - | (152) | (155) | - | (491) |
| Inventories written off | - | - | - | 6 | - |
| Impairment losses on other investments | 58 | - | 31 | - | - |
| Fair value gain on other investments | - | (70) | - | (21) | - |
| Impairment losses on former investment in subsidiary | - | - | * | - | - |
| Net unrealised (gain)/loss on foreign exchange | (14) | (9) | 8 | 35 | (15) |
| Finance costs | 210 | 210 | 300 | 304 | 141 |
| Finance income | (114) | (189) | (228) | (279) | (128) |
| Operating profit before working capital changes | 5,187 | 7,150 | 11,114 | 16,025 | 11,194 |
| Changes in:- | | | | | |
| Inventories | (1,269) | (2,802) | 222 | 144 | (1,377) |
| Trade and other receivables | (755) | (1,781) | (4,959) | (4,411) | (5,593) |
| Trade and other payables | (980) | 672 | 3,967 | (762) | 4,811 |
| Contract assets | (697) | (69) | (105) | 93 | (618) |
| Contract liabilities | 582 | (203) | 301 | 368 | 318 |
| Net cash generated from operations | 2,068 | 2,967 | 10,540 | 11,457 | 8,735 |
| Income tax paid | (1,002) | (1,023) | (2,285) | (5,389) | (1,682) |
| Interest received | 114 | 189 | 228 | 279 | 128 |
| Interest paid | (*) | (1) | (7) | (1) | (2) |
| **Net cash from operating activities** | **1,180** | **2,132** | **8,476** | **6,346** | **7,179** |

**12. FINANCIAL INFORMATION *(Cont'd)***

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| **Cash flows from investing activities** | | | | | |
| Purchase of property, plant and equipment | (88) | (160) | (1,642) | (563) | (206) |
| Purchase of investment properties | (36) | (179) | (18) | - | - |
| Purchase of other investments | (52) | (1,031) | (713) | - | (4,033) |
| Proceed from disposal of property, plant and equipment | - | - | 60 | 6 | - |
| Proceed from disposal of other investments | - | 70 | - | 3,463 | - |
| Acquisition of subsidiaries | - | (283) | - | - | - |
| Change in pledged deposits | (13) | (17) | 373 | (10) | - |
| **Net cash (used in)/from investing activities** | **(189)** | **(1,600)** | **(1,940)** | **2,896** | **(4,239)** |
| **Cash flows from financing activities** | | | | | |
| (Repayment)/Drawdown of term loans | (425) | (443) | 852 | (497) | (169) |
| Repayment of hire purchase payables | (94) | (133) | (116) | (174) | (45) |
| Repayment of lease liabilities | (35) | (48) | (94) | (115) | (31) |
| Drawdown of bankers' acceptance | 6,189 | 2,906 | 9,315 | 9,081 | 5,563 |
| Repayment of bankers' acceptance | (5,177) | (2,993) | (7,677) | (9,641) | (4,005) |
| Net changes in amount owing (by)/to directors | (14) | (10) | (170) | (175) | - |
| Net changes in amount owing (by)/to an associate company | (60) | (60) | 2,322 | - | - |
| Net changes in amount owing (by)/to related parties | - | (429) | 429 | - | - |
| Dividend paid | (2,025) | (1,300) | (5,800) | (6,000) | - |
| Interest paid | (210) | (209) | (293) | (303) | (139) |
| **Net cash (used in)/from financing activities** | **(1,851)** | **(2,719)** | **(1,232)** | **(7,824)** | **1,174** |
| **Net (decrease)/ increase in cash and cash equivalents** | **(860)** | **(2,187)** | **5,304** | **1,418** | **4,114** |
| **Cash and cash equivalents at the beginning of the financial year/period** | **7,735** | **6,889** | **4,711** | **10,007** | **11,390** |
| Effects of exchange rate changes | 14 | 9 | (8) | (35) | 13 |
| **Cash and cash equivalents at the end of the financial year/period** | **6,889** | **4,711** | **10,007** | **11,390** | **15,517** |

**Note:**

* Less than RM1,000

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following discussion and segmental analysis of our combined financial statements for Financial Years / Period Under Review should be read with the Accountants' Report included in Section 13 of this Prospectus.

#### 12.2.1 Overview of our operations

**(i) Principal activities**

We are a mechanical and electrical ("**M&E**") solution provider, specialising in the provision of HVAC and fire safety instrumentation solutions as well as supply and distribution of HVAC and fire safety instrumentation components and accessories. We are also involved in the provision of water treatment solutions for HVAC applications. As an M&E solution provider covering HVAC and fire safety as well as water treatment solutions segments, our solutions encompass our Group's technical capabilities in understanding and analysing our customers' needs to deliver HVAC, fire safety and water treatment solutions according to our customers' requirements and specifications. Our principal business activities are segmented as follows:

**I. HVAC and fire safety segments**

Under our HVAC and fire safety segments, we are involved in the:

- Provision of HVAC and fire safety instrumentation solutions

  We are involved in the technical consulting, procurement and supply, as well as testing and commissioning of HVAC and fire safety instrumentation in accordance with our customers' specifications and project/building requirements. Our HVAC solutions encompass the provision of instrumentation components and accessories intended for temperature as well as water flow detection, measurement, monitoring and control within a HVAC system. Our fire safety solutions encompass the provision of instrumentation components and accessories intended for the detection and alarm of fire hazards within a fire safety system. Instrumentation components and accessories provided by our Group as part of our instrumentation solutions are primarily based on purchase orders received from our customers for each project.

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- Supply and distribution of HVAC and fire safety instrumentation components and accessories

  Apart from our provision of HVAC and fire safety instrumentation solutions for our customers' projects (i.e. primarily based on purchase orders received from customers for each project), we also supply and distribute a wide variety of HVAC and fire safety instrumentation components and accessories on a standalone basis. These instrumentation components and accessories are sold independently to our customers, for the manufacturing of HVAC and fire safety products, as well as to intermediaries for onward sales to their customers and to end-users for construction, renovation and retrofitting activities. We source HVAC and fire safety instrumentation components and accessories primarily from principals (i.e. product brand owners), who are mostly multinational companies that design, develop and manufacture the instrumentation components and accessories. Additionally, we also source HVAC and fire safety instrumentation components and accessories from authorised distributors who are appointed by principals to distribute and sell their products. Furthermore, if required, we may also source HVAC and fire safety instrumentation components and accessories that we do not carry or which we are not appointed as an authorised distributor or sub-distributor, to which we will source the instrumentation components and accessories from the respective authorised distributors or suppliers.

**II. Water treatment solutions**

Our Group is also involved in the provision of water treatment solutions, which, as at the LPD, are for HVAC applications. Our water treatment solutions comprise the provision of water treatment systems, supply of chemical solutions for water treatments as well as water treatment system maintenance services.

We are involved in the provision of water treatment systems, offering end-to-end services which include the design, procurement, assembly, installation and commissioning of water treatment systems for integration into both new and existing HVAC systems for our customers. In addition, we provide our water treatment systems along with a data logger software, for real-time data collection, system monitoring and performance tracking to monitor the quality of circulating water within HVAC systems. We also supply chemical solutions for use in water treatment processes within HVAC systems, which include non-toxic food-grade cleaning aid solutions, corrosion inhibitor solutions and oxidative and non-oxidative biocide solutions, all of which are sourced from third-party suppliers. In addition, we also provide water treatment system maintenance services, which involve the analysis and treatment of circulating water within HVAC systems such as monitoring and eliminating contaminants/microorganisms as well as regulating pH levels of the circulating water. Where necessary, we may also carry out the replacement of water treatment system components and accessories as part of our water treatment system maintenance services. Our water treatment systems are generally provided to our customers along with the supply of chemical solutions for water treatments and water treatment system maintenance services as a package. Following the delivery of our water treatment systems, we provide the respective chemical solutions and maintenance services throughout the agreed upon period which ranges from 1 year to 5 years. Nonetheless, upon request, we also supply chemical solutions and provide system maintenance services on an ad-hoc basis.

For further details, please refer to Section 7.2 of this Prospectus for our Group's detailed business overview.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### (ii) Revenue

Our revenue is generated from HVAC and fire safety segments as well as water treatment solutions.

**HVAC and fire safety segments**

Provision of HVAC instrumentation solutions

The provision of HVAC instrumentation solutions comprises the supply of HVAC instrumentation components and accessories, together with suitability assessment, technical support services and installation guidance. These services are provided on an ongoing basis throughout the sales and project execution process and do not constitute separate performance obligations that can be performed independently at a distinct point in time. Testing and commissioning are not separately identified as distinct performance obligations as these activities are ancillary to the supply of the HVAC instrumentation solutions. Such services are typically completed within a short period of 2 to 3 days, given that the components and accessories supplied are typically less complex and straightforward to test. Accordingly, our Group does not separately charge customers for testing and commissioning services. As such, revenue from the provision of HVAC instrumentation solutions is recognised at a point in time when control of the products has been transferred to the customers, being upon the customer's acceptance of the delivered goods. In addition, revenue recognition for the provision of HVAC instrumentation solutions is not dependent on the overall progress of the underlying construction project, as our Group does not assume construction-related risks such as liability for liquidated ascertained damages, that are typically borne by the main or M&E contractor.

Provision of fire safety instrumentation solutions

The provision of fire safety instrumentation solutions comprises the supply of fire safety instrumentation components and accessories, together with technical support services. Unlike HVAC instrumentation solutions, the testing and commissioning phase for fire safety instrumentation solutions is typically carried out over a longer period of 3 to 4 weeks following the delivery of the components and accessories. Such activities are generally performed at a distinct stage upon completion of the installation works by our customers. Accordingly, the testing and commissioning services are considered a separate performance obligation and are invoiced to customers separately. Revenue from the supply of fire safety instrumentation components and accessories is recognised at a point in time when control of the products is transferred to the customer, being upon the customer's acceptance of the delivered goods. Revenue from testing and commissioning services is recognised at a point in time upon completion of the services and acceptance by the customer. In addition, revenue recognition for the provision of fire safety instrumentation solutions is not dependent on the overall progress of the underlying construction project, as our Group does not assume construction-related risks such as liability for liquidated ascertained damages, that are typically borne by the main or M&E contractor.

Supply and distribution of HVAC and fire safety instrumentation components and accessories

Revenue from the supply of HVAC and fire safety instrumentation components and accessories is recognised at a point in time when control of the products has been transferred to the customers, being upon the customer's acceptance of the delivered goods.

**12. FINANCIAL INFORMATION *(Cont'd)***

**Water treatment solutions**

Our Group provides water treatment solutions under contracts with customers. The water treatment contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation. Under the terms of the contracts, control of the works performed is transferred over time as our Group creates or enhances an asset that the customer controls as the asset is created or enhanced. The progress towards complete satisfaction of a performance obligation is determined by the estimated total construction costs (an input method).

Provision of maintenance services

Revenue from the provision of maintenance services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously.

**(iii) Cost of sales**

Our cost of sales comprises costs of HVAC, fire safety instrumentation and water treatment solutions' components and accessories, cost of trading for supply and distribution of HVAC and fire safety instrumentation components and accessories, carriage inward, handling and forwarding charges, engineering and other services, staff-related costs and others, with details as follows:

**(a) Cost of HVAC, fire safety instrumentation and water treatment solutions' components and accessories**

Comprises mainly the purchase of components and accessories for the provision of HVAC, fire safety instrumentation solutions sub-segments and water treatment solutions segment.

**(b) Cost of trading**

Comprises mainly the purchase of components and accessories for the supply and distribution of HVAC and fire safety instrumentation components and accessories sub-segments.

**(c) Carriage inward, handling and forwarding charges**

Mainly related to the purchase of components and accessories for HVAC, fire safety instrumentation and water treatment solutions, as well as trading of HVAC and fire safety instrumentation products.

**(d) Engineering and other services**

Comprises mainly testing, commissioning and other related works for our provision of HVAC and fire safety instrumentation solutions as well as engineering works for our provision of water treatment solutions, which we may outsource to subcontractors if required.

**12. FINANCIAL INFORMATION *(Cont'd)***

**(e) Staff-related costs**

Comprises mainly staff salaries, bonuses and statutory contributions for operations staff.

**(f) Others**

Comprises mainly import and custom duties, rental expenses such as warehouse as well as depreciation of PPE.

**(iv) Other income**

Other income comprises mainly interest income and rental income.

**(v) Selling and distribution expenses**

Selling and distribution comprises mainly staff-related costs for salesperson and entertainment expenses.

**(vi) Administrative expenses**

Administrative and other operating expenses comprise mainly staff-related costs for administrative staff, directors' remuneration, travelling and transportation expenses and depreciation of PPE.

**(vii) Finance costs**

Finance costs comprise mainly interest expenses on term loans and bankers' acceptances.

**(viii) Recent developments**

Save for the rescission of the sales and purchase agreement in relation to the acquisition of Old Kapar Property and the acquisition of Kapar Property as detailed in Sections 14.6(iii) and 14.6(vii), respectively, there were no other significant events subsequent to our audited combined financial statements for FPE 2026 and up to LPD, that have occurred, which may have a material effect on the financial position and results of our Group.

**(ix) Exceptional and extraordinary items and audit qualifications**

There were no exceptional or extraordinary items during the Financial Years / Period Under Review. In addition, the audited financial statements of our Group for FYEs 2022 to 2025 and FPE 2026 were not subject to any audit qualifications.

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## 12. FINANCIAL INFORMATION *(Cont'd)*

### (x) Significant factors affecting our business

Section 9 of this Prospectus details the risk factors relating to our business and the industry in which we operate. Some of these risk factors have an impact on our revenue and financial performance. The main factors which affect revenues and profits include but are not limited to the following:

#### (i) Our Group's involvement in building and infrastructure projects, which is mainly undertaken through purchase orders secured from customers, may result in the fluctuation of our Group's performance

Our main revenue contributor is in the provision of HVAC and fire safety instrumentation solutions to our customers' building and infrastructure projects, whereby each project typically consists of multiple purchase orders issued by the respective customers. The value of orders for our HVAC and/or fire safety instrumentation solutions for projects generally varies, depending on factors including required quantities of instrumentation components and accessories, as well as project and customer requirements. Accordingly, there is no assurance that we will be able to continuously be involved in projects of similar size from our existing or potential customers in the future. As a result, it may lead to fluctuations in our revenue and result in uncertainties over our overall financial performance.

In addition, due to the nature of these projects which typically involve construction of new buildings or infrastructure development as well as retrofitting of existing buildings or infrastructure, these projects are generally non-recurring. As such, we do not enter into long-term agreements with our customers, as the provision of our solutions and products are subject to our customer's needs as and when required. Thus, we are exposed to the risk of losing our customers as there is no guarantee that they will continue to secure projects that require our solutions, and they are also not obliged to continue procuring our solutions and products. In the event of a loss of a substantial amount of our customers, as well as being unable to secure purchase orders for projects from existing customers or secure new projects or customers in a timely manner, our financial performance may be adversely affected.

#### (ii) Any disruption in the supply of products from our suppliers as well as unexpected logistics or freight disruptions, may have an adverse business and financial impact on our business

The occurrence of unexpected crises such as political unrest, natural disasters and disease outbreaks, amongst others, in countries of origin for our supplies, may temporarily disrupt the supply chain of our purchases. Such crises could cause shipments of our products to be delayed or halted due to disruptions in transportation networks such as the closure of seaports, airports and other transportation hubs. As a substantial portion of our purchases of HVAC and fire safety instrumentation components and accessories are supplied by overseas principals mainly through their local subsidiaries/branches in Malaysia, we remain exposed to the risk of supply disruptions originating from these overseas principals. Any such disruptions may result in delays in delivery to our customers, which could adversely affect our ability to fulfil customer orders and lead to order cancellations, thereby impacting our financial performance.

Should the disruptions persist for a prolonged period, we may be required to source products from alternative suppliers, which may not be allowed for certain products as some principals and authorised distributors may prohibit us from distributing competing products as stated in the respective distributorship agreements/certificates. Further, while we may be able to do so to fulfil customer orders, there is no assurance that the pricing and/or quality of products from these alternative suppliers will be consistent with our current purchases. This could lead to margin compression and/or reduced customer acceptance, thereby affecting our business reputation and sales performance.

**(iii) We may face liabilities arising from product liability claims**

As part of our HVAC and fire safety instrumentation solutions, we undertake testing and commissioning works upon the completion of installations/integrations works by our customers. In relation to our water treatment solutions, we are involved in the design, procurement, assembly, installation and commissioning of water treatment systems for integration into both new and existing HVAC systems for our customers. Therefore, should our HVAC and fire safety instrumentation components and accessories or water treatment systems be proven defective due to failure or oversight during assembly, installation, testing and/or commissioning stages by our Group which result in injury, loss, or damage to customers during operations, our Group may be subject to product liability claims. In such circumstances, we may be subject to penalties, fines and/or losses arising from any such claims. While we may be able to pursue claims against our suppliers in cases where defects are determined to be manufacturing-related, our Group's business and reputation in the industry may be adversely affected, which may then negatively impact our financial performance.

Further, even if we are able to successfully defend any such claims, there can also be no assurance that we will not face a loss of confidence in our HVAC and fire safety instrumentation solutions or water treatment solutions by our customers.

**(iv) We are exposed to credit risk and default payment by customers**

Our financial performance is dependent, to a certain extent, on the creditworthiness of our customers. If circumstances arise that affect our customers' ability or willingness to pay us, we may experience payment delays or in worst cases, we may not be able to collect payment from our customers. We generally grant our customers a credit period of 60 days to 90 days upon issuance of invoices. Should there be a delay or default in payment by our customers, our operating cash flows and financial results may be adversely affected.

Further, any delay or default in payment by our customers may also lead to impairment losses on trade receivables or the writing-off of trade receivables as bad debts, which may adversely affect our financial performance.

During the Financial Years / Period Under Review, our Group recognised impairment losses on trade receivables of RM0.14 million in FYE 2024 and RM0.50 million in FPE 2026. Subsequent to FPE 2026, our Group recognised additional impairment losses of RM0.96 million on outstanding trade receivables, as detailed in Section 12.8.1 of this Prospectus.

**12. FINANCIAL INFORMATION *(Cont'd)***

**(v) Our insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with our operations**

We maintain insurance at levels that are customary in our industry to protect against various losses and liabilities. As at the LPD, the insurance policies which our Group has taken up include fire, burglary, all risks and public liability as well as goods-in-transit insurances, amongst others. However, there is no assurance that our insurance coverage is sufficient to cover all damages to our Group or business operations.

Moreover, we will be subject to the risk that, in the future, we may not be able to maintain or obtain insurance of the type and amount desired at reasonable rates. If we were to incur a significant liability for which we were not fully insured, it may result in us incurring additional costs that may adversely affect our business operations and financial performance.

**12.2.2 Review of our results of operations**

**(i) Revenue**

**Analysis of revenue by business segment**

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | **FYE 2022** | | **FYE 2023** | | **FYE 2024** | |
| | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** |
| **HVAC** | **26,460** | **64.91** | **27,799** | **58.84** | **30,912** | **50.15** |
| - Provision of HVAC instrumentation solutions | 16,150 | 39.62 | 15,598 | 33.02 | 18,677 | 30.30 |
| - Supply and distribution of HVAC instrumentation components and accessories | 10,310 | 25.29 | 12,201 | 25.82 | 12,235 | 19.85 |
| **Fire safety** | **10,449** | **25.64** | **14,947** | **31.64** | **26,714** | **43.35** |
| - Provision of fire safety instrumentation solutions | 9,283 | 22.78 | 12,889 | 27.28 | 24,121 | 39.14 |
| - Supply and distribution of fire safety instrumentation components and accessories | 1,166 | 2.86 | 2,058 | 4.36 | 2,593 | 4.21 |
| **Water treatment solutions** | **3,853** | **9.45** | **4,496** | **9.52** | **4,008** | **6.50** |
| | **40,762** | **100.00** | **47,242** | **100.00** | **61,634** | **100.00** |

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**12. FINANCIAL INFORMATION *(Cont'd)***

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **HVAC** | **33,200** | **42.56** | **15,868** | **41.62** | **22,696** | **44.22** |
| - Provision of HVAC instrumentation solutions | 20,474 | 26.25 | 9,642 | 25.29 | 15,912 | 31.00 |
| - Supply and distribution of HVAC instrumentation components and accessories | 12,726 | 16.31 | 6,226 | 16.33 | 6,784 | 13.22 |
| **Fire safety** | **38,378** | **49.20** | **19,900** | **52.19** | **23,974** | **46.70** |
| - Provision of fire safety instrumentation solutions | 35,248 | 45.19 | 18,453 | 48.40 | 22,277 | 43.40 |
| - Supply and distribution of fire safety instrumentation components and accessories | 3,130 | 4.01 | 1,447 | 3.79 | 1,697 | 3.30 |
| **Water treatment solutions** | **6,429** | **8.24** | **2,359** | **6.19** | **4,660** | **9.08** |
| | **78,007** | **100.00** | **38,127** | **100.00** | **51,330** | **100.00** |

**Analysis of revenue by geographical location[(1)]**

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **Malaysia** | **39,803** | **97.65** | **44,991** | **95.24** | **61,168** | **99.24** |
| **Overseas** | | | | | | |
| - Singapore | 839 | 2.06 | 1,853 | 3.92 | 412 | 0.67 |
| - Indonesia | 67 | 0.16 | 398 | 0.84 | 54 | 0.09 |
| - Thailand | 53 | 0.13 | - | - | - | - |
| | **959** | **2.35** | **2,251** | **4.76** | **466** | **0.76** |
| | **40,762** | **100.00** | **47,242** | **100.00** | **61,634** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **Malaysia** | **77,289** | **99.08** | **37,565** | **98.53** | **50,880** | **99.12** |
| **Overseas** | | | | | | |
| - Singapore | 361 | 0.46 | 233 | 0.61 | 293 | 0.57 |
| - Indonesia | 357 | 0.46 | 329 | 0.86 | 157 | 0.31 |
| - Thailand | - | - | - | - | - | - |
| | **718** | **0.92** | **562** | **1.47** | **450** | **0.88** |
| | **78,007** | **100.00** | **38,127** | **100.00** | **51,330** | **100.00** |

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Note:**

(1) The breakdown of our revenue by geographical location is derived based on the billing address of our customers.

**Comparison between FYE 2022 and FYE 2023**

Our revenue increased by RM6.48 million or 15.90% to RM47.24 million for FYE 2023 (FYE 2022: RM40.76 million), mainly driven by higher revenue from our fire safety segment and the supply and distribution of HVAC instrumentation components and accessories sub-segment, as explained below.

The HVAC and fire safety segments were our primary revenue contributors, which collectively recorded RM42.75 million or 90.48% of our total revenue for FYE 2023 (FYE 2022: RM36.91 million or 90.55%).

The local market was our main revenue contributor, which recorded RM44.99 million or 95.24% of our total revenue for FYE 2023 (FYE 2022: RM39.80 million or 97.65%). Our revenue from the local market grew by RM5.19 million or 13.04%, primarily driven by increased demand from customers in the central and southern regions.

Our overseas revenue increased by RM1.29 million or 134.38% to RM2.25 million for FYE 2023 (FYE 2022: RM0.96 million). This growth was primarily driven by:

(a) an increase of RM1.01 million from the Singapore market, mainly attributable to substantial progress on a new institutional project involving educational institutions and an existing institutional project involving educational institutions under the water treatment solutions segment that achieved significant work performed and near completion during FYE 2023; and

(b) an increase of RM0.33 million from the Indonesian market, mainly driven by our involvement in 2 new industrial projects involving a data centre and packaging plant under the water treatment solutions segment, which commenced and completed within the financial year.

**HVAC segment**

Revenue from the HVAC segment increased by RM1.34 million or 5.06% to RM27.80 million for FYE 2023 (FYE 2022: RM26.46 million). This growth was mainly driven by higher revenue from the supply and distribution of HVAC instrumentation components and accessories sub-segment, which rose by RM1.89 million or 18.33% to RM12.20 million for FYE 2023 (FYE 2022: RM10.31 million). The increase was primarily attributable to higher sales orders for Belimo products, driven by higher demand and the upward revision of our selling prices. These pricing adjustments were implemented in response to increased purchase costs following suppliers' price revisions.

**12. FINANCIAL INFORMATION *(Cont'd)***

The above increase was offset by a decrease in revenue from the provision of HVAC instrumentation solutions sub-segment, which declined by RM0.55 million or 3.41% to RM15.60 million for FYE 2023 (FYE 2022: RM16.15 million). This decline occurred despite an increase in the number of service engagements from 215 in FYE 2022 to 235 in FYE 2023. This was primarily due to higher revenue recorded in FYE 2022, driven by significant progress on our involvement in 3 high-value projects, an institutional project involving a hospital in Selangor, a commercial project involving a commercial building at the Kuala Lumpur city centre and an industrial project involving a semiconductor plant in Penang. The lower revenue in FYE 2023 was primarily attributable to lower customer demand in the commercial industry. In addition, revenue in FYE 2022 was comparatively higher due to the resumption of construction activities following the relaxation of the Malaysian Government's movement control measures implemented during the COVID-19 pandemic.

Revenue from the provision of HVAC instrumentation solutions sub-segment was mainly driven by our involvement in the following projects:

(a) an existing infrastructure project involving an airport in Sepang, Selangor, which contributed revenue of RM1.81 million for FYE 2023 (FYE 2022: RM0.79 million). The increase was mainly due to the project completing significant work and completed during FYE 2023;

(b) an existing institutional project involving a hospital in Selangor, which contributed revenue of RM1.08 million for FYE 2023 (FYE 2022: Less than RM1,000). The increase was mainly due to the project completing significant work during FYE 2023;

(c) an existing commercial project involving mixed development at the Kuala Lumpur city centre, which contributed revenue of RM0.74 million for FYE 2023 (FYE 2022: RM1.19 million). The decrease was mainly due to this project completing lesser work during FYE 2023 as compared to FYE 2022;

(d) a new commercial project involving mixed development in Selangor, which contributed revenue of RM0.71 million for FYE 2023 (FYE 2022: Nil); and

(e) an existing commercial project involving a mixed development in Damansara, Kuala Lumpur, which contributed revenue of RM0.65 million for FYE 2023 (FYE 2022: RM0.23 million). The increase was mainly due to the project completing significant work during FYE 2023.

**Fire safety segment**

Revenue from the fire safety segment increased by RM4.50 million or 43.06% to RM14.95 million for FYE 2023 (FYE 2022: RM10.45 million). This revenue growth was primarily driven by the higher revenue from the provision of fire safety instrumentation solutions sub-segment by RM3.61 million or 38.90% to RM12.89 million for FYE 2023 (FYE 2022: RM9.28 million). The increase was mainly attributable to a higher number of service engagements, which rose from 135 to 173 service engagements during FYE 2023, primarily due to higher demand from customers in the industrial industry.

Revenue from this sub-segment was mainly driven by our involvement in the following projects:

(a) 3 new industrial projects involving data centres in Johor, which contributed revenue of RM3.28 million for FYE 2023 (FYE 2022: Nil);

(b) an existing infrastructure project involving a public transport facility in Klang Valley, which contributed revenue of RM0.97 million for FYE 2023 (FYE 2022: RM1.95 million). The decrease was mainly due to this project completing lesser work and completed during FYE 2023; and

(c) an existing industrial project involving a semiconductor plant in Penang, which contributed revenue of RM0.44 million for FYE 2023 (FYE 2022: RM0.18 million). The lower revenue for FYE 2022 was mainly due to the commencement of this project in the mid of FYE 2022.

In addition, the revenue growth in this segment was also due to the higher revenue from the supply and distribution of fire safety instrumentation components and accessories sub-segment, which increased by RM0.89 million or 76.07% to RM2.06 million for FYE 2023 (FYE 2022: RM1.17 million). The increase was mainly contributed by higher sales orders for Protectwell products and Notifier products due to higher demand, as well as the upward revision of our selling prices. These pricing adjustments were implemented in response to increased purchase costs following suppliers' price revisions.

**Water treatment solutions**

Revenue from the water treatment solutions segment increased by RM0.65 million or 16.88% to RM4.50 million for FYE 2023 (FYE 2022: RM3.85 million), despite a slight decrease in the number of service engagements from 53 to 50 service engagements during FYE 2023. The growth was mainly driven by higher revenue from our involvement in projects undertaken in the Singapore and Indonesian markets, as explained above. This increase was partially offset by the lower revenue from the local market, primarily attributable to lower revenue from the provision of repair and maintenance services in FYE 2023, mainly due to a major repair project undertaken in FYE 2022.

**Comparison between FYE 2023 and FYE 2024**

Our revenue increased by RM14.39 million or 30.46% to RM61.63 million for FYE 2024 (FYE 2023: RM47.24 million), mainly driven by higher revenue recorded from our fire safety segment, as explained below.

The HVAC and fire safety segments remained our primary revenue contributors, which collectively recorded RM57.62 million or 93.50% of our total revenue for FYE 2024 (FYE 2023: RM42.75 million or 90.48%).

The local market remained our primary revenue contributor for FYE 2024, which recorded RM61.17 million or 99.24% of our total revenue (FYE 2023: RM44.99 million or 95.24%). Our revenue from the local market grew by RM16.18 million or 35.96%, primarily driven by increased demand from customers in the central and southern regions.

Our overseas revenue decreased significantly in FYE 2024 by RM1.78 million or 79.11% to RM0.47 million (FYE 2023: RM2.25 million), primarily due to lower revenue from the Singapore and Indonesian markets in the water treatment solutions segment. The revenue decline in FYE 2024 was mainly attributable to the comparatively higher revenue recorded in FYE 2023, as previously explained above.

**12. FINANCIAL INFORMATION *(Cont'd)***

**HVAC segment**

Revenue from the HVAC segment increased by RM3.11 million or 11.19% to RM30.91 million for FYE 2024 (FYE 2023: RM27.80 million), mainly attributable to the revenue growth from the provision of HVAC instrumentation solutions sub-segment, which rose by RM3.08 million or 19.74% to RM18.68 million for FYE 2024 (FYE 2023: RM15.60 million). This was primarily contributed by the number of service engagements during FYE 2024, which increased from 235 to 308 service engagements, largely due to higher demand from customers in the commercial industry.

Revenue from this sub-segment was mainly driven by our involvement in the following projects:

(a) an existing commercial project involving mixed development in Selangor, which contributed revenue of RM1.30 million for FYE 2024 (FYE 2023: RM0.71 million). The lower revenue for FYE 2023 was mainly due to the commencement of this project in the last quarter of FYE 2023;

(b) a new industrial project involving a semiconductor plant in Johor, which contributed revenue of RM0.89 million for FYE 2024 (FYE 2023: Nil);

(c) an existing commercial project involving mixed development in Kuala Lumpur city centre, which contributed revenue of RM0.83 million for FYE 2024 (FYE 2023: RM0.18 million). The lower revenue for FYE 2023 was mainly due to the commencement of this project in the middle of FYE 2023;

(d) a new industrial project involving a data centre in Johor, which contributed revenue of RM0.69 million for FYE 2024 (FYE 2023: Nil); and

(e) an existing commercial project involving mixed development in Kuala Lumpur city centre, which contributed revenue of RM0.66 million for FYE 2024 (FYE 2023: Nil).

Revenue from the supply and distribution of HVAC instrumentation components and accessories sub-segment of RM12.20 million for FYE 2023 and RM12.24 million for FYE 2024 were fairly consistent.

**Fire safety segment**

Revenue from the fire safety segment increased by RM11.76 million or 78.66% to RM26.71 million for FYE 2024 (FYE 2023: RM14.95 million), mainly attributable to the increase in revenue from the provision of fire safety instrumentation solutions by RM11.23 million or 87.12% to RM24.12 million for FYE 2024 (FYE 2023: RM12.89 million). Our revenue growth significantly in FYE 2024 despite the slight increase in the number of service engagements from 173 to 180 service engagements during FYE 2024, primarily contributed by higher revenue from customers in the commercial and industrial industries.

Revenue from this sub-segment was mainly driven by our involvement in the following service engagements:

(a) an existing industrial project involving a data centre in Johor, which contributed revenue of RM5.13 million for FYE 2024 (FYE 2023: RM1.92 million). The increase was mainly due to the project completing significant work during FYE 2024;

(b) an existing commercial project involving mixed development in Kuala Lumpur City Centre, which contributed revenue of RM3.00 million for FYE 2024 (FYE 2023: RM0.01 million). The increase was mainly due to the project completing significant work during FYE 2024;

(c) an existing industrial project involving a data centre in Johor, which contributed revenue of RM1.27 million for FYE 2024 (FYE 2023: RM0.24 million). The lower revenue in FYE 2023 was mainly due to the commencement of this project in the last quarter of FYE 2023;

(d) an existing commercial project involving a mixed development in Selangor, which contributed revenue of RM1.21 million for FYE 2024 (FYE 2023: Less than RM1,000). The increase was mainly due to the project completing significant work during FYE 2024; and

(e) an existing commercial project involving mixed development in Kuala Lumpur city centre, which contributed revenue of RM0.85 million for FYE 2024 (FYE 2023: RM0.06 million). The increase was mainly due to the project completing significant work during FYE 2024.

Revenue from the supply and distribution of fire safety instrumentation components and accessories sub-segment has also contributed to higher revenue for this segment, which grew by RM0.53 million or 25.73% to RM2.59 million for FYE 2024 (FYE 2023: RM2.06 million). Such growth was mainly attributable to the increased sales orders for Protectwell products from 2 customers, of which one was our major customer.

**Water treatment solutions**

Revenue from the water treatment solutions segment decreased by RM0.49 million or 10.89% to RM4.01 million for FYE 2024 (FYE 2023: RM4.50 million), and the number of service engagements decreased from 50 to 46 during FYE 2024. Such a decrease was mainly attributable to lower revenue from the Singapore and Indonesia markets, as explained above.

**Comparison between FYE 2024 and FYE 2025**

Our revenue increased by RM16.38 million or 26.58% to RM78.01 million for FYE 2025 (FYE 2024: RM61.63 million), mainly driven by higher revenue from our fire safety segment, as explained below.

The HVAC and fire safety segments remained our primary revenue contributors, which collectively recorded RM71.58 million or 91.76% of our total revenue for FYE 2025 (FYE 2024: RM57.62 million or 93.50%).

The local market remained our primary revenue contributor for FYE 2025, which recorded RM77.29 million or 99.08% of our total revenue (FYE 2024: RM61.17 million or 99.24%). Our revenue from the local market grew by RM16.12 million or 26.35%, primarily driven by increased demand from customers in the central regions.

**12. FINANCIAL INFORMATION *(Cont'd)***

**HVAC segment**

Revenue from the HVAC segment increased by RM2.29 million or 7.41% to RM33.20 million for FYE 2025 (FYE 2024: RM30.91 million), mainly attributable to the increase in revenue from the provision of HVAC instrumentation solutions sub-segment, which increased by RM1.79 million or 9.58% to RM20.47 million for FYE 2025 (FYE 2024: RM18.68 million). This was primarily contributed by the number of service engagements during FYE 2025, which increased from 308 to 321 service engagements, largely driven by higher demand from customers in the industrial industry, which was partially offset by the lower demand from customers in the commercial industry.

Revenue from this sub-segment was mainly driven by our involvement in the following projects:

(a) an existing industrial project involving a data centre in Johor, which contributed revenue of RM0.95 million for FYE 2025 (FYE 2024: RM0.69 million). This project commenced in the last quarter of FYE 2024;

(b) an existing industrial project involving a data centre at the Kuala Lumpur city centre, which contributed revenue of RM1.00 million for FYE 2025 (FYE 2024: Nil). The increase was mainly due to the project completing significant work during FYE 2025;

(c) an existing institutional project involving a hospital in Kuching, which contributed revenue of RM0.80 million for FYE 2025 (FYE 2024: RM0.01 million). The increase was mainly due to the project completing significant work during FYE 2025;

(d) a new commercial project involving mixed development in Selangor, which contributed revenue of RM0.79 million for FYE 2025 (FYE 2024: Nil); and

(e) a new industrial project involving a data centre at Cyberjaya, which contributed revenue of RM0.70 million for FYE 2025 (FYE 2024: Nil).

Revenue from the supply and distribution of HVAC instrumentation components and accessories sub-segment has also contributed to higher revenue for this segment, which grew by RM0.49 million or 4.00% to RM12.73 million for FYE 2025 (FYE 2024: RM12.24 million). Such growth was mainly contributed by higher sales orders for Kamstrup products, driven by higher demand and the upward revision to our selling prices. These pricing adjustments were implemented in response to increased purchase costs following suppliers' price revisions.

**Fire safety segment**

Revenue from the fire safety segment increased by RM11.67 million or 43.69% to RM38.38 million for FYE 2025 (FYE 2024: RM26.71 million), mainly attributable to the increase in revenue from the provision of fire safety instrumentation solutions by RM11.13 million or 46.14% to RM35.25 million for FYE 2025 (FYE 2024: RM24.12 million). The increase was mainly attributable to a higher number of service engagements, which rose from 180 to 194 service engagements during FYE 2025, primarily contributed by higher demand from customers in the industrial industry.

**12. FINANCIAL INFORMATION *(Cont'd)***

Revenue from this sub-segment was mainly driven by our involvement in the following service engagements:

(a) an existing industrial project involving a data centre in Johor, which contributed revenue of RM14.53 million for FYE 2025 (FYE 2024: RM5.13 million). The increase was mainly due to the project completing significant work during FYE 2025;

(b) an existing infrastructure project involving a public transport facility in Johor, which contributed revenue of RM2.07 million for FYE 2025 (FYE 2024: RM0.04 million). The increase was mainly due to the project completing significant work during FYE 2025;

(c) an existing industrial project involving a data centre in Johor, which contributed revenue of RM1.33 million for FYE 2025 (FYE 2024: RM0.66 million). The lower revenue for FYE 2024 was mainly due to the commencement of this project in the third quarter of FYE 2024;

(d) a new industrial project involving a data centre in Johor, which contributed revenue of RM1.02 million for FYE 2025 (FYE 2024: Nil); and

(e) an existing industrial project involving a data centre in Johor, which contributed revenue of RM1.05 million for FYE 2025 (FYE 2024: RM0.62 million).

Revenue from the supply and distribution of fire safety instrumentation components and accessories sub-segment has also contributed to higher revenue for this segment, which grew by RM0.54 million or 20.85% to RM3.13 million for FYE 2025 (FYE 2024: RM2.59 million). Such growth was mainly driven by increased sales orders for Notifier products, driven by higher demand and the upward revision of our selling prices. These pricing adjustments were implemented in response to increased purchase costs following suppliers' price revisions.

**Water treatment solutions**

Revenue from the water treatment solutions segment increased by RM2.42 million or 60.35% to RM6.43 million for FYE 2025 (FYE 2024: RM4.01 million), and the number of service engagements increased from 46 to 67 during FYE 2025. Such an increase was mainly attributable to higher revenue from the local market, primarily attributable to our involvement in 2 new industrial projects involving data centres in Johor, which was partially offset by the completion of an industrial project involving a semiconductor plant in Penang during FYE 2025.

**Comparison between FPE 2025 and FPE 2026**

Our revenue increased by RM13.20 million or 34.62% to RM51.33 million for FPE 2026 (FPE 2025: RM38.13 million), mainly driven by higher revenue from both our HVAC and fire safety segments, as explained below.

The HVAC and fire safety segments remained our primary revenue contributors, which collectively recorded RM46.67 million or 90.92% of our total revenue for FPE 2026 (FPE 2025: RM35.77 million or 93.81%).

The local market remained our primary revenue contributor for FPE 2026, which recorded RM50.88 million or 99.12% of our total revenue (FPE 2025: RM37.57 million or 98.53%). Our revenue from the local market grew by RM13.31 million or 35.43%, primarily driven by increased demand from customers in the central region.

**12. FINANCIAL INFORMATION *(Cont'd)***

**HVAC segment**

Revenue from the HVAC segment increased by RM6.83 million or 43.04% to RM22.70 million for FPE 2026 (FPE 2025: RM15.87 million), mainly attributable to the increase in revenue from the provision of HVAC instrumentation solutions sub-segment, which increased by RM6.27 million or 65.04% to RM15.91 million for FPE 2026 (FPE 2025: RM9.64 million), despite the decrease in the number of service engagements from 206 in FPE 2025 to 187 in FPE 2026. This was primarily due to significant progress on our involvement in 3 projects, comprising a new industrial project involving a data centre in Johor, a new commercial project involving a mixed development at the Kuala Lumpur city centre and an industrial project involving a data centre at Cyberjaya. This was primarily driven by higher demand from customers in the industrial and commercial industries.

Revenue from this sub-segment was mainly driven by the following projects:

(a) a new industrial project involving a data centre in Johor, which contributed revenue of RM2.41 million for FPE 2026 (FPE 2025: Nil);

(b) a new commercial project involving a mixed development at the Kuala Lumpur city centre, which contributed revenue of RM1.20 million for FPE 2026 (FPE 2025: Nil);

(c) an existing industrial project involving a data centre at Cyberjaya, which contributed revenue of RM1.18 million for FPE 2026 (FPE 2025: RM0.03 million). The increase was mainly due to the project completing significant work during FPE 2026;

(d) an existing commercial project involving a mixed development in Kuala Lumpur city centre, which contributed revenue of RM1.03 million for FPE 2026 (FPE 2025: RM0.05 million). The increase was mainly due to the project completing significant work during FPE 2026; and

(e) a new industrial project involving a data centre in Negeri Sembilan, which contributed revenue of RM0.88 million for FPE 2026 (FPE 2025: Nil).

Revenue from the supply and distribution of HVAC instrumentation components and accessories sub-segment also contributed to higher revenue for this segment, growing by RM0.55 million or 8.83% to RM6.78 million for FPE 2026 (FPE 2025: RM6.23 million). This growth was mainly contributed by higher sales orders for Kamstrup products which were driven by higher demand, as well as higher revenue for Belimo products, primarily attributable to upward revisions to our selling prices. The pricing adjustments were implemented in response to increased purchase costs following suppliers' price revisions.

**Fire safety segment**

Revenue from the fire safety segment increased by RM4.07 million or 20.45% to RM23.97 million for FPE 2026 (FPE 2025: RM19.90 million), mainly attributable to the increase in revenue from the provision of fire safety instrumentation solutions by RM3.83 million or 20.76% to RM22.28 million for FPE 2026 (FPE 2025: RM18.45 million). The increase was mainly attributable to a higher number of service engagements, which rose from 122 to 134 service engagements during FPE 2026, primarily driven by higher demand from customers in the industrial industry.

**12. FINANCIAL INFORMATION *(Cont'd)***

Revenue from this sub-segment was mainly driven by the following service engagements:

(a) an existing industrial project involving a data centre in Johor, which contributed revenue of RM8.57 million for FPE 2026 (FPE 2025: RM8.62 million);

(b) an existing industrial project involving a data centre in Johor, which contributed revenue of RM2.93 million for FPE 2026 (FPE 2025: Nil). This project commenced in third quarter of FYE 2025;

(c) an existing industrial project involving a data centre at Cyberjaya, which contributed revenue of RM1.22 million for FPE 2026 (FPE 2025: Nil). This project commenced in the last quarter of FYE 2025;

(d) an existing commercial project involving mixed development in Kuala Lumpur city centre, which contributed revenue of RM0.94 million for FPE 2026 (FPE 2025: RM0.30 million). The increase was mainly due to the project completing significant work during FPE 2026; and

(e) an existing infrastructure project involving a public transport facility, which contributed revenue of RM0.77 million for FPE 2026 (FPE 2025: RM0.07 million). The increase was mainly due to the project completing significant work during FPE 2026.

Revenue from the supply and distribution of fire safety instrumentation components and accessories sub-segment also contributed to the increase in this segment's revenue, which grew by RM0.25 million or 17.24% to RM1.70 million for FPE 2026 (FPE 2025: RM1.45 million). Revenue growth was mainly attributable to the increased sales orders for Protectwell products, driven by higher demand. The increase was partially offset by lower sales orders for Notifier products, primarily due to the absence of sales orders for a product.

**Water treatment solutions**

Revenue from the water treatment solutions segment increased by RM2.30 million or 97.46% to RM4.66 million for FPE 2026 (FPE 2025: RM2.36 million), despite the number of service engagements decreasing from 52 to 42 during FPE 2026. The growth was driven by higher revenue from the local market, primarily attributable to our involvement in an existing industrial project involving a data centre in Johor, and 3 new industrial projects involving data centres in Kuala Lumpur, Cyberjaya and Negeri Sembilan.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### (ii) Cost of sales, GP and GP margin

**Analysis of cost of sales by cost component**

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Costs of HVAC, fire safety instrumentation and water treatment solutions' components and accessories[1] | 19,546 | 62.30 | 20,457 | 59.41 | 29,788 | 67.24 |
| Costs of trading products[2] | 7,950 | 25.34 | 9,750 | 28.32 | 9,701 | 21.90 |
| Carriage inward, handling and forwarding charges | 488 | 1.55 | 401 | 1.17 | 567 | 1.28 |
| Engineering and other services[3] | 740 | 2.36 | 782 | 2.27 | 450 | 1.02 |
| Staff-related costs | 2,284 | 7.28 | 2,559 | 7.43 | 3,173 | 7.16 |
| Others[4] | 367 | 1.17 | 482 | 1.40 | 622 | 1.40 |
| | **31,375** | **100.00** | **34,431** | **100.00** | **44,301** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Costs of HVAC, fire safety instrumentation and water treatment solutions' components and accessories[1] | 35,990 | 68.27 | 17,393 | 69.07 | 23,828 | 71.81 |
| Costs of trading products[2] | 10,530 | 19.98 | 5,113 | 20.31 | 5,654 | 17.04 |
| Carriage inward, handling and forwarding charges | 636 | 1.21 | 291 | 1.16 | 323 | 0.97 |
| Engineering and other services[3] | 597 | 1.13 | 144 | 0.57 | 774 | 2.33 |
| Staff-related costs | 4,319 | 8.19 | 1,880 | 7.47 | 2,405 | 7.25 |
| Others[4] | 643 | 1.22 | 357 | 1.42 | 197 | 0.60 |
| | **52,715** | **100.00** | **25,178** | **100.00** | **33,181** | **100.00** |

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Notes:**

(1) Our costs of HVAC, fire safety instrumentation and water treatment solutions' components and accessories were the largest component of our cost of sales, representing between 59.41% to 71.81% of our total cost of sales for FYEs 2022 to 2025 and FPEs 2025 and 2026. This cost component varies depending on the design requirements, technical specifications as well as customers' budgets of each service engagement, which determine the functionality and performance of HVAC and fire safety systems based on the operational needs of different buildings or infrastructure projects, types and quantities of instrumentation components and accessories required, as well as the movements in the RM against USD and RMB.

(2) Our costs of trading products were the second most significant component of our cost of sales, representing between 17.04% to 28.32% of our total cost of sales for FYEs 2022 to 2025 and FPEs 2025 and 2026. We supply a wide variety of HVAC and fire safety instrumentation components and accessories available on a standalone basis, as well as chemical solutions for use in water treatment processes within HVAC systems. Hence, this cost component varies depending on the types of products sold in the respective financial years/periods, as well as the movements in the RM against USD and RMB.

(3) Comprises mainly costs for subcontractors engaged to conduct testing works along with our in-house engineers to ensure the timely completion of the projects.

(4) Comprises mainly import and customs duties, rental expenses such as warehouse and depreciation of PPE.

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**12. FINANCIAL INFORMATION *(Cont'd)***

**Analysis of cost of sales by business segment**

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **HVAC** | **21,115** | **67.30** | **20,610** | **59.86** | **23,504** | **53.06** |
| - Provision of HVAC instrumentation solutions | 13,745 | 43.81 | 12,060 | 35.03 | 15,348 | 34.65 |
| - Supply and distribution of HVAC instrumentation components and accessories | 7,370 | 23.49 | 8,550 | 24.83 | 8,156 | 18.41 |
| **Fire safety** | **7,087** | **22.59** | **10,397** | **30.20** | **17,655** | **39.85** |
| - Provision of fire safety instrumentation solutions | 6,507 | 20.74 | 9,197 | 26.71 | 16,110 | 36.36 |
| - Supply and distribution of fire safety instrumentation components and accessories | 580 | 1.85 | 1,200 | 3.49 | 1,545 | 3.49 |
| **Water treatment solutions** | **3,173** | **10.11** | **3,424** | **9.94** | **3,142** | **7.09** |
| | **31,375** | **100.00** | **34,431** | **100.00** | **44,301** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **HVAC** | **25,586** | **48.54** | **11,871** | **47.15** | **16,433** | **49.53** |
| - Provision of HVAC instrumentation solutions | 16,512 | 31.32 | 7,418 | 29.46 | 11,729 | 35.35 |
| - Supply and distribution of HVAC instrumentation components and accessories | 9,074 | 17.22 | 4,453 | 17.69 | 4,704 | 14.18 |
| **Fire safety** | **22,414** | **42.52** | **11,403** | **45.29** | **13,088** | **39.44** |
| - Provision of fire safety instrumentation solutions | 20,958 | 39.76 | 10,743 | 42.67 | 12,138 | 36.58 |
| - Supply and distribution of fire safety instrumentation components and accessories | 1,456 | 2.76 | 660 | 2.62 | 950 | 2.86 |
| **Water treatment solutions** | **4,715** | **8.94** | **1,904** | **7.56** | **3,660** | **11.03** |
| | **52,715** | **100.00** | **25,178** | **100.00** | **33,181** | **100.00** |

**12. FINANCIAL INFORMATION *(Cont'd)***

**Analysis of GP and GP margin by business segment**

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | GP | GP margin | GP | GP margin | GP | GP margin |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **HVAC** | **5,345** | **20.20** | **7,189** | **25.86** | **7,408** | **23.96** |
| - Provision of HVAC instrumentation solutions | 2,405 | 14.89 | 3,538 | 22.68 | 3,329 | 17.82 |
| - Supply and distribution of HVAC instrumentation components and accessories | 2,940 | 28.52 | 3,651 | 29.92 | 4,079 | 33.34 |
| **Fire safety** | **3,362** | **32.18** | **4,550** | **30.44** | **9,059** | **33.91** |
| - Provision of fire safety instrumentation solutions | 2,776 | 29.90 | 3,692 | 28.64 | 8,011 | 33.21 |
| - Supply and distribution of fire safety instrumentation components and accessories | 586 | 50.26 | 858 | 41.69 | 1,048 | 40.42 |
| **Water treatment solutions** | **680** | **17.65** | **1,072** | **23.84** | **866** | **21.61** |
| | **9,387** | **23.03** | **12,811** | **27.12** | **17,333** | **28.12** |

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**12. FINANCIAL INFORMATION *(Cont'd)***

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | GP | GP margin | GP | GP margin | GP | GP margin |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| **HVAC** | **7,614** | **22.93** | **3,997** | **25.19** | **6,263** | **27.60** |
| - Provision of HVAC instrumentation solutions | 3,962 | 19.35 | 2,224 | 23.07 | 4,183 | 26.29 |
| - Supply and distribution of HVAC instrumentation components and accessories | 3,652 | 28.70 | 1,773 | 28.48 | 2,080 | 30.66 |
| **Fire safety** | **15,964** | **41.60** | **8,497** | **42.70** | **10,886** | **45.41** |
| - Provision of fire safety instrumentation solutions | 14,290 | 40.54 | 7,710 | 41.78 | 10,139 | 45.51 |
| - Supply and distribution of fire safety instrumentation components and accessories | 1,674 | 53.48 | 787 | 54.39 | 747 | 44.02 |
| **Water treatment solutions** | **1,714** | **26.66** | **455** | **19.29** | **1,000** | **21.46** |
| | **25,292** | **32.42** | **12,949** | **33.96** | **18,149** | **35.36** |

Our GP margins for the provision of HVAC and fire safety instrumentation solutions sub-segment for the Financial Years/Period Under Review were generally lower than those of the supply and distribution of HVAC and fire safety instrumentation components and accessories sub-segment. The comparatively lower GP margins for the provision of HVAC and fire safety instrumentation solutions sub-segment were primarily attributable to additional cost components beyond HVAC and fire safety instrumentation solutions' components and accessories and trading product costs, which mainly comprised project staff-related costs and engineering and other project-related charges incurred during project execution.

In contrast, the GP margins for the supply and distribution of HVAC and fire safety instrumentation components and accessories sub-segments primarily reflected product-trading costs. The marketing staff-related costs incurred in connection with the sale of HVAC and fire safety instrumentation components and accessories amounting to RM1.63 million, RM1.88 million, RM2.23 million, RM2.74 million, RM1.16 million and RM1.42 million for the respective Financial Years / Period Under Review were classified under selling and distribution expenses, rather than under costs of sales. For illustration, if the marketing staff-related costs were reclassified under costs of sales for these sub-segments, the adjusted GP and GP margins for these sub-segments would be lower than the provision of HVAC and fire safety instrumentation solutions sub-segments, as tabulated below:

**12. FINANCIAL INFORMATION *(Cont'd)***

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | GP | GP margin | GP | GP margin | GP | GP margin |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Provision of HVAC and fire safety instrumentation solutions | | | | | | |
| - before reclassification | 5,181 | 20.37 | 7,230 | 25.38 | 11,340 | 26.50 |
| Supply and distribution of HVAC and fire safety instrumentation components and accessories | | | | | | |
| - before reclassification | 3,526 | 30.72 | 4,509 | 31.62 | 5,127 | 34.58 |
| - adjusted after the reclassification of marketing staff-related costs | 1,893 | 16.50 | 2,634 | 18.47 | 2,894 | 19.52 |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | GP | GP margin | GP | GP margin | GP | GP margin |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Provision of HVAC and fire safety instrumentation solutions | | | | | | |
| - before reclassification | 18,252 | 32.76 | 9,934 | 35.36 | 14,322 | 37.50 |
| Supply and distribution of HVAC and fire safety instrumentation components and accessories | | | | | | |
| - before reclassification | 5,326 | 33.59 | 2,560 | 33.36 | 2,827 | 33.33 |
| - adjusted after the reclassification of marketing staff-related costs | 2,588 | 16.32 | 1,404 | 18.30 | 1,404 | 16.55 |

Marketing activities for the HVAC and fire safety instrumentation solutions sub-segments were undertaken by the technical team within the engineering and operations department. The associated personnel costs had been classified as project staff-related costs under cost of sales.

While dedicated personnel within our sales and marketing team are responsible for the sale of HVAC and fire safety instrumentation components and accessories, these products are also cross-sold by the wider team to our customers. As a result, the breakdown of the adjusted GP and GP margin for the supply and distribution of HVAC and fire safety instrumentation components and accessories sub-segments has not been presented.

**12. FINANCIAL INFORMATION *(Cont'd)***

**Comparison between FYE 2022 and FYE 2023**

Our cost of sales increased by RM3.05 million or 9.72% to RM34.43 million for FYE 2023 (FYE 2022: RM31.38 million), mainly attributable to the increase in costs of trading by RM1.80 million or 22.64% to RM9.75 million for FYE 2023 (FYE 2022: RM7.95 million) and increase in costs of HVAC, fire safety instrumentation and water treatment solutions' components and accessories by RM0.91 million or 4.65% to RM20.46 million for FYE 2023 (FYE 2022: RM19.55 million), which increased in tandem with our revenue growth for FYE 2023 as explained above.

Our GP increased by RM3.42 million or 36.42% to RM12.81 million for FYE 2023 (FYE 2022: RM9.39 million), mainly due to higher GP from our fire safety and HVAC segments, as explained below.

Our overall GP margin increased to 27.12% for FYE 2023 (FYE 2022: 23.03%), mainly driven by the higher GP margin in our HVAC segment, as explained below.

**HVAC segment**

Cost of sales from this segment decreased by RM0.51 million or 2.41% to RM20.61 million for FYE 2023 (FYE 2022: RM21.12 million), despite our revenue from this segment growing by 5.06%. This was mainly attributable to a lower cost of sales recorded from the provision of HVAC instrumentation solutions sub-segment, which decreased by RM1.69 million or 12.29% to RM12.06 million for FYE 2023 (FYE 2022: RM13.75 million). The decline was primarily due to our Group's involvement in several high-value projects, such as an institutional project involving a hospital and an industrial project involving data centres, which yielded higher GP margins relative to other projects, as these projects required components of higher grade and specifications. Correspondingly, our GP increased by RM1.84 million or 34.39% to RM7.19 million for FYE 2023 (FYE 2022: RM5.35 million). Our overall GP margin for this segment increased to 25.86% for FYE 2023 (FYE 2022: 20.20%), primarily due to a higher GP margin in the provision of HVAC instrumentation solutions sub-segment, which improved to 22.68% for FYE 2023 (FYE 2022: 14.89%) as explained above.

Our GP margins for the supply and distribution of HVAC instrumentation components and accessories sub-segment were 28.52% for FYE 2022 and 29.92% for FYE 2023, which were fairly consistent.

**Fire safety segment**

Our cost of sales from the fire safety segment increased by RM3.31 million or 46.69% to RM10.40 million for FYE 2023 (FYE 2022: RM7.09 million), and our GP increased by RM1.19 million or 35.42% to RM4.55 million for FYE 2023 (FYE 2022: RM3.36 million), which increased in tandem with the increase in revenue for FYE 2023 as explained above. However, our GP margin decreased to 30.44% for FYE 2023 (FYE 2022: 32.18%), mainly attributable to lower GP margin from the provision of fire safety instrumentation solutions sub-segment, which declined to 28.64% for FYE 2023 (FYE 2022: 29.90%), primarily contributed by lower GP margin on an infrastructure project for a public transport facility undertaken during FYE 2023, in order for our Group to maintain competitiveness with other market participants. In addition, such a decrease was also due to the decrease in GP margin from the supply and distribution of fire safety instrumentation components and accessories sub-segment to 41.69% for FYE 2023 (FYE 2022: 50.26%), primarily contributed by the increase in the costs of trading as a result of higher purchase prices as well as weakening of RM against USD and RMB. We had partially absorbed the increased costs and had only partially passed on the increased purchase prices to our customers to remain competitive.

**12. FINANCIAL INFORMATION *(Cont'd)***

**Water treatment solutions**

Cost of sales from the water treatment solutions segment increased by RM0.25 million or 7.89% to RM3.42 million for FYE 2023 (FYE 2022: RM3.17 million), and our GP increased by RM0.39 million or 57.35% to RM1.07 million for FYE 2023 (FYE 2022: RM0.68 million), which increased in tandem with our revenue growth for FYE 2023 as explained above. Our GP margin increased to 23.84% for FYE 2023 (FYE 2022: 17.65%), mainly attributable to our involvement in an ongoing local industrial project involving a semiconductor plant in Penang, which yielded a higher GP margin due to additional systems requested by an industrial customer to meet product specification requirements. This increase was also due to our involvement in a new industrial project in Indonesia involving a data centre, which generally yielded a better GP margin and involved the provision of water filtration systems.

**Comparison between FYE 2023 and FYE 2024**

Our cost of sales increased by RM9.87 million or 28.67% to RM44.30 million for FYE 2024 (FYE 2023: RM34.43 million), mainly attributable to the increase in costs of HVAC, fire safety instrumentation and water treatment solutions' components and accessories by RM9.33 million or 45.60% to RM29.79 million for FYE 2024 (FYE 2023: RM20.46 million), which increased in tandem with our revenue growth for FYE 2024 as explained above.

Our GP increased by RM4.52 million or 35.28% to RM17.33 million for FYE 2024 (FYE 2023: RM12.81 million), mainly due to higher GP from our fire safety and HVAC segments, as explained below.

Our overall GP margin increased to 28.12% for FYE 2024 (FYE 2023: 27.12%), driven primarily by our fire safety segment, as explained below.

**HVAC segment**

In tandem with our revenue for FYE 2024, as explained above, our cost of sales from the HVAC segment increased by RM2.89 million or 14.02% to RM23.50 million for FYE 2024 (FYE 2023: RM20.61 million). Correspondingly, our GP increased by RM0.22 million or 3.06% to RM7.41 million for FYE 2024 (FYE 2023: RM7.19 million). However, our GP margin decreased to 23.96% for FYE 2024 (FYE 2023: 25.86%), mainly attributable to a lower GP margin in the provision of HVAC instrumentation solutions sub-segment, which declined to 17.82% for FYE 2024 (FYE 2023: 22.68%). Such a decrease was primarily attributable to a lower GP margin on a commercial project involving mixed development undertaken during FYE 2024, in order for our Group to maintain competitiveness with other market participants.

The above decrease was partially offset by higher GP margin from the supply and distribution of HVAC instrumentation components and accessories sub-segment, which increased to 33.34% for FYE 2024 (FYE 2023: 29.92%), primarily due to upward revisions to our selling prices for Belimo products in FYE 2024.

**12. FINANCIAL INFORMATION *(Cont'd)***

**Fire safety segment**

Cost of sales from the fire safety segment increased by RM7.26 million or 69.81% to RM17.66 million for FYE 2024 (FYE 2023: RM10.40 million), and our GP increased by RM4.51 million or 99.12% to RM9.06 million for FYE 2024 (FYE 2023: RM4.55 million), which increased in tandem with our revenue for this segment in FYE 2024 as explained above. Correspondingly, our GP margin increased to 33.91% for FYE 2024 (FYE 2023: 30.44%), mainly attributable to higher GP margin from the provision of fire safety instrumentation solutions sub-segment, which increased to 33.21% for FYE 2024 (FYE 2023: 28.64%), primarily contributed by higher GP margins from 2 industrial projects involving data centres and a commercial project involving mixed development, mainly due to these projects requiring components of higher grade and specifications.

The above increase in GP margin was partially offset by a marginal decrease in GP margin for the supply and distribution of fire safety instrumentation components and accessories sub-segment to 40.42% for FYE 2024 (FYE 2023: 41.69%), primarily attributable to higher purchase prices resulting from the upward revision of purchase prices by suppliers. We had partially absorbed the increased costs and had only partially passed on the increased purchase prices to our customers to remain competitive.

**Water treatment solutions**

In tandem with the decline in our revenue for FYE 2024, as explained above, our cost of sales from the water treatment solutions segment decreased by RM0.28 million or 8.19% to RM3.14 million for FYE 2024 (FYE 2023: RM3.42 million). Correspondingly, our GP decreased by RM0.20 million or 18.69% to RM0.87 million for FYE 2024 (FYE 2023: RM1.07 million). Our GP margin decreased to 21.61% for FYE 2024 (FYE 2023: 23.84%), mainly due to higher staff-related costs driven by the increase in average monthly staff headcount from 9 staff for FYE 2023 to 11 staff for FYE 2024.

**Comparison between FYE 2024 and FYE 2025**

Our cost of sales increased by RM8.42 million or 19.01% to RM52.72 million for FYE 2025 (FYE 2024: RM44.30 million), mainly attributable to the increase in cost of HVAC, fire safety instrumentation and water treatment solutions' components and accessories by RM6.20 million or 20.81% to RM35.99 million for FYE 2025 (FYE 2024: RM29.79 million) and increase in costs of trading products by RM0.83 million or 8.56% to RM10.53 million for FYE 2025 (FYE 2024: RM9.70 million), which increased in tandem with our revenue growth for FYE 2025 as explained above.

Our GP increased by RM7.96 million or 45.93% to RM25.29 million for FYE 2025 (FYE 2024: RM17.33 million), primarily driven by higher GP from our fire safety segment, as explained below.

Our overall GP margin increased to 32.42% for FYE 2025 (FYE 2024: 28.12%), driven primarily by the higher GP margins in our fire safety segment, as explained below.

**12. FINANCIAL INFORMATION *(Cont'd)***

**HVAC segment**

Our cost of sales for the HVAC segment increased by RM2.09 million or 8.89% to RM25.59 million for FYE 2025 (FYE 2024: RM23.50 million), in tandem with our revenue growth in this segment. Correspondingly, our GP increased by RM0.20 million or 2.70% to RM7.61 million for FYE 2025 (FYE 2024: RM7.41 million). However, our overall GP margin for this segment decreased marginally to 22.93% for FYE 2025 (FYE 2024: 23.96%), mainly due to lower GP margins from the supply and distribution of HVAC instrumentation components and accessories sub-segment. This was primarily attributable to more competitive pricing strategies adopted. Accordingly, our GP margin for the supply and distribution of HVAC instrumentation components and accessories sub-segment decreased to 28.70% for FYE 2025 (FYE 2024: 33.34%). In addition, the lower GP margin for the supply and distribution of HVAC instrumentation components and accessories sub-segment was also driven by downward revisions to the selling prices for ABB products during FYE 2025 to remain competitive.

**Fire safety segment**

In tandem with our revenue for this segment in FYE 2025, as explained above, our cost of sales from the fire safety segment increased by RM4.75 million or 26.90% to RM22.41 million for FYE 2025 (FYE 2024: RM17.66 million), and our GP increased by RM6.90 million or 76.16% to RM15.96 million for FYE 2025 (FYE 2024: RM9.06 million). Correspondingly, our GP margin increased to 41.60% for FYE 2025 (FYE 2024: 33.91%). The improved GP margin was mainly attributable to the higher GP margin from the provision of fire safety instrumentation solutions sub-segment, which increased to 40.54% for FYE 2025 (FYE 2024: 33.21%). This was primarily due to the higher GP margin from our involvement in an industrial project involving a data centre in Johor undertaken during FYE 2025, which required components of higher grade and specifications. In addition, the increase in GP margin was also due to improved GP margins from our involvement in an infrastructure project involving a public transportation facility and a commercial project involving mixed development, primarily due to our Group's successful negotiation of more favourable pricing for additional specifications required by customers under variation orders. Furthermore, the increase was also due to the increase in GP margin for the supply and distribution of fire safety instrumentation components and accessories sub-segment to 53.48% for FYE 2025 (FYE 2024: 40.42%), primarily contributed by the upward revision to our selling prices for Notifier products for FYE 2025.

**Water treatment solutions**

Cost of sales from the water treatment solutions segment increased by RM1.58 million or 50.32% to RM4.72 million for FYE 2025 (FYE 2024: RM3.14 million), and our GP increased by RM0.84 million or 96.55% to RM1.71 million for FYE 2025 (FYE 2024: RM0.87 million), which increased in tandem with our revenue growth for FYE 2025 as explained above. Our GP margins increased from 21.61% for FYE 2024 to 26.66% for FYE 2025, mainly due to higher GP margins from our involvement in 2 industrial projects involving data centres in Johor and Cyberjaya undertaken during FYE 2025, which required higher specifications.

**Comparison between FPE 2025 and FPE 2026**

Our cost of sales increased by RM8.00 million or 31.77% to RM33.18 million for FPE 2026 (FPE 2025: RM25.18 million), attributable to the increase in cost of HVAC, fire safety instrumentation and water treatment solutions' components and accessories by RM6.44 million or 37.03% to RM23.83 million for FPE 2026 (FPE 2025: RM17.39 million) which increased in tandem with our revenue growth for FPE 2026 as explained above.

**12. FINANCIAL INFORMATION *(Cont'd)***

Our GP increased by RM5.20 million or 40.15% to RM18.15 million for FPE 2026 (FPE 2025: RM12.95 million), primarily driven by higher GP from our HVAC and fire safety segments, as explained below.

Our overall GP margin increased to 35.36% for FPE 2026 (FPE 2025: 33.96%), driven primarily by the higher GP margins in our fire safety and HVAC segments, as explained below.

**HVAC segment**

Our cost of sales for the HVAC segment increased by RM4.56 million or 38.42% to RM16.43 million for FPE 2026 (FPE 2025: RM11.87 million), in tandem with our revenue growth in this segment. Correspondingly, our GP increased by RM2.26 million or 56.50% to RM6.26 million for FPE 2026 (FPE 2025: RM4.00 million). Our overall GP margin for this segment increased to 27.60% for FPE 2026 (FPE 2025: 25.19%), due to higher GP margins across both sub-segments. The improved GP margin was mainly attributable to the provision of HVAC instrumentation solutions sub-segment, which increased to 26.29% for FPE 2026 (FPE 2025: 23.07%), primarily contributed by higher GP margin from an industrial project involving a data centre, mainly due to this project requiring components of higher grade and specifications. Such an increase was also due to the increase in GP margin for the supply and distribution of HVAC instrumentation components and accessories sub-segment to 30.66% for FPE 2026 (FPE 2025: 28.48%), primarily attributable to upward revisions to our selling prices for Belimo products. The pricing adjustments were implemented in response to increased purchase costs following suppliers' price revisions. The improved GP margin was also attributable to lower average purchase prices for Kamstrup products, primarily due to our Group managed to negotiate for better purchase prices for volume purchases.

**Fire safety segment**

In tandem with our revenue for this segment in FPE 2026, as explained above, our cost of sales from the fire safety segment increased by RM1.69 million or 14.82% to RM13.09 million for FPE 2026 (FPE 2025: RM11.40 million), and our GP increased by RM2.39 million or 28.12% to RM10.89 million for FPE 2026 (FPE 2025: RM8.50 million). Correspondingly, our GP margin increased to 45.41% for FPE 2026 (FPE 2025: 42.70%). The improved GP margin was mainly attributable to a higher GP margin from the provision of fire safety instrumentation solutions sub-segment, which increased to 45.51% for FPE 2026 (FPE 2025: 41.78%), primarily contributed by higher GP margin from 3 industrial projects involving data centres, mainly due to these projects requiring components of higher grade and specifications. The increase was partially offset by the decrease in GP margin for the supply and distribution of fire safety instrumentation components and accessories sub-segment to 44.02% for FPE 2026 (FPE 2025: 54.39%), primarily contributed by the downward revisions to the selling prices for Protectwell products during FPE 2026 to remain competitive.

**Water treatment solutions**

Cost of sales from the water treatment solutions segment increased by RM1.76 million or 92.63% to RM3.66 million for FPE 2026 (FPE 2025: RM1.90 million), and our GP increased by RM0.54 million or 117.39% to RM1.00 million for FPE 2026 (FPE 2025: RM0.46 million), which increased in tandem with our revenue for FPE 2026 as explained above. Our GP margin increased to 21.46% for FPE 2026 (FPE 2025: 19.29%), mainly due to improved GP margin from an ongoing local industrial project involving a data centre, primarily driven by our Group's successful negotiation of more favourable pricing for additional specifications required by customers under variation orders. In addition, the improved GP margin was also attributable to the improved GP margin from our involvement in an industrial project involving a semiconductor plant in Penang, primarily due to the revision of budgeted costs to actual upon completion of the project during FPE 2026.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### (iii) Other income

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Interest income | 114 | 36.31 | 189 | 41.91 | 228 | 50.89 |
| Rental income[1] | 173 | 55.10 | 175 | 38.80 | 149 | 33.26 |
| Reversal of impairment losses of trade receivables | - | - | - | - | - | - |
| Bad debts recovered | - | - | - | - | - | - |
| Gain on disposal of PPE | - | - | - | - | 60 | 13.39 |
| Fair value gain on other investments | - | - | 70 | 15.52 | - | - |
| Compensation for damaged goods | - | - | - | - | - | - |
| Gain on lease modification | - | - | - | - | - | - |
| Realised gain on foreign exchange | 2 | 0.64 | - | - | 10 | 2.23 |
| Sponsorship received | - | - | - | - | - | - |
| Deposit forfeited | - | - | - | - | - | - |
| Others[2] | 25 | 7.95 | 17 | 3.77 | 1 | 0.23 |
| | **314** | **100.00** | **451** | **100.00** | **448** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Interest income | 279 | 38.17 | 116 | 31.96 | 128 | 29.77 |
| Rental income[1] | 271 | 37.07 | 130 | 35.81 | 103 | 23.95 |
| Reversal of impairment losses of trade receivables | 62 | 8.48 | 52 | 14.33 | 25 | 5.82 |
| Bad debts recovered | 17 | 2.33 | 17 | 4.68 | - | - |
| Gain on disposal of PPE | 6 | 0.82 | 6 | 1.65 | - | - |
| Fair value gain on other investments | 21 | 2.87 | 21 | 5.79 | - | - |
| Compensation for damaged goods | 17 | 2.33 | 17 | 4.68 | - | - |
| Gain on lease modification | 7 | 0.96 | 2 | 0.55 | - | - |
| Realised gain on foreign exchange | 49 | 6.70 | - | - | 113 | 26.28 |
| Sponsorship received | - | - | - | - | [3]31 | 7.21 |
| Deposit forfeited | - | - | - | - | [4]13 | 3.02 |
| Others[2] | 2 | 0.27 | 2 | 0.55 | 17 | 3.95 |
| | **731** | **100.00** | **363** | **100.00** | **430** | **100.00** |

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Notes:**

* Less than RM1,000 or 0.01%

(1) Comprises rental income from 2 investment properties, i.e., a semi-detached factory located at Shah Alam, Selangor and a serviced apartment located at Kuala Lumpur, both of which are not utilised for our Group's business operations.

(2) Comprises mainly wage subsidies from the government as well as unrealised gain on foreign exchange.

(3) Comprises sponsorship fees from certain principals for our golf tournaments.

(4) Comprises rental and utility deposits forfeited, net of repair costs incurred, due to the tenant's early termination of the tenancy without serving the requisite notice period.

**Comparison between FYE 2022 and FYE 2023**

Our other income increased by RM0.14 million or 45.16% to RM0.45 million for FYE 2023 (FYE 2022: RM0.31 million), mainly attributable to the increase in interest income by RM0.08 million or 72.72% to RM0.19 million for FYE 2023 (FYE 2022: RM0.11 million), primarily due to there were late payment interests received from two customers as a result of the court judgements to recover the long outstanding debts and higher interest income from other investments mainly due to higher placement of quoted unit trusts during FYE 2023.

**Comparison between FYE 2023 and FYE 2024**

Our other income of RM0.45 million for both FYE 2023 and FYE 2024 were fairly consistent.

**Comparison between FYE 2024 and FYE 2025**

Our other income increased by RM0.28 million or 62.22% to RM0.73 million for FYE 2025 (FYE 2024: RM0.45 million), mainly due to the following:

(i) rental income increased by RM0.12 million or 80.00% to RM0.27 million for FYE 2025 (FYE 2024: RM0.15 million), mainly attributable to a higher rental rate for our semi-detached factory located at Shah Alam, Selangor, following the commencement of a new tenancy in January 2025 at an improved rate, compared to the previous tenant whose tenancy was terminated in September 2024;

(ii) there was a reversal of impairment losses on trade receivables of RM0.06 million in FYE 2025 following the recovery of the impaired trade debts; and

(iii) interest income increased by RM0.05 million or 21.74% to RM0.28 million for FYE 2025 (FYE 2024: RM0.23 million), mainly due to higher interest income from banks and other investments relating to a money market fund.

**Comparison between FPE 2025 and FPE 2026**

Our other income increased by RM0.07 million or 19.44% to RM0.43 million for FPE 2026 (FPE 2025: RM0.36 million), mainly due to our Group recording a realised gain on foreign exchange of RM0.11 million for FPE 2026, in relation to payments of supplier balances denominated in USD and RMB, resulting from the strengthening of RM against USD and RMB for overseas purchases.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### (iv) Selling and distribution expenses

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Staff-related costs | 1,633 | 75.57 | 1,875 | 76.53 | 2,233 | 75.47 |
| Marketing expenses | 147 | 6.80 | 158 | 6.45 | 160 | 5.41 |
| Transportation and travelling expenses | 89 | 4.12 | 98 | 4.00 | 96 | 3.24 |
| Entertainment expenses | 273 | 12.63 | 304 | 12.41 | 470 | 15.88 |
| Donation and sponsorship | 19 | 0.88 | 15 | 0.61 | - | - |
| | **2,161** | **100.00** | **2,450** | **100.00** | **2,959** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Staff-related costs | 2,738 | 76.48 | 1,156 | 75.21 | 1,423 | 66.65 |
| Marketing expenses | 235 | 6.56 | 63 | 4.10 | 110 | 5.15 |
| Transportation and travelling expenses | 143 | 4.00 | 54 | 3.51 | 197 | 9.23 |
| Entertainment expenses | 464 | 12.96 | 264 | 17.18 | 402 | 18.83 |
| Donation and sponsorship | - | - | - | - | 3 | 0.14 |
| | **3,580** | **100.00** | **1,537** | **100.00** | **2,135** | **100.00** |

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**12. FINANCIAL INFORMATION *(Cont'd)***

**Comparison between FYE 2022 and FYE 2023**

Our selling and distribution expenses increased by RM0.29 million or 13.43% to RM2.45 million for FYE 2023 (FYE 2022: RM2.16 million), mainly attributable to the increase in staff-related costs by RM0.25 million or 15.34% to RM1.88 million for FYE 2023 (FYE 2022: RM1.63 million), mainly due to increase in salaries as a result of annual salary increments and higher bonuses incurred for FYE 2023.

**Comparison between FYE 2023 and FYE 2024**

Our selling and distribution expenses increased by RM0.51 million or 20.82% to RM2.96 million for FYE 2024 (FYE 2023: RM2.45 million), mainly attributable to the increase in staff-related costs by RM0.35 million or 18.62% to RM2.23 million for FYE 2024 (FYE 2023: RM1.88 million), mainly due to the increase in salaries as a result of annual salary increments and higher bonuses incurred for FYE 2024.

**Comparison between FYE 2024 and FYE 2025**

Our selling and distribution expenses increased by RM0.62 million or 20.95% to RM3.58 million for FYE 2025 (FYE 2024: RM2.96 million), mainly attributable to the increase in staff-related costs by RM0.51 million or 22.87% to RM2.74 million for FYE 2025 (FYE 2024: RM2.23 million), primarily due to higher salaries as a result of annual salary increments and higher bonuses for FYE 2025.

**Comparison between FPE 2025 and FPE 2026**

Our selling and distribution expenses increased by RM0.60 million or 38.96% to RM2.14 million for FPE 2026 (FPE 2025: RM1.54 million), mainly attributable to the following:

(a) staff-related costs increased by RM0.26 million or 22.41% to RM1.42 million for FPE 2026 (FPE 2025: RM1.16 million), mainly due to the increase in salaries as a result of annual salary increments and higher bonuses incurred for FPE 2026;

(b) transportation and travelling expenses increased by RM0.15 million or 300.00% to RM0.20 million for FPE 2026 (FPE 2025: RM0.05 million), which increased in tandem with our revenue growth; and

(c) entertainment expenses increased by RM0.14 million or 53.85% to RM0.40 million for FPE 2026 (FPE 2025: RM0.26 million), which increased in tandem with our revenue growth.

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## 12. FINANCIAL INFORMATION *(Cont'd)*

### (v) Administrative expenses

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Staff-related costs | 818 | 25.33 | 1,057 | 28.43 | 937 | 23.33 |
| Directors' remuneration | 1,005 | 31.12 | 1,065 | 28.64 | 830 | 20.66 |
| Travelling expenses | 350 | 10.84 | 430 | 11.57 | 500 | 12.45 |
| Depreciation of PPE | 349 | 10.81 | 359 | 9.66 | 380 | 9.46 |
| Insurance and road tax | 139 | 4.31 | 182 | 4.90 | 264 | 6.57 |
| Legal and professional fees | 66 | 2.04 | 87 | 2.34 | 263 | 6.55 |
| Upkeep and consumables | 114 | 3.53 | 183 | 4.92 | 173 | 4.31 |
| Impairment losses on other investments | 58 | 1.80 | - | - | 31 | 0.77 |
| Impairment losses on trade receivables | - | - | - | - | 137 | 3.41 |
| Utilities expenses | 92 | 2.85 | 97 | 2.61 | 104 | 2.59 |
| Depreciation of IP | 59 | 1.83 | 61 | 1.64 | 62 | 1.54 |
| Subscription fees | 14 | 0.43 | 41 | 1.10 | 55 | 1.37 |
| Others[1] | 165 | 5.11 | 156 | 4.19 | 281 | 6.99 |
| | **3,229** | **100.00** | **3,718** | **100.00** | **4,017** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Staff-related costs | 2,014 | 27.18 | 1,130 | 33.35 | 940 | 17.48 |
| Directors' remuneration | 1,766 | 23.82 | 783 | 23.11 | 1,036 | 19.27 |
| Travelling expenses | 588 | 7.93 | 256 | 7.56 | 286 | 5.32 |
| Depreciation of PPE | 497 | 6.71 | 198 | 5.84 | 239 | 4.44 |
| Insurance and road tax | 242 | 3.27 | 156 | 4.61 | 170 | 3.16 |
| Legal and professional fees | 1,148 | 15.49 | 376 | 11.10 | 1,598 | 29.72 |
| Upkeep and consumables | 357 | 4.82 | 92 | 2.72 | 184 | 3.42 |
| Impairment losses on other investments | - | - | - | - | - | - |
| Impairment losses on trade receivables | - | - | - | - | 497 | 9.23 |
| Utilities expenses | 113 | 1.53 | 55 | 1.62 | 62 | 1.15 |
| Depreciation of IP | 67 | 0.90 | 35 | 1.03 | 33 | 0.62 |
| Subscription fees | 58 | 0.78 | 42 | 1.24 | 51 | 0.95 |
| Others[1] | 561 | 7.57 | 265 | 7.82 | 281 | 5.23 |
| | **7,411** | **100.00** | **3,388** | **100.00** | **5,377** | **100.00** |

**12. FINANCIAL INFORMATION *(Cont'd)***

**Note:**

(1) Comprises mainly printing and stationery, bad debts written off, registration fees, sales and services tax, unrealised loss on foreign exchange arising from foreign bank accounts and penalty for underestimation of tax for the year of assessment 2024.

**Comparison between FYE 2022 and FYE 2023**

Our administrative expenses increased by RM0.49 million or 15.17% to RM3.72 million for FYE 2023 (FYE 2022: RM3.23 million), mainly attributable to the following:

(a) staff-related costs increased by RM0.24 million or 29.27% to RM1.06 million for FYE 2023 (FYE 2022: RM0.82 million), mainly due to higher bonuses incurred for FYE 2023 and increase in staff welfare as there were costs for company overseas trip incurred in FYE 2023;

(b) travelling expenses increased by RM0.08 million or 22.86% to RM0.43 million for FYE 2023 (FYE 2022: RM0.35 million), mainly due to higher overseas travel for suppliers' events and visits, market penetration activities and outstation trips;

(c) upkeep and consumables increased by RM0.07 million or 63.64% to RM0.18 million for FYE 2023 (FYE 2022: RM0.11 million), mainly due to purchase of building automation system for use in the demo room and higher upkeep of motor vehicles during FYE 2023; and

(d) directors' remuneration increased by RM0.06 million or 5.94% to RM1.07 million for FYE 2023 (FYE 2022: RM1.01 million), mainly due to higher bonuses incurred for FYE 2023.

**Comparison between FYE 2023 and FYE 2024**

Our administrative expenses increased by RM0.30 million or 8.06% to RM4.02 million for FYE 2024 (FYE 2023: RM3.72 million), mainly attributable to the net effects of the following:

(a) impairment losses on trade receivables of RM0.14 million for FYE 2024 (FYE 2023: Nil), mainly due to long outstanding debts from 2 customers in which our Group has initiated legal actions to recover the outstanding debts;

(b) legal and professional fees increased by RM0.17 million or 188.89% to RM0.26 million for FYE 2024 (FYE 2023: RM0.09 million), mainly due to higher stamp duty and legal fees incurred for the new tradeline banking facility obtained and the increase in an existing tradeline banking facility limit, as well as higher audit fees as a result of the first-time adoption of MFRSs;

(c) other administrative expenses increased by RM0.12 million or 75.00% to RM0.28 million for FYE 2024 (FYE 2023: RM0.16 million), mainly due to higher registration fees for renewal of National Water Services Commission certificate for Belven products during FYE 2024, higher sales and services tax and higher bad debts written off for customers due to uncollectible long outstanding trade debts;

(d) directors' remuneration decreased by RM0.24 million or 22.43% to RM0.83 million for FYE 2024 (FYE 2023: RM1.07 million), mainly due to lower bonuses incurred for FYE 2024; and

**12. FINANCIAL INFORMATION *(Cont'd)***

(e) staff-related costs decreased by RM0.12 million or 11.32% to RM0.94 million for FYE 2024 (FYE 2023: RM1.06 million), mainly attributable to the higher staff welfare for FYE 2023 due to company overseas trip expenses incurred in FYE 2023.

**Comparison between FYE 2024 and FYE 2025**

Our administrative expenses increased by RM3.39 million or 84.33% to RM7.41 million for FYE 2025 (FYE 2024: RM4.02 million), mainly attributable to the following:

(a) legal and professional fees increased by RM0.89 million or 342.31% to RM1.15 million for FYE 2025 (FYE 2024: RM0.26 million), mainly due to listing expenses incurred for our IPO for FYE 2025;

(b) staff-related costs increased by RM1.07 million or 113.83% to RM2.01 million for FYE 2025 (FYE 2024: RM0.94 million), mainly attributable to higher staff welfare for FYE 2025 due to company overseas trip expenses incurred in FYE 2025, higher salaries resulting from the recruitment of a new key senior management and higher bonuses incurred for FYE 2025;

(c) directors' remuneration increased by RM0.94 million or 113.25% to RM1.77 million for FYE 2025 (FYE 2024: RM0.83 million), mainly due to higher bonuses and travelling allowances for directors in FYE 2025; and

(d) others increased by RM0.28 million or 100.00% to RM0.56 million for FYE 2025 (FYE 2024: RM0.28 million), primarily due to the penalty for underestimation of tax for the year of assessment 2024 and higher sales and service tax for FYE 2025, mainly related to the professional fees incurred for the Listing during FYE 2025.

**Comparison between FPE 2025 and FPE 2026**

Our administrative expenses increased by RM1.99 million or 58.70% to RM5.38 million for FPE 2026 (FPE 2025: RM3.39 million), mainly attributable to the following:

(a) legal and professional fees increased by RM1.22 million or 321.05% to RM1.60 million for FPE 2026 (FPE 2025: RM0.38 million), mainly due to listing expenses incurred for our IPO for FPE 2026;

(b) impairment losses on trade receivables of RM0.50 million for FPE 2026 (FPE 2025: Nil), mainly due to long outstanding debts from 7 customers, of which our legal actions have been initiated against 2 customers to recover the outstanding debts, while recovery actions against the remaining 5 customers were in progress;

(c) directors' remuneration increased by RM0.26 million or 33.33% to RM1.04 million for FPE 2026 (FPE 2025: RM0.78 million), mainly due to higher bonuses and annual salary increment for directors in FPE 2026; and

(d) staff-related costs decreased by RM0.19 million or 16.81% to RM0.94 million for FPE 2026 (FPE 2025: RM1.13 million), mainly attributable to lower staff welfare for FPE 2026 due to absence of company overseas trip expenses which incurred in FPE 2025.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### (vi) Finance costs

| | Audited | | | | | |
|---|---|---|---|---|---|---|
| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Term loans | 150 | 71.43 | 153 | 72.86 | 167 | 55.67 |
| Bankers' acceptances | 40 | 19.05 | 37 | 17.62 | 91 | 30.33 |
| Hire purchase payables | 16 | 7.62 | 14 | 6.67 | 24 | 8.00 |
| Lease liabilities | 4 | 1.90 | 5 | 2.38 | 11 | 3.67 |
| Bank overdraft | * | * | 1 | 0.47 | 7 | 2.33 |
| | **210** | **100.00** | **210** | **100.00** | **300** | **100.00** |

| | Audited | | Unaudited | | Audited | |
|---|---|---|---|---|---|---|
| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
| | RM'000 | % | RM'000 | % | RM'000 | % |
| Term loans | 183 | 60.20 | 99 | 58.24 | 78 | 55.32 |
| Bankers' acceptances | 81 | 26.64 | 50 | 29.41 | 48 | 34.04 |
| Hire purchase payables | 28 | 9.21 | 15 | 8.82 | 11 | 7.80 |
| Lease liabilities | 11 | 3.62 | 6 | 3.53 | 2 | 1.42 |
| Bank overdraft | 1 | 0.33 | * | * | 2 | 1.42 |
| | **304** | **100.00** | **170** | **100.00** | **141** | **100.00** |

**Note:**

* Less than RM1,000 or 0.01%.

**Comparison between FYE 2022 and FYE 2023**

Our finance costs of RM0.21 million for both FYE 2022 and FYE 2023 were fairly consistent.

**Comparison between FYE 2023 and FYE 2024**

Our finance costs increased by RM0.09 million or 42.86% to RM0.30 million for FYE 2024 (FYE 2023: RM0.21 million), mainly attributable to the increase in interest expenses on bankers' acceptances by RM0.05 million or 125.00% to RM0.09 million in FYE 2024 (FYE 2023: RM0.04 million) as a result of higher drawdown of bankers' acceptances for payments to suppliers during FYE 2024.

**Comparison between FYE 2024 and FYE 2025**

Our finance costs were RM0.30 million for FYE 2024 and FYE 2025, which were fairly consistent.

**Comparison between FPE 2025 and FPE 2026**

Our finance costs were RM0.17 million for FPE 2025 and RM0.14 million for FPE 2026, which were fairly consistent.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### (vii) PBT, PBT margin, PAT and PAT margin

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2025 | FPE 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| PBT (RM'000) | 4,101 | 6,884 | 10,505 | 14,728 | 8,217 | 10,926 |
| PBT margin (%) | 10.06 | 14.57 | 17.04 | 18.88 | 21.55 | 21.29 |
| PAT (RM'000) | 2,930 | 5,089 | 7,782 | 10,646 | 5,912 | 7,951 |
| PAT margin (%) | 7.19 | 10.77 | 12.63 | 13.65 | 15.51 | 15.49 |

**Comparison between FYE 2022 and FYE 2023**

Our PBT increased by RM2.78 million or 67.80% to RM6.88 million for FYE 2023 (FYE 2022: RM4.10 million) and our PBT margin increased from 10.06% for FYE 2022 to 14.57% for FYE 2023. The increase in PBT and PBT margin was mainly due to the increase in GP and GP margin as explained in Section 12.2.2 (ii) of this Prospectus, which was partially offset by the higher selling and distribution as well as administrative expenses as explained in Sections 12.2.2 (iv) and (v) of this Prospectus.

Our PAT increased by RM2.16 million or 73.72% to RM5.09 million for FYE 2023 (FYE 2022: RM2.93 million) and our PAT margin increased from 7.19% for FYE 2022 to 10.77% for FYE 2023, mainly due to higher PBT and PBT margin for FYE 2023 as explained above, which was partially offset by the higher tax expenses as explained in Section 12.2.2 (viii) of this Prospectus.

**Comparison between FYE 2023 and FYE 2024**

Our PBT increased by RM3.63 million or 52.76% to RM10.51 million for FYE 2024 (FYE 2023: RM6.88 million) and our PBT margin increased from 14.57% for FYE 2023 to 17.04% for FYE 2024. The increase in PBT and PBT margin was mainly due to the increase in GP and GP margin as explained in Section 12.2.2 (ii) of this Prospectus, which was partially offset by the higher selling and distribution as well as administrative expenses as explained in Sections 12.2.2 (iv) and (v) of this Prospectus.

Our PAT increased by RM2.69 million or 52.85% to RM7.78 million for FYE 2024 (FYE 2023: RM5.09 million) and our PAT margin increased from 10.77% for FYE 2023 to 12.63% for FYE 2024, mainly due to higher PBT and PBT margin for FYE 2024 as explained above, which was partially offset by the higher tax expenses as explained in Section 12.2.2 (viii) of this Prospectus.

**Comparison between FYE 2024 and FYE 2025**

Our PBT increased by RM4.22 million or 40.15% to RM14.73 million for FYE 2025 (FYE 2024: RM10.51 million) and our PBT margin increased from 17.04% for FYE 2024 to 18.88% for FYE 2025. The increase in PBT and PBT margin was mainly due to the increase in GP and GP margin, as explained in Section 12.2.2 (ii) of this Prospectus, and was partially offset by higher administrative expenses, as explained in Section 12.2.2 (v) of this Prospectus.

Our PAT increased by RM2.87 million or 36.89% to RM10.65 million for FYE 2025 (FYE 2024: RM7.78 million), and our PAT margin increased from 12.63% for FYE 2024 to 13.65% for FYE 2025, mainly due to higher PBT and PBT margin for FYE 2025 as explained above, which was partially offset by the higher tax expenses as explained in Section 12.2.2 (viii) of this Prospectus.

**Comparison between FPE 2025 and FPE 2026**

Our PBT increased by RM2.71 million or 32.97% to RM10.93 million for FPE 2026 (FPE 2025: RM8.22 million), mainly due to the increase in GP as explained in Section 12.2.2 (ii) of this Prospectus, and was partially offset by higher administrative expenses, as explained in Section 12.2.2 (v) of this Prospectus. Our PBT margin of 21.55% for FPE 2025 and 21.29% for FPE 2026 were fairly consistent.

Our PAT increased by RM2.04 million or 34.52% to RM7.95 million for FPE 2026 (FPE 2025: RM5.91 million), mainly due to higher PBT recorded for FPE 2026 as explained above. Our PAT margin of 15.51% for FPE 2025 and 15.49% for FPE 2026 were fairly consistent.

**(viii) Income tax expenses**

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2025** | **FPE 2026** |
| Income tax expenses (RM'000) | 1,171 | 1,795 | 2,723 | 4,082 | 2,305 | 2,975 |
| Effective tax rate (%) | 28.55 | 26.07 | 25.92 | 27.72 | 28.05 | 27.23 |
| Statutory tax rate (%) | 24.00 | 24.00 | 24.00 | 24.00 | 24.00 | 24.00 |

Tax expenses comprise the current financial year's income tax payable, deferred tax and any under or overprovision of tax expenses in the previous financial year. The applicable statutory tax rate for Financial Years / Period Under Review is 24.00%.

There are no withholding tax provisions which may be applicable to our shareholders, and our Group does not assume any responsibility for withholding of tax at the source.

**Comparison between FYE 2022 and FYE 2023**

Our tax expenses increased by RM0.63 million or 53.85% to RM1.80 million for FYE 2023 (FYE 2022: RM1.17 million), mainly due to higher PBT recorded for FYE 2023.

Our effective tax rate of 26.07% for FYE 2023 was higher than the statutory tax rate of 24.00%, primarily due to non-deductible expenses of RM1.00 million, mainly depreciation on non-qualifying assets, entertainment expenses, staff welfare expenses and interest expenses.

Our effective tax rate of 28.55% for FYE 2022 was higher than the statutory tax rate of 24.00%, primarily due to non-deductible expenses of RM0.47 million, mainly depreciation on non-qualifying assets and entertainment expenses.

**Comparison between FYE 2023 and FYE 2024**

Our tax expenses increased by RM0.92 million or 51.11% to RM2.72 million for FYE 2024 (FYE 2023: RM1.80 million), mainly due to higher PBT recorded for FYE 2024.

Our effective tax rate of 25.92% for FYE 2024 was higher than the statutory tax rate of 24.00%, primarily due to non-deductible expenses of RM0.95 million, mainly depreciation on non-qualifying assets, entertainment expenses and interest expenses.

**Comparison between FYE 2024 and FYE 2025**

Our tax expenses increased by RM1.36 million or 50.00% to RM4.08 million for FYE 2025 (FYE 2024: RM2.72 million), mainly due to higher PBT recorded for FYE 2025.

Our effective tax rate of 27.72% for FYE 2025 was higher than the statutory tax rate of 24.00%, mainly attributable to the underprovision of tax expenses for the prior year of RM0.51 million, depreciation on non-qualifying assets, and entertainment expenses.

**Comparison between FPE 2025 and FPE 2026**

Our tax expenses increased by RM0.67 million or 29.00% to RM2.98 million for FPE 2026 (FPE 2025: RM2.31 million), mainly due to higher PBT recorded for FPE 2026.

Our effective tax rate of 27.23% for FPE 2026 was higher than the statutory tax rate of 24.00%, mainly attributable to the listing expenses incurred for our IPO, depreciation on non-qualifying assets, and entertainment expenses.

### 12.2.3 Review of financial position

**(i) Assets**

| | Audited | | | | |
|---|---|---|---|---|---|
| | As at 31 December | | | | As at 30 June |
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 2,887 | 3,260 | 4,550 | 4,604 | 4,571 |
| Investment properties | 3,855 | 3,973 | 3,929 | 3,862 | 3,829 |
| Investment in an associate | * | * | - | - | - |
| Deferred tax assets | - | - | 27 | 10 | 54 |
| Other investments | 2,090 | 3,121 | 3,803 | 361 | 4,394 |
| **Total non-current assets** | **8,832** | **10,354** | **12,309** | **8,837** | **12,848** |
| **Current assets** | | | | | |
| Inventories | 8,634 | 11,588 | 11,521 | 10,687 | 12,555 |
| Current tax assets | 22 | - | - | 145 | - |
| Trade and other receivables | 14,601 | 16,867 | 18,921 | 23,400 | 28,506 |
| Contract assets | 697 | 766 | 871 | 778 | 1,396 |
| Cash and short-term deposits | 7,666 | 5,505 | 10,428 | 11,821 | 15,948 |
| **Total current assets** | **31,620** | **34,726** | **41,741** | **46,831** | **58,405** |
| **Total assets** | **40,452** | **45,080** | **54,050** | **55,668** | **71,253** |

**Note:**

* Less than RM1,000.

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Comparison between 31 December 2022 and 31 December 2023**

Our total assets increased by RM4.63 million or 11.45% to RM45.08 million as at 31 December 2023 (as at 31 December 2022: RM40.45 million). The increase was mainly attributable to the increase in current assets of RM3.11 million and the increase in non-current assets of RM1.52 million as at 31 December 2023.

The increase in non-current assets was mainly attributable to the increase in other investments of RM1.03 million or 49.28% to RM3.12 million as at 31 December 2023 (31 December 2022: RM2.09 million), primarily due to higher placements in money market fund during FYE 2023.

The increase in current assets was mainly attributable to the net effects of the following:

(a) increase in inventories of RM2.96 million or 34.30% to RM11.59 million as at 31 December 2023 (31 December 2022: RM8.63 million), mainly due to higher purchases for FYE 2023 to cater for the anticipated increase in orders from the HVAC and fire safety segments in the coming months;

(b) increase in trade and other receivables of RM2.27 million or 15.55% to RM16.87 million as at 31 December 2023 (31 December 2022: RM14.60 million), mainly due to the increase in trade receivables of RM1.79 million as higher sales were made in the last quarter of FYE 2023; and

(c) decrease in cash and short-term deposits of RM2.16 million or 28.16% to RM5.51 million as at 31 December 2023 (31 December 2022: RM7.67 million), mainly due to dividends paid, repayment of term loan, purchase of other investments and acquisition of a subsidiary, which were partially offset by the cash generated from our business operations in FYE 2023.

**Comparison between 31 December 2023 and 31 December 2024**

Our total assets increased by RM8.97 million or 19.90% to RM54.05 million as at 31 December 2024 (as at 31 December 2023: RM45.08 million). The increase was mainly attributable to increases in current assets of RM7.02 million and non-current assets of RM1.95 million as at 31 December 2024.

The increase in non-current assets was mainly attributable to the following:

(a) increase in property, plant and equipment of RM1.29 million or 39.57% to RM4.55 million as at 31 December 2024 (31 December 2023: RM3.26 million), mainly due to the purchase of the Kayu Ara Office 2; and

(b) increase in other investments of RM0.68 million or 21.79% to RM3.80 million as at 31 December 2024 (31 December 2023: RM3.12 million), mainly due to additional placements in money market fund during FYE 2024.

The increase in current assets was mainly attributable to the net effects of the following:

(a) increase in cash and short-term deposits of RM4.92 million or 89.29% to RM10.43 million as at 31 December 2024 (31 December 2023: RM5.51 million), mainly due to higher cash generated from our business operations in FYE 2024; and

**12. FINANCIAL INFORMATION *(Cont'd)***

(b) increase in trade and other receivables of RM2.05 million or 12.15% to RM18.92 million as at 31 December 2024 (31 December 2023: RM16.87 million), mainly due to increase in trade receivables of RM4.99 million as higher sales made in the last quarter of FYE 2024, which was partially offset by the decrease in amount owing by an associate company of RM2.32 million as full settlement of outstanding balances owed by an associate in FYE 2024.

**Comparison between 31 December 2024 and 31 December 2025**

Our total assets increased by RM1.62 million or 3.00% to RM55.67 million as at 31 December 2025 (as at 31 December 2024: RM54.05 million). The increase was mainly attributable to a RM5.09 million increase in current assets as at 31 December 2025, which was offset by the decrease in non-current assets of RM3.47 million as at 31 December 2025.

The increase in current assets was mainly attributable to the following:

(a) increase in trade and other receivables of RM4.48 million or 23.68% to RM23.40 million as at 31 December 2025 (31 December 2024: RM18.92 million), primarily due to an increase in other receivables of RM1.65 million, contributed largely by 10% payment of RM1.13 million paid for the purchase of Old Kapar Property as well as prepaid listing expenses of RM0.42 million, which will be offset against share capital upon the completion of the Public Issue, and increase in trade receivables of RM2.44 million as higher sales made in the last quarter of FYE 2025; and

(b) increase in cash and short-term deposits of RM1.39 million or 13.33% to RM11.82 million as at 31 December 2025 (31 December 2024: RM10.43 million), mainly due to higher cash generated from our business operations in FYE 2025 as well as the proceeds from the liquidation of quoted unit trusts and money market fund.

The decrease in non-current assets was mainly attributable to the decrease in other investments of RM3.44 million or 90.53% to RM0.36 million as at 31 December 2025 (31 December 2024: RM3.80 million), mainly due to liquidation of quoted unit trusts and money market fund.

**Comparison between 31 December 2025 and 30 June 2026**

Our total assets increased by RM15.58 million or 27.99% to RM71.25 million as at 30 June 2026 (as at 31 December 2025: RM55.67 million). The increase was mainly attributable to an increase in current assets of RM11.58 million and non-current assets of RM4.01 million as at 30 June 2026.

The increase in non-current assets was mainly attributable to the increase in other investments of RM4.03 million or 1,119.44% to RM4.39 million as at 30 June 2026 (31 December 2025: RM0.36 million), primarily due to higher placements in quoted unit trusts during FPE 2026.

The increase in current assets was mainly attributable to the following:

(a) increase in trade and other receivables of RM5.11 million or 21.84% to RM28.51 million as at 30 June 2026 (31 December 2025: RM23.40 million), mainly due to the increase in trade receivables as higher sales were made in the last quarter of FPE 2026; and

**12. FINANCIAL INFORMATION *(Cont'd)***

(b) increase in cash and short-term deposits of RM4.13 million or 34.94% to RM15.95 million as at 30 June 2026 (31 December 2025: RM11.82 million), mainly due to higher cash generated from our business operations in FPE 2026.

**(ii) Liabilities**

| | Audited | | | | |
|---|---|---|---|---|---|
| | As at 31 December | | | | As at 30 June |
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **Non-current liabilities** | | | | | |
| Loans and borrowings | 3,571 | 3,520 | 4,221 | 3,798 | 3,544 |
| Deferred tax liabilities | 43 | 54 | 40 | 30 | 83 |
| **Total non-current liabilities** | **3,614** | **3,574** | **4,261** | **3,828** | **3,627** |
| **Current liabilities** | | | | | |
| Loans and borrowings | 1,624 | 1,587 | 3,311 | 2,454 | 4,021 |
| Current tax liabilities | 6 | 746 | 1,225 | 56 | 1,195 |
| Trade and other payables | 7,007 | 7,669 | 11,466 | 10,529 | 15,340 |
| Contract liabilities | 672 | 469 | 770 | 1,138 | 1,456 |
| **Total current liabilities** | **9,309** | **10,471** | **16,772** | **14,177** | **22,012** |
| **Total liabilities** | **12,923** | **14,045** | **21,033** | **18,005** | **25,639** |

**Comparison between 31 December 2022 and 31 December 2023**

Our total liabilities increased by RM1.13 million or 8.75% to RM14.05 million as at 31 December 2023 (31 December 2022: RM12.92 million), mainly attributable to the net effects of the following:

(a) increase in current tax liabilities by RM0.74 million or 7,400.00% to RM0.75 million as at 31 December 2023 (31 December 2022: RM0.01 million), mainly due to higher estimated tax expenses resulting from higher PBT recorded for FYE 2023;

(b) increase in trade and other payables by RM0.66 million or 9.42% to RM7.67 million as at 31 December 2023 (31 December 2022: RM7.01 million), mainly due to the increase in accrual of RM0.40 million as higher accrual for bonus for FYE 2023 and the increase in trade payables of RM0.26 million as higher purchases made in the last quarter of FYE 2023; and

(c) decrease in contract liabilities by RM0.20 million or 29.85% to RM0.47 million as at 31 December 2023 (31 December 2022: RM0.67 million), mainly for work performed ahead of billing milestones for the provision of water treatment solutions segment.

**12. FINANCIAL INFORMATION *(Cont'd)***

**Comparison between 31 December 2023 and 31 December 2024**

Our total liabilities increased by RM6.98 million or 49.68% to RM21.03 million as at 31 December 2024 (31 December 2023: RM14.05 million), mainly attributable to the following:

(a) increase in trade and other payables by RM3.80 million or 49.54% to RM11.47 million as at 31 December 2024 (31 December 2023: RM7.67 million), mainly due to the increase in trade payables of RM3.48 million as higher purchases were made in the last quarter of FYE 2024;

(b) increase in loans and borrowings by RM2.42 million or 47.36% to RM7.53 million as at 31 December 2024 (31 December 2023: RM5.11 million), mainly due to net drawdown of bankers' acceptances for payments to the suppliers and drawdown of term loan for the purchase of the Kayu Ara Office 2; and

(c) increase in current tax liabilities by RM0.48 million or 64.00% to RM1.23 million as at 31 December 2024 (31 December 2023: RM0.75 million), mainly due to higher estimated tax expenses resulting from higher PBT recorded for FYE 2024.

**Comparison between 31 December 2024 and 31 December 2025**

Our total liabilities decreased by RM3.02 million or 14.36% to RM18.01 million as at 31 December 2025 (as at 31 December 2024: RM21.03 million), mainly attributable to the net effects of the following:

(a) decrease in loans and borrowings of RM1.28 million or 17.00% to RM6.25 million as at 31 December 2025 (as at 31 December 2024: RM7.53 million), mainly due to net repayment of bankers' acceptances and repayments of term loans in accordance with the repayment schedules; and

(b) decrease in current tax liabilities of RM1.17 million or 95.12% to RM0.06 million as at 31 December 2025 (as at 31 December 2024: RM1.23 million), mainly due to settlement of tax payable for the year of assessment 2024 during FYE 2025.

**Comparison between 31 December 2025 and 30 June 2026**

Our total liabilities increased by RM7.63 million or 42.37% to RM25.64 million as at 30 June 2026 (as at 31 December 2025: RM18.01 million), mainly attributable to the following:

(a) increase in trade and other payables of RM4.81 million or 45.68% to RM15.34 million as at 30 June 2026 (as at 31 December 2025: RM10.53 million), mainly due to the increase in trade payables of RM5.06 million as higher purchases were made in the last quarter of FPE 2026;

(b) increase in loans and borrowings of RM1.31 million or 20.96% to RM7.56 million as at 30 June 2026 (as at 31 December 2025: RM6.25 million), mainly due to net drawdown of bankers' acceptances for payments to the suppliers; and

(c) increase in current tax liabilities of RM1.14 million or 1,900.00% to RM1.20 million as at 30 June 2026 (as at 31 December 2025: RM0.06 million), mainly due to estimated tax expenses resulting from the PBT recorded for FPE 2026.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.2.4 Review of cash flows

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Net cash from operating activities | 1,180 | 2,132 | 8,476 | 6,346 | 7,179 |
| Net cash (used in)/from investing activities | (189) | (1,600) | (1,940) | 2,896 | (4,239) |
| Net cash (used in)/from financing activities | (1,851) | (2,719) | (1,232) | (7,824) | 1,174 |
| Net (decrease)/increase in cash and cash equivalents | (860) | (2,187) | 5,304 | 1,418 | 4,114 |
| Cash and cash equivalents at the beginning of the financial year/period | 7,735 | 6,889 | 4,711 | 10,007 | 11,390 |
| Effects of exchange rate changes on cash and cash equivalents | 14 | 9 | (8) | (35) | 13 |
| **Cash and cash equivalents at the end of the financial year/period** | **6,889** | **4,711** | **10,007** | **11,390** | **15,517** |
| **Cash and cash equivalents at the end of the financial year/period comprise:** | | | | | |
| Short-term deposits | 777 | 794 | 421 | 431 | 431 |
| Less: Pledged deposits | (777) | (794) | (421) | (431) | (431) |
| | **-** | **-** | **-** | - | - |
| Cash and bank balances | 6,889 | 4,711 | 10,007 | 11,390 | 15,517 |
| | **6,889** | **4,711** | **10,007** | **11,390** | **15,517** |

**FYE 2022**

**Net cash from operating activities**

For FYE 2022, our Group recorded a net cash inflow of RM1.18 million from operating activities. We collected RM40.36 million mainly from the following:

(i) RM40.07 million from our customers;

(ii) other income of RM0.18 million received, mainly from rental income and wages subsidy from the government; and

(iii) interest received of RM0.11 million, mainly from banks, fixed deposits and other investments.

The above collections were partially offset by cash payments of RM39.18 million in respect of the following:

(i) payments of RM30.76 million to our suppliers;

(ii) payments for staff costs and other operating expenses of RM7.42 million; and

(iii) income tax paid of RM1.00 million.

**12. FINANCIAL INFORMATION *(Cont'd)***

**Net cash for investing activities**

For FYE 2022, our Group recorded a net cash outflow of RM0.19 million from investing activities, mainly attributable to the cash purchase of property, plant and equipment of RM0.09 million, comprise mainly electrical equipment, computers and software of RM0.07 million as well as purchase of other investments of RM0.05 million, mainly in relation to money market fund.

**Net cash from financing activities**

For FYE 2022, our Group recorded a net cash outflow of RM1.85 million from financing activities, mainly attributable to the net effects of the following:

(i) drawdown of bankers' acceptances of RM6.19 million for payments to the suppliers;

(ii) repayments of bankers' acceptances of RM5.18 million, term loans of RM0.43 million, hire purchase payables of RM0.09 million and lease liabilities of RM0.04 million;

(iii) dividends paid of RM2.03 million to shareholders of SCASB; and

(iv) interest payments of RM0.21 million, mainly for term loans, hire purchase payables and lease liabilities.

**FYE 2023**

**Net cash from operating activities**

For FYE 2023, our Group recorded a net cash inflow of RM2.13 million from operating activities. We collected RM45.54 million mainly from the following:

(i) RM45.17 million from our customers;

(ii) other income of RM0.18 million received, mainly from rental income; and

(iii) interest received of RM0.19 million, mainly from banks, fixed deposits and other investments.

The above collections were partially offset by cash payments of RM43.41 million in respect of the following:

(i) payments of RM34.57 million to our suppliers;

(ii) payments for staff costs and other operating expenses of RM7.82 million; and

(iii) income tax paid of RM1.02 million.

**Net cash for investing activities**

For FYE 2023, our Group recorded a net cash outflow of RM1.60 million from investing activities, mainly attributable to the following:

(i) purchase of other investments of RM1.03 million, mainly in relation to money market fund;

(ii) net cash for the acquisition of a subsidiary, Greneco, of RM0.28 million;

(iii) cash purchase of investment properties of RM0.18 million, comprise capital work-in-progress for a building; and

**12. FINANCIAL INFORMATION *(Cont'd)***

(iv) cash purchase of property, plant and equipment of RM0.16 million, comprise mainly motor vehicles of RM0.11 million.

**Net cash for financing activities**

For FYE 2023, our Group recorded a net cash outflow of RM2.72 million from financing activities, mainly attributable to the net effects of the following:

(i) drawdown of bankers' acceptances of RM2.91 million for payments to the suppliers;

(ii) repayments of bankers' acceptances of RM2.99 million, term loans of RM0.44 million, hire purchases payables of RM0.13 million and lease liabilities of RM0.05 million;

(iii) dividends paid of RM1.30 million to shareholders of SCASB;

(iv) net advances to related parties of RM0.43 million, mainly for their working capital needs; and

(v) interest payments of RM0.21 million, mainly for term loans, hire purchase payables, lease liabilities and bankers' acceptances.

**FYE 2024**

**Net cash from operating activities**

For FYE 2024, our Group recorded a net cash inflow of RM8.48 million from operating activities. We collected RM57.22 million mainly from the following:

(i) RM56.84 million from our customers;

(ii) other income of RM0.15 million, mainly from rental income; and

(iii) interest received of RM0.23 million from banks, fixed deposits and other investments.

The above collections were partially offset by cash payments of RM48.74 million in respect of the following:

(i) payments of RM37.59 million to our suppliers;

(ii) payments of staff costs and other operating expenses of RM8.86 million; and

(iii) income tax paid of RM2.29 million.

**Net cash for investing activities**

For FYE 2024, our Group recorded a net cash outflow of RM1.94 million from investing activities, mainly attributable to the net effects of the following:

(i) cash purchase of property, plant and equipment of RM1.64 million, comprised mainly of leasehold land and building (Kayu Ara Office 2) of RM1.45 million;

(ii) purchase of other investments of RM0.71 million, mainly in relation to a money market fund; and

(iii) withdrawal of pledged deposits of RM0.37 million.

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Net cash for financing activities**

For FYE 2024, our Group recorded a net cash outflow of RM1.23 million from financing activities, mainly attributable to the net effects of the following:

(i) drawdown of bankers' acceptances of RM9.32 million for payments to the suppliers;

(ii) net drawdown of term loan of RM0.85 million for the purchase of the Kayu Ara Office 2;

(iii) repayments of RM2.32 million by an associate company;

(iv) repayments of bankers' acceptances of RM7.68 million, hire purchase payables of RM0.12 million and lease liabilities of RM0.09 million;

(v) dividends paid of RM5.80 million to shareholders of SCASB;

(vi) interest payments of RM0.29 million, mainly for term loans, hire purchase payables, lease liabilities and bankers' acceptances; and

(vii) net repayments from related parties of RM0.43 million.

**FYE 2025**

**Net cash for operating activities**

For FYE 2025, our Group recorded a net cash inflow of RM6.35 million from operating activities. We collected RM76.66 million mainly from the following.

(i) RM76.11 million from our customers;

(ii) other income of RM0.27 million, mainly from rental income; and

(iii) interest received of RM0.28 million from banks, fixed deposits and other investments.

The above collections were partially offset by cash payments of RM70.31 million in respect of the following:

(i) payments of RM48.45 million to our suppliers;

(ii) payments of staff costs and other operating expenses of RM15.34 million;

(iii) 10% payment of RM1.13 million paid for the purchase of Old Kapar Property; and

(iv) income tax paid of RM5.39 million.

**Net cash for investing activities**

For FYE 2025, our Group recorded a net cash inflow of RM2.90 million from investing activities, mainly attributable to the net effects of the following:

(i) cash purchase of property, plant and equipment of RM0.56 million, comprised mainly of furniture and fittings and renovation costs; and

(ii) proceed from disposal of other investments of RM3.46 million, mainly in relation to quoted unit trusts and money market fund.

## 12. FINANCIAL INFORMATION *(Cont'd)*

**Net cash for financing activities**

For FYE 2025, our Group recorded a net cash outflow of RM7.82 million from financing activities, mainly attributable to the net effects of the following:

(i) drawdown of bankers' acceptances of RM9.08 million for payments to the suppliers;

(ii) repayments of bankers' acceptances of RM9.64 million, term loans of RM0.50 million, hire purchase payables of RM0.17 million and lease liabilities of RM0.12 million;

(iii) dividends paid of RM6.00 million to shareholders of SCASB;

(iv) interest payments of RM0.30 million, mainly for term loans, hire purchase payables, lease liabilities and bankers' acceptances; and

(v) net repayment of advances from directors for our working capital requirements of RM0.18 million.

**FPE 2026**

**Net cash for operating activities**

For FPE 2026, our Group recorded a net cash inflow of RM7.18 million from operating activities. We collected RM45.26 million mainly from the following.

(i) RM45.00 million from our customers;

(ii) other income of RM0.13 million, mainly from rental income; and

(iii) interest received of RM0.13 million from banks, fixed deposits and other investments.

The above collections were partially offset by cash payments of RM38.08 million in respect of the following:

(i) payments of RM29.99 million to our suppliers;

(ii) payments of staff costs and other operating expenses of RM6.41 million; and

(iii) income tax paid of RM1.68 million.

**Net cash for investing activities**

For FPE 2026, our Group recorded a net cash outflow of RM4.24 million from investing activities, mainly attributable to the purchase of other investments of RM4.03 million, mainly in relation to quoted unit trusts.

**Net cash for financing activities**

For FPE 2026, our Group recorded a net cash inflow of RM1.18 million from financing activities, mainly attributable to the net effects of the following:

(i) drawdown of bankers' acceptances of RM5.56 million for payments to the suppliers;

(ii) repayments of bankers' acceptances of RM4.01 million, term loans of RM0.17 million, hire purchase payables of RM0.05 million and lease liabilities of RM0.03 million; and

(iii) interest payments of RM0.14 million, mainly for term loans, hire purchase payables, lease liabilities and bankers' acceptances.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.3 LIQUIDITY AND CAPITAL RESOURCES

#### 12.3.1 Working capital

We finance our operations with cash generated from operations, credit extended by trade payables and external sources of funds. Our external sources of funds comprised mainly term loans, bankers' acceptances and hire purchase payables.

Our Board confirms that we have sufficient funds for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus, taking into consideration the following:

(i) Our cash and cash equivalents of RM16.55 million as at the LPD;

(ii) Our expected future cash flows from operations;

(iii) Our total banking facilities as at the LPD of RM25.21 million (excluding hire purchase payables and lease liabilities), of which RM6.08 million have been utilised; and

(iv) Our pro forma gearing level of 0.10 times, computed based on our pro forma statements of financial position as at 30 June 2026 after the subsequent events, Public Issue and utilisation of proceeds.

At this juncture, we do not foresee any circumstances which may materially affect our liquidity. Our Group has not encountered any major disputes with our debtors. This measure has proven to be effective while maintaining a cordial relationships with our customers.

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## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.4 BORROWINGS

All of our borrowings are secured, interest-bearing and denominated in RM. Our total outstanding borrowings (excluding lease liabilities arising from right-of-use assets of RM0.06 million) as at 30 June 2026 stood at RM7.50 million, details of which are set out below:

| | Purpose | Security | Tenure of the facility | Effective interest rate | As at 30 June 2026 |
|---|---|---|---|---|---|
| | | | | % | RM'000 |
| **Current:** | | | | | |
| Term loans | To finance the purchase of properties and working capital purposes | The term loans are secured by:<br>(a) Guarantee by Credit Guarantee Corporation Bhd ("**CGC**");<br>(b) Pledged fixed deposits;<br>(c) Assignment and power of attorney over the freehold and leasehold land and buildings of SCASB; and<br>(d) Joint and several guarantee by certain directors. | 5 to 25 years | 3.50 to 7.68 | 301 |
| Hire purchase payables | To finance the purchase of motor vehicles | The hire purchase payables are secured by:<br>(a) Legal charge over the motor vehicles; and<br>(b) Joint and several guarantee by certain directors. | 5 to 7 years | 3.89 to 5.75 | 95 |
| Bankers' acceptances | For payments to suppliers | The bankers' acceptances are secured by:<br>(a) Guarantee by CGC; and<br>(b) Joint and several guarantee by certain directors. | Up to 120 days | 4.08 to 4.29 | 3,561 |
| | | | | | 3,957 |
| **Non-current:** | | | | | |
| Term loans | To finance the purchase of properties and working capital purposes | The term loans are secured by:<br>(a) Guarantee by CGC;<br>(b) Pledged fixed deposits;<br>(c) Assignment and power of attorney over the freehold and leasehold land and buildings of SCASB; and<br>(d) Joint and several guarantee by certain directors. | 5 to 25 years | 3.50 to 7.68 | 3,227 |

**12. FINANCIAL INFORMATION *(Cont'd)***

| | Purpose | Security | Tenure of the facility | Effective interest rate | As at 30 June 2026 |
|---|---|---|---|---|---|
| | | | | % | RM'000 |
| Hire purchase payables | To finance the purchase of motor vehicles | The hire purchase payables are secured by:<br>(a) Legal charge over the motor vehicles; and<br>(b) Joint and several guarantee by certain directors. | 5 to 7 years | 3.89 to 5.75 | 317 |
| | | | | | 3,544 |
| **Total borrowings** | | | | | **7,501** |

**Gearing (times)**

| | |
|---|---|
| After the subsequent events, but before Public Issue and utilisation of proceeds[(1)] | 0.16 |
| After the subsequent events, Public Issue and utilisation of proceeds[(2)] | 0.10 |

**Notes:**

(1) Computed based on our pro forma total equity of RM46.61 million in the pro forma statements of financial position after the subsequent events, but before Public Issue and utilisation of proceeds.

(2) Computed based on our pro forma total equity of RM74.89 million in the pro forma statements of financial position after the subsequent events, Public Issue and utilisation of proceeds.

Separately, we have also recognised the following lease liabilities on the right-of-use assets, which are denominated in RM:

| | Purpose | Tenure | As at 30 June 2026 |
|---|---|---|---|
| | | | RM'000 |
| Lease liabilities payable within 1 year | Rental of an office building | Lease of 2 years, with an option to renew the lease after that date | 64 |
| | | | 64 |

As at the LPD, we do not have any borrowings which are non-interest-bearing and/or in foreign currency.

**12. FINANCIAL INFORMATION *(Cont'd)***

We also rely on bank guarantees for performance bonds. Such bank guarantees are used for all aspects of the project lifecycle, from the start of the project up to completion. Our total bank guarantees as at 30 June 2026 stood at RM0.50 million, details as set out below. All our bank guarantees are secured, interest-bearing and denominated in RM.

| | **Purpose** | **Security** | **Tenure of the facility** | **Commission rate** | **As at 30 June 2026** |
|---|---|---|---|---|---|
| | | | | **%** | **RM'000** |
| Bank guarantees | As performance bonds in favour of a supplier and two customers, as approved by the bank in relation to the contract. | (a) Facilities agreement for the sum amount as the principal instrument;<br>(b) CGC to guarantee RM800,000 of the facility plus interest;<br>(c) Joint and several guarantee by certain directors; and<br>(d) Legal charge over fixed deposits. | 12 to 27 months | 0.15% per month, subject to a minimum sum of RM100 and 1.50% per annum | 499 |

The liabilities in respect of the bank guarantees will only crystallise and become payable following a call by our customers. During the Financial Years / Period Under Review, we did not experience any call on the bank guarantees issued to our customers/suppliers.

We have not defaulted on payments of principal sums and/or interests in respect of any of our borrowings throughout the Financial Years / Period Under Review and up to the LPD.

As at the LPD, our Group is not in breach of any terms and conditions or covenants associated with the credit arrangement or bank loan, which could materially affect our financial position and results, business operations or the investments by holders of our securities. During the Financial Years / Period Under Review, we did not experience any clawback or reduction in the facilities limit granted to us by our lenders.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

As at the LPD, save as disclosed in Section 12.4 above, we do not have nor utilise any other financial instruments. We finance our operations mainly through cash generated from our operations, credit extended by our suppliers and external sources of funds which comprise borrowings. The principal usages of these borrowings are for the purchase of properties, motor vehicles and working capital purposes.

Save for our hire purchase payables and certain term loans which carry fixed interest rates, other borrowings bear variable interest rates based on the bank's base lending rate plus or minus a rate, which varies depending on the different types of bank facilities.

Our Group does not hedge our exposure to fluctuations in foreign currency exchange rates. As at the LPD, we have not entered into any foreign exchange contracts.

### 12.6 MATERIAL CAPITAL COMMITMENTS

As at the LPD, save as disclosed below, we do not have any other material capital commitments.

| | **To be funded from Public Issue** | **To be funded internally or via bank borrowings** | **Total** |
|---|---|---|---|
| | **RM'000** | **RM'000** | **RM'000** |
| **Approved and contracted for:** | | | |
| Kapar Property | 10,746 | 846 | 11,592 |
| **Approved and not contracted for:** | | | |
| Renovation for Kapar Property as disclosed in Section 4.8 of this Prospectus | 4,133 | - | 4,133 |
| Property, plant and equipment | - | 165 | 165 |
| | **14,879** | **1,011** | **15,890** |

We plan to meet our capital commitments through the combination of proceeds from our Public Issue as set out in Section 4.8 of this Prospectus, bank borrowings and/or internally generated funds.

### 12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES

As at the LPD, we are not engaged in any material litigation, claim or arbitration either as plaintiff or defendant. There is no proceeding pending or threatened or any fact likely to give rise to any proceeding, which might materially or adversely affect our position or business as at the LPD.

As at the LPD, there are no material contingent liabilities incurred by our Group, which upon becoming enforceable may have a material effect on our business, financial results or position.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.8 KEY FINANCIAL RATIOS

The key financial ratios of our Group for the Financial Years / Period Under Review are as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| Trade receivables turnover (days)[1] | 103 | 98 | 95 | 92 | 84 |
| Trade payables turnover (days)[2] | 62 | 53 | 56 | 56 | 56 |
| Inventory turnover (days)[3] | 96 | 107 | 95 | 77 | 63 |
| Current ratio (times)[4] | 3.40 | 3.32 | 2.49 | 3.30 | 2.65 |
| Gearing ratio (times)[5] | 0.19 | 0.16 | 0.22 | 0.16 | 0.16 |

**Notes:**

(1) Computed based on the average trade receivables and net of allowances for impairment losses as at year/period end, divided by revenue for the respective financial years/period, multiplied by 365/366/181 days for each financial year/period.

(2) Computed based on the average trade payables as at year/period end, divided by the cost of sales for the respective financial years/period, multiplied by 365/366/181 days for each financial year/period.

(3) Computed based on the average inventories as at year/period end, divided by the cost of sales for the respective financial years/period, multiplied by 365/366/181 days for each financial year/period.

(4) Computed based on current assets divided by current liabilities as at the end of each financial year/period.

(5) Computed based on total interest-bearing borrowings (excluding lease liabilities for right-of-use assets) divided by total equity as at the end of each financial year/period.

#### 12.8.1 Trade receivables turnover

Our trade receivables turnover period (days) for the Financial Years / Period Under Review is stated as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Opening trade receivables | 11,347 | 11,748 | 13,542 | 18,534 | 20,965 |
| Closing trade receivables | 11,748 | 13,542 | 18,534 | 20,965 | 26,534 |
| Average trade receivables | 11,548 | 12,645 | 16,038 | 19,750 | 23,750 |
| Revenue | 40,762 | 47,242 | 61,634 | 78,007 | 51,330 |
| Trade receivables turnover period (days) | 103 | 98 | 95 | 92 | 84 |

The normal credit period granted by our Group ranges from 60 to 90 days from the dates of our invoices. Other credit terms are assessed and approved on a case-by-case basis.

Our Group established policies on credit control involving comprehensive credit evaluations, setting up appropriate credit limits, ensuring sales are made to customers with good credit history, and regular reviews of customers' outstanding balances and payment trends. Our Group considers the risk of material loss in the event of non-performance by the customers to be unlikely. Our Group uses ageing analysis to monitor the credit quality of the trade receivables.

**12. FINANCIAL INFORMATION *(Cont'd)***

Our trade receivables turnover periods for FYE 2022, 2023, 2024, 2025 as well as FPE 2026 were 103 days, 98 days, 95 days, 92 days and 84 days, respectively.

Our trade receivables turnover periods of 103 days, 98 days, 95 days and 92 days for FYE 2022, 2023, 2024 and 2025, respectively, have exceeded the normal credit period granted to our customers. This was primarily due to higher sales made in the last quarter of the respective financial years.

Despite the increase in our trade receivables for the Financial Years / Period Under Review, our trade receivables turnover period decreased from 103 days for FYE 2022 to 84 days for FPE 2026, mainly attributable to the improved collections from our customers resulting from our continuous effort to improve our credit control monitoring process.

The ageing analysis of our trade receivables as at 30 June 2026 is as follows:

| | **Trade receivables as at 30 June 2026** | | **Collection from 1 July 2026 to LPD** | **Balance trade receivables as at the LPD** |
|---|---|---|---|---|
| | **RM'000** | **Percentage of trade receivables** | **RM'000** | **RM'000** |
| | **(a)** | **(a)/total of (a)** | **(b)** | **(c) = (a)-(b)** |
| Neither past due nor impaired | 12,375 | 46.64 | 10,588 | 1,787 |
| Past due but not impaired: | | | | |
| - less than 30 days | 7,070 | 26.65 | 6,525 | 545 |
| - 31 to 60 days | 2,288 | 8.62 | 2,124 | 164 |
| - 61 to 90 days | 3,078 | 11.60 | 2,540 | 538 |
| - over 90 days | 1,723 | 6.49 | 1,088 | 635 |
| | 14,159 | 53.36 | 12,277 | 1,882 |
| | **26,534** | **100.00** | **22,865** | **3,669** |

As at the LPD, RM22.87 million or 86.17% of our trade receivables as at 30 June 2026 have been collected. The remaining balances of RM3.67 million have yet to be collected as at the LPD, of which RM1.88 million have exceeded the credit period.

The remaining unsettled balances of RM3.67 million include the following:

(a) Amounts totalling RM0.96 million being impaired subsequent to FPE 2026, comprise the following:-

(i) RM0.61 million relating to a long outstanding amount receivable from a customer which is in the process of negotiating with its main contractor to finalise the final statement of account. As the final statement has yet to be agreed by our customer and its main contractor, and the timing of settlement remains uncertain, our Group recognised an impairment loss to reflect the uncertainty over the recoverability of the outstanding amount; and

(ii) RM0.35 million relating to outstanding amount receivable from a customer which no subsequent collections have been received since the transaction in February 2026 despite numerous follow ups with the customer. In view of the absence of subsequent collections and uncertainty over the timing and recoverability of the outstanding amount as at the date of assessment, our Group recognised an impairment loss accordingly.

**12. FINANCIAL INFORMATION *(Cont'd)***

Our Group will continue to closely monitor and follow up on the outstanding amounts from these 2 customers and assess the appropriate course of action, which may include initiating legal proceedings against these customers, where deemed necessary.

(b) amounts totalling RM0.11 million are retention sums which will be received from our customers after the expiry of the defect liability period; and

(c) the balance trade receivables are being repaid over time.

The management has implemented appropriate debt recovery procedures to minimise the risk of outstanding trade receivables becoming bad debts. The Directors are of the opinion that the remaining trade receivables are recoverable and that no additional impairment provision is necessary, save for RM0.96 million which were impaired subsequent to FPE 2026, taking into consideration our Group's established relationships with these customers, as well as ongoing efforts to enhance collection processes and strengthen credit control measures to mitigate exposure to credit risk.

Our Group has not encountered any major disputes with our trade receivables.

Our impairment losses on trade receivables, bad debts written off, reversal of impairment losses on trade receivables and reversal of bad debts written off for the Financial Years / Period Under Review are as follows:

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Impairment losses on trade receivables[(1)] | - | - | 137 | - | - | 497 |
| Bad debts written off[(2)] | 13 | 5 | 17 | 11 | - | - |
| Reversal of impairment losses on trade receivables[(3)] | - | - | - | (62) | (52) | (25) |
| Bad debts recovered[(4)] | - | - | - | (17) | (17) | - |

**Notes:**

(1) Being general impairment losses on trade receivables and specific impairment losses on individual trade receivables, which were mainly due to long outstanding debts.

(2) Bad debts written off were due to outstanding trade debts that had no reasonable expectation of recovery.

(3) Being reversal of specific impairment losses on individual trade receivables, which resulted from the recovery of payments from customers.

(4) Reversal of bad debts written off was due to payment received which had previously been written off as bad debt.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.8.2 Trade payables turnover

Our trade payables turnover period (days) for the Financial Years / Period Under Review is as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Opening trade payables | 5,797 | 4,835 | 5,091 | 8,567 | 7,683 |
| Closing trade payables | 4,835 | 5,091 | 8,567 | 7,683 | 12,743 |
| Average trade payables | 5,316 | 4,963 | 6,829 | 8,125 | 10,213 |
| Cost of sales | 31,375 | 34,431 | 44,301 | 52,715 | 33,181 |
| Trade payables turnover period (days) | 62 | 53 | 56 | 56 | 56 |

Trade payables comprise amounts outstanding for trade purchases. The credit terms granted to our Group for trade purchases range from 30 to 90 days.

Our trade payables turnover periods for FYEs 2022, 2023, 2024 and 2025 as well as FPE 2026 were 62 days, 53 days, 56 days, 56 days and 56 days, respectively, which were within the normal credit terms granted by our suppliers.

The higher trade payables turnover period of 62 days in FYE 2022 was primarily attributable to higher opening trade payables resulting from extended payment processing timelines caused by movement restrictions during the COVID-19 pandemic.

Our trade payables turnover periods for FYE 2023, FYE 2024, FYE 2025 and FPE 2026 were relatively consistent.

The ageing analysis of our trade payables as at 30 June 2026 is as follows:

| | **Trade payables as at 30 June 2026** | | **Payment from 1 July 2026 to LPD** | **Balance trade payables as at the LPD** |
|---|---|---|---|---|
| | **RM'000** | **Percentage of trade payables** | **RM'000** | **RM'000** |
| | **(a)** | **(a)/total of (a)** | **(b)** | **(c) = (a)-(b)** |
| Within credit period | 11,892 | 93.32 | 11,832 | 60 |
| Exceeding credit period: | | | | |
| - 1 to 30 days | 352 | 2.76 | 333 | 19 |
| - 31 to 60 days | 324 | 2.54 | 313 | 11 |
| - 61 to 90 days | 175 | 1.38 | 175 | - |
| - More than 90 days | - | - | - | - |
| | 851 | 6.68 | 821 | 30 |
| | **12,743** | **100.00** | **12,653** | **90** |

As at the LPD, we have paid RM12.65 million or 99.29% of our trade payables as at 30 June 2026.

As at the LPD, we do not have any disputes in respect of our trade payables, and there are no legal proceedings initiated to demand payment from us.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.8.3 Inventory turnover

Our inventory turnover period (days) for the Financial Years / Period Under Review is as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Opening inventories | 7,842 | 8,634 | 11,588 | 11,521 | 10,687 |
| Closing inventories | 8,634 | 11,588 | 11,521 | 10,687 | 12,555 |
| Average inventories | 8,238 | 10,111 | 11,555 | 11,104 | 11,621 |
| Cost of sales | 31,375 | 34,431 | 44,301 | 52,715 | 33,181 |
| Inventory turnover period (days) | 96 | 107 | 95 | 77 | 63 |

Our inventories comprise trading products. We typically maintain inventory levels sufficient to meet anticipated customer demand.

Our inventory turnover periods for FYE 2022, 2023, 2024 and 2025 as well as FPE 2026 were 96 days, 107 days, 95 days, 77 days and 63 days, respectively.

Our inventory turnover period increased from 96 days for FYE 2022 to 107 days for FYE 2023, mainly attributable to the increase in trading products inventories resulting from higher purchases during FYE 2023 to cater to the anticipated increased orders from the HVAC and fire safety segments in the coming months.

Our inventory turnover period decreased from 107 days for FYE 2023 to 95 days for FYE 2024, primarily due to lower trading products inventories as higher trading products were sold, which increased in tandem with higher revenue for FYE 2024.

Our inventory turnover period decreased from 95 days for FYE 2024 to 77 days for FYE 2025, mainly attributable to lower levels of trading products inventory resulting from increased sales in FYE 2025. In addition, the replenishment of certain products was received subsequent to the end of FYE 2025.

Notwithstanding the increase in our inventory level as at the end of FPE 2026 to cater for our increased sales, our inventory turnover period decreased from 77 days for FYE 2025 to 63 days for FPE 2026. The decrease was primarily attributable to higher volumes of trading products sold during FPE 2026.

We review our inventories on a product-by-product and ageing basis during periodic stock counts and we make allowances for damaged, obsolete (end-of-life) and slow-moving inventories, when necessary. Management estimates the net realisable value of such inventory items primarily based on the current market conditions. Our Group has adopted a policy on impairment losses for slow-moving inventory, under which inventory that has not moved for one year is fully impaired. Those damaged and obsolete (end-of-life) inventories are fully written off when identified.

**12. FINANCIAL INFORMATION *(Cont'd)***

Our impairment/write off on slow-moving inventories for the Financial Years / Period Under Review are as follows:

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2025 | FPE 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Impairment losses on slow-moving inventories[(1)] | 477 | - | - | 684 | 158 | - |
| Reversal of impairment losses on slow-moving inventories[(2)] | - | (152) | (155) | - | - | (491) |
| Inventories written off[(3)] | - | - | - | 6 | - | - |

**Notes:**

(1) Impairment losses on slow-moving inventories were recognised for inventories with no movement for a period of one year.

(2) Reversals of impairment losses on slow-moving inventories were recognised when the inventories were subsequently sold or consumed.

(3) Inventories written off were mainly for damaged inventories.

**12.8.4 Current ratio**

Our current ratio for the Financial Years / Period Under Review is as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | As at 31 December | | | | As at 30 June |
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Current assets | 31,620 | 34,726 | 41,741 | 46,831 | 58,405 |
| Current liabilities | 9,309 | 10,471 | 16,772 | 14,177 | 22,012 |
| Net current assets | 22,311 | 24,255 | 24,969 | 32,654 | 36,393 |
| Current ratio (times) | 3.40 | 3.32 | 2.49 | 3.30 | 2.65 |

Our current ratio ranges from 2.49 times to 3.40 times for the Financial Years / Period Under Review. This indicates that our Group can meet our current obligations as our current assets, such as trade receivables, which can be readily converted into cash, together with our short-term deposits and bank balances, are enough to meet immediate current liabilities.

Our current ratio of 3.40 times as at 31 December 2022 was relatively consistent with 3.32 times as at 31 December 2023.

The current ratio decreased to 2.49 times as at 31 December 2024, compared to 3.32 times as at 31 December 2023, primarily due to the net effects of the following:

(a) increase in cash and short-term deposits of RM4.92 million or 89.29% to RM10.43 million as at 31 December 2024 (31 December 2023: RM5.51 million), mainly due to higher cash generated from our business operations in FYE 2024;

**12. FINANCIAL INFORMATION *(Cont'd)***

(b) increase in trade and other receivables of RM2.05 million or 12.15% to RM18.92 million as at 31 December 2024 (31 December 2023: RM16.87 million), mainly due to increase in trade receivables of RM4.99 million as higher sales made in the last quarter of FYE 2024, which was partially offset by the decrease in amount owing by an associate company of RM2.32 million as full settlement of outstanding balances owed by an associate in FYE 2024;

(c) increase in trade and other payables by RM3.80 million or 49.54% to RM11.47 million as at 31 December 2024 (31 December 2023: RM7.67 million), mainly due to the increase in trade payables of RM3.48 million as higher purchases were made in the last quarter of FYE 2024; and

(d) increase in loans and borrowings by RM2.42 million or 47.36% to RM7.53 million as at 31 December 2024 (31 December 2023: RM5.11 million), mainly due to net drawdown of bankers' acceptances for payments to the suppliers and drawdown of term loan for the purchase of the Kayu Ara Office 2.

Our current ratio increased from 2.49 times as at 31 December 2024 to 3.30 times as at 31 December 2025, mainly due to the net effects of the following:

(a) increase in trade and other receivables of RM4.48 million or 23.68% to RM23.40 million as at 31 December 2025 (31 December 2024: RM18.92 million), primarily due to an increase in other receivables of RM1.65 million, contributed largely by the 10% payment of RM1.13 million paid for the purchase of Old Kapar Property as well as prepaid listing expenses of RM0.42 million, which will be offset against share capital upon the completion of the Public Issue, and increase in trade receivables of RM2.44 million as higher sales made in the last quarter of FYE 2025;

(b) increase in cash and short-term deposits of RM1.39 million or 13.33% to RM11.82 million as at 31 December 2025 (31 December 2024: RM10.43 million), mainly due to higher cash generated from our business operations in FYE 2025 as well as the proceeds from the disposal of other investments; and

(c) decrease in current tax liabilities of RM1.17 million or 95.12% to RM0.06 million as at 31 December 2025 (as at 31 December 2024: RM1.23 million), mainly due to settlement of tax payable for the year of assessment 2024 during FYE 2025.

Our current ratio decreased from 3.30 times as at 31 December 2025 to 2.65 times as at 30 June 2026, mainly due to the net effects of the following:

(a) increase in trade and other payables of RM4.81 million or 45.68% to RM15.34 million as at 30 June 2026 (as at 31 December 2025: RM10.53 million), mainly due to the increase in trade payables of RM5.06 million as higher purchases were made in the last quarter of FPE 2026;

(b) increase in current tax liabilities of RM1.14 million or 1,900.00% to RM1.20 million as at 30 June 2026 (as at 31 December 2025: RM0.06 million), mainly due to estimated tax expenses resulting from the PBT recorded for FPE 2026;

(c) increase in trade and other receivables of RM5.11 million or 21.84% to RM28.51 million as at 30 June 2026 (31 December 2025: RM23.40 million), mainly due to the increase in trade receivables as higher sales were made in the last quarter of FPE 2026; and

(d) increase in cash and short-term deposits of RM4.13 million or 34.94% to RM15.95 million as at 30 June 2026 (31 December 2025: RM11.82 million), mainly due to higher cash generated from our business operations in FPE 2026.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.8.5 Gearing ratio

Our gearing ratio for the Financial Years / Period Under Review is as follows:

| | Audited | | | | |
|---|---|---|---|---|---|
| | As at 31 December | | | | As at 30 June |
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Total borrowings[(1)] | 5,137 | 4,861 | 7,285 | 6,157 | 7,501 |
| Total equity | 27,529 | 31,035 | 33,017 | 37,663 | 45,614 |
| Gearing ratio (times) | 0.19 | 0.16 | 0.22 | 0.16 | 0.16 |

**Note:**

(1) Computed based on total interest-bearing borrowings (excluding lease liabilities for right-of-use assets) over total equity as at the end of each financial year/period.

Our gearing ratio ranges from 0.16 times to 0.22 times for the Financial Years / Period Under Review.

Our gearing ratio decreased from 0.19 times as at 31 December 2022 to 0.16 times as at 31 December 2023, mainly attributable to the increase in total equity of RM3.51 million as a result of the increase in our Group's retained earnings arising from our PAT of RM5.09 million for FYE 2023, which was partially offset by the dividend declared and paid of RM1.30 million for FYE 2023.

Our gearing ratio increased from 0.16 times as at 31 December 2023 to 0.22 times as at 31 December 2024, mainly attributable to the increase in total borrowings of RM2.43 million, resulting from a term loan drawdown for the purchase of the Kayu Ara Office 2. Such an increase was partially offset by the increase in total equity of RM1.98 million as a result of the increase in our Group's retained earnings arising from our PAT of RM7.78 million for FYE 2024, which was partially offset by the dividend declared and paid of RM5.80 million for FYE 2024.

Our gearing ratio decreased from 0.22 times as at 31 December 2024 to 0.16 times as at 31 December 2025, mainly attributable to the increase in total equity of RM4.64 million as a result of the increase in our Group's retained earnings arising from our PAT of RM10.65 million for FYE 2025, which was partially offset by the dividend declared and paid of RM6.00 million for FYE 2025.

Our gearing ratio for 31 December 2025 and 30 June 2026 remained consistent at 0.16 times.

## 12.9 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES

There were no government, economic, fiscal or monetary policies or factors which had materially affected our operations during the Financial Years / Period Under Review. There is no assurance that our financial performance will not be adversely affected by the impact of further changes in government, economic, fiscal or monetary policies or factors moving forward.

Risks relating to government, economic, fiscal or monetary policies or factors which may materially affect our operations are set out in Section 9 of this Prospectus.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.10 IMPACT OF INFLATION

During the Financial Years / Period Under Review, our financial performance was not materially affected by inflation. However, there is no assurance that our financial performance will not be adversely affected by inflation moving forward. Any significant increase in our costs of sales in the future may adversely affect our operations and performance if we are unable to pass on the higher costs to our customers through an increase in selling prices.

### 12.11 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR OPERATIONS

**(i) Impact of foreign exchange rates**

Our proportions of sales and purchases transactions denominated in local and foreign currencies are as follows:

| | FYE 2022 | | FYE 2023 | | FYE 2024 | |
|---|---|---|---|---|---|---|
| | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** |
| Sales denominated in: | | | | | | |
| (a) RM | 39,960 | 98.03 | 45,208 | 95.70 | 61,296 | 99.45 |
| (b) SGD | 794 | 1.95 | 1,626 | 3.44 | 301 | 0.49 |
| (c) IDR | 7 | 0.02 | 389 | 0.82 | 37 | 0.06 |
| (d) USD | 1 | * | 19 | 0.04 | - | - |
| | **40,762** | **100.00** | **47,242** | **100.00** | **61,634** | **100.00** |
| Purchases denominated in: | | | | | | |
| (a) RM | 28,069 | 94.70 | 31,903 | 92.29 | 38,172 | 93.98 |
| (b) USD | 1,202 | 4.05 | 1,868 | 5.40 | 1,794 | 4.42 |
| (c) RMB | 161 | 0.54 | 745 | 2.16 | 647 | 1.59 |
| (d) EUR | 209 | 0.71 | - | - | - | - |
| (e) SGD | - | - | 53 | 0.15 | 4 | 0.01 |
| | **29,641** | **100.00** | **34,569** | **100.00** | **40,617** | **100.00** |

| | FYE 2025 | | FPE 2025 | | FPE 2026 | |
|---|---|---|---|---|---|---|
| | **RM'000** | **%** | **RM'000** | **%** | **RM'000** | **%** |
| Sales denominated in: | | | | | | |
| (a) RM | 77,549 | 99.41 | 37,757 | 99.03 | 50,903 | 99.17 |
| (b) SGD | 186 | 0.24 | 99 | 0.26 | 270 | 0.53 |
| (c) IDR | 264 | 0.34 | 263 | 0.69 | 157 | 0.31 |
| (d) USD | 8 | 0.01 | 8 | 0.02 | - | - |
| | **78,007** | **100.00** | **38,127** | **100.00** | **51,330** | **100.00** |
| Purchases denominated in: | | | | | | |
| (a) RM | 43,717 | 92.65 | 22,918 | 92.65 | 30,934 | 95.11 |
| (b) USD | 2,493 | 5.28 | 1,311 | 5.30 | 1,359 | 4.18 |
| (c) RMB | 558 | 1.18 | 149 | 0.60 | 233 | 0.72 |
| (d) EUR | 421 | 0.89 | 358 | 1.45 | - | - |
| (e) SGD | - | - | - | - | - | - |
| | **47,189** | **100.00** | **24,736** | **100.00** | **32,526** | **100.00** |

**Note:**

* Less than 0.01%

We are exposed to fluctuations in foreign exchange rates as a portion of our sales and purchases were denominated in USD as stated in the table above. Any significant change in foreign exchange rates may affect our financial performance.

**12. FINANCIAL INFORMATION *(Cont'd)***

For the Financial Years / Period Under Review, our gains and losses from foreign exchange fluctuations are as follows:

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| Realised gain/(loss) on foreign exchange | 2 | (7) | 10 | 49 | (5) | 113 |
| Unrealised gain/(loss) on foreign exchange | 14 | 9 | (8) | (35) | (22) | 15 |
| **Net gain/(loss)** | **16** | **2** | **2** | **14** | **(27)** | **128** |

**Note:**

* Less than RM1,000.

We currently do not have a formal policy for our foreign exchange transactions. Our exposure to foreign exchange is monitored on an ongoing basis, and our Group endeavours to keep net exposure at an acceptable level.

Our Group does not hedge our exposure to fluctuations in foreign currency exchange rates. As at the LPD, we have not entered into any foreign exchange contracts. As such, we are exposed to foreign exchange risks on sales and purchases denominated in foreign currencies.

**(ii) Impact of interest rates**

Interest coverage ratio measures the number of times a company can make its interest payments with its EBIT. Our interest coverage ratio for the Financial Years / Period Under Review is as follows:

| | Audited | | | | Unaudited | Audited |
|---|---|---|---|---|---|---|
| | **FYE 2022** | **FYE 2023** | **FYE 2024** | **FYE 2025** | **FPE 2025** | **FPE 2026** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| EBIT | 4,197 | 6,905 | 10,577 | 14,753 | 8,271 | 10,939 |
| Finance costs | 210 | 210 | 300 | 304 | 170 | 141 |
| Interest coverage ratio (times)[(1)] | 19.99 | 32.88 | 35.26 | 48.53 | 48.65 | 77.58 |

**Note:**

(1) Computed based on EBIT over finance costs for the Financial Years / Period Under Review.

Our interest coverage ratios range from 19.99 times to 77.58 times for the Financial Years/Period Under Review, indicating that our Group has been able to generate sufficient profits from operations to meet our interest-servicing obligations.

**(iii) Impact of commodity prices**

As at the LPD, our Group is not affected by fluctuations in commodity prices.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.12 MATERIAL INVESTMENT AND MATERIAL DIVESTITURES

We have undertaken material investments and material divestitures for the Financial Years / Period Under Review and up to the LPD as follows:

**(i) Material investments**

| | Audited | | | | | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | From 1 July 2026 and up to LPD |
| **At cost:** | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **PPE** | | | | | | |
| Furniture and fittings | 4 | 3 | 3 | 203 | 45 | * |
| Office equipment | 7 | 24 | 25 | 84 | 65 | 3 |
| Electrical, computers and software | 65 | 22 | 74 | 52 | 54 | 30 |
| Renovation | - | - | 68 | 208 | 42 | - |
| Motor vehicles | 87 | (1)498 | 72 | 119 | - | - |
| Right-of-use assets | - | 236 | (2)1,545 | 124 | - | - |
| | 163 | 783 | 1,787 | 790 | 206 | 33 |
| **Investment properties** | | | | | | |
| Freehold land | - | - | - | - | - | - |
| Building | - | - | - | - | - | - |
| Capital work-in-progress(3) | 36 | 179 | 18 | - | - | - |
| | 36 | 179 | 18 | - | - | - |
| **Total** | **199** | **962** | **1,805** | **790** | **206** | **33** |

The above capital expenditures were made in Malaysia. They were primarily funded via a combination of bank borrowings and/or internally generated funds.

**Notes:**

* Less than RM1,000.

(1) Comprise of purchase of 2 motor vehicles for business use.

(2) Comprise mainly the purchase of the Kayu Ara Office 2 for our management office and storage.

(3) Capital work-in-progress for an apartment held to earn rentals and/or capital appreciation.

**(ii) Material divestitures**

There were no material divestitures of assets during the Financial Years / Period Under Review.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.13 ORDER BOOK

Details of our Group's unbilled order book as at the LPD are as follows:

| | Number of projects involved | Unbilled order book as at the LPD | Expected revenue recognition | |
|---|---|---|---|---|
| | | | FYE 2026 | FYE 2027 |
| | | RM'000 | RM'000 | RM'000 |
| **Provision of HVAC instrumentation solutions** | **52** | **8,179** | **1,235** | **6,944** |
| • Commercial | 27 | 5,324 | 845 | 4,479 |
| • Industrial | 10 | 1,399 | - | 1,399 |
| • Infrastructure | 3 | 187 | 150 | 37 |
| • Institutional | 12 | 1,269 | 240 | 1,029 |
| **Provision of fire safety instrumentation solutions** | **48** | **21,130** | **9,507** | **11,623** |
| • Commercial | 22 | 2,152 | 1,108 | 1,044 |
| • Industrial | 17 | 18,119 | 7,938 | 10,181 |
| • Infrastructure | 1 | 81 | 32 | 49 |
| • Institutional | 8 | 778 | 429 | 349 |
| **Water treatment solutions** | **32** | **2,820** | **648** | **2,172** |
| • Commercial | 13 | 209 | 50 | 159 |
| • Industrial | 12 | 2,349 | 571 | 1,778 |
| • Institutional | 7 | 262 | 27 | 235 |
| **Provision of HVAC and fire safety instrumentation solutions** | **8** | **3,684** | **938** | **2,746** |
| • Commercial | 2 | 137 | 33 | 104 |
| • Industrial | 4 | 2,317 | 583 | 1,734 |
| • Infrastructure | 1 | 693 | 161 | 532 |
| • Institutional | 1 | 537 | 161 | 376 |
| **Provision of HVAC and fire safety instrumentation solutions as well as water treatment solutions** | **5** | **2,030** | **425** | **1,605** |
| • Commercial | 1 | 237 | 92 | 145 |
| • Industrial | 3 | 1,588 | 308 | 1,280 |
| • Institutional | 1 | 205 | 25 | 180 |
| **Provision of HVAC instrumentation solutions and water treatment solutions** | **5** | **3,292** | **1,222** | **2,070** |
| • Commercial | 3 | 2,699 | 694 | 2,005 |
| • Infrastructure | 1 | 45 | 17 | 28 |
| • Institutional | 1 | 548 | 511 | 37 |
| **Provision of fire safety instrumentation solutions and water treatment solutions** | **3** | **5,521** | **527** | **4,994** |
| • Industrial | 3 | 5,521 | 527 | 4,994 |
| | **153** | **46,656** | **14,502** | **32,154** |

## 12. FINANCIAL INFORMATION *(Cont'd)*

The order book above pertains to the secured purchase orders from our customers to be fulfilled.

### 12.14 DIRECTORS' DECLARATION ON OUR FINANCIAL PERFORMANCE

Our Board is of the opinion that:

(i) our revenue will remain sustainable with an upward growth trend, in line with the anticipated growth in the HVAC and fire safety instrumentation industry as set out in the IMR Report;

(ii) our liquidity will improve further subsequent to the Public Issue given the additional funds to be raised for our Group to carry out our business strategies as stated in Section 7.13 of this Prospectus; and

(iii) our capital resources will strengthen, taking into account the amount to be raised from the Public Issue as well as internally generated funds. We may consider debt or equity funding for our capital expansion should the need arise.

In addition to the above, our Board confirms that there are no circumstances which would result in a significant decline in our revenue and GP margin or know of any factors that are likely to have a material impact on our liquidity, revenue or profitability.

### 12.15 TREND INFORMATION

As at the LPD, our financial performance, position and operations are not affected by any of the following:

(i) 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 financial performance, position and operations, save as disclosed in Sections 7, 8, 9, and 12.2 of this Prospectus;

(ii) material commitments for capital expenditure as disclosed in Section 12.6 of this Prospectus;

(iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected our financial performance, position and operations of our Group, save as disclosed in Sections 9 and 12 of this Prospectus;

(iv) known trends, demands, commitments, events or uncertainties that have resulted in a substantial increase in our Group's revenue, save as disclosed in Sections 12.2 of this Prospectus; and

(v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our historical financial statements not indicative of the future financial performance and position, save as disclosed in Sections 9 and 12 of this Prospectus.

Our Board is optimistic about the future prospects of our Group given our competitive strengths as set out in Section 7.12 of this Prospectus, the outlook of the HVAC and fire safety instrumentation industry in Malaysia as set out in the IMR Report in Section 8 of this Prospectus, and our commitment to implement the future plans and strategies as set out in Section 7.13 of this Prospectus.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.16 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy and the declaration of dividends and other distributions is subject to the discretion of our Board. It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. However, our ability to pay dividends or make other distributions to our shareholders in future years is subject to various factors, such as having profits and excess funds, which are not required to be retained for the working capital of our business.

Our Board will consider the following factors (which may not be exhaustive) when recommending dividends for approval by our shareholders or when declaring any interim dividends:

(i) the level of cash and the level of indebtedness;

(ii) required and expected interest expense, cash flows, profits, return on equity and retained earnings;

(iii) our expected results of operations and future level of operations;

(iv) our projected levels of capital expenditure and other investment plans; and

(v) the prior notifications to our lenders, if any.

As we are a holding company, our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our Subsidiaries, present and future. The payment of dividends by our Subsidiaries is dependent upon various factors, including but not limited to, their distributable profits, financial performance, and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of Directors deem relevant. Save for certain restrictive covenants from our credit facilities, which our Subsidiaries are subject to, there is no other dividend restriction imposed on our Subsidiaries as at the LPD.

For the Financial Years / Period Under Review and up to LPD, we declared and paid the following dividends:

| | Audited | | | | | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 2022 | FYE 2023 | FYE 2024 | FYE 2025 | FPE 2026 | 1 July 2026 up to LPD |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Dividends declared | 2,025 | 1,300 | 5,800 | (1)6,283 | - | - |
| Cash dividends paid | 2,025 | 1,300 | 5,800 | 6,000 | - | - |
| Dividend-in-Specie | - | - | - | 283 | - | - |

**Note:**

(1) Inclusive the Dividend-in-Specie of RM0.28 million.

As at the LPD, there are no outstanding dividends declared and unpaid. Subsequent to LPD, no dividend was declared, made or paid by our Group. Our Group does not intend to declare any dividend prior to our Listing.

On 18 December 2025, SCASB had declared 255,000 ordinary shares in Greneco, representing 51.00% equity interest in Greneco, by way of dividend-in-specie to Tan Cheng Eng and Liong Chian Leek. The Dividend-in-Specie was completed on 29 December 2025 with Tan Cheng Eng and Liong Chian Leek then held 163,200 ordinary shares (representing 32.64%) and 91,800 ordinary shares (representing 18.36%) respectively in Greneco.

## 12. FINANCIAL INFORMATION *(Cont'd)*

The dividends (save for Dividend-in-Specie) above were funded by internally generated cash. The dividends will not affect the execution and implementation of our future plans or business strategies. Together with the IPO proceeds, we believe that we have sufficient funding of cash from operations for the funding requirements for our operations and our expansion plans.

No inference should or can be made from any of the above statements as to our actual future profitability or our ability to pay dividends in the future.

### 12.17 CAPITALISATION AND INDEBTEDNESS

The table below summarises our capitalisation and indebtedness as at 30 September 2026 and after adjusting for the effects of the subsequent events, the Public Issue and the utilisation of proceeds.

| | Unaudited | I | II | III |
|---|---|---|---|---|
| | As at 30 September 2026 | After the Subsequent Events | After the Public Issue | After I, II and the Utilisation of Proceeds |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| **Capitalisation** | | | | |
| Share capital | 33,421 | 33,421 | 65,341 | 63,660 |
| Reorganisational reserve | (32,604) | (32,604) | (32,604) | (32,604) |
| **Total capitalisation** | **817** | **817** | **32,737** | **31,056** |
| **Indebtedness** | | | | |
| **Current** | | | | |
| ***Secured and guaranteed*** | | | | |
| Term loans | 305 | 305 | 305 | 305 |
| Hire purchase payables | 53 | 53 | 53 | 53 |
| Bankers' acceptances | 1,151 | 1,151 | 1,151 | 1,151 |
| Bank overdraft | 932 | 932 | 932 | 932 |
| | 2,441 | 2,441 | 2,441 | 2,441 |
| ***Unsecured and unguaranteed*** | | | | |
| Lease liabilities | 60 | 60 | 60 | 60 |
| **Non-current** | | | | |
| ***Secured and guaranteed*** | | | | |
| Term loans | 3,149 | 3,149 | 3,149 | 3,149 |
| Hire purchase payables | 141 | 141 | 141 | 141 |
| | 3,290 | 3,290 | 3,290 | 3,290 |
| **Total indebtedness** | **5,791** | **5,791** | **5,791** | **5,791** |
| **Total capitalisation and indebtedness** | **6,608** | **6,608** | **38,528** | **36,847** |
| **Gearing ratio (times)**[(1)] | **7.01** | **7.01** | **0.18** | **0.18** |

**Note:**

(1) Computed based on total indebtedness (excluded lease liabilities for right-of-use assets) divided by total capitalisation.

## 12. FINANCIAL INFORMATION *(Cont'd)*

### 12.18 REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

Baker Tilly Monteiro Heng PLT
201906000600
Chartered Accountants (AF 0117)
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Bangsar South City
59200 Kuala Lumpur, Malaysia

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30 October 2026

The Board of Directors
**SCA Solutions Berhad**
No 10, Jalan PJU 6A/3A
Kayu Ara Business Park
47400 Petaling Jaya
Selangor

Dear Sirs,

**SCA SOLUTIONS BERHAD ("SCA" OR THE "COMPANY")**

**REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 INCLUDED IN A PROSPECTUS**

We have completed our assurance engagement to report on the compilation of the pro forma consolidated statements of financial position of SCA Solutions Berhad and its subsidiaries, namely Source Code Asia Sdn. Bhd., Greneco Sdn. Bhd., Ace Victech Sdn. Bhd. (collectively referred to as the "Group") for which the Board of Directors of SCA are solely responsible. The pro forma consolidated statements of financial position consist of the pro forma consolidated statements of financial position as at 30 June 2026 together with the accompanying notes thereon, as set out in the accompanying statements, for which we have stamped for the purpose of identification. The applicable criteria on the basis of which the Board of Directors of SCA have compiled the pro forma consolidated statements of financial position are as described in Note 2 to the pro forma consolidated statements of financial position and in accordance with the requirements 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 Malaysia Institute of Accountants ("Applicable Criteria").

The pro forma consolidated statements of financial position of the Group has been compiled by the Board of Directors of SCA, for illustrative purposes only, for inclusion in the prospectus of SCA ("Prospectus") in connection with the listing of and quotation for the entire enlarged issue share capital of SCA on the ACE Market of Bursa Malaysia Securities Berhad Listing, after making certain assumption and such adjustments to show the effects on the pro forma consolidated financial statement of the Group as at 30 June 2026 adjusted for the subsequent event, public issue, offer of sale and utilisation of proceeds as described in Notes 1.2.1, 1.3.1 and 3.2.2 respectively as if the events have occurred or the transactions have been undertaken throughout the financial year.

Baker Tilly Monteiro Heng PLT trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

As part of this process, information about the Group's consolidated statement of financial position has been extracted by the Board of Directors of SCA from the audited consolidated financial statements of the Group for the 6-month financial year ended ("FPE") 30 June 2026, on which a reporting accountants' report dated 30 October 2026 has been issued.

The audited consolidated financial statements of the Group for the 6-month FPE 30 June 2026 were reported by us to its members without any modifications.

***Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position***

The Board of Directors of SCA are responsible for compiling the pro forma consolidated statements of financial position based on the Applicable Criteria.

***Our Independence and Quality Management***

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 for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies *International Standard on Quality Management 1 (ISQM 1), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

***Reporting Accountants' Responsibilities***

Our responsibility is to express an opinion, on whether the pro forma consolidated statements of financial position have been compiled, in all material respects, by the Board of Directors of SCA based on the Applicable Criteria.

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 the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors of SCA have compiled, in all material respects, the pro forma consolidated statements of financial position based on the Applicable Criteria.

**SCA SOLUTIONS BERHAD**
Reporting Accountants' Report on the Compilation of the
Pro Forma Consolidated Statements of Financial Position
as at 30 June 2026 Included in a Prospectus

***Reporting Accountants' Responsibilities (Continued)***

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated 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 consolidated statements of financial position. In providing this opinion, we do not accept any responsibility for such reports or opinion beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

The purpose of the pro forma consolidated statements of financial position included in the Prospectus is solely to illustrate the impact of significant events or transactions on the unadjusted financial information of the Group as if the events had occurred or the transaction had been undertaken at an earlier date selected for illustrative purposes only. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position have been compiled, in all material respects, based on the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Board of Directors of SCA in the compilation of the pro forma consolidated statements of financial position of the Group provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

(a) the related pro forma adjustments give appropriate effect to those criteria; and

(b) the pro forma consolidated statements of financial position reflect the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the pro forma consolidated statements of financial position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**SCA SOLUTIONS BERHAD**
Reporting Accountants' Report on the Compilation of the
Pro Forma Consolidated Statements of Financial Position
as at 30 June 2026 Included in a Prospectus

***Opinion***

In our opinion, the pro forma consolidated statements of financial position of the Group have been compiled, in all material respects, on the basis set out in the notes thereon to the pro forma consolidated statements of financial position, in accordance with the applicable criteria.

***Other Matters***

This report has been prepared for inclusion in the Prospectus of SCA in connection with the listing and quotation for the entire enlarged issued share capital on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be used, circulated, quoted or otherwise referred to in any document or used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Paul Tan Hong
No. 03459/11/2027 J
Chartered Accountant

**SCA SOLUTIONS BERHAD AND ITS SUBSIDIARIES**

## PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

### 1. INTRODUCTION

The pro forma consolidated statements of financial position of SCA Solutions Berhad ("SCA" or the "Company") and its subsidiaries, namely Source Code Asia Sdn. Bhd. ("SCASB"), Greneco Sdn. Bhd. ("Greneco") and Ace Victech Sdn. Bhd. ("Ace Victech") (hereinafter collectively referred to as the "Group") has been compiled by the Board of Directors of SCA, for inclusion in the prospectus of SCA in connection with the listing and quotation for the entire enlarged issued share capital of SCA on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing").

1.1 In conjunction with the admission of SCA to the Official List of Bursa Securites and the Listing, SCA had undertaken the following transactions:

1.2 **Subsequent Event**

1.2.1 The Company has undertaken the subsequent event as follows:

(i) Termination of Old Kapar Property (as defined herein) and acquisition of Kapar Property (as defined herein)

On 25 April 2025, SCASB had entered into a sale and purchase agreement with Golden Valley Development Sdn. Bhd. ("Golden Valley") for an acquisition of a single storey detached factory with 3-storey office known as Lot 12, Golden Valley Industrial Park I @ Kapar to be erected on part of the freehold industrial land held under the master title H.S. (D) 165121, PT 84458, Mukim Kapar, Daerah Klang, Selangor ("Old Kapar Property"), for a purchase consideration of RM11,342,680.80. The acquisition will be partly financed through long-term financing facilities. Pursuant to the agreement, SCA paid a deposit representing 10% of the purchase consideration, amounting to RM1,134,268.08.

The sale and purchase of the Old Kapar Property was mutually terminated by the parties pursuant to the deed of rescission dated 29 September 2026 ("Deed"), upon the request by the Golden Valley. Pursuant to the Deed, Golden Valley is required to pay SCASB a full refund of RM1,134,268.08, being 10% of the purchase price, within 30 days from the date of the Deed (free of interest) and an additional voluntary compensation sum of RM1,000,000.00 within 90 days from the date of the Deed. Golden Valley has refunded RM1,134,268.08 to SCASB on 2 October 2026 and made a payment of RM1,000,000.00 as an additional voluntary compensation on 30 October 2026.

**SCA SOLUTIONS BERHAD AND ITS SUBSIDIARIES**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

1. (Continued)

1.2 (Continued)

1.2.1 The Company has undertaken the subsequent event as follows: (continued)

(i) Termination of Old Kapar Property (as defined herein) and acquisition of Kapar Property as defined herein) (continued)

On 29 September 2026, SCA had also entered into a sale and purchase agreement with Bukit Saujana Jaya Sdn. Bhd. for an acquisition of a single storey detached factory with 3-storey office building known as Plot No. 9, West Coast Industrial Park @ Kapar, Klang, Selangor to be erected on the freehold industrial land held under the individual title H.S. (D) 319553, PT 165641, Mukim Kapar, Daerah Klang, Negeri Selangor ("Kapar Property"), for a purchase consideration of RM12,880,000.00. As 20 October 2026, being the latest practicable date ("LPD"), SCASB has paid RM1,288,000.00, being 10% of the purchase price. The payment of RM1,288,000.00 was partly funded via the refund from the Golden Valley and the remaining balance of RM153,731.92 was funded via the cash and bank balances of SCASB.

In addition, SCA had on 26 October 2026 executed a supplementary letter of offer to assign the existing long-term financing facility relating to the Old Kapar Property, to the Kapar Property.

**SCA SOLUTIONS BERHAD AND ITS SUBSIDIARIES**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

1. (Continued)

1.3 **Listing Scheme**

1.3.1 **Public Issue**

A total of 114,000,000 Shares ("IPO Shares"), representing approximately 20.01% of the enlarged issued Shares of SCA, will be issued at RM0.28 per IPO Share ("IPO Price"), in the following manner:

(i) 28,500,000 IPO Shares, representing 5.00% of the enlarged issued Shares, will be made available for application by the Malaysian Public, to be allocated via balloting process as follows:
   (a) 14,250,000 IPO Shares made available to Bumiputera public investors; and
   (b) 14,250,000 IPO Shares made available to non-Bumiputera public investors;

(ii) 5,696,200 IPO Shares, representing 1.00% of the enlarged issued Shares, will be reserved for application by the eligible directors, employees of the Group; and

(iii) 8,599,800 IPO Shares, representing 1.51% of the enlarged issued Shares, will be available for application by way of private placement to selected investors.

(iv) 71,204,000 IPO Shares, representing 12.50% of the enlarged issued Shares, will be available by way of private placement to selected Bumiputera investors approved by the Ministry of Investment, Trade and Industry.

(Collectively hereinafter referred to as "Public Issue").

1.3.2 **Offer for Sale**

A total of 56,900,000 existing shares to be offered under Offer for Sale, representing 9.99% of the enlarged issued Shares.

1.3.3 **Listing**

Upon completion of the Public Issue, SCA's entire enlarged issued Shares of RM65.34 million comprising 569,625,400 Shares will be listed on the ACE Market of Bursa Securities.

**SCA SOLUTIONS BERHAD AND ITS SUBSIDIARIES**

## 2. BASIS OF PREPARATION OF THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

2.1 The pro forma consolidated statements of financial position have been prepared to illustrate the pro forma consolidated financial position of the Group as at 30 June 2026, adjusted for the Subsequent Events, Public Issue and Utilisation of Proceeds as described in Notes 1.2.1, 1.3.1 and 3.2.2 respectively.

2.2 The pro forma consolidated statements of financial position have been prepared based on the audited consolidated financial statements of the Group for the 6-month financial year ended ("FPE") 30 June 2026.

2.3 The audited consolidated financial statements of the Group for the 6-month FPE 30 June 2026 were reported by the auditors to the members without any modifications.

2.4 The pro forma consolidated statements of financial position of the Group have been prepared for illustrative purposes only and, such information may not, because of its nature, give a true picture of the actual financial position and the results of the Group and does not purport to predict the future financial position and results of the Group.

2.5 The pro forma consolidated statements of financial position of the Group have been properly prepared based on the audited consolidated financial statements of the Group as at 30 June 2026 and in a manner consistent with the format of the audited consolidated financial statements and the accounting policies adopted by the Group as set out in the Accountants' Report, which have been prepared in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards.

**SCA SOLUTIONS BERHAD AND ITS SUBSIDIARIES**

## 3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP

3.1 The pro forma consolidated statements of financial position of the Group as set out below, for which the Board of Directors of SCA are solely responsible, have been prepared for illustrative purposes only, to show the effects on the audited consolidated statement of financial position of the Group as at 30 June 2026 after incorporated, the Subsequent Event, Public Issue, Offer for Sale and Utilisation of Proceeds as described in Notes 1.2.1, 1.3.1 and 3.2.2 respectively been effected on that date, and should be read in conjunction with the notes accompanying thereto.

| | | | Pro Forma I | Pro Forma II |
|---|---|---|---|---|
| | **Audited Consolidated Statement of Financial Position as at 30 June 2026[#] RM'000** | **After Subsequent Events RM'000** | **After Public Issue RM'000** | **After Pro Forma I and the Utilisation of Proceeds RM'000** |
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | 4,571 | 5,859 | 5,859 | 6,605 |
| Investment properties | 3,829 | 3,829 | 3,829 | 3,829 |
| Deferred tax assets | 54 | 54 | 54 | 54 |
| Other investments | 4,394 | 4,394 | 4,394 | 4,394 |
| **Total non-current assets** | **12,848** | **14,136** | **14,136** | **14,882** |
| **Current assets** | | | | |
| Inventories | 12,555 | 12,555 | 12,555 | 12,555 |
| Trade and other receivables | 28,506 | 27,372 | 27,372 | 26,909 |
| Contract assets | 1,396 | 1,396 | 1,396 | 1,396 |
| Cash and short-term deposits | 15,948 | 16,794 | 48,714 | 44,785 |
| **Total current assets** | **58,405** | **58,117** | **90,037** | **85,645** |
| **TOTAL ASSETS** | **71,253** | **72,253** | **104,173** | **100,527** |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity attributable to owners of the Group** | | | | |
| Share capital | 33,421 | 33,421 | 65,341 | 63,660 |
| Reorganisation reserve | (32,604) | (32,604) | (32,604) | (32,604) |
| Retained earnings | 44,797 | 45,797 | 45,797 | 43,832 |
| **TOTAL EQUITY** | **45,614** | **46,614** | **78,534** | **74,888** |

## 3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP

3.1 (Continued)

| | Audited Consolidated Statement of Financial Position as at 30 June 2026[#] RM'000 | After Subsequent Events RM'000 | Pro Forma I After Public Issue RM'000 | Pro Forma II After Pro Forma I and the Utilisation of Proceeds RM'000 |
|---|---|---|---|---|
| **Non-current liabilities** | | | | |
| Loans and borrowings | 3,544 | 3,544 | 3,544 | 3,544 |
| Deferred tax liabilities | 83 | 83 | 83 | 83 |
| **Total non-current liabilities** | **3,627** | **3,627** | **3,627** | **3,627** |
| **Current liabilities** | | | | |
| Loans and borrowings | 4,021 | 4,021 | 4,021 | 4,021 |
| Current tax liabilities | 1,195 | 1,195 | 1,195 | 1,195 |
| Trade and other payables | 15,340 | 15,340 | 15,340 | 15,340 |
| Contract liabilities | 1,456 | 1,456 | 1,456 | 1,456 |
| **Total current liabilities** | **22,012** | **22,012** | **22,012** | **22,012** |
| **TOTAL LIABILITIES** | **25,639** | **25,639** | **25,639** | **25,639** |
| **TOTAL EQUITY AND LIABILITIES** | **71,253** | **72,253** | **104,173** | **100,527** |
| Number of ordinary shares assumed to be in issue ('000) | 455,625 | 455,625 | 569,625 | 569,625 |
| NA^ (RM'000) | 45,614 | 46,614 | 78,534 | 74,888 |
| NA per ordinary share (RM) | 0.10 | 0.10 | 0.14 | 0.13 |
| Interest-bearing borrowings (RM'000) | 7,501 | 7,501 | 7,501 | 7,501 |
| Gearing (times) | 0.16 | 0.16 | 0.10 | 0.10 |

^ attributable to owners of the Group

[#] *Extracted from Group's audited consolidated financial statements for the 6-month FPE 30 June 2026.*

## 3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 Notes to the pro forma consolidated statements of financial position are as follows:

3.2.1 The pro forma consolidated statements of financial position of the Group, for which the Board of Directors of SCA are solely responsible, have been prepared, to show the effects on the consolidated audited statement of financial position of the Group as at 30 June 2026 after incorporated, the Subsequent Event, Public Issue, Offer for Sale and utilisation of proceeds as described in Notes 1.2.1, 1.3.1 and 3.2.2 respectively been effected on that date, and should be read in conjunction with the notes accompanying thereto.

3.2.2 The proceeds from the Public Issue would be used in the following manner:

| **Details of use of proceeds** | **RM'000** | **%** | **Estimated timeframe for utilisation from the date of listing** |
|---|---|---|---|
| **Not reflected in pro forma consolidated statements of financial position**[1] | | | |
| Expansion of Group's operations | | | Within 48 months |
| - Repayment of term financing facility in relation to the Kapar Property | 10,000 | 31.33 | Within 24 months |
| - Renovation of Kapar Property | 4,133 | 12.94 | Within 24 months |
| - Set-up of Integrated Customer Experience/ Demonstration lab | 1,050 | 3.29 | Within 24 months |
| - Working capital for Kapar Property | 10,491 | 32.87 | Within 48 months |
| **Reflected in pro forma consolidated statements of financial position** | | | |
| Expansion of Group's operations | | | |
| - Payment for the Kapar Property | 746 | 2.34 | Within 24 months |
| Estimated listing expenses | 5,500 | 17.23 | Within 3 months |
| Gross proceeds | 31,920 | 100.00 | |

## 3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.2 The proceeds from the Public Issue would be used in the following manner: (continued)

*(1) As at the LPD, the Group has not entered into agreement or contract for repayment of term financing facility in relation to the Kapar Property, renovation of the Kapar Property and set-up of integrated customer experience and demonstration lab at the Kapar Property, under the expansion of the Group's operations. Accordingly, the utilisation of proceeds earmarked for repayment of term financing facility in relation to the Kapar Property, renovation of the Kapar Property and set-up of integrated customer experience and demonstration lab and working capital for Kapar Property under the expansion of the Group's operations will remain in cash and short-term deposits account.*

*(2) The Group has allocated RM10.49 million to fund the working capital for Kapar Property. As the working capital is for day-to-day operations, hence, the utilisation of proceeds earmarked for the working capital has not been reflected in the Pro Forma Statement of Financial Position and will remain in cash and short-term deposits account.*

3.2.3 The pro forma consolidated statements of financial position should be read in conjunction with the notes below:

(a) **Subsequent event**

(i) Termination of Old Kapar Property and acquisition of the Kapar Property

The termination of Old Kapar Property and acquisition of the Kapar Property has the following impact on the audited consolidated statements of financial position of the Group as at 30 June 2026:

| | **Increase/(Decrease)** | |
|---|---|---|
| | **Effects on Total Assets RM'000** | **Effects on Total Equity RM'000** |
| Property, plant and equipment | 1,288 | - |
| Trade and other receivables | (1,134) | - |
| Cash and short-term deposits | 846 | - |
| Retained earnings | - | 1,000 |
| | 1,000 | 1,000 |

## 3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.3 The pro forma consolidated statements of financial position should be read in conjunction with the notes below: (continued)

(b) **Pro Forma I**

Pro Forma I incorporates the effects of Public Issue as described in Note 1.3.1.

The Public Issue will have the following impact on the pro forma consolidated statements of financial position of the Group as at 30 June 2026:

| | Increase | |
|---|---|---|
| | **Effects on Total Assets RM'000** | **Effects on Total Equity RM'000** |
| Cash and short-term deposits | 31,920 | - |
| Share capital | - | 31,920 |
| | 31,920 | 31,920 |

(c) **Pro Forma II**

Pro Forma II incorporates the cumulative effects of Pro Forma I and the utilisation of proceeds from the Public Issue of RM31.92 million after netting off RM5.50 million of estimated listing expenses.

The remaining proceeds will be used in the manner as described in Note 3.2.2.

The proceeds arising from the Public Issue earmarked for the repayment of term financing facility in relation to the Kapar Property, renovation of Kapar Property, set-up of integrated customer experience and demonstration lab and working capital for Kapar Property under expansion of Group's operations will be debited to Cash and Short-term Deposits Account as the Group has yet to enter into any contracts for these items.

As at 30 June 2026, out of the RM5.50 million estimated listing expenses, RM2.32 million had been incurred, of which RM1.86 million had charged to profit or loss account and RM0.46 million had been recognised as prepayment and will be recognised in share capital account upon the completion of the Listing as these are directly attributable expenses relating to the new issuance of shares. Out of the remaining estimated listing expense to be incurred of RM3.18 million, RM1.96 million will be charged to profit or loss account and RM1.22 million will be recognised in share capital account as these are directly attributable expenses relating to the new issuance of shares.

## 3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.3 (Continued)

(c) **Pro Forma II** (Continued)

The utilisation of proceeds will have the following impact on the pro forma consolidated statements of financial position of the Group as at 30 June 2026:

| | Increase/(Decrease) | |
|---|---|---|
| | **Effects on Total Assets RM'000** | **Effects on Total Equity and Liabilities RM'000** |
| Property, plant and equipment | 746 | - |
| Trade and other receivables | (463) | - |
| Cash and short-term deposits | (3,929) | - |
| Share capital | - | (1,681) |
| Retained earnings | - | (1,965) |
| | (3,646) | (3,646) |

3.2.4 Movements in share capital and reserves are as follows:

| | **Share capital RM'000** | **Reorganisation reserve RM'000** | **Retained earnings RM'000** |
|---|---|---|---|
| Audited consolidated statement of financial position of the Group as at 30 June 2026 | 33,421 | (32,604) | 44,797 |
| Arising from Subsequent Event - Compensation received | - | - | 1,000 |
| After the Subsequent Event | 33,421 | (32,604) | 45,797 |
| Arising from the proceeds raised from the Public Issue | 31,920 | - | - |
| Per Pro Forma I | 65,341 | (32,604) | 45,797 |
| Defrayment of estimated listing expenses in relation to the Listing | (1,681) | - | (1,965) |
| Per Pro Forma II | 63,660 | (32,604) | 43,832 |

**SCA SOLUTIONS BERHAD AND ITS SUBSIDIARIES**

## 3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.5 Movements in cash and short-term deposits are as follows:

| | **RM'000** |
|---|---|
| Audited consolidated statements of financial position of the Group as at 30 June 2026 | 15,948 |
| Arising from Subsequent Event | |
| - Acquisition of Kapar Property | (154) |
| - Compensation received | 1,000 |
| After the Subsequent Event | 16,794 |
| Arising from the proceeds raised from the Public Issue | 31,920 |
| Per Pro Forma I | 48,714 |
| Arising from the Utilisation of Proceeds: | |
| - Payment for the Kapar Property | (746) |
| - Estimated listing expenses | (3,183) |
| Per Pro Forma II* | 44,785 |

* *Included in the cash and short-term deposits is an amount of RM25.67 million, being the proceeds from the Public Issue earmarked for expansion of Group's operations including working capital for the Kapar Property.*

**SCA SOLUTIONS BERHAD AND ITS SUBSIDIARIES**

**APPROVAL BY BOARD OF DIRECTORS**

Approved and adopted by the Board of Directors of SCA Solutions Berhad in accordance with a resolution dated 30 OCT 2026

| | |
|---|---|
| ……..…… | ……..…… |
| **Tan Cheng Eng** | **Liong Chian Leek** |
| **Director** | **Director** |

## 13. ACCOUNTANTS' REPORT

Baker Tilly Monteiro Heng PLT
201906000600(LLP0019411-LCA)
Chartered Accountants (AF 0117)
Baker Tilly Tower
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59200 Kuala Lumpur, Malaysia

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info@bakertilly.my
**www.bakertilly.my**

30 October 2026

The Board of Directors
**SCA Solu tions Berhad**
No 10, Jalan PJU 6A/3A
Kayu Ara Business Park
47400, Petaling Jaya
Selangor

Dear Sirs,

**Reporting Accountants' opinion on the Financial Statements contained in the Accountants' Report of SCA Solutions Berhad ("SCA" or the "Company")**

**Opinion**

We have audited the accompanying financial statements of the Company as defined in Note 2 to the financial statements (collectively known as the "Group"), which comprise of:

(i) The combined statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years then ended;
(ii) The consolidated statements of financial position as at 30 June 2026, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the financial period ended; and
(iii) Notes to the combined financial statements for FYEs 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and consolidated financial statements for FPE 30 June 2026, including a summary of material accounting policy information, as set out on pages 6 to 85.

In our opinion, the accompanying combined and consolidated financial statements contained in the Accountants' Report give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026 and of its financial performance and its cash flows for the financial years/period then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia.

Baker Tilly Monteiro Heng PLT trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

**SCA SOLUTIONS BERHAD**
(Incorporated in Malaysia)

**Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements and Consolidated Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Independence and Other Ethical Responsibilities***

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

**Responsibilities of the Directors for the Financial Statements**

The directors of the Company are responsible for the preparation of the financial statements of the Group, so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Reporting Accountants' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a Reporting Accountants' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**SCA SOLUTIONS BERHAD**
(Incorporated in Malaysia)

**Reporting Accountants' Responsibilities for the Audit of the Financial Statements (continued)**

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 statements 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 combined financial statements and consolidated financial statement 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 Reporting Accountants' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group, including the disclosures, and whether the combined financial statements and consolidated financial statements of the Group represent 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 entities or business activities within the Group as a basis forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**SCA SOLUTIONS BERHAD**
(Incorporated in Malaysia)

**Other Matters**

This report is made solely to the board of directors of the Company and has been prepared solely to comply with the Prospectus Guidelines – Equity issued by the Securities Commission Malaysia and for inclusion in the Prospectus of the Company in connection with the listing and quotation for the entire issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad and should not be relied upon for any other purposes. We do not assume responsibility to any other persons for the content of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Paul Tan Hong
No. 03459/11/2027 J
Chartered Accountant

Kuala Lumpur

Date: 30 October 2026

**SCA SOLUTIONS BERHAD**
Accountants' Report

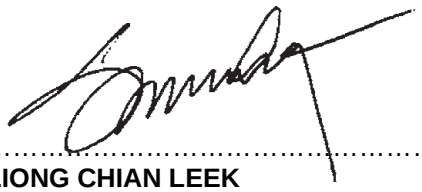
**STATEMENT BY DIRECTORS**

We, **TAN CHENG ENG** and **LIONG CHIAN LEEK**, being two of the directors of SCA SOLUTIONS BERHAD, do hereby state that in the opinion of the directors, the accompanying combined financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and Prospectus Guidelines issued by the Securities Commission Malaysia so as to give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026 and of its financial performance and cash flows for the financial years/period then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:



……...
**TAN CHENG ENG**
Director



……
**LIONG CHIAN LEEK**
Director

Kuala Lumpur

Date: 30 OCT 2026

**SCA SOLUTIONS BERHAD**
Accountants' Report

**STATEMENTS OF FINANCIAL POSITION**

| | | Audited as at | | | | |
|---|---|---|---|---|---|---|
| | Note | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, plant and equipment | **5** | 2,887 | 3,260 | 4,550 | 4,604 | 4,571 |
| Investment properties | **6** | 3,855 | 3,973 | 3,929 | 3,862 | 3,829 |
| Investment in an associate | **7** | * | * | - | - | - |
| Deferred tax assets | **8** | - | - | 27 | 10 | 54 |
| Other investments | **9** | 2,090 | 3,121 | 3,803 | 361 | 4,394 |
| **Total non-current assets** | | **8,832** | **10,354** | **12,309** | **8,837** | **12,848** |
| **Current assets** | | | | | | |
| Inventories | **10** | 8,634 | 11,588 | 11,521 | 10,687 | 12,555 |
| Current tax assets | | 22 | - | - | 145 | - |
| Trade and others receivables | **11** | 14,601 | 16,867 | 18,921 | 23,400 | 28,506 |
| Contract assets | **12** | 697 | 766 | 871 | 778 | 1,396 |
| Cash and short-term deposits | **13** | 7,666 | 5,505 | 10,428 | 11,821 | 15,948 |
| **Total current assets** | | **31,620** | **34,726** | **41,741** | **46,831** | **58,405** |
| **TOTAL ASSETS** | | **40,452** | **45,080** | **54,050** | **55,668** | **71,253** |
| **EQUITY AND LIABILITIES** | | | | | | |
| **Equity attributable to owners of the Group** | | | | | | |
| Invested equity | **14** | 995 | 600 | 600 | 1,100 | - |
| Share capital | **15** | - | - | - | * | 33,421 |
| Reorganisation reserve | **16** | - | 217 | 217 | (283) | (32,604) |
| Retained earnings | | 26,429 | 30,218 | 32,200 | 36,846 | 44,797 |
| | | **27,424** | **31,035** | **33,017** | **37,663** | **45,614** |
| Non-controlling interests | | 105 | - | - | - | - |
| **TOTAL EQUITY** | | **27,529** | **31,035** | **33,017** | **37,663** | **45,614** |
| **Non-current liabilities** | | | | | | |
| Loans and borrowings | **17** | 3,571 | 3,520 | 4,221 | 3,798 | 3,544 |
| Deferred tax liabilities | **8** | 43 | 54 | 40 | 30 | 83 |
| **Total non-current liabilities** | | **3,614** | **3,574** | **4,261** | **3,828** | **3,627** |
| **Current liabilities** | | | | | | |
| Loans and borrowings | **17** | 1,624 | 1,587 | 3,311 | 2,454 | 4,021 |
| Current tax liabilities | | 6 | 746 | 1,225 | 56 | 1,195 |
| Trade and other payables | **18** | 7,007 | 7,669 | 11,466 | 10,529 | 15,340 |
| Contract liabilities | **12** | 672 | 469 | 770 | 1,138 | 1,456 |
| **Total current liabilities** | | **9,309** | **10,471** | **16,772** | **14,177** | **22,012** |
| **TOTAL LIABILITIES** | | **12,923** | **14,045** | **21,033** | **18,005** | **25,639** |
| **TOTAL EQUITY AND LIABILITIES** | | **40,452** | **45,080** | **54,050** | **55,668** | **71,253** |

* *Less than RM1,000*

The accompanying notes form an integral part of these financial statements.

**SCA SOLUTIONS BERHAD**
Accountants' Report

## STATEMENTS OF COMPREHENSIVE INCOME

| | | Audited as at FYE 31 December | | | | Audited FPE 30 June | Unaudited FPE 30 June |
|---|---|---|---|---|---|---|---|
| | | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | Note | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 19 | 40,762 | 47,242 | 61,634 | 78,007 | 51,330 | 38,127 |
| Cost of sales | | (31,375) | (34,431) | (44,301) | (52,715) | (33,181) | (25,178) |
| **Gross profit** | | **9,387** | **12,811** | **17,333** | **25,292** | **18,149** | **12,949** |
| Other income | 20 | 314 | 451 | 448 | 731 | 430 | 363 |
| Selling and distribution expenses | | (2,161) | (2,450) | (2,959) | (3,580) | (2,135) | (1,537) |
| Administrative expenses | | (3,229) | (3,718) | (4,017) | (7,411) | (5,377) | (3,388) |
| **Operating profit** | | **4,311** | **7,094** | **10,805** | **15,032** | **11,067** | **8,387** |
| Finance costs | 21 | (210) | (210) | (300) | (304) | (141) | (170) |
| **Profit before tax** | 22 | **4,101** | **6,884** | **10,505** | **14,728** | **10,926** | **8,217** |
| Income tax expense | 24 | (1,171) | (1,795) | (2,723) | (4,082) | (2,975) | (2,305) |
| Profit for the financial years/period, representing total comprehensive income for the financial years/period | | 2,930 | 5,089 | 7,782 | 10,646 | 7,951 | 5,912 |
| Profit attributable to: | | | | | | | |
| Owners of the company | | 2,917 | 5,018 | 7,782 | 10,646 | 7,951 | 5,912 |
| Non-controlling interests | | 13 | 71 | - | - | - | - |
| | | **2,930** | **5,089** | **7,782** | **10,646** | **7,951** | **5,912** |
| **Total comprehensive income attributable to:** | | | | | | | |
| Owners of the company | | 2,917 | 5,018 | 7,782 | 10,646 | 7,951 | 5,912 |
| Non-controlling interests | | 13 | 71 | - | - | - | - |
| | | **2,930** | **5,089** | **7,782** | **10,646** | **7,951** | **5,912** |

The accompanying notes form an integral part of these financial statements.

## 13. ACCOUNTANTS' REPORT *(Cont'd)*

**SCA SOLUTIONS BERHAD**
Accountants' Report

**STATEMENTS OF CHANGES IN EQUITY**

| | Note | Attributable to owners of the Group | | | | | |
|---|---|---|---|---|---|---|---|
| | | Invested equity RM'000 | Reorganisation reserve RM'000 | Retained earnings RM'000 | Sub-total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| **At 1 January 2022** | | **995** | - | **25,537** | **26,532** | **92** | **26,624** |
| Profit for the financial year, representing total comprehensive income for the financial year | | - | - | 2,917 | 2,917 | 13 | 2,930 |
| **Transactions with owners** | | | | | | | |
| Dividends paid on shares | **25** | - | - | (2,025) | (2,025) | - | (2,025) |
| **At 31 December 2022** | | **995** | **-** | **26,429** | **27,424** | **105** | **27,529** |

## 13. ACCOUNTANTS' REPORT *(Cont'd)*

**SCA SOLUTIONS BERHAD**
Accountants' Report

**STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

| | Note | Attributable to owners of the Group | | | | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|
| | | Invested equity | Reorganisation reserve | Retained earnings | Sub-total | | |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **At 1 January 2023** | | **995** | **-** | **26,429** | **27,424** | **105** | **27,529** |
| Profit for the financial year, representing total comprehensive income for the financial year | | - | - | 5,018 | 5,018 | 71 | 5,089 |
| **Transaction with owners** | | | | | | | |
| Dividends paid on shares | **25** | - | - | (1,300) | (1,300) | - | (1,300) |
| Change in ownership interests in the combining entities | | (395) | 217 | 71 | (107) | (176) | (283) |
| Total transaction with owners | | (395) | 217 | (1,229) | (1,407) | (176) | (1,583) |
| **At 31 December 2023** | | **600** | **217** | **30,218** | **31,035** | **-** | **31,035** |

## 13. ACCOUNTANTS' REPORT *(Cont'd)*

**SCA SOLUTIONS BERHAD**
Accountants' Report

**STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

| | | Attributable to owners of the Group | | | | | |
|---|---|---|---|---|---|---|---|
| | Note | Invested equity RM'000 | Reorganisation reserve RM'000 | Retained earnings RM'000 | Sub-total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| **At 1 January 2024** | | **600** | **217** | **30,218** | **31,035** | **-** | **31,035** |
| Profit for the financial year, representing total comprehensive income for the financial year | | - | - | 7,782 | 7,782 | - | 7,782 |
| **Transactions with owners** | | | | | | | |
| Dividends paid on shares | **25** | - | - | (5,800) | (5,800) | - | (5,800) |
| **At 31 December 2024** | | **600** | **217** | **32,200** | **33,017** | **-** | **33,017** |

## 13. ACCOUNTANTS' REPORT *(Cont'd)*

**SCA SOLUTIONS BERHAD**
Accountants' Report

**STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

| | Note | Attributable to owners of the Group | | | | | Non-controlling interests RM'000 | Total equity RM'000 |
|---|---|---|---|---|---|---|---|---|
| | | Invested equity RM'000 | Share Capital RM'000 | Reorganisation reserve RM'000 | Retained earnings RM'000 | Sub-total RM'000 | | |
| **At 1 January 2025** | | **600** | **-** | **217** | **32,200** | **33,017** | **-** | **33,017** |
| Profit for the financial year, representing total comprehensive income for the financial year | | - | - | - | 10,646 | 10,646 | - | 10,646 |
| **Transaction with owners** | | | | | | | | |
| Share issued upon incorporation | **15** | - | * | - | - | * | - | * |
| Dividends paid on shares | **25** | - | - | - | (6,000) | (6,000) | - | (6,000) |
| Change in ownership interests in the combining entities | | 500 | - | (500) | - | - | - | - |
| Total transaction with owners | | 500 | * | (500) | (6,000) | (6,000) | - | (6,000) |
| **At 31 December 2025** | | **1,100** | ***** | **(283)** | **36,846** | **37,663** | **-** | **37,663** |

* *Less than RM1,000*

## 13. ACCOUNTANTS' REPORT *(Cont'd)*

**SCA SOLUTIONS BERHAD**
Accountants' Report

**STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

| | Note | Attributable to owners of the Group | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Invested equity RM'000 | Share Capital RM'000 | Reorganisation reserve RM'000 | Retained earnings RM'000 | Sub-total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| **At 1 January 2026** | | **1,100** | * | **(283)** | **36,846** | **37,663** | **-** | **37,663** |
| Profit for the financial period, representing total comprehensive income for the financial period | | - | - | - | 7,951 | 7,951 | - | 7,951 |
| **Transaction with owners** | | | | | | | | |
| Issuance of ordinary shares pursuant to the acquisition of subsidiaries | **15** | - | 32,321 | (32,321) | - | - | - | - |
| Adjustment pursuant to merger accounting | **15** | (1,100) | 1,100 | - | - | - | - | - |
| Total transaction with owners | | (1,100) | 33,421 | (32,321) | - | - | - | - |
| **At 30 June 2026** | | **-** | **33,421** | **(32,604)** | **44,797** | **45,614** | **-** | **45,614** |

* *Less than RM1,000*

The accompanying notes form an integral part of these financial statements.

**SCA SOLUTIONS BERHAD**
Accountants' Report

## STATEMENTS OF CASH FLOWS

| | Note | Audited as at FYE 31 December 2022 RM'000 | 2023 RM'000 | 2024 RM'000 | 2025 RM'000 | Audited FPE 30 June 2026 RM'000 | Unaudited FPE 30 June 2025 RM'000 |
|---|---|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | | | |
| Profit before tax | | 4,101 | 6,884 | 10,505 | 14,728 | 10,926 | 8,217 |
| Adjustments for: | | | | | | | |
| Depreciation of property, plant and equipment | | 395 | 410 | 497 | 582 | 239 | 257 |
| Depreciation of investment properties | | 59 | 61 | 62 | 67 | 33 | 35 |
| Bad debts written off | | 13 | 5 | 17 | 11 | - | - |
| Other receivables written off | | - | - | - | - | 17 | - |
| Impairment losses on trade receivables | | - | - | 137 | - | 497 | - |
| Reversal of impairment losses on trade receivables | | - | - | - | (62) | (25) | (52) |
| Bad debts recovered | | - | - | - | (17) | - | (17) |
| Property, plant and equipment written off | | 2 | * | - | - | - | - |
| Loss/(gain) on disposal of property, plant and equipment | | - | * | (60) | (6) | - | (6) |
| Gain on lease modification | | - | - | - | (7) | - | (2) |
| Impairment losses on slow moving inventories | | 477 | - | - | 684 | - | 158 |
| Reversal of impairment losses on slow-moving inventories | | - | (152) | (155) | - | (491) | - |
| Inventories written off | | - | - | - | 6 | - | - |
| Impairment losses on other investments | | 58 | - | 31 | - | - | - |
| Fair value gain on other investments | | - | (70) | - | (21) | - | (21) |
| Impairment losses on investment in a former subsidiary | | - | - | * | - | - | - |
| Net unrealised (gain)/loss on foreign exchange | | (14) | (9) | 8 | 35 | (15) | 22 |
| Finance costs | | 210 | 210 | 300 | 304 | 141 | 170 |
| Finance income | | (114) | (189) | (228) | (279) | (128) | (116) |
| **Operating profit before changes in working capital** | | **5,187** | **7,150** | **11,114** | **16,025** | **11,194** | **8,645** |
| Changes in working capital: | | | | | | | |
| Inventories | | (1,269) | (2,802) | 222 | 144 | (1,377) | (1,823) |
| Trade and other receivables | | (755) | (1,781) | (4,959) | (4,411) | (5,593) | (6,725) |
| Trade and other payables | | (980) | 672 | 3,967 | (762) | 4,811 | (50) |
| Contract assets | | (697) | (69) | (105) | 93 | (618) | 391 |
| Contract liabilities | | 582 | (203) | 301 | 368 | 318 | 1,326 |
| **Net cash generated from operations** | | **2,068** | **2,967** | **10,540** | **11,457** | **8,735** | **1,764** |
| Income tax paid | | (1,002) | (1,023) | (2,285) | (5,389) | (1,682) | (969) |
| Interests received | | 114 | 189 | 228 | 279 | 128 | 116 |
| Interests paid | | (*) | (1) | (7) | (1) | (2) | - |
| **Net cash from operating activities** | | **1,180** | **2,132** | **8,476** | **6,346** | **7,179** | **911** |
| **Cash flows from investing activities** | | | | | | | |
| Purchase of property, plant and equipment | **(a)** | (88) | (160) | (1,642) | (563) | (206) | (90) |
| Purchase of investment properties | | (36) | (179) | (18) | - | - | (28) |
| Purchase of other investments | | (52) | (1,031) | (713) | - | (4,033) | - |
| Proceeds from disposal of property, plant and equipment | | - | - | 60 | 6 | - | 6 |
| Proceeds from disposal of other investments | | - | 70 | - | 3,463 | - | - |
| Acquisition of subsidiaries | | - | (283) | - | - | - | - |
| Change in pledged deposits | | (13) | (17) | 373 | (10) | - | - |
| **Net cash (used in)/from investing activities** | | **(189)** | **(1,600)** | **(1,940)** | **2,896** | **(4,239)** | **(112)** |

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**STATEMENTS OF CASH FLOWS (CONTINUED)**

| | | Audited as at FYE 31 December | | | | Audited FPE 30 June | Unaudited FPE 30 June |
|---|---|---|---|---|---|---|---|
| | Note | 2022 RM'000 | 2023 RM'000 | 2024 RM'000 | 2025 RM'000 | 2026 RM'000 | 2025 RM'000 |
| **Cash flows from financing activities** | **(b)** | | | | | | |
| (Repayment)/Drawdown of term loans | | (425) | (443) | 852 | (497) | (169) | (245) |
| Repayment of hire purchase payables | | (94) | (133) | (116) | (174) | (45) | (75) |
| Repayment of lease liabilities | | (35) | (48) | (94) | (115) | (31) | (59) |
| Drawdown of bankers' acceptances | | 6,189 | 2,906 | 9,315 | 9,081 | 5,563 | 3,227 |
| Repayment of bankers' acceptances | | (5,177) | (2,993) | (7,677) | (9,641) | (4,005) | (2,563) |
| Net changes in amount owing (by)/to directors | | (14) | (10) | (170) | (175) | - | - |
| Net changes in amount owing (by)/to an associate company | | (60) | (60) | 2,322 | - | - | - |
| Net changes in amount owing (by)/to related parties | | - | (429) | 429 | - | - | - |
| Dividends paid | | (2,025) | (1,300) | (5,800) | (6,000) | - | - |
| Interests paid | | (210) | (209) | (293) | (303) | (139) | (170) |
| **Net cash (used in)/from financing activities** | | **(1,851)** | **(2,719)** | **(1,232)** | **(7,824)** | **1,174** | **115** |
| **Net (decrease)/increase in cash and cash equivalents** | | **(860)** | **(2,187)** | **5,304** | **1,418** | **4,114** | **914** |
| Cash and cash equivalents at the beginning of the financial years/period | | 7,735 | 6,889 | 4,711 | 10,007 | 11,390 | 10,007 |
| Effects of exchange rate changes in cash and cash equivalents | | 14 | 9 | (8) | (35) | 13 | (22) |
| **Cash and cash equivalents at the end of the financial years/period** | **13** | **6,889** | **4,711** | **10,007** | **11,390** | **15,517** | **10,899** |

* *Less than RM1,000*

(a) Purchase of property, plant and equipment:

| | | Audited as at FYE 31 December | | | | Audited FPE 30 June | Unaudited FPE 30 June |
|---|---|---|---|---|---|---|---|
| | Note | 2022 RM'000 | 2023 RM'000 | 2024 RM'000 | 2025 RM'000 | 2026 RM'000 | 2025 RM'000 |
| Purchase of property, plant and equipment | **5** | 163 | 783 | 1,787 | 790 | 206 | 193 |
| Financed by way of lease arrangements | | - | (236) | (95) | (124) | - | - |
| Financed by way of hire purchase payables | | (75) | (387) | (50) | (103) | - | (103) |
| Cash payments on purchase of property, plant and equipment | | 88 | 160 | 1,642 | 563 | 206 | 90 |

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**STATEMENTS OF CASH FLOWS (CONTINUED)**

(b) Reconciliation of liabilities arising from financing activities:

| | 1.1.2022 RM'000 | Cash flows RM'000 | Non-cash RM'000 | 31.12.2022 RM'000 |
|---|---|---|---|---|
| Term loans | 4,210 | (425) | - | 3,785 |
| Lease liabilities | 93 | (35) | - | 58 |
| Hire purchase payables | 359 | (94) | 75 | 340 |
| Bankers' acceptances | - | 1,012 | - | 1,012 |
| Amount owing by an associate company | (2,202) | (60) | - | (2,262) |
| Amount owing to directors | 369 | (14) | - | 355 |
| | 2,829 | 384 | 75 | 3,288 |

| | 1.1.2023 RM'000 | Cash flows RM'000 | Non-cash RM'000 | 31.12.2023 RM'000 |
|---|---|---|---|---|
| Term loans | 3,785 | (443) | - | 3,342 |
| Lease liabilities | 58 | (48) | 236 | 246 |
| Hire purchase payables | 340 | (133) | 387 | 594 |
| Bankers' acceptances | 1,012 | (87) | - | 925 |
| Amount owing by an associate company | (2,262) | (60) | - | (2,322) |
| Amount owing to directors | 355 | (10) | - | 345 |
| Amount owing by related parties | - | (429) | - | (429) |
| | 3,288 | (1,210) | 623 | 2,701 |

| | 1.1.2024 RM'000 | Cash flows RM'000 | Non-cash RM'000 | 31.12.2024 RM'000 |
|---|---|---|---|---|
| Term loans | 3,342 | 852 | - | 4,194 |
| Lease liabilities | 246 | (94) | 95 | 247 |
| Hire purchase payables | 594 | (116) | 50 | 528 |
| Bankers' acceptances | 925 | 1,638 | - | 2,563 |
| Amount owing by an associate company | (2,322) | 2,322 | - | - |
| Amount owing to directors | 345 | (170) | - | 175 |
| Amount owing by related parties | (429) | 429 | - | - |
| | 2,701 | 4,861 | 145 | 7,707 |

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**STATEMENTS OF CASH FLOWS (CONTINUED)**

(b) Reconciliation of liabilities arising from financing activities: (continued)

| | 1.1.2025 RM'000 | Cash flows RM'000 | Non-cash RM'000 | 31.12.2025 RM'000 |
|---|---|---|---|---|
| Term loans | 4,194 | (497) | - | 3,697 |
| Lease liabilities | 247 | (115) | (37) | 95 |
| Hire purchase payables | 528 | (174) | 103 | 457 |
| Bankers' acceptances | 2,563 | (560) | - | 2,003 |
| Amount owing to directors | 175 | (175) | - | - |
| | 7,707 | (1,521) | 66 | 6,252 |

| | 1.1.2026 RM'000 | Cash flows RM'000 | Non-cash RM'000 | 30.6.2026 RM'000 |
|---|---|---|---|---|
| Term loans | 3,697 | (169) | - | 3,528 |
| Lease liabilities | 95 | (31) | - | 64 |
| Hire purchase payables | 457 | (45) | - | 412 |
| Bankers' acceptances | 2,003 | 1,558 | - | 3,561 |
| | 6,252 | 1,313 | - | 7,565 |

(c) Total cash outflows for leases:

During the financial years/period, the Group had total cash outflows for leases RM33,000 (31.12.2025: RM169,449, 31.12.2024: RM124,204, 31.12.2023: RM60,850 and 31.12.2022: RM49,600).

The accompanying notes form an integral part of these financial statements.

**SCA SOLUTIONS BERHAD**
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**NOTES TO THE FINANCIAL STATEMENTS**

## 1. GENERAL INFORMATION

SCA Solutions Berhad ("SCA" or the "Company") was incorporated on 10 October 2025 as a private limited company and is domiciled in Malaysia. The Company was converted to a public limited company on 30 December 2025. The registered office of the Company is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan. The principal place of business of the Company is located at No. 10, Jalan PJU 6A/3A, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor, Malaysia.

The principal activity of the Company is investment holding. The details of the combining entities are as follows:

| Combining entities | Principal place of business/ country of incorporation | Principal activities |
|---|---|---|
| Source Code Asia Sdn. Bhd. | Malaysia | Provision of heating, ventilation and air-conditioning ("HVAC") and fire safety instrumentation solutions as well as the supply and distribution of HVAC and the fire safety instrumentation components and accessories. |
| Greneco Sdn. Bhd. | Malaysia | Provision of water treatment solutions. |
| Ace Victech Sdn. Bhd. | Malaysia | Provision of HVAC and fire safety instrumentation solutions as well as the supply and distribution of HVAC and fire safety instrumentation components and accessories. |

There have been no significant changes in the nature of these principal activities during the financial years/period under review.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 October 2026.

## 2. BASIS OF PREPARATION

The financial statements of SCA for the financial years ended ("FYE(s)") 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and 6-month financial period ended ("FPE") 30 June 2026 have been prepared pursuant to the listing of and quotation for the entire issued share capital of SCA on the ACE Market of Bursa Malaysia Securities Berhad and comprise the statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years/period then ended.

**SCA SOLUTIONS BERHAD**
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**2. BASIS OF PREPARATION**

The financial statements of the Group for the FYE 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and FPE 30 June 2026 which are accounted for using the merger method of accounting (collectively hereinafter referred to as the "Group") consist of the financial statements of the following entities under common control for each of the financial years:

| **Combining entities** | **Audited FYE 31 December** | | | | **FPE 30 June** |
|---|---|---|---|---|---|
| | **2022** | **2023** | **2024** | **2025** | **2026** |
| SCA Solutions Berhad | % | % | % | @ | @ |
| Source Code Asia Sdn. Bhd. | ^ | ^ | @ | @ | @ |
| Greneco Sdn. Bhd. | ^ | ^ | @ | @ | @ |
| Ace Victech Sdn. Bhd. | ^ | ^ | ^ | @ | @ |

% *No financial statements were available for SCA Solutions Berhad as the Company was incorporated on 10 October 2025.*

^ *The combined financial statements of the Group for the financial year have been prepared based on the financial statements which were audited by Baker Tilly Monteiro Heng PLT for the purpose of inclusion into the combined financial statements of the Group. The audited financial statements which were lodged with Companies Commission of Malaysia were audited by a firm of chartered accountants other than Baker Tilly Monteiro Heng PLT.*

@ *The combined and consolidated financial statements of the Group for the respective financial years/period have been prepared based on the audited financial statements which were audited by Baker Tilly Monteiro Heng PLT.*

The audited financial statements of all the combining entities within the Group for the relevant years reported above were not subject to any modifications. The financial statements of the Group for the relevant years were prepared in a manner as if the entities under common control were operating as a single economic enterprise from the beginning of the earliest comparative year covered by the relevant year or the dates of incorporation of entities within the Group, if later.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory ("commonly controlled entities"). 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 commonly controlled entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the financial statements from the day that control commences until the date that control ceases.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**2. BASIS OF PREPARATION (CONTINUED)**

The financial information presented in the financial statements may not correspond to those in the financial statements of the Group had the relevant transactions to legally constitute a group been incorporated in the financial statements for the respective financial years. Such financial information in the financial statements does not purport to predict the financial position, results and the cash flows of the entities under common control for those financial years.

The financial statements are prepared under the historical cost convention except otherwise indicated in the material accounting policy information.

The accounting policies applied by the Group are consistently applied for all the financial years presented in these financial statements.

**2.1 Statement of compliance**

The financial statements of the Group have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") and the International Financial Reporting Standards ("IFRSs").

**2.2 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective**

(a) The Group has not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

| | | **Effective for financial periods beginning on or after** |
|---|---|---|
| New MFRSs | | |
| MFRS 18 | Presentation and Disclosure in Financial Statements | 1 January 2027 |
| MFRS 20 | Regulatory Assets and Regulatory Liabilities | 1 January 2029 |
| Amendments to MFRSs | | |
| MFRS 1 | First-time Adoption of MFRSs | 1 January 2026 |
| MFRS 7 | Financial Instruments: Disclosures | 1 January 2026 |
| MFRS 9 | Financial Instruments | 1 January 2026 |
| MFRS 10 | Consolidated Financial Statements | 1 January 2026/ |
| MFRS 107 | Statements of Cash Flows | Deferred |
| MFRS 121 | The Effect of Changes in Foreign Exchange Rates | 1 January 2027 |
| MFRS 128 | Investment in Associates and Joint Ventures | 1 January 2027[#]/ Deferred |

[#] Amendments to MFRS 128 shall apply when an entity first applies MFRS 18 *Presentation and Disclosure in Financial Statements*.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**2. BASIS OF PREPARATION (CONTINUED)**

**2.2 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (continued)**

(b) The Group plans to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group are summarised below.

***MFRS 18 Presentation and Disclosure in Financial Statements***

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including "operating profit", which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("MPMs"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communicates about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**2. BASIS OF PREPARATION (CONTINUED)**

**2.2 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (continued)**

(b) The Group plans to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group are summarised below. (continued)

***MFRS 20 Regulatory Assets and Regulatory Liabilities***

MFRS 20 replaces MFRS 14 *Regulatory Deferral Accounts* and sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense.

An entity applies MFRS 20 if the entity is a party to a regulatory agreement that creates regulatory assets and regulatory liabilities, except for regulatory assets and regulatory liabilities that arise if premiums charged in insurance contracts within the scope of MFRS 17 *Insurance Contracts* are regulated.

MFRS 20 is based on the principle that an entity recognises the total allowed compensation for regulatory goods or services in the same reporting period that the entity supplies those regulatory goods or services.

***Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures***

These narrow scope amendments to MFRS 9 clarify the classification and measurement requirements, including:

- clarify how the contractual cash flows on financial assets with environmental, social and corporate governance and similar features should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**2. BASIS OF PREPARATION (CONTINUED)**

**2.2 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (continued)**

(c) The Group plans to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group are summarised below. (continued)

***Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates***

Amendments to MFRS 121 clarifies how entities should translate financial statements from a non-hyperinflationary currency into a hyperinflationary presentation currency.

- When an entity's functional currency is the currency of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the results and financial position of the entity shall be translated into the presentation currency by translating all amounts (ie assets, liabilities, equity items, income and expenses, including comparatives) at the closing rate at the date of the most recent statement of financial position.
- When an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and the entity translates the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy, the entity shall restate the comparative amounts of that foreign operation included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures for the previous reporting year in accordance with paragraph 34 of MFRS 129 Financial Reporting in Hyperinflationary Economies.

(c) The initial application of the above applicable new MFRSs and amendments to MFRSs are not expected to have any material impact on the financial statements.

**2.3 Functional and presentation currency**

The financial statements of the Group are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

**2.4 Basis of measurement**

The financial statements of the Group have been prepared on the historical cost basis, except as otherwise disclosed.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The Group has adopted the amendments to MFRS 101 *Presentation of Financial Statements* with effect from 1 January 2023. The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

Accordingly, the Group disclosed its material accounting policy information in these financial statements. However, the amendments did not result in changes to the accounting policies of the Group.

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group.

### 3.1 Basis of combination/consolidation

#### (a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to reorganisation reserve or merger deficit.

#### (b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at their acquisition-date fair values.

#### (c) Associates

Investment in associates is accounted for in the financial statements of the Group using the equity method.

**SCA SOLUTIONS BERHAD**
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**3.2 Financial instruments**

**Financial assets - subsequent measurement and gains and losses**

Financial assets at fair value through profit or loss

The Group subsequently measures these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit and loss.

Debt instruments at amortised cost

The Group subsequently measures these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Financial liabilities – subsequent measurement and gains and losses**

The Group classifies the financial liabilities at amortised cost. The Group subsequently measures the financial liabilities at amortised cost under the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

**3.3 Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

All property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

| | **Useful lives (years)** |
|---|---|
| Furniture and fittings | 10 |
| Office equipment | 10 |
| Electrical equipment, computers and software | 3 |
| Renovation and signboard | 5 |
| Motor vehicles | 5 |
| Right-of-use assets | 2 - 85 |

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting year and adjusted as appropriate.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**3.4 Leases**

**(a) Lessee accounting**

The Group presents right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and lease liabilities as loans and borrowings in Note 17.

Short-term leases and leases of low value assets

The Group has elected not to recognises right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Lease liability

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

**(b) Lessor accounting**

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term.

**3.5 Investment properties**

Investment properties are stated at cost less accumulated depreciation and any accumulated depreciation and any accumulated impairment losses.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**3.5 Investment properties (continued)**

Freehold land has an unlimited useful life and therefore is not depreciated. All other investment properties are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

| | **Useful lives (years)** |
|---|---|
| Buildings | 50 |

**3.6 Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Trading goods: purchase costs on a first-in first-out basis.

**3.7 Revenue and other income**

Financing components

The Group has applied the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing components as the Group expects that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

**(a) Sale of goods**

The Group is engaged in provision of HVAC and fire safety instrumentation and the supply and distribution of HVAC and fire safety instrumentation components and accessories. Revenue from sale of goods is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with credit term, which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of goods as the consideration is unconditional other than the passage of time before the payment is due.

**(b) Construction contracts**

The Group provide water treatment solutions under contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the works performed is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. The progress towards complete satisfaction of a performance obligation is determined by the estimated total construction costs (an input method).

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**3.7 Revenue and other income (continued)**

**(b) Construction contracts (continued)**

Billings are made with a credit term, which is consistent with market practice, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customers for construction of commercial and industrial properties based on achieving a series of performance-related milestones.

The Group recognises 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 or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

Defect liability period is usually 24 months from the date of completion as provided in the contracts with customers.

**(c) Rendering of services**

Revenue from a contract to provide services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously.

**(d) Rental income**

Rental income is recognised on a straight-line basis over the term of the lease.

**(e) Dividend income**

Dividend income is recognised when the right to receive payment is established.

**(f) Interest income**

Interest income is recognised using the effective interest method.

**3.8 Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The directors of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting year. It also requires directors to exercise their judgement in the process of applying the Group's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's financial statements within the next financial year are disclosed as follows:

### (a) Depreciation and useful lives of property, plant and equipment

The Group reviews the residual values, useful lives and depreciation methods at the end of each reporting year. Judgements 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 may differ from the estimates applied and therefore, future depreciation charges could be revised.

The carrying amounts of the Group's property, plant and equipment are disclosed in Note 5.

### (b) Impairment of financial assets and contract assets

The impairment provisions for financial assets and contract assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimate at the end of each reporting year.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast of economic conditions over the expected lives of the financial assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's financial assets and contract assets are disclosed in Note 26(b)(i).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. PROPERTY, PLANT AND EQUIPMENT**

| | Note | Furniture and fittings RM'000 | Office equipment RM'000 | Electrical equipment, computers and software RM'000 | Renovation RM'000 | Motor vehicles RM'000 | Right-of-use assets RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| At 1 January 2022 | | 510 | 324 | 311 | 672 | 869 | 2,768 | 5,454 |
| Additions | | 4 | 7 | 65 | - | 87 | - | 163 |
| Written off | | - | (5) | (24) | - | - | - | (29) |
| At 31 December 2022 | | 514 | 326 | 352 | 672 | 956 | 2,768 | 5,588 |
| **Accumulated depreciation** | | | | | | | | |
| At 1 January 2022 | | 306 | 186 | 240 | 554 | 587 | 460 | 2,333 |
| Depreciation charge for the financial year | **22** | 42 | 25 | 61 | 86 | 100 | 81 | 395 |
| Written off | | - | (3) | (24) | - | - | - | (27) |
| At 31 December 2022 | | 348 | 208 | 277 | 640 | 687 | 541 | 2,701 |
| **Carrying amount** | | | | | | | | |
| At 1 January 2022 | | 204 | 138 | 71 | 118 | 282 | 2,308 | 3,121 |
| At 31 December 2022 | | 166 | 118 | 75 | 32 | 269 | 2,227 | 2,887 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

| | Note | Furniture and fittings RM'000 | Office equipment RM'000 | Electrical equipment, computers and software RM'000 | Renovation RM'000 | Motor vehicles RM'000 | Right-of-use assets RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| At 1 January 2023 | | 514 | 326 | 352 | 672 | 956 | 2,768 | 5,588 |
| Additions | | 3 | 24 | 22 | - | 498 | 236 | 783 |
| Disposals | | - | (1) | (1) | - | - | - | (2) |
| Written off | | - | - | (1) | - | - | - | (1) |
| At 31 December 2023 | | 517 | 349 | 372 | 672 | 1,454 | 3,004 | 6,368 |
| **Accumulated depreciation** | | | | | | | | |
| At 1 January 2023 | | 348 | 208 | 277 | 640 | 687 | 541 | 2,701 |
| Depreciation charge for the financial year | **22** | 38 | 25 | 64 | 29 | 159 | 95 | 410 |
| Disposals | | - | (1) | (1) | - | - | - | (2) |
| Written off | | - | - | (1) | - | - | - | (1) |
| At 31 December 2023 | | 386 | 232 | 339 | 669 | 846 | 636 | 3,108 |
| **Carrying amount** | | | | | | | | |
| At 1 January 2023 | | 166 | 118 | 75 | 32 | 269 | 2,227 | 2,887 |
| At 31 December 2023 | | 131 | 117 | 33 | 3 | 608 | 2,368 | 3,260 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

| | Note | Furniture and fittings RM'000 | Office equipment RM'000 | Electrical equipment, computers and software RM'000 | Renovation RM'000 | Motor vehicles RM'000 | Right-of-use assets RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| At 1 January 2024 | | 517 | 349 | 372 | 672 | 1,454 | 3,004 | 6,368 |
| Additions | | 3 | 25 | 74 | 68 | 72 | 1,545 | 1,787 |
| Disposals | | - | - | - | - | (258) | - | (258) |
| Termination | | - | - | - | - | - | (138) | (138) |
| At 31 December 2024 | | 520 | 374 | 446 | 740 | 1,268 | 4,411 | 7,759 |
| **Accumulated depreciation** | | | | | | | | |
| At 1 January 2024 | | 386 | 232 | 339 | 669 | 846 | 636 | 3,108 |
| Depreciation charge for the financial year | **22** | 31 | 27 | 56 | 20 | 208 | 155 | 497 |
| Disposals | | - | - | - | - | (258) | - | (258) |
| Termination | | - | - | - | - | - | (138) | (138) |
| At 31 December 2024 | | 417 | 259 | 395 | 689 | 796 | 653 | 3,209 |
| **Carrying amount** | | | | | | | | |
| At 1 January 2024 | | 131 | 117 | 33 | 3 | 608 | 2,368 | 3,260 |
| At 31 December 2024 | | 103 | 115 | 51 | 51 | 472 | 3,758 | 4,550 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

| | Note | Furniture and fittings RM'000 | Office equipment RM'000 | Electrical equipment, computers and software RM'000 | Renovation RM'000 | Motor vehicles RM'000 | Right-of-use assets RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| At 1 January 2025 | | 520 | 374 | 446 | 740 | 1,268 | 4,411 | 7,759 |
| Additions | | 203 | 84 | 52 | 208 | 119 | 124 | 790 |
| Disposals | | - | - | - | - | (44) | - | (44) |
| Termination | | - | - | - | - | - | (331) | (331) |
| At 31 December 2025 | | 723 | 458 | 498 | 948 | 1,343 | 4,204 | 8,174 |
| **Accumulated depreciation** | | | | | | | | |
| At 1 January 2025 | | 417 | 259 | 395 | 689 | 796 | 653 | 3,209 |
| Depreciation charge for the financial year | **22** | 49 | 31 | 47 | 53 | 214 | 188 | 582 |
| Disposals | | - | - | - | - | (44) | - | (44) |
| Termination | | - | - | - | - | - | (177) | (177) |
| At 31 December 2025 | | 466 | 290 | 442 | 742 | 966 | 664 | 3,570 |
| **Carrying amount** | | | | | | | | |
| At 1 January 2025 | | 103 | 115 | 51 | 51 | 472 | 3,758 | 4,550 |
| At 31 December 2025 | | 257 | 168 | 56 | 206 | 377 | 3,540 | 4,604 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

| | Note | Furniture and fittings RM'000 | Office equipment RM'000 | Electrical equipment, computers and software RM'000 | Renovation and signboard RM'000 | Motor vehicles RM'000 | Right-of-use assets RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| At 1 January 2026 | | 723 | 458 | 498 | 948 | 1,343 | 4,204 | 8,174 |
| Additions | | 45 | 65 | 54 | 42 | - | - | 206 |
| At 30 June 2026 | | 768 | 523 | 552 | 990 | 1,343 | 4,204 | 8,380 |
| **Accumulated depreciation** | | | | | | | | |
| At 1 January 2026 | | 466 | 290 | 442 | 742 | 966 | 664 | 3,570 |
| Depreciation charge for the financial period | **22** | 27 | 18 | 22 | 30 | 75 | 67 | 239 |
| At 30 June 2026 | | 493 | 308 | 464 | 772 | 1,041 | 731 | 3,809 |
| **Carrying amount** | | | | | | | | |
| At 1 January 2026 | | 257 | 168 | 56 | 206 | 377 | 3,540 | 4,604 |
| At 30 June 2026 | | 275 | 215 | 88 | 218 | 302 | 3,473 | 4,571 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

**(a) Assets pledged as security**

Leased assets are pledged as security for the related lease liabilities as disclosed in Note 17(b).

Motor vehicles with carrying amount of RM301,527 (31.12.2025: RM374,553, 31.12.2024: RM329,245, 31.12.2023: RM486,964 and 31.12.2022: RM203,148) have been pledged as security for hire purchase arrangements as disclosed in Note 17(c).

**(b) Right-of-use assets**

The Group leases buildings for its staff accommodation, office space and operations. The leases for staff accommodation, office space and operation site generally have lease term of 2 to 85 years.

Information about leases for which the Group is a lessee is presented below:

| | Note | Leasehold land RM'000 | Buildings RM'000 | Total RM'000 |
|---|---|---|---|---|
| **Carrying amount** | | | | |
| At 1 January 2022 | | 781 | 1,527 | 2,308 |
| Depreciation charge for the financial year | **22** | (11) | (70) | (81) |
| At 31 December 2022 | | 770 | 1,457 | 2,227 |
| Additions | | - | 236 | 236 |
| Depreciation charge for the financial year | **22** | (11) | (84) | (95) |
| At 31 December 2023 | | 759 | 1,609 | 2,368 |
| Additions | | 483 | 1,062 | 1,545 |
| Depreciation charge for the financial year | **22** | (18) | (137) | (155) |
| At 31 December 2024 | | 1,224 | 2,534 | 3,758 |
| Additions | | - | 124 | 124 |
| Depreciation charge for the financial year | **22** | (17) | (171) | (188) |
| Termination | | - | (154) | (154) |
| At 31 December 2025 | | 1,207 | 2,333 | 3,540 |
| Depreciation charge for the financial period | **22** | (9) | (58) | (67) |
| At 30 June 2026 | | 1,198 | 2,275 | 3,473 |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 6. INVESTMENT PROPERTIES

| | Note | Freehold land RM'000 | Buildings RM'000 | Capital work-in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2022 | | 1,466 | 2,933 | 66 | 4,465 |
| Additions | | - | - | 36 | 36 |
| At 31 December 2022 | | 1,466 | 2,933 | 102 | 4,501 |
| Additions | | - | - | 179 | 179 |
| At 31 December 2023 | | 1,466 | 2,933 | 281 | 4,680 |
| Additions | | - | - | 18 | 18 |
| Transfer | | - | 299 | (299) | - |
| At 31 December 2024/31 December 2025/ 30 June 2026 | | 1,466 | 3,232 | - | 4,698 |
| **Accumulated depreciation** | | | | | |
| At 1 January 2022 | | - | 587 | - | 587 |
| Depreciation charge for the financial year | **22** | - | 59 | - | 59 |
| At 31 December 2022 | | - | 646 | - | 646 |
| Depreciation charge for the financial year | **22** | - | 61 | - | 61 |
| At 31 December 2023 | | - | 707 | - | 707 |
| Depreciation charge for the financial year | **22** | - | 62 | - | 62 |
| At 31 December 2024 | | - | 769 | - | 769 |
| Depreciation charge for the financial year | **22** | - | 67 | - | 67 |
| At 31 December 2025 | | - | 836 | - | 836 |
| Depreciation charge for the financial period | **22** | - | 33 | - | 33 |
| At 30 June 2026 | | - | 869 | - | 869 |
| **Carrying amount** | | | | | |
| At 31 December 2022 | | 1,466 | 2,287 | 102 | 3,855 |
| At 31 December 2023 | | 1,466 | 2,226 | 281 | 3,973 |
| At 31 December 2024 | | 1,466 | 2,463 | - | 3,929 |
| At 31 December 2025 | | 1,466 | 2,396 | - | 3,862 |
| At 30 June 2026 | | 1,466 | 2,363 | - | 3,829 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**6. INVESTMENT PROPERTIES (CONTINUED)**

| | Audited as at FYE 31 December | | | | Audited FPE 30 June | Unaudited FPE 30 June |
|---|---|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Rental income | 173 | 175 | 149 | 271 | 103 | 130 |
| Direct operating expenses: | | | | | | |
| - income generating investment | 11 | 11 | 11 | 23 | 19 | 17 |
| - non-income generating investment | - | - | 11 | - | - | - |

**Fair value information**

The fair value of the freehold land and buildings of approximately RM7,100,000 (31.12.2025: RM7,547,000, 31.12.2024, 31.12.2023 and 31.12.2022: RM7,557,000) is categorised at Level 3 of the fair value hierarchy.

There are no Level 1 and Level 2 investment properties or transfers between Level 1, Level 2 and Level 3 during the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and 6-month financial period ended 30 June 2026.

**Level 3 fair value**

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

| Description | Valuation technique | Significant unobservable inputs | Relationship of unobservable inputs to fair value |
|---|---|---|---|
| Building | Sales comparison approach | Prices per square foot | The higher the price per square foot, the higher the fair value |

**Valuation processes applied by the Group**

The Group's finance department includes a team that performs valuation of analysis of freehold land and buildings required for financial reporting purposes, including Level 3 fair values. This team reports directly to the directors.

**Highest and best use**

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 7. INVESTMENT IN AN ASSOCIATE

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **At cost** | | | | | |
| Share at cost | 500 | 500 | - | - | - |
| Less: Impairment loss | (500) | (500) | - | - | - |
| | * | * | - | - | - |

* *Less than RM1,000*

Details of the associate is as follows:

| | Ownership interest | | | | | Principal place of business/ | |
|---|---|---|---|---|---|---|---|
| Name of the company | 2022 % | 2023 % | 2024 % | 2025 % | 2026 % | Country of incorporation | Principal activity |
| Food Lovers Sdn. Bhd.* | 50 | 50 | - | - | - | Malaysia | Investment holding |

* Audited by auditors other than Baker Tilly Monteiro Heng PLT.

## 8. DEFERRED TAX ASSETS/(LIABILITIES)

| | At 1 January 2022 RM'000 | Recognised in profit or loss (Note 24) RM'000 | At 31 December 2022 RM'000 |
|---|---|---|---|
| **Deferred tax liabilities:** | | | |
| Property, plant and equipment | (33) | (2) | (35) |
| Unrealised foreign exchange | - | (8) | (8) |
| | (33) | (10) | (43) |

| | At 1 January 2023 RM'000 | Recognised in profit or loss (Note 24) RM'000 | At 31 December 2023 RM'000 |
|---|---|---|---|
| **Deferred tax liabilities:** | | | |
| Property, plant and equipment | (35) | (9) | (44) |
| Unrealised foreign exchange | (8) | (2) | (10) |
| | (43) | (11) | (54) |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**8. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)**

| | At 1 January 2024 RM'000 | Recognised in profit or loss (Note 24) RM'000 | At 31 December 2024 RM'000 |
|---|---|---|---|
| **Deferred tax liabilities:** | | | |
| Property, plant and equipment | (44) | 13 | (31) |
| Unrealised foreign exchange | (10) | 1 | (9) |
| | (54) | 14 | (40) |
| **Deferred tax assets:** | | | |
| Impairment losses on trade receivables | - | 27 | 27 |
| | (54) | 41 | (13) |

| | At 1 January 2025 RM'000 | Recognised in profit or loss (Note 24) RM'000 | At 31 December 2025 RM'000 |
|---|---|---|---|
| **Deferred tax liabilities:** | | | |
| Property, plant and equipment | (31) | (7) | (38) |
| Unrealised foreign exchange | (9) | 17 | 8 |
| | (40) | 10 | (30) |
| **Deferred tax assets:** | | | |
| Impairment losses on trade receivables | 27 | (17) | 10 |
| | (13) | (7) | (20) |

| | At 1 January 2026 RM'000 | Recognised in profit or loss (Note 24) RM'000 | At 30 June 2026 RM'000 |
|---|---|---|---|
| **Deferred tax liabilities:** | | | |
| Property, plant and equipment | (38) | (42) | (80) |
| Unrealised foreign exchange | 8 | (11) | (3) |
| | (30) | (53) | (83) |
| **Deferred tax assets:** | | | |
| Impairment losses on trade receivables | 10 | 44 | 54 |
| | (20) | (9) | (29) |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**8. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)**

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **Presented after appropriate offsetting as follows:** | | | | | |
| Deferred tax assets | - | - | 27 | 10 | 54 |
| Deferred tax liabilities | (43) | (54) | (40) | (30) | (83) |
| | (43) | (54) | (13) | (20) | (29) |

**9. OTHER INVESTMENTS**

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **Non-current** | | | | | |
| **Financial assets at fair value through profit or loss ("FVPL")** | | | | | |
| **At fair value:** | | | | | |
| - Quoted unit trusts | 1,981 | 2,113 | 2,177 | 361 | 4,394 |
| - Money market fund | 109 | 1,008 | 1,626 | - | - |
| | 2,090 | 3,121 | 3,803 | 361 | 4,394 |

**10. INVENTORIES**

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **At cost:** | | | | | |
| Trading goods | 8,634 | 11,588 | 11,521 | 10,687 | 12,555 |

(a) The cost of inventories of the Group recognised as an expense in cost of sales during the financial years/period was RM29,639,202 (31.12.2025: RM46,789,450, 31.12.2024: RM39,219,209, 31.12.2023: RM28,667,882 and 31.12.2022: RM25,840,183).

(b) The cost of inventories of the Group recognised as an expense in cost of sales during the financial years/period in respect of slow-moving inventories was Nil (31.12.2025: RM683,854 and 31.12.2024 and 31.12.2023: Nil and 31.12.2022: RM476,945).

(c) During the financial years and period, the Group reversed the impairment on slow moving inventories in previous year was RM490,600 (31.12.2025: Nil, 31.12.2024: RM154,992, 31.12.2023: RM152,074 and 31.12.2022: Nil) respectively. The amount of reversal was included in cost of sales.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 11. TRADE AND OTHER RECEIVABLES

| | | Audited as at | | | | |
|---|---|---|---|---|---|---|
| | Note | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **Trade** | | | | | | |
| Trade receivables | (a) | | | | | |
| - Third parties | | 11,700 | 13,494 | 18,620 | 20,976 | 26,980 |
| - A related party | | - | - | 3 | - | 37 |
| - Retention sum | | 48 | 48 | 48 | 37 | 37 |
| | | 11,748 | 13,542 | 18,671 | 21,013 | 27,054 |
| Less: Impairment losses on trade receivables | | - | - | (137) | (48) | (520) |
| | | 11,748 | 13,542 | 18,534 | 20,965 | 26,534 |
| **Non-trade** | | | | | | |
| Other receivables | | 260 | 236 | 19 | 1,935 | 1,249 |
| Deposits | | 53 | 82 | 90 | 71 | 69 |
| Prepayments | | 278 | 256 | 278 | 429 | 654 |
| Amount owing by an associate company | (b) | 2,262 | 2,322 | - | - | - |
| Amount owing by related parties | (b) | - | 429 | - | - | - |
| | | 2,853 | 3,325 | 387 | 2,435 | 1,972 |
| Total trade and other receivables | | 14,601 | 16,867 | 18,921 | 23,400 | 28,506 |

### (a) Trade receivables

Trade receivables are non-interest bearing and normal credit term offered by the Group ranges from 60 to 90 days (31.12.2025, 31.12.2024, 31.12.2023 and 31.12.2022: 60 to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. TRADE AND OTHER RECEIVABLES (CONTINUED)**

**(a) Trade receivables (continued)**

Trade receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of the movement in the impairment of trade receivables are as follows:

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **At beginning of the financial year/period** | - | - | - | 137 | 48 |
| Charge for the financial year | | | | | |
| - Individually assessed | - | - | 132 | - | 497 |
| - Collectively assessed | - | - | 5 | - | - |
| Reversal of impairment losses | | | | | |
| - Individually assessed | - | - | - | (62) | (25) |
| - Collectively assessed | - | - | - | - | - |
| Written off | - | - | - | (27) | - |
| **At end of the financial year/period** | - | - | 137 | 48 | 520 |

Trade receivables that are written off

The Group's trade receivables that are written off during the financial year/period are as follows:

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Written off | 13 | 5 | 17 | 11 | - |

The information about the credit exposures are disclosed in Note 26(b)(i).

**(b) Amount owing by an associate company and related parties**

Amount owing by an associate company and related parties are unsecured, non-trade in nature, non-interest bearing and repayable on demand in cash.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 12. CONTRACT ASSETS/(LIABILITIES)

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Contract assets relating to rendering of services | 697 | 766 | 871 | 778 | 1,396 |
| Contract liabilities relating to rendering of services | (672) | (469) | (770) | (1,138) | (1,456) |

### (a) Contract assets

The contract assets represent the Group's rights to consideration for the work performed for services performed but yet to billed. Contract assets are transferred to receivables when the Group issues invoices to the customers.

### (b) Contract liabilities

The contract liabilities represent invoice billed for the rendering of services for which performance obligations have not been satisfied. The contract liabilities will only be recognised as revenue when the performance obligation have been satisfied, and hence the Group applies the practical expedient not to disclose the information pertaining to the timing of revenue recognition from the remaining performance obligations.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**12. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)**

**(c) Significant changes in contract balances**

| | Audited | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FYE 31 December 2022 | | FYE 31 December 2023 | | FYE 31 December 2024 | | FYE 31 December 2025 | | FPE 30 June 2026 | |
| | Contract assets Increase/ (decrease) RM'000 | Contract liabilities (Increase)/ decrease RM'000 | Contract assets Increase/ (decrease) RM'000 | Contract liabilities (Increase)/ decrease RM'000 | Contract assets Increase/ (decrease) RM'000 | Contract liabilities (Increase)/ decrease RM'000 | Contract assets Increase/ (decrease) RM'000 | Contract liabilities (Increase)/ decrease RM'000 | Contract assets Increase/ (decrease) RM'000 | Contract liabilities (Increase)/ decrease RM'000 |
| Revenue recognised that was included in contract liabilities at the beginning of the financial years/period | - | - | - | 672 | - | 469 | - | 770 | - | 1,138 |
| Increase due to value of services billed in advance to customer, but revenue not recognised | 697 | (672) | 766 | (469) | 871 | (770) | 778 | (1,138) | 1,396 | (1,456) |
| Transfer from contract assets recognised at the beginning of the period to receivables | - | - | (697) | - | (766) | - | (871) | - | (778) | - |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**12. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)**

**(d) Revenue recognised in relation to contract balances**

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Revenue recognised that was included in contract liability at the beginning of the financial years/period | - | 672 | 469 | 770 | 1,138 |

Revenue recognised that was included in the contract liabilities balance at the beginning of the years/period represented primarily revenue from sales of goods and the provision of water treatment solutions and engineering services.

**13. CASH AND SHORT-TERM DEPOSITS**

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Cash in hand | 6 | 2 | 3 | 2 | * |
| Cash at bank | 6,883 | 4,709 | 10,004 | 11,388 | 15,517 |
| Short-term deposits | 777 | 794 | 421 | 431 | 431 |
| | 7,666 | 5,505 | 10,428 | 11,821 | 15,948 |

* *Less than RM1,000*

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Short-term deposits | 777 | 794 | 421 | 431 | 431 |
| Less: Pledged deposits | (777) | (794) | (421) | (431) | (431) |
| | - | - | - | - | - |
| Cash and bank balances | 6,889 | 4,711 | 10,007 | 11,390 | 15,517 |
| | 6,889 | 4,711 | 10,007 | 11,390 | 15,517 |

Short-term deposits placed with licensed banks of the Group has been pledged to licensed banks to secure credit facilities granted to the Group as disclosed in Note 17.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 14. INVESTED EQUITY

| | Number of ordinary shares | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 Unit'000 | 31.12.2023 Unit'000 | 31.12.2024 Unit'000 | 31.12.2025 Unit'000 | 30.6.2026 Unit'000 |
| **Issued and fully paid up:** | | | | | |
| At the beginning of the financial years/period | 995 | 995 | 600 | 600 | 1,100 |
| Adjustment pursuant to merger accounting | - | (395) | - | 500 | (1,100) |
| At the end of the financial years/period | 995 | 600 | 600 | 1,100 | - |

| | Amount | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **Issued and fully paid up:** | | | | | |
| At the beginning of the financial years/period | 995 | 995 | 600 | 600 | 1,100 |
| Adjustment pursuant to merger accounting | - | (395) | - | 500 | (1,100) |
| At the end of the financial years/period | 995 | 600 | 600 | 1,100 | - |

For the purpose of the financial statements, the total number of shares as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 represent the aggregate number of issued shares of all combining entities within the Group.

The invested equity constitutes the share capital of Source Code Asia Sdn. Bhd., Greneco Sdn. Bhd., Ace Victech Sdn. Bhd. and SCA Solutions Berhad.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group. All ordinary shares rank equally with regard to the Group's residual assets.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 15. SHARE CAPITAL

| | Note | Audited as at 31.12.2022 Unit'000 | 31.12.2023 Unit'000 | 31.12.2024 Unit'000 | 31.12.2025 Unit'000 | 30.6.2026 Unit'000 |
|---|---|---|---|---|---|---|
| **Issued and fully paid up:** | | | | | | |
| At the beginning of the financial years/period | | - | - | - | - | * |
| Share issued upon incorporation | **(a)** | - | - | - | * | - |
| Issuance of ordinary shares pursuant to acquisition of subsidiaries | **(b)** | - | - | - | - | 123,142 |
| Bonus issue | **(c)** | - | - | - | - | 332,483 |
| At the end of the financial years/period | | - | - | - | - | 455,625 |

| | Note | Audited as at 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
|---|---|---|---|---|---|---|
| **Issued and fully paid up:** | | | | | | |
| At the beginning of the financial years/period | | - | - | - | - | * |
| Share issued upon incorporation | **(a)** | - | - | - | * | - |
| Issuance of ordinary shares pursuant to acquisition of subsidiaries | **(b)** | - | - | - | - | 32,321 |
| Adjustment pursuant to merger accounting | | - | - | - | - | 1,100 |
| At the end of the financial years/period | | - | - | - | * | 33,421 |

* *Less than RM1,000*

**(a) Share issued upon incorporation**

During the financial year ended 31 December 2025, SCA issued 2 new ordinary shares at a price of RM1 per share.

The new ordinary shares issued during the financial year 31 December 2025 rank pari passu in all respect with the existing ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**15. SHARE CAPITAL (CONTINUED)**

**(b) Issuance of ordinary shares pursuant to acquisition of subsidiaries**

On 12 January 2026, SCA had entered into conditional share sale agreement for the:

- acquisition of the entire issued share capital of SCASB of comprising 500,000 ordinary shares from the shareholders of SCASB for a total purchase consideration of RM31,977,875.17 which shall be satisfied entirely via the allotment and issuance of 117,825,627 new ordinary shares in the Company ("Shares") at an issue price of RM0.2714 per Share ("Acquisitions of SCASB").

- acquisition of the entire issued share capital of Greneco Sdn. Bhd. comprising 500,000 ordinary shares from the shareholders of Greneco Sdn. Bhd. for a total purchase consideration of RM956,240.18 which shall be satisfied entirely via the allotment and issuance of 3,523,361 new Shares at an issue price of RM0.2714 per Share. ("Acquisition of Greneco").

- acquisition of the entire issued share capital of Ace Victech Sdn. Bhd. of comprising 100,000 ordinary shares from the shareholders of Ace Victech Sdn. Bhd. for a total purchase consideration of RM486,622.91 which shall be satisfied entirely via the allotment and issuance of 1,793,010 new Shares at an issue price of RM0.2714 per Share. ("Acquisition of Ace Victech").

The said acquisitions have been completed on 23 January 2026.

**(c) Bonus issue**

On 23 January 2026, the SCA had undertaken a bonus issue of on the basis of 27 Shares for every 10 existing Shares held, upon the completion of the Acquisitions. Upon the completion of the Bonus Issue, the share capital shall be RM33,420,740 comprising of 455,625,400 Shares.

**16. REORGANISATION RESERVE**

The reorganisation reserve arose from the differences between the carrying amount of the investment and the nominal amount of the share of the subsidiaries upon consolidation using the merger accounting principles.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 17. LOANS AND BORROWINGS

| | | Audited as at | | | | |
|---|---|---|---|---|---|---|
| | Note | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **Non-current:** | | | | | | |
| Term loans | (a) | 3,341 | 2,888 | 3,703 | 3,400 | 3,227 |
| Lease liabilities | (b) | 22 | 154 | 124 | 33 | - |
| Hire purchase payables | (c) | 208 | 478 | 394 | 365 | 317 |
| | | 3,571 | 3,520 | 4,221 | 3,798 | 3,544 |
| **Current:** | | | | | | |
| Term loans | (a) | 444 | 454 | 491 | 297 | 301 |
| Lease liabilities | (b) | 36 | 92 | 123 | 62 | 64 |
| Hire purchase payables | (c) | 132 | 116 | 134 | 92 | 95 |
| Bankers' acceptances | (d) | 1,012 | 925 | 2,563 | 2,003 | 3,561 |
| | | 1,624 | 1,587 | 3,311 | 2,454 | 4,021 |
| **Total loans and borrowings:** | | | | | | |
| Term loans | (a) | 3,785 | 3,342 | 4,194 | 3,697 | 3,528 |
| Lease liabilities | (b) | 58 | 246 | 247 | 95 | 64 |
| Hire purchase payables | (c) | 340 | 594 | 528 | 457 | 412 |
| Bankers' acceptances | (d) | 1,012 | 925 | 2,563 | 2,003 | 3,561 |
| | | 5,195 | 5,107 | 7,532 | 6,252 | 7,565 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. LOANS AND BORROWINGS (CONTINUED)**

**(a) Term loan**

Term loan 1 of the Group of RM1,023,476 (31.12.2025: RM1,087,242, 31.12.2024: RM1,209,556, 31.12.2023: RM1,325,409 and 31.12.2022: RM1,436,195) bears interest at 4.70% (31.12.2025 and 31.12.2024: 4.78%, 31.12.2023: 4.95% and 31.12.2022: 4.70%) per annum and is repayable by monthly instalments of RM14,771 over 240 months commencing from the day of full disbursement of first drawdown and is secured and supported as follows:

(i) Assignment and power of attorney over the freehold land and buildings of the Group as disclosed in Note 6; and
(ii) Joint and several guarantee by certain directors of the Group.

Term loans 2 of the Group of RM1,036,186 (31.12.2025: RM1,063,934, 31.12.2024: RM1,111,197, 31.12.2023: RM1,156,301 and 31.12.2022: RM1,215,028) bears interest at 4.17% (31.12.2025 and 31.12.2024: 4.43%, 31.12.2023: 4.17% and 31.12.2022: 3.24%) per annum and is repayable by monthly instalments of RM7,287 over 300 months commencing from the day of full disbursement of first drawdown and is secured and supported as follows:

(i) Assignment and power of attorney over the leasehold land and buildings of the Group as disclosed in Note 5; and
(ii) Joint and several guarantee by certain directors of the Group.

Term loans 3 of the Group of RMNil (31.12.2025 and 31.12.2024: RMNil, 31.12.2023: RM12,681 and 31.12.2022: RM24,583) bears interest at Nil% (31.12.2025: Nil%, 31.12.2024: 7.67%, 31.12.2023: 7.67% and 31.12.2022: 7.42%) per annum and is repayable by monthly instalments of RM1,006 over 60 months commencing from the day of full disbursement of first drawdown and is secured and supported as follows:

(i) Legal charge over the leasehold land and buildings of the Group as disclosed in Note 5; and
(ii) Joint and several guarantee by certain directors of the Group.

Term loans 4 of the Group of RM235,002 (31.12.2025: RM271,694, 31.12.2024: RM340,836, 31.12.2023: RM401,950 and 31.12.2022: RM460,909) bears interest at 7.42% (31.12.2025 and 31.12.2024: 7.68%, 31.12.2023: 7.42% and 31.12.2022: 6.49%) per annum and is repayable by monthly instalments of RM7,688 over 90 months commencing from the day of full disbursement of first drawdown and is secured and supported as follows:

(i) Joint and several guarantee by certain directors of the Group.

Term loans 5 of the Group of RM Nil (31.12.2025: RM17,467, 31.12.2024: RM235,520, 31.12.2023: RM446,046 and 31.12.2022: RM647,455) bears interest at Nil% (31.12.2025. 31.12.2024, 31.12.2023 and 31.12.2022: 3.50%) per annum and is repayable by monthly instalments of RM18,513 over 66 months commencing from the day of full disbursement of first drawdown and is secured and supported as follows:

(i) Guarantee by Credit Guarantee Corporation Bhd ("CGC");
(ii) Pledged of fixed deposits as disclosed in Note 13;
(iii) Assignment and power of attorney over the leasehold land and buildings of the Group as disclosed in Note 5; and
(iv) Joint and several guarantee by certain directors of the Group.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. LOANS AND BORROWINGS (CONTINUED)**

**(a) Term loan (continued)**

Term loans 6 of the Group of RM1,233,942 (31.12.2025: RM1,257,018, 31.12.2024: RM1,297,486, 31.12.2023 and 31.12.2022: RMNil) bears interest at 4.02% (31.12.2025 and 31.12.2024: 4.67%, 31.12.2023 and 31.12.2022: Nil%) per annum and is repayable by repayable by monthly instalments of RM7,964 over 240 months commencing from the day of full disbursement of first drawdown and is secured and supported as follows:

(i) Guarantee by CGC;
(ii) Pledged fixed deposits as disclosed in Note 13;
(iii) Assignment and power of attorney over the leasehold land and buildings of the Group as disclosed in Note 5; and
(iv) Joint and several guarantee by certain directors of the Group.

**(b) Lease liabilities**

Future minimum lease payments under leases together with the present value of net minimum lease payments are as follows:

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Minimum lease payments: | | | | | |
| Not later than one year | 38 | 103 | 131 | 66 | 66 |
| Later than one year but not later than five years | 22 | 163 | 129 | 33 | - |
| | 60 | 266 | 260 | 99 | 66 |
| Less: Future finance charges | (2) | (20) | (13) | (4) | (2) |
| Present value of minimum lease payments | 58 | 246 | 247 | 95 | 64 |
| Present value of minimum lease payment payable: | | | | | |
| Not later than one year | 36 | 92 | 123 | 62 | 64 |
| Later than one year but not later than five years | 22 | 154 | 124 | 33 | - |
| | 58 | 246 | 247 | 95 | 64 |
| Less: Amount due within twelve months | (36) | (92) | (123) | (62) | (64) |
| Amount due after twelve months | 22 | 154 | 124 | 33 | - |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. LOANS AND BORROWINGS (CONTINUED)**

**(c) Hire purchase payables**

Hire purchase payables of the Group bear interests ranging from 2.34% to 6.51% (31.12.2025: 2.34% to 6.51%, 31.12.2024, 31.12.2023 and 31.12.2022: 3.89% to 5.75%) per annum, respectively and are secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 5.

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Minimum lease payments: | | | | | |
| Not later than one year | 145 | 139 | 155 | 113 | 113 |
| Later than one year but not later than five years | 220 | 468 | 433 | 398 | 341 |
| Later than five years | 5 | 67 | 5 | - | - |
| | 370 | 674 | 593 | 511 | 454 |
| Less: Future finance charges | (30) | (80) | (65) | (54) | (42) |
| Present value of minimum lease payments | 340 | 594 | 528 | 457 | 412 |
| Present value of minimum lease payment payable: | | | | | |
| Not later than one year | 132 | 116 | 134 | 92 | 95 |
| Later than one year but not later than five years | 203 | 412 | 389 | 365 | 317 |
| Later than five years | 5 | 66 | 5 | - | - |
| | 340 | 594 | 528 | 457 | 412 |
| Less: Amount due within twelve months | (132) | (116) | (134) | (92) | (95) |
| Amount due after twelve months | 208 | 478 | 394 | 365 | 317 |

**(d) Bankers' acceptances**

Bankers' acceptances of the Group at the end of the reporting year bear interest ranging from 3.96% to 4.11% (31.12.2025: 3.79% to 4.29%, 31.12.2024: 4.08% to 4.29%, 31.12.2023: 4.33% to 4.35% and 31.12.2022: 3.41% to 4.40%) per annum and is secured by:

(i) Guarantee by CGC; and
(ii) Joint and several guarantee by certain directors of the Group.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 18. TRADE AND OTHER PAYABLES

| | | Audited as at | | | | |
|---|---|---|---|---|---|---|
| | Note | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **Trade** | | | | | | |
| Trade payables | **(a)** | 4,835 | 5,091 | 8,567 | 7,683 | 12,743 |
| **Non-trade** | | | | | | |
| Other payables | | 235 | 249 | 580 | 277 | 477 |
| Accruals | | 1,538 | 1,940 | 2,083 | 2,522 | 2,067 |
| Deposit | | 44 | 44 | 61 | 47 | 53 |
| Amount owing to directors | **(b)** | 355 | 345 | 175 | - | - |
| Amount owing to related parties | **(b)** | - | - | * | - | - |
| | | 2,172 | 2,578 | 2,899 | 2,846 | 2,597 |
| Total trade and other payables | | 7,007 | 7,669 | 11,466 | 10,529 | 15,340 |

* *Less than RM1,000*

**(a) Trade payables**

Trade payables are non-interest bearing and the normal trade credit term granted to the Group ranges from 30 to 90 days (31.12.2025, 31.12.2024, 31.12.2023 and 31.12.2022: 30 to 90 days).

**(b) Amount owing to directors and related parties**

Amount owing to directors and related parties are unsecured, non-interest bearing with no fixed term of repayment.

For explanations on the Group's liquidity risk management processes, refer to Note 26(b)(ii).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 19. REVENUE

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 RM'000 | 2023 RM'000 | 2024 RM'000 | 2025 RM'000 | 2026 RM'000 | 2025 RM'000 |
| **Revenue from contract customers:** | | | | | | |
| **At a point in time:** | | | | | | |
| Sale of goods | 36,909 | 42,746 | 57,626 | 71,578 | 46,670 | 35,768 |
| Construction revenue | 3,853 | 4,496 | 4,008 | 6,429 | 4,660 | 2,359 |
| | 40,762 | 47,242 | 61,634 | 78,007 | 51,330 | 38,127 |
| **Timing of revenue recognition:** | | | | | | |
| At a point in time | 36,909 | 42,746 | 57,626 | 71,578 | 46,670 | 35,768 |
| Over time | 3,853 | 4,496 | 4,008 | 6,429 | 4,660 | 2,359 |
| | 40,762 | 47,242 | 61,634 | 78,007 | 51,330 | 38,127 |

### 20. OTHER INCOME

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 RM'000 | 2023 RM'000 | 2024 RM'000 | 2025 RM'000 | 2026 RM'000 | 2025 RM'000 |
| Interest income | 114 | 189 | 228 | 279 | 128 | 116 |
| Wages subsidy income | 11 | 7 | - | - | - | - |
| Rental income | 173 | 175 | 149 | 271 | 103 | 130 |
| Net realised gain on foreign exchange | 2 | - | 10 | 49 | 113 | - |
| Net unrealised gain on foreign exchange | 14 | 9 | - | - | 15 | - |
| Reversal of impairment losses on trade receivables | - | - | - | 62 | 25 | 52 |
| Bad debts recovered | - | - | - | 17 | - | 17 |
| Compensation of damaged goods | - | - | - | 17 | - | 17 |
| Gain on disposal of property, plant and equipment | - | - | 60 | 6 | - | 6 |
| Gain on lease modification | - | - | - | 7 | - | 2 |
| Fair value gain on other investments | - | 70 | - | 21 | - | 21 |
| Sponsorship income | - | - | - | - | 31 | - |
| Deposit forfeited | - | - | - | - | 13 | - |
| Miscellaneous | * | 1 | 1 | 2 | 2 | 2 |
| | 314 | 451 | 448 | 731 | 430 | 363 |

* *Less than RM1,000*

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 21. FINANCE COSTS

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest expense on: | | | | | | |
| - Term loans | 150 | 153 | 167 | 183 | 78 | 99 |
| - Lease liabilities | 4 | 5 | 11 | 11 | 2 | 6 |
| - Hire purchase | 16 | 14 | 24 | 28 | 11 | 15 |
| - Bank overdraft | * | 1 | 7 | 1 | 2 | * |
| - Bankers' acceptances | 40 | 37 | 91 | 81 | 48 | 50 |
| | 210 | 210 | 300 | 304 | 141 | 170 |

* *Less than RM1,000*

### 22. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged in arriving at profit before tax

| | | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|---|
| | | FYE 31 December | | | | FPE 30 June | |
| | | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | Note | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Auditors' remuneration - statutory audit: | | | | | | | |
| - Baker Tilly Monteiro Heng PLT | | - | - | 93 | 90 | 45 | 55 |
| - Other auditors | | 32 | 35 | - | - | - | - |
| Other services | | | | | | | |
| - Baker Tilly Monteiro Heng PLT | | - | - | - | 460 | 327 | 182 |
| Depreciation of property, plant and equipment | **5** | 395 | 410 | 497 | 582 | 239 | 257 |
| Depreciation of investment property | **6** | 59 | 61 | 62 | 67 | 33 | 35 |
| Loss on disposal of property, plant and equipment | | - | * | - | - | - | - |
| Property, plant and equipment written off | | 2 | * | - | - | - | - |
| (Reversal)/Impairment losses on slow-moving inventories | | 477 | (152) | (155) | 684 | (491) | 158 |

* *Less than RM1,000*

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 22. PROFIT BEFORE TAX (CONTINUED)

Other than disclosed elsewhere in the financial statements, the following items have been charged in arriving at profit before tax: (continued)

| | | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|---|
| | | FYE 31 December | | | | FPE 30 June | |
| | | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | Note | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Impairment losses on trade receivables | **11** | - | - | 137 | - | 497 | - |
| Impairment losses on other investments | | 58 | - | 31 | - | - | - |
| Impairment losses on investment in a former subsidiary | | - | - | * | - | - | - |
| Bad debts written off | **11** | 13 | 5 | 17 | 11 | - | - |
| Other receivables written off | | - | - | - | - | 17 | - |
| Net realised loss on foreign exchange | | - | 7 | - | - | - | 5 |
| Net unrealised loss on foreign exchange | | - | - | 8 | 35 | - | 22 |
| Inventories written off | | - | - | - | 6 | - | - |
| Expenses relating to short-term lease: | | | | | | | |
| - Premises | | 11 | 7 | 19 | 44 | - | 26 |
| Employee benefits expense | **23** | 6,885 | 6,232 | 6,964 | 10,172 | 5,457 | 4,367 |

### 23. EMPLOYEE BENEFITS EXPENSE

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Salaries, wages, allowances and bonuses | 6,094 | 5,532 | 6,146 | 9,024 | 5,121 | 3,992 |
| Defined contribution plans | 734 | 648 | 742 | 1,058 | 294 | 339 |
| Other staff related expenses | 57 | 52 | 76 | 90 | 42 | 36 |
| | 6,885 | 6,232 | 6,964 | 10,172 | 5,457 | 4,367 |
| Included in employee benefits are: | | | | | | |
| Directors' remuneration: | | | | | | |
| - Salaries, allowances and bonuses | 889 | 943 | 732 | 1,599 | 977 | 736 |
| - Defined contribution plans | 107 | 113 | 88 | 163 | 57 | 45 |
| - Other staff related expenses | 9 | 9 | 10 | 4 | 2 | 2 |
| | 1,005 | 1,065 | 830 | 1,766 | 1,036 | 783 |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 24. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 December 2022, 31 December 2023 31 December 2024 and 31 December 2025 and 6-month financial period ended 30 June 2026 are as follows:

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **Statements of comprehensive income** | | | | | | |
| **Current income tax:** | | | | | | |
| - Current income tax charge | 1,035 | 1,788 | 2,755 | 3,565 | 2,956 | 2,284 |
| - Adjustment in respect of prior years | 126 | (4) | 9 | 510 | - | - |
| - Capital gains tax on dividend in specie | - | - | - | - | 10 | - |
| | 1,161 | 1,784 | 2,764 | 4,075 | 2,966 | 2,284 |
| **Deferred tax: (Note 8)** | | | | | | |
| - Current year | 6 | 5 | (27) | 17 | (14) | 29 |
| - Adjustment in respect of prior years | 4 | 6 | (14) | (10) | 23 | (8) |
| | 10 | 11 | (41) | 7 | 9 | 21 |
| Income tax expense recognised in profit or loss | 1,171 | 1,795 | 2,723 | 4,082 | 2,975 | 2,305 |

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated assessable profit for the financial years/period.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**24. INCOME TAX EXPENSE (CONTINUED)**

The reconciliations from the tax amount at the statutory income tax rate to the Group's tax expense are as follows:

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 RM'000 | 2023 RM'000 | 2024 RM'000 | 2025 RM'000 | 2026 RM'000 | 2025 RM'000 |
| Profit before tax | 4,101 | 6,884 | 10,505 | 14,728 | 10,926 | 8,217 |
| Tax at Malaysian statutory income tax rate of 24% | 984 | 1,652 | 2,521 | 3,535 | 2,622 | 1,972 |
| SME tax savings | (56) | (100) | (20) | (51) | - | (43) |
| Adjustments: | | | | | | |
| - Capital gains tax on dividend in specie | - | - | - | - | 10 | - |
| - Non-taxable income | - | - | - | (65) | - | (36) |
| - Non-deductible expenses | 112 | 241 | 227 | 163 | 320 | 420 |
| - Adjustment in respect of current income tax of prior years | 126 | (4) | 9 | 510 | - | - |
| - Adjustment in respect of deferred of prior years | 5 | 6 | (14) | (10) | 23 | (8) |
| Income tax expense | 1,171 | 1,795 | 2,723 | 4,082 | 2,975 | 2,305 |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 25. DIVIDENDS

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **Recognised during the financial years/period:** | | | | | | |
| Dividends on ordinary shares: | | | | | | |
| - Single-tier interim dividend for the financial year ended 31 July 2021: RM4.05 per ordinary share, paid on 28 February 2022 | 2,025 | - | - | - | - | - |
| - Single-tier interim dividend for the financial year ended 31 July 2022: RM2.60 per ordinary share, paid on 10 March 2023 | - | 1,300 | - | - | - | - |
| - Single-tier interim dividend for the financial year ended 31 July 2023: RM2.00 per ordinary share, paid on 26 January 2024 | - | - | 1,000 | - | - | - |
| - Single-tier interim dividend for the financial year ended 31 July 2023: RM1.60 per ordinary share, paid on 23 February 2024 | - | - | 800 | - | - | - |
| - Single-tier interim dividend for the financial year ended 31 July 2023: RM8.00 per ordinary share, paid on 18 December 2024 | - | - | 4,000 | - | - | - |
| - Single-tier interim dividend for the financial year ended 31 December 2024: RM8.00 per ordinary share, paid on 23 July 2025 | - | - | - | 4,000 | - | - |
| - First interim single-tier interim dividend for the financial year ended 31 December 2025: RM4.00 per ordinary share, paid on 19 December 2025 | - | - | - | 2,000 | - | - |
| | 2,025 | 1,300 | 5,800 | 6,000 | - | - |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

## 26. FINANCIAL INSTRUMENTS

### (a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

(i) Amortised cost
(ii) FVPL

| | Carrying amount RM'000 | Amortised cost RM'000 | FVPL RM'000 |
|---|---|---|---|
| **At 31 December 2022** | | | |
| **Financial assets** | | | |
| Other investments | 2,090 | - | 2,090 |
| Trade and other receivables, less prepayment | 14,323 | 14,323 | - |
| Cash and short-term deposits | 7,666 | 7,666 | - |
| | 24,079 | 21,989 | 2,090 |
| **Financial liabilities** | | | |
| Loans and borrowings, less lease liabilities | (5,137) | (5,137) | - |
| Trade and other payables | (7,007) | (7,007) | - |
| | (12,144) | (12,144) | - |
| **At 31 December 2023** | | | |
| **Financial assets** | | | |
| Other investments | 3,121 | - | 3,121 |
| Trade and other receivables, less prepayment | 16,611 | 16,611 | - |
| Cash and short-term deposits | 5,505 | 5,505 | - |
| | 25,237 | 22,116 | 3,121 |
| **Financial liabilities** | | | |
| Loans and borrowings, less lease liabilities | (4,861) | (4,861) | - |
| Trade and other payables | (7,669) | (7,669) | - |
| | (12,530) | (12,530) | - |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(a) Categories of financial instruments (continued)**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (continued)

(i) Amortised cost (continued)
(ii) FVPL (continued)

| | Carrying amount RM'000 | Amortised cost RM'000 | FVPL RM'000 |
|---|---|---|---|
| **At 31 December 2024** | | | |
| **Financial assets** | | | |
| Other investments | 3,803 | - | 3,803 |
| Trade and other receivables, less prepayment | 18,643 | 18,643 | - |
| Cash and short-term deposits | 10,428 | 10,428 | - |
| | 32,874 | 29,071 | 3,803 |
| **Financial liabilities** | | | |
| Loans and borrowings, less lease liabilities | (7,285) | (7,285) | - |
| Trade and other payables | (11,466) | (11,466) | - |
| | (18,751) | (18,751) | - |
| **At 31 December 2025** | | | |
| **Financial assets** | | | |
| Other investments | 361 | - | 361 |
| Trade and other receivables, less prepayment | 22,971 | 22,971 | - |
| Cash and short-term deposits | 11,821 | 11,821 | - |
| | 35,153 | 34,792 | 361 |
| **Financial liabilities** | | | |
| Loans and borrowings, less lease liabilities | (6,157) | (6,157) | - |
| Trade and other payables | (10,529) | (10,529) | - |
| | (16,686) | (16,686) | - |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(a) Categories of financial instruments (continued)**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (continued)

(i) Amortised cost (continued)
(ii) FVPL (continued)

| | Carrying amount RM'000 | Amortised cost RM'000 | FVPL RM'000 |
|---|---|---|---|
| **At 30 June 2026** | | | |
| **Financial assets** | | | |
| Other investments | 4,394 | - | 4,394 |
| Trade and other receivables, less prepayment | 27,852 | 27,852 | - |
| Cash and short-term deposits | 15,948 | 15,948 | - |
| | 48,194 | 43,800 | 4,394 |
| **Financial liabilities** | | | |
| Loans and borrowings, less lease liabilities | (7,501) | (7,501) | - |
| Trade and other payables | (15,340) | (15,340) | - |
| | (22,841) | (22,841) | - |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management**

The Group's activities are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's overall financial risk management objective is to optimise value for its shareholders. The Group does not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management.

**(i) Credit risk**

Credit risk is the risk of financial loss to the Group that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk arises from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit worthiness of a customer is assessed based on a set of evaluation criteria and individual credit limits are defined in accordance with this assessment.

The Group considers a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group in full, without taking into account any credit enhancements held by the Group; or
- the contractual payment of the financial asset is more than credit term unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting year, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(i) Credit risk (continued)**

**Trade receivables and contract assets**

As at the end of the reporting year, the maximum exposure to credit risk arising from trade receivables is represented by its carrying amounts in the statement of financial position.

The carrying amounts of trade receivables are not secured by any collateral or supported by any other credit enhancements. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group uses ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group also takes appropriate actions (including but not limited to legal actions) to recover long past due balances.

Credit risk concentration profile
The Group determines the concentration of credit risk by monitoring its trade receivables on an ongoing basis. At the end of the reporting year, the Group has a significant concentration of credit risk in the form of Nil (31.12.2025: one (1), 31.12.2024, 31.12.2023 and 31.12.2022: five (5)) major trade receivables which made up of approximately Nil% (31.12.2025: 11%, 31.12.2024: 44%, 31.12.2023: 25% and 31.12.2022: 12%) of the Group's total trade receivables.

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. The Group uses a provision matrix to measure expected credit losses for trade receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information. Forward-looking information considered includes consideration of various external sources of actual and forecast economic information that relate to the Group's core operations. The Group believes that changes in economic conditions over these years would not materially impact the impairment calculation of the receivables.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(i) Credit risk (continued)**

**Trade receivables and contract assets (continued)**

The information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix are as follows:

| | | | Trade receivables | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Contract assets RM'000** | **Retention sum RM'000** | **Current RM'000** | **1 to 30 days past due RM'000** | **31 to 60 days past due RM'000** | **61 to 90 days past due RM'000** | **91 to 120 days past due RM'000** | **>120 days past due RM'000** | **Total RM'000** |
| **At 31 December 2022** | | | | | | | | | |
| Expected credit loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Gross carrying amount at default | 697 | 48 | 6,566 | 2,245 | 868 | 374 | 197 | 1,450 | 11,700 |
| Impairment losses | - | - | - | - | - | - | - | - | - |
| | 697 | 48 | 6,566 | 2,245 | 868 | 374 | 197 | 1,450 | 11,700 |
| **At 31 December 2023** | | | | | | | | | |
| Expected credit loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Gross carrying amount at default | 766 | 48 | 8,143 | 1,998 | 905 | 1,132 | 216 | 1,100 | 13,494 |
| Impairment losses | - | - | - | - | - | - | - | - | - |
| | 766 | 48 | 8,143 | 1,998 | 905 | 1,132 | 216 | 1,100 | 13,494 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(i) Credit risk (continued)**

**Trade receivables and contract assets (continued)**

The information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix are as follows:(continued)

| | | | Trade receivables | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Contract assets RM'000** | **Retention sum RM'000** | **Current RM'000** | **1 to 30 days past due RM'000** | **31 to 60 days past due RM'000** | **61 to 90 days past due RM'000** | **91 to 120 days past due RM'000** | **>120 days past due RM'000** | **Total RM'000** |
| **At 31 December 2024** | | | | | | | | | |
| Expected credit loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 6% | 1% |
| Gross carrying amount at default | 871 | 48 | 7,490 | 4,332 | 2,806 | 972 | 723 | 2,300 | 18,623 |
| Impairment losses | - | - | - | - | - | - | - | (137) | (137) |
| | 871 | 48 | 7,490 | 4,332 | 2,806 | 972 | 723 | 2,163 | 18,486 |
| **At 31 December 2025** | | | | | | | | | |
| Expected credit loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 3% | 0% |
| Gross carrying amount at default | 778 | 37 | 10,353 | 4,935 | 2,564 | 1,150 | 450 | 1,524 | 20,976 |
| Impairment losses | - | - | - | - | - | - | - | (48) | (48) |
| | 778 | 37 | 10,353 | 4,935 | 2,564 | 1,150 | 450 | 1,476 | 20,928 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(i) Credit risk (continued)**

**Trade receivables and contract assets (continued)**

The information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix are as follows:(continued)

| | | | Trade receivables | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Contract assets RM'000 | Retention sum RM'000 | Current RM'000 | 1 to 30 days past due RM'000 | 31 to 60 days past due RM'000 | 61 to 90 days past due RM'000 | 91 to 120 days past due RM'000 | >120 days past due RM'000 | Total RM'000 |
| **At 30 June 2026** | | | | | | | | | |
| Expected credit loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 36% | 2% |
| Gross carrying amount at default | 1,396 | 37 | 12,338 | 7,070 | 2,288 | 3,078 | 796 | 1,447 | 27,017 |
| Impairment losses | - | - | - | - | - | - | - | (520) | (520) |
| | 1,396 | 37 | 12,338 | 7,070 | 2,288 | 3,078 | 796 | 927 | 26,497 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(i) Credit risk (continued)**

**Other receivables and other financial assets**

For other receivables and other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting year. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated, where applicable:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty;
- significant increases in credit risk on other financial instruments of the same counterparty;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparties in the group and changes in the operating results of the counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than the credit term in making a contractual payment.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(i) Credit risk (continued)**

**Other receivables and other financial assets (continued)**

Some intercompany balances between entities within the Group comprises loans or advances which are repayable on demand. The Group regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Group assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Group is able to determine the timing of repayment of the loans or advances, the Group will consider the loans or advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery year. The Group determines the probability of default for these loans or advances using internally available information. The Group considers the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

At the end of the reporting date, the Group considers the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

**(ii) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations when they fall due. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities between financial assets and liabilities. The Group's exposure to liquidity risk arises principally from trade and other payables and loans and borrowings.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group maintains sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group uses a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's finance department also ensures that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management (continued)

##### (ii) Liquidity risk (continued)

Maturity analysis

The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date based on the contractual undiscounted repayment obligations are as follows:

| | | Contractual cash flows | | | |
|---|---|---|---|---|---|
| | Carrying amount RM'000 | On demand or within one year RM'000 | Between one and five years RM'000 | More than five years RM'000 | Total RM'000 |
| **31 December 2022** | | | | | |
| Trade and other payables | 7,007 | 7,007 | - | - | 7,007 |
| Term loans | 3,785 | 417 | 1,617 | 2,183 | 4,217 |
| Lease liabilities | 58 | 38 | 22 | - | 60 |
| Hire purchase payables | 340 | 145 | 220 | 5 | 370 |
| Bankers' acceptances | 1,012 | 1,012 | - | - | 1,012 |
| | 12,202 | 8,619 | 1,859 | 2,188 | 12,666 |
| **31 December 2023** | | | | | |
| Trade and other payables | 7,669 | 7,669 | - | - | 7,669 |
| Term loans | 3,342 | 444 | 1,437 | 1,919 | 3,800 |
| Lease liabilities | 246 | 103 | 163 | - | 266 |
| Hire purchase payables | 594 | 139 | 468 | 67 | 674 |
| Bankers' acceptances | 925 | 925 | - | - | 925 |
| | 12,776 | 9,280 | 2,068 | 1,986 | 13,334 |
| **31 December 2024** | | | | | |
| Trade and other payables | 11,466 | 11,466 | - | - | 11,466 |
| Term loans | 4,194 | 451 | 1,264 | 1,641 | 3,356 |
| Lease liabilities | 247 | 131 | 129 | - | 260 |
| Hire purchase payables | 528 | 155 | 433 | 5 | 593 |
| Bankers' acceptances | 2,563 | 2,563 | - | - | 2,563 |
| | 18,998 | 14,766 | 1,826 | 1,646 | 18,238 |
| **31 December 2025** | | | | | |
| Trade and other payables | 10,529 | 10,529 | - | - | 10,529 |
| Term loans | 3,697 | 606 | 1,642 | 4,289 | 6,537 |
| Lease liabilities | 95 | 66 | 33 | - | 99 |
| Hire purchase payables | 457 | 113 | 398 | - | 511 |
| Bankers' acceptances | 2,003 | 2,003 | - | - | 2,003 |
| | 16,781 | 13,317 | 2,073 | 4,289 | 19,679 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(ii) Liquidity risk (continued)**

Maturity analysis

The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date based on the contractual undiscounted repayment obligations are as follows:

| | | Contractual cash flows | | | |
|---|---|---|---|---|---|
| | Carrying amount RM'000 | On demand or within one year RM'000 | Between one and five years RM'000 | More than five years RM'000 | Total RM'000 |
| **30 June 2026** | | | | | |
| Trade and other payables | 15,340 | 15,340 | - | - | 15,340 |
| Term loans | 3,528 | 453 | 1,610 | 2,567 | 4,630 |
| Lease liabilities | 64 | 66 | - | - | 66 |
| Hire purchase payables | 412 | 113 | 341 | - | 454 |
| Bankers' acceptances | 3,561 | 3,561 | - | - | 3,561 |
| | 22,905 | 19,533 | 1,951 | 2,567 | 24,051 |

**(iii) Foreign currency risk**

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when purchases are denominated in a foreign currency).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(iii) Foreign currency risk (continued)**

The Group's unhedged liabilities of the Group that are not denominated in their functional currencies are as follows:

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | **31.12.2022 RM'000** | **31.12.2023 RM'000** | **31.12.2024 RM'000** | **31.12.2025 RM'000** | **30.6.2026 RM'000** |
| **Financial assets/(liabilities) not held in functional currencies:** | | | | | |
| **Trade and other receivables** | | | | | |
| Chinese Renminbi ("RMB") | 105 | 105 | 71 | - | 74 |
| United States Dollar ("USD") | - | - | 19 | - | 81 |
| Singapore Dollar ("SGD") | 161 | 75 | 280 | - | 230 |
| | 266 | 180 | 370 | - | 385 |
| **Cash and cash equivalents** | | | | | |
| USD | 204 | 213 | 372 | 339 | 358 |
| **Trade and other payables** | | | | | |
| USD | (48) | (57) | - | (198) | (180) |
| SGD | - | (129) | (131) | - | - |
| RMB | - | - | - | (78) | - |
| | (48) | (186) | (131) | (276) | (180) |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(iii) Foreign currency risk (continued)**

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly related to USD, SGD and RMB.

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD and RMB with all other variables held constant on the Group's total equity and profit for the financial years/period.

| | Changes in rate % | Effect on profit for the financial years/period RM'000 |
|---|---|---|
| **At 31 December 2022** | | |
| RMB | +5 | 8 |
| | -5 | (8) |
| USD | +5 | 12 |
| | -5 | (12) |
| SGD | +5 | 12 |
| | -5 | (12) |
| **At 31 December 2023** | | |
| RMB | +5 | 8 |
| | -5 | (8) |
| USD | +5 | (41) |
| | -5 | 41 |
| SGD | +5 | (4) |
| | -5 | 4 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(iii) Foreign currency risk (continued)**

Sensitivity analysis for foreign currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD and RMB with all other variables held constant on the Group's total equity and profit for the financial years/period. (continued)

| | Changes in rate % | Effect on profit for the financial years/period RM'000 |
|---|---|---|
| **At 31 December 2024** | | |
| RMB | +5 | 5 |
| | -5 | (5) |
| USD | +5 | 30 |
| | -5 | (30) |
| SGD | +5 | 11 |
| | -5 | (11) |
| **At 31 December 2025** | | |
| RMB | +5 | (3) |
| | -5 | 3 |
| USD | +5 | 5 |
| | -5 | (5) |
| **At 30 June 2026** | | |
| RMB | +5 | 3 |
| | -5 | (3) |
| USD | +5 | 10 |
| | -5 | (10) |
| SGD | +5 | 9 |
| | -5 | (9) |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Financial risk management (continued)**

**(iv) Interest rate risk**

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial years/period.

| | Carrying amount RM'000 | Change in basis points | Effect on profit for the financial years/period RM'000 |
|---|---|---|---|
| **31 December 2022** | | | |
| Loans and borrowings less lease liabilities | 5,137 | + 50 | (20) |
| | | - 50 | 20 |
| **31 December 2023** | | | |
| Loans and borrowings less lease liabilities | 4,861 | + 50 | (18) |
| | | - 50 | 18 |
| **31 December 2024** | | | |
| Loans and borrowings less lease liabilities | 7,285 | + 50 | (28) |
| | | - 50 | 28 |
| **31 December 2025** | | | |
| Loans and borrowings less lease liabilities | 6,157 | + 50 | (23) |
| | | - 50 | 23 |
| **30 June 2026** | | | |
| Loans and borrowings less lease liabilities | 7,501 | + 50 | (15) |
| | | - 50 | 15 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**26. FINANCIAL INSTRUMENTS (CONTINUED)**

**(c) Fair value measurement**

The carrying amounts of cash and cash of term equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no transfers between Level 1 and Level 2 during the financial years/period.

The following table provides the fair value measurement hierarchy of the Group's financial instruments:

| | Carrying amount | Fair value of financial instruments not carried at fair value | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **31 December 2022** | | | | | |
| **Financial liability** | | | | | |
| Term loans | 3,785 | - | - | 2,968 | 2,968 |
| **31 December 2023** | | | | | |
| **Financial liability** | | | | | |
| Term loans | 3,342 | - | - | 2,742 | 2,742 |
| **31 December 2024** | | | | | |
| **Financial liability** | | | | | |
| Term loans | 4,194 | - | - | 2,452 | 2,452 |
| **31 December 2025** | | | | | |
| **Financial liability** | | | | | |
| Term loans | 3,697 | - | - | 3,130 | 3,130 |
| **30 June 2026** | | | | | |
| **Financial liability** | | | | | |
| Term loans | 3,528 | - | - | 2,798 | 2,798 |

**Level 3 fair value**

Fair value of financial instruments not carried at fair value

The fair value of term loans is determined using the discounted cash flows method based on discount rates that reflect the issuer's borrowing rate as at the end of the reporting years/period.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 27. COMMITMENTS

The Group has made commitments for the following capital expenditure:

| | Audited as at | | | | |
|---|---|---|---|---|---|
| | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| **Approved and contracted for:** | | | | | |
| Purchase of properties | 322 | 179 | - | 11,343 | 11,343 |
| **Approved and not contracted for:** | | | | | |
| Renovation | - | - | - | 4,133 | 4,133 |
| Purchase of forklift | - | - | - | 165 | 165 |

### 28. RELATED PARTIES

#### (a) Identity of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

(i) Subsidiaries;
(ii) An associate;
(iii) Entities in which directors of the Group has substantial financial interests; and
(iv) Key management personnel of the Group, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 28. RELATED PARTIES (CONTINUED)

### (b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **Sale of goods or services** | | | | | | |
| Entities in which directors have substantial financial interests | 275 | 302 | 279 | 658 | 868 | 228 |
| **Advances from/(to)** | | | | | | |
| Directors | - | 50 | - | - | - | - |
| Entities in which directors have substantial financial interests | 60 | (480) | (50) | - | - | - |
| | 60 | (430) | (50) | - | - | - |
| **Repayment (from)/to** | | | | | | |
| Directors | 40 | 40 | 30 | - | - | - |
| Entities in which directors have substantial financial interests | - | - | (2,792) | - | - | - |
| | 40 | 40 | (2,762) | - | - | - |

Significant outstanding balances with related parties at the end of the reporting years/period are as disclosed in Notes 11 and 18.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 28. RELATED PARTIES (CONTINUED)

#### (c) Compensation of key management personnel

| | Audited | | | | Audited | Unaudited |
|---|---|---|---|---|---|---|
| | FYE 31 December | | | | FPE 30 June | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Salaries, wages, allowances and bonuses | 1,572 | 1,654 | 1,824 | 2,858 | 1,746 | 1,299 |
| Defined contribution plans | 182 | 184 | 204 | 300 | 113 | 89 |
| Other staff related expenses | 4 | 5 | 6 | 8 | 4 | 4 |
| | 1,758 | 1,843 | 2,034 | 3,166 | 1,863 | 1,392 |

### 29. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholders' value. The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and 6-month financial period ended 30 June 2026.

The Group monitors capital using net gearing ratio. The net gearing ratio is calculated as net debts divided by total equity. The net gearing ratio as at 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and 6-month financial period ended 30 June 2026 are as follows:

| | | Audited as at | | | | |
|---|---|---|---|---|---|---|
| | Note | 31.12.2022 RM'000 | 31.12.2023 RM'000 | 31.12.2024 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 |
| Loans and borrowings (excluding lease liabilities) | **17** | 5,137 | 4,861 | 7,285 | 6,157 | 7,501 |
| Total equity | | 27,529 | 31,035 | 33,017 | 37,663 | 45,614 |
| Net gearing ratio (times) | | 0.19 | 0.16 | 0.22 | 0.16 | 0.16 |

There were no changes in the Group's approach to capital management during the financial years/period under review.

The Group is not subject to any externally imposed capital requirements.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**30. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIOD**

**(i) Acquisition of Source Code Asia Sdn. Bhd. ("SCASB"), Greneco Sdn. Bhd. ("Greneco"), and Ace Victech Sdn. Bhd. ("Ace Victech") ("Acquisitions")**

On 12 January 2026, SCA had entered into conditional share sale agreement for the:

- acquisition of the entire issued share capital of SCASB of comprising 500,000 ordinary shares from the shareholders of SCASB for a total purchase consideration of RM31,977,875.17 which shall be satisfied entirely via the allotment and issuance of 117,825,627 new ordinary shares in SCA ("Shares") at an issue price of RM0.2714 per Share. ("Acquisitions of SCASB").

- acquisition of the entire issued share capital of Greneco comprising 500,000 ordinary shares from the shareholders of Greneco for a total purchase consideration of RM956,240.18 which shall be satisfied entirely via the allotment and issuance of 3,523,361 new Shares at an issue price of RM0.2714 per Share. ("Acquisition of Greneco").

- acquisition of the entire issued share capital of Ace Victech of comprising 100,000 ordinary shares from the shareholders of Ace Victech for a total purchase consideration of RM486,622.91 which shall be satisfied entirely via the allotment and issuance of 1,793,010 new Shares at an issue price of RM0.2714 per Share. ("Acquisition of Ace Victech").

The said acquisitions have been completed on 23 January 2026.

**(ii) Bonus issue**

On 23 January 2026, SCA had undertaken a bonus issue of on the basis of 27 Shares for every 10 existing Shares held, upon the completion of the Acquisitions. Upon the completion of the Bonus Issue, the share capital shall be RM33,420,740 comprising of 455,625,400 Shares.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**31. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

**(i) Termination of Old Kapar Property (as defined herein) and acquisition of Kapar Property as defined herein)**

On 25 April 2025, SCASB had entered into a sale and purchase agreement with Golden Valley Development Sdn. Bhd. ("Golden Valley") for an acquisition of a single storey detached factory with 3-storey office known as Lot 12, Golden Valley Industrial Park I @ Kapar to be erected on part of the freehold industrial land held under the master title H.S. (D) 165121, PT 84458, Mukim Kapar, Daerah Klang, Selangor ("Old Kapar Property"), for a purchase consideration of RM11,342,680.80. The acquisition will be partly financed through long-term financing facilities. Pursuant to the agreement, SCA paid a deposit representing 10% of the purchase consideration, amounting to RM1,134,268.08.

The sale and purchase of the Old Kapar Property was mutually terminated by the parties pursuant to the deed of rescission dated 29 September 2026 ("Deed"), upon the request by the Golden Valley. Pursuant to the Deed, Golden Valley is required to pay SCASB a full refund of RM1,134,268.08, being 10% of the purchase price, within 30 days from the date of the Deed (free of interest) and an additional voluntary compensation sum of RM1,000,000.00 within 90 days from the date of the Deed. Golden Valley has refunded RM1,134,268.08 to SCASB on 2 October 2026 and made a payment of RM1,000,000.00 as an additional voluntary compensation on 30 October 2026.

On 29 September 2026, SCA had also entered into a sale and purchase agreement with Bukit Saujana Jaya Sdn. Bhd. for an acquisition of a single storey detached factory with 3-storey office building known as Plot No. 9, West Coast Industrial Park @ Kapar, Klang, Selangor to be erected on the freehold industrial land held under the individual title H.S. (D) 319553, PT 165641, Mukim Kapar, Daerah Klang, Negeri Selangor ("Kapar Property"), for a purchase consideration of RM12,880,000.00. As 20 October 2026, SCASB has paid RM1,288,000.00, being 10% of the purchase price. The payment of RM1,288,000.00 was partly funded via the refund from the Golden Valley and the remaining balance of RM153,731.92 was funded via the cash and bank balances of SCASB.

In addition, SCA had on 26 October 2026 executed a supplementary letter of offer to assign the existing long-term financing facility relating to the Old Kapar Property, to the Kapar Property.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**32. SEGMENT INFORMATION**

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by Directors for the purpose of making decisions about resource allocation and performance assessment.

The three reportable operating segments are as follow:

| **Segments** | **Services** |
|---|---|
| HVAC solutions | Provision of HVAC instrumentation solutions as well as the supply and distribution of HVAC instrumentation components and accessories. |
| Fire safety solutions | Provision of fire safety instrumentation solutions comprising the supply and distribution of fire safety instrumentation components and accessories. |
| Water treatment solutions | Provision of water treatment systems, supply of chemical solutions for water treatments as well as water treatment systems maintenance services. |

Other non-reportable segments involved in business of investment holding which are below the quantitative thresholds for determining reportable segments.

Factors used to identify reportable segments
The Group is organised into business units based on its business segments.

Segment profit
Segment performance is used to measure performance as the Directors believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets
The total of segment asset is measured based on all of a segment, as included in the internal reports that are reviewed by the Directors.

Segment liabilities
Segment liabilities are not included in the internal reports that are reviewed by the Directors, hence no disclosures are made on segment liabilities.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**32. SEGMENT INFORMATION (CONTINUED)**

| | HVAC solutions RM'000 | Fire safety solutions RM'000 | Water treatment solutions RM'000 | Total RM'000 |
|---|---|---|---|---|
| **31 December 2022** | | | | |
| **Revenue:** | | | | |
| Revenue from external customers | 26,460 | 10,449 | 3,853 | 40,762 |
| Segment results | 5,345 | 3,362 | 680 | 9,387 |
| Other income | | | | 314 |
| Unallocated expenses | | | | (5,390) |
| Finance costs | | | | (210) |
| Income tax expenses | | | | (1,171) |
| Profit for the financial year | | | | 2,930 |
| **Results:** | | | | |
| *Included in the measure of segment profit are:* | | | | |
| Depreciation of property, plant and equipment | | | | 395 |
| Employee benefits expense | | | | 6,885 |
| **31 December 2023** | | | | |
| **Revenue:** | | | | |
| Revenue from external customers | 27,799 | 14,947 | 4,496 | 47,242 |
| Segment results | 7,189 | 4,550 | 1,072 | 12,811 |
| Other income | | | | 451 |
| Unallocated expenses | | | | (6,168) |
| Finance costs | | | | (210) |
| Income tax expenses | | | | (1,795) |
| Profit for the financial year | | | | 5,089 |
| *Included in the measure of segment profit are:* | | | | |
| Depreciation of property, plant and equipment | | | | 410 |
| Employee benefits expense | | | | 6,232 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**32. SEGMENT INFORMATION (CONTINUED)**

| | HVAC solutions RM'000 | Fire safety solutions RM'000 | Water treatment solutions RM'000 | Total RM'000 |
|---|---|---|---|---|
| **31 December 2024** | | | | |
| **Revenue:** | | | | |
| Revenue from external customer | 30,912 | 26,714 | 4,008 | 61,634 |
| Segment results | 7,408 | 9,059 | 866 | 17,333 |
| Other income | | | | 448 |
| Unallocated expenses | | | | (6,976) |
| Finance costs | | | | (300) |
| Income tax expenses | | | | (2,723) |
| Profit for the financial year | | | | 7,782 |
| **Results:** | | | | |
| *Included in the measure of segment profit are:* | | | | |
| Depreciation of property, plant and equipment | | | | 497 |
| Employee benefits expense | | | | 6,964 |
| **31 December 2025** | | | | |
| **Revenue:** | | | | |
| Revenue from external customer | 33,200 | 38,378 | 6,429 | 78,007 |
| Segment results | 7,614 | 15,964 | 1,714 | 25,292 |
| Other income | | | | 731 |
| Unallocated expenses | | | | (10,991) |
| Finance costs | | | | (304) |
| Income tax expenses | | | | (4,082) |
| Profit for the financial year | | | | 10,646 |
| *Included in the measure of segment profit are:* | | | | |
| Depreciation of property, plant and equipment | | | | 582 |
| Employee benefits expense | | | | 10,172 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**32. SEGMENT INFORMATION (CONTINUED)**

| | HVAC solutions RM'000 | Fire safety solutions RM'000 | Water treatment solutions RM'000 | Total RM'000 |
|---|---|---|---|---|
| **30 June 2026** | | | | |
| **Revenue:** | | | | |
| Revenue from external customer | 22,696 | 23,974 | 4,660 | 51,330 |
| Segment results | 6,263 | 10,886 | 1,000 | 18,149 |
| Other income | | | | 430 |
| Unallocated expenses | | | | (7,512) |
| Finance costs | | | | (141) |
| Income tax expenses | | | | (2,975) |
| Profit for the financial year | | | | 7,951 |
| Included in the measure of segment profit are: | | | | |
| Depreciation of property, plant and equipment | | | | 239 |
| Employee benefits expense | | | | 5,457 |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**32. SEGMENT INFORMATION (CONTINUED)**

Geographical information

Revenue information based on the geographical location of customers are as follows:

| | Revenue RM'000 |
|---|---|
| **31 December 2022** | |
| Malaysia | 39,803 |
| Singapore | 839 |
| Indonesia | 67 |
| Thailand | 53 |
| | 40,762 |
| **31 December 2023** | |
| Malaysia | 44,991 |
| Singapore | 1,853 |
| Indonesia | 398 |
| | 47,242 |
| **31 December 2024** | |
| Malaysia | 61,168 |
| Singapore | 412 |
| Indonesia | 54 |
| | 61,634 |
| **31 December 2025** | |
| Malaysia | 77,289 |
| Singapore | 361 |
| Indonesia | 357 |
| | 78,007 |
| **30 June 2026** | |
| Malaysia | 50,880 |
| Singapore | 293 |
| Indonesia | 157 |
| | 51,330 |

There are no individual customers who contributed more than 10.0% of the Group's revenue during the financial years ended 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and 6-month financial period ended 30 June 2026, the Group is thus, not dependent on any particular customer.

## 14. ADDITIONAL INFORMATION

### 14.1 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Constitution which complies with the Listing Requirements, the Act and the Rules of Bursa Depository.

The words and expressions appearing in this Section 14 shall bear the same meanings used in our Constitution unless they are otherwise defined herein or the context otherwise requires:

| Words | Meaning |
|---|---|
| Central Depositories Act | Means the Securities Industry (Central Depositories) Act 1991 and any statutory modification, amendment or re-enactment thereof for the time being in force. |
| Clause | a clause in our Constitution as originally framed or as altered from time to time by special resolution. |
| Secretary | any person or persons appointed pursuant to the Act to perform the duties as the secretary of the Company and shall include a joint, temporary, assistant or deputy secretary and any person appointed by the Directors to perform any of the duties of the Secretary. |
| Security or Securities | securities as defined in Section 2 of the Capital Markets and Services Act 2007 or any modification, amendment or re-enactment thereof for the time being in force. |
| Statutes | the Act, the Central Depositories Act, the Listing Requirements, the Rules and every other law, by-laws, regulations, rules, orders and/or official directions for the time being in force and any other directives or requirements imposed on companies and affecting the Company by the relevant regulatory bodies and/or authorities. |

#### 14.1.1 Remuneration, voting and borrowing powers of Directors

**(i) Directors' remuneration**

Clause 110 – Alternate Director

(1) A Director may appoint a person to act as his alternate, provided that such person is not an existing Director, such person does not act as an alternate for more than one Director, the appointment is approved by a majority of the other members of the Board, and any fee paid by the Company to the alternate shall be deducted from that Director's remuneration. The alternate Director shall be entitled to notices of all meetings and to attend, speak and vote at any such meeting at which his appointor is not present. Any appointment so made may be revoked at any time by the appointor, and any appointment or revocation under this Clause 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.

(2) If any Director retires by rotation and is re-elected by the meeting or is, pursuant to this Constitution, deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him of an alternate Director which was in force immediately prior to the appointor's retirement shall continue to operate after such re-election as if the appointor had not so retired.

**14. ADDITIONAL INFORMATION *(Cont'd)***

(3) Any appointment or removal of an alternate Director may be made by cable, telegram, telefax, telex, electronic means, or in any other manner approved by the Directors, which shall be confirmed, as soon as possible, by letter, but may be acted upon by the Company, meanwhile.

(4) A Director shall not be liable for the acts and defaults of any alternate Director appointed by him.

(5) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being, but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

Clause 113 – Remuneration of Directors

The fees and any benefits payable to the Directors from time to time, be subject to annual shareholder approval at general meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, except that any Director, who shall hold office for part only of the period in respect of which such fees are payable, shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office, PROVIDED ALWAYS that:

(a) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;

(b) salaries payable to executive Directors shall not include a commission on or percentage of turnover;

(c) fees and any benefits payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and

(d) any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of that Director.

Clause 114 – Reimbursement and Special Remuneration

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

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

**14. ADDITIONAL INFORMATION *(Cont'd)***

Clause 148 – Remuneration of Managing Director

The remuneration of the Managing Director or Managing Directors shall subject to the terms of any agreement entered into in any particular case 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 pension, gratuity or other benefits upon their retirement.

**(ii) Voting and borrowing powers of Directors**

Clause 77 – Quorum

No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds, to business. For all purposes, two (2) members, present in person or by proxy, or, in the case of corporations which are members, present by their representatives appointed pursuant to the provision of this Constitution and entitled to vote, shall be a quorum.

Clause 89 – Chairman's Casting Votes

In the case of an equality of votes on a show of hands, the Chairman of the meeting at which the show of hands takes place, shall not be entitled to a second or casting vote but not when a poll is demanded.

Clause 118(1) – Director's Borrowings Powers

To the extent that the Act, the Listing Requirements and the Constitution allow, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other Securities whether outright or as security for any debt, liability or obligation of the Company or of any related third party, PROVIDED ALWAYS that nothing contained in this Constitution shall authorise the Directors to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other Securities whether outright or as security for any debt, liability or obligation of an unrelated third party. Provided also that the Directors shall not issue any debt Securities convertible to ordinary shares without the prior approval of the Company in meeting of members.

Clause 135 – Disclosure of Interest in Contracts, Property, Offices, Etc

Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company. This clause is subject to the Listing Requirements.

Clause 136 – Directors Refrained from Voting in Interested Transactions

A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest. Without prejudice to the generality of the foregoing, a Director shall also not vote in regard to any contract or proposed contract or arrangement with any other company in which he is interested, either as an officer of that other company or as a holder of shares or other Securities in that other company.

Clause 138 – Director May Vote on the Giving of Security or Indemnity Where He is Interested

Subject to Clause 135, a Director may vote in respect of:

**14. ADDITIONAL INFORMATION *(Cont'd)***

(a) any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or

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

By an ordinary resolution of the Company, the provisions of this Clause may at any time be suspended or relaxed to any extent and, either generally or in respect of any particular contract, arrangement or transaction, and any particular contract, arrangement or transaction carried out in contravention of this Clause, may be ratified.

**(iii) Changes in share capital, rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights**

Clause 25 – Modification of Rights

If at any time the share capital of the Company, by reason of the issuance of preference shares or otherwise is divided into different classes, the repayment of such preferred capital or all or any of the rights and privileges attached to each class of shares may subject to the provisions of Section 91 of the Act, this Constitution and the provisions of any written law, be varied, modified, commuted, affected, abrogated or dealt with by resolution passed by the holders of at least three-fourth of the issued shares of that class at a separate meeting of the holders of that class and all the provisions hereinafter contained as to general meetings shall mutatis mutandis apply to every such meeting except that the quorum hereof shall be two (2) persons at least holding or representing by proxy one third of the issued shares of the class and for an adjourned meeting one (1) person holding shares of such class.

Provided however that in the event of the necessary majority for such a resolution not having been obtained in the manner aforesaid consent in writing may be secured by members holding at least three- fourths of the issued shares of the class and such consent if obtained within two (2) months from the date of the separate meeting shall have the force and validity of a resolution duly carried. To every such resolution the provisions of Section 91 of the Act, shall with such adaptations as are necessary apply.

Clause 26 – Special Right to Any Class of Share

The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto, the Company purchasing its own shares and the Company redeeming redeemable preference shares.

Clause 21 – Issue of Securities

Subject to the provisions of this Constitution and Listing Requirements, and notwithstanding the existence of a resolution pursuant to Section 75(1) and 76(1) of the Act, the Company shall ensure that it shall not issue any shares or convertible securities if the total number of shares or convertible securities, when aggregated with the total number of any such shares or convertible securities issued during the preceding twelve (12) months, exceeds the allowed threshold by the prevailing rules and regulation, except where the shares or convertible securities are issued with the prior approval of the members in general meeting of the precise terms and conditions of the issue.

## 14. ADDITIONAL INFORMATION *(Cont'd)*

Clause 62 – Alteration of capital

Subject to the Statutes, the Company may from time to time alter its share capital by passing a special resolution to:

(a) 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;

(b) convert all or any of its paid-up shares into stock and may reconvert that stock into paid-up shares;

(c) subdivide its shares or any of the shares, whatever is in the subdivision, the proportions 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;

(d) cancel any shares, which at the date of the passing of the resolution, which 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; or

(e) subject to the provisions of this Constitution and the Act, convert and/or reclassify any class of shares into any other class of shares.

**(iv) Transfer of securities**

Clause 49 – Transfer of securities

The transfer of any listed securities or class of listed securities in the Company shall be by way of book entry by the Depository in accordance with the Rules of Depository 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 Listed Security.

### 14.2 SHARE CAPITAL

(i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus after 6 months from the issuance date of this Prospectus.

(ii) There are no special rights attached to our Shares. As at the date of this Prospectus, we only have 1 class of shares in our Company, namely ordinary shares, all of which rank equally with one another.

(iii) The share capital of our Group as at the LPD and changes in their respective share capital for the Financial Years / Period Under Review and up to the LPD are as set out in Sections 6.3 and 6.4 of this Prospectus.

(iv) Save for the new Shares issued pursuant to the Acquisitions and Bonus Issue as disclosed in Section 6.2 of this Prospectus, no shares, debentures, outstanding warrants, options, convertible securities or uncalled capital of our Group have been issued or proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the 3 years preceding the LPD.

## 14. ADDITIONAL INFORMATION *(Cont'd)*

(v) None of the share capital of our Company or any of our Subsidiaries is under option, or agreed conditionally or unconditionally to be put under option, as at the date of this Prospectus.

(vi) Save for the Issue Shares reserved for application by the Eligible Persons as disclosed in Section 4.3.1(ii) of this Prospectus, currently there is no other scheme involving our Directors and employees in the share capital of our Company or Subsidiaries, as at the date of this Prospectus.

(vii) As at the date of this Prospectus, our Group does not have any outstanding warrants, options, convertible securities and uncalled capital.

### 14.3 LIMITATION ON THE RIGHT TO OWN SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Section 14.4 below, there is no limitation on the right to own our Shares including any limitation on the right of non-residents or foreign shareholders to hold or exercise voting rights on our Shares imposed by Malaysian law or by our Constitution.

### 14.4 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for the quotation on the Official List of ACE Market, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, holders of our Shares must deposit their Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer the Shares to the MOF and such Shares may not be traded on Bursa Securities.

Dealing in Shares deposited with Bursa Depository may only be effected by a person having a securities account/ CDS Account with Bursa Depository by means of entries in the securities account/ CDS Account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

### 14.5 PUBLIC TAKE-OVERS

During the FYE 2025 and up to the LPD, there were no:

(i) public take-over offers by third parties in respect of our Shares; and

(ii) public take-over offers by our Company in respect of other companies' shares.

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## 14. ADDITIONAL INFORMATION *(Cont'd)*

### 14.6 MATERIAL CONTRACTS

Save as disclosed below, we have not entered into any material contracts (not being contracts entered into in the Group's ordinary course of business) within the period covered by the Financial Years / Period Under Review as disclosed in this Prospectus up to the date of this Prospectus:

(i) Sale and purchase agreement dated 26 April 2024 between DURSB (as vendor) and SCASB (as purchaser) in relation to the acquisition of all that piece of leasehold land held under Pajakan Mukim No. 3921, Lot 68, Tempat Kg Sg Kayu Ara, Pekan Kayu Ara, Daerah Petaling, Negeri Selangor measuring approximately 1,733 sq. ft. in land area together with a 4-storey shop office erected thereon bearing postal address No. 11A, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor for a cash consideration of RM1,450,000. The sale and purchase of the Kayu Ara Office 1 was completed on 7 August 2024;

(ii) Supplemental sale and purchase agreement dated 26 April 2024 between DURSB (as vendor) and SCASB (as purchaser) to supplement the sale and purchase agreement dated 7 July 2017 between DURSB and SCASB in relation to the acquisition of all that piece of leasehold land held under Pajakan Mukim No. 3922, Lot 69, Tempat Kg Sg Kayu Ara, Pekan Kayu Ara, Daerah Petaling, Negeri Selangor measuring approximately 1,733 sq. ft., in land area together with a 4-storey shop office erected thereon bearing postal address No. 11, Jalan PJU 6A/3, Kayu Ara Business Park, 47400 Petaling Jaya, Selangor for a cash consideration of RM1,700,000.00. The supplemental agreement was entered to correct and rectify the details of the Kayu Ara Office 2 which reference was mistakenly made to Kayu Ara Office 1[(1)];

**Note:**

[(1)] For information, there are no disputes, claims and/or encumbrances against SCASB in occupying the Kayu Ara Office 1 since the date of commencement of SCASB's operation up to the date of registration of title in August 2024.

(iii) Sale and purchase agreement dated 25 April 2025 between Golden Valley Development Sdn Bhd ("**Golden Valley**") (as vendor and developer) and SCASB (as purchaser) in relation to the acquisition of a single storey detached factory with 3-storey office known as Lot 12, Golden Valley Industrial Park I @ Kapar to be erected on part of the freehold industrial land held under the master title H.S. (D) 165121, PT 84458, Mukim Kapar, Daerah Klang, Selangor for a cash consideration of RM11,342,680.80. The sale and purchase of the said property was mutually terminated by the parties pursuant to the deed of rescission dated 29 September 2026 ("**Deed**"), upon the request of the developer. Pursuant to the Deed, the developer is required to pay SCASB a full refund of RM1,134,268.08, being 10.00% of the purchase price, within 30 days from the date of the Deed (free of interest) and an additional voluntary compensation sum of RM1,000,000.00 within 90 days from the date of the Deed. Golden Valley had on 2 October 2026 refunded the amount of RM1,134,268.08, being the 10.00% of the purchase price to SCASB and on 30 October 2026 made payment for the additional voluntary compensation sum of RM1,000,000.00 via a cheque to SCASB;

(iv) Share sale agreement dated 12 January 2026 made between our Promoters (as the vendors) and SCA (as the purchaser) for the acquisition of entire equity interest of SCASB which comprises of 500,000 ordinary shares for a purchase consideration of RM31,977,875.17 which satisfied by the issuance of the 117,825,627 new Shares at an issue price of RM0.2714 per Share. The said acquisition was completed on 23 January 2026;

## 14. ADDITIONAL INFORMATION *(Cont'd)*

(v) Share sale agreement dated 12 January 2026 made between our Promoters, Tan Choon Seng and We Her Shoei (collectively as the vendors), and SCA (as the purchaser) for the acquisition of entire equity interest of Greneco which comprises of 500,000 ordinary shares for a purchase consideration of RM956,240.18 which was satisfied by the issuance of the 3,523,361 new Shares at an issue price of RM0.2714 per Share. The said acquisition was completed on 23 January 2026;

(vi) Share sale agreement dated 12 January 2026 made between our Promoters, Lo Weng Hoe and Liong Chian Yie (collectively as the vendors), and SCA (as the purchaser) for the acquisition of entire equity interest of Ace Victech which comprises of 100,000 ordinary shares for a purchase consideration of RM486,622.91 which was satisfied by the issuance of the 1,793,010 new Shares at an issue price of RM0.2714 per Share. The said acquisition was completed on 23 January 2026;

(vii) Sale and purchase agreement dated 29 September 2026 made between Bukit Saujana Jaya Sdn Bhd (as vendor and developer) and SCASB (as purchaser) in relation to the acquisition of the Kapar Property for a cash consideration of RM12,880,000.00. SCASB has paid RM1,288,000.00, being 10.00% of the purchase price, upon the signing of the sale and purchase agreement. The sale and purchase of the Kapar Property is pending completion and as at the LPD the construction status of the Kapar Property was at 45.00% completion; and

(viii) Underwriting agreement dated 6 October 2026 made between our Company and Malacca Securities as the Underwriter for the underwriting of up to 34,196,200 Issue Shares under the Public Issue and a letter dated 19 October 2026 extending the period for completion of the Listing from 2 months to 3 months from the date of Underwriting Agreement. Please refer to Section 4.10 of this Prospectus for further details of the salient terms of the Underwriting Agreement.

### 14.7 MATERIAL LITIGATION

Our Group is not engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability, in the 12 months immediately preceding the date of this Prospectus.

### 14.8 LETTERS OF CONSENT

(i) Our Principal Adviser, Sponsor, Underwriter, Placement Agent, Company Secretaries, Due Diligence Solicitors, Share Registrar and Issuing House have given and have not subsequently withdrawn their written consents before the issuance of this Prospectus for the inclusion of their names and all references thereto in the form, manner and context in which they are included in this Prospectus;

(ii) Our Auditors and Reporting Accountants have given and have not subsequently withdrawn their written consent before the issuance of this Prospectus for the inclusion of their name and all references thereto, the Accountants' Report and the Reporting Accountants' Report on the compilation of Pro forma Consolidated Statements of Financial Position as at 30 June 2026, in the form, manner and context in which they are included in this Prospectus; and

(iii) Our IMR has given and has not subsequently withdrawn its written consent before the issuance of this Prospectus with the inclusion of its name and all references thereto and the IMR Report in the form, manner and context in which they are included in this Prospectus.

## 14. ADDITIONAL INFORMATION *(Cont'd)*

### 14.9 RESPONSIBILITY STATEMENTS

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

Malacca Securities, being the Principal Adviser, Sponsor, 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 the IPO.

### 14.10 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our Registered Office at B-21-1, Level 21, Tower B Northpoint Mid Valley City No. 1, Medan Syed Putra Utara 59200 Kuala Lumpur W.P. Kuala Lumpur Malaysia, during the normal office hours for a period of 6 months from the date of this Prospectus:

(i) our Constitution;

(ii) the IMR Report referred to in Section 8 of this Prospectus;

(iii) the Reporting Accountants' Report on the Pro forma Consolidated Statements of Financial Position as at 30 June 2026 and the Accountants' Report as referred to in Sections 12.18 and 13, respectively of this Prospectus;

(iv) the audited financial statements of our Group for the Financial Years / Period Under Review;

(v) the material contracts referred to in Section 14.6 of this Prospectus; and

(vi) the letters of consent referred to in Section 14.8 of this Prospectus.

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## 15. 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 SHALL NOT RELY ON THIS SUMMARY FOR THE PURPOSES OF ANY APPLICATION FOR OUR ISSUE 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 THE ISSUING HOUSE FOR FURTHER ENQUIRIES.**

**Unless otherwise defined, all words and expressions used in this Section 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.**

### 15.1 OPENING AND CLOSING OF APPLICATIONS

Applications for our Issue Shares will be accepted and closed at the time and date stated as below:

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 18 NOVEMBER 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 26 NOVEMBER 2026

If there is any change to the time or date for the closing of the applications for our Issue Shares, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and announce it on Bursa Securities' website. The dates for the ballot of the applications for our Issue Shares, the allotment of our Issue Shares and our Listing would then be extended accordingly.

**Kindly note any late Applications will not be accepted.**

### 15.2 METHODS OF APPLICATIONS

#### 15.2.1 Application for our Issue Shares by the Malaysian Public and the Eligible Persons

Application must accord with the terms of our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed.

| **Types of Application and category of investors** | **Application Method** |
|---|---|
| Application by the Eligible Persons | Pink Application Form only |
| Applications by the Malaysian Public: | |
| (a) Individuals | White Application Form or Electronic Share Application or Internet Share Application |
| (b) Non-Individuals | White Application Form only |

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## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

### 15.2.2 Application for our Issue Shares via placement

| Types of Application | Application Method |
|---|---|
| Applications by: | |
| Bumiputera Investors approved by MITI | MITI will contact the Bumiputera Investors directly. They should follow MITI's instructions. |
| Selected Investors | The Placement Agent will contact the Selected Investors directly. They should follow the Placement Agent's instructions. |

Eligible Persons, Selected Investors and Bumiputera investors approved by the MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

### 15.3 ELIGIBILITY

### 15.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third-party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for **each category** from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 ISSUE SHARES OR MULTIPLES OF 100 ISSUE 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 TEN (10) YEARS UNDER SECTION 182 OF THE CMSA.**

**AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION. PERSONS SUBMITTING APPLICATION BY WAY OF APPLICATION FORMS MAY NOT SUBMIT APPLICATIONS BY WAY OF ELECTRONIC SHARE APPLICATION OR INTERNET SHARE APPLICATION AND VICE VERSA.**

**AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMISES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.**

## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

### 15.3.2 Application by the Malaysian Public

You can only apply for our Issue Shares if you fulfil all of the following:

(i) You must be one of the following:

(a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares with a Malaysian address; 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 the Issuing House or an immediate family member of a director or employee of the Issuing House; and

(iii) You must submit Application by using only one of the following methods:

(a) White Application Form;

(b) Electronic Share Application; or

(c) Internet Share Application.

### 15.3.3 Application by the Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

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, the Issuing House, Malacca Securities, Participating organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

## 15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORM

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 RM0.28 for each Issue Share.

Payment must be made out in favour of **"MIH SHARE ISSUE ACCOUNT NO. 718"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Method below is relevant for White Application Form only.

## 15. 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 of the following methods:

(i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

**MALAYSIAN ISSUING HOUSE SDN. BHD.**
*(Registration No. 199301003608 (258345-X))*
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor

**OR**

**P.O. Box 00010**
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor

(ii) **DELIVER BY HAND AND DEPOSIT** in the Drop-in Boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan,

and to arrive not later than 5.00 p.m. on 26 November 2026 or by such other time and date specified in any change to the date or time for closing of the application for our Issue Shares.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all of your enquiries in respect of the White Application Form to the Issuing House.

### 15.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for our Issue 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 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 Electronic Participating Financial Institutions.

## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

### 15.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

Internet Share Applications may be made through the internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd, Hong Leong Investment Bank Berhad, iFAST Capital Sdn. Bhd., Kenanga Investment Bank Berhad, Malacca Securities Sdn. Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn. Bhd, Public Bank Berhad, RHB Bank Berhad, TA Securities Holdings Berhad and UOB Kay Hian (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.

### 15.7 AUTHORITY OF OUR BOARD AND THE 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 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 15.9 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 the 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.

### 15.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, the 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 Issue 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.

## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

The basis of allocation of shares and the balloting results in connection therewith will be furnished by our Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at www.mih.com.my within 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 our 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 to you in full (without any interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in Section 4.3.4 of this Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

### 15.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies will be refunded to you (without any interest) in the following manner.

#### 15.9.1 For applications by way of Application Form

(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 ten (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, or provided an incorrect or incomplete 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, which subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).

(iv) The 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 ten (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 the 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).

## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

### 15.9.2 For applications by way of Electronic Share Application and Internet Share Application

(i) The 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 the Issuing House.

(ii) You may check your account on the fifth (5th) Market Day from the balloting date.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than ten (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 the Issuing House.

### 15.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

(i) our Shares allotted to you will be credited to 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 Securities Industry (Central Depositories) Act, 1991 ("**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 of Bursa Depository.

(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.

## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

### 15.11 ENQUIRIES

Any enquiries in respect of the Applications may be directed as follows:

| Mode of application | Parties to direct the enquiries |
|---|---|
| Application Form | Issuing House Enquiry Services Telephone at telephone no. +603-7890 4700 |
| Electronic Share Application | Participating Financial Institutions |
| Internet Share Application | Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions |

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 p.m. on the allotment day. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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